

Cabinet – 16 March 2022

Children's Services Education Case Management System

Portfolio: Councillor Chris Towe, Education and Skills

Related portfolios: Councillor Bird, Leader of the Council

Service: Access and Inclusion

Wards: All

Key decision: Yes

Forward plan: Yes

1. Aim

- 1.1 To ensure the Council has an education electronic case management system, underpinning the Council's requirement to fulfil its statutory duties, as set out in relevant legislation (i.e., Education Act 1996, Children and Families Act 2014).
- 1.2 To build on the current vendor relationship with Capita, so as to establish a partnership-based way of working, which will intrinsically support the delivery of Directorate and in turn Council ambitions, in transforming services.

2. Summary

- 2.1 In accordance with the Council's Constitution, this is a 'key decision' due to 'significant' expenditure in excess of £500,000.
- 2.2 The Council has statutory responsibilities under the Education Act 2014 and Children and Families Act 2014, which include the need to maintain child level records, linked to children and young people in relation to their education needs. The current electronic case management system is Capita One, which was procured by the Council over 10 years ago from Capita and is hosted within the Council's data centre.
- 2.3 As well as statutory requirements, Capita One ensures greater system-based oversight of statutory services delivered; greater intelligence across areas of service delivery; increased access to performance and activity reporting; front end services to enable parents to make school applications and the ability to interface across multiple Council electronic systems as a way of delivering more streamlined functions.
- 2.4 Changes to the system by Capita require either significant investment in new server hardware or use of a cloud-based software as a service (SaaS) provision.

- 2.5 A review of alternative solutions determined that they didn't have the same functionality as Capita One and therefore changing systems would involve a significant redesign of the Council's working practices.
- 2.6 As a result of the alternative systems review it was decided to implement the Capita One SaaS solution through the Crown Commercial Service framework RM6194 (Back Office Software).
- 2.6 The detailed business case for this work has been taken through and gained approval from the relevant governance channels including Third Party Spend Board, Business Design Authority (BDA) and Technical Design Authority (TDA) with assurance that the recommended course of action aligns with Council transformation priorities including the ICT transformation strategy, the Customer Access Management (CAM) programme and the PROUD agenda.

3. Recommendations

- 3.1 That Cabinet approve the award of a contract to Capita via the facility under Crown Commercial Service framework RM6194 (Back Office Software) to re-procure the Council's existing case management system for education commencing April 2022 and until April 2027 at a total cost of £1,368,000.
- 3.2 That Cabinet delegate authority to the Executive Director - Children's Services, in consultation with the Executive Director - Resources and Transformation, the Portfolio Holder for Education and Skills and the Leader of the Council, to subsequently authorise the sealing of deeds and/or signing of contracts and any other related documents for the provision of such services.
- 3.3 That Cabinet delegate authority to the Executive Director - Children's Services, in consultation with the Executive Director - Resources and Transformation, the Portfolio Holder for Education and Skills and the Leader of the Council to authorise any variations to the contractual arrangements or other related documents for such services should this be required throughout the duration of the term of any contracts and provided they are in line with the Council's Contract Rules and any relevant legislation, including Public Contract Regulations 2015.

4. Report detail - know

- 4.1. The Council's current version of Capita One was purchased over 10 years ago and is hosted on servers within the Council's data centre. An annual maintenance and support contract with Capita costs £154,000 per year, which provides access to upgrades (which we then have to implement ourselves) and minimal support in system maintenance.
- 4.2. Due to major technical changes that have been made by Capita to Capita One, primarily involving the discontinuation of Microsoft Silverlight, significant upgrades would be required to existing servers to enable Capita to continue running. Additionally, the current servers are now approaching the end of their lives and considerable investment would be needed to purchase new servers to enable us to continue hosting Capita One on premise. On site hosting also has implications

for resources to maintain the system both within ICT and the business. Should there be a disaster resulting in the loss of the data centre it is currently estimated that it would take between 3 - 6 months to restore this particular service - this would result in the Council being unable to meet its statutory requirements for Children's services including safeguarding and Department for Education Statutory returns.

4.3. The issues that have arisen with the requirement to upgrade Capita One have coincided with the transformation of the Council's ICT service; ICT are currently undertaking a programme of work known as ICT Transformation and Cloud Migration – this programme seeks to implement a “cloud first” strategy - migrating hosting from the Council's existing data centre to a cloud platform (Microsoft Azure) in order to reduce overall costs, increase scalability and improve disaster recovery capability. The Capita One system cannot be migrated to the Microsoft Azure platform, as it sits on a complex architecture encompassing both Microsoft and Oracle technologies and Capita will not support their application within the Azure platform. However, Capita are able to offer their own cloud solution in the form of Software as a Service (SaaS).

4.4. Four options have been considered for the procurement of a case management system, which have been outlined in the table below.

Options	Description	Implication
1. Do nothing	Continue with the current annual rolling contract with Capita with the system hosted on existing servers.	System will become obsolete and unsupported by the end of 2022. The organisation will not be able to meet its statutory duties.
2. Procure an Alternative system	Look at alternative suppliers and systems that are on the market.	Full tender process would be required. If alternative system was procured it would require a huge implementation and migration project up to two years and significant disruption for the business including redesign of business processes.
3. Upgrade servers to maintain system 'on-prem'	Implement new servers to ensure that Capita One can continue to be maintained, supported and upgraded.	Ongoing risks around data recovery and maintenance costs.

4. Re-procure existing case management system with migration to a SaaS hosted solution.	Through representative working group discussions – most appropriate approach has been identified – to deliver a compliant electronic solution in a timely and best value way, meaning a provision of a 5 year contract will be implements	Opportunity to align to the Council's ICT Strategy and our transformation programme. Provides continuity of system in a compliant way. Optimises technological advances in system hosting and reduces Council burden
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4.5. The review of the Capita system has also identified some key areas of the existing system which are not being utilised to their maximum potential. The scope of this work has been identified and Capita have quoted for the support that would be required to implement the necessary changes to address this issue with the costs included in the proposed contract, as it is more efficient to do this work alongside the migration to SaaS.

4.6. Negotiations will commence between the Capita and the Council to ensure alignment to the Council's transformation ambitions and the building of a stronger partnership relationship, which will also enable the Council to have greater influence across the vendor's future roadmap of system design priorities and to also ensure compliance with the Council's best value duty under the Local Government Act 1999.

Council Corporate Plan priorities

4.7. The proposed provision aligns with the following Corporate Plan priorities:

CHILDREN have the best possible start, are safe from harm, happy, healthy and learning well – Stable case management systems are vital to being able to support individual children and families, ensuring that the data and information held about the child is accurate, up to date and accessible. The ability to draw down data from systems for analysis and monitoring purposes contributes to service planning and delivery.

It is vital that the Council invests in and retains its ability to meet statutory recording and reporting requirements.

INTERNAL Focus – All Council services are efficient and effective – the upgrade of these systems is in line with the ICT transformation strategy and will ensure that they are fit for purpose moving forwards. Upgrading the case management systems will reduce system downtime for staff and ensure that they are always working on the most up to date systems, providing more time to focus on providing quality support to children and families to improve outcomes.

The upgrade also aligns and will support CAM priorities and other elements of the Council's PROUD programme, including, Insight and Enabling Technology.

Approvals and been sought and gained from the relevant governance groups in relation to this including Third Party Spend Board, Business Design Authority and Technical Design Authority.

Risk Management

- 4.8. This proposal to upgrade these systems to a SaaS environment significantly reduces the risk to the Council's data and security, reducing the risk of data loss, data breaches and cyber security attacks, as well as reducing the risk around business downtime and reputational risks related to the systems not being fit for purpose.
- 4.9. The risks to awarding this contract are low given that the Council has an established record of utilising this system. However, due diligence will be undertaken including Data Processing Agreements; Technical Assessment, in order to provide assurance and governance in delivering our statutory duties.
- 4.10. Risks relating to the implementation of the project will be mitigated through robust project management and contract management with the supplier.

Financial implications

- 4.11. The 2021/22 annual cost of delivering this service is £154,000. As part of the project, the budget and responsibility for contract management with the supplier will be transferred to ICT as part of the Council's ambition to centralise ICT budgets.
- 4.12. The Directorate recommends option 4 as detailed in section 4.4 with the total cost of the contract being £1,368,000 over 5 years. The costs for the proposed 5 year contract are as follows:

SaaS Solution	Year 1 Annual Cost (£)	Years 2-5 Annual cost (£)
Hosting	280,000	250,000
Oracle Licencing	26,397	4,215
Strategic Review	45,000	
Total Annual Cost	351,397	254,215

4.13. **Funding** for the contract has been identified on the following basis:

Funds breakdown – 1st year		
Description	Amount	Funded by
Capita SaaS migration and purchase of additional Oracle licences	£52,183	Existing Capital ICT Cloud Navigator Budget
Project management cost and functionality improvement	£45,000	Existing funding earmarked for revenue implications of capital projects
Ongoing revenue costs	£154,000	Existing revenue budget
Additional revenue costs	£100,000	Revenue reserves with growth built into future ICT budgets
Total funds breakdown 1st year	£351,183	
Additional Cost		
Internal project management cost	£65,000	Existing funding earmarked for revenue implications of capital projects

Legal implications

- 4.14. The Council has a statutory obligation to record, keep and maintain information relating to a child's education and to submit relevant statutory returns to central government. These obligations are also covered by external inspection frameworks, which expect the Council to have in place robust case management for interventions with children and young people. Poor performance in these inspections can lead to directions for improvement from central government as well as a risk to reputation if performance or judgement in an inspection is inadequate. Continued use of Capita One will enable the Council to continue to meet these obligations without disruption.
- 4.15. Being able to record proportionate information is critical in ensuring auditable; proportionate decision making; safety and delivery of timely interventions, as well as compliance with the requirements of the General Data Protection Regulation (GDPR) and the Data Protection Act 2018. The electronic social care case management system is the Council's underpinning record tool for this.
- 4.16. The procurement of the contract with Capita under RM6194 (Back Office Software) to award the contract to Capita will be undertaken in accordance with the applicable requirements of the Public Contracts Regulations 2015. By use of a framework, the Council agrees to contract with Capita pursuant to the framework's call-off terms.

Procurement Implications / Social Value

- 4.17. The move to Capita One SaaS will involve the signing of a new 5-year contract with Capita. This is broadly aligned with the 3+1-year contract between the Council and Servelec for the upgrade of the MOSAIC system. The plan currently is to begin a full tender process to review the market for both systems in around 2 years' time.

This will enable to the opportunity test the market and to look at system suppliers that offer combined social care case management and education systems, or other suppliers of individual systems.

- 4.18. A market testing and tender process of that size can take between 12 and 18 months, following which, if a new supplier was chosen systems would have to be migrated one at a time. The five-year Capita contract therefore aligns with the 3+1 Servelec contract as the social care system would migrate first with the education system migrating afterwards, ensuring that we maintained systems functionality during this period.
- 4.19. The procurement exercise and associated contract award will be conducted in accordance the Public Contracts Regulations 2015 (the Regulations).
- 4.20. After evaluating several routes to market, Procurement have advised that the use of the award facility under RM6194 (Back Office Software) to award the contract to Capita would be the best procurement vehicle to achieve the desired outcomes in the timescales required.
- 4.21. Compliant processes have been undertaken to minimise procurement-related risk associated with the award of this contract. However, there will always remain an inherent risk of legal challenge associated with any procurement undertaken by the Council.

Property implications

- 4.22. The property implication linked to this contract award is simply that the case management system will, during the lifetime of the proposed contract, in a planned way, cease to be hosted on Council premises, in line with our ICT strategic intent.

Health and wellbeing implications

- 4.23. The ability to monitor the health and wellbeing of Walsall children, young people and adults receiving support or services from the Council will be compromised without the availability of an electronic case management system.

Staffing implications

- 4.24. Officer capacity will be created in operating a non-site based electronic solution, enabling the re-direction of ICT resources to further realise our ICT strategic ambitions.

Reducing Inequalities

- 4.25. An Equality Impact Assessment has been deemed not necessary as working practices will not be changing.
- 4.26. Having robust systems which capture information about children and young people enables the ability to extract data and perform analysis to identify need and inform service planning and development to address the needs of the most vulnerable and target services appropriately to reduce inequalities. There is no direct impact

on service users as their priority needs will continue to be met regardless of system choice.

Consultation

- 4.27. External consultation was not deemed necessary as there is no direct public impact.

5. Decide

The advantage to delegating the awarding of this contract will ensure continuation of a statutorily required activity and local authority compliance. It demonstrates that the Council is putting sufficient resources towards the best method of meeting the needs of our children in the borough with the least amount of disruption to services.

6. Respond

Subject to Cabinet approval Children's Services, working with ICT and Procurement colleagues will ensure that the solution is:

- Best Value;
- Fit for purpose;
- Future proof; and
- awarded following a due diligence exercise.

7. Review

Stakeholders from across all the business will engage with governance for the system, In order to optimise future system operating benefits and alignment to future service ambitions, robust contract relationship and management arrangements will be established, enabling greater partnership working.

Background papers

None



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