

Cabinet Supplementary Agenda



6. Investing in our Borough (Pages 3 - 132)

Cabinet Member: Cabinet Member for Resources & Financial Governance, Councillor Callton Young

Officer: Executive Director Resources, Jacqueline Harris Baker

Key decision: No

JACQUELINE HARRIS BAKER
Council Solicitor and Monitoring Officer
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REPORT TO:	Cabinet Member for Children, Young People and Learning
SUBJECT:	Contract Award Children’s Social Care Dynamic Purchasing Systems (DPS 3 Lot 3 Young People Semi Independent Accommodation)
LEAD OFFICERS:	Debbie Jones, Executive Director of Children, Families and Education Rachel Soni Director of Commissioning and Procurement
CABINET MEMBER:	Cllr Alisa Flemming, Cabinet Member for Children, Young People and Learning Councillor Callton Young, Cabinet Member for Resources and Financial Governance
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/CROYDON RENEWAL PLAN

The Croydon Renewal Plan sets the framework which Croydon will operate within for the next three years. It lists the following priorities for Croydon, please see below for how awarding this DPS addresses these priorities:

We will live within our means, balance the books and provide value for money for our residents.

The plans below, including the use of block contracting, and regular refreshes of the market will encourage competition that we are anticipating will enable Children’s Social Care in particular to better live within their means while still ensuring the supply of Supported Accommodation is sufficient.

We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice.

These services will primarily benefit Children Looked After, Care Leavers and homeless young adults, all of whom are groups that are at serious disadvantage in the country as a whole, but also in Croydon. The services commissioned through this DPS have been specifically marked on their ability to promote independence skills as a minimum criteria. An Equalities Impact Assessment was completed at the project initiation, and was favourably assessed.

We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.

This is a vital, statutory service that must be provided to keep some of the most vulnerable young people and adults safe in our borough. To ensure that we provide this service at an affordable rate, we must have a market solution that is flexible enough to allow for robust

mini-competitions and block contracting, and that can be refreshed regularly. To ensure it's quality, minimum standards for this DPS have been robust, and will continue to be.

FINANCIAL IMPACT

The procurement strategy for all 3 DPSs for Adults and Young People's Social Care to a value of £150,000,000 per annum and £1,500,000,000 across ten years was agreed in July 2019 (CCB1498/19-20). The total value of the services included in DPS 3 is currently £26,080,000 per annum, and £260,080,000 across ten years.

The total possible spend under DPS 3 lot 3 for any budget in the council or CCG is £8,000,000 per annum, and £80,000,000 over ten years. However this report does not commit to that maximum level of spend.

The children's element of this is across both Children Looked After and Leaving Care. Due to the current restrictions under S114 we are duty bound to ask authorisation for the budgeted amount only; however the current budget is insufficient and is subject to significant overspend pressure.

The current Children Looked After and Leaving Care baseline budget is £29.8m. Based on 2020/21 activity, the overspend projected for this budget is approximately £8.7m including pressure on the Semi Independent Placements. This pressure has been reported monthly to the S151 officer and quarterly to Cabinet.

There is a growth bid in for Children's and Adult's placements in response to overspend within placements and accommodation contracts, to bring the budget to a correct allocated amount; nevertheless it is fully recognised that the service also needs to do everything possible to drive down cost. This contract is part of the Sufficiency Plan and approach to drive down that spend.

In Children's we are seeking growth in three main areas of Children Social Care (Children Looked After, Leaving Care and Children with Disabilities), which includes Children Looked After of £8.431m and Leaving Care of £2.031m. These growth areas cover all placement costs, including the subject of this contract, Semi Independent Accommodation.

In this light, the flexibility of the DPS is intended to ensure we are able to generate competition to reduce price and get costs within budget.

From this financial year 2020/21 onwards, there is an expectation that pressure on this budget will be managed through a combination of better contract monitoring and control of expenditure, alongside practice to reduce the number of young people requiring placements.

The current COVID-19 pandemic has impacted on the timeliness of this report, as have a number of other large changes in relation to children's placements and social care provisions that have required intensive management from Commissioning and Procurement.

The proposal is to establish DPS 3 lot 3, to provide flexibility and mini-competitions that aim to drive down prices for larger call offs for block contracting, and for individual bespoke placements.

FORWARD PLAN KEY DECISION REFERENCE NO.: 0320CYPL

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

Following the agreement by cabinet of a procurement strategy to a full value of £260,080,000 for DPS 3 out of £1,500,000,000 for all three DPSs for Adults and Young People's Social Care across ten years (CCB1498/19-20); The Leader of the Council has delegated to the Cabinet Member for Children, Young People and Learning (Ref: 3220LR) the power to make the decisions set out in the recommendations below:

1 RECOMMENDATIONS

The Nominated Cabinet Member for Children, Young People and Learning in consultation with the Cabinet Member for Resources and Financial Governance is recommended by the Contracts and Commissioning Board to approve the following:

- 1.1 The establishment of, and initial appointment of suppliers listed in Part B of this report to, DPS 3 Lot 3 (Young People's Services) of the Adult and Young People Social Care DPS for a period of five years with an extension option for five subsequent periods each of one year, in line with the financials set out above.
- 1.2 Delegation of the award of contracts and placements called off under DPS 3 Lot 3 to be approved in accordance with the Council's Scheme of Financial Delegations and notified to Cabinet in accordance with paragraph 2.4 of this report.
- 1.3 Delegation of the future appointment of providers to DPS 3 Lot 3 to be approved by the Executive Director of Children, Families and Education in accordance with paragraph 2.4 of this report

2 SUMMARY

- 2.1 Semi-independent accommodation is part of a wide portfolio of accommodation sourced for Children Looked After and Care Leavers, including Residential Children's Homes, Foster Care (both internally and with Independent agencies), and for Care Leavers, independent accommodation. This contract forms part of the wider sufficiency plans for Croydon to ensure that Children Looked After and Care Leavers have sufficiently supported accommodation prior to achieving independence. For Children Looked After, it is a form of accommodation that we are trying to minimise the usage of as much as possible, though for some young people it is the most effective way to meet their needs while they learn independence skills. The plan through this DPS is to utilise the levers around cost and compliance it provides to ensure accommodation is of sufficient quality and location for our Children Looked After and Care Leaver's needs to be met effectively, and as locally as safely possible.
- 2.2 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1637/20-21	07/01/2021

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- 2.3 Children and Care Leavers who access Semi-independent accommodation and supported housing are between the ages of 16-21. As of the new year, we had 47 open placements for CLA, a reduction of 20 placements since April 2020. 11 of these young people were Unaccompanied and Separated Children (UASC) and the rest were local children. The cohort was 68% male and 32% female, and ethnicity was broken down as per the table below (X denotes a cohort too small to report publicly, as it would risk identifying specific children):

Ethnicity	Number of young people
A1 - White British	13
A2 - White Irish	X
A3 - Any other White background	7
B1 - White and Black Caribbean	5
C1 - Indian	X
C2 - Pakistani	X
C4 - Any other Asian background	X
D1 - Caribbean	7
D2 - African	X
D3 - Any other Black background	X
E2 - Any other ethnic group	X
Grand Total	47

- 2.4 We had 20 care leavers in such provision, most of which were local (the specific number cannot be reported publicly due to the small size of the UASC cohort). The ethnicity again due to the small numbers cannot be detailed in this report, but we can say that our records show it was 50% White British, Irish or other.
- 2.5 There are a number of reasons why they may access this provision, which is primarily accessed as a stepping stone between care and independence. Young people accessing it typically struggle to settle in foster placements, and have outgrown or struggle to cope in the more regimented and watchful environments that Children's Homes usually provide. They tend to be more likely to have mental health issues, gang and CSE risks, or learning difficulties that are unlikely to meet Adult Social Care thresholds, and in some cases specifically request environments that give them more freedom to live as young adults. In these placements, we specifically contract monitor on the agency's ability to prepare these young people for independence.
- 2.6 Placing young people in a semi-independent accommodation requires a delicately balanced Social Work assessment that balances up any safety concerns with the wishes of these young people. Croydon Children's Social Care have a policy that for any under 18 being placed in Semi-independent accommodation, these properties must be staffed 24 hours a day, and must meet our due diligence requirements.
- 2.7 As it stands, Croydon's previous framework lapsed on the 31/12/20. We are currently spot purchasing these placements from a list of providers we trust. The DPS helps us meet our due diligence requirements by having robust minimum standards for Safeguarding and Safer Recruitment. Utilising this DPS over the

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current arrangements – which will include a threat of being formally removed from the DPS for persistent breaches of quality standards - will enable us to better leverage these providers to ensure that those on the DPS meet these minimum standards. Competition for individual placements on the DPS will therefore seek to competitively drive down price among this safer pool of providers, shaping the market to deliver more positive outcomes for children. The impact therefore is likely to be positive, as it will enable a more dynamic and responsive market for our providers, meaning that there is always an opportunity for strong new or existing providers to work with the Council, rather than relying on historic relationships.

- 2.8 The DPS also gives us the opportunity to more strategically design provision via mini-competition under block contracting, which will act as a further financial incentive to enable providers to change their practices while delivering accommodation that is both more strategically designed to meet the needs of Croydon Children, while also being more cost effective. The more consistently guaranteed income from this sort of contract enables us to make clear from the start of a longer term provision what we want it to look like, how we want staff to behave, and to more robustly shape these provisions.
- 2.9 The procurement strategy for the establishment of three Dynamic Purchasing Systems ('DPS') for Health and Social Care (subsequently referred to as Adult and Young People Social Care) for the initial period of five (5) years with options to extend for five subsequent periods each of one year with a total estimated annual value of up to £150,000,000 was approved by Cabinet on 8th July 2019 (CCB Ref: CCB1498/19-20).
- 2.10 Pursuant to a recommendation of Cabinet on 19th December 2019, the Leader delegated to the Cabinet Member for Families, Health, and Social Care in consultation with the Cabinet Member for Resources and Financial Governance the authority to approve the appointment of suppliers to, and award of contracts and placements called off from, the DPSs. This delegation was subsequently amended for DPS 3 Lot 3 only to the Cabinet member for Children, Young People and Learning on the 25/8/2020 by the Leader of the Council.
- 2.11 The purpose of this report is to:
- a) agree the establishment and initial appointment of suppliers to DPS 3 Lot 3 (Young People's Services) with the providers listed in Part B meeting the minimum requirement for becoming an approved provider for health and social care services following the same process as that set out in the Lot 2 Report;
 - b) agree that the award of contracts and placements for DPS 3 lot 3 shall be undertaken and approved within the current scheme of delegation for children's placements for individual client call offs; that is to be signed off by the Director for Children's Social Care. For larger contractual call offs, these will still be undertaken via CCB and then to Lead Member level for contracts under £5m across the contract's lifetime and to Cabinet for

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contracts over this spend threshold. All individual purchase orders will – under the current S114 restrictions be scrutinised by the Spending Panel.

- c) agree that approval of future appointments of providers to DPS 3 Lot 3 shall be delegated to the Executive Director of Children, Families and Education. Such appointments shall be based on the same selection criteria and contract terms as applicable to the appointment of initial providers.

- 2.12 Reporting of future appointments approved in accordance with this delegation as well as call offs shall be notified in accordance with a report to the Executive Director of Children, Families and Education that sets out the providers, along with their quality scores, pricing scores and a pricing matrix at a minimum of annually, and more often should the DPS be opened more often than annually.

3 PROCUREMENT DETAIL

- 3.1 **Rationale for Procurement** – DPS 3 lot 3's inclusion in the three DPSs that sit across Children's, Gateway, Housing and Adult Social Care are an attempt to have all Supported Accommodation and Semi-independent providers in one place to offer the best chances of competition at both individual call off and block contract level. By having Registered Social Landlords compete with Private Semi-Independent providers, it is hoped that this will significantly affect pricing and quality of offers at both ends of the cost and quality spectrum so that Croydon Council have the highest likelihood of making supported housing placements that are good value for money.
- 3.2 DPS 3 lot 3 was set up with rigorous minimum standards around safeguarding and promoting independence, to ensure providers who were successful were able to give a robust account of their ability to keep services user safe and progress them towards being able to live on their own. Providers also had to achieve a minimum quality score overall to be successful.
- 3.3 **SQ Evaluation Summary Results** - There were 69 Selection Questionnaire Submissions received for DPS 3 for Lot 3.
- 3.4 **SQ Evaluation Stages 1 and 2** – 59 providers passed this section while only 9 failed. The main reasons for the failures were that the SQ's were not completed in full or where key documentation was not submitted.

SQ EVALUATION for Lot 3 – Young People's Semi-Independent Accommodation

- 3.5 The outcome of the Selection Questionnaire (SQ) evaluation process has involved the selection of approved providers, subject to financial credit checks, for DPS 3, Lot 3 and the following Service Categories (Full details can be found in Part B):
 - The Council received 59 applications

For Publication

- 45 of these applications failed Stage 3 of the SQ Evaluation process because they did not meet minimum standards in safeguarding, and promoting independence in general – though a number of providers submitted poor responses across all method statements.
- A further 3 providers had to be eliminated from all lots due to excessively high pricing
- A further 2 providers had to be eliminated from Band B only due to excessively high pricing
- 11 Providers passed all Stages across the following Price Bands:
 - 9 providers in Band A (24hr accommodation)
 - 9 Providers in Band B (Non-24hr accommodation)

*Some providers were successful in both Band A and Band B.

Issues with DPS 3 Lot 3 as it stands

- 3.6 While suitable for block purchased call offs, the DPS needs more providers to be fully suitable for spot purchase. There are a number of reasons for the low number of providers on this DPS. Firstly, many providers, including providers CSC are aware have an ability to perform well did not submit bids that were passable. This has revealed a need for market development with these agencies – almost all of which are Small-Medium Enterprises (SMEs) who balance bid writing with delivery of services amongst a relatively small staff group. Few of them have the available resources to hire a bid writer for instance.
- 3.7 Some providers quoted fees that were £150 on average a week more expensive than rates in the previous semi-independent framework. This meant that a number of providers needed to be excluded on price grounds. The reasons we have been able to establish so far (according to the limited communication we are legally able to facilitate during this period) that costs quoted are broadly in line with what many other local authorities are actually paying – however our previous framework had much lower rates, and was procured on the basis of 60/40 price/quality, which was against the trend of what a number of other local authorities at the time were doing. DPS 3 Lot 3 was 60/40 quality/price, and this naturally motivates providers less to reduce price. London Living Wage (which was not previously a requirement for tenders) has also contributed to price increase.
- 3.8 Finally, providers were requested to quote across eight service areas, but only given two pricing points by which to do so on the pricing matrix. This meant that providers for instance had to average out prices for supported accommodation services intended to serve twenty service users and solo units.

The strategy for resolving these issues

- 3.9 It is envisaged that the next refresh – which we will likely be running within 3 months of the award – will need to have an amended pricing schedule for Lot 3 only so that we have prices for spot purchase that reflect the services being procured. This will be implemented alongside intense market engagement to ensure that providers are both aware of the opportunity, but also the expectations of working with Croydon,

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particularly in light of the recent S114 notice. This should mitigate some of the issues around LLW and the price/quality split. While other placement markets are firmly sellers markets, there is a plentiful supply of semi-independent providers that can be competitive if shaped and developed correctly, and we – through this corrective activity – aim to utilise the DPS to do this.

- 3.10 In the interim, it is likely that we will see spot purchase occur out of the DPS while sufficiency is established. To this end the CFE commissioning service will work with the placements service to establish a 'safe' list of spot purchased providers, based on our recent visiting activity, which will also form a core of providers that alongside wider engagement and national advertising we encourage to get onto the DPS. Vital to this activity will be a total re-working of the Individual Placement Agreement, and negotiation by the Children's Social Care Placements Team. These however will be free of the price controls and mini competitions that we can build into a DPS and will be much more of a gamble. Spot purchased placements outside of the framework are overall more costly currently – but are often used for higher needs clients.
- 3.11 Irrespective, the block purchase opportunities afforded by this tender do present clear possibilities for value for money – with block purchased Supported Housing provided by Registered Social Landlord possibly offering up to £800 a week better value for money than privately owned spot purchased semi-independent provision. For a core of service users, this may present a good opportunity to procure accommodation in a more strategic and effective way.

4 CONSULTATION

- 4.1 **Suppliers:** For DPS 3 the Project Team spent time specifically engaging with the social care market before and during the application window. Several market warming events were held earlier in the year and two market briefings were held at the Croydon Conference Centre on Monday 7th and Wednesday 9th October 2019. Over 150 organisations attended the conferences. Supplier engagement events have also taken place for the three DPSs (100 suppliers attended) and DPS 2 (90 suppliers attended). For the children's aspect however, it appears that engagement was not sufficiently robust – a number of our trusted suppliers were not aware of the opportunity, despite it being advertised nationally. For future refreshes we will ensure that the opportunity is clearly communicated.
- 4.2 **VCSE:** The procurement opportunity will be open to VCSE groups to work as a direct suppliers and with main suppliers as a partner or sub-contractor. The flexibility of a DPS allows for multiple opportunities for providers to engage and be successfully appointed, which in turn allows for more responsive and regular market development.
- 4.3 **Stakeholders:** Senior managers within Children's Social Care were consulted as part of the design of this lot, and data from advocacy services and Children Looked After Reviews formed some of the opinions of what practice was key to improve. Ongoing consultation with EMPIRE and the Children In Care Council will

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form part of our ongoing commissioning strategy and any larger mini competitions on this lot.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The current Children Looked After and Leaving Care baseline budget is £29.8m. Based on 2020/21 activity, the overspend projected for this budget is approximately £8.7m including pressure on the Semi Independent Placements.
- 5.2 There is a growth bid in for Children's and Adult's placements in response to overspend within placements and accommodation contracts, to bring the budget to a correct allocated amount; nevertheless it is fully recognised that the service also needs to do everything possible to drive down cost. This contract is part of the Sufficiency Plan and approach to drive down that spend.
- 5.3 In Children's we are seeking growth in three main areas of Children Social Care (Children Looked After, Leaving Care and Children with Disabilities), which includes Children Looked After of £8.431m and Leaving Care of £2.031m. These growth areas cover all placement costs, including the subject of this contract, Semi Independent Accommodation.
- 5.4 Large parts of the overspend in Care Leavers particularly is due to inadequate arrangements around block purchased housing accommodation that sits across both cohorts. A review is taking place of our Supported Housing across directorates, and Children's Social Care, and CFE Commissioning are a partner in this process.
- 5.5 DPS 3 Lot 3 is suitable for large block purchased procurement, which is necessary to shore up our Supported Accommodation offer effectively. Spot purchased capacity needs to be improved, and the reasons for this, and our strategy for doing this set out below.

The effect of the decision

- 5.6 **Competition on price** – Once the Lot 3 of DPS 3 is at sufficient capacity, it will be an effective procurement system to call-off appropriate volumes of care within budgetary constraints. Currently spot purchase is used frequently across these service areas where, aside from regulatory reports and some monitoring, there is insufficient information on the quality of the services. All services through the DPS will have passed a quality threshold. Furthermore provider costs will be built into the DPS rather than providers naming their price. The use of mini-competition allows for further submissions on quality and revised pricing.

London Living Wage

- 5.7 As a LLW borough, all applicable contracts will include the requirement to pay the LLW. This is an important investment in the social care workforce which should result in increased productivity. LLW will apply to all new semi-independent and supported living contracts called off of DPS 3 Lot 3.

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Other Risks

- 5.8 **Not committed spend** - Spend through the DPS is not committed spend as the commitment only applies to the quantities required for each call off or mini competition. This means that if the budget were to increase or decrease in the future, the required volumes could easily change year on year to reflect this. The intense focus on governance and budget management ensure that all spend is scrutinised by budget holders, and other staff in the council on a minimum of a monthly basis.
- 5.9 **Commissioning outside DPS** – For the children’s lot, there is a risk that spot purchase will occur outside of the DPS, due to the low number of suppliers on the list. This will be mitigated through a refresh with an amended pricing structure and more effective engagement with the market.
- 5.10 **Staff resources** – Setting up a DPS is a resource intensive process. At the time of awarding the previous DPSs, the Children’s Placement Team sat in the Commissioning and Procurement Division, with a view to integrate their functions into wider brokerage support. The rationale at this point, was that the wider integrated commissioning function would be able to absorb some of the workload here. The Children’s Placement Team have recently been reassigned back into Children’s Social Care however, and it is likely that the workload would need to be shared between this team and CFE Commissioning. To mitigate this, we will simply have to re-open the DPS sparingly.

Options

- 5.11 Options were considered as part of the RP1 Make or Buy report agreed by CCB in 2018. Using the DPS enables more frequent refreshing of the bidder base and prices, to better match the dynamics in the supplier market and gain the continual value improvements.

Future savings/efficiencies

- 5.12 The main saving anticipated is the ability to more effectively procure block purchased accommodation for 16-18 year olds, which is not something any of the other DPSs are currently able to do. Utilising more strategic commissioning and needs assessment, we will work with the supported housing providers who have been successful on this lot to ensure that we are able to meet the needs of young people in need of care and support while also taking advantage of economies of scale.

Approved by: Kate Bingham Head of Finance, Children Families and Education, on behalf of Matt Davis, Deputy S151 Officer.

6 LEGAL CONSIDERATIONS

- 6.1 The legal considerations are as set out in this report.

Approved by: Sonia Likhari, Solicitor, on behalf of the Director of Law and Governance

7 HUMAN RESOURCES IMPACT

- 7.1 There are no direct Human Resources implications arising from this report for Croydon Council employees. Nonetheless, this procurement strategy could result in service provision changes, as services are called off from the DPS's and new contracts are awarded, which may invoke the effects of TUPE (Transfer of Undertakings (Protection of Employment) 2006 Legislation, amended 2014). The application of TUPE will be determined by the incumbent and the new service providers, for which the Council is the client. On that basis, the role of the Council would usually extend no further than facilitating the process.
- 7.2 Paying LLW rates where applicable will be a contractual requirement of the DPS approach. National Living Wage, as set by Living Wage Foundation, will apply to contracts in other parts of the country.

Approved by: Debbie Calliste, Head of HR for Health, Wellbeing and Adults, on behalf of the Director of Human Resources

8 EQUALITIES IMPACT

- 8.1 An Equalities Analysis has been completed by the e-market place implementation team to ascertain any potential impact on protected groups in relation to the creation of DPS to supply services. This was approved by CCB in 2018.
- 8.2 The services positively promotes equalities across all groups with protected characteristics. The provision of personal care services promotes independence, improves quality of life.

Approved by: Yvonne Okiyo, Equalities Manager

9 ENVIRONMENTAL IMPACT

- 9.1 There are no adverse environmental impacts to the report.

10 CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no adverse implications for crime and disorder arising from this report. There are however, positive implications by supporting homeless people and people with mental health problems, drug and alcohol abuse, etc.

11 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The procurement carried out has been compliant with the approved procurement strategy, the Council's Tenders and Contracts Regulations and the Procurement Contracts Regulations 2015. The DPS offers an end to end process for commissioning and award of a range of services for adults and young people.

12 OPTIONS CONSIDERED AND REJECTED

- 12.1 An Options Appraisal was considered as part of the RP1 (Make or Buy) report, which has been agreed by CCB. The establishment of DPS 1 - 3 ensures that the Council are getting the best possible value for money in relation to the purchase of personal care and supported housing services. Procuring outside of the DPS would not enable the Council to achieve the savings detailed within this paper.
- 12.2 The establishment of a Framework similar to the previous IFA. A framework is considered in this case to be too restrictive as the maximum term is limited to 4 years maximum. New suppliers cannot be added to the framework of approved suppliers unless the framework is refreshed.
- 12.3 Without a DPS or Framework, the Council would have to advertise and tender all services every time a new service is required. The process is very in-efficient and time consuming, requiring extra staff.
- 12.4 Spot purchasing services as and when required – this approach is considered to be non-compliant with the Council's financial regulations and EU and UK Procurement legislation.

13 DATA PROTECTION IMPLICATIONS

13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES - The first (current) stage of the establishment of the DPS's for Adults and Social Care services does not involve the processing of personal data about service users. However, all providers have been asked to confirm that they comply with current GDPR legislation as well as providing their data protection policies and procedures. This has been evaluated for all providers (as a pass/fail question in the Selection Questionnaire).

In the second call off stage any Approved Providers who are awarded a contract or placement, will process some personal data on behalf the residents and the Council namely identity data, some financial data and health and care data.

13.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

IN PROGRESS - A Data Protection Impact Assessment is being undertaken for the second call off stage. Additionally as part of contract mobilisation further work will be undertaken on the Assessment with the approved providers who are awarded contracts from the DPS who will process and or hold some data on behalf of the Council and residents. For example, the Council in some cases the Council will need to create a three-way data sharing agreement with the preferred provider and Croydon CCG.

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Approved by: Debbie Jones, Executive Director for Children, Families and Education

CONTACT OFFICER:

Name:	David Garland
Post title:	David Garland, Lead Commissioner for Children's Social Care
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BACKGROUND DOCUMENTS: None

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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REPORT TO:	Cabinet Member for Resources & Financial Governance
SUBJECT:	Pension Administration System Contract Award
LEAD OFFICER:	Jacqueline Harris Baker Executive Director of Resources and Monitoring Officer Sue Moorman Director of Human Resources
CABINET MEMBER:	Councillor Callton Young Cabinet Member for Resources & Financial Governance
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT	
The provision of an pensions administration system acts as an enabler for the Council to delivery it's priorities as set out in the Croydon Renewal Plan	
FINANCIAL IMPACT	
Include here a brief summary of the costs or other financial issues arising from the recommendations and how these will be addressed within the budget strategy. Contract costs of £1.55m will be met from the Pension Fund.	
FORWARD PLAN KEY DECISION REFERENCE NO.: 5820RFG	
This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.	

The Leader of the Council has delegated to the Cabinet or Nominated Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 The Nominated Cabinet Member for Resources and Financial Governance in consultation with the Leader of the Council is recommended by the Contracts and Commissioning Board to approve the award a contract in accordance with Regulation 28.4(c) of the Council's Contracts and Tenders Regulations for the Pensions Administration Software contract to Aquila Heywood for a contract term of 5 years for a maximum contract value of £1.55m

2. EXECUTIVE SUMMARY

- 2.1 This report recommends entering into a 5 year contract with Aquila Heywood for provision and support of a pensions administration system at a contract cost of £1.55m.
- 2.2 Contract costs will be met from the pension fund. Estimated procurement and implementation costs of £3m will be avoided by entering into a direct award with the supplier who are the incumbent supplier.
- 2.3 Note that with the award of this contract the aggregate spend with the supplier from prior contracts increases to £2.3m.
- 2.4 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1651/20-21	03/02/2021

3. DETAIL

- 3.1 The Council currently operates a pension's administration system as part of its responsibilities to administer the Local Government Pension Scheme to over 28000 scheme members and 100 scheme employers.

The Council has contracted with Aquila Heywood for a Pension Administration system since 2007 when the service was insourced. Significant investment has already been made in the solution an integrated solution for pension administration, pensioner payroll, member self-service and employer self-service. The current contract is due to expire on 31 March 2021 and has a value of £1.3m. Aggregate spend with the supplier therefore will total £2.3m.

- 3.2 A soft market testing exercise has been undertaken to inform the recommended procurement strategy. This has shown has shown that the total cost of ownership (e.g. software licence costs, hosting and support charges, training) over a 5 year contract period is similar across market leading suppliers.
- 3.3 The products offered are broadly similar, there are no significant business process advantages of moving to a different solution.
- 3.4 Inviting open competition with other providers would require implementation of a new system (therefore adding in change costs to the award criteria which would make it very unlikely that best value could be achieved. A project to replace the existing system would be complex in nature and is expected to be in the region of £3m as the council would need to pay for implementation costs of a new system and the migration and decommissioning costs for the existing arrangements.

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- 3.5 The £3m costs associated with a change of system are avoided by approaching Aquila Heywood to negotiate a direct award without a prior call for competition, for the ongoing provision of the existing pensions administration system for a further 5 years which is the minimum term offered by the provider.

A further competition exercise via a framework or tender exercise where the result could mean the implementation of a new solution from an alternative provider would far outweigh the current costs and the single source costs.

3.6 **SOCIAL VALUE**

Discussions were held with the provider as part of a negotiated procedure to determine any social value benefits that could be provided. No Croydon specific or measurable social value deliverables were offered by the supplier.

- 3.7 The supplier proposal was evaluated by the service with support from Procurement to ensure the proposal is value for money by comparison with similar services available via the national LGPS framework.

- 3.8 Croydon terms and conditions will be developed specifically for IT contracts. The contract will continue to be managed by the pensions team manager.

- 3.9 The supplier declined to enter the early payment (PSP) scheme.

3.10 **Section114 Essential Spend**

The requirement is considered to meet the essential spend criteria and *has been approved by the Executive Director at Resources DLT on 15/12/20.*

No new agreements which incur expenditure (at any time) is permitted to be entered into unless authorised by the CFO (section 115(6)). The CFO may only authorise expenditure that improves the situation, prevents it from getting worse, or prevents it from recurring. (s115(6A) of the LGFA 1988)

The continuation of the pensions administration software supports the payment of staff pensions.

- existing staff payroll and pension costs;

The following criterion is also considered relevant where the costs of implementing an alternate system will be avoided by continuing with the current provider.

- expenditure to prevent the financial situation getting worse: the award will meet this by avoiding £3M spend on change costs.
- The resource costs associated with a decision to reprocur the service and implement a new system are estimated at £3m.

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- A recruitment freeze is in place preventing acquisition of the necessary resources. A large spend of £3m will be avoided against the context of a £80m budget shortfall across the Council.

3.11 EXIT STRATEGY

During the term of the contract the Council will retender and seek competitive tenders. The Council will need to consider budget impacts for the change costs and resourcing for what will be a complex programme of work funded by the pension fund. Consideration needs to be given to the next contract length to avoid unnecessary system changes and associated costs.

4. CONSULTATION

Consultation has taken place with colleagues in legal, ICT, finance and procurement.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1.1 Budget to fund the cost of the 5 year agreement, will be met by the pension fund. The pension fund however needs to avoid unnecessary expenditure to ensure no shortfalls and maintain investments to provide returns to the fund.

5.1.2 A financial health check has been undertaken which has confirmed that Aquila Heywood Ltd are a financially sound company.

5.2 The effect of the decision

5.2.1 The contract will commit the council to contract costs of £1.55m over the five year contract term. The total cost of this contract will be met by the Pension Fund.

5.3 Risks

5.3.1 There are no risk free options.

5.3.2 The value of the proposed contract is above PCR thresholds. If challenged by a third party in this respect there is a risk that the contract might be found to be ineffective. The contract will need provision for a no cost termination to mitigate this risk. However the risk is weighed against the value of avoiding unnecessary project spend costs of £3m set against the context of the S114 notice.

5.3.3 The risk is considered low. There have been no FoI requests received in the last couple of years specifically for pensions administration IT systems. We have established that the market is not large which limits the number of competitors able to challenge. Pensions administration software is not a high profile area, any reputational issues will be minimal if there were a successful challenge.

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5.3.4 Market test conversations with suppliers suggest they only bid if they are confident of winning as the implementation and change from other solutions is complex and expensive.

5.3.5 The incumbent is not willing to offer a shorter term than five years. Although a longer period was considered the recommendation is to not commit to a longer term.

Other risks are summarized below

Issue and Risk Profile to be managed	Likelihood	Impact	Rating	Mitigation
Inadequate arrangements for the provision of the Council's pensions administration system impacts on the ability of the Council to: <ul style="list-style-type: none">• process pension payments and lump sums on time• maintain service provision in the event of the loss of access to the main office• hold personal data securely• comply with LGPS, TPR requirements and other regulations	4	5	20	Implement the recommendations set out in this report to award will ensure that the Fund has a fit for purpose system and infrastructure to meet the challenges of the ever changing complexities surrounding pensions
Risks to service delivery from non-availability	3	3	9	KPI-SLA regime to be monitored throughout the contract, along with confirmation of provider's business continuity plan

5.4 Options

5.4.1 Detailed options are set out in section 12 of the report

5.5 Future savings/efficiencies

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- 5.5.1 Inviting competition with other providers would require implementation of a new system adding in change costs to the award criteria which would make it very unlikely that best value could be achieved. A project to replace the existing system will be complex in nature. In addition to software costs (£1.55m) the council will need to pay for implementation costs of a new system and the migration and decommissioning costs for the existing arrangements.
- 5.5.2 The resource costs associated with a decision to reprocure the service and implement a new system are estimated at £3m.
- 5.5.3 A recruitment freeze is in place preventing acquisition of the necessary resources. A large spend of £3m will be avoided against the context of a £80m budget shortfall across the Council.
- 5.5.4 A small saving of £13,500 against the contract price has been proposed by the supplier.

Approved by: Felicia Wright Head of Finance on behalf of the Section 151 Officer

6. LEGAL CONSIDERATIONS

- 6.1 The report details relevant legal considerations

Approved by Sonia Likhari, Solicitor, on behalf of the Director of Law and Governance & Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 This paragraph should include any considerations in relation to staffing levels, restructuring/regrading, recruitment, employee relations, the Council's personnel policies or other human resources matter.

Approved by: Gillian Bevan on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 An Initial Equality Analysis was undertaken to assess the likely adverse impact the support services would have on protected groups compared to non-protected groups. The analysis concluded that a full equality analysis was not required because the procurement of a pensions administration systems would not have any adverse impact on protected groups compared to non-protected groups.

9. ENVIRONMENTAL IMPACT

9.1 There are no environmental impacts identified resulting from this report

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 None identified.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 There were no significant business process advantages of moving to a different solution.

11.2 There are no savings to be gained from moving to an alternative provider, a small contract saving of £13,500 has been offered by the supplier. Additionally a spend of £3m for implementation costs to change solutions will be avoided.

12. OPTIONS CONSIDERED AND REJECTED

Option	Advantages	Weaknesses	Impact if chosen
(1)Do nothing – let contract lapse and do not reprocore	None identified	The pensions fund will not have the use of a software system to support the administration of LGPS severely impacting business continuity and preventing the fund from meeting it’s statutory obligations.	Pensions administration will be severely compromised
(2)In house provision	In house developed admin software could save money on external provision	No in house capability exists to develop and maintain a pensions administration solution	No solution available so not viable option
(3)Single source through direct award or variation to current contract	Meets the needs of the business. No cost of change will be incurred	May result in challenge from other providers if non compliant with	Ensures council has contract to facilitate uninterrupted pensions

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	<p>No risk to ongoing delivery of the pensions administration service.</p> <p>Other internal resources costs of procurement will also be avoided to free up time to work on council cost saving targets</p>	<p>procurement regulations</p>	<p>administration with a provider whose solution meets council requirements.</p> <p>Only viable option to avoid impact and costs associated with a major system change.</p>
<p>(4)Procure and implement a different solution via National LGPs framework</p>	<p>Compliance with procurement regulations and directives.</p>	<p>The most economically advantageous tender (MEAT) may not be from the incumbent supplier. Implementing a system from an alternative supplier is expected to outweigh any benefits. The cost of change is significant.</p> <p>Internal resource costs of procurement</p> <p>Large implementation costs to be borne by pension fund.</p>	<p>Would test value for money and ensures compliance with procurement regulations, but potentially at a significant cost to the Council.</p>
<p>(5)Procure outsourced pensions administration services and pass provision of the system to an outsourced service</p>	<p>Passes risk of software provision to service provider</p>	<p>Significant risks to pension fund associated with the outsourcing of pensions administration service which may result in financial</p>	<p>Enables delivery of pensions administration software as subset of wider service provision.</p>

provider		loss and/or reputational damage.	
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13. DATA PROTECTION IMPLICATIONS

13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES

This includes the recording of protected characteristics including, age, gender and marital status. Therefore specific general data protection clauses will be inserted into the terms and conditions along with an existing data processing agreement to ensure adequate protections are in place.

13.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

YES

A data privacy impact assessment will be undertaken as personal data is processed in relation to the administration of the Local Government Pensions Scheme to members and pensioner payroll.

The Director of HR comments that the DPIA will be signed off by DPO once the contract has been awarded, the DPIA is a live document and can be amended during this process.

Approved by: Victoria Richardson on behalf of the Director of HR

CONTACT OFFICER:

Vicki Richardson, Head of HR & Finance
Service Centre, HR, Resources
Ext 62460

BACKGROUND PAPERS:

Equalities Analysis
Data Protection Impact assessment
Market Assessment
Detailed Project Cost Figures

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Contracts & Commissioning Board (CCB)

Contract Award Report

Date of meeting	21 st January 2021
By	Jacie-Louise Riley, (Project Manager, Capital Delivery for Homes and Schools)
Title	St Giles SEN School - Temporary Modular Classroom Installation
Project Sponsor	Shelley Davies (Director of Education)
Lead Member	Councillor Flemming (Cabinet Member for Children, Young People and Learning)
Key Decision	Yes (Ref: 6820CYPL) The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

1. Recommendations

The Leader of the Council has delegated to the Cabinet Member for Children, Young People and Learning, in consultation with the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below.

The Cabinet Member for Children, Young People and Learning, in consultation with the Cabinet Member for Resources and Financial Governance, is recommended to:

1. Approve the direct award of contract to Elliott Group Ltd for the delivery of a 2 classroom modular building in accordance with NHS framework agreement for a maximum contract value of £669,807.49 (inclusive of a 4.7% contingency), which will be on a leased basis for a maximum period of 3 years (36 months) after which the Council have elected for the option to purchase.

2. Background & strategic context

On 19th May 2020, the Contracts and Commissioning Board (CCB) endorsed the recommended delivery of a 2 classroom support building modular in accordance with the approved procurement summary report (Ref: CCB1578/20-21), to Elliott Group Ltd. It was agreed to commission the modular building via the NHS Modular Framework Agreement for the maximum amount of £670,000.

Initially the project strategy was to hire the modular building from Elliott Group Ltd for a term of 60 months (5 years), which falls in line with the councils 5 year SEN scheme which would review each SEN school asset to determine whether it viable for a permanent expansion and/or redevelopment prospects. After 5 years it was proposed that the modular classroom building would be removed from site.

However, during formal dialogue with Elliott Group Ltd, it was identified that after the recommended hire period of 5 years for the St Giles classroom modular had expired, it would be removed from site and demolished as Elliott will be changing their modular design for leased buildings going forward. Therefore as part of a robust benchmarking exercise (as outlined within the context of this report) negotiations were held between LBC and Elliott Group Ltd to use this opportunity to find potential savings.

A deviation from the initial proposal outlined in the RP2 strategy report was made to lease the modular building for a period of 36 months (3 years) and then elect to purchase it outright, rather than lease it for 5 year period and then remove it from site. Not only did the strategy variation offer a considerable saving and ensured the contract value remained within the allocated budget, it also meant that LBC would be able to future-proof this retained asset for extended or alternative use.

The London Borough of Croydon have a statutory obligation to ensure that all school buildings and grounds are fit for purpose, maintained to safe standard and are suitable for education purposes. Therefore, in accordance with the Education Estate Expansion Strategy and Capital Programme 2020 that was approved at Cabinet on the 20th January 2020 (Ref: 0120CAB).

The provision of a 2 classroom modular building to be installed at St Giles SEN School, in readiness to accommodate the borough's need to include a nursery provision at the school to provide a coherent pathway for children with PMLD and physical, sensory medical needs. This proposal will provide class placements for 10 reception aged pupils from Spring 2021.

St Giles SEN School forms part of a wider 5 year strategy which is being undertaken across the borough that is reviewing each SEN school asset, to determine whether it is viable for expansion and/or redevelopment opportunities. The undertaking of various ground surveys at St Giles' school, as well as an options appraisal has identified the appropriate location for the temporary modular building installation.

To accommodate the pupil increase at St Giles School, the Council are seeking to appoint Elliott Group Ltd for the design, build and install a temporary modular unit. This temporary single storey modular building will be in place on a leased basis for a maximum period of 3 years (36 months) after which LBC will purchase it. This initial hiring and then purchasing proposal was selected to provide overall cost savings. Buying after 3 years rather than hiring and then dismantling / removing the modular after 5 years, reduced the weekly rental costs by £28,611.96. Full planning approval was granted in October 2020- ref 20/03525.

There was never a consideration to purchase a modular building from the outset because of the wider strategy regarding the redevelopment of all SEN provisions in 5 years. The decision to buy only came about during negotiations in mid-October 2020, when trying to establish ways to reduce costs.

Elliott Group Ltd would not permit the Council to purchase the leased modular building upfront, and it wasn't in the Councils best interest to buy a permanent modular building.

However Elliott Group Ltd did agree for LBC to purchase the leased building after 3 years, because the modular was due to be dismantled and destroyed after the 5 year lease expired. Elliott confirmed they were changing the module design for their rental fleet within the next few years.

LBC never requested from the contractor to provide costs to purchase a permanent modular building, as that wasn't the project strategy. The project design brief and internal layout had been developed based upon use of a leased modular unit, that following negotiations LBC were then able to purchase (after 3 years) to save costs.

Contract terms and conditions:

The NHS Framework Lot 8 NHS Modular Buildings Shared Business Services call off agreement terms and condition will be applied (Service Level Agreement) Ref: SBS/16/JS/PZS/9049 was established on 18th January 2017 and will end on 17th July 2021. Owing to the urgency to deliver the project brief, a decision was taken to directly appoint Elliott Group Ltd by utilising this framework procurement method as outlined in the RP2 Strategy Report.

Principal contractor Elliott Group Ltd will be commissioned via the NHS framework, the contract terms and conditions of which have been agreed and accepted. LBC and Elliott Group Ltd will work in partnership to ensure that the contract is reviewed and monitored throughout the entire duration of the hire period.

LBC Capital Delivery have commissioned a CDM / PD (Construction Design Management / Principal Designer - regulations 2015) consultant to ensure that the design and delivery of this project complies with both health and safety and building control regulations.

Due to unforeseen delays as a result of the Covid-19 pandemic, the original timeline for the modular installation has been significantly extended, subsequently impacting on existing service operations. Therefore to avoid further cost implications, it is desired for the project to commence in late January 2021 with the aim to complete by the end of April 2021.

The modular is proposed to be in-situ for 36 months under a hire agreement with a right to buy at the end of this period.

Timeline for Delivery

Activity	Date
Undertake all site surveys	Late January 2021
Begin manufacture of modular units off site	February 2021
Commence groundworks on site	March 2021
Complete installation of modular unit and handover	April 2021
End of Hire Period	February 2024

Essential Spend Criteria:

Following the Council's issuing Local Government Act Section 114, the required design, build and installation of the modular unit at St Giles falls under the following essential spend criteria:

The expenditure for this project has been funded predominantly fby the Department for Education (DfE) though a ring-fenced grant.

The initial deadline to utilise this grant was October 2020, however it was approved for funds to be 'rolled over'. There is however, a risk that the DfE will retract the funding should the Council fail to use it. Currently only minimal spend has been used to undertake required project surveys and plans.

The Authority will cover the costs of hiring the modular units through CIL.

In accordance with the S114 grounds for 'new' expenditure, this project falls under the following criteria: **'Preventing the situation from getting worse' This is because:**

The Council has a statutory duty as educational provider to provide suitable school places for pupils in the borough.

Furthermore, this will be 'funded predominantly though ring-fenced grants', with the funding already having been received and allocated funding via the Special Provision Capital Funding stream. As such, failure to use the funding appropriately may result in that funding being withdrawn, meaning the provision may need to be met in other ways via Council resources.

Procurement process:

The Modular Buildings Shared Business Services NHS Framework (Service Level Agreement) Ref: SBS/16/JS/PZS/9049 was a direct award to appoint Elliott Group Ltd, to design and build a 2 classroom modular classroom facility due to the urgency required at St. Giles School.

The associated tender pack was issued to Elliott Group Ltd via the Council's E-Tender portal on 5th November 2020, and the tenderer submitted their completed tender response by the required deadline of 9th November

2020. As the tender was solely based on price (which the delivery team had previously benchmarked against), no clarifications were required therefore the submission was verified without delay.

In 2019 the tenderer delivered two varied sized temporary modular builds on behalf of LBC, one at Red Gates SEN primary school and the other at Coulson College. Although the size of the St Giles' modular differed from both of the previous Elliott's units, a benchmarking exercise was carried out to establish whether value for money had been attained by comparing product / activity rates from previous similar projects.

In order for the construction contract to fall within the allocated budget, a thorough value engineering review of construction costs was undertaken, consisting of a continued negotiation to adjust design, activity rates and the need for non-critical requirements. The contractor worked in partnership with LBC to find potential cost savings to reduce their 'bottom line'. This exercise continued until the LBC Delivery Team were content to approve Elliott's client proposal construction costs as outlined below:

Benchmarking Table

Date of Client Proposal / cost submission	Elliott cost proposal
22 nd September 2020 (v1)	£773,475.42
02 nd October 2020 (v2)	£701,603.64
13 th October 2020 (v3)	£675,237.15
15 th October 2020 (v4)	£639,739.72

From the initial cost submission to the final proposal agreed, this has delivered cashable saving of £133,735.70

3. Financial implications

In accordance with the agreed 20/21 Education Capital Programme a total allocation budget of £854,000 has been approved to deliver the St Giles 2 classroom modular building project. The overall project budget is broken down as follows:

Overall Project Budget Allocation

Project Requirements	Cost
Modular Construction and site works*	£501,000
Modular Hire for 3 years*	£79,000
Modular Purchase Price after 3 years*	£60,000
Relocation of Existing Equipment	£70,000
ICT Allowance based on 10 pupils	£16,000
FFE Allowance based on 10 pupils	£16,000
School Supply Chain Works	£15,000
Malling Close renovation works (existing nursery on alternative site site)	£20,000
3% Internal Staff Costs	£23,000
7% Contingency	£54,000
Total Funding Allocation	£854,000

*Awarded through this Contract

Tender Submission Breakdown

The table below is a clear breakdown of the costs as outlined in Elliott's tender submission:

Product / Activity outlined in SLA	Product / Activity Cost
Monthly Hire Payment	£78,809.64 (Total 3 years lease)
Upfront Payment	£294,493.47
Site Works	£137,040.42
Delivery & installation -	£69,351.30
Purchase of building after 3 years	£60,044.89
Total	£639,739.72

A Contingency has been allowed for within this award to cover any unforeseen costs that may arise during the project. This contingency will only be spent if the contractor can fully justify that this expenditure is outside of the original scope and unknown at the time of award.

Elliot Group Ltd Tender Price	£639,739.72
4.7% contingency	£30,067.77
Overall Contract Award Total	£669,807.49

Having conducted a rigorous benchmarking exercise, the Elliott Group Ltd tender submission on behalf of this project is deemed to offer both value for money and social value. This project has a maximum contract value of £669,807.49 (inclusive of 4.7% contingency of £30,067.77).

The following funding streams will be used to cover the costs of this award and associated value:

- Special Provision Capital funding - £590,997.85
- CIL - £78,809.64*

*CIL will be utilised to cover the costs of the hire period of the modular units.

The St Giles SEN School classroom modular installation project is a statutory provision which is being funded by the DfE and CIL.

Although the majority of this funding is ring-fenced for this specific project, it can be revoked if the Council fail to utilise the expenditure promptly, as such the Council may be responsible for funding the entirety of this project should this contract not be awarded.

1. Supporting information

Procurement process:

In line with the original CCB approved strategy report ref (CCB1578/20-21), it was agreed to apply a direct award approach Elliott Group Ltd via the NHS SBS Framework. This framework has demonstrated value for money and offers the ability for the Council to apply the direct award and/or mini-competition approach. This direct award option has been selected in order to minimize further delay and impact from the current COVID19 pandemic particularly with regards to ensuring the Council's delivery timescale is met, making sure the facility is ready for the potential pupils to use in September 2020.

The overall framework call-off agreement and other associated documents to award this contract, has been utilised previously by LBC, and as such is deemed suitable to commission this contract.

The Council submitted an invitation to tender to Elliott Group Ltd via the Council's E-Tender portal, based on the NHS (SBS) Modular Building Framework Agreement. The evaluation criteria was based on 100% price, Elliott Group were given access to visit the site to quantify and price their tender response.

The quality assessment for this procurement was carried out by reviewing the intended specification of works and associated rates. Also, by comparing similar delivered projects delivered by the same contractor, as well as analysing intended construction techniques and methods provided in the client proposal, therefore meeting agreed objectives as outlined in the RP2 strategy report. See attached benchmarking and quality costs provided to support this RP3 contract award.

Options Analysis

As outlined in the RP2 Strategic Report approved in May 2020, the procurement option was the direct appointment of Elliott Group Ltd for the following reasons:

This contractor was part of an existing LBC pre-approved modular framework, the option was taken to commission the contract via this procurement route in order to expedite the construction process. The Council had a statutory obligation to urgently provide additional classroom spaces, using grant funding from the DfE with a time-frame in which to spend. Elliott Group Ltd expressed they could meet Council requirements as set out in the associated RP2.

Elliott Group Ltd had delivered 2 prior temporary modular classroom builds during the previous year. Therefore LBC were not only familiar with their product quality, but also predicted programming and construction associated rates/costs, which were estimated to fall within the allocated project budget.

By commissioning Elliott via the framework, LBC would be able to successfully conduct a comparative benchmarking analyses, based on similar modular outputs already delivered by the Council.

It is for the reasons outlined above, why no other commissioning options were identified or considered for this project.

Equalities Impact Assessment:

An Equality Analysis has been undertaken for the project dated on 14/11/2020 and the findings highlighted that the contract would have no impact. Elliott Group Ltd will be required to deliver its obligations in accordance with the Equality Act 2010, which is included within the proposed terms and conditions. See attached EIA included to support this RP3 contract award.

Elliott Group Ltd has included their social value commitments as part of their offer, please see further details below:

Social Value Commitments:

- Offer two weeks work experience to a student from Croydon;
- Compliant with London Living Wage;
- Have a Social Value Bank to enable them to fulfil their corporate social responsibility; Offer two days to support a local charity on a voluntary basis;
- For example, they provided contract administration services free of charge for an extension project to Demelza charity;
- Advertise all their employment opportunities via Croydon Works (until such time this may be decommissioned);
- Seek to internally utilise their employees who live and around Croydon. Ensures efficient working, less travel and local knowledge of the area is often invaluable.

Elliott Group Ltd have expressed that they are committed to supporting LBC's social value policy and confirm that they are compliant with endorsing London's Living Wage to all their employees.

Contract Management:

In accordance with the Council's contract management framework, an initial contract implementation meeting will take place to establish the agreed KPIs which will include delivery of their social value commitments to benefit the residents within the borough. The proposed contract will be managed by Capital Delivery for homes and schools team.

Environmental Impact

The delivery of this project will include an appropriate waste management plan to ensure that all materials and debris are disposed of correctly to encourage recycling, and reducing the need for excessive landfill. Several of St Giles' pupils have respiratory conditions that can be worsened by dust and air pollution.

In terms of transport, operating from a single site will also support the efficient transportation of children and young people to St Giles, supporting the reduction of carbon emissions. Discussions have been held with the school faculty who will work with LBC to accommodate the programming / phasing of works for this project. The environmental impacts of this project have been considered.

Risk Management

The recent announcement of the Section 114 notice, has caused significant delay undertaking necessary enabling works linked to this project, which must be carried out prior to the Elliott modular programme beginning. It should therefore be noted that the project scheduling may adjust, to accommodate required project phasing to be executed (some of which will be carried out by other contractors).

External stakeholders (the end user) are being kept up to date with developments regarding our financial position and its subsequent effect on this project.

Inclusive of the above, existing project constraints relating to time, cost, scope and quality could all potentially be impacted due to unforeseen events. In an attempt to mitigate issues should they arise, the project has a budget contingency, and wherever possible the construction programme will be shortened. The uncertainty due to Covid-19 and the recent section 114 notice has prompted further discussion with the school faculty in order to manage their expectations and desired outcomes. The LBC Delivery Team have been working in collaboration with the school keeping them abreast of the latest developments, so they are able to adjust their operational outputs accordingly.

Information Management

No data processing or GDPR considerations need to be applied to this contract.

Having utilised the Modular Buildings Shared Business Services NHS Framework (Service Level Agreement) Ref: SBS/16/JS/PZS/9049 in the past, LBC were able to successfully benchmark against existing modular builds delivered by Elliott Group Ltd.

The requirement to promptly provide additional classrooms to accommodate a new nursery provision at St Giles SEN school, was the incentive to undertake the procurement method of directly appointing Elliott Group Ltd, therefore enabling the Council to expedite the construction process.

2. Conclusion and reasons for recommendations

Having conducted a comprehensive commissioning review, the Elliott Group tender submission has demonstrated the ability to fulfil the Council's requirements and is deemed to offer good value for money with cashable savings

of £133,735.70 being achieved include social value commitments that will benefit the residents within the borough.

CCB are therefore asked to recommended:

The direct award of contract to Elliott Group Ltd via the NHS (SBS) Modular Framework for the delivery of a design, build and installation of a modular build for a maximum contract value of **£669,807.49**.

3. Outcome and approvals

Outcome	Date agreed	
	Shifa Mustafa (Executive Director of Place)	15 th December 2020
	Ozay Ali (Interim Director of Homes & Social Investment)	3 rd December 2020
	Councillor Carlton Young (Cabinet Member for Resources & Financial Governance)	7 th December 2020
	Kiri Bailey (Legal Services)	16 th December 2020
	Felicia Wright (Head of Finance)	4 th January 2021
	Yvonne Okiyo (Equalities Lead)	9 th December 2020
	Scott Funnell (C&P Head of Service)	10 th December 2020
	Councillor Flemming (Lead Member)	29 th January 2021
	CCB	CCB1650/20-21 (02/02/2021)

4. Comments of the Council Solicitor

The legal considerations are as set out within this report.

Approved by Kiri Bailey, Solicitor, on behalf of the Director of Law and Governance.

5. Chief Finance Officer comments on the financial implications

Approved by Felicia Wright, on behalf of the Director of Finance.

Appendices: Appendix 1 – Benchmarking and quality costs
 Appendix 2 – Equality Analysis

ITEM	ST GILES Elliot Costs	St Giles LBC Revised Costs	LBC Commentary	REDGATES Elliots Costs	COULSDON Elliot Costs
	10no bay 12x3m			6no bay 12x3m	13no bay 12x3m
Lease rate for building based on a minimum period of 260 weeks total	413.16 per week			515.32 per week	1,123.13 per week
Upfront payments associated to the following:Preparation of building, flooring & bespoke internal configuration including structural strengthening to receive hoists	£107,421.60	£107,421.60			
Electrical installation	£37,374.33	£0.00	included in line 5	included in above figure	included in above figure
Plumbing installation	£19,231.13	£0.00	included in line 5	included in above figure	included in above figure
Data installation	£3,667.26	£1,800.00			£2,905.89
Fire alarm	£3,752.39	£3,752.39			£5,187.06
Intruder alarm	£3,254.12	£0.00	To be provided by School		
Air conditioning	£26,177.06	£0.00	included in line 5		
Ventilation	£5,844.32	£0.00	included in line 5		
Hoists (6 No.)	£30,181.91	£30,181.91			
L2A / section 6 energy calculations	£713.01	£0.00	included in line 5		
Energy performance certificate	£178.25	£0.00	included in line 5		
Building regulation fees	£2,096.26	£2,096.26		£2,020.21	£2,352.95
Principal designer fee	£5,818.18	£0.00	Client to procure		£5,497.65
Structural calculations	£1,901.36	£0.00	included in line 5		

Delivery	£9,388.00	£9,388.00		£6,238.87	£12,158.83
Principal contractor preliminaries	£34,791.44	£26,000.00	based on previous projects	£25,543.92	£27,442.59
Installation	£11,481.88	£7,000.00	based on previous projects	£4,040.41	£10,341.19
Craneage	£8,737.98	£4,000.00	based on previous projects	£1,675.59	£9,447.07
Trackway	£9,031.49	£9,031.49	confirm m2	£9,229.95	£0.00
00m Heras fencing with vehicle & pedestrian gates	£1,188.35	£1,188.35	confirm 1m	£1,045.76	
Cat scan	£219.85				
Site set up	£784.31	£0.00	based on previous projects		
Soil investigation	£3,891.86	£3,891.86		£3,565.07	
Photographic dilapidation survey	£297.09	£297.09			
Site Surveys comprising: Levels survey, Drainage CCTV, Cat & Pipe mapping, WAC test, Mining report & Gas report	£8,274.51	£7,000.00	Client to confirm what surveys have been provided already?		
load Test				£909.09	
WAC Test				£594.18	
Site Surveys levels CCTV pipe mapping				£6,610.82	
Plate test	£2,229.35	£600.00	same as WAC Test?		
Site Management Drawings	£7,070.71	£0.00	included elsewhere		
Drawings	£534.76	£0.00	included elsewhere		

UXO assessment	£2,257.87	£600.00	based on previous projects		£588.24
Foundation design	£3,178.85	£3,178.85		£2,852.05	£2,270.59
Drainage design	£1,622.10	£1,622.10		£1,307.19	£0.00
Foundations: 55 No. 800mm x 800mm x 600mm excavated pads	£22,875.82	£18,000.00	based on previous projects	£16,934.05	£31,705.89
Reduce dig approx 144 sq.m. including 75mm stone & terram	£7,551.99	£7,000.00	based on previous projects	£6,363.64	£0.00
Foul Drainage					
Foul drainage comprising:	£22,453.95	£15,000.00	based on previous projects		£20,617.65
Surface Drainage:	£5,918.00	£5,918.00		£7,890.68	£15,470.59
Mains water comprising:	£3,980.99	£3,000.00	based on previous projects	£2,685.69	
Provisional sum for electrical cable & connection	£5,941.77	£5,941.77			£6,289.57
Skirt & Ventilation 32m slab on edge with ventilation	£2,471.78	£0.00	included in line 5		
Palight skirting with ventilation	£3,213.31	£0.00	included in line 5		
Enabling Works Remove existing storm manhole, divert & connect to combined system	£2,226.98	£2,226.98			

Remove 3.0m x 2.4m section of wall & re-instate	£3,429.59	£0.00	Confirm where?
Remove single gate & re-instate	£544.26	£0.00	Confirm where?
Remove 1 No. gate, 1 No. panel & 1 No post & re-instate	£1,366.61	£0.00	Confirm where?
Remove & set aside play equipment	£3,089.72	£0.00	By Others
Remove & dispose of site soft play	£1,265.60	£0.00	By Others
Remove & dispose of site shrubbery	£772.43	£772.43	
Install terram membrane & MOT type 1 to area approx. 10m x 4m, compact & remove on completion	£2,222.22	£0.00	trackway?
Remove & re-instate timber fence	£1,569.82	£0.00	Confirm where?
Ramps & Builders Work to Existing Provisional Sum to facilitate access to new & existing building comprising: 3 No Ramps Polycarbonate roof with open sides over main entrance ramp	£35,650.63	£35,650.63	breakdown?

Opening fabric of existing building at existing window point and installing new door

Dry Riser

Provisional sum for dry riser 11,883.55

£11,883.55

£0.00

not needed?

Footpath

Footpath comprising:

£1,336.90

£1,336.90

confirm sqm?

Excavate 6m x 1.5m x 200mm

Install terram membrane

Install PCC edgings

Lay & compact 100mm

MOT type 1

TOTALS

£671,672.53

£493,211.64

Allowance for additional ducts between school building and modular

TBC

Dismantle & collect bays

after 260 weeks

£93,345.02

£75,000.00

confirm breakdown?

£59,335.24

£79,892.40

(provisional sum subject to final site survey, storage location & inflation):

1 No. Water boiler to staff room sink 902.56

£902.56

£902.56

Additional cost for 2nd
hoist in Classroom 1 N/A
7,556.31

£7,556.31

£5,000.00

6no hoist at £30K? One =
£5K

Equality Analysis Form

1. Introduction

1.1 Purpose of Equality Analysis

The council has an important role in creating a fair society through the services we provide, the people we employ and the money we spend. Equality is integral to everything the council does. We are committed to making Croydon a stronger, fairer borough where no community or individual is held back.

Undertaking an Equality Analysis helps to determine whether a proposed change will have a positive, negative, or no impact on groups that share a protected characteristic. Conclusions drawn from Equality Analyses helps us to better understand the needs of all our communities, enable us to target services and budgets more effectively and also helps us to comply with the Equality Act 2010.

An equality analysis must be completed as early as possible during the planning stages of any proposed change to ensure information gained from the process is incorporated in any decisions made.

In practice, the term '**proposed change**' broadly covers the following:-

- Policies, strategies and plans;
- Projects and programmes;
- Commissioning (including re-commissioning and de-commissioning);
- Service review;
- Budget allocation/analysis;
- Staff restructures (including outsourcing);
- Business transformation programmes;
- Organisational change programmes;
- Processes (for example thresholds, eligibility, entitlements, and access criteria).

2. Proposed change

Directorate	Place
Title of proposed change	St Giles Primary School (SEND)
Name of Officer carrying out Equality Analysis	Jacie-Louise Riley

2.1 Purpose of proposed change (see 1.1 above for examples of proposed changes)

Background:

Capital Delivery have secured Special Provision Statutory Funds to erect a temporary single storey building over a 3 year leased period and then purchase the building. It will provide 2 additional teaching spaces in association with St Giles Primary School.

St Giles School is a community Special School which is expanding to include a nursery for children from reception age, who have a wide range of physical medical and leaning abilities. The school will increase the number of pupils (aged 2 to 19) from 102 – 114, once the modular building is installed in early 2021.

3. Impact of the proposed change

Important Note: It is necessary to determine how each of the protected groups could be impacted by the proposed change. Who benefits and how (and who, therefore doesn't and why?) Summarise any positive impacts or benefits, any negative impacts and any neutral impacts and the evidence you have taken into account to reach this conclusion. Be aware that there may be positive, negative and neutral impacts within each characteristic.

Where an impact is unknown, state so. If there is insufficient information or evidence to reach a decision you will need to gather appropriate quantitative and qualitative information from a range of sources e.g. Croydon Observatory a useful source of information such as Borough Strategies and Plans, Borough and Ward Profiles, Joint Strategic Health Needs Assessments <http://www.croydonobservatory.org/> Other sources include performance monitoring reports, complaints, survey data, audit reports, inspection reports, national research and feedback gained through engagement with service users, voluntary and community organisations and contractors.

3.1 Deciding whether the potential impact is positive or negative

Table 1 – Positive/Negative impact

For each protected characteristic group show whether the impact of the proposed change on service users and/or staff is positive or negative by briefly outlining the nature of the impact in the appropriate column. If it is decided that analysis is not relevant to some groups, this should be recorded and explained. In all circumstances you should list the source of the evidence used to make this judgement where possible.

Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	All through school provision for children aged 2-19. No longer operating from dual sites.		Education Estates 5 year Strategy 19/20
Disability	Provision of school places for children that meet their specific needs		Education Estates 5 year Strategy 19/20
Gender	No impact	No impact	
Gender Reassignment	No impact	No impact	

Marriage or Civil Partnership	No impact	No impact	
Religion or belief	No impact	No impact	
Race	No impact	No impact	
Sexual Orientation	No impact	No impact	
Pregnancy or Maternity	No impact	No impact	

Important note: You must act to eliminate any potential negative impact which, if it occurred would breach the Equality Act 2010. In some situations this could mean abandoning your proposed change as you may not be able to take action to mitigate all negative impacts.

When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics. **Please use table 4 to record actions that will be taken to remove or minimise any potential negative impact**

3.2 Additional information needed to determine impact of proposed change

Table 2 – Additional information needed to determine impact of proposed change

If you need to undertake further research and data gathering to help determine the likely impact of the proposed change, outline the information needed in this table. Please use the table below to describe any consultation with stakeholders and summarise how it has influenced the proposed change. Please attach evidence or provide link to appropriate data or reports:

Additional information needed and or Consultation Findings	Information source	Date for completion
Kathy Roberts – Head of Special Educational Needs 0-25	Critical Outputs Achieved	20/11/20

For guidance and support with consultation and engagement visit <https://intranet.croydon.gov.uk/working-croydon/communications/consultation-and-engagement/starting-engagement-or-consultation>

3.3 Impact scores

Example

If we are going to reduce parking provision in a particular location, officers will need to assess the equality impact as follows;

1. Determine the Likelihood of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the likelihood of impact score is 2 (likely to impact)
2. Determine the Severity of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the Severity of impact score is also 2 (likely to impact)
3. Calculate the equality impact score using table 4 below and the formula **Likelihood x Severity** and record it in table 5, for the purpose of this example - **Likelihood (2) x Severity (2) = 4**

Table 4 – Equality Impact Score

Severity of Impact	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
	Likelihood of Impact			

Key

Risk Index	Risk Magnitude
6 – 9	High
3 – 5	Medium
1 – 3	Low

Table 3 – Impact scores

Column 1 PROTECTED GROUP	Column 2 LIKELIHOOD OF IMPACT SCORE Use the key below to score the likelihood of the proposed change impacting each of the protected groups, by inserting either 1, 2, or 3 against each protected group. 1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact	Column 3 SEVERITY OF IMPACT SCORE Use the key below to score the severity of impact of the proposed change on each of the protected groups, by inserting either 1, 2, or 3 against each protected group. 1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact	Column 4 EQUALITY IMPACT SCORE Calculate the equality impact score for each protected group by multiplying scores in column 2 by scores in column 3. Enter the results below against each protected group. Equality impact score = likelihood of impact score x severity of impact score.
Age	3	3	9
Disability	3	3	9
Gender	N/A	N/A	N/A
Gender reassignment	N/A	N/A	N/A
Marriage / Civil Partnership	N/A	N/A	N/A
Race	N/A	N/A	N/A
Religion or belief	N/A	N/A	N/A
Sexual Orientation	N/A	N/A	N/A
Pregnancy or Maternity	N/A	N/A	N/A

4. Statutory duties

4.1 Public Sector Duties

Tick the relevant box(es) to indicate whether the proposed change will adversely impact the Council's ability to meet any of the Public Sector Duties in the Equality Act 2010 set out below.

- Advancing equality of opportunity between people who belong to protected groups
- Eliminating unlawful discrimination, harassment and victimisation
- Fostering good relations between people who belong to protected characteristic groups

Important note: If the proposed change adversely impacts the Council's ability to meet any of the Public Sector Duties set out above, mitigating actions must be outlined in the Action Plan in section 5 below.

5. Action Plan to mitigate negative impacts of proposed change

Important note: Describe what alternatives have been considered and/or what actions will be taken to remove or minimise any potential negative impact identified in Table 1. Attach evidence or provide link to appropriate data, reports, etc.:

Table 4 – Action Plan to mitigate negative impacts

Complete this table to show any negative impacts identified for service users and/or staff from protected groups, and planned actions mitigate them.				
Protected characteristic	Negative impact	Mitigating action(s)	Action owner	Date for completion
Disability	N/A			
Race	N/A			
Sex (gender)	N/A			
Gender reassignment	N/A			
Sexual orientation	N/A			
Age	N/A			

Equality Analysis

Religion or belief	N/A			
Pregnancy or maternity	N/A			
Marriage/civil partnership	N/A			

6. Decision on the proposed change

Based on the information outlined in this Equality Analysis enter **X** in column 3 (**Conclusion**) alongside the relevant statement to show your conclusion.

Decision	Definition	Conclusion - Mark 'X' below
No major change	<p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</p> <p>The growth in the Croydon school population and the increase in the number of Education Health Care (EHC) plans has resulted in the increased demand for specialist provision in the borough. Currently the demand for SEND places is greater than the supply, resulting in a significant number of pupils with EHC plans having to take up costly independent special school placements and out-of-borough placements in mainstream schools.</p> <p>The implementation of 2 additional classrooms at St Giles Primary School will provide a nursery placement for 10 children on the same grounds rather than being provided from an alternative site, as is currently the case. St Giles will become an 'all-though' SEND school providing its pupils ranging in age from 2-19 with social communication, cognitive, sensory and social, emotional, and behavioural needs.</p>	X
Adjust the proposed change	<p>All steps to lessen the impact of the proposed change will be taken, should the proposal to install 2 additional classroom spaces adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above. The Delivery Team aim to remove any/ all barriers and better promote equality. Action will be taken to ensure these opportunities are realised. If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form</p>	

Equality Analysis

Continue the proposed change	We will adopt or continue with the change, despite potential for adverse impact or opportunities to lessen the impact of discrimination, harassment or victimisation and better advance equality and foster good relations between groups through the change. However, we are not planning to implement them as we are satisfied that our project will not lead to unlawful discrimination and there are justifiable reasons to continue as planned. If you reach this conclusion, you should clearly set out the justifications for doing this and it must be in line with the duty to have due regard and how you reached this decision.	
Stop or amend the proposed change	Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended.	
Will this decision be considered at a scheduled meeting? Attaining approvals for RP3 Contract Award	Meeting title: Contracts and Commissioning Board (CCB) Date: Virtual Approval attained for RP2 project strategy	

7. Sign-Off

Officers that must approve this decision		
Equalities Lead	Name: Yvonne Okiyo	Date: 01.12.20
	Position: Equalities Manager	
Director	Name: Ozay Ali	Date:
	Position: Interim Director- Homes & Social Investment	

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REPORT TO:	Cabinet Member for Resources and Financial Governance
SUBJECT:	Procurement of Asbestos Surveying Service Provider
LEAD OFFICER:	Ozay Ali, Interim Director of Homes & Social Investment
CABINET MEMBER:	Councillor Carlton Young, Cabinet Member for Resources and Financial Governance
WARDS:	All
<p>Our priorities – 2021-2024 for Croydon will support the delivery of the new administration priorities as set out below:</p> <p>We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.</p>	
<p>FINANCIAL IMPACT</p> <p>The Asbestos Surveying service is for 3 years with an option to extend for further twelve months at a time, up to a maximum term of 2 years (3+1+1). The combined budget for the for portfolio properties for Facilities management, Housing and School teams services is £775,000 for the length of the contract split equal proportion with the two service providers at the value of £387,500 and is projected to be sufficient for the asbestos surveying service as a call off arrangement.</p>	
<p>FORWARD PLAN KEY DECISION REFERENCE NO: No</p>	

The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below:

1. RECOMMENDATIONS

1.1 The Cabinet Member for Resource & Financial Governance in consultation with the Leader, is recommended by the Contracts and Commissioning Board to approve the award of contract to two Leading Providers for the provision of Asbestos Surveying services in accordance with the South Eastern Framework for an initial period of 3 years, with an option to extend for up to two periods of twelve months, up to a maximum contact terms of 5 years, to the bidders named in the Part B report for value contained therein.

2. EXECUTIVE SUMMARY

- 2.1 On 3rd April 2020, the Contract commissioning board endorsed the recommended Asbestos Surveying services and the procurement process was undertaken in accordance with the approved strategy (Ref: CCB1563/19-20), to support the Council's property portfolios for Housing, Facilities Management and Council's maintained Education estate.
- 2.2 The purpose of this report is to recommend an award of contract and to appoint the selected Bidders for the delivery of Asbestos Surveying services to the Council. Exempt information is provided within the associated Part B report.
- 2.3 The proposed contract is supporting the various essential asbestos surveying requirements identified from the Council's property portfolios for Housing, Facilities Management and School teams. This will therefore enable the Council to comply with its statutory obligation contained within the Control of Asbestos Regulations 2012 and the Health & Safety At Work Act 1974.
- 2.4 The proposed contract term will be for a period of 3 years commencing from November 2020 with an option to extend for a further one year plus one year up to a maximum period of 5 years (3+1+1). This will be delivered in accordance with the South East Consortium JCT Measured term contract 2011 terms and conditions for professional services. There will be call off agreement with no guaranteed work levels or minimum work level requirements under the contracts.
- 2.5 The contents of this report details the procurement process undertaken and advises the recommendation that Bidder A and B be awarded the contract (named in the part B report), with the housing asbestos surveying work being allocated to each provider as a North and South programme of works for estimated equal value, the FM and Schools being managed as a call off agreement split in equal value with both providers in accordance with the tender documents, as both tender submissions demonstrated most economically advantageous tender.
- 2.6 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
02/02/2021	CCB1643/20-21

3. DETAIL

- 3.1 In accordance with Croydon's Corporate Plan 2018-2022 and following the pre-market engagement exercise which led to the approved RP2 How We Buy strategy report (CCB1563/19-20), the South East Consortium Framework was deemed the most suitable procurement route for this contract. The South East Consortium framework was set up following the outcome of the OJEU procurement process (Ref: 2017/S 122-247184) and is compliant with PCR2015. The framework agreement is valid from 16/10/2017 to 15/10/2021.

The Council has used South East Consortium frameworks previously with the access agreement signed and agreed.

3.2 The contract for the existing service provider expired on 1st April 2020 and was not extended for a further year due to not offering the Council the best quality or value for money for asbestos surveying services. The Council's contingency plan is in place whereby the Council can commission asbestos surveys via the Council's existing term contract with GrahamFM.

3.3 The existing contractor was given 3 months written notice of the Council's intention and were issued with a letter to terminate their contract in line with the terms and conditions of their contract as their contract with Croydon Council is purely based on a call off arrangement and legal support was not required.

3.4 The planned commissioning outcome is the development of a two contracts with two professional Service Providers as a partner, for the provision of Asbestos Surveying services. The pre-determined outcomes to be achieved from this provision of service that may be required on an ad-hoc basis are:

- That the Council continues to ensure that its premises and places of work meet the legal duties as an employer;
- To ensure our premises are safe to meet the expectations of residents and service users;
- To ensure that all premises are compliant with current legislative requirements;
- The Council have specialist asbestos surveying arrangements that are both flexible and meets the future needs of the Council and take a holistic approach to asbestos management;
- The Council is provided with the most cost effective and efficient means of monitoring and analysing asbestos performance data to identify opportunities to reduce costs through greater economies of scale, technology and innovation;
- Delivery of social value that will benefit the borough of Croydon.

3.5 This contract will make provision for supporting the Facilities Management, Housing and schools teams' property portfolio to deliver day to day operational business. The scope of services to be provided from this proposed contract include the following: -

- Asbestos surveys (Management, Refurbishment & Demolition, Re-inspections)
- Air monitoring to support asbestos removals (Background, Leak, Personal,

- Reassurance, Certificate of Reoccupation)
- Bulk sampling of materials suspected to contain asbestos
- Asbestos awareness training
- Emergency works such as sampling and air monitoring services for potentially contaminated spaces (attendance within 4 hours)

Procurement process

- 3.6 The Council received six tender submissions which were then subject to the agreed published evaluation criteria and scoring allocation arrangements. The successful/unsuccessful bidders will receive feedback relating to the tender submission. Specific details as to the qualitative benefits of the preferred Bidder's tender are contained in Part B.
- 3.7 On completion of the quality assessment, the price element of the tender submissions was conducted and evaluated with the lowest tender price scoring the highest percentage sub-weightings. For further details of the breakdown based on the total 40% Tier One weighting, reflecting the applied Tier Two sub-weighting criterion. Specific details as to the commercial bids obtained are contained in Part B.
- 3.8 The 60% quality weighting ratio ensured better emphasis on quality and as such is expected to produce cost savings over time as the data produced is more likely to be a true reflection of site conditions and therefore reducing the need to revisit to cleanse the supplied data.
- 3.9 The result of the respective bidder's scores for each sub-weighting criteria were then added together to give the total score. The bidders were then ranked by their total combined quality and price score with the highest ranked Bidders A and B scoring 68.15% and 67.71% respectively as outlined below. Notably, Bidder A and B received the highest evaluation score for quality and ranked 1st out of 6 bidders whilst achieving low score for price and ranked 5 and 6. They obtained a good quality scores with added value and demonstrated ability of meeting the Council's requirements. PSP was not applied this is in accordance with the SEC Framework Agreement terms and conditions.

Tier 1 Criteria	Tier Two Weighting	Bidder A	Bidder B	Bidder C	Bidder D	Bidder E	Bidder F
Qualitative	60%	43.00%	43.00%	38.00%	34.00%	17.00%	12.00%
Quantitative (Tier One)	40%	25.15%	24.71%	29.24%	32.76%	27.22%	29.16%
Total	100%	68.15%	67.71%	67.24%	66.76%	44.22%	41.16%

- 3.10 Based on the outcome of a robust evaluation process, it is recommended for Bidder A and B to be awarded the contract, with the housing asbestos surveying work being allocated to each provider as a North and South programme of works for estimated equal value, the FM and Schools being managed as a call off agreement split in equal value with both providers in accordance with the tender documents.

3.11 This project falls within the category:

- (i) expenditure required to deliver the council’s provision of essential statutory services at a minimum possible level
- (ii) urgent expenditure required to safeguard the vulnerable citizens

4. CONSULTATION

4.1 The Council undertook a pre-market engagement with potential providers to inform its final procurement strategy to determine the best competitive prices and to ensure performance and capacity issues are met. Following the outcome of the pre-market engagement, the potential Suppliers informed the Council that the delivery of the contract should be split between two leading Providers with equal value based on a call off basis for Corporate, Schools and Housing (allocated by locality between North and South) to enable delivery of the Council’s full programme of asbestos surveying requirements. This was clearly set out within the final Invitation to Tender pack, with regards to the contract being awarded to the two potential Providers with the highest combined quality and price scores, giving evidence of delivering the most advantageous tender.

4.2 The project team members were established to enable appropriate and relevant disciplines within the Council to evaluate the tender submissions and determine which tender fulfils Council’s requirements, offering the most economically advantageous bid.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000
Capital Budget available	155	155	155	155
Expenditure				
Effect of decision from report				
Expenditure				
Remaining budget	155			

5.2 The effect of the decision

5.2.1 The effect of the decision to award contract to Bidder A and B will enable the Council to commission the Asbestos Surveying related services on an ad-hoc

basis (if instructed and/or successful), will commit in accordance within the allocated budget of £775,000 for the contract term of three years with option to extend for two further twelve months. As per the agreed strategy report, it was deemed not to apply the Council's PSP. Therefore, for the purpose of the contract award, it is recommended for the maximum contract value to reflect £775,000 and Head of Finance to give approve the capital budget.

5.3 The project of the Asbestos Surveying risks:

Risk	Detail	Mitigation	RAG
New contractor may not be able to meet the requirements of the Council	This will prevent the Council from delivering business as usual services or support FM, Housing and Schools initiatives and projects such as	The 60/40 quality/price ratio and effective evaluation of tender responses should mitigate this to as low as possible. Also the outcome of the pre-market engagement analysis (Appendix 1) has informed the Council that the delivery of the Asbestos surveying services programme should be split on equal proportion between two Leading Providers.	
Poor performance from incumbent contractor	This will impact the Council's ability to obtain quality Asbestos Surveying reports for remedial works to be carried out on FM, Housing and School buildings	Two Leading Providers will be awarded to deliver the proposed contract which will enable competition throughout the contract term and ensure good quality reports are delivered. Regular monthly meetings will be held to continue to engage the contractor until the agreed termination date.	

5.4 Options

5.4.1 Following the outcome of the tender evaluations, Bidder A and B has demonstrated its bid offering the most economically advantageous tender. Should the Council not proceed with the award, they would be in breach of their Statutory compliance to enable buildings to be managed and maintained to a usable standard for service users. This also ensures that assets are being utilised to their maximum potential to generate income/funds for the Council. The users/occupiers of our maintained buildings need to feel comfortable and assured that asbestos is being properly managed within their place of recreation/work.

5.4.2 The asbestos management and monitoring is a statutory requirement. Under the Control of Asbestos Regulations 2012 the Council has a legal duty to

manage asbestos within its premises and to assess the presence and condition of any asbestos-containing materials. Expenditure under this contract ensures the Council is able to function and carry out its duties safely in terms of protecting employees, service users, residents, schools etc. from asbestos exposure.

5.4.3 In relation to spending controls in place due to the Section 114 notice, this expenditure falls under the following categories:

(i) expenditure required to deliver the council's provision of essential statutory services at a minimum possible level – as explained above, there is no minimum level of work under the contracts and, as such, the contract will be managed on a call off basis to control spend in accordance with minimum levels of service required and prioritise cases where harm might be caused to residents/service users.

(ii) urgent expenditure required to safeguard the vulnerable citizens – at times, urgent surveys may be required in order to address asbestos discovered. This might occur in any of our buildings, some of which service vulnerable citizens

Under the criteria within Section 115(6A) of the Local Government Finance Act 1988, this proposed expenditure prevents the Council's financial situation from getting worse. This is because, if the Council fails to comply with its statutory duties by failing to deliver this service, as outlined, this could result in claims being made against the Council.

5.5 Future savings/efficiencies

5.5.1 The savings overtime is based on the data produced as it's more likely to be a true reflection of site conditions and therefore reducing the need to revisit to cleanse the supplied data. The two service Providers will support the delivery of services and contract management arrangements.

Approved by: Felicia Wright, Head of Finance – Place

6 LEGAL CONSIDERATIONS

6.1 The legal considerations are as set out within this report.

Approved by: Kiri Bailey, on behalf of Sean Murphy, Director of Law and Governance

7. HUMAN RESOURCES IMPACT

7.1 This report does not invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 and no Human Resource impact for Council staff.

8 EQUALITIES IMPACT

- 8.1 Equality considerations were taken into account as part of the requirements defined within the final ITT document (including the Terms and Conditions of Contract), including the need to submit their policy on disability, age & pregnancy or maternity for review to support the Council with delivering its public sector equality duties and reporting. The Bidders is expected to pay the London Living Wage as a minimum and demonstrated commitment to deliver social value outcomes.
- 8.2 The Equality Policy 2016 - 20 sets out the Council's commitment to equality and its ambition to create a stronger, fairer borough where no community is held back. The policy reflects the council's statutory duties under the Equality Act 2010 and is supported by the equality objectives set out in the Opportunity and Fairness Plan 2016-2020.
- 8.3 An Equality Impact Assessment has been undertaken to ascertain the potential impact on protected groups. This concluded that the recommendations in the report will have no negative impact on groups that share protected characteristics and there are no equality issues arising from this report. As such no further action is deemed necessary.

Approved by; Yvonne Oytkio on behalf of Equalities

9 ENVIRONMENTAL IMPACT

- 9.1 In accordance with the contract terms and where required, Bidder A and B will be required to comply with environmental legislations and regulations. There will also be a requirement to support the Council's vision and aims which will contribute to reducing Croydon's CO2 emissions.

10 CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no immediate adverse Crime and Disorder impacts arising from this report.

11 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 Bidder 'A' and 'B', has achieved the overall highest combined score of 68.15% and 67.71% therefore demonstrated the most economically advantageous tenders whilst meeting the Council's requirements as set out within the invitation to tender pack.

12 OPTIONS CONSIDERED AND REJECTED

12.1 Other options for the proposed service provision were considered and has been reflected within the original CCB approved procurement strategy report, including the agreed recommendation to carry out the procurement exercise via the OJEU restricted procedure. The other options identified and considered were assessed as being unviable or more expensive.

CONTACT OFFICER:

Name:	Deborah Daly and Martin Burt
Post title:	Compliance Manager, Asbestos Surveyor
Telephone number:	020 8726 6000 Ext 61666, 65671

BACKGROUND DOCUMENTS: None

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Contract Award Report

Date of meeting	21/1/21 CCB meeting
By	Dave Briggs, Head of Digital Operations
Title	Low code software development platform contract award
Project Sponsor	Neil Williams, Chief Digital Officer
Executive Director	Jacqueline Harris-Baker, Executive Director of Resources and Monitoring Officer
Lead Member	Cllr Young
Key Decision	Yes 0521RFG The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.6th

1. Recommendations

The Cabinet Member for Resources and Financial Governance, in consultation with the Leader, is recommended by CCB to:

- 1.1 Approve the award of a contract to Softcat plc for the provision and support of the Netcall low code software development platform for a contract term of 5 years at a total contract value of £877,350 (£175k pa).
- 1.2 Note, the previous pilot with a different provider was at a value of £84,475.

2. Background & strategic context

What are the relevant Croydon policies and priorities that apply to this Project?

Croydon Renewal Plan

The Renewal Plan submission to MHCLG includes an appendix specifically outlining our approach to service redesign, which depends on the use of a low code rapid software development solution in order to enable the redesign and digitisation of our core statutory service offering to residents, and to drive efficiency savings.

Corporate Plan 2018-2022

The corporate plan sets an objective that our residents can access services easily online, 24 hours a day.

Digital Strategy 2019-2022

This platform is instrumental in delivering frontline digital resident services as per the Digital Strategy – most of which remains relevant post s114. The strategy requires us to be able to build and iterate fast. Having a fit for purpose platform will enable CDS to shift the emphasis from coding and building tools, to user research and design, thereby ensuring we build the right thing, and build it right.

Medium Term Financial Strategy 2019

The MTFS sets out a savings target for the council that in part will be met by providing online services for all high volume, low value transactions; reserving high value service provision for our most vulnerable users.

Our digital strategy, and indeed the strategy of the council is to improve online services so that our residents, businesses and visitors can transact with us in a way that suits them 24/7/365. This is not a single piece of technology but instead a number of interlocking components that together enable an end to end digital service.

CDS’ aim is to create online digital services that are so good people will choose to use them, over more expensive channels such as the telephone or face-to-face appointments. Unfortunately, CDS initially lacked the tools and expertise to achieve this, so set about investigating low code solutions which would allow us to create transactional online services cheaply, quickly and with a very generic skill-set, to compliment the new website which was already being created.

NB. The funding for the low code platform is within current CDS budgets and is funded by the reductions in spend elsewhere, specifically the 100k on Azure hosting and £280k on Dynamics licences ensuring no overspend

In early 2020, as part of the ongoing MTFS programme, a decision was made to bring forward the decommissioning of CRM / My Account by 1 year to radically improve our online services, and avoid renewal of licencing costs of £280k and hosting costs of £100k, along with further savings to be achieved by decommissioning other CRM related applications in the future.

In addition to the financial savings, this change is necessary due to the following technological factors

- The underpinning software is getting old and increasingly hard and expensive to maintain, and the user journey is lagging behind what people are coming to expect in this day and age.
- Adding new digital services to My Account is similarly difficult and costly.
- The changes Microsoft are making to Dynamics means we would have to do some very costly and time-consuming work on it just to keep it working this year.

This decision led to trialling a new toolset; a 'low code' platform that promises to enable the rapid development of digital services. Last year a low value RFQ was undertaken leading to a 12 month (with options to extend) contract to pilot the platform, assess the benefits and inform the case for an enterprise solution.

The pilot (value @58k) was strictly limited in respect of the underlying technical infrastructure (technical resources such as processor and memory) and number of cases to be handled (licence transaction and population limits). This was to keep pilot costs as low as possible.

Benefits of using the platform so far

A summary of the benefits is shown in this section –further detail is provided in the Appendix.

The Low code platform has already been used, and more than proved its value, during our COVID19 response, to quickly build end to end products such as:

- The COVID19 SitRep tool,
- The shielding case management system,
- For services distributing government funded business and individual financial support.
- LBC Delivery Tracker – used to track MTFS savings proposals

In February 2020 we finalised a procurement of a two-year trial (1 year + 1 year) for a “low code” rapid application development platform called Liberty Create. (“Low code” systems enable apps to be developed with less manual programming). 10 CDS staff attended a 3-day basic training course to learn how to build applications, and many did an additional project to get certification.

Events overtook the pilot with the advent of the pandemic urgent applications were developed using the platform. Without the pilot platform the council would not have been able to create the applications so quickly and the cost would have been greater (please see the financial section). *However the demand has exceeded the capacity of the pilot platform in respect of both technical resources and the licencing limits.*

*A low value upgrade to the infrastructure has already been put in motion to ensure it does not fall over
At a cost of @£18k against the pilot contract value of 56k.*

(GRAPHS of usage below show the pilot platform has reached capacity)



In order to continue to deliver value from the platform, maintain the developed applications and introduce new applications to replace more expensive systems, and retain the use of the Covid19 solutions, either a different platform is required or retain the platform and upgrade to an enterprise level capable of meeting the demands of the Council.

The procurement of a low code platform will enable us to extract much more value for money, as in the future we will need to purchase less, as we can make more in-house.

We intend to use Low code to bring further benefits and savings:

- **Improve My Account** – rebuild existing digital services so they work better for residents (reducing avoidable contact) and can be maintained more cost-effectively
- **Shift more transactional services online** – digitise services that currently operate on paper, by phone, face to face, or use rudimentary forms (Word/PDF files)
- **Build the engine for localities and future council agility** – a system of small parts, loosely joined that enable us to bust silos between service verticals, combine and share data sources, tailor and target services to localised needs, and enable LBC to adapt more rapidly
- **Replace the Microsoft Dynamics based MyAccount CRM system** with a Low code based application will save 280k pa against the Microsoft License Agreement.
- **Continue to support COVID 19 activities** with applications developed on the platform.
- **Achieve net savings of approximately £160,000 per annum** by changing provider (see financial section for full breakdown)

The platform will be used to improve online services throughout the council including Health and Care systems.

For each online process that is built on the platform there will be a positive impact upon services in the council, as they will be built in a user-centred way, designed to minimise processing tasks by making use of good data management, automation and collaboration between teams. This should reduce the time it takes to resolve cases.

CDS expect the benefits to be less calls to the contact centre requesting services and chasing outstanding issues, less footfall in Access Croydon, and those people attending should be able to self-serve (possibly with assistance at first) using the public access computers already provided.

3. Financial implications

Section 114 Essential Spend

The requirement is considered to meet the essential spend criteria and *has been approved by the Executive Director. [sign off to be confirmed] Jacqueline Harris-Baker on 12 January 2021.*

The expenditure meets the following criteria for new' spend in accordance with S115(6A) of the Local Government Finance Act:

- *Expenditure to prevent the financial situation getting worse:*

This is because:

A) £160k net savings from FY 21/22. This is a lower cost, more flexible solution to replace the existing technologies behind My Account and online resident services and customer relationship management (CRM).

B) The platform is currently being used (under prior 1-year trial contract) as the primary tool for the Programme Management Office (PMO) to manage and track MTFS savings proposals. If the contract were not awarded then this system would no longer be usable for this purpose and the PMO would have to find a new way to manage and monitor all savings put forward, potentially putting the delivery of all savings at risk.

Furthermore, this meets the finance criteria for essential spend, as follows:

- Expenditure required to deliver the council’s provision of statutory services at a minimum possible level
- Urgent expenditure required to safeguard vulnerable citizens

The platform provides assistance to vulnerable residents and local businesses affected by the pandemic. Without this new contract, we would have to find alternative solution for the shielding app, business grants and Sit Rep (tool in use to track and monitor performance, resourcing and prioritisation of every service across the council).

Note expenditure of @£84k on the pilot was with Netcall not with Softcat which brings overall spend including the contract with Softcat to £947k.

Table 3.1

Details	Internal		Period of funding	External		Period of funding
	Capital	Revenue		Capital	Revenue	
Terminating current costs: My Account hosting/Azure CRM Dynamics Licences		100k 280k	C14127/C14124 C14141			
Total old cost		380k				
Netcall low code software contract	18k	175k	5 years Feb 2021 - 2026			
Other expenditure: Complaints module Alternative products that may be required (estimated)		20k 25k				
Total new cost		220k				
Net saving		160k				

IMPORTANT: There is a pressure on CDS licence and software expenditure of approx. 250k due to partly unachieved savings from MTFS 2019. This pressure has been mitigated in financial year 20/21 by a one-off income from data and cabinet rental to another London Borough. The saving provided from this contract award will be used to reduce the pressure and should not be treated as an additional saving. (Further work is underway to fully remove the pressure for 21/22 and beyond.)

4. Supporting information

The council has already undertaken a competition and assessed the suitability of the platform against requirements. The new agreement will upgrade the underlying infrastructure to support the larger volumes Croydon now require and the licence needed for the population and volumes of cases transacted using the platform. The CDS team have managed the contract and relationships with the platform provider and will continue to do so. There is also a strong user community, of which Croydon is part, where public sector organisations can take advantage of shared code for solutions, thereby further reducing development time and increasing collaboration across the public sector.

Procurement Route

The CCS framework RM3821 DATA AND APPLICATION SOLUTIONS Lot 2c Citizen services underpinned by the Framework terms and conditions is a compliant route to contract and offers a call from the government e-marketplace as a direct award provided two conditions are met:

Call offs can be completed where:

- The requirement must be intrinsically linked to a system already within the customers organisation
The system is already in use at Croydon

- The products they are looking to award must be present on the Government eMarketplace
Softcat already publish a catalogue entry for the solution on the government e-marketplace on line catalogue and will publish an updated entry to match the Croydon requirements.

This is a low risk option. The approach is allowed for under the framework and the supplier Softcat has previously published a service offering for the platform via the framework online catalogue on the Government eMarketplace. Crown Commercial services publish guidance for customers advising how to conduct a catalogue award which the Council will be following.

Timetable

Resources DLT and ELT briefed December 2020

Exec Director sign off

CCB January 2021

SCP sign off January 2021

Interim infrastructure upgrade Jan/Feb 2021

Cabinet February 2021

New contract via call off Feb/March 2021

5 year expenditure and savings summary

The new low code platform will cost £175k per annum and replace current costs for Microsoft CRM/Dynamics licences of £280k per annum and reduce hosting and cloud costs by £100k per annum. Some modules on MyAccount and CRM are not suitable for the new platform and it is better value for money to purchase products off the shelf rather than build in low code. For example, the complaints module will be replaced by an alternative product costing c20k per annum. We have included a further 25k estimated expenditure for other products that are yet to be identified or confirmed.

Table 4.1

	Amend pilot (capital 20/21)	Year 1	Year 2	Year 3	Year 4	Year 5	Total 5 yr. Contract costs	Total contract plus in year upgrade
Netcall Expenditure								
Class upgrade	14,750	-	14,750	14,750	14,750	14,750		
Software	-	160,000	160,000	160,000	160,000	160,000		
Subscription - one-off payment	3,295	3,600	-	-	-	-		
Total Netcall expenditure	18,045	163,600	174,750	174,750	174,750	174,750	862,600*	880,645
Other expenditure								
Complaints		20,000	20,000	20,000	20,000	20,000		
Other products that may need to be purchased (estimated)		25,000	25,000	25,000	25,000	25,000		
Total other expenditure		45,000	45,000	45,000	45,000	45,000		
Savings/cost avoidance								
CRM Dynamics Licences		280,000	280,000	280,000	280,000	280,000		

My Account Hosting		100,000	100,000	100,000	100,000	100,000		
Total savings		380,000	380,000	380,000	380,000	380,000		
Net savings		171,400	160,250	160,250	160,250	160,250	812,400	

- Under the Netcall proposal and with the Framework the pricing of the licence and class server upgrade is fixed for the contract term.

In addition to the net savings itemised in Table 4.1 there is potential to replace current products with a new build on the low code platform providing further cost avoidance:

- Replacing Blue Badge system: 10k p.a. (50k over 5 year term)
- Replacing e-base: 9.5k p.a. (45k over 5 year term)
- Replacing Form.IO: 7.2k p.a. (36k over 5 year term)
- Replacing Love Clean Streets: 8k p.a. (40k over 5 year term)

Total saving per annum: 34.7k p.a.

Moving these additional services to the low code platform would not increase the contract costs due to the nature of the contract. The timings are yet to be confirmed and so it is likely that some or all of these additional savings could be achieved by FY 22/23.

The platform brings an almost limitless list of opportunities to improve services for our residents and businesses. It can help with driving down the cost of providing services, reducing expenditure on existing systems and reducing demand on our staff. There will be savings made in service areas through efficiencies in working that are not detailed here. Furthermore, this platform may support services in delivering MTFs savings.

Future opportunities for savings also include:

- Replacing 'About your area'
- Integrating with a new telephony provider to improve efficiency in the contact centre
- Integrating with a webchat tool to reduce calls, and encourage cheaper forms of engagement for those who are not able or IT confident enough to self-serve.

To illustrate the potential savings achievable by adopting a Low code based strategy, we took the creation of new functionality for the Selective Licencing Team delivered by the former CRM (contract based) developers and re-calculated against the CDS low code programmers:

Resource	£Daily Rate per head	Total Days	£TOTAL
CRM developers	£600	40	£96,000
Low code Team	£250	40	£40,000
Potential Saving	£350		£56,000

Another example, the "Red File" project was created directly in Low Code. As a result, the work was delivered a lot quicker and using fewer resources, thereby saving more expenditure whilst providing a key service needed by the users much sooner:

$$£250 \text{ per day} \times 3 \text{ people} \times 3 \text{ days} = £2,250$$

options considered:

1. Do nothing - this would entail continuing to use the existing CRM platform, resulting in significantly greater costs and not achieving MTFs savings. This would result in a lack of ability to provide new digital services that meet the needs of our users. Furthermore, we would have to rebuild all of the Covid apps (shielding, business grants, SitRep etc), a new housing booking system, PMO tool in CRM all of which we do not have budget for and would take approximately two years to do on the current system as the development is much more manual and slower.
2. Engage the market through a formal tender process - running a procurement would take time and cost money that we don't have. As in the instance of doing nothing above, we would have to rebuild all of the Covid apps currently in the lowcode platform which would result in LBC not being able to provide statutory services related to Covid.

Additionally, were we to change provider, as a result all the work done in the last year would have to be repeated, at additional cost and delays to delivering new services.

3. Recommended option - direct award of a contract with a call off from the CCS framework RM3821, which allows for direct awards, is the best value option to deliver continuity of service delivery, avoid costs of change and is underpinned by the framework terms and conditions.

Exit

The current CRM solution was developed in house using Microsoft Dynamics CRM and is hosted on the Council's Microsoft Azure cloud platform. The CRM licences can be ceased in July 2021 when the annual renewal is due, the mechanisms of the licensing agreement allow for that. The hosting on Azure can also be ended (again this is part of the council's Microsoft licensing, which has flexible mechanisms built in to allow increases or decreases in hosting volumes).

When this arrangement ends there are two options:

If we no longer require a platform – (unlikely)

OR If we require another platform –

Data to be extracted and provided back to the Council for archiving or migration to any different platform – new platform to rebuild any existing applications as part of requirements.

As the platform is cloud hosted there are no hardware decommissioning or disposal implications.

EQUALITIES:

Please indicate how the proposed contract will support the requirements of the Equality Analysis undertaken.

"It is not anticipated that the procurement of a new system will have a detrimental impact on any of the groups that share protected characteristics, as there are no changes to current Council policies or procedures planned."

The Equalities Assessment has been submitted to the council's Equalities Officer, who has approved it. (attached below).

A digital platform could potentially exclude residents unable to use online services.

A mitigation however, while making our digital services so good that people prefer to use them, including meeting accessibility guidelines ensuring they are WCAG compliant, at the same time always provide a non-digital route to help, through the contact centre.

The platform provides support for translation services, compliance with AA rating of WCAG2.1, using the government theme as a basis for any webforms, which has been thoroughly tested to ensure the system is accessible as possible

SOCIAL VALUE:

The supplier offered an outreach training offer that will create skills and training opportunities in the locality. It is free for up to 20 individuals that the council can nominate from within the 3rd sector to be trained on the platform.

A suggested eight-month program:

1. Croydon select a group of business minded administrators from the partners. This group should be no more than 20 participants.
 - a. Selection criteria and participant commitment to be agreed with Croydon.
 - b. Croydon to administer any HR, IT or information security requirements.
2. Netcall will oversee a program to jumpstart local change as follows:
 - a. Induction day: a one-day introduction to Low-code, its principles and the eLearning. This will be held at premises provided by Croydon.
 - b. Each participant to have free access to the Netcall eLearning modules. They are able to learn at their own pace.
 - c. A mentor day at 90 days. The participants will be invited to attend a session (date tbc) to review any challenges and have a Q&A clinic session with a low-code professional.
 - d. Accreditation day at month seven or eight: where the participant's will wrap-up their learning success, and receive their certificates.

London Living Wage:

The supplier has confirmed they pay the London living wage.

DPIA

The DPIA is currently being reviewed by the council's Information Management Team, a meeting scheduled with them for January 18th to review their feedback. No major issues were found with the platform. Individual DPIAs will be needed from each service for each application developed which will process personal data.

Personal data is captured and used by the platform.

The Liberty Create platform is compliant with ISO270001 Which set out standards for keeping data safe and secure whilst in storage and during transmission. Data is held securely in UK and EU based Amazon Web Services Servers. The servers are encrypted, as are the Databases, and we can apply field level encryption where appropriate. All connections are made via https with SSL certification throughout. All staff have received training and certification so they know how to create applications which are secure.

Data retention complies with all current data protection legislation and guidelines. Where records need to be retained permanently, hard copies are stored securely off-site at LBC's archivists; Iron Mountain

Summary of key Risks

Key risks include the ability to continue use of the COVID 19 apps

The ability to roll out the latest planned developments such as Housing bookings which cannot be provided by CRM

Delays in getting approval. Vendor may not be willing to extend "trial" period, and or withdraws current offer

IM reject code sharing policy with other LAs

No collaboration possible. May lose out on future developments and have to start from scratch each time

Vendor blocks any further "live" code releases until full procurement completed No further development or releases to services available. Delay in providing key services to residents

There may be risk around the volume of transactions to be processed. The agreement allows for unlimited users and unlimited applications to be developed at no additional cost. The license and infrastructure being purchased is also the enterprise level, aimed for use by the largest councils. The possible risk around transaction volumes is related to the processing and memory requirements of the cloud infrastructure. There is a mechanism to increase memory and processors in the agreement although note this would incur additional cost to the contract price (and, if required, the Tender's and Contracts Regulations and Framework agreement would be followed in relation to modifications).

PSP

Supplier will be invited to participate following award. Note the call off from the framework catalogue does not include the ability to include the scheme as a condition of contract call off.

TUPE

TUPE Does not apply to this procurement. The service provision is offered to many different organisations and there are no dedicated resources assigned specifically to the Council. The in house team who were deployed on the CRM development (which this platform will help replace) were contractors, who are no longer retained by the Council.

Contract Management

The CDS commercial manager, Henny Acheampong, will manage the contract with the CDS subject matter expert Kevin Rowe, the Digital Business Partner who maintains the regular operational and relationship contacts with Netcall the platform provider. This is a continuation of the current arrangements. The only change will be the administration of contract documentation, payments and invoicing via Softcat which will be handled within the CDS commercial team.

5. Conclusion and reasons for recommendations

The report recommends the award of a contract to Softcat plc to supply the Netcall low code platform for a period of 5 years at a cost of £862k with a call off from the CCS framework RM3821 which allows for direct awards.

This is the preferred option as it represents the least operational risk, existing developed applications can continue to be used and limits reputational damage and other costs to replace. The award also creates a platform which will yield direct financial savings and establish the opportunity for further in house developments, which will create choice and bring future savings. The framework call off is a PCR compliant procurement route.

6. Outcome and approvals

Outcome	Date agreed	
	Service Director <i>(to confirm Executive Director has approved the report)</i>	Neil Williams 6.1.2020
	Cabinet Member for Finance & Resources	25/01/2021
	Legal Services	18.01.21
	Head of Finance	14/1/21
	Human Resources (if applicable)	n/a
	C&P Head of Service	14/1/21
	Lead Member <i>(for contract award over £500k)</i>	25/01/2021
	CCB	CCB1649/20-21 (02/02/2021)

7. Legal Comments

The legal considerations are as set out within this report.

Approved by Kiri Bailey on behalf of the Council Solicitor and Monitoring Officer

8. Chief Finance Officer comments on the financial implications

The replacement of the current customer service platform with this proposed platform will entail an ongoing revenue cost of £219k funded by an existing MyAccount hosting and Azure CRM Dynamics Licenses budget of £380k. The savings of c£160k plus further opportunities to generate additional efficiencies and savings in the region of £34.7k per annum is likely to materialise once the platform is implemented. There is a one-off capital outlay of £18k which is funded from CDS ICT capital budget. As the contract is for a period of 5 years, it is assumed that any RPI increases are contained within the revenue budget.

Approved by Geetha Blood, Interim Head of Finance, Place, Gateway, Strategy and Engagement on behalf of the Director of Law and Governance

APPENDICES:

Appendix 1 – Low Code – the storey so far

Appendix 2 – Timetable

Appendix 3 – Equality Analysis

Appendix 4 – Risk Assessment

Appendix 1

Low code– the story so far

Our digital strategy, and indeed the strategy of the council is to improve online services so that our residents', businesses and visitors can transact with us 24/7/365 in a way that suits them. We have an aspiration to build online services so good that the majority of our users prefer them to a telephone or face-to-face transaction. Current offerings were in the form of a My Account, built by a group of expensive contractors. This was hard to create, iterate and support, and had been put together with little user research and insight into the needs of our residents. This needed a major overhaul to allow us to meet the targets set out in our strategies.

We lacked the tools and expertise to do this so set about investigating low code solutions which would allow us to cheaply, quickly and with a very generic skillset create transactional online services, to complement the new website which was already being created. A procurement took place for a 1 to 2 year Proof of Concept (PoC) and a contract was awarded to Netcall for their Liberty Create platform.

Our Intention

To trial the platform for 1-2 years, during which we would create 4/5 apps, test the citizen hub, try to integrate with some LoB systems / Power BI / Azure single sign-on etc. We committed to training 10 staff, have no more than 400 users, and the number of transactions would be relatively low. Bearing in mind the limited scope of this, we procured a class 1 platform system at circa £50k p.a. for the trial period.

What actually happened?

In Jan/Feb 2020, off the back of MTSR, a decision was made to bring forward the decommissioning of CRM / My account by 1 year to radically improve our online services, and save an additional £300k pa in licencing and £150k pa in My Account hosting. This would also have the benefit of not having to go through a major upgrade of MS Dynamics CRM, being forced upon us by Microsoft. We let go a team of My Account C# developers at this point, saving CDS £30k per week (£1.5m per year).

In March the pandemic hit and we had to significantly change tack. We needed to be able to spin up many critical applications quickly to enable us to manage the organisation, and provide assistance to vulnerable residents and local businesses.

Over the following 9 months we built 10 apps, summarised below with the benefits of each.

1. SitRep

This tool (built by 1 dev in just 8 days) has been in constant use since March to monitor the performance, resourcing and prioritisation of every service across the council.

Over 500 managers across 35 departments have reviewed and updated 50 measures daily about the impact of COVID upon their service, so issues can be flagged to SILVER and GOLD groups where appropriate. Staff could then be redeployed and updates can be made to the pan-London group, and central government. Almost 12k updates have been completed

over this period, and without that information, vital services could have been struggling and failing without the knowledge of senior management.

We integrated with power BI to create dashboards for the key stakeholders to allow the data to be easily interpreted.

We also implemented Single Sign-On to reduce the need for passwords, and ensure the system was secure and only accessible by council employees.

2. Small Business Grants for 1st lockdown

An app was created by 2 developers in under two weeks to distribute funds to businesses affected by the first lockdown. Over the following 12 weeks over £51m was paid to 3800 businesses in dire need of support to enable them to survive. The app allowed us to import details of all eligible businesses, they were sent automated emails and SMS inviting them to apply (using an integration with Notify). They applied using an e-form linked to the communication, and the app included workflow to assess and pay out the money using a light integration with the finance system (using exports and imports).

As part of this app we linked the platform to the website design system so the customer had confidence they were dealing with an official Croydon app (as there were many scams popping up) and we implemented sub domain routing to ensure public facing pages all had the x.Croydon.gov.uk URLs.

We also built a number of fraud detection tools (searching for duplicate bank accounts, references and IP addresses) which have been carried forward to all subsequent grant apps in low code.

3. Shielding wave 1

This app was used to support 23,000 vulnerable residents. A contact centre was set up to phone all residents on the NHS and Government shielding lists and ensure they were getting all the support they needed. Off the back of the calls, referrals were made for food parcels, baby supplies, prescription picks ups etc. The shielding app was used to import all the data for the vulnerable residents, record the outcome of the calls, and make referrals where required.

Food parcels, supplementing the boxes provided by central government, were delivered to those most in need, coordinated with the use of this app. The first iteration of this app went live in about 4 weeks, and we released many iterations throughout the 3-month lockdown to accommodate the changing needs of our residents and support teams.

4. Shielding mobile app

It soon became clear that some residents were not responding to the calls, and we had to step up efforts to contact them. We created a mobile app, so a team of visiting officers could go to their houses to confirm they were ok. 346 visits were conducted to the most vulnerable residents on the list using the mobile app to create visiting lists and recording the outcomes, which could be immediately reviewed by back office staff.

5. Business discretionary grant fund

Additional funding was made available for businesses who didn't qualify for the original business grants on a discretionary basis. We created an app to allow businesses to apply for this grant, and allow council officers to assess the applications and pay the money. It was used to distribute over £3m to businesses who needed it.

6. Test and trace support payments

We were required to provide support to residents who were unable to work due to being in isolation after contact with someone who had tested positive to COVID-19. We built an app to allow residents to apply for a £500 payment, upload evidence that they had suffered a loss of income, and workflow for officers to assess and pay the funds. So far the app has paid out a total of £71,000 to 2000 residents.

7. Council Tax Recovery

This year, many more people have been unable to afford their council tax payments, and the number of people eligible for support has increased dramatically. This app allows the Council Tax team to load in a file of people in arrears, send out a questionnaire, and automatically signpost them to available help depending upon the answers they provide. Its early days, but 593 residents have used this tool so far, and when it is fully implemented it is envisaged that it will allow the council to offer appropriate help to 1000s of residents in Council Tax arrears, and prevent large volumes of calls to the contact centre. It will also drive up the take-up of council tax support, and reduce bad debt.

8. Shielding2

The second wave of COVID brought with it a second lockdown, and we looked at the original Shielding app to enable us to again support the most vulnerable in the district. Things had moved on considerably though, the data from central government was far better, the support was more targeted and through lessons learned from the first lockdown, we discovered the app could be far more streamlined. With this in mind we set about creating a fresh app for shielding2. It was put together in just over a week (in contrast to the months of iteration we did on the first version). So far, the app has been used to support 250 of our most vulnerable residents.

9. LBC Grants app

It has become clear that many more pots of money are being made available as the pandemic runs its course. 3 weeks ago we were made aware of 6 new grants for business to cover the 2nd lockdown and the tiered restrictions. Instead of building 6 separate apps, we decided to create a single app that could be used to administer all these grants, and any future grants. This has just gone live and will pay out £x over the next few weeks, and likely many £millions more over the coming months.

10. Delivery tracker

In CDS we have been struggling to find adequate tools to manage a large portfolio of work. Many tools are prohibitively expensive, and other are far too complex for our needs. The CDS PMO team created a specification for an app to manage our portfolio of 160 projects. The first iteration was created in just 2 evenings by a single developer.

In addition to the pressure brought upon the council by COVID-19, we now find ourselves in a situation where we need to find large savings to meet current and future budgets. Many projects need to be managed corporately. Word was getting out about the CDS Utopia tool as it was being used to brief senior staff on CDS work. We were asked to create a copy of this to be used by the corporate PMO, with a number of alterations. It was decided that we would extend the tool to allow a number of portfolios to exist. We did a few more days work and released a major iteration allowing the tool to be used for any number of portfolios across the council, with security in place to keep them separated as some may contain sensitive information.

In the pipeline

In addition to these 10 live applications, we have been making great strides to accomplish the original objective of decommissioning CRM and My Account.

In the limited time between building, iterating and supporting the COVID-19 apps, we are about 70% complete in building the first iteration of a replacement CRM called Citizen Hub which will record in excess of 100,000 resident interactions a year. This is almost in a state to go live within the Contact Centre, enabling them to log calls against residents, and send messages to officers in the various services. It has the ability to automatically create cases from linked e-forms on the website and it can also handle incoming emails about existing cases, and new cases. It includes many features to automate the linking of cases to residents to prevent bad and duplicate data. It also includes the ability to flag a resident as a potential threat to staff, to enable risk assessments to be done before engaging with the public.

We have also successfully prototyped tools to enable customers to upload documents to the platform for any service, the ability to create bookings for any service, and other specific functions such as providing a bulky waste service.

The problem

We have achieved far more than we, or our supplier, imagined we would in the last 10 months. And it is clear that this success has brought us beyond the scope of a PoC. We are therefore in breach of our current contract with the supplier. Furthermore, the infrastructure we have in place to host the platform is not adequate for our current use of it, let alone future growth.

We have trained 15 people (the contract allowed for 10). We have over 600 users (the contract allowed for 400) we have had to upgrade to a class 2 environment (the contract allowed only for class 1, and we need a class 4 ideally).

If we are to meet our objectives around providing digital services, finding savings, decommissioning My Account and CRM we must ensure we can continue to use a low code platform.

Considering the investment and benefit we have already got from the existing PoC, it would be prudent to procure the same solution, otherwise we will no longer have the user of the 10 live apps, we would have to retrain all staff in a new solution, and we would be unable to make the £450k pa saving from decommissioning My Account and Dynamics CRM.

The future

This platform brings with it an almost limitless opportunity to improve services for our residents and businesses, driving down the cost of providing services, reducing expenditure on existing systems and reducing demand on staff.

Future opportunities for savings include:

- replacing Blue Badge system (saving of £10k pa)
- replacing e-base (saving x pa)
- replacing Form.IO (saving x pa)
- replacing Love Clean Streets (saving x pa)
- replacing About your Area (joint with Drupal directories)
- A new system to manage community grants applications
- Using the built-in AI tools for text, image and speech recognition, sentiment tracking, translation and more (using Google AI suite)
- integrating with a new telephony provider to improve efficiency in the contact centre
- Using the on premise adapter to allow easy integration with Line of Business systems, allowing us to extend the functionality of them ourselves, rather than paying suppliers to do this
- Users can photo and send in evidence to any service (saves 1FTE from Access Croydon plus 1FTE from the scanning team)
- Integrating with a webchat tool to reduce calls, and encourage cheaper forms of engagement for those who can't self-serve
- Using the internet of things to automatically create cases for teams (think overflowing litter bins, broken streetlamps, monitoring of council property installations such as boilers and fire alarm systems)
- Creating registers of data which can be used to simplify systems and the way they interact; in the same way we have a register of addresses (LLPG), and staff (Active directory) for example, community spaces and buildings, council assets, voluntary and charity sector services etc.
- Creating a bulk communications tool
- Managing GDPR data about our users
- Managing equalities data about our users

All of these ideas will generate both cashable and efficiency savings by improving processes for our customers, officers and managers.

Who	actions	Start	End
	start	01/12/2020	
Gerard	negotiate with Netcall	01/12/2020	11/12/2020
Gerard	establish if we need CCB strategy or just Award report	01/12/2020	03/12/2020
	Approval and award (RP3 ONLY)		
RWJ leading - team inputting	Draft award or strategy report (ASSUMPTION)	01/12/2020	
Gerard?	draft RP for Cat Mgr sign off	04/12/2020	04/12/2020
RWJ leading - team inputting	EQIA	01/12/2020	14/12/2020
RWJ leading - team inputting	DPIA	01/12/2020	14/12/2020
Jane	Executive Director approval	07/12/2020	14/12/2020
	Obtain Stage 2 Corporate approvals	07/12/2020	14/12/2020
	Head of Resources C&P pre meet	10/12/2020	10/12/2020
	legal and finance pre meet	14/12/2020	14/12/2020
	last day to Submit report to CCB	14/12/2020	14/12/2020
	Present award report to CCB for consideration and recommendation (if £100-£500k)	17/12/2020	17/12/2020
	Approval and award (RP2 + RP3)		
	Draft award report (ASSUMPTION)	11/12/2020	
	draft RP for Cat Mgr sign off	11/12/2020	11/12/2020
	EQIA		
	DPIA		
	Obtain Stage 2 Corporate approvals	18/12/2020	18/01/2021
	Head of Resources C&P pre meet	14/01/2021	14/01/2021
	legal and finance pre meet	18/01/2021	18/01/2021
	last day to Submit report to CCB	18/01/2021	18/01/2021
	Present award report to CCB for consideration and recommendation (if £100-£500k)	21/01/2021	21/01/2021
	housing go live	08/01/2021	08/01/2021
	Contract ends	31/01/2021	31/01/2021

best case date estimates

assumes I win the argument to just do RP3 award

CCB

if we have to take a Strategy then steps above remain

no need to repeat

no need to repeat

start after CCB meets

xmas, new year will delay

CCB

firm in place by now - or arrangement with netcall agr

actual new or varied contract finalisation could take r

Equality Analysis Form Netcall Liberty Create Procurement

**Version: 0.2
14th December 2020**

1. Introduction

1.1 Purpose of Equality Analysis

The council has an important role in creating a fair society through the services we provide, the people we employ and the money we spend. Equality is integral to everything the council does. We are committed to making Croydon a stronger, fairer borough where no community or individual is held back.

Undertaking an Equality Analysis helps to determine whether a proposed change will have a positive, negative, or no impact on groups that share a protected characteristic. Conclusions drawn from Equality Analyses helps us to better understand the needs of all our communities, enable us to target services and budgets more effectively and also helps us to comply with the Equality Act 2010.

An equality analysis must be completed as early as possible during the planning stages of any proposed change to ensure information gained from the process is incorporated in any decisions made.

In practice, the term '**proposed change**' broadly covers the following:-

- Policies, strategies and plans;
- Projects and programmes;
- Commissioning (including re-commissioning and de-commissioning);
- Service review;
- Budget allocation/analysis;
- Staff restructures (including outsourcing);
- Business transformation programmes;
- Organisational change programmes;
- Processes (for example thresholds, eligibility, entitlements, and access criteria).

2. Proposed change

Directorate	Resources
Title of proposed change	Netcall Liberty Create Low Code Application Procurement
Name of Officer carrying out Equality Analysis	Richard Wyatt-Jones CDS Business Analyst

2.1 Purpose of proposed change (see 1.1 above for examples of proposed changes)

Briefly summarise the proposed change and why it is being considered/anticipated outcomes. What is meant to achieve and how is it seeking to achieve this? Please also state if it is an amendment to an existing arrangement or a new proposal.

As part of the LBC Digital Strategy, we are decommissioning the CRM and My Account system. The software is getting old and increasingly difficult and expensive to maintain. The current user journey is lagging behind what people have come to expect in this digital by default era.

Adding new digital services and functionality to My Account is similarly difficult and costly. -In addition to this, Microsoft have also announced a number of changes to how they manage and license the underpinning application (Dynamics) that My Account operates on, which will require the council- to commit to some very costly and time-consuming work in order to keep it fit for purpose.

In February 2020, CDS agreed the procurement of a two-year trial (1 year +1 year) with Netcall for a “Low code” rapid application development platform called Liberty Create. (“Low code” systems enable apps to be developed with far less manual programming and less reliance upon specific programming languages.)

The system is currently being used for:

- COVID19 services for residents (Revs & Bens, Gateway services, Economic Development): – Shielding database, Test and Trace Support Payments & multiple business hardship grant applications.
- COVID19/emergency response daily data-gathering and situation reporting for Silver and Gold command structures.
- Project & Resource tracking (CDS and LBC PMO)

Other apps are in development, one of which could replace the existing CRM system, making it more user-friendly and cheaper to run.

The full procurement of this platform will enable LBC to extract further value for money, from being less reliant on purchasing “off the shelf” solutions, as we will have the ability to develop more bespoke applications in-house.

Once the tender is completed and a new provider(s) identified, service specific DPIAs will be required from each of the business areas that will be using the system.

It is not anticipated that the procurement of a new system will have a detrimental impact on any of the groups that share protected characteristics, as there are no changes to current Council policies or procedures planned. This will be stipulated as a condition of the tender process.

The Equalities Assessment will be re-visited once the tender process is completed

3. Impact of the proposed change

Important Note: It is necessary to determine how each of the protected groups could be impacted by the proposed change. Who benefits and how (and who, therefore doesn't and why?) Summarise any positive impacts or benefits, any negative impacts and any neutral impacts and the evidence you have taken into account to reach this conclusion. Be aware that there may be positive, negative and neutral impacts within each characteristic.

Where an impact is unknown, state so. If there is insufficient information or evidence to reach a decision you will need to gather appropriate quantitative and qualitative information from a range of sources e.g. Croydon Observatory a useful source of information such as Borough Strategies and Plans, Borough and Ward Profiles, Joint Strategic Health Needs Assessments <http://www.croydonobservatory.org/> Other sources include performance monitoring reports, complaints, survey data, audit reports, inspection reports, national research and feedback gained through engagement with service users, voluntary and community organisations and contractors.

3.1 Deciding whether the potential impact is positive or negative

Table 1 – Positive/Negative impact

For each protected characteristic group show whether the impact of the proposed change on service users and/or staff is positive or negative by briefly outlining the nature of the impact in the appropriate column. . If it is decided that analysis is not relevant to some groups, this should be recorded and explained. In all circumstances you should list the source of the evidence used to make this judgement where possible.

Page 95

Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	Relevant to all groups, in that protection from unlawful discrimination is built into prevailing Council policies and procedures, along with any legislation applicable to those business units involved in using the application	There is no reason to believe that groups that share protected characteristics will be at any greater risk than the rest of the population. We have taken steps to show how we will mitigate any impact on residents who might be unable to use online services (see section 5 for details)	Requirements gathering exercises with CDS and end users. Use of the application to develop online forms for COVID 19 support initiatives such as shielding and business grants
Disability			
Gender			
Gender Reassignment			
Marriage or Civil Partnership			
Religion or belief			
Race			
Sexual Orientation			
Pregnancy or Maternity			

Important note: You must act to eliminate any potential negative impact which, if it occurred would breach the Equality Act 2010. In some situations this could mean abandoning your proposed change as you may not be able to take action to mitigate all negative impacts.

When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics. **Please use table 4 to record actions that will be taken to remove or minimise any potential negative impact**

3.2 Additional information needed to determine impact of proposed change

Table 2 – Additional information needed to determine impact of proposed change

If you need to undertake further research and data gathering to help determine the likely impact of the proposed change, outline the information needed in this table. Please use the table below to describe any consultation with stakeholders and summarise how it has influenced the proposed change. Please attach evidence or provide link to appropriate data or reports:		
Additional information needed and or Consultation Findings	Information source	Date for completion
N/A		
N/A		

For guidance and support with consultation and engagement visit <https://intranet.croydon.gov.uk/working-croydon/communications/consultation-and-engagement/starting-engagement-or-consultation>

3.3 Impact scores

Example

If we are going to reduce parking provision in a particular location, officers will need to assess the equality impact as follows;

1. Determine the Likelihood of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the likelihood of impact score is 2 (likely to impact)
2. Determine the Severity of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the Severity of impact score is also 2 (likely to impact)
3. Calculate the equality impact score using table 4 below and the formula **Likelihood x Severity** and record it in table 5, for the purpose of this example - **Likelihood (2) x Severity (2) = 4**

Table 4 – Equality Impact Score

Severity of Impact	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
	Likelihood of Impact			

Key

Risk Index	Risk Magnitude
6 – 9	High
3 – 5	Medium
1 – 3	Low

Table 3 – Impact scores

<p>Column 1</p> <p>PROTECTED GROUP</p>	<p>Column 2</p> <p>LIKELIHOOD OF IMPACT SCORE</p> <p>Use the key below to score the likelihood of the proposed change impacting each of the protected groups, by inserting either 1, 2, or 3 against each protected group.</p> <p>1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact</p>	<p>Column 3</p> <p>SEVERITY OF IMPACT SCORE</p> <p>Use the key below to score the severity of impact of the proposed change on each of the protected groups, by inserting either 1, 2, or 3 against each protected group.</p> <p>1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact</p>	<p>Column 4</p> <p>EQUALITY IMPACT SCORE</p> <p>Calculate the equality impact score for each protected group by multiplying scores in column 2 by scores in column 3. Enter the results below against each protected group.</p> <p>Equality impact score = likelihood of impact score x severity of impact score.</p>
Age	1	1	1
Disability			
Gender			
Gender reassignment			
Marriage / Civil Partnership			
Race			
Religion or belief			
Sexual Orientation			
Pregnancy or Maternity			

4. Statutory duties

4.1 Public Sector Duties

Tick the relevant box(es) to indicate whether the proposed change will adversely impact the Council's ability to meet any of the Public Sector Duties in the Equality Act 2010 set out below.

Advancing equality of opportunity between people who belong to protected groups

Eliminating unlawful discrimination, harassment and victimisation

Fostering good relations between people who belong to protected characteristic groups

Important note: If the proposed change adversely impacts the Council's ability to meet any of the Public Sector Duties set out above, mitigating actions must be outlined in the Action Plan in section 5 below.

Page 98

5. Action Plan to mitigate negative impacts of proposed change

Important note: Describe what alternatives have been considered and/or what actions will be taken to remove or minimise any potential negative impact identified in Table 1. Attach evidence or provide link to appropriate data, reports, etc:

Table 4 – Action Plan to mitigate negative impacts

Complete this table to show any negative impacts identified for service users and/or staff from protected groups, and planned actions mitigate them.				
Protected characteristic	Negative impact	Mitigating action(s)	Action owner	Date for completion
Disability	A digital platform could potentially exclude residents unable to use online services	While making our digital services so good that people prefer to use them, including meeting accessibility guidelines ensuring they are WCAG compliant , at the same time always provide a non-digital route to help, through the contact centre.	Victoria Hunt / Kev Rowe / Dave Hampton, contact centre	Each go-live date for each app built in lowcode

Equality Analysis

Page 99

		The platform provides support for translation services, compliance with AA rating of WCAG2.1, using the government theme as a basis for any webforms, which has been thoroughly tested to ensure the system is accessible as possible.		
Race	N/A	<p>While making our digital services so good that people prefer to use them, including meeting accessibility guidelines ensuring they are WCAG compliant, at the same time always provide a non-digital route to help, through the contact centre.</p> <p>The platform provides support for translation services, compliance with AA rating of WCAG2.1, using the government theme as a basis for any webforms, which has been thoroughly tested to ensure the system is accessible as possible.</p>	Victoria Hunt / Kev Rowe / Dave Hampton, contact centre	Each go-live date for each app built in lowcode
Sex (gender)	N/A			
Gender reassignment	N/A			
Sexual orientation	N/A			
Age	N/A	While making our digital services so good that people prefer to use them, including meeting accessibility guidelines ensuring they are WCAG	Victoria Hunt / Kev Rowe / Dave	Each go-live date for each app built in lowcode

		<p>compliant, at the same time always provide a non-digital route to help, through the contact centre.</p> <p>The platform provides support for translation services, compliance with AA rating of WCAG2.1, using the government theme as a basis for any webforms, which has been thoroughly tested to ensure the system is accessible as possible.</p>	Hampton, contact centre	
Religion or belief	N/A			
Pregnancy or maternity	N/A			
Marriage/civil partnership	N/A			

6. Decision on the proposed change

Based on the information outlined in this Equality Analysis enter X in column 3 (Conclusion) alongside the relevant statement to show your conclusion.		
Decision	Definition	Conclusion - Mark 'X' below
No major change	<p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</p> <p>All vulnerable groups will remain to be protected by existing Council policies and procedures along with any legislation applicable to those business units that will be using the low code system</p>	
Adjust the proposed change	We will take steps to lessen the impact of the proposed change should it adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above, remove barriers or better promote equality. We are going to	X

Equality Analysis

	take action to ensure these opportunities are realised. If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form	
Continue the proposed change	We will adopt or continue with the change, despite potential for adverse impact or opportunities to lessen the impact of discrimination, harassment or victimisation and better advance equality and foster good relations between groups through the change. However, we are not planning to implement them as we are satisfied that our project will not lead to unlawful discrimination and there are justifiable reasons to continue as planned. If you reach this conclusion, you should clearly set out the justifications for doing this and it must be in line with the duty to have due regard and how you reached this decision.	N/A
Stop or amend the proposed change	Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended.	N/A
Will this decision be considered at a scheduled meeting? e.g. Contracts and Commissioning Board (CCB) / Cabinet		CCB: Date TBC (February 2021?) Spending Control Panel: TBC Cabinet: TBC – initial negotiations ongoing with vendor

7. Sign-Off

Officers that must approve this decision			
Equalities Lead	Name	Yvonne Okiyo	Date: 15.12.20
	Position:	Equalities Manager	
Director	Name:	Neil Williams	Date: 16.12.20
	Position:	Chief Digital Officer	

Page 102

Risk Assessment: Netcall Liberty Create Procurement

RISK REF	RISK SCENARIO		ASSIGNED TO	EXISTING CONTROLS	CURRENT RISK RATING			FUTURE CONTROL MEASURES	FUTURE RISK RATING		
	RISK	IMPACT			IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL		IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL
R.001	S114 Expenditure Review Panel reject funding application	Project cannot proceed	Dave Briggs		5	3	15				0
R.002	Delays in getting approval from Expenditure Review Panel	Vendor may not be willing to extend "trial" period, and or withdraws current offer	Dave Briggs		4	2	8				
R.003	IM reject code sharing policy with other LAs	No collaboration possible. May lose out on future developments and have to start from scratch each time	Kevin Rowe		2	1	2				0
R.004	Vendor blocks any further "live" code releases until full procurement completed	No further development or releases to services available. Delay in providing key services to residents	Gerard Gough		5	2	10				0
R.005	Sectrion 114 Expenditure Review Panel reject request	Project cannot proceed	Dave Briggs		5	3	15				0

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Contract Variation Report

Date of meeting	1 March 2021
By	Rob Osborne, Programme Manager, CRS
Title	LIQUID LOGIC SYSTEMS IMPLEMENTATION PARTNER CONTRACT VARIATION
Project Sponsor	CAROLINE BAXTER Head of Business & Service Compliance
Executive Director	Guy Van Dichele, Executive Director Annette McPartland, Director of Operations
Lead Member	Cabinet Member for Families, Health and Social Care Cllr Janet Campbell
Key Decision	NO

1. Recommendations

FOR Cabinet Member

1.1 in accordance with Regulation 30 of the Council’s Tenders and Contracts, the Cabinet Member for Resources and Financial Governance in consultation with the Leader is recommended to approve an extension by way of contract variation of the Liquid Logic systems implementation partner contract provided by Albany Beck Consultancy Services Limited, for an additional term of up to one year for a maximum additional cost of £85,000 resulting in a maximum aggregate value of £1,546,910.

2. Background & strategic context

The LiquidLogic Adult Social Care System and ContrOCC the linked finance system went live in September, as scheduled.

Albany Beck have provided implementation consultancy services for the implementation of the new Adult Social Care system (LAS) and its linked financial management system (ContrOCC). They were also developing a number of key reporting dashboards in Power BI, working with the Corporate performance Team. Albany Bec use Better Gov to provide the expertise in the Liquid Logic solution who have a track record in local government and experience delivering these projects.

Covid-19 impact

Due to the impact of COVID and the changes this has introduced into some areas of Adult Social Care, particularly the introduction of scheme 2 for funding on COVID related services and some staff not undertaking agreed actions during cut over from AIS/SWIFT to LAS and ContrOCC, there was a very high demand on the Better Gov resources provided by Albany Beck which diverted activities away from these deliverables. This means that there is still configuration work to do to complete in the configuration of ContrOCC and means that we are not managing all social care spend through the new system. This has had a major impact on the ability of the Placements team to use LAS/C effectively to get payments to providers and manage the financial aspect of the service.

We are also not able to produce the level of management information from the system we would like to until such times as the Power BI dashboards have been completed.

The CDS team that are supporting the system are fully committed providing support to users since go-live. However CDS have limited resources with the capacity or knowledge/experience to complete the configuration work. When the application support team returned in house fewer staff TUPED back to Croydon than had be transferred out. Attempts to recruit suitable resources have not been successful, partly due to the impact of the pandemic last year but also more recently recruitment controls in place to manage the council financial position.

Key Deliverables to be completed under the variation

Power BI Dashboards – these need to be completed to allow managers at all levels of the organisation are able to access the management information they need to ensure their areas of the organisation are operating as expected.

ContrOCC Configuration – A number of elements of the configuration of ContOCC remain outstanding and the best way for these to be completed is to use the consultants that have been working on this.

3. Financial implications

Section 114

Following the Council issuing Local Government Act Section 114, under the following essential spend criteria:

prevents the Council's financial situation from worsening because the expenditure will enable the Council to deliver the council's provision of statutory services at a minimum possible level

Rationale:

To ensure care providers are paid accurately and on-time

The risks are:-

- Not paying providers. Some suppliers are threatening to stop provision. Emails received from several supporting living providers and home care providers
- Unable to carry out financial assessments as clients not on system to start work.
- Scheme 1 and Scheme 2 NHS claims not accurate and will be subject to challenge. This is circa £1.4m per month Income lost as clients who would contribute not being charged for

The cost of the variation has been estimated at an additional £85,000. Signed off by Jacqueline Harris-Baker Executive Director of Resources, Guy Van Dichele, Executive Director Health Wellbeing and Adults and Lisa Taylor, Director of Finance, Investment and Risk on 09/12/2020.

This is broken down as :

- £30,000 - ContrOCC consultancy Services to complete implementation work
- £30,000 - Completion of Power BI dashboards
- £25,000 - Contingency

Funmi Ogunnaike Principal Accountant

These funds are available within the People's System Programme Capital Budget (CFA227). Confirmed by Funmi Ogunnaike Principal Accountant

Details	Internal Capital	Revenue	Period of funding	External		Period of funding
				Capital	Revenue	
Cost of original contract to date	£1,461,910		To Dec 2020			
Cost of variation	£85,000		2020/21			
Aggregated value	£1,546,910					

4. Supporting information

The original Albany Beck contract value was £607,156, (decision 0419FR), the contract was varied in December 2019 by £699k to a new total value of £1,060,480 (CCB1522/19-20, Key Decision ref 3719FR). A further variation CCB1585/2021 of £401, 430 brought total contract value to £1,461,910.

Note the variation in December 2019 was subject to a published Key Decision reference 3719FR

This new variation of 85k will bring aggregate contract value to £1,546,910.

The variation is allowable under PCR Regulation 72 (1) (b)

for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—

- (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and
- (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority

In addition :

Regulation 72 (1) (c) as:

- (i) the need for modification has been brought about by circumstances (COVID) which could not have foreseen;
- (ii) the modification does not alter the overall nature of the contract;
- (iii) the increase in price does not exceed 50% of the value of the original contract or framework agreement.

Why Albany Beck using Better Gov?

Re-procurement is not recommended as Albany Beck using BetterGov are best placed to be able to provide some short-term support to complete the configuration work still outstanding in ContrOCC and to complete the work required on the Power BI dashboards, as they are familiar with the system, how it is configured and how the data to be reported is held within the system, as they have been responsible for configuring the system to meet the needs of LBC.

They have been working at Croydon on the project and have built up considerable local knowledge of our systems and processes which another provider would not have. Alternate providers would need to spend time on discovery and mapping before being able to deliver the requirements, this will increase costs and extend the time needed compared to extending the arrangement.

Issues Supplier Management

The contractor is agreeable to the variation and has provided an estimate for the scope of work. Note that the activities under the agreement have previously been subject to increased costs as the supplier legitimately discovered other issues or the service requested additional tasks (although without altering the nature of the services provided).

Controls and Contract Management

The recommendation for the variation is to only pay in arrears on completion of specified deliverables in a scope of works which is properly defined at the outset with target dates for deliverables and appropriate sign off and acceptance criteria defined by the Council.

Activities and deliverables must be monitored and the supplier and project team managed by the CDS project lead with support from the ICT Category Manager to ensure focus remains on just the defined activities to be delivered to timetable and within the cost envelope of the variation. The rationale for extending the contract is to finish work previously worked on not to introduce new requirements.

Suggested regime:

CDS project manager in charge.

Apply strictly defined scope and sign off criteria in a statement of works.

One or two week sprints to define work to be carried out in the sprint period with end of sprint reviews (called retros) at the end to review deliverables met, carry forward tasks and define scope of next sprint activities.

Proper sign offs, acceptance criteria and closure of workstreams

No payment unless work completed

No change in scope

Any requests for tasks must be routed through the CDS PM only and not to the supplier.

No new deliverables once SOW set unless agreed by PM and Category Manager and only following a proper contract change control process.

Once deliverables are completed successfully and signed off and payments made the contract must be formally ended.

HR

There are no direct Human Resources implications arising from this report for Council employees, as it involves the extension to an existing contract.

Equalities

An Equalities Assessment has previously been performed for the project. No discernible impacts identified as a result of this variation however there could be a negative impact if the project deliverables are not achieved.

DPIA

No changes are needed to the DPIA.

Other Options Considered

Recruitment of contractors was considered however spend controls restricted the ability to recruit and time would be needed for anyone to become familiar with the current configuration.

Other providers were considered for a low value one off contract however they would not have the in depth knowledge of the Council set up and would require additional time and cost for discovery before being able to implement required changes.

5. Conclusion and reasons for recommendations

This report is asking for a further variation of £85,000 to the Albany Beck contract to allow the completion of the implementation of ContrOCC and of a number of management information dashboards that Albany Beck were developing for the reasons set out in the report.

This spend is part of a package of works to resolve a number of issues within Adult Social Care and was authorised at an emergency meeting involving Jacqueline Harris-Baker, Guy Van Dichele and Lisa Taylor on 10th December 2020.

The £85k includes a contingency figure of £25k –the works may be completed without the need for spending the full amount of the variation.

6. Outcome and approvals

CCB outcome	Date agreed
Service Director <i>(to confirm Executive Director has approved)</i>	<i>9/12/20 as part of presentation to Jacqueline Harris-Baker, Guy van Dichele and Lisa Taylor on 9/12/2020.</i>
Cabinet Member for Resources & Financial Governance	<i>4/2/21</i>

	Finance	9/12/20 as part of presentation to Jacqueline Harris-Baker, Guy van Dichele and Lisa Taylor on 9/12/2020. <i>Confirmed by Funmi Ogunnaike 8/2/21</i>
	Legal	<i>2.2.2021</i>
	Lead Member <i>(for values over £500k, +25% contract value or +£1m)</i>	<i>4/2/21</i>
	CCB	<i>CCB1652/20-21 (10/02/2021)</i>

7. Comments of the Council Solicitor

The key legal considerations are set out in the report

Approved by Sonia Likhari on behalf of the Director of Law and Governance

8. Chief Finance Officer comments on the financial implications

No additional comments.

Approved by Felicia Wright on behalf of the Chief Finance Officer

Appendices:

Report for Spend Control Panel

Request for executive level decision on spend to ensure care providers are paid accurately and on-time

Authors: Dave Briggs (Head of Digital Operations), Stephen Hopkins (Head of Children & Adults Placement & Brokerage)

Note for Spend Control Panel

All of the spend outlined in this paper was agreed and authorised by Jacqueline Harris-Baker, Guy van Dichele and Lisa Taylor on 9/12/2020.

Background

The Liquid Logic case management system, along with the ContrOCC financial system (from now on referred to as LAS/C), went live for adult social care in September 2020, on time and well under budget. The system is working well but is still in an 'early life support' phase with tweaks and reconfigurations necessary in response to being used in a live environment.

As a result of the S114 announcement, two agency workers within CDS, who were working on training and onboarding of teams with LAS/C were let go and payments to Albany Beck/BetterGov, our implementation partner, stopped.

This has had a major impact on the ability of the Placements team to use LAS/C effectively to get payments to providers and manage the financial aspect of the service.

The team is now in crisis and urgent intervention is needed to resolve the situation.

The issue

Since the end of September 2020 we have been attempting to catch up with the work from the systems downtime. Whilst we are dealing with this we are still in the middle of covid-19 and we are receiving double the amount of work that we normally would.

On average we receive about 1000 pieces of work per month to action. Some of these are very minor changes to LAS/CONTROCC but some of these need work end to end (SW to payments team).

We have struggled with the following:-

- End to end processes not fully imbedded within all teams.
- Some end to end processes not working correctly
- Issues with the end to end where cases are not going through to CONTROCC and teams are unaware of why not going through.
- No expertise to resolve issues quickly enough and to catch up on backlog of work.
- Coding issues where we think is being coded correctly but not going through

The main issue is the expertise. I have made staff available to clear the backlog and they have been working evenings/weekends to do this but can't catch up quick enough and/or its stuck somewhere within the system that we are unable to resolve.

The risks are:-

- Not paying providers. Some suppliers are threatening to stop provision. Emails received from several supporting living providers and home care providers
- Unable to carry out financial assessments as clients not on system to start work.
- Scheme 1 and Scheme 2 NHS claims not accurate and will be subject to challenge. This is circa £1.4m per month
- Income lost as clients who would contribute not being charged for.

The ask

To resolve the situation, the following three actions are recommended:

1. To re-engage Albany Beck/BetterGov to support the LAS/C rollout in terms of early life support and completing work currently left unfinished.

Cost - £80,000.

Additional note – we have run up against CCB limits on spending under the contract with Albany Beck/BetterGov. We would require permission to spend further with them, as we do not have time for procurement, nor for onboarding new suppliers.

2. To purchase additional days of support with ContrOCC to fully configure our system to ensure it meets the needs of the Council and its providers.

Cost - £22,000.

3. To re-engage two agency workers, who know the Croydon LAS/C setup, to work with the Adults Placement & Brokerage.

Cost - £20,000 to end of January 2020. £13,000 per month following that if needed.

To re-second a member of staff from Adult Social Care to help reduce the backlog, until end March 2021.

Cost – £10,200

To re-second an accountant from Finance to the project team until end March 2021.

Cost - £22,000

To retain a secondee (who's secondment runs to end March 2021 but we were considering ending early) to help reduce the backlog, until end March 2021.

Cost - £12,000

Source of funds

The LAS/C implementation had a large capital budget assigned to it. Work is ongoing on other workstreams, however we currently forecast the whole programme to come in around £1.5m under budget.

The costs identified in this paper therefore can be covered by this existing capital budget.

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Contract Variation Report

Date of meeting	January 2021
By	Jon Martin Digital Business Partner CDS
Title	Housing IT System Extension (OHMS)
Project Sponsor	Dave Briggs Head of Digital Operations
Executive Director	Jacqueline Harris-Baker
Lead Member	Cllr Young
Key Decision	0621RFG The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

1. Recommendations

For Cabinet Member

- 1.1 in accordance with Regulation 30 of the Council’s Contracts and Tenders Regulations, the Cabinet Member for Resources and Financial Governance in consultation with the Leader is recommended to approve the contract variation of the OHMS Housing Management IT System provided by Northgate Public Services Limited, to enable an extension of the contract for a term of one year (with a break after 6 months) until 31 March 2022 for a maximum additional cost of £129,153, resulting in an aggregate value of £755,988.

2. Background & strategic context

- 2.1 A new Housing Management IT system has been procured, with a target date to become operational by 31 July 2021 (although that timescale could take longer). In the meantime, the existing legacy system, OHMS from Northgate Public Services Limited, will continue to be required.
- 2.2 An extension to the term of the OHMS system support and maintenance agreement is required to ensure that the system is supported until the new system is fully implemented.
- 2.3 The existing contract will expire on 30 March 2021.

The recommendations within this report contribute to the 2018 – 2022 Corporate Plan Operating Model themes below:

- Good, decent homes affordable to all.
- Everyone feels safer in their street neighbourhood and home.
- People live long, healthy, happy and independent lives.
- A cleaner and more sustainable environment

- 2.4 Although the proposed extension is contrary to the requirements of the Public Contracts Regulations, which require a procurement to be undertaken, the risk of any challenge is considered to be low, as the extension is only required to allow the time for a smooth transition to the new ICT system which was procured following an open tender.

3. Financial implications

4 SECTION 114

Details				External		Period of funding
				Capital	Revenue	
Cost of original contract					£626,835	
Cost of variation			To March 2022		£129,153	1/4/21 to 31/3/22
Aggregated value					£755,988	

The requirement is considered to meet the essential spend criteria and *has been approved by the Executive Director.*

Jacqueline Harris-Baker on 12 January 2021

- Following the Council issuing Local Government Act Section 114, under the following essential spend criteria: prevents the Council's financial situation from worsening because the expenditure will enable the Council to deliver the council's provision of statutory services at a minimum possible level.

This is the current IT system in use by Housing to deliver statutory housing services, collect housing income until such time as the replacement system goes live. All of the data on the system is relating to housing activity for helping our residents to apply for housing assistance and waiting lists. Right to Buy applications, accessing ownership schemes, maintain tenancies, support for private tenants and landlords, help for homeowners including leaseholders, and our work to tackle homelessness and empty homes. We carry out day-to-day repairs and maintenance programmes. Improving our services. We also collect and recover income for the Council's housing stock, some private sector tenancies and for households in temporary & emergency accommodation.

The Housing contract with Northgate commenced in 2015 for a term of 2 years from 1 April 2015 to 31 March 2017 and the original contract value was £194,000. An extension and variation for a term of 2 years was awarded at a value of £195,005 to an aggregate value of £389,005 (CCB1207/16-17). Both extensions have been implemented. A further one year extension to 2020 was awarded by CCB reference 1330/17-18 for a further value of £108,677.63.

A further extension of one year from 1 April 2020 to 31 March 2021 increased the contract value by a further £129,153 to a total contract value of £626,835. (CCB1567/20-21)

This proposed extension for the OHMS system will be for one year until 31 March 2022 for a sum of £129,153. The extension of the current contract will be funded from the existing revenue held within CDS and Place Departments This forms part of a central budget of £1m that is used to fund the on-going costs of a range of the council's systems.

4. Supporting information

Negotiations and options explored for pricing with Northgate PS were in the context of S114 in order to mitigate any additional costs. Northgate have offered a 12 month extension period with a break at 6 months (30/9/2021). If the Council has completed the implementation and does not require the extension beyond 6 months, only 6 months charges will be payable and we will avoid the annual indexation amount.

If the Council needs to take the full 12 month period a further 6 month charge will apply (with indexation applied) giving a total extension amount of £129,153.

The proposed extension is contrary to the requirements of Regulations 72.1(b) and 72.9 of the Public Contracts Regulations, which require a procurement procedure to be undertaken if a proposed variation does not fall within any of the criteria set out in this Regulation. A waiver against this requirement has been requested since the risk of any procurement challenge is

considered to be low, in light of the fact that the extension is only required to allow the time for a smooth transition to the new ICT system which was procured through an EU Restricted Tender procedure and has given suppliers the opportunity to tender for the new system. The implementation programme has been affected initially by the pandemic and more then by the S114 Notice which resulted in the loss of contractors working on the implementation. In house resources are continuing but the timescale to complete has stretched out as fewer resources are available and are in competition with other projects.

Strategic contract management is led by the CDS with oversight and guidance from the Commissioning and Procurement and the category manager. Account performance reviews continue to be held with the supplier. There are no concerns with the performance while the implementation continues and migration to the new system nears completion. There is a long term relationship with the supplier which will continue as the new system contract runs for up to 10 years.

Risks

No.	Risk	Mitigation
1	Supplier looks to increase charges for extension.	Negotiation with Supplier to minimise impact is complete. Worst case was annual charge subject to indexation
2	There is a challenge from another supplier.	This is a short term measure to ensure sufficient time to complete the ongoing implementation.
3	The implementation to new system is not delivered in time.	Timescales have been affected by the pandemic and S114 – the extension is the mitigation
4	Lack of funding to progress activities needed to achieve key dates	Budget exists for the contract.

There are no direct Human Resources implications arising from this report for Council employees, as it involves the extension to an existing contract.

An Equalities Assessment has been performed for the project. The services will continue to support some of the most vulnerable residents in Croydon and as such will need to be assessed as fully meeting their needs in terms of customer care and quality of delivery. No discernible impacts identified as a result of this strategy - continuation of existing services.

No discernible impact identified as a result of this strategy - continuation of existing services.

The solution processes personal data and a DPIA already exists when the contract was previously extended. Council tenant data including families' carers and other personal data. Also, personal data of housing applicants, homeless families, tenants and leaseholders. Information relates directly to users of the service that have come into contact with housing i.e. name, address, D.O.B, ethnicity, vulnerabilities and disabilities. NI numbers, bank details, income, rent arrears, leasehold and debts and details of providers (lessors) of private rented accommodation to the council. **The DPIA will be updated.**

5. Conclusion and reasons for recommendations

Options

The option of not renewing was considered however until the new system is operational the service require the 'old' system in order to continue to deliver Housing services.

Conclusion and Reasons for recommendation

Software for the current solution was purchased with perpetual licences giving the Council ongoing rights to use the software. Support and maintenance is only available from Northgate PS. The extension is required to ensure there is sufficient time to finalise the implementation of the new system.

The supplier was satisfied with the negotiation outcome which yielded a 12 month extension with a 6 month break – if we are able end the contract by the 6 month break we will avoid the final 6 months charges for the 12 month extension and the application of indexation to the annual figure. Other options were not as advantageous to the Council, further shorter extension periods were not accepted by the supplier.

6. Outcome and approvals

CCB outcome	Date agreed	
	Executive Director Jacqueline Harris-Baker	12/01/21
<i>Insert outcome of CCB discussion</i>	Service Director <i>(to confirm Executive Director has approved)</i> Neil Williams	13/01/21
	Cabinet Member for Resources & Financial Governance	4/02/21
	Finance Felicia Wright	11/01/21
	Legal Sonia Likhari	19/01/21
	Lead Member <i>(for values over £500k, +25% contract value or +£1m)</i> Cllr Young	04/02/21
	CCB	CCB1653/20-21 (10/02/2021)

7. Comments of the Council Solicitor

There are no additional legal considerations directly arising from this report

Approved by Sonia Likhari on behalf of the Council Solicitor and Monitoring Officer

8. Chief Finance Officer comments on the financial implications

No additional comments

Approved by Felicia Wright 11/1/21 Chief Finance Officer

Appendices:

DPIA

Data Protection Impact Assessment (DPIA)

Project Name:	Housing IT System Extension (OHMS)
Project Manager or Sponsor (PM):	Dave Briggs – Head of Digital Operations (Corporate Sponsor)
Name of person completing the DPIA if different to (PM):	Michael O’Sullivan BST - CDS
Service Team and Department:	Housing Assessment and Solutions / Croydon Digital Service
Relevant Director and Executive Director:	(1) Hazel Simmonds, Executive Director – Gateway Strategy and Engagement (2) Shifa Mustafa, Executive Director – Place
Information Management Champion(s) for service area:	
Date DPIA received by the IMT:	
Date approved by DPO:	26 March 2020
Date approved by IMT :	

1 Project Scope

You should describe here the nature, scope, context and purpose of the processed processing.

(Include the projects aims, potential impact, all individuals involved in the project and those that may be affected by it. The stakeholders should be as broad as possible so that the list can be edited down after consultation. You should summarise why you identified the need for a DPIA).

A new Housing Management IT system is being procured, with a target date to become operational by 31 March 2021. In the meantime, the existing legacy system, OHMS from Northgate Public Services Limited, will continue to be required.

A variation to extend the term of the OHMS system support and maintenance agreement is required to ensure that the system is supported until the new system is procured and implemented.

2 Data Description

Answer the questions below so that there is a clear understanding about how the information will be used, who will use it etc. Remember that it's personal information (i.e. information about individuals) that you need to be concerned with. If you do not have answers to all the questions at this time, simply record what you do know.

<p>Whose information is being used?</p> <ul style="list-style-type: none"> - Are there additional concerns that need to be considered due to individuals sensitive/ complex circumstances? i.e. vulnerable person 	<p>Council tenant data including families' carers and other personal data.</p> <p>Also, personal data of housing applicants, homeless families, tenants and leaseholders.</p> <p>Information relates directly to users of the service that have come into contact with housing i.e. name, address, D.O.B, ethnicity, vulnerabilities and disabilities. NI numbers, bank details, income, rent arrears, leasehold and debts etc.</p> <p>Details of providers (lessors) of private rented accommodation to the council.</p>
<p>What information is being used?</p> <ul style="list-style-type: none"> - Consider the nature of this information E.g. Child's social care file 	<p>All of the data on the system is relating to housing activity for helping our residents to apply for housing assistance and waiting lists. Right to Buy applications, accessing ownership schemes, maintain tenancies, support for private tenants and landlords, help for homeowners including leaseholders, and our work to tackle homelessness and empty homes. We carry out day-to-day repairs and maintenance programmes. Improving our services. We also collect and recover income for the Council's housing stock, some private sector tenancies and for households in temporary & emergency accommodation. Please see LBC Housing Privacy Notice below;-</p> <p>https://www.croydon.gov.uk/democracy/data-protection-freedom-information/privacy-notices/housing-services-privacy-notice</p>
<p>Does it include special category or criminal offence data?</p>	<p>Yes, some of the data classified as special category will / can be / recorded within the system.</p>

	<p>Ethnic origin, religion, health, mappa (Multi Agency Public Protection Arrangements) cases, sexual orientation, disabilities and domestic abuse.</p> <p>For mappa and violent individuals only red flag indicators are use on OHMS, the detail for the case is held on CRM.</p>
<p>Can an individual be identified easily from the information?</p>	<p>Yes, the basic demographic relating to Housing will be visible in terms of a person/s name, address, and phone numbers, email addresses, date of birth, family members / housing/ homelessness application. Rent / leaseholders accounts</p>
<p>What is the potential impact on privacy of this information?</p> <ul style="list-style-type: none"> - <i>What are the risks/ impact to an individual if this information was lost, stolen or manipulated?</i> - <i>E.g. could it be sold?</i> 	<p>There is a risk that information about an individual is shared with people who do not have a legitimate need to know / data breaches in terms of human error within the system / malicious breaches of staff accessing information is a possibility. This could lead to harm and distress to the individual.</p> <p>There is a risk of Reputational damage and possible enforcement action against partner agencies as well as loss of confidence and trust if data is lost or misused / shared. However, this is formed within the contracting arrangements with the supplier and any associated partner/s.</p> <p>However, corporate policies / guidance / GDPR roll out across the department inform staffing accessing the system and the consequences of misusing / sharing data where not permitted will be mitigated through staff accessing the system being trained in data protection and information management to ensure this does not happen. If a breach occurs, the breach policy is applied alongside data sharing agreements in place.</p>
<p>Will this change the manner in which we handle, use or protect this information? <i>E.g. should it be encrypted?</i></p>	<p>OHMS is currently being used. There is no change to the manner in which the data is handled.</p> <p>Housing will at all times minimise the risk that information is shared with the wrong people through the Corporate guidance and training / polices in place.</p>

	<p>There will be appropriate technical measures in place to ensure that only appropriate officers have access to information they need (and not unnecessary information).</p> <p>LBC have a contractual agreement with their contractors ensuring that data is treated as their own. Data is shared via the system which is encrypted.</p> <p>Secure data can also be exchanged through secure FTP and Egress.</p>
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3 Consultation process

Consider how to consult with relevant stakeholders.

When did you consult individuals?	<p>Consultation with internal stakeholders during the commissioning of the systems has been followed by the Procurement Systems Team.</p> <p>Due process has been followed for sign off: by:</p> <ul style="list-style-type: none"> • Directors • ICT Systems Procurement Programme Board • Performance management • Finance Manager, Resources • Business Systems • Information Management • Croydon Digital Service • Legal • HR • Contracts and Commissioning Board • Commissioning & Procurement • Appropriate Lead Members <p>Any changes in processing in the future will be assessed and consideration will be given under GDPR to notify any data subjects where it is deemed necessary to do so.</p>
How did you consult individuals?	As Above
If not explain why it is not appropriate.	N/A
Who else within the organisation have you consulted with?	IT colleagues have been involved in commissioning to ensure service proposals

	meet GDPR requirements and to identify any risks, including updates to TAG (now known as TDA Technical Design Authority)
Do you need to speak with your processor to assist?	No
Do you plan to consult information security experts or any other experts?	No – There are no changes to the system. This is an extension for the support of the current system.

4 Assessment of necessity and proportionality of data usage

What is your lawful basis for processing?	<ul style="list-style-type: none"> • Compliance with our legal obligations • Tasks carried out in the public interest or in the exercise of official authority • Contract for the supply of services • Consent <p>See Croydon Housing Privacy Notice in place.</p>
Is consent being relied upon to share the information? Has explicit consent been obtained? Are data subjects able to opt out from giving consent?	<p>The data being processed and is processed in accordance with the Council's Statutory powers in respect of Housing. See Croydon Privacy Notice. https://www.croydon.gov.uk/democracy/data-protection-freedom-information/privacy-notices/housing-services-privacy-notice</p> <p>In addition, housing services require consent during sign-up for how client information is used.</p> <p>Consent can be withdrawn for non-mandatory services.</p>
Does the processing actually achieve your purpose?	Yes
How will the information be collected? Verbally, application forms, internet, interview, 3 rd party, anonymous)	<p>Information is already stored on OHMS (housing management system) and is being used.</p> <p>This is a live database being continuously updated by users.</p> <p>Information is collected via application forms for housing, homelessness and interviews. Through communication with tenants, carers, relatives etc. Information can be provided anonymously if required.</p> <p>Calls to contact centres are recorded for training and</p>

	<p>monitoring purposes. These are held in line with LBC corporate retention policy.</p> <p>The named liaison officer from the council is Michael O’Sullivan as Business Systems Team Manager, Housing and Gateway/CDS.</p>
<p>Is there another way to achieve the same outcome?</p>	<p>No</p>
<p>How will the information be used? <i>e.g. to write a report</i></p>	<p>To undertake all works connected with Housing. The information will be used to assess/ support/ provide statutory services/ intervention and prevention to prevent homelessness. Processing waiting list applications for housing and housing allocations. Managing tenancies and rent accounts. Process Right to Buy applications. Managing Leasehold service charge accounts. Carry out repairs to housing’s properties. The information is also used for reporting and letters.</p>
<p>Do the individuals know and understand how their information will be used? If there are changes to their information does the privacy notice need to be amended?</p>	<p>Yes, through various application forms and robust conversations with individuals who access services within the department at the first point of access and through day to day contact with staffing across Housing.</p> <p>Housing’s privacy notice also mentions how their information can be used.</p> <p>Consent to share information is discussed and works alongside the other elements outlined above in this document.</p>
<p>How will it be stored, kept up to date and disposed of when no longer required? <i>e.g. stored in locked cabinet/securely shredded</i></p>	<p>Information is already stored on OHMS (housing management system) and is being used daily.</p> <p>All information and data will be electronic.</p> <p>OHMS sits in a secure environment in the London City Data Centre. Therefore secured within the LBCBAU network infrastructure and can only be access with a LBC laptop.</p> <p>All equipment holding data is securely disposed of at the end of its life.</p>

	<p>The disposal of data will be managed in line with the statutory retention across Housing by the Business Systems Team (BST/CDS).</p> <p>Retention schedules are in place for Housing and Asset Management as per the requirements of the Council.</p>
<p>How will you ensure data quality and data minimisation?</p>	<p>BST Housing and Gateway (CDS), leads and monitor data quality alongside Heads of Services and Housing Operation Managers. It is also the responsibility of the HOS / Operation Managers and all staffing collating and inputting data to be clear that data is an asset and that it is qualitative / accurate and timely.</p>
<p>Who will have access to the information within LBC? - <i>Include approximate number of users</i></p>	<p>This system will be used by Housing and Asset Management Staff where 540 individuals have access to the system</p> <p>It will also be accessed by other partners including contractors, council tax teams, housing benefit teams, ASB caseworkers, Choice based lettings and the Regeneration team.</p> <p>Some non-housing teams in the council may need to have access as part of joint working. Access to the system will go through for request and authorisation to the BST. Full details of the reason for access will be mandatory and information will be kept and reviewed by the BST.</p>
<p>Are there new or significant changes to the way we manage, use, handle or collect this information? - <i>Include any identified concerns for the individuals, would these changes heighten risks involved</i></p>	<p>No new or significant changes.</p>
<p>Will individuals within an existing database be subject to new or changed handling? - <i>If yes amendments need to be made to the privacy notice and these individuals need to be informed.</i></p>	<p>No</p>
<p>What are the internal arrangements for processing this information? <i>e.g. number of staff who will have access</i></p>	<p>There are currently 540 users of the existing case management.</p>

	The BST will be responsible for processing this information
How will the information be updated? <i>e.g. monthly check</i>	Data and information will be kept up to date on a daily basis throughout the work force as part of their day to day responsibilities to ensure accurate record keeping. System is a live data base and is constantly being updated.
Does the project involve the exchange of information outside of the UK and are there set standards for how the information will be treated? How will you safeguard international transfers?	No exchange of information outside of the UK will be taking place.
How will you prevent function creep?	Corporate Data protection procedures are provided to all new users of the system and relevant policies.

5 Assessment of the risks to the rights and freedoms of data subjects

You must describe the source of risk and the nature of potential impact upon individuals and identify any additional measures to mitigate those risks.

5a Security

Who will be responsible for the control for this information?	The BST on behalf of Housing in alignment with Corporate Croydon Digital Services (CDS) / Managers and all users of the system.
How will the access to this information be controlled?	Request Forms completed for Users that require access to the system by their line managers. BST/CDS review these and configure access as appropriate based on permission structure Regular audits carried out by BST/CDS to ensure usage is relevant and up to date and to ensure any issues are reported and followed up.
Is the data correctly managed to reduce the risk of collateral intrusion to the data subject?	Yes - BST/CDS will control permissions through relevant roles and profiles for access to the system. Monthly audit will inform accounts to be closed / use of the

	system etc. / built in auditing function/reporting within the system will be fully utilised.
Are there adequate provisions in place to protect the information? If so what are they? <i>e.g. Process, security</i>	System security measures including LBC network password controlled access, OHMS password controlled access, permission rights; access control list i.e. levels of access, draft data sharing agreement, auditing functionality to check individual record access.

5b Sharing

Who is the information shared with, why are we sharing the information with this organisation?	Please see LBC Housing Privacy Notice below on who we share information with and why;- https://www.croydon.gov.uk/democracy/data-protection-freedom-information/privacy-notices/housing-services-privacy-notice
What purpose does the information we are sharing have to the third party? - <i>Ensure that we only share relevant information and not excessively</i>	Please see LBC Housing Privacy Notice below:- https://www.croydon.gov.uk/democracy/data-protection-freedom-information/privacy-notices/housing-services-privacy-notice
Who will have access to the information, externally? - <i>Include approximate number of users</i> - <i>Describe any sharing arrangements and what the level of access is. It may help to produce a diagram to show the data flows.</i>	Axis - Repairs contractor, Repairs calls are handle by Axia contact centre – Data sharing agreement in contract. Mobysoft – Rent sense - Predictive analytic of rent arrears. Data sharing agreement exists. Home Connections – tenants and waiting lists applicants’ portal for bidding for properties. Data sharing agreement exists. Housing Associations – LBC nominations for housing. Hub solutions – Caseworks – Corporate ASB system. Data sharing agreement exists. Police, Social Workers.
How will it be transmitted to third parties and when? How often?	Secure Portals or egress secure emails. Information could be shared on a daily, weekly, monthly or annual basis dependent on Service area and on a need to know basis.
Is there a data sharing agreement in	Yes

place?	
At what stage will the information be transferred?	As above

5c Identified Risks and assessment:

You should take into account the sensitivity of the information and potential harm that inappropriate disclosure or use of the information could cause to any individuals concerned. You should also consider the reputational loss to the Council and the potential for financial penalties being imposed by the ICO.

To assess the level of risk you must consider both the **likelihood** and the **severity** of any impact on individuals. A high risk could result from either a high probability of some harm or a lower possibility of serious harm.

The severity impact level and likelihood should be scored on a scale of 1 to 10 with 1 being low severity and 10 high. The two scores should be **added** together. The RAG status is derived from the following scale:

Score:

- 15 to 20 = Red (High)
- 8 to 14 = Amber (Medium)
- Below 8 = Green (Low)

To be completed by Project Sponsor

Risk Identified	Severity of Impact	Likelihood of harm	Overall RAG rating
Provider is unable to meet our contractual requirements in relation to collection and processing of personal information. (Mitigation – contract will not be agreed and therefore no personal information transferred)	8	3	11 (Medium)
Information breach by Provider	10	3	13 (Medium)
Information breach by LA	10	5	15 (HIGH)
Information breach by External User	10	5	15 (HIGH)

6 Identify measures put in place to reduce risk.

You must now identify additional measures you could take to reduce or eliminate any risk identified as medium or high risk in step 5.

To be completed by the Project Sponsor

Risk Identified	Options to reduce or eliminate risk	Effect on Risk	Residual Risk	Measure Approved
		Eliminated / reduced / accepted	Low / medium / high	Yes / No
Information breach by Provider	<p>Robust procurement process conducted with appropriate due diligence checks completed via Systems Procurement Team.</p> <ul style="list-style-type: none"> Requirements and KPIs in contract Contract monitoring Staff training Secure technology, processes and protocols Immediate alert to LA of any breach 	<p>Reduced</p> <p>Reduced</p> <p>Reduced</p> <p>Reduced</p>	<p>Low</p> <p>Low</p> <p>Low</p> <p>Low</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
Information breach by LA	<ul style="list-style-type: none"> Secure technology, processes and protocols in place corporately. Restricted access to information, with regular review of permissions. Staff training on system and GDPR requirements. Accurate and current data recording ensuring all contact information is current. Regular monitoring and checks on process compliance. 	<p>Reduced</p> <p>Reduced</p> <p>Reduced</p> <p>Reduced</p> <p>Reduced</p>	<p>Low</p> <p>Low</p> <p>Low</p> <p>Low</p> <p>Low</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>

Information breach by External User	<ul style="list-style-type: none"> Secure technology, processes and protocols. 	Reduced	Low	Yes
	<ul style="list-style-type: none"> Data Sharing Agreement with all External Parties. 	Reduced	Low	Yes
	<ul style="list-style-type: none"> Communication package describing process and use of data. 	Reduced	Low	Yes
	<ul style="list-style-type: none"> Restricted access to information, with regular review of permissions. 	Reduced	Low	Yes
	<ul style="list-style-type: none"> Staff training on system and GDPR requirements. 	Reduced	Low	Yes
	<ul style="list-style-type: none"> Regular monitoring and checks on process compliance. 	Reduced	Low	Yes

Sign off and Record sheet

Item	Name/date	Notes
Measures approved by: Residual risks approved by:		Integrate actions back into project plan, with date and responsibility for completion. If accepting any residual high risk must consult ICO before going ahead.
DPO advice provided:	Sarah Kelly on behalf of the Data Protection Officer	<p>Summary of DPO advice:</p> <p>This project covers an extension of the term of the OHMS (Open House Management System) support and maintenance agreement between the Council and Northgate Public Services Limited. OHMS is a Housing Management IT system (although it does not cover management of the Council's housing assets). A new Housing Management IT system is being procured, with a target date to become operational by 31 March 2021. In the meantime, OHMS, the existing legacy system provided by Northgate, will continue to be required. This extension of the OHMS system support and maintenance agreement is required to ensure that OHMS is supported until the new system is procured and implemented.</p> <p>The project involves processing of a high volume of personal data and special category data including financial information, and health and vulnerability information. The data subjects include vulnerable adults and children. Processing of personal data will take place in the course of provision of the service. The lawful bases for processing are consent; contracts for the supply of services; compliance with legal obligations and public task in relation to provision of housing services and health and safety and safeguarding services, under relevant legislation, regulations, statutory guidance, and codes.</p> <p>The risks identified in the processing include the possible loss or data being wrongfully disclosed by the service provider. These risks</p>

		<p>will be mitigated through various safeguards as shown in the DPIA form, by limiting access to data, secure systems, training, and a data processing agreement. The service provider must also have relevant data protection policies and processes.</p> <p>Please note:</p> <ul style="list-style-type: none">(i) there must be a service agreement between the Council and the service provider on the Council's standard terms and conditions (I understand this is currently in place).(ii) whenever a data controller (in this case the Council) uses a data processor (in this case Northgate), there must be a data processing agreement in place. There should therefore be a data processing agreement between the Council and Northgate on the Council's current terms, which is approved by Legal. Legal should therefore review the service agreement, existing data processing agreement, and any other agreements between the Council and Northgate containing provisions covering data protection compliance, to ensure that these contain the Council's current terms. The data processing agreement must require the service provider to have data processing agreements with relevant third party sub-processors.(iii) consent will be one of the legal bases for the processing of the service users' personal data. The consent form/s provided to service users should be approved by Legal, if these have not previously been reviewed for GDPR compliance, or if the scope of the processing has changed since that
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		<p>review was conducted.</p> <p>(iv) your department and ICT should review and consider the service provider's current security and technology policies, and reputation, and be satisfied the provider is able to deliver a secure and compliant system and service.</p> <p>(v) the DPIA form states personal data will not be processed outside the UK. If there are proposals to share or otherwise process any of the service users' data outside the UK, advice should be obtained from Legal to ensure this processing complies with applicable data protection legislation.</p> <p>I consider these safeguards adequate to protect data subjects from risks of personal data breach. I am therefore happy for the processing to proceed.</p> <p>In view of the severity of the impact of the risks, I will advise that the items mentioned in this advice are implemented within two months of the date of this DPIA. If the service changes for example, if the service is provided with a wider scope, a further DPIA should be undertaken in light of the change of circumstances (or this DPIA should be reviewed and further DPO comments provided). The DPIA and data processing agreement, and any other agreements containing data protection provisions, should then be reviewed annually during the tenure of the service agreement, and if any changes are required please consult with the Information Management Team regarding updating the DPIA.</p> <p><i>(DPO should advise on compliance, measures to mitigate risk and whether processing should proceed)</i></p>
Consultation responses		If your decision departs from individuals views

Information Management Team: **Data Protection Impact Assessment**
Version 2:0

reviewed by:		you must explain your reasons.
DPIA to be keep under review by:		

If you require further guidance to complete this DPIA please contact:

Information Management Team (IMT)

Ext: 47777

Email: information.management@croydon.gov.uk

Data Protection Officer

Email: DPO@croydon.gov.uk