

# National Transport Authority – Consolidated Contact Centre

## **Final Business Case**

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Author(s): Paul Fitzsimons

Younes Guessous (KPMG)  
Christopher Rainbird (KPMG)  
Fraser Clarke (KPMG)

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## Document History

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## Terms and Acronyms

Term	Description
<b>AHT</b>	Average Handle Time
<b>As-Is</b>	The current state of and environment
<b>BAU</b>	Business As Usual
<b>BCR</b>	Benefit to Cost Ratio
<b>CAF</b>	Common Appraisal Framework for Transport Projects and Programs
<b>CCC</b>	Consolidated Contact Centre
<b>CMS</b>	Case Management System
<b>CRM</b>	Customer Relationship Management
<b>DOT</b>	Department of Transport
<b>IVR</b>	Interactive Voice Response
<b>KPI</b>	Key Performance Indicator

<b>NPV</b>	Net Present Value
<b>NTA</b>	National Transport Authority
<b>OBM</b>	Operator Business Model
<b>PBC</b>	Preliminary Business Case
<b>PSC</b>	Public Spending Code
<b>PSO</b>	Public Service Obligation
<b>SLA</b>	Service Level Agreement
<b>SP</b>	Service Provider
<b>SPOC</b>	Single Point of Contact.
<b>TFI</b>	Transport for Ireland
<b>TO</b>	Transport Operators (includes Dublin Bus, Bus Éireann, Irish Rail, Transdev, Go-Ahead Ireland and the NTA) all of whom operate their own customer contact centres.
<b>To-Be</b>	The target state for an environment – usually the desired outcome of a change
<b>TSP</b>	Ticket Solution Provider
<b>TUPE</b>	Transfer of Undertakings Protect Employment



## 1. Executive Summary

### 1.1. Overview

The Consolidated Contact Centre (CCC) is a major business transformation programme delivering a consolidated out-sourced contact centre to serve the customers of Transport Operators (TOs) and Ticketing Service Providers (TSPs). The contact centre is based on a unified set of supporting systems and capabilities. It shall be implemented and operated by a specialist Service Provider.<sup>1</sup>

The CCC sets out to address the problem of the disjointed and fragmented customer experience; the security, data protection, and other risks; as well as inefficiencies due to non-standardised ways of working that exist in the current environment - a problem that becomes more severe as new transport operators enter the market to provide services (as planned for in Government policy).

The programme aligns with the mission and the strategic objectives of the NTA to promote public transport under a single brand and to drive customer service standards and innovation.

### 1.2. Report Purpose

The purpose of this report is to provide a Final Business Case, in advance of the decision to award the contract.

The Final Business Case involves a complete appraisal based on costs and other information supplied by the CCC Service Provider at Final Tenders stage.

The Final Business Case has been prepared in accordance with the Public Spending Code (PSC) guidelines. It is intended to reassess the previous iteration of the **Business Case from 2020** and the **Sense Check from 2022**, in light of final tender submissions and other evolutions and outcomes of the Procurement process.

The case is based on a comprehensive understanding of up-to-date costs, benefits, risks, deliverability and affordability, providing a basis on which to decide whether to proceed with a programme to **deliver a consolidated contact centre**.

For completeness, the report also describes the programme Scope and the Procurement process, in order to constitute a single reference document for Decision Gate 3 – Approval to Proceed.

### 1.3. Strategic Relevance & Objectives

Section 3 presents an updated assessment and confirmation of the Strategic relevance and objectives for the CCC.

The reassessment demonstrates that it supports the NTA's statutory purpose and is in line with priorities identified in the **2023-2025 Statement of Strategy**.

By consolidating the distributed customer contact functions of the different Transport Operators, into a single platform, operated by a specialist provider, under the TFI Brand, the CCC **represents a**

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<sup>1</sup> The term Service Provider is used throughout this document, to refer to company contracted to deliver and operate the CCC, excepted where reference is made to the Operator Business Model (OBM). The term Operator is used in the CCC Contract.

**major commitment to customer experience**, and uses technology and innovation to deepen the integration and accessibility of the national public transport system.

The CCC is a **relevant and appropriate investment that furthers the NTA's mission** to connect Ireland's people and places, by providing sustainable transport infrastructure and services.

The overall objectives for the CCC focus on customer experience, efficiency, and compliance. These objectives have been translated into a set of service, solution, and compliance requirements described in the Contract and Contract Schedules.

They provide the basis for the CCC's design, implementation, and operation; and for tracking and measuring the future value and benefits delivered.

#### 1.4. Detailed Programme Brief

Section 4 describes the Scope and requirements for the CCC and sets out the Governance framework. It also details the Procurement process and key features of the Contract that are designed to ensure a high-quality service and to deliver value for money.

##### Scope

The CCC shall deliver consolidated contact centre capability and associated administration services to serve the customers of Transport Operators (TOs) and Ticketing Service Providers (TSPs).

The CCC Service Provider shall operate a contact centre and associated solution set, including case management system, capable of receiving and responding to complex customer queries as well as and handling customer issues and complaints.

The CCC shall operate 365 days a year.

The CCC Service Provider shall supply and support multichannel contact capabilities across digital and non-digital channels.

The CCC Service Provider shall deliver Lost Property management services and solutions, which shall be both customer facing and internal facing to the Transport Operators (TOs).

The CCC Service Provider shall support customer campaigns, the freedom of information and data access requests, ad hoc administration duties and activities for the NTA, and analysis contact trends in real time for Transport Operators (TOs).

## Participating entities

The following entities are currently (as of the anticipated commencement date of the contract) in scope for transition of contact centre services to the CCC:

- Go Ahead
- Bus Éireann including Expressway
- Irish Rail
- NTA
  - TFI GO
  - NTA phone lines operation
  - NTA department handover
  - NTA taxi handover / business to consumer only
  - NTA BusConnects and other project / programme queries and handover
  - Local Link (second line support only)
- Dublin Bus
- Luas

## Procurement

The Procurement process was conducted as a competitive procedure with negotiation in accordance with the European Union (Award of Public Authority Contracts) Regulations 2016.

### 1.5. Financial Appraisal and Affordability Assessment

Section 6 sets out the approach, analysis, and results of the Financial Appraisal.

In the Appraisal, costs that the Service Provider submitted in their Final Tender are compared to the expected costs that were used at the 2020 Business Case and at the 2022 Business Case Sense Check.<sup>2</sup>

Total Service Provider costs at Final Tender stage or **€42.0m are significantly lower than the 2020 Business Case figure of €53.5m** and the 2022 Business Case Sense Check figure of €72.2m.

The following table presents the comparison of the costs submitted by the Service Provider in real terms in the Extended Term scenario, to the costs of service estimated in the 2020 Business Case and also the 2022 Business Case Sense Check. Figures have been adjusted to ensure like for like comparison as regards inflation (in order to present figures in real terms at 2025<sup>3</sup> prices) and period of operations (10 years).

Comparison of Service Provider Cost costs at Final Tender stage to previous...	In real terms - €'000
(A_i1) - 2020 Business Case	30,623
(A_i2) - 2020 Business Case - adjusted to 10 years of operations	37,641
(A) - 2020 Business Case - adjusted to 10 years of operations - uplifted for inflation to match with (C)	53,459
(B_i) - 2022 Business Case Sense Check - 10 years of operations (referred to as '12 years') – including risk contingency (10%) and optimism bias (38%)	50,844

<sup>2</sup> Costs are made up of the milestone payments, fixed operating payments, variable operating payments and additional payments, see Section 5 for more information

<sup>3</sup> 2025 is the year where indexation is expected to start under contract provisions.

(B) - 2022 Business Case Sense Check - 10 years of operations - including risk contingency and optimism bias - uplifted for inflation to match with (C)	72,210
(C) – Final Tender Stage Price – Extended Term (10 years)	42,006
<b>Difference % (C) – (A)</b>	<b>-21%</b>
<b>Difference % (C) – (B)</b>	<b>-42%</b>

The financial **Benefit Cost Ratio (BCR)** is **0.35** and the **Net Present Value (NPV)** is **33,486**.

Section 9 presents the findings of the Affordability assessment.

The CCC will be funded out the NTA's overall budget, which is provided for out of an allocation from the Department of Transport (DoT).

Costs for delivery and set up – define as Mobilisation and Transition (M&T) -- will be paid for out of the NTA's capital budget.

Operating costs will be paid for out of the PSO service support costs budget and the potential savings are expected to reduce payments to the Transport Operators from the PSO operating budget.

Within the total costs of the CCC, the amounts tendered by the Service Provider are the result of an extensive market competition and engagement. Throughout this competition, the NTA constantly looked to secure value for money, whilst meeting programme objectives.

The Financial Appraisal results over the timeline are summarised in the following table.

Financial Appraisal	2023 Final Business Case
In real terms - €'000	10 years of operations 2022 values
<i>Service Provider payments</i>	42,006
<i>NTA costs</i>	8,266
Total Costs	50,273
Total Savings <sup>4</sup>	-22,871
<b>Net Costs</b>	<b>27,402</b>
Risk & Optimism Bias	7,988
Inflation	3,357
VAT	11,049

A sensitivity analysis was conducted to evaluate the impact of extension of contract term and volume-linked price items on the overall payments invoiced to the NTA.

The results of the sensitivity analysis for the high-volume scenario, based on a 20% increase in the notional volumes assumed in the procurement showed an overall impact of +14.8% and for the low-

<sup>4</sup> The potential savings from the CCC are 22,871, lower than 2020 savings of 24,566. The difference in savings between the 2020 Business Case Sense and the 2023 Business Case is due to the following: 1) Net costs increased by €3m (in 2018 values), as a result of removing the net saving attributed to the website and mobile apps. 2) A risk contingency and an optimism bias envelope were estimated and included in the 2023 Business Case.

volume scenario, based on a 20% reduction in assumed volumes, showed an overall impact of - 14.8%.

## 1.6. Economic Appraisal

Section 7 sets out the findings of a detailed Economic Appraisal of the CCC.

The Economic Appraisal is based on the approach used in the 2020 Business Case and at the 2022 Business Case Sense Check, with updated data.

Both qualitative and quantitative benefits and costs were analysed, including:

- Financial costs and savings
- Customer time savings
- Exchequer impacts
- Economic spill overs
- Additional passenger revenue (patronage benefits)

Using a cost-benefit analysis model, viability was analysed under a number of scenarios – with quantified monetary-equivalent benefits and identified Net Present Values (NPV) and Benefit to Cost Ratios (BCR).<sup>5</sup>

The analysis was informed by available data and through a desktop review of secondary research. Economic models and assumptions have been carried over and updated from the 2020 Business Case.

**There is uncertainty in the models and assumptions due to limitations in the data and supporting case studies. As a result of this uncertainty, a conservative approach has been taken in the economic analysis and in the conclusions drawn.**

The scenarios are listed below and shown in Table 0 -1:

- **Scenario 1** – Includes the financial savings, customer time savings and exchequer impacts against the total costs for the CCC
- **Scenario 2** – Includes the financial savings, customer time savings, exchequer impacts, and economic spill overs (indirect impacts) against the total costs for the CCC
- **Scenario 3** – Includes the financial savings, customer time savings, exchequer impacts, and economic spill overs (indirect and induced impacts) against the total costs for the CCC
- **Scenario 5** – Includes the financial savings, customer time savings, exchequer impacts, economic spill overs (Indirect), and uplift of patronage benefits (0.1% uplift) against the total costs for the CCC
- **Scenario 6** – Includes the financial savings, customer time savings, exchequer impacts, economic spill overs (indirect and induced impacts), and uplift of patronage benefits (0.2% uplift) against the total costs for the CCC
- **Scenario 7** – Includes the financial savings, customer time savings, exchequer impacts, economic spill overs (indirect and induced impacts), and uplift of patronage benefits (0.5% uplift) against the total costs for the CCC

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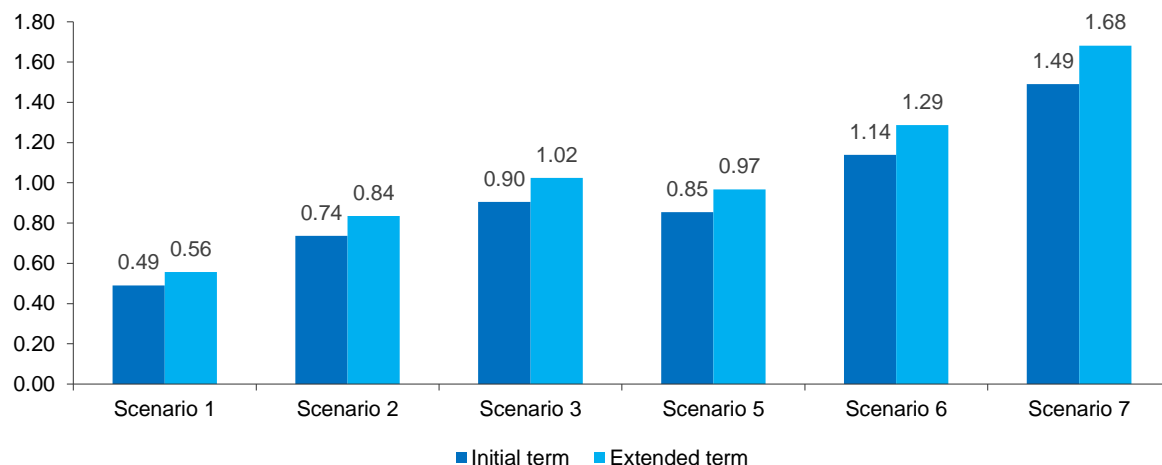
<sup>5</sup> Net Present Values: is the difference between the present value of cash inflows and the present value of cash outflows over a period of time. Benefit to Cost Ratios: is an indicator showing the relationship between the relative costs and benefits expressed in monetary or qualitative terms.

**Table 0 - 1: Scenarios used in the Economic Appraisal**

Category	Scenario 1	Scenario 2	Scenario 3	Scenario 5	Scenario 6	Scenario 7
Financial savings and costs	✓	✓	✓	✓	✓	✓
Customer time savings	✓	✓	✓	✓	✓	✓
Exchequer impacts	✓	✓	✓	✓	✓	✓
Economic spill overs		✓ Indirect impacts	✓ Indirect + induced impacts	✓ Indirect impacts	✓ Indirect + induced impacts	✓ Indirect + induced impacts
Patronage Benefits				✓ 0.1% uplift	✓ 0.2% uplift	✓ 0.5% uplift

The CCC's viability is dependent on the realisation of economic spill overs and/or the generation of additional passenger revenue (patronage benefits). **The BCR across the different scenarios range between 0.49 and 1.68, with two of the scenarios having a positive BCR.**

**Figure 0 – 1: Scenarios' Benefit-Cost Ratios for Service Provider**



Source: KPMG analysis

The extended term has higher BCRs than the initial term across all scenarios due to the cost of mobilisation and transition occurring in the first three years being assessed against a longer timeframe of benefits.

The results of the economic appraisal show that the **Service Provider can deliver and operate the CCC in a cost-effective manner** under the extended term for Scenario 6 and under both the initial term and extended term for Scenario 7.

## 1.7. Benefits Analysis

Section 8 details and analyses the benefits that the CCC will deliver.

As set out in Table 0-2, the CCC will deliver a broad range of customer experience, efficiency, and risk reduction benefits

**Table 0-2: Overview of benefits**

Benefit		Description
Customer experience	Service and engagement	Enhance the customer's overall experience in terms of customer service, customer engagement, and convenience.
	Data collection and analytics	Capability to gather comprehensive data, and to generate detailed reports and analytics, providing insights to enhance customer experience
Efficiencies	Integration	Enable the seamless integration and onboarding of transport operators and ticket service providers.
	Scalability and flexibility	Provide scalability and flexibility to easily accommodate fluctuating contact volumes, and changing operational needs
Compliance	Risk reduction	Security, data protection, reputational, commercial and regulatory risks to the NTA, transport operators and tickets service providers, are more readily mitigated in a consolidated context where there are common standards, and strong oversight and control.
	Organisational purpose and brand	By consolidating the distributed customer contact functions of the different Transport Operators, into a single platform, operated by a specialist provider, under the TFI Brand, the CCC enables the NTA to drive standards and innovation, to the benefit of the public.
	Social Inclusion through greater accessibility	Social inclusion increases, as higher levels of consolidation afford the NTA greater oversight of accessibility standards across all channels, applicable to all types of customers (demographic accessibility) and a range of different methods (product accessibility).

Section 9 also sets out the negative impact of not investing in the CCC and maintaining the current state – particularly in a future context where there is an even greater number of transport operators serving the public than exists today (for example multiple Bus Operators, a Metro Operator in addition to Luas, and so on). These impacts are summarised in Table 0-3.

**Table 0-3: Negative impact of not investing in the CCC**

Category		Negative impact
Customer experience	Service and engagement	Persistence of <b>sub optimal customer experience</b> . No potential to enhance the experience, through coordinated effort, quality oversight and control; risks that the existing situation deteriorates
	Data collection and analytics	Lack of <b>data capture and analytics capability</b> , particularly across transport operators, resulting in lack of reliable insight; detrimentally impacting the ability to systematically and holistically improve service

Category		Negative impact
Efficiencies	Integration	New transport operators establish their own contact centres increasing disconnection and fragmentation; <b>risks further decreased levels of customer experience, service quality and efficiency</b>
	Scalability and flexibility	<b>Lack of scalability and flexibility</b> within the existing contact centres – limits ability to handle fluctuating volumes, leading to poor service and customer frustration.  Risk that disparate centres are insufficiently agile to adapt to future trends in mobility and customer needs.
Compliance	Risk reduction	<b>Security, data protection, reputational and regulatory risks will increase</b> in an environment in which the existing system remains in place, to an even greater degree when the number of transport operators serving the public increases (as planned for in Government policy).
	Organisational purpose and brand	Disparate contact centres will result in a sub optimal approach to service delivery with limited opportunity for the NTA to intervene in order to drive higher standards and innovation
	Social inclusion	Existing services and systems are limited in their ability to improve social inclusion, as their disparate nature makes delivery of social inclusion initiatives more challenging.

As a further step, we have analysed the benefits using the Transport and Accessibility Appraisal (TAA) framework – this analysis is summarised in Section 8, with detailed findings available in the Appendix A: Supporting Documents.

## 1.8. Risk Assessment

Section 9 sets out the risks, mitigating actions, and the risk management strategy for the CCC.

Risks have been identified, assessed, and assigned mitigation actions to reduce impact and to ensure the NTA ultimately maintains an optimal level of risk.

Key risks include:

- **Transport Operator Acceptance** – There is a risk that Transport Operators will be unable to implement the operational changes necessitated by transition to the CCC in a timely or effective manner. To mitigate this risk, engagement with the Transport Operator teams has been intensive and continuous since the inception of the programme, and there has been particular focus and significant investment in Change Management activities.
- **Customer acceptance** – There is a risk that if the CCC provides a suboptimal experience – particularly over core digital touchpoints such as Virtual Assistant and Webforms – it will be poorly received by customers and will drive contacts to higher cost channels, as well as being a contact driver in and of itself. To mitigate this risk, specialist customer experience design and usability expertise has been added to the programme team, and the delivery will follow a human centred design process.



- **Procurement Process** – There is a risk that the announced results of the Procurement process could be challenged or called into question. Diligence has been taken in ensuring a thorough, auditable, and objective evaluation of tenders to both reduce the risk of a challenge and to aid in the investigation process if a challenge is presented.
- **Deliverability** – The consolidation of multiple contact centres, and operating processes; and the roll out of a new software solution set, presents a major deliverability risk. To mitigate deliverability risks, a number of mitigation strategies have been defined, including
  - formation of the NTA’s CCC delivery and operations teams, with specialist technical, contact centre, change management and design expertise
  - assigning Personnel from Transport Operator’s existing contact centre and customer experience teams, to support delivery and transition
- **Resourcing** – There is a risk of not being able to fill the NTA’s CCC Operational roles with personnel, who possess the needed experience and competency in sometimes-niche areas of expertise. This is being mitigated by planning out and recruiting key resources and personnel as far as possible in advance of their needed start dates
- **Cost Escalation** – There is a risk that the planned cost for the CCC could increase due to increase in usage, or external economic factors such as inflation. To mitigate this risk, provisions have been placed in the CCC contract that require the Service Provider to shift customers to lower-cost channels as the service matures over time.
- **Poor Performance** – There is a risk of poor performance by the CCC solution provider resulting in customer dissatisfaction and reputational damage to the NTA. To mitigate this risk, strict performance service levels have been set in the contract, and NTA CCC Operations team will regularly monitor the services for quality assurance and accountability.
- **Operations Handoff** – There is a risk of customer issues which are passed between the CCC and Transport Operators not being handled effectively or in a timely manner. This is being mitigated by the case management system which will be developed for the CCC, as well as involving Transport Operator personnel in the design, build, and acceptance phases of delivery.
- **Regulatory** – There is a risk that the NTA would be exposed to potential data breaches or financial fraud due to taking on the responsibility of customer contact services. This is being mitigated with stringent security and regulatory requirements for the CCC solution.

The process used in the risk assessment involves a stepped approach to fully understand and evaluate risks in accordance with risk management best practices.

## 1.9. Detailed Delivery Schedule

Section 11 presents the anticipated schedule for the delivery and set up of the CCC – defined as Mobilisation & Transition (M&T).

A high-level plan is presented in the following charts and illustrates the overall timeline for Milestone achievement.

**Figure 11-2: Mobilisation & Transition - High Level Plan**

Year	2023					
Reporting Period	1	2	3	4	5	6
Week Number	1 to 4	5 to 8	9 to 12	13 to 16	17 to 20	21 to 24
Start Date	17-Jul	14-Aug	11-Sep	09-Oct	06-Nov	04-Dec
End Date	13-Aug	10-Sep	08-Oct	05-Nov	03-Dec	31-Dec
Milestone	M1: Delivery of Plans					
		M2: Technical and Services Design Completion				
				M3: Technical and Services Readiness (contd. in 2024)		
Go-Live events	Commence. Date					

Year	2024											
Reporting Period	7	8	9	10	11	12	13	14	15	16	17	18
Week Number	25 to 28	29 to 32	33 to 36	37 to 40	41 to 44	45 to 48	49 to 52	53 to 56	57 to 60	61 to 64	65 to 68	69 to 70
Start Date	01-Jan	29-Jan	26-Feb	25-Mar	22-Apr	20-May	17-Jun	15-Jul	12-Aug	09-Sep	07-Oct	04-Nov
End Date	28-Jan	25-Feb	24-Mar	21-Apr	19-May	16-Jun	14-Jul	11-Aug	08-Sep	06-Oct	03-Nov	01-Dec
Milestone												
	M3 (contd.)											
	M4: Operational Services Start Date			M5: Services Transition Completion								
Go-Live events			1st Go-Live	2nd Go-Live		3rd Go-Live	4th Go-Live		5th Go-Live		6th Go-Live	

### 1.10. Benefit Realisation Plan

Section 12 presents the Benefit Realisation Plan where each of the Target Benefits are identified and described while an approach to measuring their achievement is outlined. The realisation of these target benefits will be mainly materialised through the performance of the contract between the NTA and the service provider.

Throughout the term of the contract, the realisation of the target benefits will be measured and monitored at set timelines to ensure the service provides benefits to society and to the taxpayer.

Key to the realisation of the benefits will be:

- Satisfactory coordination with Transport Operators
- Effective contract negotiation / re negotiation with the Transport Operators
- For the benefits that fall within the remit of the Service Provider of the Consolidated Contact Centre:
  - The full implementation of clauses and mechanisms in the contract and schedules and in particular relating to performance regime as per the performance schedule and associated monitoring
  - The approach to service delivery management, contract management and associated governance.

### 1.11. Evaluation Plan

Section 13 defines the Evaluation Plan for the CCC -- the arrangements to be put in place to ensure the ongoing monitoring, regular reviews, and ex-post evaluation upon completion.

A summary of the Evaluation Plan is included below:

#### Monitoring Stage

During Implementation, the programme team will:

- Monitor the process for Contract award
- Undertake continuous reporting in respect of contract management issues
- Undertake surveillance of the Programme's progress
- Provide the Approving Authority with sufficient monitoring reports to enable it to intervene where necessary.

To ensure the regular monitoring of the contract as part of the contract governance the Service Provider and the NTA shall conduct regular and numerous meetings to carry out reviews, inspections and audits of the Service Provider's operations and records.

#### Review Stage

During the Review stage, the programme team will produce a Completion Report that reviews the extent to which:

- The basis on which the programme was undertaken proved sound
- The business case and management procedures were satisfactory
- The initial benefits were realised
- Lessons learned that are applicable to other projects within NTA

#### Ex – Post Evaluation

During Ex-Post evaluation, the programme Team will assess the extent to which:

- The expected benefits and outcomes have materialised
- The planned outcomes were the appropriate responses to actual public needs

- Lessons can be learned for other similar projects or ongoing use of the service or related services within NTA

Findings on the above points will be gathered into a single Ex – post Evaluation Report.

## 2. Purpose and Methodology

*This section describes the sequence of events, activities, and chronology of the Consolidated Contact Centre (CCC) to date, and defines the purpose of the report – being the Final Business Case in advance of the decision to award the contract.*

### 2.1. Background

The Consolidated Contact Centre (CCC) has been envisaged, analysed, and defined over a number of years, starting in 2018 when the NTA commissioned a Customer Contact Strategy Report and unfolding through a series of formal lifecycle stages leading up to Procurement and Service Provider selection in May 2023.

#### 2.1.1. Customer Strategy Report (2018)

In early 2018, a five-year **Customer Contact Strategy** was developed for the NTA to identify the key experience challenges facing transport customers as well as defining an overall vision for customer contact and support.<sup>6</sup>

The report identified challenges across 10 topics, namely:

- Brand
- On Street / In station display
- Customer contact technology
- Tax Saver and integrated ticketing
- Apps and websites
- CRM
- Contact Centre
- Complaints Management
- Planned and Unplanned events
- Social Media.

A series of recommendations were identified and discussed with members of the public in Dublin, Greater Dublin, and Cork. This public consultation provided insights into the extent that the proposed recommendations would benefit customers.

From this initial strategy, the NTA decided to consider the impact and benefits of introducing a consolidated contact centre with multichannel customer support to serve Transport Operators.

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<sup>6</sup> See Appendix: Supporting Documents – Customer Strategy Report

### 2.1.2. Programme Appraisal Report

Later in 2018, a **Programme Appraisal report** was produced, delivering:

- a **high-level financial analysis** of the projected incremental costs of operating the future state options and potential current operating cost savings
- a **qualitative assessment of the potential benefits** that could be recouped from the programme over a ten-year period
- a **consideration of the risks** associated with such a strategy.

A workshop was held with key stakeholders from **the NTA in August 2018** to consider different implementation approaches.

The workshop participants concluded that a key pillar in an effective customer contact strategy would be the introduction of a **consolidated customer contact centre**, with the capability to deal seamlessly with all public transport customer contact issues. But at a minimum to deal with all bus contact queries, irrespective of the bus operators involved – this last point was considered critical given the arrival of Go-Ahead Ireland into the bus market.

Five different approaches to implementing a consolidated customer contact centre were considered in the Programme Appraisal.<sup>7</sup>

These options are set out in the table below.

**Table 2-1: Options Evaluated**

No.	Option	Option Description
1	Do Minimum	<ul style="list-style-type: none"><li>▪ Maintain all contact centres, Interactive Voice Response (IVR) messaging, mobile applications, and websites as they are</li></ul>
2	Phased transition to an in-house fully consolidated contact centre	<ul style="list-style-type: none"><li>▪ Consolidate contact centres as third-party contracts run out, but serve all PSO bus operators from the start</li><li>▪ <b>Contact centre set up in-house</b></li><li>▪ <b>Operators maintain existing CRM systems</b></li><li>▪ Integrate Transport operator mobile applications within a single TFI mobile application</li><li>▪ Integrate Transport operator websites within a single TFI website</li><li>▪ Introduce a Chatbot to web, mobile applications, and phone</li></ul>
3	Phased transition to an outsourced fully consolidated contact centre	<ul style="list-style-type: none"><li>▪ Consolidate contact centres as third-party contracts run out but all PSO bus operators from the start</li><li>▪ <b>Contact centre outsourced</b></li><li>▪ <b>Implement a new central CRM</b></li><li>▪ Integrate Transport operator mobile applications within a single TFI mobile application</li><li>▪ Integrate Transport operator websites within a single TFI website</li><li>▪ Introduce a Chatbot to web, mobile applications, and phone</li></ul>

<sup>7</sup> See Appendix: Supporting Documents – Programme Appraisal Report

No.	Option	Option Description
4	Single - one time or big bang - transition to an outsourced fully consolidated contact centre	<ul style="list-style-type: none"> <li>Consolidate all contact centres immediately</li> <li>Implement a new central CRM</li> <li>Integrate Transport operator mobile applications within a single TFI mobile application</li> <li>Integrate Transport operator websites within a single TFI website</li> <li>Introduce a Chatbot to web, mobile applications, and phone</li> </ul>
5	Partial consolidated outsourced contact centre	<ul style="list-style-type: none"> <li>Consolidate all bus contact centres immediately along with Leap and NTA</li> <li>Implement a new central CRM</li> <li>Integrate Transport operator mobile applications within a single TFI mobile application</li> <li>Integrate Transport operator websites within a single TFI website</li> <li>Introduce a Chatbot to web, mobile applications, and phone</li> </ul>

### General financial analysis

A general financial analysis was undertaken for each option considering the different incremental cost inflows and outflows expected to arise over the ten-year programme timeline.

From a review of the incremental costs and potential savings, **Option 4: Single - one time or big bang - transition to an outsourced fully consolidated contact centre** was deemed the most cost-effective solution as it delivered a significantly higher net benefit than the other options. It also delivered the greatest NPV benefit and highest BCR.

### Economic analysis

In addition, a multi-criteria evaluation framework was used to evaluate the potential options from an economic perspective.<sup>8</sup>

This analysis found that

- Option 1 was not a feasible option as under some of the evaluation criteria adverse consequences to customers were likely.
- Option 2 offered the least amount of benefits to customers compared to Options 3, 4 and 5. Being in-house, Option 2 would also require significant additional internal resourcing which was considered a real challenge.
- Option 5 only offered significant additional benefits in terms of risk reduction.
- Option 3 offered more significant additional benefits for risk reduction and integration.
- Option 4 offered significant additional benefits over three different evaluation criteria, most notably traveller experience.

<sup>8</sup> The evaluation criteria framework was based on the categories set out in the Common Appraisal Framework for Transport Projects and Programmes (CAF). A weighting in terms of high, medium, and low was applied to each criterion in terms of relevance to the overall programme objectives.

The output of the analysis concluded that Option 4, from a qualitative assessment basis, offered the most benefits.

### Risk Assessment

Following a Risk assessment, Option 4 was deemed the highest risk given potential stakeholder acceptance risk and deliverability risk of a *big bang* approach.

A phased approach, as with Option 3, or a partial implementation, as with Option 5, were considered to offer a lower risk alternative.

### Programme Appraisal - Conclusion

Based on the outcomes of the financial, economic, and risk analysis, it was recommended that **Option 3 should be considered by the NTA Board for future implementation.**

A fully outsourced solution achieved through a phased transition would provide the same benefits to customers as Option 4, but over a slightly longer time period.

It also offered the potential for significantly greater incremental net benefits than the other viable alternative, Option 5.

#### 2.1.3. Target Operating Model design

Following the Programme Appraisal and board approval, the NTA moved forward with a programme to consolidate the Transport Operator's customer contact centres.

An **Analysis team started work in August 2019** to design the target operating model (TOM) and to specify the software solution requirements for an outsourced contact centre.

As part of their work, the Analysis team was able to challenge, validate, and evolve early-stage assumptions from the Programme Appraisal – resulting in the identification of additional costs and benefits.

In addition, the scope was refined and evolved, in order to better meet programme objectives.

The key changes as a result of this Analysis work are as follows

- The transition of each contact centre to a new consolidated centre would **take place on a phased basis over a ~12-month period**, with the sequencing to be agreed in consultation with Transport Operators, the CCC Service Provider and the NTA; the Bus Operators would not necessarily go first as originally envisaged.
- **Lost property** was added to the scope of services to be provided
- A **Chatbot (Virtual Assistant)** was confirmed in the scope
- The NTA would migrate across to the new integrated CRM system and would no longer need its original CRM system.
- A **dedicated customer experience team within the NTA** would manage the outsourced contract and drive enhanced customer experience and continuous improvement
- Additional **specialist resources and expertise** would be added to the resource plan and budget in order to de-risk and assure programme delivery – including Contact Centre and Transition experts



- To facilitate knowledge transfer and to assure successful transition, acceptance, and operationalisation, **a number of key personnel would be assigned full time from the Transport Operators'** customer experience and contact centre teams to the CCC programme
- Further costs were identified to account for **management and training** of CCC Service Provider personnel

#### 2.1.4. 2020 Business Case

As a result of the Target Operating Model analysis work and the evolution of the scope, the NTA decided, in 2020, to commission a *re-look* at the CCC Business Case, in advance of proceeding with Procurement.

The 2020 Business Case concluded:

*The Consolidated contact centre aligns with the strategic objectives of the NTA, and although it comes at a net financial cost to the NTA, on a broader economic assessment, it returns a quantifiable net economic benefit ranging from €21m to €78m. And a BCR ranging from 0.73 to 2.76*

#	Scenario	2020 Value (€000s, NPV)	#	Scenario	BCR Value
	Financial-only	-€9,440		Financial-only	0.67
1	Scenario 1	-€7,560	1	Scenario 1	0.73
2	Scenario 2	€4,175	2	Scenario 2	1.15
3	Scenario 3	€18,890	3	Scenario 3	1.67
4	Scenario 4	€21,560	4	Scenario 4	1.76
5	Scenario 5	€9,800	5	Scenario 5	1.35
6	Scenario 6	€30,130	6	Scenario 6	2.07
7	Scenario 7	€49,700	7	Scenario 7	2.76

*In addition, the overall delivery approach has matured since the original Programme Appraisal, and many of the risks have reduced, or mitigation strategies have been put in place.<sup>9</sup>*

#### 2.1.5. Procurement process

In late 2020, the NTA launched the Procurement process, which was conducted using the competitive procedure with negotiation.

The Procurement comprised three main stages:

- Pre-qualification: based on technical capacity and professional ability, and their economic and financial standing.
- Negotiation: where meetings were conducted with tenderers after review of their interim submissions by the NTA.
- Final Tender: which involved evaluating and assigning scores to identify the most economically advantageous tender, for contract award.

<sup>9</sup> See Appendix: Supporting Documents - 2020 Business Case

Details of the Procurement process are provided in Section 4.2 of this report.

#### 2.1.5.1. Business Case Sense Check, January 2022

In Jan 2022, midway through the Procurement process, a Sense Check of the overall financial and economic appraisal as set out in the 2020 Business Case was conducted.<sup>10</sup>

The 2022 Sense Check found that

- The total economic benefit (in NPV terms) ranged from €15m to €81m compared to an economic benefit range from €21m to €78m for the 2020 business
- The change in the economic benefits resulted from
  - Removal of ~€3m in financial savings related to TO websites and mobile applications
  - Reduction in the financial savings due to the application of optimism bias to savings estimates
  - Increase in economic spill overs due to higher financial costs arising from the application of risk contingency and optimism bias
- The total economic cost (in NPV terms) for the programme was €37m, compared to €28m for the 2020 Business Case. The difference was due to the inclusion of risk contingency and optimism bias in the financial and economic cost
- The BCR ranged from 0.4 to 2.18 – compared to a BCR range of 0.73 to 2.76 in the 2020 Business Case

Following this Sense Check, the Procurement process continued, with the Final Tender stage **starting in December 2022, when the ISFT was issued.**

### 2.2. Purpose of this report

The purpose of this report is to provide a **Final Business Case**, in advance of the decision to award the contract.

For completeness, the report also describes changes and evolutions to the programme scope and outcomes of the Procurement process, in order to constitute a single reference document for Decision Gate 3 – Approval to Proceed.

### 2.3. Methodology

The Final Business Case has been prepared in accordance with the Public Spending Code (PSC) guidelines.

It is intended to reassess the previous iteration of the **Business Case from 2020**, and the **Sense Check from 2022**, in light of final tender submissions and other evolutions and outcomes of the Procurement process.

It involves a complete appraisal based on costs and other information supplied by the CCC Service Provider at Final Tenders stage, plus costs for the NTA's Mobilisation and Transition and Operations teams.

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<sup>10</sup> See Appendix: Supporting Documents – 2022 Sense Check

Through a comprehensive assessment of costs, benefits, risks, deliverability and affordability, it provides a sound basis on which to decide whether to proceed with this **programme to deliver consolidated contact centre capability**.

The Final Business Case report includes the following elements:

- Final confirmation of the strategic relevance of the programme and detailed specification of the objectives
- The Detailed Brief
- Economic and financial appraisal using updated information
- Re-examination of affordability
- Risk assessment and consideration of remaining optimism bias
- Detailed delivery schedule
- Benefits Realisation Plan
- Evaluation Plan

### 3. Strategic Relevance and Objectives

*This section sets out the strategic relevance, objectives, and critical success factors for the Consolidated Contact Centre.*

#### 3.1. Strategic Relevance

Section 57 of the Dublin Transport Authority Act 2008 requires the NTA to promote public transport by implementing a single brand:

*For the purposes of promoting public transport, design, develop and secure the implementation of a single brand to be used by all public Transport Operators providing services in accordance with a public transport services contract with the Authority in the Greater Dublin Area.<sup>11</sup>*

In line with this statutory requirement, Transport for Ireland (TFI) is on a continuous journey to become the go-to brand for public transport in Ireland.

The Consolidated Contact Centre (CCC) **operates under the TFI brand** and provides a one-stop-shop for public transport customers who need to address queries, or to resolve issues and complaints. It therefore aligns with and supports the NTA's statutory purpose.

In February 2023 the NTA published its Statement of Strategy for 2023-2025. The strategy document sets out **Customer Focus as one of the NTA's guiding values and a major objective** – and emphasises the need for integrated and accessible transport solutions.

*[The NTA] will continuously focus on customers, serving them by maintaining high standards while utilising technology and innovation to deliver integrated and accessible transport solutions.<sup>12</sup>*

By consolidating the distributed customer contact functions of the different Transport Operators, into a single platform, operated by a specialist provider, under the TFI Brand, the CCC represents a major commitment to customer experience, and uses technology and innovation to deepen the integration and accessibility of the national public transport system.

When viewed through the lens of the NTA's statutory purpose and medium-term strategy, the CCC is a relevant and appropriate investment that furthers the NTA's mission to connect Ireland's people and places, by providing sustainable transport infrastructure and services.

#### 3.2. Objectives

The objectives of the CCC are defined across the following dimensions:

- Customer Experience
- Efficiency
- Compliance

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<sup>11</sup> See [Section 57 of the Dublin Transport Authority Act 2008](#)

<sup>12</sup> See: [Statement of Strategy for 2023-2025](#)

### Enhance Customer Experience

- Simplify customer experience and interaction – provide a single point of contact for transport customers
- Integrate information across all Transport Operators – provide a consistent single set of customers support processes and systems
- Provide capability to respond quickly and respond holistically to incidents

### Efficiency

- Capability to seamlessly onboard and integrate Transport Operators
- Optimise contact centre efficiencies yielding longer term quality, economic, and financial benefits
  - through
    - reduction of over lapping processes
    - optimisation of call handling
    - use of automation technologies
  - focusing on
    - continuous improvement
    - customer experience expertise
- Transfer benefits to TOs and TSPs (by means of organisational change)
- Offer to Commercial Bus Operators (CBOs) and other private services

### Regulatory Compliance

- Provide consistent and standardised compliance across data protection law, Irish language, accessibility, payments, business continuity / disaster recovery and design compliance

These objectives have been translated into a set of service, solution, compliance, and performance requirements detailed in **Schedule 4 and Schedule 5** of the contract.

### 3.3. Critical Success Factors

In order to achieve its mission, meet strategic objectives, and deliver the expected value and benefits, the CCC will pay attention to the following success factors

- Be seamless and aligned to NTA brand values to deliver high levels of customer satisfaction
- Provide an enhanced customer service for particular customer types such as the elderly or people with disabilities
- Encourage high levels of self-service among the customer base through content provision and automation tools
- Drive efficiency and customer experience through a continuous improvement plan
- Be flexible, adaptable, and scalable to meet customer needs
- Adhere to NTA security principles to ensure the privacy of information and data within the contact centre and the solution
- Be seamlessly integrated with wider TFI Solutions to ensure joined-up experience that delivers high levels of customer satisfaction
- Be aligned to the NTA/TFI brand values to promote and integrate public transport services in Ireland

## 4. Detailed Programme Brief

*This section describes the scope and requirements set for the Consolidated Contact Centre (CCC) and sets out governance framework. It also details the Procurement process and key features of the contract that are designed to ensure a high-quality service and to deliver value for money.*

### 4.1. About

The Consolidated Contact Centre (CCC) is a major business transformation programme delivering a consolidated out-sourced contact centre to serve the customers of Transport Operators (TOs) and Ticketing Service Providers (TSPs).

The contact centre is based on a unified set of supporting systems and capabilities. It shall be implemented and operated by a specialist contact centre Service Provider.

### 4.2. Governance

The governance framework for the CCC consists of various layers of interaction between the NTA and the Service Provider as illustrated in Figure 4-1.

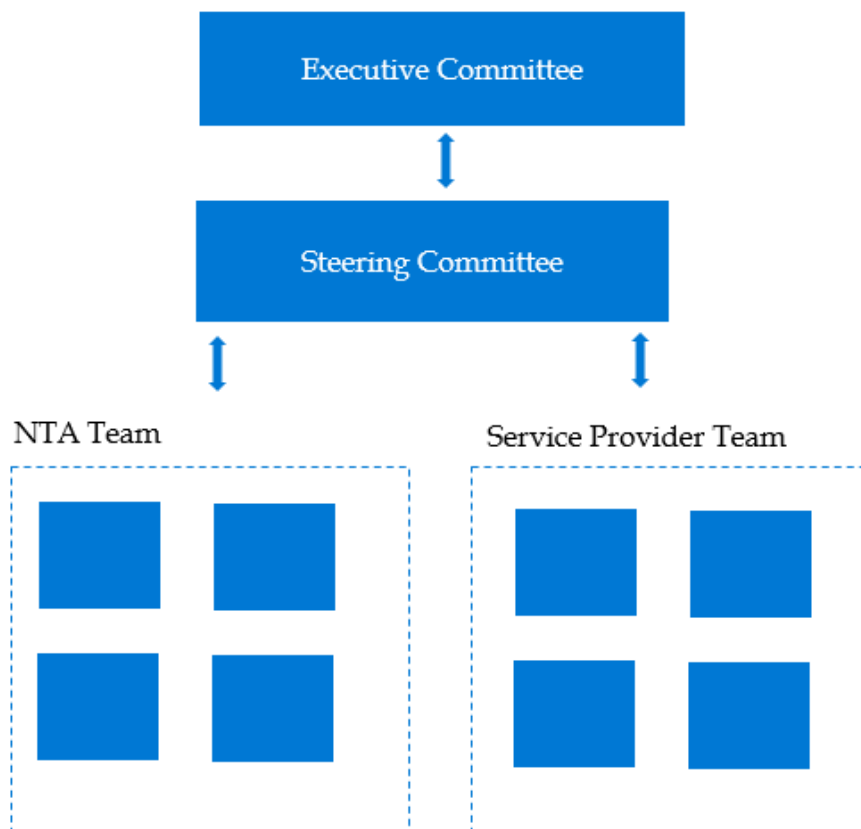


Figure 4-1 – CCC Governance framework organisation

## Executive Committee

The Executive Committee's remit is to

- be responsible for strategically leading the performance of the CCC
- provide guidance to ensure that long term issues are properly considered and resolved
- ensure that the strategic objectives are met
- ensure that the CCC is aligned with the NTA's business and service plans
- agree on proposed efficiencies and changes
- set year-on-year improvement targets
- promote best value through the management of whole life costing through innovation and service improvements

Membership of the Executive committee will comprise the following roles

NTA:

- Director of Operations (Senior Responsible Owner)
- CIO
- Head of Customer Experience
- Head of Contract Management

Service Provider

- Account Director
- Head of Service Delivery
- Head of Product Development & Engineering

## Steering Committee

The Steering Committee's remit is to:

- be responsible for the comprehensive oversight of the CCC
- promote ethos of a good relationship between the NTA, Transport Operators and the CCC Service Provider
- resolve issues with regard to production of information
- identify inefficiencies and necessary changes, discuss and propose changes to processes, procedures and policies to ensure the efficient operation of the Services
- ensure that the CCC is operated in a manner which optimises the value for money and benefits derived
- ensure the CCC is aligned to the NTA's business, information and customer strategies and make recommendations for changes to maintain an appropriate alignment
- assess the overall performance of the Service Provider and the satisfaction of the customer base; consider significant changes to the Services and the risks associated with such changes

- manage **current and future dependencies of the CCC** with related NTA and Transport Operator projects and programmes, through regular interlock and best practice programme and portfolio management<sup>13</sup>

Membership of the Steering will comprise the following roles

NTA:

- Director of Operations (Senior Responsible Owner)
- CIO
- Head of Customer Experience
- CCC Service Delivery Manager
- Contract Manager

Service Provider

- Account Director
- Head of Service Delivery
- Head of Product Development & Engineering
- Service Delivery Manager
- Compliance Manager

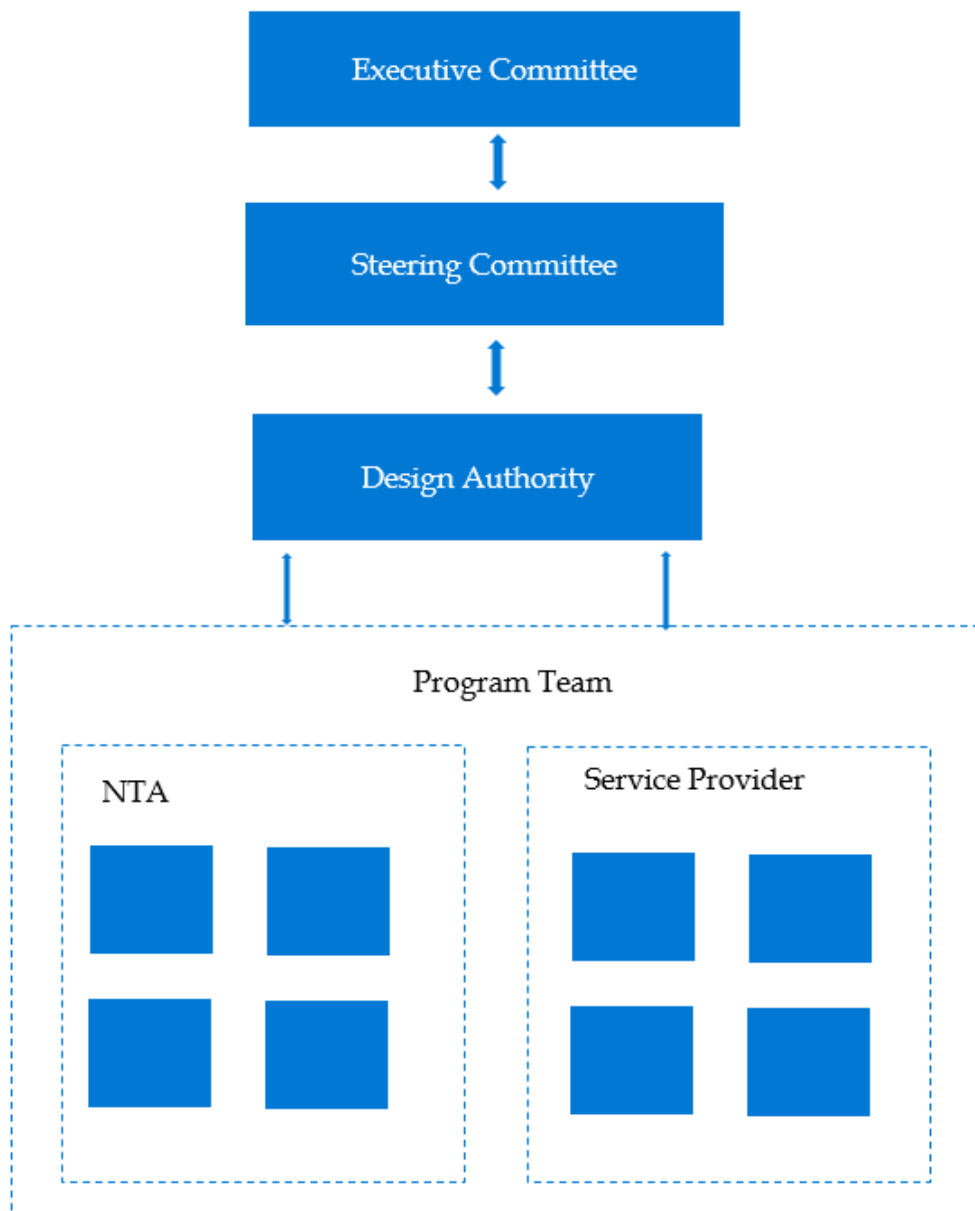
### Design Authority

During implementation, the Steering Committee will delegate oversight and decision making to a Design Authority.

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<sup>13</sup> At the time of writing key dependencies include the Next Generation Ticketing Programme and the Customer Communication Centre being developed by Iarnród Éireann





The Design Authority is accountable for:

**Service and Solution Specification**

- Specifying the Service and Solution Requirements for the CCC (detailed in Schedule 4 - Services, Solutions & Compliance)
- Specifying the Performance management model for the Services and the Target Service Levels the Service Provider is required to achieve (detailed in Schedule 5 - Performance)
- Specifying how the Services and Solution should be delivered, with regard to Programme Management best practices – process, planning, roles, reporting, key milestones, quality assurance and acceptance (detailed in Schedule 3 - Mobilisation and Transition Services)

## **Monitoring & Assuring Quality and Completeness**

Monitoring and assuring the quality and completeness of Service and Solution delivered by the Service Provide, through the Mobilisation and Transition Lifecycle:

- M1: Delivery of Plans
- M2: Technical and Services Design Completion
- M3: Technical and Services Readiness
- M4: Operational Services Start Date
- M5: Service Transition Completion

This includes

- Reviewing and signing off Service and Solution Design specified by the Service Provide
- Contributing to, reviewing, and signing off Lifecycle artefacts such as Solution Architecture, Detailed Design, Test Strategy and so on
- Reviewing working software
- Contributing to, reviewing, and signing off process documentation and Standard Operating procedures (SOP)

## **Managing dependencies**

- Manage dependencies of the CCC with related NTA and Transport Operator projects and programmes, through regular interlock and best practice programme and portfolio management

## **Change control and programme team support**

Advisory and troubleshooting of Service and Solution issues that arise during Mobilisation and Transition to assure quality, on time and on budget delivery, and to minimise deviation and trade-offs that impact expected benefits and value realisation.

Membership of the Design authority will comprise

- CCC Service Delivery Manager
- CCC SME
- Transition SME
- Solution & Security Architect
- Compliance SME
- CCC Programme manager

## 4.3. Scope

### 4.3.1. Overview

The CCC shall deliver consolidated contact centre capability and associated administration services to serve the customers of Transport Operators (TOs) and Ticketing Service Providers (TSPs).

The CCC Service Provider shall operate a contact centre and associated solution set, including case management system, capable of receiving and responding to complex customer queries and handling customer issues and complaints.

The CCC shall operate 365 days a year.

The CCC Service Provider shall supply and support multichannel contact capabilities across digital and non-digital channels.

The CCC Service Provider will deliver Lost Property management services and solutions, which shall be both customer facing and internal facing to the Transport Operators (TOs).

The CCC Service Provider shall support customer campaigns, the freedom of information and data access requests, ad hoc administration duties and activities for the NTA, and analysis contact trends in real time for Transport Operators (TOs).

### 4.3.2. Participating entities

The following entities are currently (as of the anticipated commencement date of the contract) in scope for transition of contact centre services to the CCC:

- Go Ahead
- Bus Éireann including Expressway
- Irish Rail
- NTA
  - TFI GO
  - NTA phone lines operation
  - NTA department handover
  - NTA taxi handover / business to consumer only
  - NTA BusConnects and other project / programme queries and handover
  - Local Link (second line support only)
- Dublin Bus
- Luas

It is intended the following entities may be in scope for transition at a future date, if requested by the NTA pursuant to a change request under relevant contract provisions:

- Next Generation Ticketing
- Other Transport Operators (which may include commercial bus operators) and ticket service providers

### 4.3.3. Service requirements

The scope of the Service requirements for the CCC are described in detail in contract **Schedule 4 - Services, Solution, and Compliance**.<sup>14</sup>

They can be summarised as follows

- **Resolve customer queries** relating to the provision of public transport services, 365 days per year
- Manage general, simple, non-transactional Leap queries. Contacts that require interaction with Leap back office, such as transaction queries, shall be directed to the Leap contact centre
- Case Management for resolution of requests, issues and problems
- Manage **incidents and travel service events**
- Out-of-hours emergency contact response provision 365 days per year
- **Major weather events contact response** provision 365 days per year
- Customer complaint and escalation management
- Provision of an end-to-end **Lost property management capability** including but not limited to technology solution, Customer query handling, payment processing and logistics
- Provision of a **PCI DSS compliant card payment process** to allow capture of card payments on multiple platforms (refer to Compliance section for further details)
- Provision of Services in both the **Irish and English languages**
- **Service performance reporting and data analytics** across all services including but not limited to problem identification and service improvement insights
- Identification and delivery of **service improvements and support for channel optimisation**, particularly to enhance digital channel capability as a driver of call deflection

The CCC Service Provider will serve customers during the following opening hours.<sup>15</sup>

Line of Service	Monday to Friday	Saturday	Sundays and Public Holidays
<b>Customer contact channels</b> (Phone, Webform, Web chat, Email, Post)	7am to 7pm	8am to 6pm	10am to 6pm
Social Media	6am to 9pm	8am to 6pm	10am to 6pm

<sup>14</sup> See Appendix: Supporting Documents – Schedule 4 - Services, Solution, and Compliance

<sup>15</sup> Opening hours may be reduced or extended (at the discretion of NTA) throughout the term of the contract and shall be managed as a change request as per Schedule 8 Contract Change management.

#### 4.3.4. Solution requirements

The scope of the Solution requirements for the CCC are described in detail in **Schedule 4 - Services, Solution & Compliance**.

They can be summarised as follows

- Multichannel Customer Support
  - An integrated platform that provides different methods of communication for customers to request and receive support – telephone, social media and white mail
- Virtual Assistant (VA) & Live Chat
  - Digital capability that uses artificial intelligence (AI) to answer customer questions, perform specific tasks, and make recommendations, with a handover service to a Webchat / Live Agent, should a customer signal their query has not been resolved
- Webforms
  - Forms deployed on Transport Operator websites that enable customers to raise queries, issues, and complaints with the contact centre
- Customer profile and case management
  - Capability that enables the process of managing customer queries, issues, and complaints - comprising workflow, storage of content and documents, collaboration, and decisioning. It records and organises customer interactions in one location, allowing for convenient access and a comprehensive customer view
- Knowledge Management System
  - A system that enables the CCC to build, store, and retrieve the knowledge and information used to serve customers and to answer their queries
- Social Media Management
  - An application that enables the CCC to handle and process customer interactions over Social Media platforms such as Twitter
- Reporting & Dashboards
  - Capability to capture and report operational metrics and key performance indicators (KPIs) – with data visualisation tools to present data in interactive charts and graphs – providing a comprehensive view of performance, and enabling analysis

**Critical non-functional characteristics of the Solution are as follows:**

- Easy to use – providing an intuitive user experience across all channels
- Composed of highly available, resilient communications infrastructure regardless of channel or location
- Providing the highest level of security in line with industry best practice and standards
- Highly configurable – modification, upgrades, updates, and configuration changes to the solution including relevant process and sub systems, associated quality assurance, associated training, training material and training delivery should incur any additional cost

#### 4.3.5. Compliance requirements

The scope of the Compliance requirements for the CCC are described in detail in contract **Schedule 4 - Services, Solution & Compliance**.

They are summarised as follows

1. **Data Protection Law:** The Service Provider shall process personal data on behalf of the NTA in accordance with Data Protection Law and the requirements set out in the Data Protection Schedule. The Service Provider shall at all times comply with the principles of data transparency, data necessity, data minimisation, data limitation of purpose. The Service Provider shall be accountable for the data protection compliance of the Contact Centre and associated processes and systems.
2. **Irish Language:** Customers will be able to engage with the Contact Centre via Irish or English, the two official languages of Ireland. The solution will support the use of the Irish language, where requested by the customer that this is their preferred language.
3. **Accessibility:** the solution will be accessible to people with disabilities. As far as possible, it will be technically accessible, equally usable, and capable of being interpreted via assistive technologies.
4. **PCI DSS:** The Service Provider will comply with all relevant Payment Card Industry Data Security Standard (PCI DSS) standards as detailed in an NTA policy on the topic.
5. **Payments:** whilst there are currently no requirements for the Service Provider to provide a payments solution for ticket payment or standard fare notice processing or other general payments processing, except for lost property payments processing, if this becomes a requirement in the future, the Service Provider must adopt the Office of Government Procurement preferred payments solution.
6. **Audit:** The Service Provider will maintain proper records, enable access for observation purposes and provide information to NTA, its internal or external auditors. The Service Provider will comply with standards for audit purposes.
7. **Business Continuity and Disaster Recovery:** The Service Provider will be responsible for business continuity and disaster recovery design, architecture, documentation, planning, testing, implementation, and execution related to all locations from which the services are provided.
8. **Design Compliance:** The Service Provider will provide up to date, detailed solution design documents and the Solution compliance matrix demonstrating compliance of the solution as part of milestone 2 (during the mobilisation and transition phase) and annually there-after, for the end-to-end solution including all components, systems, subsystems, APIs, and other integrations.

### 4.3.6. Supplementary systems

The CCC Solution will be connected with a range of supplementary systems in the NTA's & Transport Operator's IT estates to service requests from customers.

#### Current systems

At the time of Contract Award, and in scope for Mobilisation and Transition, are the following systems.

System	Owner	Purpose
Journey Planner app / Real Time Ireland app	NTA	To get information on travel times & fares across all TOs / TSPs.
Real-Time Passenger Information	NTA	To get real-time information on the passenger services across all TOs / TSPs.
Horizon	NTA	To display messages to the electronic street signs.
Xtremepush	NTA	To broadcast a message to TFI Mobile Apps.
ICS	NTA	To broadcast a message to the TFI Website and Journey Planner.
Data Lake	NTA	To store PIs, KPIs and other data exported by the voice, social media, Case Management and other components of the Solution as required.
Irish Rail S3 ticketing system	Irish Rail	To book, amend, cancel & refund Irish Rail tickets.
Irish Rail revenue protection system	Irish Rail	To capture payments for standard fare notices (fines) that were issued to Irish Rail passengers.
Bus Éireann Revenue protection system	Bus Éireann	To capture payments for standard fare notices (fines) that were issued to passengers.
Dublin Bus Revenue protection system	Dublin Bus	To capture payments for standard fare notices (fines) that were issued to passengers.
Leap admin	NTA	To register a leap card, request a refund, dispute a fare, setup an auto top up, clear the card balance and request a replacement card.

Age based Leap cards sold by CCSI	Credits Card Systems Ireland Limited (CCSI)	To assist in level one Leap Card queries.
TFI GO	NTA	To access the TFI Go back-office system
Leap ITS	Leap	To access the Leap back-office system.

### Future systems

At the time of Contract Award, a future supplementary system, under consideration by Iarnród Éireann, is a *Customer Communication Centre*.<sup>16</sup>

It is envisaged that the Customer Communication Centre would provide capability to facilitate centralised communication functions, monitoring, and remote control of railway station systems to inform customers and improve their travel experience.

Should this initiative progress, the information produced by the Customer Communication Centre should be provided in an appropriate format to the *Consolidated Contact Centre* for use in customer support and query resolution.

Dependencies between the Customer Communication Centre and the *Consolidated Contact Centre* would be managed by Steering and the Design Authority, in line with the Governance framework – see Section 4.2 of this report.

#### 4.3.7. Lost Property

As part of the CCC scope, the Service Provider shall deliver a Lost Property service which shall be both Customer facing and internal facing to the Transport Operators.

Schedule 4 - Services, Solutions & Compliance details the high-level requirements of the Lost Property service, which includes:

- logging items
- storing items
- managing queries
- matching queries and items
- collecting payments
- returning items to Customers
- disposing of unclaimed items
- classification of items for retention and / or disposal

<sup>16</sup> The Customer Communication Centre is recommended in Iarnród Éireann's (IÉ) Customer Information System (CIS) Strategy.



#### 4.3.8. Leap

A change in scope occurred during Procurement regarding Leap-related customer contacts. The change resulted in the Leap-related customer contacts being removed from the scope of the CCC and instead being managed by a separate Service provider through a different contract under the name 'Leap Operating Agreement'.<sup>17</sup>

Although separate, it is expected that some customer contacts may find their way through to the CCC and as such, the CCC Service Provider may still have to manage a small number of Leap-related contacts and will thus have to work collaboratively with the Leap CC Service Provider.

Consequently, the CCC shall manage general, simple, non-transactional, product related information queries related to Leap, particularly when the Leap Contact Centre is closed. Complex Leap interactions shall be handed over to Leap Contact Centre by raising a case with the Leap Contact Centre.

Complex interactions can be described as:

- Fare-related interactions
- Transactional queries include but are not limited to top up, refunds, NFC (Near Field Communications) application updates
- Interactions that are likely to take more than 4 minutes to resolve

It is intended that the CC IVR shall route Leap related calls directly to Leap contact centre. Similarly, the CCC Webforms shall route queries directly to Leap for digital interactions. The CCC should therefore only need to handle the simple queries when a caller incorrectly uses the IVR.

Likewise, the Virtual Assistant shall answer simple Leap related queries. More complex Leap related interactions that come through the CCC Virtual Assistant shall be re directed to the Leap contact centre.

The NTA may or may not move Leap CC services to the CCC in the future. In the case that Leap does come into the future scope for the CCC, it will be introduced by a Change Request process.

### 4.4. Procurement process

#### 4.4.1. Overview and timeline

The NTA published the contract notice (ref. 2020/S 243-602078) on **11 December 2020 in the OJEU**.

The NTA conducted the Procurement using the competitive procedure with negotiation in accordance with the European Union (Award of Public Authority Contracts) Regulations 2016.

The Competitive procedure comprises three main stages:

- **Pre-Qualification:** Interested parties completed the Pre-Qualification Questionnaire (PQQ), which sought responses in relation to their technical capacity and professional ability, and their

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<sup>17</sup> This change was reflected in the final tender documents, and Service provider submitted costs based on the scope excluding Leap.

economic and financial standing. The NTA evaluated the PQQ responses and selected the 4 highest ranking qualified candidates.

- **Negotiation:** The pre-qualified Tenderers were then invited to participate in the Negotiation stage. An Invitation to Negotiate (ITN) was issued to tenderers, inviting interim submissions. The NTA reviewed the interim submissions and used these as a basis for the negotiation meetings.
- **Final Tender:** This stage is governed by the Invitation to Submit Final Tender (ISFT) which was issued to those Tenderers remaining in the procurement following the formal closure of the Negotiation stage. Final Tenders are evaluated and assigned scores to identify the most economically advantageous tender in accordance with the award criteria and methodology set out in the ISFT document (together with any such further information as may be issued by the NTA through the course of the procurement).

The table below outlines actual and estimated (where future) key event dates for the Procurement process.

Key event	Event date (indicative where future)
Issue of PQQ	9 December 2020
Submission of PQQ responses	25 January 2021
Issue of ITN	18 May 2022
Interim submissions	5 August 2022
Negotiation meetings	17 October - 8 November 2022
Issue of ISFT	15 December 2022
Deadline for receipt of final tenders	2 March 2023
Contract award (indicative)	16 June 2023

#### 4.4.2. Evaluation and award criteria

##### 4.4.2.1. Pre-qualification – Minimum Criteria for Participation

As part of the initial Pre-Qualification Questionnaire, candidates were requested to demonstrate that they met criteria in relation to their economic and financial standing, minimum turnover, and minimum contact centre staffing levels on 30<sup>th</sup> November 2020, in order to qualify for the competition. The four highest ranking candidates were selected based on PQQ responses.

#### Economic and Financial Standing

The purpose of the Economic and Financial Standing evaluation was to assess the ability of each candidate to meet the financial requirements and contingencies that might arise from contract award, and to ensure that candidates have sufficiently robust economic and financial standing so as not to pose an unreasonable risk to delivery of the contract.

Each candidate was required to provide its financial information. Each candidate's financial information was analysed with respect to the purpose above. This was conducted through a holistic approach taking all available information provided into consideration, including assessing against a set of key financial indicators.

The Economic and Financial Standing evaluation of each candidate was performed on a pass/fail basis.

#### Minimum Turnover

Candidates were required to demonstrate, either by way of eESPD or by inclusion of financial information in the PQQ response, that they generated a turnover in excess of €8,500,000 (either individually as a single entity, or in aggregate if the candidate is a group of entities). This was assessed on a pass/fail basis.

#### Minimum Contact Centre Staffing Levels

Candidates were also required to demonstrate, either by way of eESPD or upon request, that they had a (combined) total level of contact centre staffing of at least 140 agents. Again, this was assessed on a pass/fail basis.

Those candidates that passed the minimum criteria for participation were taken forward to the second step of the prequalification assessment process.

#### 4.4.2.2. Pre-qualification - Qualitative Assessment

In order to shortlist down to a maximum of 5 candidates, those candidates that met the aforementioned minimum criteria were then further ranked in accordance with a number of qualitative criteria as outlined below:

##### Service Delivery Experience and Expertise – Contact Centre

Candidates were requested to provide details of 2 separate contracts demonstrating experience and expertise on contact centre contracts of similar scale and scope to that outlined in Section 2.2 of Document 1 of 2: Information Memorandum.

##### Service Delivery Experience and Expertise – Case Management Solution

Candidates were requested to provide details of 2 separate contracts demonstrating experience and expertise in implementing and managing a case management solution, where at least 1 of the contracts related to a cloud-hosted SAAS-based solution comparable in scope to that outlined in Section 2.2 of Document 1 of 2: Information Memorandum.

##### Initial Services Experience and Expertise – Mobilisation and Transition

Candidates were requested to provide details of 2 separate contracts demonstrating experience and expertise in managing and delivering the mobilisation and transition of contact centre services to a new contact centre (where mobilisation and transition activities carried out included but were not limited to the process of knowledge acquisition and knowledge transfer from existing knowledge holders and an agent quality assurance process pre go live).

Candidates were ranked according to the qualitative criteria and four (4) candidates were brought forward to the next phase of the procurement – the Tender stage.

#### 4.4.2.3. Tender Award Criteria

A set of Award Criteria was set out in the Invitation to Negotiate (ITN) at the interim submission stage and the Invitation to Submit Final Tender (ISFT) at Final Tender stage. This set of Award Criteria is used by the NTA to assess which is the most economically advantageous Final Tender and therefore which Tenderer should be awarded the Services Contract. The Award Criteria comprise the following:

Criteria		Marks Available	Minimum Marks Threshold
QUALITY		600 marks	N/A
#1	Quality of the Mobilisation & Transition Plan	150 marks	60 marks (40%)
#2	Quality of the Operations Plan	300 marks	Minimum of 180 marks across the full criterion (60%) AND minimum of 60% in respect of sub-criterion 2A, minimum of 40% for sub-criteria 2B and 2C respectively.
#2a	Quality of Service Delivery and Performance Management	125 marks	75 marks (60%)
#2b	Quality of Service Optimisation	75 marks	30 marks (40%)
#2c	Quality of Customer Experience Management	100 marks	40 marks (40%)
#3	Quality of the Solution Plan	150 marks	Minimum of 90 marks across the full criterion (60%) AND 40% for each sub-criterion
#3a	Quality of the Solution Architecture, Functionality & Maintainability	100 marks	40 marks (40%)
#3b	Quality of the Solution Operations	50 marks	20 marks (40%)
#4	Quality of the Compliance Plan	Pass/Fail	Pass mark is scoring Band 3 or higher
Criteria 5		Marks Available	Minimum Marks Threshold
PRICE		400 marks across the full criterion	N/A
#5a	NPV of total cost of the Services over the core term of 5 years	150 marks	N/A
#5b	NPV of total cost of the Services over an extended term of 10 years (i.e., with services continuing for the maximum extension period of an additional 5 years)	100 marks	N/A
#5c	NPV of total cost of the Services over an extended term of 10 years under a high contact volume forecast (i.e., sensitivity based on an increased level of contact volumes)	75 marks	N/A
#5d	NPV of total cost of the Services over an extended term of 10 years under a low contact volume forecast (i.e., sensitivity based on a reduced level of contact volumes)	75 marks	N/A
Total Score Available		1,000	N/A

By submitting a final tender, tenderers accepted all conditions and calculations associated with the Award Criteria used to score their submissions. Within each of the quality award criteria, final tenders are evaluated against a number of categories and subcategories, each of which has been allocated a number of marks as specified in the RFT.

#### 4.4.2.4. Tender process

The tender phase comprised two stages – interim submission and final tender.

Tenderers submitted interim submissions which were reviewed against the award criteria. Feedback was provided by the NTA to tenderers, from quality and commercial/financial perspectives.

Following the provision of feedback, and the commencement of negotiations prior to Final Tenders, only two tenderers continued in negotiation process and proceeded to submit final tenders for evaluation by the NTA.

Details of the final tender evaluation are provided in Section 5 of this report.

### 4.5. Key commercial features of the contract

#### 4.5.1. Payment mechanism

##### 4.5.1.1. Milestone payments

Milestone payments will be paid by the NTA upon completion by the Service Provider of all required activities for each milestone, as set out in Schedule 3 of the contract. The achievement of milestones will be monitored by the NTA through a certification procedure that involves producing milestone certificates.

Milestone payments are fixed in quantum and not subject to indexation. Tenderers were requested to submit an amount of milestone payments in aggregate, to which the following allocation will be applied in accordance with contract provisions:

Milestone	Description	Milestone payment allocation percentage
1	Delivery of plans	0%
2	Technical and services design completion	10%
3	Technical & services readiness	20%
4	Operational services start date	20%
5	Service transition completion date	50%

The milestone payment percentage payable at milestone 2, milestone 3 and milestone 4 will be the lower of:

- the percentage of the total milestone payments corresponding to that milestone; and
- 90% of the mobilisation and transition costs forecast in the operator business model (OBM) up to the achievement of the relevant milestone, less the aggregate milestone payments paid or payable in respect of prior milestones.

Milestone payments may be reduced in accordance with contract provisions if the Service Provider fails to achieve milestone 4 or milestone 5 by the relevant long stop dates.

#### 4.5.1.2. Operating payments

The operating payments are summarised in the table below. The operating payments are bid by Tenderers as part of their Final Tender.

Payment type	Service Charge description	Pricing basis
<b>Contact Centre Fixed Charges</b>		
Fixed Operating Payment (FOP)	Payment per reporting period in respect of the operational fixed costs associated with the provision of the services (excluding virtual assistant) from the operational services start date.	Fixed
<b>Volume Based Agent Channel Service Charges</b>		
Calls Payment (CP)	Structured in 3 bands depending on volume of chargeable calls per reporting period, with a fixed fee per chargeable call associated with each band.	Volume based
Webform Payment (WFP)	A fixed fee per chargeable webform	Volume based
White Mail Payment (WMP)	A fixed fee per chargeable white mail.	Volume based
Email Payment (EP)	A fixed fee per chargeable email	Volume based
<b>Social Media and Webchat Charges</b>		
Social Media Payment (SMP)	A fixed fee per productive agent hour for handling social media.	Time and Materials
Webchat Payment (WP)	A fixed fee per chargeable webchat	Volume based
<b>Case Management System Charges</b>		

Payment type	Service Charge description	Pricing basis
Case Management System Payment (CMP)	The case management system payment is a variable payment based on the total number of licences to the case management element of the solution to be made available to the NTA, the Transport Operators and the ticket service providers.	Volume based
	OR <sup>18</sup> The case management system payment is a fixed payment for an enterprise licence providing unlimited concurrent licences to the case management element of the solution to be made available to the NTA, the Transport Operators and the ticket service providers.	Fixed fee
<b>Lost Property Charges</b>		
Lost Property Payment (LPP)	Payment in respect of the net costs associated with the provision of the lost property management services.	Fixed fee
<b>Virtual Assistant Charges</b>		
Virtual Assistant Payment (VAP)	Payment in respect of the operational fixed costs associated with the provision of a virtual assistant as set out in the services, solution and compliance schedule that are incurred following the operational services start date.	Fixed fee
	A fixed fee per chargeable conversation	Volume based

The operating payment for a reporting period is determined by the following formula:

$$OP = ([FOP \times MTf] + CP + WFP + WMP + EMP + SMP + WCP + CMP + LPP + VAP) \times RPPF \times EF$$

Where:

- *OP* is the operating payment for the reporting period
- *MTf* is the mobilisation and transition factor applied to the Fixed Operating Payment, which is assigned the value of:

<sup>18</sup> Bidders were requested to select one of the pricing approaches for Case Management System Payment.

Start	End	Value
Operational services start date	1 <sup>st</sup> reporting period following transition of 4 <sup>th</sup> existing contact centre	50%
1 <sup>st</sup> reporting period following transition of 4 <sup>th</sup> existing contact centre	1 <sup>st</sup> reporting period following transition of 5 <sup>th</sup> existing contact centre	70%
1 <sup>st</sup> reporting period following transition of 5 <sup>th</sup> existing contact centre	1 <sup>st</sup> reporting period following service transition completion date	90%
1 <sup>st</sup> reporting period following service transition completion date	End of contract	100%

- *RPPF* is the reporting period performance factor
- *EF* is the Efficiency Factor. This is a percentage submitted by tenderers for contract years 2 to 10. From one contract year to the next, the Efficiency Factor percentage may be the same or may reduce (e.g., from 98% to 96%)

#### 4.5.1.3. Monitoring of average handling time for calls

Beginning on the operational services start date, the Service Provider will record the handling time for all chargeable calls and report the average to the NTA for the Reporting Period, for the First Monitoring Period and for each Semi-Annual Monitoring Period. The NTA will compare the actual average handling times reported with the Assumed Average Handling Time for the First Monitoring Period and each Semi-Annual Monitoring Period thereafter.

If the actual Average Handling Time is more than 10% longer than the Assumed Average Handling Time, then with effect from the first Reporting Period after the end of that Monitoring Period, the fixed fee per Chargeable Call will be adjusted as follows:

$$B \times [1 + ((C / D) - 1) \times 0.9]$$

where:

- B is the fixed fee per Chargeable Call
- C is the actual Average Handling Time in seconds
- D is the Assumed Average Handling Time in seconds.

If the actual Average Handling Time is more than 10% shorter than the Assumed Average Handling Time, then with effect from the first Reporting Period after the end of that Monitoring Period, the fixed fee per Chargeable Call will be adjusted as follows:

$$B \times [1 - ((1 - (C / D)) \times 0.9)]$$



where same definitions above apply.

If the actual Average Handling Time is either more than 10% longer or more than 10% shorter than the Assumed Average Handling Time, the Assumed Average Handling Time will be updated to equal the actual Average Handling Time in seconds for that Monitoring Period. If the actual Average Handling Time falls within the 10% deviation limit on either side, the Assumed Average Handling Time will remain unchanged.

The Service Provider will submit its draft methodology for recording and reporting handling times to the NTA no less than 40 working days before the operational services start date. This methodology should detail:

- The time period for reporting actual Average Handling Time calculations to the NTA
- The proposed method for recording and calculating Average Handling Time
- All adjustments and exceptions proposed to be accounted for
- The safeguards and checks proposed for the avoidance of errors in reporting and calculation; and
- The means by which the NTA can review or audit the reporting and calculation of Average Handling Time

The NTA will have 10 working days from receiving this draft methodology to review it and inform the Service Provider if it has been accepted, or if it requires update within 10 working days. Where the NTA and the Service Provider do not reach agreement within 40 Working Days of the date on which the Service Provider submitted its first draft Monitoring Methodology, either Party may refer the matter to be determined in accordance with clause 50 (Dispute Resolution) of the Agreement.

#### 4.5.1.4. Additional payments

The NTA can make additional payments to the Service Provider over the term of the contract. These can be either 'Extra Resource Payments' or 'Exit Management Payments'

Extra Resource Payments are payments to the Service Provider for additional work outside of the scope of the agreed mobilisation and transition services or the operational services. Any Extra Resource Payment will be subject to the rate card set out in the schedule of payments and will be subject to indexation. The rate card is bid by Tenderers as part of their Final Tender.

Exit Management Payments are payments made to the Service Provider if and when the Service Provider either is instructed by the NTA to undertake the exit management services to which the payments relate, or if the Service Provider completes the exit milestone to which the relevant Exit Management Payment relates, to the satisfaction of the NTA. One of the Exit Management Payments is predetermined in the schedule of payments, whereas the amounts of the other Exit Management Payments are subject to agreement between the NTA and the Service Provider, in accordance with contract provisions.

#### 4.5.1.5. Indexation

Operating payments and additional payments are subject to indexation in accordance with contract provisions. In summary:

- The indexation formula is based on the consumer price index (base December 2016) and the average hourly earnings for all employees in administrative and support services (AHE). Both indices are published by the Central Statistics Office

- The weightings are 70% to AHE and 30% to CPI
- Indexation is applied on the on the first day of the first reporting period that follows each anniversary of the operational services start date

#### 4.5.2. Performance management

**Schedule 5: Performance** sets out the performance management model for the contract. It includes a total of 21 Key Performance Indicators (KPIs) and 24 Performance Indicators (PIs).

The performance management model seeks to:

- facilitate linkage between the NTA's desired business objectives and the activities to be performed by the Service Provider
- support the achievement of best value by ensuring that performance is continually measured and lessons learned to achieve continuous improvement in the provision of the services
- incentivise the Service Provider to meet the target service levels and to remedy any failure to meet the target service levels expeditiously.

Each KPI and PI has its own performance description, measurement period, target service level, type of performance point calculation and performance points. The performance points determine a reporting period performance factor. The reporting period performance factor – which is a percentage subject to a floor – is then applied to the operating payments.

The KPIs and PIs were calibrated by the NTA and have been set in a way which will help to ensure that the services are of a consistently high quality and meet the requirements of the NTA. It will also provide a mechanism whereby the NTA can attain meaningful recognition of inconvenience and / or losses resulting from any failure by the Service Provider.

Separate contract provisions cover other types of breaches by the Service Provider of its obligations.

#### 4.5.3. High-level changes to the contract following negotiations

As a result of discussions and exchanges during negotiations there were a number of changes to the contract and request for tender documentation, particularly related to deliverability and affordability of tenderers' submissions.

The principle of equality of treatment between all tenderers was applied when implementing changes.

Key changes made to the final tender documentation are outlined below, in a non-exhaustive way:

- General contract changes and changes related to quality award criteria
- Scope (Participating Organisations) – Leap removed from scope (refer to section 4.1.4)
- Financial/commercial changes, specifically in relation to the schedule of payments
  - Profile of milestone payments
  - Mobilisation and transition factor
  - Indexation formula weighting of each index
  - Removal of cap (percentage) on the annual application of indexation
  - AHT baselining & KPI grace periods

- Clarification of steps in AHT baselining process
- Cap on milestone payment reduction due to a delay
- Clarification on scope of performance points

## 5. Overview of tenders received

*This section sets out the details of the tenders submitted at Final Tender Stage, and the findings of the Quality evaluation and Commercial evaluation teams assessments. It also details the scoring assigned to each submission.*

**[Note for published version:** An updated / redacted version of this section with confidential and/or commercially sensitive information removed will be prepared prior to the publication of the FBC. In particular, the Price Evaluation details must not be publicly published, it would result in confidential information being put in the public domain.]

### 5.1. Overview of Final Tenders (Quality)

This section provides a comparison of the Tenderers' qualitative submissions at Final Tender stage.

#### 5.1.1. Scoring

In line with the Invitation to Submit Final Tender ('ISFT') and in order to ensure consistency and equity, the evaluation team assigned scores for quality of response to the qualitative requirements using the scores and the indicators below:

Scoring Band	Score (as a % of the maximum marks available)	Interpretation
5	100%	An excellent response to the criterion or sub-criterion. Demonstrates an excellent methodology to deliver the requirements. Provides a very high degree of confidence in the Tenderer's ability to deliver the required outcomes.
4	80%	A very good response to the criterion or sub-criterion. Demonstrates a very good methodology to deliver the requirements. Provides a high degree of confidence in the Tenderer's ability to deliver the required outcomes.
3	60%	A good response to the criterion. Demonstrates a good methodology to deliver the requirements. Provides a good degree of confidence in the Tenderer's ability to deliver the required outcomes.
2	40%	An adequate response to the criterion or sub-criterion. Demonstrates an adequate methodology to deliver the requirements. Provides a reasonable degree of confidence in the Tenderer's ability to deliver the required outcomes.
1	20%	A poor response to the criterion or sub-criterion. Demonstrates a limited methodology to deliver the requirements. Provides little confidence in the Tenderer's ability to deliver the required outcomes.
0	0%	No response. Demonstrates no methodology to deliver the requirements. Provides no confidence in the Tenderer's ability to deliver the required outcomes.
Individual statements in the above bands are separate and not cumulative		

### 5.1.2. Minimum Marks Thresholds

Minimum Marks Thresholds were applied in the quality evaluation as set out below.

Criteria		Marks Available	Minimum Marks Threshold
QUALITY		600 marks	N/A
#1	Quality of the Mobilisation & Transition Plan	150 marks	60 marks (40%)
#2	Quality of the Operations Plan	300 marks	Minimum of 180 marks across the full criterion (60%) AND minimum of 60% in respect of sub-criterion 2A, minimum of 40% for sub-criteria 2B and 2C respectively.
#2a	Quality of Service Delivery and Performance Management	125 marks	75 marks (60%)
#2b	Quality of Service Optimisation	75 marks	30 marks (40%)
#2c	Quality of Customer Experience Management	100 marks	40 marks (40%)
#3	Quality of the Solution Plan	150 marks	Minimum of 90 marks across the full criterion (60%) AND 40% for each sub-criterion
#3a	Quality of the Solution Architecture, Functionality & Maintainability	100 marks	40 marks (40%)
#3b	Quality of the Solution Operations	50 marks	20 marks (40%)
#4	Quality of the Compliance Plan	Pass/Fail	Pass mark is scoring Band 3 or higher

The ISFT stated that, for the avoidance of doubt, Final Tenders which fail the pass/fail criteria, or which do not achieve all of the Minimum Marks Thresholds identified in the table above will be eliminated from the competition and will not be considered eligible for contract award.

### 5.1.3. Evaluation

The qualitative evaluation was initially completed by the individual evaluation team members against the quality Award Criteria. Following this exercise, evaluation team members met within their relevant Award Criterion sub-teams to achieve consensus on the scores to be allocated.

The results of the quality evaluation are presented below 5.3.

## 5.2. Overview of Final Tenders (Price)

The sub-sections that follow present a comparison of the two Tenderers' Price submissions in respect of the following parameters:

- Authority Payments over the Initial Term of the contract and extended term of the Contract (i.e., Initial Term plus Extension Period)
- Tenderer's Costs over the Initial Term of the Contract and extended term of the Contract

### 5.2.1. Authority Payments

This sub-section presents an overview of the total Authority Payments set out by the two Tenderers in their OBM and examines the relevant breakdown of the total payments. The total Authority Payments are made up of the milestone payments, fixed operating payments, variable operating payments and additional payments.

#### 5.2.1.1. Total Authority Payments

The table below sets out the breakdown of the total Authority Payments that each Tenderer submitted in its OBM in real terms (i.e., before applying inflation assumptions).

Total Authority Payments In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Milestone Payments	8,154	1,804	8,154	1,804
Fixed Operating Payments	14,384	3,254	29,439	6,386
Variable Operating Payments	14,630	15,666	31,221	33,106
Additional Payments	407	355	813	710
<b>Total Authority Payments</b>	<b>37,574</b>	<b>21,079</b>	<b>69,627</b>	<b>42,006</b>

Tenderer X has tendered materially higher total Authority Payments of €37.6m and €69.6m over the Initial Term and Extended Term respectively, in comparison to €21.1m and €42.0m for Tenderer Y. The difference is predominantly driven by the differences in Fixed Operating Payments and Milestone Payments, which show the largest differences between the Tenderers

Tenderer X is higher in every category of Authority Payment except for Variable Operating Payments. The variable operating payments are analysed in more detail in the sub-section below.

#### 5.2.1.2. Variable Operating Payments

The total Variable Operating Payments submitted by each Tenderer at Final Tender stage are shown below, based on the estimated volumes specified by the NTA in the OBM for evaluation purposes.

Total Variable Operating Payments In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Calls Payment	6,920	4,744	13,816	9,462
Webform Payment	1,417	4,540	3,205	10,271
White Mail Payment	48	161	99	330
Social Media Payment	2,207	1,650	5,462	4,083
Webchat Payment	584	3,177	1,445	7,865
Case Management System Payment	2,230	697	4,563	1,395
Email Payment	274	725	537	1,425
Lost Property Payment	608	462	1,215	924

Total Variable Operating Payments In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Virtual Assistant Payment	343	215	878	430
<b>Total Variable Operating Payments</b>	<b>14,630</b>	<b>16,373</b>	<b>31,221</b>	<b>36,186</b>

Tenderer X has the lower Total Variable Operating Payments, which results from the differences in the unit price for each Variable Operating Payment.

### 5.2.2. Tenderer Costs

This section provides an overview of the underlying costs estimated by the two Tenderers in their OBM and examines the relevant breakdown of those costs. The costs borne by the Tenderers comprise the Mobilisation & Transition Costs, Operating Costs and Risks / Contingency Costs.

#### 5.2.2.1. Total Tenderer Costs

The table below presents a breakdown of the total Tenderer costs in real terms (i.e., before applying inflation assumptions) as submitted at Final Tender stage:

Total Tenderer's Costs In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Mobilisation & Transition Costs	6,458	1,328	6,458	1,328
Operating Costs	25,341	18,225	52,055	37,644
Risks / Contingency Costs	2,577	459	4,540	925
<b>Total Tenderer's Costs</b>	<b>34,375</b>	<b>20,011</b>	<b>63,052</b>	<b>39,897</b>

Tenderer X has the greatest overall Tenderer costs and has the greatest cost across every sub-category. The largest driver of the difference between the Tenderers is Operating Costs.

#### 5.2.2.2. Mobilisation and Transition Costs

The table below presents a breakdown of the Mobilisation & Transition Costs that each Tenderer submitted in real terms (i.e., before applying inflation assumptions) at the Final Tender Stage.

Mobilisation & Transition Costs In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Staff Costs	5,725	682	5,725	682
Solution Costs	572	216	572	216
Premises and Infrastructure	161	32	161	32
Other Costs	0	399	0	399
<b>Total Mobilisation &amp; Transition Costs</b>	<b>6,458</b>	<b>1,328</b>	<b>6,458</b>	<b>1,328</b>

Tenderer X has the highest Mobilisation & Transition Costs. The difference between the Tenderers is mainly driven by the difference in Staff Costs.

#### 5.2.2.3. Operational Costs

The table below presents a breakdown of the Operational Costs that each Tenderer submitted in real terms (i.e., before applying inflation assumptions) at the Final Tender Stage.

Operational Costs In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Staff Costs	13,166	12,051	26,675	24,957
Solution Costs	9,428	2,912	19,867	5,948
Premises and Infrastructure	0	194	0	400
Other Costs	2,746	3,068	5,514	6,339
<b>Total Operational Costs</b>	<b>25,341</b>	<b>18,225</b>	<b>52,055</b>	<b>37,644</b>

As can be seen in the table above, Tenderer X has the highest operational costs. The difference between the Tenderers is mainly driven by the difference in Solution Costs.

#### 5.2.2.4. Risk / Contingency Costs

The table below sets out the breakdown of the Risk / Contingency Costs that each Tenderer submitted in real terms (i.e., before applying inflation assumptions) at the Final Tender Stage.

Risk / Contingency Costs In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Implementation / Transition Phase	709	0	709	0
Operational Phase Contingency	1,867	459	3,830	925
<b>Total Risk / Contingency Costs</b>	<b>2,577</b>	<b>459</b>	<b>4,540</b>	<b>925</b>

As seen above, Tenderer X has included significantly higher Risk / Contingency Costs.

#### 5.2.3. Profit Margin

The table below sets out the Gross Profit and the Profit Margin identified in the OBM based on the total Authority Payments and total Tenderer Costs in real terms (i.e., before applying inflation assumptions), as submitted by each Tenderer at the Final Tender stage.

Profit In real terms - €'000	Initial Term (5 years)		Extended Term (10 years)	
	Tenderer X	Tenderer Y	Tenderer X	Tenderer Y
Total Gross Profit	3,199	1,068	6,575	2,109
<b>Profit Margin</b>	<b>8.5%</b>	<b>5.1%</b>	<b>9.4%</b>	<b>5.0%</b>



## 5.3. Summary of Evaluation of Tenders (Quality)

### 5.3.1. Introduction

This section presents the findings of the quality evaluation team's assessment of submissions at Final Tender stage. The assessment has been conducted in accordance with the evaluation criteria and procedures set out in the ISFT.

For the purposes of evaluation, Tenderers were required to respond to all of the quality Award Criteria /sub-criteria.

### 5.3.2. Quality Award Criteria

The table below outlines the award Criteria, the weighting of each and the total marks available for each criterion/sub-criterion.

Award Criteria	Weighting	Marks Available
Criterion 1: Quality of the Mobilisation and Transition Plan	25%	150
Criterion 2a: Quality of the Service Delivery and Performance Management	21%	125
Criterion 2b: Quality of Service Optimisation	13%	75
Criterion 2c: Quality of Service Customer Experience Management	17%	100
Criterion 3a: Quality of the Solution Plan	17%	100
Criterion 3b: Quality of the Solution Operations	8%	50
Criterion 4: Quality of the Compliance Plan	Pass/Fail	Pass/Fail
<b>Subtotal</b>	<b>100%</b>	<b>600</b>

### 5.3.3. Scoring of Award Criteria

The table below presents the scores awarded to each Tenderer for each individual award criterion/sub-criterion as part of the quality evaluation:

Award Criteria	Tenderer X	Tenderer Y
Criterion 1: Quality of the Mobilisation and Transition Plan	90	120
Criterion 2a: Quality of the Service Delivery and Performance Management	75	100
Criterion 2b: Quality of Service Optimisation	45	75
Criterion 2c: Quality of Service Customer Experience Management	60	100
Criterion 3a: Quality of the Solution Plan	60	60
Criterion 3b: Quality of the Solution Operations	30	30
Criterion 4: Quality of the Compliance Plan	0	0
<b>Subtotal</b>	<b>360</b>	<b>485</b>

Tenderer Y achieved higher scores than Tenderer X across the majority of the quality evaluation Criteria except for Criterion 3a and 3b, where Tenderer Y and Tenderer X were awarded the same marks.

### 5.3.4. Minimum Marks Threshold

Section 5.1.2 sets out the minimum marks required for each criterion/sub-criterion from Criterion 1 to Criterion 4. As seen in section 5.3.3 above, both Tenderer X and Tenderer Y have met or exceeded the minimum marks required for every criterion/sub-criterion.

### 5.4. Summary of Evaluation of Tenders (Price)

This section presents the findings of the Commercial / Financial evaluation teams' assessment of the two Price submissions at Final Tender stage. The assessment has been conducted in accordance with the Price Award Criteria evaluation methodology set out in sections 6.2: Award Criteria and 6.4: Price Evaluation in the ISFT document. The criteria for the financial evaluation are set out below.

Price Award Criteria		Marks Available
5a	NPV of total cost of the Services over the core term of 5 years	150
5b	NPV of total cost of the Services over an extended term of 10 years (i.e., with services continuing for the maximum extension period of an additional 5 years)	100
5c	NPV of total cost of the Services over an extended term of 10 years under a high contact volume forecast (i.e., sensitivity based on an increased level of contact volumes)	75
5d	NPV of total cost of the Services over an extended term of 10 years under a low contact volume forecast (i.e., sensitivity based on a reduced level of contact volumes)	75
Total Score Available		400

The Price evaluation was based on the NPV of the prices submitted in the Tender Pricing Form of the Operator Business Model ("OBM") and assessed in accordance with the methodology set out in the ISFT. The Price evaluation was conducted on the following basis as set out in the ISFT:

- The following assumed dates are used to determine a timeline for Payments in the OBM:
  - Contract signing / Commencement Date in October 2023, which is the start of the Mobilisation and Transition phase
  - Operational Service Start Date (Milestone 4) is achieved at the end of June 2024
  - Services Transition Completion Date (Milestone 5) is achieved in March 2025
- A Performance Factor of 100% is assumed
- NPVs are calculated by discounting the Payments, expressed in nominal terms, using a discount rate of 1.75%
- Indexation is applied to all Payments which are subject to indexation in accordance with the Payments Schedule of the Contract, at an assumed rate of 3% per annum applied on the first day of the second Contract Year and on the first day of each subsequent Contract Year as set out in the Payments Schedule
- The NPV of all Payments, using the notional volumes, is calculated based on the sum of the Milestone Payments and the Operating Payments in each period (exclusive of VAT)

Each price award sub-criterion was based on a specified contract term and volume scenario as follows:

- **Award sub-criterion 5A** is a 5-year operations scenario based on the base case volumes
- **Award Sub-Criterion 5B** is a 10-year operations scenario based on the base case volumes
- **Award Sub-Criterion 5C** is a 10-year operations scenario based on the higher contact volume scenario set out in the OBM
- **Award Sub-Criterion 5D** is a 10-year operations scenario based on the lower contact volume scenario set out in the OBM

The NPV of all Payments was then used to determine the overall price for evaluation purposes ("Evaluation Price"), as shown in the OBM. Once the Evaluation Price ("EP<sub>i</sub>") of each Tender for each award sub-criterion was identified, the lowest and highest Evaluation Price was then identified ("EP<sub>min</sub>" and "EP<sub>max</sub>", respectively).

The score for each Tenderer for each award sub-criterion was calculated using:

$$\text{Marks Awarded} = \text{Maximum Possible Marks} \times \left( \frac{EP_{\max} + EP_{\min} - EP_i}{EP_{\max}} \right)$$

The tables below present the Evaluation Price of each Tenderer for each Price award criterion.

Evaluation Price Summary – Net Present Values		Tenderer X	Tenderer Y
5a	NPV of total cost of the Services over the core term of 5 years	€37,227,660	€20,941,644
5b	NPV of total cost of the Services over an extended term of 10 years (i.e., with services continuing for the maximum extension period of an additional 5 years)	€71,084,683	€43,045,375
5c	NPV of total cost of the Services over an extended term of 10 years under a high contact volume forecast (i.e., sensitivity based on an increased level of contact volumes)	€77,117,547	€49,330,547
5d	NPV of total cost of the Services over an extended term of 10 years under a low contact volume forecast (i.e., sensitivity based on a reduced level of contact volumes)	€64,969,849	€36,760,204

The table below provides the score awarded to each Tenderer using the methodology stated above.

Price Scoring		Tenderer X	Tenderer Y
5a	NPV of total cost of the Services over the core term of 5 years	84	150
5b	NPV of total cost of the Services over an extended term of 10 years (i.e., with services continuing for the maximum extension period of an additional 5 years)	61	100
5c	NPV of total cost of the Services over an extended term of 10 years under a high contact volume forecast (i.e., sensitivity based on an increased level of contact volumes)	48	75
5d	NPV of total cost of the Services over an extended term of 10 years under a low contact volume forecast (i.e., sensitivity based on a reduced level of contact volumes)	42	75
<b>Total Score</b>		<b>235</b>	<b>400</b>

### 5.5. Highest Scoring Tenderer

The table below presents the total weighted scores awarded to each Tenderer in respect of the quality and price evaluations.

Award Criteria	Tenderer X	Tenderer Y
Quality Evaluation – Pass/Fail element	Pass	Pass
Total Quality marks (out of 600 and excluding Pass/Fail element)	360	485
Total Price marks (out of 400)	235	400
<b>Combined Evaluation assessment (out of 1000)</b>	<b>595</b>	<b>885</b>

In conclusion, **Tenderer Y was determined as the highest scoring Tenderer**, achieving the highest combined evaluation mark of 885 out of 1000. Tenderer Y also achieved a higher score across both quality evaluation and price evaluation.

## 6. Financial Appraisal

*In accordance with the Public Spending Code (PSC), a financial appraisal of the Consolidated Contact Centre (CCC) has been undertaken, based on up-to-date cost, benefit, and delivery information that emerged during the Procurement process, this section presents the outcome of the appraisal.*

### 6.1. Introduction

The Financial Appraisal comprised the following main steps:

- Inclusion of the costs submitted by the Service Provider at Final Tender Stage, which represent the costs to the NTA that are in the Service Provider's remit
- Update to the incremental cash inflows and outflows of the NTA that are not in the Service Provider's remit
- Discounting the cash flows to take account of the time value of money using the discount rate which is applicable under PSC guidelines
- Reporting and commenting the results, based on financial ratios and indicators where they have been included in the 2020 Business Case

A specific emphasis is dedicated to the review and comparison of the costs submitted by the Service Provider at Final Tender Stage against the cost of the preferred option in the 2020 Business Case. This is supplemented by a comparison with the costs included in the 2022 Sense Check.

This review of the costs submitted by the CCC Service Provider at Final Tender Stage is of particular importance as, since the 2020 Business case and 2022 Sense Check were completed and the preferred option assessed, economic conditions have changed, and there is a deeper understanding of how the Consolidated Contact Centre should be delivered.

The costs submitted at Final Tender Stage therefore provide the NTA with an up-to-date and robust market view, evidenced via a competitive tendering process, of the anticipated costs (capital and operational) to deliver a consolidated contact centre.

### 6.2. Financial Appraisal Approach

#### 6.2.1. Approach on Financial Appraisal of Charges

The CCC Service Provider submitted costs to NTA at Final Tender Stage. These costs are based on key assumptions determined by the NTA as set out in the ISFT. In particular, Variable Operating Payments and Additional Payments are based on notional volumes and values that have been estimated by the NTA and were provided in the ISFT for evaluation purposes.

These costs, which are the forecasted future costs to the NTA associated with the CCC Service Provider, supersede all previous cost estimates, including the financial forecasts included in the 2020 Business Case and the 2022 Business Case Sense Check.

#### 6.2.2. Approach on Financial Appraisal of other costs

The 2020 Business Case and the 2022 Business Case Sense Check had also identified costs expected to be incurred by the NTA, other than those in the CCC Service Provider's remit. These NTA costs have been updated using the latest budget assumptions from the NTA Programme Team.

## Actuals / Sunk Costs

The below table sets out the sunk costs that have been incurred to date. In accordance with the PSC requirements, these have not been incorporated into the financial analysis.

Year	Amount in €
2019	495,698
2020	700,000
<b>Subtotal</b>	<b>1,195,698</b>
2021	252,888
2022	690,703
<b>Subtotal</b>	<b>943,591</b>
<b>Total</b>	<b>2,139,289</b>

## NTA – Mobilisation & Transition

The following table sets out the personnel who have been hired, on a contract basis, to form the NTA programme team for the Mobilisation and Transition phase:

NTA Mobilisation & Transition – Costs	2023	2024	2025
Programme Manager	142,465	286,190	76,906
Training & Change	89,298	153,566	42,450
Contact Centre SME	61,364	108,613	29,187
Transition SME	82,333	219,878	243,125
Solution & Security Architect	196,751	162,434	34,889
Test Manager	106,856	194,051	52,146
Business Analyst	100,737	146,585	39,391
Usability	119,335	51,531	-
<b>Total</b>	<b>899,139</b>	<b>1,322,848</b>	<b>518,094</b>

The total across these personnel hire categories was then taken as the annual cost for ‘NTA – Mobilisation and Transition’ within this Financial Appraisal.

## Transport Operator Personnel

A number of Transport Operator personnel are scheduled to join the programme team on a full-time basis during Mobilisation & Transition, in order to support acceptance, knowledge transfer, and operationalisation. The costs of these personnel are presented below.

NTA Mobilisation & Transition - Costs	2023	2024	2025
TO Personnel	230,625	535,050	154,365

## NTA – Consolidated Contact Centre Operations

A dedicated customer experience team from the NTA will manage the CCC and drive enhanced customer experience and continuous improvement, once operational.

With the exception of the Service Delivery Manager who will be a full-time employee, it is envisaged that this team will be hired on a contract basis until the end of 2025 at which point they will become full-time employees on a salary of €75,000. The costs of this team are presented below.

NTA CCC Operation – Forecasts	2023	2024	2025	After 2025 <sup>19</sup>
Service Delivery Manager	90,000	90,000	90,000	90,000
Training & Change	Included in NTA – Mobilisation & Transition	Included in NTA – Mobilisation & Transition	127,351	75,000
CCC Liaison Officer	50,738	153,566	169,802	75,000
Quality, & Continuous Improvement	50,738	153,566	169,802	75,000
CCC Contract Manager	59,667	102,610	113,458	75,000
<b>Total</b>	<b>251,143</b>	<b>499,742</b>	<b>670,413</b>	<b>390,000</b>

### 6.3. Programme Timeline

This section presents the indicative timeline of the Contract, which was used as the appraisal timeline.<sup>20</sup>

It is anticipated that the Contract will commence on the Commencement Date (June 2023) and will continue for a period of five years from the Operational Services Start Date, with options for the NTA to extend the term (beyond that period of five years) for any period of up to a further five years.<sup>21</sup> The option to extend rests solely with the NTA. In the maximum 10-year operations scenario, it is assumed that the Contract has an expiry date at the end of June 2034.

Key dates are as follows:

- The Contract Award is set to occur on 16 October 2023, which is the start of the Mobilisation and the Transition Phase
- The Mobilisation Phase runs until end of June 2024
- The Operational Services Start Date is set to occur end of June 2024
- The Services Transition Completion Date in March 2025
- It has been assumed that operation of the CCC will ramp up as per the Go-Live Order below:

#### Assumed Go-Live Order

Service Provider Contact Centre	Go Live Date	Mobilisation and transition factor
Bus Eireann (including Expressway)	25/06/2024	50%
Go Ahead	26/07/2024	50%
Irish Rail	20/09/2024	50%
NTA (see M&T Schedule)	17/10/2024	70%
Dublin Bus	12/01/2025	90%
Transdev/Luas	07/03/2025	90%

<sup>19</sup> For the purposed of this business case, NTA Operation Costs have been averaged over the period

<sup>20</sup> Any minor delays to contract award, while impacting the cashflows and their timeline, are not expected to change any of the conclusions of this financial appraisal.

<sup>21</sup> Operational Services Start Date means the first date of commencement of Operational Services for least one Transport Operator (as

## 6.4. Service Provider Payments

This section sets out the payments tendered by the Service Provider, based on the contact volume assumptions determined by the NTA, as set out in the ISFT. It also provides a comparison against previously estimated costs of the Service Provider as stated in the 2020 Business Case and the 2022 Business Case Sense Check.

The payments tendered by the Service Provider are the result of an extensive market competition. This competition was conducted as a public procurement under the Competitive Procedure with Negotiation. Negotiations have supported a drive to achieve improved value in the cost of the contact centre services. Throughout this competition, the NTA has constantly looked to secure value for money, whilst meeting programme objectives.

The below table sets out the total Payments to the Service Provider in real terms (excluding indexation) in the Initial Term and the Extended Term scenarios:

### Total Payments - in real terms

Total Payments In real terms - €'000	Initial Term (5 years)	Extended Term (10 years)
Milestone Payments	1,804	1,804
Fixed Operating Payments	3,254	6,386
Variable Operating Payments	15,666	33,106
Additional Payments	355	710
<b>Total Payments</b>	<b>21,079</b>	<b>42,006</b>

The below table sets out the total Payments in nominal terms in the Initial Term and the Extended Term scenarios. This takes into account indexation at an assumed rate of 3% per annum, an assumption which is based on guidance by the Department of Public Expenditure, NDP Delivery and Reform, required to be used under PSC guidelines. Per contract provisions, indexation is applied on the first day of the second Contract Year and on the first day of each subsequent Contract Year as set out in the Payments Schedule.

### Total Payments - in nominal terms - contract indexation assumed at 3% per annum

Total Payments In nominal terms - €'000	Initial Term (5 years)	Extended Term (10 years)
Milestone Payments	1,804	1,804
Fixed Operating Payments	3,457	7,303
Variable Operating Payments	16,670	38,119
Additional Payments	376	812
<b>Total Payments</b>	<b>22,308</b>	<b>48,038</b>

The below table sets out the comparison of the total Payments in real terms in the Extended Term scenario to the costs of the Service estimated in the 2020 Business Case and also the 2022 Business Case Sense Check. Figures have been adjusted to ensure like for like comparison as regards inflation (in order to present figures in real terms at 2025 prices and period of operations (10 years)).<sup>22</sup>

Comparison of Service Provider's Payments to previous Service Provider Costs	In real terms - €'000
(A_i1) - 2020 Business Case	30,623
(A_i2) - 2020 Business Case - adjusted to 10 years of operations	37,641

<sup>22</sup> 2025 is the year where indexation is expected to start under contract provisions.



(A) - 2020 Business Case - adjusted to 10 years of operations - uplifted for inflation to match with (C)	53,459
(B_i) - 2022 Business Case Sense Check - 10 years of operations (referred to as '12 years') – including risk contingency (10%) and optimism bias (38%)	50,844
(B) - 2022 Business Case Sense Check - 10 years of operations - including risk contingency and optimism bias - uplifted for inflation to match with (C)	72,210
(C) – Final Tender Stage Price – Extended Term (10 years)	42,006
<b>Difference % (C) – (A)</b>	<b>-21%</b>
<b>Difference % (C) – (B)</b>	<b>-42%</b>

As seen above, the total **Payments submitted by the Service Provider of €42.0m are lower than the 2020 Business Case figure (as adjusted to 10 years of operations and uplifted for inflation) of €53.5m** and significantly lower than the 2022 Business Case Sense Check figure (as uplifted for inflation) of €72.2m.

<b>Comparison of Service Providers Costs at Final Tender Stage to previous Service Provider Costs – excluding risk contingency and optimism bias</b>	<b>In real terms - €'000</b>
(B_i) - 2022 Business Case Sense Check - 10 years of operations (referred to as '12 years') – <u>excluding</u> risk contingency (10%) and optimism bias (38%)	37,641
(B) - 2022 Business Case Sense Check - 10 years of operations - <u>excluding</u> risk contingency and optimism bias - uplifted for inflation to match with (C)	53,459
(C) – Final Tender Stage Price – Extended Term (10 years)	42,006
<b>Difference % (C) – (B)</b>	<b>-21%</b>

The total Payments submitted by the Service Provider of €42.0m are also lower when compared to the 2022 Business Case Sense Check figure (as uplifted for inflation since then and excluding risk contingency and optimism bias) of €53.5m.

However, there are differences in how the Service Provider is going to deliver the services in comparison to both the 2020 Business Case and the 2022 Sense Check. These differences relate mainly to the Mobilisation & Transition with significantly less personnel resources, as well as significantly less technology solution costs, while costs in the Operations phase are relatively closer to what was estimated and include in the 2020 Business Case and the 2022 Business Case Sense Check.

**[Note for published version: The explanation provided below should be removed before publication]**

To investigate these differences, a comparison was made of the breakdown of the costs, comparing the Mobilisation and Transition (M&T) and Operations' Staff and Solution Costs in the 2020 Business Case and 2022 Sense Check to those provided by the Service Provider at Final Tender stage.

Firstly, the following grouping of costs were assumed based on the 2020 Business Case and the 2022 Business Case Sense Check to allow comparison with the Final Tender submissions:

- M&T Staff Costs is assumed as equivalent to “Service Provider – Mobilisation and Transition” in the 2020 Business Case and to “SP – Staff” in the 2022 Sense Check.

- M&T Solution Costs is assumed as equivalent to the “Service Provider – Implementation of Case Management Solution” in the 2020 Business Case and to “SP – ICT Infrastructure & Workstations” in the 2022 Sense Check.
- Operations Staff Costs is assumed as equivalent to “Service Provider – Contact Centre Operations” in the 2020 Business Case and to “SP – Agents & Team Leaders” in the 2022 Sense Check.
- Operations Solutions Costs is assumed as equivalent to the sum of “Service Provider – Case Management Solution”, “Service Provider – Lost Property” and “Service Provider – Chatbot” in the 2020 Business Case and to the sum of “SP – Managed ICT Services”, “SP – Chatbot” and “SP – Lost Property” in the 2022 Sense Check.

From the comparison, it is observed that:

- The Service Provider’s M&T staff costs are significantly lower than their equivalents in both the 2020 Business Case and the 2022 Sense Check, by -85% and -90%, respectively.
- The Service Provider’s M&T Solution Costs are significantly lower than their equivalents in both the 2020 Business Case and the 2022 Sense Check, -81% and -88%, respectively.
- The Service Provider’s Operations Staff Costs are lower than their equivalents in both the 2020 Business Case and the 2022 Sense Check, -28% and -46%, respectively.
- The Service Provider’s Operations Solutions Costs are significantly lower than their equivalents in both the 2020 Business Case and the 2022 Sense Check, by -55% and -67%, respectively.

The Service Provider’s overall lower cost of 21% compared to the 2020 Business Case results from every cost category of the Service Provider: M&T Staff Costs was lower by 85%, M&T Solutions -81%, Operations Staff Costs -28% and Operations Solutions Costs -55%.

The overall lower cost of 42% compared to the 2022 Sense Check results from every cost category of the Service Provider: M&T Staff Costs was lower by 90%, M&T Solutions -88%, Operations Staff Costs -46% and Operations Solutions Costs -67%.

**[Note for published version: The explanation provided above should be removed before publication]**

## 6.5. Potential Savings

As part of the financial appraisal, consideration has been given to potential savings that may arise.

As an update of the approach followed in the 2020 Business Case, the potential savings identified in this section reflect the current operating costs of relevant Transport Operators and NTA systems which would no longer be required.

The main areas in which savings are expected to be made include the following:

1. Existing outsourced contracts for contact centre services not being renewed by Transport Operators
2. Reductions in customer agent numbers as a result of consolidating some or all of the customer contact centres and operating a more efficient structure

3. Introduction of a single CRM system by the NTA, accessible by all Transport Operators and the NTA itself, which will remove the requirement for, and cost of, individual CRM systems

These potential savings are dependent on the following:

- Accuracy of current cost information provided by the Transport Operators<sup>23</sup>
- Ability of the NTA to recoup these savings through lower subvention levels to reflect services no longer required to be funded.

Further explanation of the calculation of these savings are outlined below:

#### **Savings from outsourced contracts not being renewed by Transport Operators**

The outsourced contracts not being renewed relate to Bus Eireann and Irish Rail only.

#### **Resource Savings in Transport Operators**

Staff savings will commence in the Transport Operators at different dates depending on whether the contract is currently outsourced by the Transport Operator or currently operating in-house.

- Outsourced arrangement – Savings are expected to commence as soon as transition occurs.
- Operated in-house – it is expected that staff will be re-deployed to other useful productive roles in the Transport Operator. It has been assumed this re-deployment will take six months, after which point the NTA will no longer be reimbursing the Transport Operator for the cost of employing the staff to provide their original customer contract roles. Therefore, savings are expected to commence for these FTE six months after the average transition date.

These potential savings are included in the category “Transport Operators – Staff Savings”.<sup>24</sup>

#### **Savings due to retirement of existing CRM systems**

Savings due to the retirement of existing CRM systems are calculated based on the current costs for the Transport Operators and the NTA. Part of this relates to the savings associated with the current NTA CRM system, and the other part relates to the potential savings associated with the CRM systems currently in place at the Transport Operators. The relevant potential savings are included in the categories “NTA – Retirement of existing CRM system” and “Transport Operators – Retirement of existing CRM system”.

<b>Total Savings In real terms - €'000</b>	
Transport Operators – Outsourced Contracts not renewed	9,796
Transport Operators – Staff Savings	10,478
NTA – Retirement of existing CRM system	2,287
Transport Operators – Retirement of existing CRM system	310

<sup>23</sup> The NTA were unable in 2020, and are still unable, to determine the precise breakdown on a granular level for the costs for different services provided by Transport Operators. The potential savings included in the financial analysis are therefore based on cost information provided by the Transport Operators and assume that these savings can be achieved.

<sup>24</sup> In the case of staff savings, the NTA has made assumptions on the likely number of Transport Operator staff who would no longer be required to perform customer contact services. These assumptions have not been validated by the Transport Operators.

<b>Total Savings</b>	<b>22,871</b>
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The difference in cost savings between the 2023 Business Case Sense and the 2020 Business Case was due to the following:

- Net costs increased by €3m (in 2018 values), as a result of removing the net saving attributed to the website and mobile apps. This was removed from the Consolidated Contact Centre appraisal, as it became captured as part of a separate appraisal in the NTA
- A risk contingency and an optimism bias envelope were estimated and included in the 2022 Business Case Sense Check and the 2023 Final Business Case.

## 6.6. Financial Appraisal Results

The table below presents the summary results of the financial appraisal over the appraisal timeline. It should be noted that no guarantee is provided as to the accuracy of future cost assumptions (other than those associated with the Service Provider contract, and insofar as the contract provisions are applicable/applied and there are no material contract changes) or any of the potential savings identified for the purposes of this report.

It is to be noted that part of the total costs of the programme relates to the ongoing monitoring of the consolidated contact centre and management of the contract with the Service Provider by the NTA.

<b>Financial Appraisal</b>	<b>2023 Final Business Case</b>
<b>In real terms - €'000</b>	<b>10 years of operations 2022 values</b>
<i>Service Provider payments</i>	42,006
<i>NTA costs</i>	8,266
<b>Total Costs</b>	<b>50,273</b>
<b>Total Savings</b>	<b>-22,871</b>
<b>Net Costs</b>	<b>27,402</b>
Risk & Optimism Bias	7,988
Inflation	3,357
VAT	11,049

[Note for published version: Tables and comments below should be deleted before publication]

The table below shows the results of the financial appraisal over the project appraisal timeline.

€'000's	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
<b>Costs</b>													
<b>Mobilisation and Transition</b>													
NTA - Mobilisation and Transition	899	1,323	518										2,740
Service Provider - Milestone Payments	180	1,624	-	-	-	-	-	-	-	-	-	-	1,804
NTA - Secondments from Transport Operators	231	535	154										920
<b>Operations:</b>													
NTA - Contract Management, Customer Experience and Continuous Improvement	251	500	670	390	390	390	390	390	390	390	390	65	4,606
Service Provider - Fixed Operating Payment	-	443	701	688	667	656	646	637	628	617	610	94	6,386
Service Provider - Variable Operating Payments	-	2,058	3,221	3,269	3,259	3,338	3,393	3,433	3,481	3,522	3,570	562	33,106
Service Provider - Additional Payments	-	60	71	71	71	71	71	71	71	71	71	11	710
<b>Total Costs</b>	<b>1,561</b>	<b>6,542</b>	<b>5,335</b>	<b>4,418</b>	<b>4,388</b>	<b>4,455</b>	<b>4,500</b>	<b>4,531</b>	<b>4,569</b>	<b>4,600</b>	<b>4,641</b>	<b>732</b>	<b>50,273</b>
<b>Total Service Provider costs</b>	<b>180</b>	<b>4,185</b>	<b>3,992</b>	<b>4,028</b>	<b>3,998</b>	<b>4,065</b>	<b>4,110</b>	<b>4,141</b>	<b>4,179</b>	<b>4,210</b>	<b>4,251</b>	<b>667</b>	<b>42,006</b>
<b>Total Other costs</b>	<b>1,381</b>	<b>2,358</b>	<b>1,343</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>390</b>	<b>65</b>	<b>8,266</b>
<b>Savings</b>													
Transport Operators - Outsourced Contracts not renewed	-	721	990	990	990	990	990	990	990	990	990	165	9,796
Transport Operators - Staff Savings	-	642	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	179	10,478
NTA - Retirement of existing CRM system	-	-	-	135	269	269	269	269	269	269	269	269	2,287
Transport Operators - Retirement of existing CRM system	-	-	-	18	37	37	37	37	37	37	37	37	310
<b>Total Savings</b>	<b>-</b>	<b>1,362</b>	<b>2,063</b>	<b>2,216</b>	<b>2,369</b>	<b>2,369</b>	<b>2,369</b>	<b>2,369</b>	<b>2,369</b>	<b>2,369</b>	<b>2,369</b>	<b>649</b>	<b>22,871</b>
<b>Net Cost / (Savings)</b>	<b>1,561</b>	<b>5,180</b>	<b>3,272</b>	<b>2,202</b>	<b>2,019</b>	<b>2,087</b>	<b>2,131</b>	<b>2,162</b>	<b>2,201</b>	<b>2,232</b>	<b>2,272</b>	<b>82</b>	<b>27,402</b>
<b>Risk Contingency &amp; Optimism Bias</b>	<b>620</b>	<b>1,333</b>	<b>964</b>	<b>586</b>	<b>618</b>	<b>618</b>	<b>618</b>	<b>618</b>	<b>618</b>	<b>618</b>	<b>618</b>	<b>157</b>	<b>7,988</b>
<b>Net Costs (with Risk contingency &amp; Optimism Bias)</b>	<b>2,181</b>	<b>6,513</b>	<b>4,236</b>	<b>2,789</b>	<b>2,637</b>	<b>2,705</b>	<b>2,750</b>	<b>2,781</b>	<b>2,819</b>	<b>2,850</b>	<b>2,891</b>	<b>239</b>	<b>35,390</b>
<b>Inflation</b>	<b>60</b>	<b>142</b>	<b>115</b>	<b>62</b>	<b>134</b>	<b>225</b>	<b>310</b>	<b>408</b>	<b>512</b>	<b>621</b>	<b>747</b>	<b>21</b>	<b>3,357</b>
<b>Net Costs (with risk contingency, optimism bias and inflation)</b>	<b>2,241</b>	<b>6,654</b>	<b>4,351</b>	<b>2,850</b>	<b>2,771</b>	<b>2,930</b>	<b>3,059</b>	<b>3,188</b>	<b>3,332</b>	<b>3,471</b>	<b>3,638</b>	<b>260</b>	<b>38,747</b>
<b>VAT</b>	<b>41</b>	<b>962</b>	<b>940</b>	<b>976</b>	<b>1,000</b>	<b>1,048</b>	<b>1,088</b>	<b>1,130</b>	<b>1,174</b>	<b>1,219</b>	<b>1,270</b>	<b>200</b>	<b>11,049</b>

Net Costs (with risk contingency, optimism bias and inflation, incl. VAT)	2,283	7,617	5,291	3,827	3,771	3,978	4,148	4,318	4,506	4,690	4,908	460	49,795
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## 6.7. Net Present Value

The table below shows the net present value of the incremental net cost associated with the programme over the appraisal timeline, where Service Provider costs are based on the Service Provider's submission at Final Tender Stage. The discount rate applied is 3.17%, and the discount start date used is 1 January 2023.<sup>25</sup>

Financial Appraisal Net Present Value analysis	
Discount rate at 3.17% applied to amounts in nominal terms	€'000
Net Costs (with risk contingency, optimism bias and inflation) over appraisal timeline	38,747
<b>Net Present Value</b>	<b>33,486</b>

## 6.8. Benefit to Cost Ratio

The benefit to cost ratio (in NPV terms) is detailed in the table below. Intuitively, the higher the ratio the better the investment.

Financial Appraisal Benefit to Cost Ratio analysis	
Discount rate at 3.17% applied to amounts in nominal terms	€'000
NPV of Incremental Benefits	18,426
NPV of Incremental Costs	51,913
<b>Incremental Benefit to Cost Ratio</b>	<b>0.35</b>

## 6.9. Sensitivity Analysis

Sensitivity analysis and testing was included within the evaluation of the Final Tender as part of the Price award criterion. This approach allowed the NTA to take account of the potential variability of payments based on changes in key inputs (including contact volumes), whilst keeping the payment mechanism attractive to Tenderers during the procurement stages. The approach also enhances risk allocation between the NTA and the Service Provider throughout the Contract term.

Sensitivity testing was used to evaluate the impact of extension of contract term and volume-linked price items on the overall payments invoiced to the NTA.

The NTA will bear (throughout the contract term) the risk of the price variations in the Variable Operating Payments. Sensitivity analysis was then exclusively applied on those payment components as part of the tender evaluation. The other payments included in the Contract that are fixed in quantum (Milestone Payments and Fixed Operating Payments) are at the Service Provider's risk.

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<sup>25</sup> 3.17% is the rate (to be applied to nominal amounts) set for the second quarter of 2023 by the National Development Finance Agency (NDFA). It is required to be used under the PSC for discounting in the financial appraisal of public-sector projects.

[Note for published version: The following tables and comments should be deleted before publication]

The results of this sensitivity analysis are summarised below:

High Volume scenario: +20% in assumed volumes			
In nominal terms	Extended Term (10 years) €'000	Sensitivity applied €'000	% Difference
<b>Total Payments</b>	<b>52,430</b>	<b>60,166</b>	<b>14.8%</b>
<b>Variable Operating Payments</b>	<b>42,643</b>	<b>50,380</b>	<b>18.1%</b>
Calls Payment	10,831	12,998	20.0%
Webform Payment	11,902	14,282	20.0%
White Mail Payment	379	455	20.0%
Social Media Payment	4,765	5,718	20.0%
Webchat Payment	9,179	11,015	20.0%
Case Management System Payment	1,597	1,597	0.0%
Email payment	1,626	1,952	20.0%
Lost Property Payment	1,058	1,058	0.0%
Virtual Assistant Payment	493	493	0.0%
Additional Payments	812	812	0.0%

The results presented above are for a high-volume scenario, based on a 20% increase in the notional volumes assumed in the procurement. The overall impact of 14.8% on the total Payments reflects the proportion of total payments that are variable operating payments.

Calls Payment is a 'banded volume' payment, with a separately tendered fixed fee per Chargeable Call for each of the different volume bands. Impact on calls payments is equal to 20% due to the Service Provider having submitted the same fixed fee for each of the different volume bands.

The impact is proportionate on each variable operating payment, except for:

- Additional payments: for which the sensitivity is not applied
- Lost Property Payment: which is a fee that is fixed in quantum
- Case Management System Payment: for which there was an option between 'Concurrent User Licences' and 'Enterprise User Licence'. The Service Provider has chosen the latter, for which the sensitivity is not applied; and
- Virtual Assistant Payment: This payment had a component fixed in quantum and a component per Chargeable Conversation. The Service Provider has chosen to submit a price for the fixed component only.

The same comments apply to results set out in the following table for a low-volume scenario, which is based on a 20% decrease in the notional volumes assumed in the procurement.



Low Volume scenario: -20% in assumed volumes			
In nominal terms	Extended Term (10 years) €'000	Sensitivity applied €'000	% Difference
<b>Total Payments</b>	<b>52,430</b>	<b>44,693</b>	<b>-14.8%</b>
<b>Variable Operating Payments</b>	<b>42,643</b>	<b>34,907</b>	<b>-18.1%</b>
Calls Payment	10,831	8,665	-20.0%
Webform Payment	11,902	9,522	-20.0%
White Mail Payment	379	303	-20.0%
Social Media Payment	4,765	3,812	-20.0%
Webchat Payment	9,179	7,343	-20.0%
Case Management System Payment	1,597	1,597	0.0%
Email payment	1,626	1,301	-20.0%
Lost Property Payment	1,058	1,058	0.0%
Virtual Assistant Payment	493	493	0.0%
Additional Payments	812	812	0.0%

## 7. Economic Appraisal

*In accordance with the Public Spending Code (PSC), a detailed economic appraisal of the Consolidated Contact Centre (CCC) has been undertaken, this section presents the outcome of the appraisal.*

### 7.1. Introduction

The Economic Appraisal is based on the approach used in the 2020 Business Case and at the 2022 Business Case Sense Check, with updated data.

Both qualitative and quantitative benefits and costs have been analysed as set out in **Table 7-1** below.

#### Quantitative Benefits

Using a cost-benefit analysis model, the CCC's viability was analysed under a number of scenarios – with quantified monetary-equivalent benefits and identified Net Present Values (NPV) and Benefit to Cost Ratios (BCR).<sup>26</sup>

The analysis was informed by available data and through a desktop review of secondary research. Economic models and assumptions have been carried over and updated from the 2020 Business Case.

There is **uncertainty in the models and assumptions** due to limitations in the data and in supporting case studies.<sup>27</sup> As a result of this uncertainty, a conservative approach has been taken in the economic analysis and in the conclusions drawn.

**Table 7-1: Overview of benefits**

Benefit category		Description
Quantitative benefits	Financial savings and costs	Savings arising from consolidation, as set out in Section 6 (these include: savings from existing outsourced contracts not being renewed, resource savings in Transport Operators, and savings due to the retirement of legacy CRM systems).
	Customer time savings	The degree to which Transport Operators' customers can access agents receive support, and resolve issues, at speed, across engagement platforms.
	Exchequer impacts	Contribution to employee tax and corporation tax.
	Economic spillovers	The injection of income as a result of economic activity arising from operations which in turn, results in the CCC Service Provider increasing the purchases of the goods and services needed to operate the consolidated contact centre.

<sup>26</sup> Net Present Values: is the difference between the present value of cash inflows and the present value of cash outflows over a period of time. Benefit to Cost Ratios: is an indicator showing the relationship between the relative costs and benefits expressed in monetary or qualitative terms

<sup>27</sup> As demonstrated in the 2018 Project Appraisal, although many transport organisations have undertaken consolidation initiatives, most notably Transport for London (TFL), Zurich ZVV, and MTR Hong Kong, supporting data on the precise link between experience and increased patronage is limited

Benefit category			Description
	<b>Additional passenger revenue (Patronage benefits)</b>		Improve overall customer experience which will result in additional patronage (and fare revenue) across public transport.
<b>Qualitative benefits</b>	<b>Customer experience</b>	<b>Service and engagement</b>	Enhance the customer's overall experience in terms of customer service, customer engagement, and convenience.
		<b>Data collection and analytics</b>	Capability to gather comprehensive data, and to generate detailed reports and analytics, providing insights to enhance customer experience
	<b>Efficiencies</b>	<b>Integration</b>	Enable the seamless integration and onboarding of transport operators and ticket service providers.
		<b>Scalability and flexibility</b>	Provide scalability and flexibility to easily accommodate fluctuating contact volumes, and changing operational needs
	<b>Compliance</b>	<b>Risk reduction</b>	Security, data protection, reputational, commercial and regulatory risks to the NTA, transport operators and tickets service providers, are more readily mitigated in a consolidated context where there are common standards, and strong oversight and control.
		<b>Organisational reputation and brand</b>	By consolidating the distributed customer contact functions of the different Transport Operators, into a single platform, operated by a specialist provider, under the TFI Brand, the CCC enables the NTA to drive standards and innovation, to the benefit of the public.
		<b>Social Inclusion through greater accessibility</b>	Social inclusion increases, as higher levels of consolidation afford the NTA greater oversight of accessibility standards across all channels, applicable to all types of customers (demographic accessibility) and a range of different methods (product accessibility).

## Qualitative Benefits

Further analysis of the qualitative benefits has been provided in Section 8, including analysis based on the Transport and Accessibility Appraisal (TAA) framework.

## Scenarios

Scenario analysis has been undertaken using six different scenarios with each scenario estimating for a different range of benefits.<sup>28</sup>

These scenarios are listed below and shown in Table 7-2:

- **Scenario 1** – Includes the financial savings, customer time savings, and exchequer impacts against the total costs of the CCC
- **Scenario 2** – Includes the financial savings, customer time savings, exchequer impacts, and economic spillovers (indirect impacts) against the total costs of the CCC
- **Scenario 3** – Includes the financial savings, customer time savings, exchequer impacts, and economic spillovers (indirect and induced impacts) against the total costs of the CCC
- **Scenario 5** – Includes the financial savings, customer time savings, exchequer impacts, economic spillovers (Indirect), and uplift of patronage benefits (0.1% uplift) against the total costs of the CCC

<sup>28</sup> Scenario 4 from the 2020 Business Case has been removed due to refinement of the methodology for economic spillovers (further explained in section 7.7)

- **Scenario 6** – Includes the financial savings, customer time savings, exchequer impacts, economic spillovers (indirect and induced impacts), and uplift of patronage benefits (0.2% uplift) against the total costs of the CCC
- **Scenario 7** – Includes the financial savings, customer time savings, exchequer impacts, economic spillovers (indirect and induced impacts), and uplift of patronage benefits (0.5% uplift) against the total costs of the CCC

**Table 7-2: Scenarios used in the Economic Appraisal**

Category	Scenario 1	Scenario 2	Scenario 3	Scenario 5	Scenario 6	Scenario 7
Financial savings and costs	✓	✓	✓	✓	✓	✓
Customer time savings	✓	✓	✓	✓	✓	✓
Exchequer impacts	✓	✓	✓	✓	✓	✓
Economic spillovers		✓ Indirect impacts	✓ Indirect + induced impacts	✓ Indirect impacts	✓ Indirect + induced impacts	✓ Indirect + induced impacts
Patronage Benefits				✓ 0.1% uplift	✓ 0.2% uplift	✓ 0.5% uplift

## 7.2. Economic Appraisal approach

### 7.2.1. Costs

The CCC Service Provider submitted costs to NTA at Final Tender Stage. These costs are based on key assumptions as set out in the ISFT.

In particular, Variable Operating Payments and Additional Payments are based on notional volumes and values that have been estimated by the NTA and were provided in the ISFT for evaluation purposes.

These costs, which are the forecasted future costs to the NTA associated with the CCC Service Provider, supersede all previous cost estimates, including the financial forecasts included in the 2020 Business Case and the 2022 Business Case Sense Check.

In addition to CCC Service Provider costs, the NTA has the following costs:<sup>29</sup>

- **NTA – Mobilisation & Transition:** costs for personnel hired, on a contract basis, to form the NTA programme team for Mobilisation and Transition
- **Transport Operator Personnel:** costs for Transport Operator personnel, scheduled to join the programme team on a full-time basis during Mobilisation & Transition
- **NTA – CCC Operations:** costs for a dedicated customer experience team from the NTA to manage the CCC and to drive enhanced customer experience and continuous improvement, once operational.

### 7.2.2. Discount rate

In line with the PSC, the Net Present Value (NPV) of the benefits and costs quantified was analysed using a discount rate of 4%, with values discounted to 2023.<sup>30</sup>

### 7.2.3. Changes in assumptions

There has been a change to a small number of assumptions between the 2020 Business Case and the Final Business Case:

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<sup>29</sup> Costs are broken down in Section 6.2.2

<sup>30</sup> 4% is the Social Discount Rate for application in economic appraisal of current and capital expenditure proposals as per the [Public Spending Code - Central Technical References and Economic Appraisal Parameters](#)

- Change in timelines of the Final Tender and Economic Appraisal
- Slight reduction in base passenger revenue as of a result of NTA fare reductions and 90-minute fare introduction, resulting in a decrease in benefits from additional passenger revenue
- Removal of Leap Contact Centre from scope, reducing potential savings
- Removal of website and mobile apps from scope, reducing potential savings
- Undertaking an updated impact assessment to calculate the economic spillovers arising from the spend of the Preferred Tenderer
- Including NTA Mobilisation and Transition costs, costs for Transport Operator personnel, and ongoing NTA CCC Operations team costs

#### 7.2.4. Timelines

Two timelines have been considered for the Economic Appraisal. These timelines correspond with the two timeline options for the Service Provider's contract term. These timelines are:

- 1 Initial term – June 2024 to June 2029 (5 years)
- 2 Extended term – June 2024 to June 2034 (10 years)

These timelines differ from the 2020 Business Case which was 2022 to 2029 (8 years).

### 7.3. Financial savings and costs

There are a number of savings due to the closure of the old contact centres. These are explained in detail in the Financial Appraisal – see Section 6.5

### 7.4. Management-to-Staff Cost Ratio

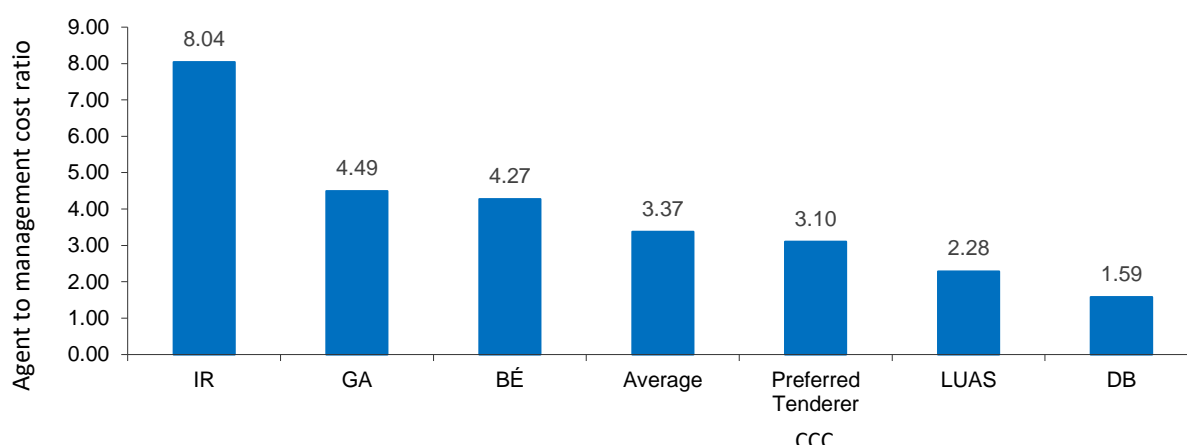
The current structure of Transport Operators operating disparate contact centres is suboptimal in terms of facilitating agent oversight and training. Training staff in a consolidated environment facilitates consistency and improves training quality.

The cost ratio between agents and management across the Transport Operators, was analysed using management and agents' salaries and the respective staff ratios (total agent costs ÷ total management costs).

Costs are greatest at Irish Rail (€8.04) and lowest at Dublin Bus (€1.59).

The existing cost ratios across Transport Operators compared to that for the Consolidated Contact Centre (CCC) in 2024 is shown in Figure 7-1 below.

**Figure 7-1: Cost of Overseeing Agents ratio (2024)<sup>31</sup>**



Source: Transport Operators data; KPMG analysis

### 7.5. Customer time savings

We analysed the degree to which customers of the various Transport Operators can access agents at speed, when necessary, across the various engagement platforms, using metrics including response rate, abandon rate, and answer time.

The consolidation of the contact centres can be expected to increase agent accessibility and response times, and reduce the time-value incurred by customers.

It is assumed that if a customer seeks to engage with a Transport Operator and is unsuccessful, this is an effective time-cost, with a related monetary cost. In line with best practice, **the cost of abandoning calls, was modelled using CSO data on average earnings.**

The conservative total cost to callers is calculated as ~€5,180 p.a. Assuming that the CCC can reduce abandon rates to near zero, this cost would become an effective benefit, resulting in an additionality of ~€5,180 p.a.

Over the period 2024-2029, **total additionality in 2023 values would be €18,000 for the initial term and €35,000 for the extended term.**

**Table 7-3: Customer time costs/savings (Calls)**

Metric	BÉ	DB	GA	IR	NTA-T	LUAS	TOTAL	CCC
Abandon rate, %	3%	5%	15%	5%	5%	5%	6%	0%
Abandoned calls	437	157	281	570	43	124	1802	0
Cost per second, €	0.009	0.009	0.009	0.009	0.009	0.009	0.009	0
Total Cost/Saving to Customers, month, seconds	-166	-59	-107	-71	-5	-24	-504	-504
Total Cost/Saving to Customers, annual (€)	-1,985	-710	-1,275	-865	-65	-280	-5,180	-5,180

Source: Transport Operators data; KPMG analysis

<sup>31</sup> Note that any specific public sector pay deals have not been accounted for

## 7.6. Exchequer impacts

Currently almost 80 staff are employed in contact centre activities across the Transport Operators. Under the CCC model, this is anticipated to decrease to 68 staff by 2024. The redeployment of the staff at the respective Transport Operators ensures there is minimal negative impact on employment and the tax generated.

It is assumed that CCC Service Provider staff would be additional hires, resulting in an uplift in tax revenue generated. The estimated tax revenue has been calculated from the successful tender's salaries and total numbers employed for each job type. **Total additionality from income tax revenue in 2023 values would be ~€2.4m million for the initial term and ~€4.4 million for the extended term.**

The estimated corporation tax for the CCC Service Provider has been accounted for based off a 12.5% tax rate on the forecasted profits – profits were estimated from the income and expenditure data provided by the CCC Provider in their Final Tender submission. **Total additionality from corporation tax would be ~€172K for the initial term and ~€267K for the extended term.**

## 7.7. Economic spillovers

The additional expenditure associated with the CCC can be expected to result in a range of economic spillovers. This is through the injection of income as a result of economic activity arising from operations which in turn, results in the CCC Service Provider increasing the purchases of the goods and services needed to run the contact centre. This creates additional rounds of expenditure in the value chain, also referred to as the multiplier impact, which leads to increased output and employment.

Impacts are typically considered across three levels.

- 1 **Direct Impacts:** Impacts directly accruing from expenditure by the CCC (e.g. mobilisation and transition)
- 2 **Indirect Impacts:** Includes indirect impacts (indirect: stems from the impacts generated by expenditure by firms within the sector's supply chain)
- 3 **Induced impacts:** Impacts generated by the spend of direct and indirect employees in the economy as a result of increased incomes)

There has been one methodological update since the 2020 Business Case: economic spillovers are assessed using indirect and induced estimates through a detailed input-output model, rather than through the use of a low-medium-high multipliers<sup>32</sup>. This approach reflects the additional level of data and detail received from tenderers through the procurement process.

As a result of this, the range for potential spillovers has been reduced from three ranges of spillovers in the 2020 Business Case (low, central and high) to two in the Final Business Case (indirect impacts and indirect + induced impacts).

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<sup>32</sup> The 2020 business case used a low multiplier of 0.83, medium multiplier of 1.87 and high multiplier of 2.06, informed by desktop research of international literature that measures economic multipliers following public investment



Table 7–4 below shows the estimated economic spillovers based on indirect impacts, and indirect + induced impacts. The multipliers refers to degree to which €1 spent on the CCC causes additional spending in the economy.

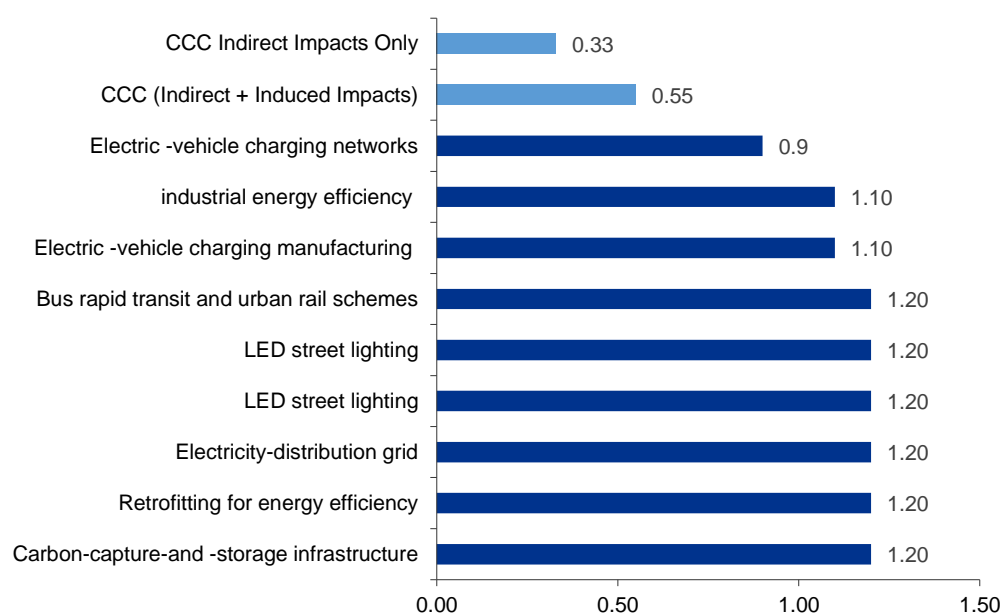
**Table 7–4: Net Economic Spillovers (€000s, 2023 values)**

Economic spillover	Initial term (2023 to 2029)		Extended term (2023 to 2034)	
	2023 Value (€000)	Multiplier	2023 Value (€000)	Multiplier
Indirect impacts only	6,080	1.32	11,045	1.33
Indirect + induced impacts	10,225	1.55	18,574	1.55

Source: KPMG analysis

Figure 7-2 below provides an overview of different indirect and induced multipliers impacts for range of investment types.

**Figure 7-2: Net multipliers of €1 investment by investment type, various sources**



## 7.8. Patronage benefits

The roll-out of the CCC will improve overall customer experience, which should result in additional patronage (and fare revenue) across public transport.

We analysed the potential increase in patronage arising from improved customer experience using a number of sources.<sup>33</sup> In line with the 2020 Business Case, to quantify the positive impact of improved customer experience, three different models were analysed: where passenger revenue increases by 0.1%, 0.2%, and 0.5%.

We have used estimated 2022 NTA passenger revenue of €583m as the basis to calculate the expected increase in revenue.

The 2022 passenger revenue is based off the average revenue per trip in 2021 of €2.34 and the total number of passenger journeys in 2022 of 249 million.<sup>34</sup> Passenger revenue saw a significant decrease in 2020 and 2021 as a result of the Covid-19 pandemic. However, the number of passenger journeys in 2022 has returned to pre-pandemic levels.

The estimated 2022 passenger revenue of €583m was then multiplied by 0.1%, 0.2%, and 0.5% respectively to calculate the benefits from an improved overall customer experience and uptake in the number of passenger journeys.

The results are shown below. **Net revenue increases, in 2023 values, would total between €2.9 million to €14.5 million for the initial term and €5.4 million to €27.1 million for the extended term.**

**Table 7-5: Additional Passenger Revenue, (€000s, 2023 values)**

Passenger revenue assumption	2023 Value (€000)	2023 Value (€000)
	Initial term (2023-2029)	Extended term (2023-2034)
Passenger revenue +0.1%	2,892	5,427
Passenger revenue +0.2%	5,783	10,854
Passenger revenue +0.5%	14,458	27,136

Source: KPMG analysis

## 7.9. Scenarios and results

We undertook an economic appraisal of the CCC using the analysis shown above and the same scenarios as in the 2020 Business Case as shown in table 7-7 below.

There has been one methodological update since the 2020 Business Case: economic spillovers are assessed using indirect and induced estimates, rather than low-medium-high estimates.

<sup>33</sup>Yazid, M. F., Ali, A. M., & Manaf, S. A. (2020). "Customer Satisfaction in Public Transport Service". *European Journal of Molecular & Clinical Medicine*

Aliyu Olayemi Abdullateef, (2011). "The Impact of Customer Relationship Management on Caller Satisfaction in Customer Contact Centers: Evidence from Malaysia"

Tica, Slaven & Radojičić, Valentina & Markovic, Goran. (2011). "Modelling for Evaluations of Call Center for Public Traffic and Transport Systems. Technological and Economic Development of Economy. 17.

<sup>34</sup> <https://www.nationaltransport.ie/news/bus-passenger-numbers-return-to-pre-pandemic-levels>

This approach reflects the additional level of data and detail received through the Procurement process, as explained in section 7.7. This has meant Scenario 4 from the 2020 Business Case is no longer needed and therefore is not included in this analysis.

**Table 7-6: Scenarios used in the Economic Appraisal**

Category	Scenario 1	Scenario 2	Scenario 3	Scenario 5	Scenario 6	Scenario 7
Financial savings and costs	✓	✓	✓	✓	✓	✓
Customer time savings	✓	✓	✓	✓	✓	✓
Exchequer impacts	✓	✓	✓	✓	✓	✓
Economic spillovers		✓ Indirect impacts	✓ Indirect + induced impacts	✓ Indirect impacts	✓ Indirect + induced impacts	✓ Indirect + induced impacts
Patronage Benefits				✓ 0.1% uplift	✓ 0.2% uplift	✓ 0.5% uplift

### 7.9.1. Net Present Value (NPV)

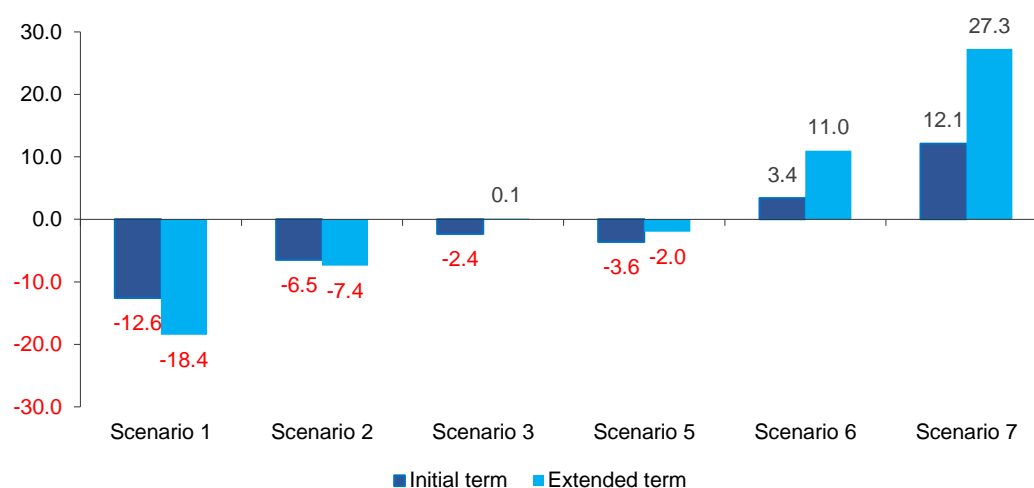
The NPV of the benefits quantified under the economic appraisal was analysed using a discount rate of 4%. The NPV for each scenario is shown in table 7-7 and Figure 7–3 below.

**Table 7-7: Breakdown of Economic Appraisal for Extended Term Scenarios (€000s, 2023 values)<sup>35</sup>**

Category	Scenario 1	Scenario 2	Scenario 3	Scenario 5	Scenario 6	Scenario 7
Financial savings and costs	-23,054	-23,054	-23,054	-23,054	-23,054	-23,054
Customer time savings	35	35	35	35	35	35
Exchequer impacts	4,575	4,575	4,575	4,575	4,575	4,575
Economic spillovers	-	11,045	18,574	11,045	18,574	18,574
Patronage Benefits	-	-	-	5,427	10,854	27,136
<b>Total NPV</b>	<b>-18,444</b>	<b>-7,400</b>	<b>130</b>	<b>-1,973</b>	<b>10,984</b>	<b>27,266</b>

<sup>35</sup> In this analysis, the financial savings and costs are discounted by 4% so differ from the values provided in Section 6, which are discounted at 3.17%

**Figure 7-3: Scenarios' Net Present Values (€ million, 2023 Values)**



Source: KPMG analysis

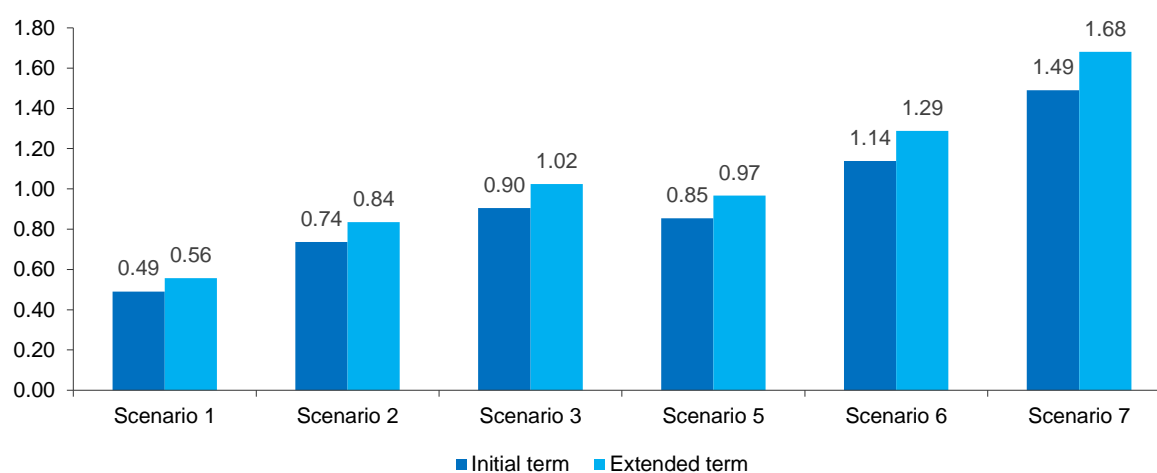
### 7.9.2. Benefit-Cost Ratio (BCR)

BCR refers to the ratio between costs and savings – a BCR greater than 1.00 suggests breaks even. Two of the scenarios have a positive BCR.

The CCC's viability is dependent on the realisation of economic spillovers and/or the generation of additional passenger revenue.

The BCR across the different scenarios range between 0.49 and 1.68.

**Figure 7-4: Scenarios' Benefit-Cost Ratios**



Source: KPMG analysis

## 7.10. Conclusion

The results of the economic appraisal show that the CCC can be delivered in a cost-effective manner under the extended term for Scenario 3 and both the initial term and the extended term for Scenario 6 and 7, as summarised in table 7–8 below.

**Table 7-8: Summary of results**

Scenario	Efficiency Benefit	Exchequer Impact	Economic Spillovers	Patronage Increase	Initial term		Extended term	
					NPV (€'000)	BCR	NPV (€'000)	BCR
Scenario 1	✓	✓			-12,581	0.49	-18,444	0.56
Scenario 2	✓	✓	Indirect impacts		-6,501	0.74	-7,400	0.84
Scenario 3	✓	✓	Indirect and induced impacts		-2,356	0.90	130	1.02
Scenario 5	✓	✓	Indirect impacts	0.1%	-3,609	0.85	-1,973	0.97
Scenario 6	✓	✓	Indirect and induced impacts	0.2%	3,428	1.14	10,984	1.29
Scenario 7	✓	✓	Indirect and induced impacts	0.5%	12,102	1.49	27,266	1.68

The extended term has higher BCRs than the initial term across all scenarios due to the cost of Mobilisation and Transition occurring in the first three years being assessed against a longer timeframe of benefits.

## 8. Benefits Analysis

*This section provides further detail and analysis of the benefits that the Consolidated Contact Centre (CCC) will deliver.*

### 8.1. Introduction

The Consolidated Contact Centre (CCC) will deliver a range of **customer experience, efficiency, and risk reduction benefits**. These benefits are described below.

This section also sets out the **negative impact of not investing in the CCC and maintaining the current state** – particularly in a future context where there is an even greater number of transport operators serving the public than exists today (for example multiple Bus Operators, a Metro Operator in addition to Luas, and so on).

As a further step, we have analysed the benefits using the Transport and Accessibility Appraisal (TAA) framework.

### 8.2. Current environment

In the current environment, each Transport Operator (TO) and Ticket Service Provide (TSP) operates their own contact centre.

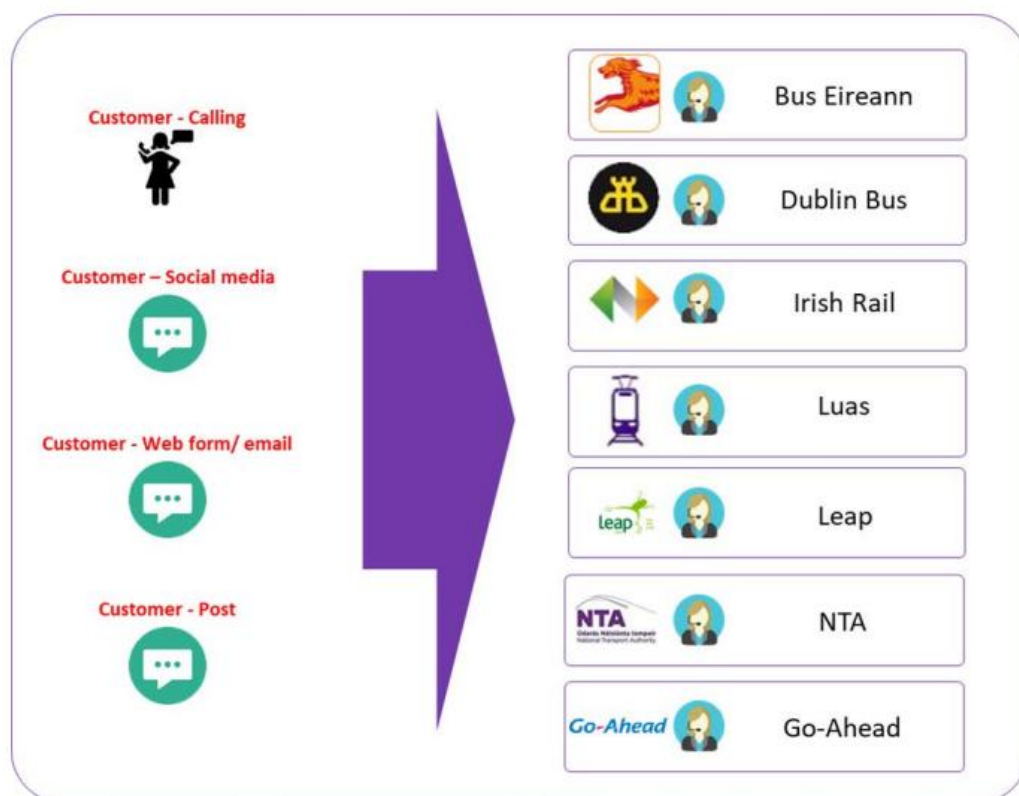


Figure 8-1: Disparate Contact Centre

This results in a **fragmented and inconsistent experience for customers**, and inefficiencies due to non-standardised ways of working and duplicated tasks. It increases security, data protection, and other risks, due to the difficulty of implementing standards and oversight in a disparate environment. It also limits the ability of the NTA to drive customer service standards and innovation.

**Moreover, the issues with the current state worsen as new transport operators enter the market to provide services (as planned for in Government policy).**

### 8.3. Overview of benefits

An overview of the benefits that the CCC will deliver are set out in Table 8-1.

As demonstrated in the 2018 Project Appraisal, many transport organisations have successfully undertaken consolidation initiatives, notably Transport for London (TFL), Zurich ZVV, and MTR Hong Kong.<sup>36</sup> These consolidation efforts have resulted in a range of benefits, particularly customer experience benefits, which provide a model and template for the CCC.

**Table 8-1: Overview of benefits**

Benefit		Description
Customer experience	Service and engagement	Enhance the customer's overall experience in terms of customer service, customer engagement, and convenience.
	Data collection and analytics	Capability to gather comprehensive data, and to generate detailed reports and analytics, providing insights to enhance customer experience
Efficiencies	Integration	Enable the seamless integration and onboarding of transport operators and ticket service providers.
	Scalability and flexibility	Provide scalability and flexibility to easily accommodate fluctuating contact volumes, and changing operational needs
Compliance	Risk reduction	Security, data protection, reputational, commercial and regulatory risks to the NTA, transport operators and tickets service providers, are more readily mitigated in a consolidated context where there are common standards, and strong oversight and control.
	Organisational purpose and brand	By consolidating the distributed customer contact functions of the different Transport Operators, into a single platform, operated by a specialist provider, under the TFI Brand, the CCC enables the NTA to drive standards and innovation, to the benefit of the public.
	Social Inclusion through greater accessibility	Social inclusion increases, as higher levels of consolidation afford the NTA greater oversight of accessibility standards across all channels, applicable to all types of customers (demographic accessibility) and a range of different methods (product accessibility).

<sup>36</sup> See Appendix: Supporting Documents – 2018 Project Appraisal

## 8.4. Customer experience

### 8.4.1. Service and engagement

The CCC will enhance the customer's overall experience in terms of customer service, customer engagement, and convenience.<sup>37</sup>

#### Customer focussed

Customers will have access to travel information and support services for multiple transport operators from one consolidated point. This will result in a more coherent and customer focussed experience than the current situation. For example, the CCC will provide a unified information source for intermodal travel enabling improved **travel planning advice, and a more seamless, joined up travel experience.**

In the current environment transport operators do not offer the same range of contact channels – such as virtual assistant, live chat, social media, and so on. With the introduction of the consolidated contact centre customers will, regardless of the travel mode they are using, be able **to receive customer support using their preferred contact method.** The CCC will provide greater consistency across contacts for all modes making it easier for customers to interact with support and have their queries resolved.

#### Higher quality service, through standardisation

In the current environment, customer service processes, such as obtaining refunds, retrieving lost property, and so on, differ between transport operators. The **CCC enables the streamlining and standardisation of processes, leading to a more consistent and improved service.** Moreover, standardising process in a consolidated context facilitates, and yields greater return from, continuous improvement and optimisation efforts.

#### Better service, through improved staff training and collaboration

A consolidated contact centre enables a comprehensive approach to staff training and team building, leading to improved performance levels and higher quality service.

It also promotes collaboration and knowledge sharing across teams, which further enhances staff performance levels.

Working in an environment that prioritises collaboration and knowledge sharing, improves staff engagement and retention, which also has a positive impact on performance.

## 8.5. Data collection and analytics

Contact centres are an invaluable source of insights into customer behaviour and service needs.

In the current environment, the various transport operator contact centres use disparate CRM systems and issue categorisation (reason codes), which constrains analysis. The CCC **will facilitate the collection of comprehensive data across multiple areas and channels, and enable deeper analysis of customer pain points.**

Problem identification and service improvement insights generate detailed reports and analytics that can be used to inform and frame continuous improvement initiatives in the contact centre -- for

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<sup>37</sup> Customer satisfaction will be monitored and measured using customer surveys, and other customer experience evaluation techniques including Mystery Caller. For more information, see Section 11: Benefits Realisation Plan



example to improve CSAT scores, to deflect contact volumes to automated channels, freeing up agents for more hands on support, or to improve first contact resolution.

In addition, the data can be mined for insights to **inform service improvements, beyond the contact centre itself.**

## 8.6. Efficiency

### 8.6.1. Integration

In the current environment, new transport operators must establish their own contact centres increasing fragmentation and decreasing service quality.

The CCC will have the capability to seamlessly onboard and integrate new transport operators that enter the market. It will also provide access to the latest customer experience technologies, ensuring agents are equipped with the information and the best of breed tools they need, to serve customers effectively.

Ease of integration, and access to best of breed technologies, will ensure that transport operators that enter the market in future will become part of a high quality customer support ecosystem.

### 8.6.2. Scalability and flexibility

Contact center readiness for fluctuating volume is a critical success factor for effective and efficient customer service. Too little capacity leads to frustrated customers while too much can result in excessive costs and inefficient resource allocation

In the current environment, contact centres operate with limited scale and flexibility, which constrains performance. The CCC will have the capability to quickly and seamlessly scale up its resources to handle increased contact volumes without compromising service quality.

It will also have the scale and flexibility to expand operations adding new services, and adapting to future trends in mobility and customer support.

## 8.7. Compliance

### 8.7.1. Risk reduction

Security, data protection, reputational, and regulatory risks are more readily mitigated in a consolidated context where there are common standards, strong oversight and control, and the **availability of specialist expertise.**

For example, consolidation will ensure that **systems are better protected from cyber-attacks by applying and maintaining consistent security standards.** The same point applies to PCI and GDPR compliance.

In the current environment, disparate contact centres are vulnerable to risk – a situation that becomes more severe when the number of transport operators serving the public increases

### 8.7.2. Organisational purpose and brand

In line with statutory requirements, the NTA is committed to promoting public transport by implementing a single brand, and its Statement of Strategy for 2023-2025 commits to **continuously focusing on customers, serving them by maintaining high standards** while utilising technology and innovation to deliver integrated and accessible transport solutions.<sup>38</sup>

In the current environment, the contact centres are operated by transport operators under their own brands, with limited oversight from the NTA – this constrains the ability of the organisation to drive high standards and to improve customer experience.

By consolidating the distributed customer contact functions of the different Transport Operators, into a single platform, operated by a specialist provider, under the TFI Brand, the CCC enables the NTA to drive standards and innovation, to the benefit of the public.

### 8.7.3. Accessibility and social inclusion

The CCC will be accessible to all customers ensuring demographic accessibility, and service will be delivered through a range of channels and contact modes enhancing product accessibility.

A consolidated structure, with strong oversight and control, will reduce the risk that some user groups might be disadvantaged or excluded from access to the service.

A singular, centrally governed and federated approach to accessibility, enables the opportunity to maximise accessibility services to existing and new customers by means of a guiding principle of “keep the good, enhance it consistently, and spread it across transport modes and new customers”

In the current environment, if transport operators decide to reduce the number of support channels, -- by providing support only by means of a mobile app or social media, for example -- some customers might have diminished access. In addition, resource constraints can result in trade-offs between minimum levels of accessibility and a high quality customer experience.

With the CCC, the provision of a standardised experience across all channels and an explicit focus on customer experience, in addition to smart resource allocation, will ensure that a high-quality service is accessible and delivered to all customers.

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<sup>38</sup> See: [Statement of Strategy for 2023-2025](#)

## 8.8. Impact of not investing in the CCC (Do Minimum)

The current environment delivers a **sub optimal customer experience and this will worsen as new transport operators enter the market to provide services**. In other words, a poor situation getting poorer and leading to further customer frustrations and negative comparisons to standards in other countries – particularly where transport organisations have consolidated their support operations and contact centres.

While investing in a consolidated contact centre will deliver substantial benefits, maintaining the current situation – with disparate contact centres, operated by each transport operator, with differing customer experiences, channels, opening times and so on – **will have negative impacts and lead to a deterioration in service**.

Good customer experience, and positive impact, is enabled by consolidation and standardisation of process, solutions, channels, and ways of working. But a disparate, non-standardised ecosystem severely limits the ability of the NTA to improve service quality through coordination, quality control, and oversight.

As the number of transport operators increases, maintaining the current situation will lead to greater customer experience fragmentation, and consequently, to lower service levels.

Table 8.2 sets out the challenges and negative impacts that would arise **as a result of not investing in a consolidated contact centre**.

**Table 8.2: Negative impacts of not investing in the CCC**

Category		Negative impact
Customer experience	Service and engagement	Persistence of <b>sub optimal customer experience</b> . No potential to enhance the experience, through coordinated effort, quality oversight and control; risks that the existing situation deteriorates
	Data collection and analytics	Lack of <b>data capture and analytics capability</b> , particularly across transport operators, resulting in lack of reliable insight; detrimentally impacting the ability to systematically and holistically improve service
Efficiencies	Integration	New transport operators establish their own contact centres increasing disconnection and fragmentation; <b>risks further decreased levels of customer experience, service quality and efficiency</b>
	Scalability and flexibility	<b>Lack of scalability and flexibility</b> within the existing contact centres – limits ability to handle fluctuating volumes, leading to poor service and customer frustration.  Risk that disparate centres are insufficiently agile to adapt to future trends in mobility and customer needs.

Category		Negative impact
Compliance	Risk reduction	<b>Security, data protection, reputational and regulatory risks will increase</b> in an environment in which the existing system remains in place, to an even greater degree when the number of transport operators serving the public increases (as planned for in Government policy).
	Organisational reputation	Disparate contact centres will result in a sub optimal approach to service delivery with limited opportunity for the NTA to intervene in order to drive higher standards and innovation
	Social inclusion	Existing services and systems are limited in their ability to improve social inclusion, as their disparate nature makes delivery of social inclusion initiatives more challenging.

## 8.9. Transport and Accessibility Appraisal

As part of this analysis, we have assessed the CCC using the Transport and Accessibility Appraisal (TAA) framework.<sup>39</sup>

The TAA assesses the impact of a programme across the following six key criteria:

- Accessibility
- Social
- Land Use
- Safety
- Climate Change
- Local Environment

We have compared the following two options with the results shown in **Table B.2 below** (a detailed breakdown of the analysis is provided in the Appendix: Supporting Documents)<sup>40</sup>

1. **Do Minimum:** Maintain current situation – disparate contact centres run by each transport operator
2. **Preferred option:** Outsourced, fully consolidated contact centre operated by a specialist provider

<sup>39</sup> The Transport and Accessibility Appraisal (TAA) is designed to assess impacts, which are not captured or quantified in appraisal techniques such as Cost-Benefit Analysis (CBA)

<sup>40</sup> See Appendix: Supporting Documents – CCC TAA Analysis for a detailed breakdown

**Table 8.3: TAA Results**

Option	Accessibility	Social	Land Use	Safety	Climate Change	Local Environment
Do minimum: Maintaining all current contact centres	Slight Negative	Slight Negative	Neutral	Neutral	Neutral	Neutral
Preferred option scenarios	Slight Positive	Slight Positive	Neutral	Slight Positive	Slight Positive	Slight Positive

Investing in the CCC will result in the following impacts.

- **Accessibility** – A slight positive impact to accessibility through increase in access to jobs created from the economic spillovers from spend on the CCC and those employed within the contact centre
- **Social** – A slight positive impact to social through enabling multiple operators to work under the one brand, thus enhancing accessibility and delivering superior customer experience and support to customers
- **Safety** – A slight positive impact to safety through the CCC allowing for the seamless current and future integration of new bus operators and ability to gather comprehensive data across multiple areas, analysis any arising issues, and increasing connectivity between existing public transport facilities
- **Climate Change** – A slight positive impact to climate change through the increase in public transport patronage from the improved overall customer experiences arising with CCC which will result in an increase in a greater share of journeys taken by public transport
- **Local Environment** – A slight positive impact to the local environment through the increase in public transport patronage from the improved overall customer experiences arising with the CCC which will result in better air quality / reduced noise and vibration

## 9. Risk management

*This section sets out the risks, risk mitigations, and the risk management strategy for the Consolidated Contact Centre.*

### 9.1. Risk assessment

#### 9.1.1. Overview

Given the level of change to established operational processes, procedures, and connections, as well as the span and scope of the CCC, there are a number of risks that need to be managed and mitigated.

Key risks include

- Stakeholder acceptance
- Procurement process
- Deliverability
- Resourcing
- Cost escalation
- Poor-performance
- Operations handoff
- Regulatory
- TO Contract negotiation

These risks and the mitigation measures that are being put in place are described below.

#### 9.1.2. Risks and risk mitigations

##### Stakeholder acceptance

Stakeholder acceptance is a major risk factor for the CCC

Key stakeholders include:

##### Transport Operators

There is a risk that Transport Operators will be unable to implement the operational changes necessitated by transition to the CCC in a timely or effective manner.

To mitigate this risk, engagement with the Transport Operator teams has been intensive and continuous since the inception of the programme, and there has been particular focus and significant investment in Change Management activities.

## General Public (Customers)

A consolidated contact centre provides a major customer experience benefit to the general public, as they will be able to get all their public-transit queries and issues resolved via a single contact channel, rather than the current services which can often involve customers being redirected to contact several different companies and to start their query process over in each instance.

However, there is a risk that if the CCC provides a suboptimal experience – particularly over core digital touchpoints such as Virtual Assistant and Webforms – it will be poorly received by customers and will drive contacts to higher cost channels, as well as being a contact driver in and of itself.

To mitigate this risk, specialist customer experience design and usability expertise has been added to the programme team, and the delivery will follow a human centred design process.

## Procurement process

As a public-sector organisation, the NTA must evaluate and grade all submitted tenders with a strict level of transparency, diligence, and accuracy. If the evaluation of any tender could be seen as not having been given proper consideration, or having not been graded objectively within the communicated rubric, then the results and decision of the tender competition could be challenged. Such challenges can be very costly to the NTA, in terms of both time and resources, not to mention the reputational damage that results from a tender decision which is found to have been made unfairly or in error.

There is a risk that the results of the Procurement could be challenged or called into question if any of the activities within the evaluation process are not carried out in a thorough, proper, and well-documented manner. During any such challenge, the programme would be on hold until the challenge was concluded – a massive detriment to the programme's ability to complete within its established timeframes or to provide value for money.

To mitigate this risk, the Procurement process and approach to evaluation has been rigorously defined, and tightly managed. All contributing evaluators have been asked to prioritise their energy and focus for the duration of the evaluation, to reduce the risk of error. In addition, substantial time has been invested in submission clarifications and other due diligence activities.

## Deliverability

The consolidation of multiple contact centres, and operating processes; and the roll out of a new software solution set, presents a major deliverability risk.

To mitigate deliverability risks, the following mitigation strategies have been defined:

- The contact centre operation and the provision of the solution set have been combined into a single contract to reduce potential interface risks during mobilisation and transition.
- The first Transport Operator to transition will act as a pilot. The remaining contact centres will be transitioned individually and sequentially over a one-year period, with the contact centre provider using lessons learned during each transition to deliver the next transition with greater effectiveness and efficiency.
- The NTA has formed its own programme delivery team, with specialist technical, contact centre, change management and design expertise.

- Assigning Personnel from Transport Operator's existing contact centre and customer experience teams, in order support the transition to the consolidated contact centre and to ensure knowledge transfer is as seamless as possible.

## Resourcing

As a large programme which is focused on delivering quality in several distinct operational areas – including customer service, user-interface design, technological implementation, regulatory compliance, and so on – while doing so with the participation and integration of at least seven different independent organisations, the CCC has is reliant on expertise from a broad range of professional/industry areas in order to deliver its objectives

Some of the areas of expertise required are very specific, even niche, so finding qualified and available resources to join the programme at the points required is a challenge – particularly since some of these skills are in high demand.

With any of the required positions, if they are unable to be filled or if the candidate selected is not able to perform at the required level of competency, then the programme's ability to complete its intended deliverables within its agreed timelines is at risk.

This risk is being mitigated by undertaking continuous bottom-up analysis of resourcing requirements for each stage and phase of the programme as it advances – highlighting all foreseen requirements to the programme Steering Committee as far in advance as possible.

## Cost escalation

Throughout the Analysis and Procurement phases, a thorough assessment of all costs and savings has been undertaken.

However, due to the lack of reliable data from Transport Operators around historical demand for contact centre services, there is a risk that actual volumes may be greater than anticipated which will lead to higher operating costs. As service levels improve following consolidation, there is also potential for volumes to increase as customers are more inclined to use these more convenient and effective services.

To mitigate this risk, provisions have been placed in the CCC contract that require the Service Provider to shift customers to lower-cost channels as the service matures over time.

## Poor-performance

Poor performance in the consolidated contact centre will result in customer dissatisfaction and reflect negatively on the NTA.

To mitigate against this risk, service levels around performance have been specified in contract Schedule 5 Performance to ensure an appropriate level of service quality is provided. These service levels are of a higher standard than what is generally provided within the Transport Operators' existing contact centres.

In addition a dedicated Service Delivery Manager has been employed by the NTA to oversee the CCC. The Service Delivery Manager will have a specialist Operations team to drive continuous improvement and ensure a high quality of customer experience.



Training requirements of customer-service staff within the CCC will be defined by the NTA, and all standard operating practices will be approved by the NTA.

### Operations handoff

The consolidation of existing contact centres creates the potential for a handoff risk between the central contact centre and the Transport Operators, when there are issues that require input from Transport Operators. Examples of calls that would require Transport Operator input are complaints and accessibility support requests.

To mitigate this risk, during the development of the Target Operating Model, processes involving handoffs have been documented and a set of Service Level Agreements have been identified which will be put in place between the contact centre and the Transport Operators.

In addition, workshops with Transport Operator stakeholders are ongoing to confirm ownership and hand-off mechanisms.

### Regulatory

One of the objectives underpinning the programme is to ensure regulatory compliance across all customer contact for transport operations around issues such as accessibility, GDPR, security, and Irish Language requirements. However, by taking on the responsibility of providing customer contact services, the NTA are potentially exposed in the event of a data breach or financial fraud.

To mitigate this risk, the contract for services clearly sets out the security requirements the service provider must meet, including mandating PCI compliance where any financial transactions are taking place.

## 9.2. Risk management strategy

The CCC Programme follows the Common Appraisal Framework method – a step by step approach to fully understand and evaluate the risks in accordance with best practice Risk management.

- 1. Risk identification:** extensive risk analysis, in order to develop a risk register grouping risks by type.
- 2. Assess impacts and estimate likelihood of outcomes:** identify what aspects of the project are impacted (cost, schedule, and quality), quantify the consequences, and estimate the probability of a risk happening.
- 3. Risk mitigation:** once risks are identified and defined the focus is on preparing mitigation plans and providing evidence of the approach to responding to risks. Responding to risks involves accepting, eliminating or transferring risks.
- 4. Identify potential contingencies:** Even where an evaluation of risks and their impacts is undertaken, some risks will remain unknown. As the programmes progress, new risks are likely appear. Therefore, the plan includes a provision for unknown contingencies.

A detailed Risk Register has been prepared for the CCC and is being managed and maintained by the Programme Manager.

An adjustment for risk and contingency has been included in the Capital Cost for Mobilisation and Transition (contingency multiplier 1.2).

## 10. Affordability assessment

*In accordance with the Public Spending Code (PSC), an assessment of CCC affordability has been undertaken, this section presents the outcome of the assessment.*

### 10.1. Source of funding

The CCC will be funded out of the NTA's overall budget, which is provided for out of an allocation from the Department of Transport (DoT). The NTA operate a capital budget and a PSO operations budget. The PSO operations budget covers the cost of providing PSO services and associated support costs.

NTA has reported the CCC's forecast budget to DoT, as and when requested. The latest budget reporting to DoT was in February 2023, and included the following costs over the period 2021 to 2025:

- NTA Team Design and Procurement costs
- NTA Team Mobilisation & Operations costs
- An *estimate* of Milestone Payments to be paid to the CCC Service Provider, before data was available from Final Tender stage

The total costs of the CCC to the NTA comprise upfront Mobilisation and Transition costs (including Milestone Payments paid to the Service Provider) plus ongoing operating costs (including Operating Payments paid to the Service Provider), less potential savings.

The Mobilisation and Transition costs will be paid out of the NTA's capital budget. The operating costs will be paid for out of the PSO service support costs budget and the potential savings – depending on specifics that are not available at this stage – are expected to reduce payments to the Transport Operators from the PSO operating budget. This will result **in a net operating cost to be funded from the NTA's PSO budget.**

Within the total costs of the CCC, the payments tendered by the CCC Service Provider at Final Tender stage are the result of an extensive market competition. This competition was conducted as a public procurement under the Competitive Procedure with Negotiation. Negotiations have supported a drive to achieve improved value in the cost of the contact centre services. Throughout this competition, the NTA has constantly looked to secure value for money, whilst meeting overall objectives.

### 10.2. Projected costs and savings

The following table presents the profile of the projected costs and savings associated with the CCC over the appraisal timeline:

<b>Affordability assessment</b>													
<b>In real terms - €'000</b>	<b>Total</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>
<i>Service Provider costs</i>	69,627	815	11,241	6,130	6,126	6,114	6,187	6,260	6,321	6,396	6,474	6,546	1,017
<i>Other costs</i>	8,266	1,381	2,358	1,343	390	390	390	390	390	390	390	390	65
Total Costs	77,893	2,196	13,599	7,473	6,516	6,504	6,577	6,650	6,711	6,786	6,864	6,936	1,082
Total Savings	22,871	0	1,362	2,063	2,216	2,369	2,369	2,369	2,369	2,369	2,369	2,369	649
<b>Net Costs / (Savings)</b>	<b>55,023</b>	<b>2,196</b>	<b>12,236</b>	<b>5,410</b>	<b>4,300</b>	<b>4,135</b>	<b>4,208</b>	<b>4,281</b>	<b>4,343</b>	<b>4,418</b>	<b>4,496</b>	<b>4,567</b>	<b>433</b>
<b>Net Costs (with risk contingency, optimism bias and inflation)</b>	<b>69,571</b>	<b>2,876</b>	<b>13,711</b>	<b>6,538</b>	<b>5,061</b>	<b>5,073</b>	<b>5,307</b>	<b>5,535</b>	<b>5,774</b>	<b>6,040</b>	<b>6,319</b>	<b>6,619</b>	<b>717</b>
<b>Net Costs (with risk contingency, optimism bias and inflation, incl. VAT)</b>	<b>87,709</b>	<b>3,064</b>	<b>16,296</b>	<b>7,981</b>	<b>6,545</b>	<b>6,602</b>	<b>6,902</b>	<b>7,193</b>	<b>7,499</b>	<b>7,837</b>	<b>8,193</b>	<b>8,575</b>	<b>1,022</b>

## 11. Detailed delivery schedule

*This section presents the delivery schedule for Mobilisation & Transition (M&T), which covers the establishment of the Consolidated Contact Centre (CCC) and the phased transition of services from the existing contact centres.*

### 11.1. Lifecycle and Milestone Plan

It is envisaged that Mobilisation and Transitions lifecycle will have the following sub phases

- **Plan:** Develop and align Plans for Mobilisation & Transition
- **Design:** Specify lower level Design for Solution and Services
- **Build:** Deliver and Test Solution and Services
- **Accept:** Conduct Operational Readiness Review and Business Acceptance Testing (BAT)
- **Transition:** Onboarding and Go-Live of TO Contact Centres (in line with Transition roadmap)

The Mobilisation and Transition Lifecycle is depicted in Figure 11-1

#### Milestones

The following table includes the indicative planned dates for the achievement of Milestones. <sup>41</sup>

Ref	Milestone	Indicative Planned Date
M1	Delivery of Plans	01/12/2023
M2	Technical and Services Design Completion	08/02/2024
M3	Technical and Services Readiness	29/05/2024
M4	Operational Services Start Date	27/06/2024
M5	Service Transition Completion	31/03/2025

<sup>41</sup> Indicative planned dates are based on NTA Programme team planning, and the Mobilisation and Transition plans submitted by the Service provider at Final Tender stage. They assume contract award on 16 October 2023.

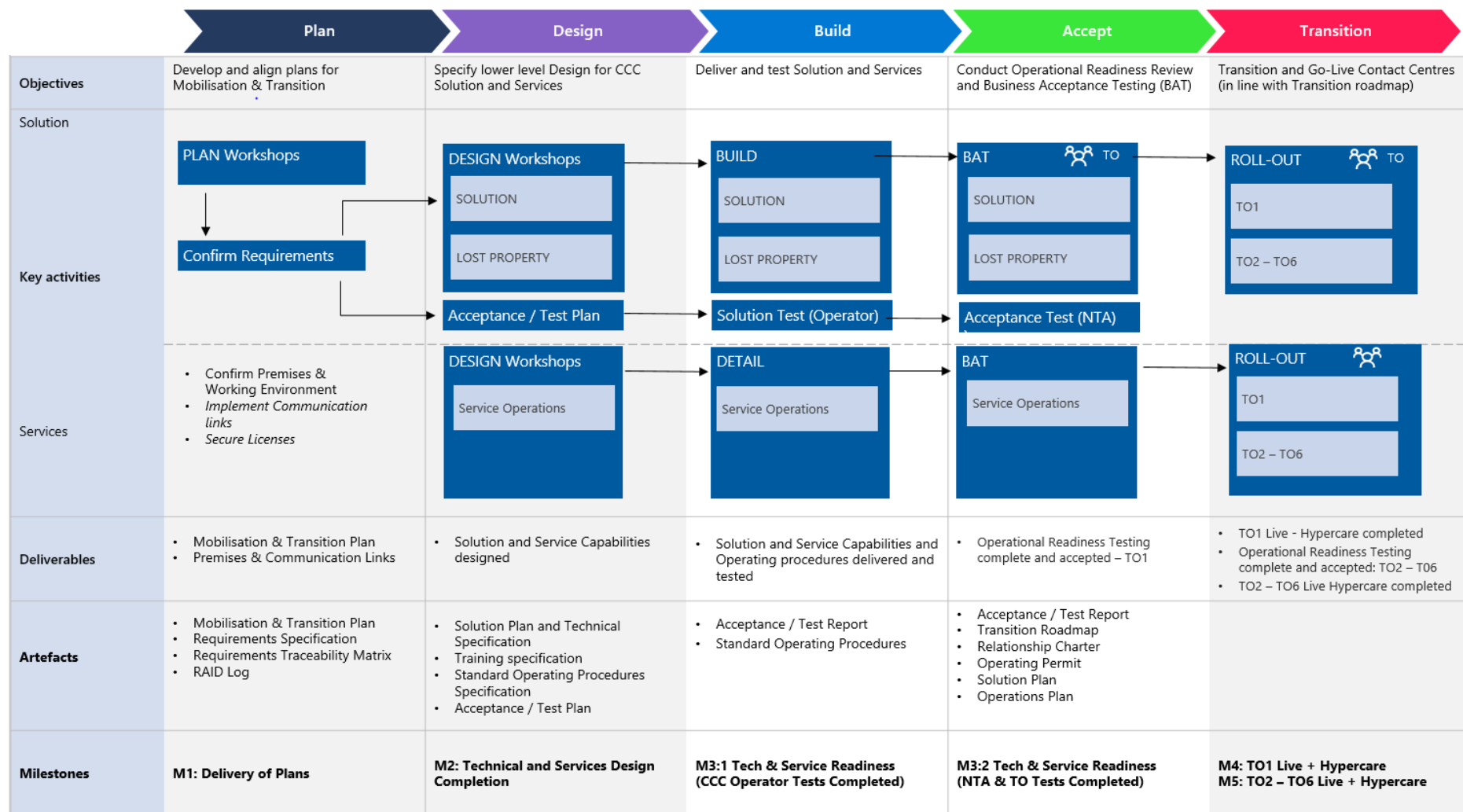


Figure 11-1: CCC Mobilisation and Transition Lifecycle

Indicative timings for the phased transition of existing contact centres are set out below.

Sub-Milestone 4 ref	Sub-Milestone 4	NTA-planned Go-Live Date (Milestone 4 + [x] Reporting Periods)	Indicative Planned Date
A	Bus Éireann (including Expressway) contact centre services	0 Reporting Periods	25/06/2024
B	Go Ahead contact centre services	1 Reporting Periods	26/07/2024
C	Irish Rail contact centre services	3 Reporting Periods	20/09/2024
D	NTA contact centre services 1. mTicketing 2. NTA phone lines operation 3. NTA Department handover 4. NTA Taxi handover 5. NTA BusConnects and other Project / Programme queries and handover 6. Local Link (second line support only)	4 Reporting Periods	17/10/2024
E	Dublin Bus contact centre services	6 Reporting Periods	12/01/2025
F	Luas	8 Reporting Periods	07/03/2025

A high-level plan is presented in the following charts and illustrates the overall timeline for Milestone delivery.

**Figure 11-2: Mobilisation & Transition - High Level Plan**

Year	2023/2024					
Reporting Period	1	2	3	4	5	6
Week Number	1 to 4	5 to 8	9 to 12	13 to 16	17 to 20	21 to 24
Milestone	M1: Delivery of Plans					
		M2: Technical and Services Design Completion				
				M3: Technical and Services Readiness (contd. in 2024)		
Go-Live events	Commence. Date					

Year	2024 /2025											
Reporting Period	7	8	9	10	11	12	13	14	15	16	17	18
Week Number	25 to 28	29 to 32	33 to 36	37 to 40	41 to 44	45 to 48	49 to 52	53 to 56	57 to 60	61 to 64	65 to 68	69 to 70
Milestone												
	M3 (cont.d)											
	M4: Operational Services Start Date											
				M5: Services Transition Completion								
Go-Live events			1st Go-Live	2nd Go-Live		3rd Go-Live	4th Go-Live		5th Go-Live		6th Go-Live	

## 11.2. Acceptance and contractual conditions

The delivery schedule is in line with the conditions specified in contract **Schedule 3 - Mobilisation and Transition**.

Schedule 3 specifies that for each milestone to be successfully achieved, the Service Provider must have completed acceptance testing to the satisfaction of the NTA.

In addition, Schedule 3 **defines a strict timeframe for delivery**, with the option for the NDA to reduce payments to the Service Provider and / or to terminate the contract in the event of excessive delays.

Specifically for Milestones 4 and 5, which relate to 'Operational Services Start Date' and 'Service Transition Completion' respectively, Schedule 3 requires the following:

### Long Stop Dates

- If the Service Provider has not achieved Milestone 4 within 10 months of the Commencement Date, the NTA will be entitled to reduce the Milestone Payment for the achievement of Milestone 4 by 0.5% of the relevant Milestone Payment for each week of delay (capped at 20%).
- If the Service Provider has not achieved Milestone 5 within 24 months of the Commencement Date, the NTA will be entitled to reduce the Milestone Payment for the achievement of Milestone 5 by 0.5% of the relevant Milestone Payment for each week of delay (capped at 20%).

### NTA termination rights

- If the Service Provider has not achieved Milestone 4 within 18 months of the Commencement Date, the NTA shall be entitled to terminate the Contract.

- If the Service Provider has not achieved Milestone 5 within 30 months of the Commencement Date, the NTA shall be entitled to terminate the Contract.

### 11.3. Programme team

For Mobilisation & Transition, the core programme team, comprising personnel from the NTA and the Service Provider, will be structured as in Figure 10-2

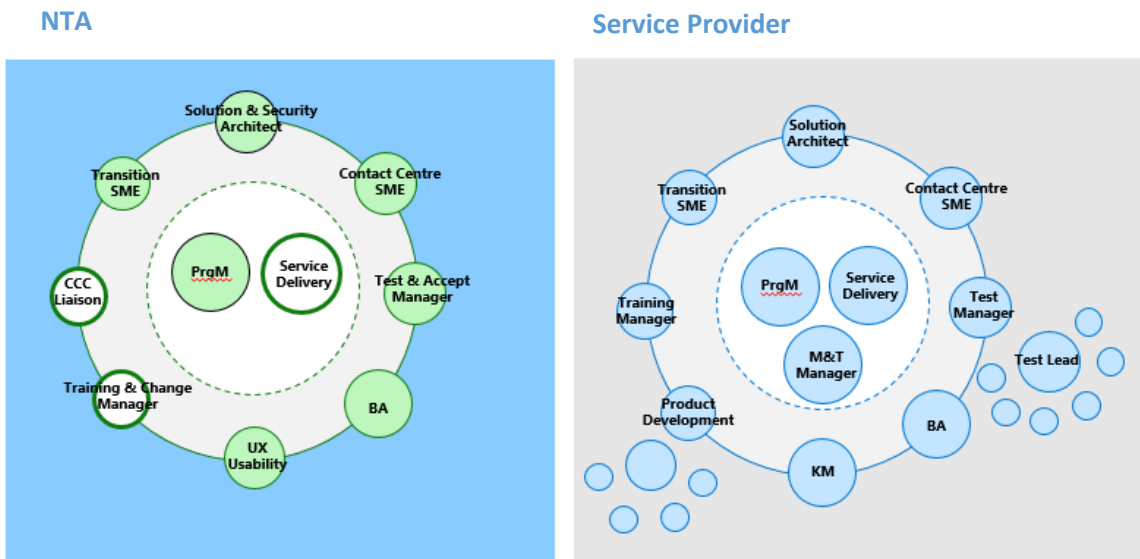


Figure 11-2: Mobilisation & Transition – Programme team

The remit of core resources, during Mobilisation and Transition, are set out in the table(s) below

#### NTA Programme Personnel

Role	Remit
Programme Manager	<ul style="list-style-type: none"> <li>• Co-ordinates the Programme's Workstreams and manages their inter-dependencies.</li> <li>• Manages Risk and Issues</li> <li>• Enables effective Transition management</li> <li>• Responsible for the overall integrity and coherence of the Programme.</li> <li>• Details Plans and Responsibilities</li> </ul>
Service Delivery Manager, Design Authority Chair	<ul style="list-style-type: none"> <li>• Ensures that Service and Solution is delivered to a high standard</li> <li>• Chairs the Design Authority</li> <li>• Ensures that decisions are made, and issues escalated to Steering as required</li> <li>• Formally accepts/rejects deliverables</li> </ul>



Role	Remit
Contact Centre SME	<ul style="list-style-type: none"> <li>Ensures that the Service and Solution meets objectives of the CCC Programme, with particular reference to Functional and Non Functional Requirements, and the Target Operating Model (TOM)</li> <li>Formally accepts/rejects the relevant Programme deliverables</li> </ul>
Transition SME	<ul style="list-style-type: none"> <li>Ensures that the Service and Solution meets objectives of the CCC Programme – with particular reference to operationalisation and transition</li> <li>Formally accepts/rejects the relevant Programme deliverables</li> </ul>
Solution Architect	<ul style="list-style-type: none"> <li>Ensures that the Service and Solution meets objectives of the CCC Programme – with particular reference Solution Architecture and Technical Design</li> <li>Formally accepts/rejects the relevant Programme deliverables</li> </ul>
CCC / TO Liaison	<ul style="list-style-type: none"> <li>Assures successful implementation and roll out of the CCC Services and Solution by means of successful engagement with the TO /TSP stakeholder</li> <li>Develops and maintain effective relationships with the Transport Operators (TOs &amp; TSPs), and ensuring effective communication between the Transport Operators (TOs &amp; TSPs) and core program team – i.e. the NTA CCC team and the CCC Service Provider team</li> <li>Coordinates activities between the Transport Operators (TOs &amp; TSPs) and the core program team</li> </ul>
Test & Acceptance Manager	<ul style="list-style-type: none"> <li>Develop and maintain overall quality assurance standards and processes.</li> <li>Accountable for the creation and execution of test plans and acceptance test criteria</li> <li>Work with Service Provider to define Test Strategy</li> </ul>
Training & Change Manager	<ul style="list-style-type: none"> <li>Responsible for CCC Knowledge Management and Training for all CCC teams across core and supplementary systems</li> <li>Defines, implements, and monitors training plans</li> <li>Leads the development of change impact assessment, as well as communication strategies</li> </ul>
Business Analyst	<ul style="list-style-type: none"> <li>Ensures successful implementation of the Target Operating Model, specifically the delivery of the CCC Standard Operating Procedures, as well supporting Knowledge transfer to CCC Operator, Business Acceptance of the CCC Service and Solution, and Transition to TOs</li> <li>Clarifies, elaborates upon, and details operating processes of CCC and TOs</li> <li>Fully facilitates preparation of Standard Operating Procedures</li> </ul>
Usability / UX	<ul style="list-style-type: none"> <li>Ensures that core digital components of the CCC are coherent, well designed and easy to use – this includes webforms, virtual assistant and the social media</li> </ul>

Role	Remit
Programme Manager	<ul style="list-style-type: none"> <li>Accountable for developing and delivering the Mobilisation and Transition Plan</li> <li>Oversees all resources of the Service Provider's team involved in Mobilisation and Transition</li> </ul>
Mobilisation and Transition Manager	<ul style="list-style-type: none"> <li>Develops, implements, and maintains the Mobilisation and Transition Plan</li> <li>Ensures that the <b>Services and Solution</b> are brought into operation on time and in line with requirements specified in Schedule4 – Services, Solution, and Compliance</li> </ul>
Service Delivery Manager	<ul style="list-style-type: none"> <li>Develops and implements <b>CCC operations and operational processes</b></li> <li>Ensures that <b>Services are set up in</b> line with requirements specified in Schedule4 – Services, Solution, and Compliance</li> <li>Ensures processes, practices, and tools for effective Service Operation are in place</li> </ul>
Architect	<ul style="list-style-type: none"> <li>Designs and implements the Technical Specification for the CCC</li> <li>Ensures that the Solution Design meets the requirements specified in Schedule4 – Services, Solution, and Compliance</li> </ul>
Product Development & Engineering	<ul style="list-style-type: none"> <li>Develops and configures the CCC Solution in line with Technical Specification, and the requirements specified in Schedule4 – Services, Solution, and Compliance</li> </ul>
Business Analysts	<ul style="list-style-type: none"> <li>Prepares Standard Operating Procedures on behalf of Service Provider</li> </ul>
Transition SME	<ul style="list-style-type: none"> <li>Works with NTA peers (Transition SME, Training and Change Manager) to ensure effective operationalisation and transition</li> </ul>
Test Manager	<ul style="list-style-type: none"> <li>Develop and maintain quality assurance standards and processes for the Service Provider</li> <li>Accountable for the creation and execution of Service Provider test plans</li> <li>Works with NTA Test Manager to define Test Strategy</li> </ul>
Knowledge Manager	<ul style="list-style-type: none"> <li>Responsible for building the knowledge base for the CCC</li> <li>Works with NTA Training &amp; Change Manager to define Training strategy and plans</li> </ul>
Training Manager	<ul style="list-style-type: none"> <li>Responsible for training Service Supplier teams across core and supplementary systems</li> </ul>

## 12. Benefits Realisation

*In accordance with Public Spending Code, this section sets out the plan for delivering the positive changes and benefits associated with the Consolidated Contact Centre.*

### 12.1. Benefits realisation plan

The Benefit Realisation Plan sets out the expected benefits, outlines the process and mechanisms used to track and measure benefits realisation, and specifies, where defined, the target values expected.<sup>42</sup>

Target Benefit	Description	Measuring the achievement	Target Value
<b>Overall Customer Satisfaction</b>	With the introduction of the CCC, it is expected that the customer experience will be improved.	Customer satisfaction will be measured using Customer Surveys, and other Customer Experience evaluation techniques including Mystery Caller  Customer satisfaction will be measured per reporting period and expressed as a CSAT score.	<ul style="list-style-type: none"> <li>CAST Score: &gt;85%</li> </ul>
<b>Customer Time Savings</b>	<p>Customers are expected to save time through:</p> <ul style="list-style-type: none"> <li>A reduction of the time it takes a customer to get through to an agent; and</li> <li>A reduction of the percentage of calls that are abandoned (i.e. the caller does not get through to an agent)</li> <li>An increase in the number of calls that are addressed on first contact (first call resolution)</li> </ul> <p><i>Customer time savings translate to explicit economic benefit</i></p>	<p>Customer times savings will be tracked through following Contact Centre Metrics &amp; KPIs:</p> <ul style="list-style-type: none"> <li>First Call Resolution</li> <li>Call Speed of Answer</li> <li>Abandoned Call Rate</li> <li>First Contact Resolution</li> </ul>	<ul style="list-style-type: none"> <li>First Call Resolution: 85%</li> <li>Call Speed of Answer 80% (within 20 seconds)</li> <li>Abandoned Call Rate: 5%</li> <li>First Contact Resolution: 90%</li> </ul>

<sup>42</sup> Target values for customer experience and contact centre metrics are specified in contract Schedule 5 - Performance. See Appendix: Supporting Documents – Schedule 5 - Performance

Target Benefit	Description	Measuring the achievement	Target Value
<b>Financial savings</b>	<p>Potential savings will be achieved by the Transport Operators through</p> <p>1) existing outsourced contracts for contact centre services not being renewed,</p> <p>2) reduction in customer agents' numbers, and</p> <p>3) the introduction of a single CRM system.</p> <p><i>See section 6 – Financial Appraisal for assumptions and limitations on how potential savings were estimated in this FBC.</i></p>	<p>A comparative analysis of Transport Operators' pre and post transition costs will be conducted, and reassessed regularly for the lifetime of the contract value.</p>	<p>Transport Operators – Outsourced Contracts not renewed 9,796</p> <p>Transport Operators – Staff Savings 10,478</p> <p>NTA – Retirement of existing CRM system 2,287</p>
<b>Exchequer Impacts</b>	<p>Benefits are expected to be accrued in the form of uplifted tax returns, due to the hiring of new staff to operate the CCC and the redeployment of existing staff at the respective Transport Operators.</p>	<p>Exchequer benefits will be measured by an estimation based on staff numbers. The key measurements are:</p> <ul style="list-style-type: none"> <li>• Staff headcount in the CCC: which NTA would request from the operator;</li> <li>• Staff compensation in the CCC: which NTA would request from the operator; and</li> <li>• Redeployment of existing customer contact at the respective Transport Operators: which NTA would request from Transport Operators.</li> </ul>	<p>Total additionality from income tax revenue</p> <p>Initial term (2023 to 2029) ~€2.4m million</p> <p>Extended term (2023 to 2034) ~€4.4 million</p> <p>Total additionality from corporation tax</p> <p>Initial term (2023 to 2029) ~€172K</p> <p>Extended term (2023 to 2034) ~€267K</p>
<b>Economic spillovers</b>	<p>The NTA expenditure associated with CCC will result in a range of positive impacts on the wider economy:</p>	<p>Actual payments made under the contract (especially the amount of variable operating payments that will be based on actual</p>	<p>Initial term (2023 to 2029)</p> <p><i>Indirect impacts</i></p>

Target Benefit	Description	Measuring the achievement	Target Value
	<ul style="list-style-type: none"> <li>direct,</li> <li>indirect (within the sector's supply chain)</li> <li>induced (spend of direct and indirect employees).</li> </ul>	observed volumes) will be used to measure the economic spillovers	10,598  <i>Indirect + induced impacts</i>  17,823  Extended term (2023 to 2034)  <i>Indirect impacts</i>  17,821  <i>Indirect + induced impacts</i>  29,969
<b>Additional Passenger Revenue</b>	It is expected that, with the implementation of the CCC, the overall customer experience will improve, which will translate into additional passengers using public transport.	<p>Although it is difficult to isolate the implementation of the CCC from other factors resulting in the increase in the number of passengers and the amounts of passenger revenue.</p> <p>Customer Satisfaction and Customer Timesaving are important proxy measures. In addition the NTA will conduct widespread service experience assessments and surveys which will look specifically at the link.</p>	Initial term (2023 to 2029)  <i>Passenger revenue +0.1%</i>  2,892  <i>Passenger revenue +0.2%</i>  5,783  <i>Passenger revenue +0.5%</i>  14,458  Extended term (2023 to 2034)  <i>Passenger revenue +0.1%</i>  5,220  <i>Passenger revenue +0.2%</i>  10,439  <i>Passenger revenue +0.5%</i>  26,098

## 12.2. Measurement and Evaluation

The target benefits will be measured at set timelines as follows:

- Measurements occur every period in the case of customer metrics
- Measurements of Financial savings, Exchequer Impacts, Economic spillovers and Additional Passenger Revenue will start at the Review stage (6 months after the Transition Completion Date) with a major assessment in Ex-Post Evaluation stage (end of the third year following the after the Operational Services Start Date) as set out in **Section 13– Evaluation Plan**.

## 12.3. Success factors to ensure realisation of benefits

In order to achieve its mission, meet strategic objectives, and deliver the expected value and benefits, the CCC Programme will pay attention to the following success factors

- Provide a differentiated customer service for customer
- Encourage high levels of self-service among the customer base through content provision and automation tools;
- Drive higher levels of efficiency and enhance customer experience through the continuous improvement of service delivery performance and capability;
- Well defined plans, appropriate to programme complexity and scope
- Commitment to Partnership and problem solving
- Satisfactory coordination with Transport Operators;
- Working with high quality service provider with specialist capabilities in Programme Management, Customer Experience, Security and Data Protection, Change Management and Service Design in addition to core capabilities in Contact Centre Operations
- The full implementation of clauses and mechanisms in the contract and schedules relating to performance monitoring (including consequences on payments made to the Service Provider)
- Strong contract management and its associated governance (see **Section 13 - Evaluation Plan**).

## 13. Evaluation Plan

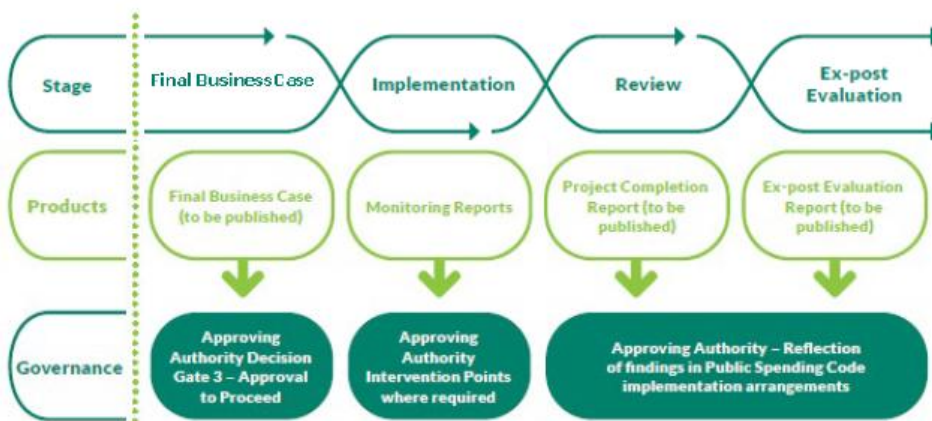
*In accordance with the Public Spending Code (PSC), the purpose of this section is to present the arrangements to be put in place to ensure the ongoing monitoring, review, and ex-post evaluation of CCC performance and value realisation.*

### 13.1. Overview

The PSC specifies the following review requirements and stages:

- **Monitoring** during the Implementation Stage (for the CCC, during Mobilisation and Transition)
- **Review Stage** during the Review Stage, the key output of which will be a Completion Report
- **Ex-Post Evaluation Stage** following the Review Stage, the key output of which will be an Ex-Post Evaluation Report

These stages are illustrated in the following abridged diagram from the PSC:



The arrangements to be put in place at each stage to evaluate effectiveness of the budget allocation to the CCC are outlined below.

### 13.2. Governance

The Service Provider and the NTA will operate within a governance framework that will seek to ensure that the business is operated in a way which is commercially focused, financially efficient and maintains a positive customer experience.

The Governance framework will consist of various layers of interaction between the NTA and the Service Provider.<sup>43</sup>

The Executive Committee is responsible for strategically leading the performance of the contract by ensuring that its objectives are met, that it is aligned with NTA business plans and that it promotes best value through continuous improvements.

<sup>43</sup> See Section 4.2 Governance for more information about the Governance framework.

The Steering Committee shall be responsible for the comprehensive oversight of the services and make recommendations to the Executive Committee for changes to maintain an appropriate alignment. The Service Provider's ability to meet the obligations as per agreement will be assessed via the review meetings set out further below.

### 13.3. Monitoring stage

Monitoring and the production of monitoring reports will be done in line with any overarching requirements. During the Implementation Stage, the programme team will:

- monitor the process for Contract award, including ensuring that the contract awarded reflects the outcomes of the Procurement process and that pricing is consistent with the Service Provider's offer at final tender stage
- undertake continuous reporting in respect of contract management issues, including forward-reporting against costs and delivery date targets;
- undertake surveillance of progress, including via the full utilisation of governance structures, monitor performance and take well-informed and timely decisions, as required; and
- provide Steering with sufficient monitoring reports to enable it to intervene where necessary, based on appropriate intervention strategies and corrective measures where the CCC is at risk of not meeting its objectives.

To ensure the regular monitoring of the contract as part of the contract governance the Service Provider and the NTA shall conduct numerous meetings to carry out reviews, inspections and audits of the Service Provider's operations and records.

Further details on this can be found in **Schedule 2 Governance** to the contract and are summarised below.<sup>44</sup>

#### **Mobilisation and Transition monitoring**

The dedicated monitoring process in place involves the Steering committee meeting every two weeks during the Mobilisation and Transition Services phase to discuss the progress made and ensure that actions takes place in a timely and orderly fashion.

#### **Performance monitoring**

The Executive Committee will meet annually to conduct the annual performance review to inspect the operational performance. The Steering committee will meet to cover overall operational performance review for each reporting period, including against Target Service Levels and reports as described in the Agreement. The Steering Committee will also cover potential and current continuous improvements to be made. That includes a review of continuous improvement initiatives currently being implemented and future continuous improvement initiatives.

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<sup>44</sup> See Appendix: Supporting Documents – Schedule 2 Governance



## **Financial monitoring**

The Executive Committee will meet annually for an audit review and an annual performance review (overall review of financial performance including budget).

## **Contract management**

The Executive Committee will meet semi-annually for a general review of contract management to analyse the purpose, control and operation of the services contract, advise on progress and address any issues arising that may impact the Services. As part of its overall operational performance review (for each reporting period), the Steering Committee will cover contractual matters including disputes, change approvals and management.

## **Risk**

The Executive Committee will meet semi-annually for Governance, risk and compliance review (including information and systems security, data protection and PCI compliance).

The Steering Committee will meet to review (for each reporting period) risk management and compliance, including a review of the audits (audits completed and the Service Provider's audit plan), risk register and performance in relation to the compliance matters.

The Steering Committee will also meet semi-annually to review business continuity / disaster recovery plan to cover a review the status and progress of risks and actions implemented under Business Continuity / Disaster Recovery Plan.

## **Intervention Points**

The Executive Committee and the Steering Committee will monitor the implementation of the CCC throughout the duration of the contract.

The Executive Committee and the Steering Committee will be prepared to step in and take action within the context of the contractual arrangement in place, should the circumstances require the following listed intervention points.

Experience (in similar programmes in other geographies and/or on other complex initiatives) highlights the need for NTA's contract management team to have access to commercial expertise in the management of the intervention points – particularly in respect of disputes or change control of a commercial nature which may result in a change to pricing of the services.

## **Changes to scope**

In the case of a change of scope, the materiality of such change and its financial and operational impact on the CCC will need to be thoroughly assessed in accordance with the Contract Change Management Schedule.

If changes to scope are to occur, the requesting party will prepare a Change Request Form to be issued to the other party. The Service Provider is not permitted to submit a Change Request prior to the completion of the final Milestone (Milestone 5) of the Mobilisation and Transition phase.

The Change Request Form will include a description of the proposed change requested, as well as any impacts and estimated costs.

#### Changes to delivery timeframe

Changes to delivery timeframe of the CCC could negatively affect the achievement by NTA of its objectives in terms of customer experience. Ongoing contract management, specifically during the Mobilisation and Transition, will ensure that NTA is aware of any risks to delivery.

The Service Provider is required to actively manage any delays to the Mobilisation and Transition Plan to mitigate the effects of any such delays. Contract provisions cover some contractual rights and remedies available to the NTA in case of delays, including consequences on payments and termination rights.

#### Cancellation

This CCC underwent a number of steps in terms of approvals. In case of a cancellation appropriate contingency measures will be devised as part of that decision to ensure that the objectives of the NTA are still met.

#### Changes to wider external environment

In the event where changes to the wider external environment are to occur, a gradual approach is to be adopted where each party (the NTA and the Service Provider) is to assess the impact of such change on the operational and financial aspects of the CCC. Based on each party's assessment of the changes, discussions must be held, and consensus is to be achieved by both parties as regards the implementation of a Contract Change.

### 13.4. Review stage

#### 13.4.1. Purpose

During the Review stage, the programme team will produce a Completion Report that reviews the extent to which:

- The basis on which the programme was undertaken proved sound;
- The business case and management procedures were satisfactory;
- The initial benefits were realised; and
- Lessons learned that are applicable to other projects and programmes within NTA.

#### 13.4.2. Timing

A formal Review will be completed **6 months after the Transition Completion Date**, to cover both the Mobilisation and Transition phase and the first Monitoring period.

#### 13.4.3. Basis for the CCC

The Completion Report will review the extent to which the CCC's:

- Objectives and scope were – and continue to be – aligned with NTA's strategic priorities and objectives; and

- KPIs are appropriate and sufficient, in the context of the wider performance regime.

#### 13.4.4. Business case and management procedures

The following table provides a targeted listed of items for assessment at the review stage, based on the full list of the PSC.

##### **Business Case and management procedures review**

<b>Business Case</b>	To what extent were: <ul style="list-style-type: none"> <li>• the requirements of the PSC met;</li> <li>• the options appraisal (before procurement launch) developed;</li> <li>• the differences between tendered prices and estimated costs understood.</li> </ul>
<b>Design &amp; Planning</b>	To what extent were: <ul style="list-style-type: none"> <li>• any scope changes effectively and efficiently managed</li> <li>• statutory requirements including procurement rules complied with</li> </ul>
<b>Implementation</b>	To what extent were the: <ul style="list-style-type: none"> <li>• governance, contract management, monitoring and dispute resolution structures efficient and effective</li> <li>• contract obligations met on time and to the required quality standard</li> <li>• key risks that materialised identified in the risk assessment and effectively and efficiently mitigated.</li> </ul>

#### 13.4.5. Realisation of initial benefits

Some benefits associated with the CCC will take longer to accrue than the timing of the Review stage.

As such, the assessment of the extent to which benefits have been realised will be more appropriately assessed at Ex-Post Evaluation.

That being said, the Review will identify any initial benefits to the extent possible.

#### 13.4.6. Lessons learned

The CCC team will undertake an internal workshop and include in the Completion Report any lessons learned.

The CCC team will then apply lessons learned, as relevant, in the ongoing operations contract management and in other comparable NTA projects and programmes.

## 13.5. Ex-Post Evaluation stage

### 13.5.1. Purpose

During Ex-Post evaluation, the CCC Team will determine the extent to which:

- The expected benefits and outcomes have materialised;
- The planned outcomes were the appropriate responses to actual public needs; and;
- Lessons can be learned for any contract term extensions, procurement of a next service provider, or similar projects within NTA.

Findings on the above points will be gathered into a single **Ex-Post Evaluation Report**.

### 13.5.2. Timing

Given that the contract has an Initial Term of 5 years starting from the Operational Services Start Date, the Ex-Post Evaluation will be conducted at the end of the third year following the Operational Services Start Date.

The findings of Ex-Post Evaluation will inform a decision by NTA whether to exercise a contract extension and/or to procure a next service provider (allowing for any required transition period).

### 13.5.3. Expected benefits and outcomes

The Ex-Post Evaluation Report will assess the extent to which the CCC's:

- Short-term and medium-term outcomes and benefits identified in this Final Business Case ; and
- Benefits and risk management processes were effective and efficient.

The contract sets out the necessary terms, conditions, and KPIs to be met for an optimal delivery of the services provided by CCC. The nature of such services requires that an optimal and efficient execution at all times.

Regular reviews of performance against KPIs set out in the contract will ensure the achievement of NTA's strategic priorities and objectives throughout the term of the contract. The performance data gathered as part of the regular reviews performed during the implementation and monitoring of the service contract will be used to assess the overall realisation of benefits which will be presented in the Ex-Post Evaluation report.

### 13.5.4. Public need










The Ex-Post Evaluation Report will examine the extent to which the CCC:

- Was effective, efficient and the appropriate in meeting public needs
- Met its policy objectives, based on the policy rationale at the time; and
- KPIs are appropriate and sufficient, in the context of the wider performance regime.

#### 13.5.5. Lessons learned

The programme team will undertake an internal workshop and include in the Ex-Post Evaluation Report any lessons learned. The project team will then apply these lessons learned, as relevant, in the ongoing project and contract management and in other comparable NTA projects. These lessons learned will be of particular importance to inform a decision by NTA whether to exercise a contract extension and/or to procure a next service provider.

## Appendix A: Supporting Documents

Document	Document Link
2018 Customer Contact Strategy	 NTA CCC 2018 Customer Contact Stri
2018 Project Appraisal	 NTA CCC 2018 Project Appraisal.pdf
2020 Business Case (Preliminary Business Case)	 NTA CCC 2020 Business Case_Final.pr
2022 Business Case Sense Check	 NTA CCC 2022 Sense Check.pdf
NTA - CCC Agreement - Schedule 2 Governance	 NTA - CCC Agreement - Schedule
NTA - CCC Agreement - Schedule 3 Mobilisation and Transition	 NTA - CCC Agreement - Schedule
NTA - CCC Agreement - Schedule 4 Services, Solution and Compliance	 NTA - CCC Agreement - Schedule
NTA - CCC Agreement - Schedule 5 Performance	 NTA - CCC Agreement - Schedule
NTA – CCC - TAA - Breakdown	 NTA CCC-TAA-Breakdown.