

For General Release

REPORT TO:	CABINET MEMBER FOR FINANCE & RESOURCES
SUBJECT:	ICT Services Implementation Delivery Partner Contract Award
LEAD OFFICER:	Julia Pitt, Director of Gateway & Welfare Services
CABINET MEMBER:	Councillor Simon Hall, Cabinet Member for Finance and Resources
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

To ensure fit for purpose ICT services, which are aligned to the organisation and Borough needs are critical to support and enable key services. Technology continues to develop at pace and provides significant opportunities to assist the council, its partners and the community.

The ICT strategy looks to ensure that the right technology is provided to all Council services. It looks to ensure we have flexible and efficient services which can evolve to meet local challenges and maximise the opportunity for innovation, utilising the right mixture of local skills and major providers.

The Council has recently awarded two contracts to provide ICT Systems; Servelec for Education and Liquidlogic for Adults and Children. The procurement of these contracts supports the Councils Corporate priorities to:

- Provide value for money to its residents, through the redesign and recommissioning of ICT services.
- Provide high quality information, advice and guidance to support people living healthier lives and improve overall wellbeing.
- Support older and disabled people to live independently for as long as possible
- Work with partners to provide more integrated healthcare and support in local communities
- Increase the number of people using direct payment to support their care
- Work with our partners to ensure children and vulnerable adults are protected from harm, abuse and exploitation through effective and efficient safeguarding processes and procedures

FINANCIAL IMPACT

There will be a cost to the Council for the provision of this service over the contract period of two years and three months (including extension options). The detailed impact is defined in Part B.

These costs are within the budget parameters set out in the Procurement Strategy (CCB1410/18-19) and will be funded from the existing capital budgets held within the ICT and People Departments.

KEY DECISION REFERENCE NO.: This is not a Key Decision as defined in the Council's Constitution.

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

1. RECOMMENDATIONS

- 1.1 The Nominated Cabinet Member for Finance & Resources, in consultation with the Leader of the Council, is recommended by the Contracts and Commissioning Board to approve the award of a contract for ICT Services Implementation Delivery Partner to the supplier named in the Part B report for an initial contract term of three months with four further options of six months for a maximum contract value as stated in the Part B report.
- 1.2 The Nominated Cabinet Member for Finance & Resources, is to note the Contracts and Commissioning Board has approved the waiver under the Councils Tender and Contracts Regulations 18 and 27d to delegate the approval of enacting each of the six month extension periods to the Executive Director of Childrens, Families and Education and the Executive Director of Health, Wellbeing and Adults in consultation with Chair of the Contracts & Commissioning Board.
- 1.3 The Cabinet Member for Finance & Resources is asked to note that the name of the successful supplier and price will be released once the contract award is approved.

2. EXECUTIVE SUMMARY

- 2.1 This report seeks approval of the award of contract for an ICT Services Implementation Delivery Partner to assist the Council to implement an integrated IT solution for Children's and Adults social care and an Education Management system. This approval includes all work required by the Council to finalise and enter into the contract with the approved Bidder and all ancillary documentation and activities.
- 2.2 The procurement strategy was approved by the Contract and Commissioning Board on 18 October 2018 reference CCB1410/18-19. The procurement was via a competitive process using the Crown Commercial Services (CCS) G-Cloud framework.
- 2.3 The contract term will be for up to a total of two years and three months, including all extensions, for the initial system implementation and mobilisation plus ongoing operational support. The extensions to the contract enable a

review at the end of each phase but it is important that the extensions are invoked at pace to ensure that the project stays on track. A waiver was therefore requested of Regulations 18 and 27d to enable a fast track approach for the extensions to be approved as stated in the Recommendations.

- 2.4 The contents of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
17/01/2019	CCB1452/18-19

3. Background

- 3.1 Following the procurement of an integrated Childrens and Adults Social care and an Education Management systems, and as outlined in the CCB report CCB1410/18-19 (RP2), the work required for the implementation of the ICT Systems required a Systems Implementer (Delivery Partner). This would significantly mitigate the risk of rising costs as well as slippage of implementation timescales.
- 3.2 Although wherever possible work will be undertaken in-house, there will still be a need for engaging specialist technical resources. Procuring a Delivery Partner is also more likely to avoid downtime, provide more specialist skills and knowledge and ensure we get value for money from investment in new systems.
- 3.3 Experiences of other Local Authorities has also highlighted the importance and benefits of engaging specialists experienced in the delivery of: migration and cleansing, business processes and work flows, improving staff skills and building resources around existing staff.
- 3.4 The Delivery Partner will be required to deliver the following outcomes:
- Successful cleansing and migration of information from legacy to new systems in an accurate and timely manner.
 - Agreement of Business Processes and work flows developed.
 - Finance workflows developed and implemented to include bills and payments.
 - Improving skills by building resources around existing staff.
 - Infrastructure embedded.
 - Delivery of systems integration.
 - Best value through ensuring the most efficient migration and implementation approach available.
- 3.5 The People's ICT Programme team will provide the governance and outcomes management in order to coordinate delivery within agreed timescales which will include a Program Manager, Project Managers and program management office support. Each implementation will include resources for data cleansing,

subject matter experts, learning and development and migration. Liaison with internal ICT team and the system providers will be included.

- 3.6 The contract will be structured to reflect the four phases of the implementation programme and the first three month term will enable the Analysis phase to be delivered. The following six monthly extensions allow for the remaining three phases to be delivered with a final six month extension for contingency. This means that the contract can be allowed to expire after each phase.

The Procurement:

- 3.7 In accordance with the agreed procurement strategy, the CCS G-Cloud framework was used where three potential Suppliers were identified following a search of the framework using the framework search and filter facility. The identified suppliers matched the search and filter undertaken in accordance with the framework guidance. The CCS G-Cloud framework is a pre-bid compliant route to market.
- 3.8 The standard approach for G-Cloud was then followed with the Service Descriptions and Service Definitions for each Suppliers offerings being reviewed against the Council's requirements and areas for further clarification identified.

Clarification Questionnaire

- 3.9 A clarification request for services and pricing was developed and issued to the three suppliers via the London tenders Portal on 24 September 2018.
- 3.10 Two responses were received from the selected three Suppliers by the closing date of 8 October 2018. The third Supplier did not bid as they are part of the same group as one of the bidders.
- 3.11 The responses were evaluated by a panel of officers including Heads of Service from Adult Social Care, Children's Social Care, Education, ICT and Procurement.

Evaluation Method

- 3.12 As set out in Table A, the Council's standard evaluation criteria of 40% qualitative criteria and 60% pricing criteria was used.

Table A:

Criterion	Weighting
Quality	40%
Pricing	60%
Total	100%

3.13 As set out in Table B, the quality criteria was further sub-divided as follows in line with the G-Cloud standard approach:

Table B:

Section		Weight
Technical Competence: <ul style="list-style-type: none">• Essential skills and experience• Nice-to-have skills and experience• The submitted proposal	Service Definition Clarification Questions 1, 2, 3, 4, & 7	50%
Cultural Fit: <ul style="list-style-type: none">• How the supplier works with other people• How the supplier solves problems• The supplier's approach to making decisions• How the supplier shares knowledge and experience• The supplier's attitude to making mistakes	Service Definition Clarification Questions 5, 6 and 8	38%
Social Value	Question 9	10%
Early Payment Programme	Question 10	2%
TOTAL QUALITY		= 100%

3.14 The standard G-Cloud scoring methodology, as outlined below, was used to score the supplier responses.

Table C

How G Cloud Offering will be scored		
Score	Rating	Details
1	Poor	G Cloud Offering only partially meets the Council's requirements.
2	Adequate	G Cloud Offering meets the Council's requirements.
3	Good	G Cloud Offering meet the Council's requirements and offers additional benefits in terms of functionality, scalability or level of support.

3.15 The Suppliers responses were evaluated and scored following which they were invited to clarification presentations on 15 and 21 November 2018 to ensure that there was a complete understanding of bids. Further clarification questions were also raised via the London Tenders Portal.

3.16 Each Supplier's scores were then further reviewed based on any additional information and clarification provided at the presentations.

Price evaluation method

3.17 The tendered prices were evaluated based on Whole Life Costs (WLC). WLC assessment considers:

- Full term of the contract
- Bidder's price
- Cost or estimated cost of provision of other services to deliver the scope

3.18 Scores were awarded on the basis of:

- Awarding the bidder with the lowest WLC the maximum score of 60%.
- Awarding scores to the other bidder on a pro/rata basis based on percentage variation.

3.19 Given the value of the contract bidders were asked to provide a bond (or other guarantee).

High Level Scores

Table D Quality Evaluation

Criteria		
	Bidder 1	Bidder 2
Weighted Score Technical Competence	35.56%	38.89%
Weighted Score Cultural Fit	30.26%	29.56%
Social Value	6.67%	3.33%
Premier Supplier Program	1%	0
Total Unweighted Score	73.48%	71.78%
Weighted Score (40%)	29.39%	28.71%

Table E Pricing Evaluation

Cost	Bidder 1	Bidder 2
Total	60%	54.70%

Table F Final Combined Evaluation Scoring

Section	Bidder 1	Bidder 2
Quality	29.39%	28.71%
Cost	60%	54.70%
Total	89.39%	83.41%

Recommendation:

- 3.20 Based on the above it is recommended that Bidder 1 is awarded the contract for ICT Services Implementation Partner. Details are contained within the Part B report.

4. CONSULTATION

- 4.1 Considerable consultation has taken place with staff and Directors in relation to this procurement. Directors and Heads of Service for Adults, Children's, Education and the Business Systems team have been involved from the start of the process and in the evaluation.
- 4.2 Other local authorities were consulted on their experiences of implementation including procuring additional resources and processes.
- 4.3 The procurement and implementation programme agreed the procurement of a delivery partner this was endorsed by all services including Corporate ICT.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Please see Part B report.

5.2 Revenue and Capital consequence of report recommendations

As detailed in Part B

5.3 The effect of the decision

The contract award commits the Council to contract expenditure as detailed in Part B

5.4 Risks

The risks are summarised in the table below.

No.	Risk	Potential impact	Controls / Commentary
1	Resources – unable to recruit satisfactory resource with knowledge, experience and skills to deliver the programme	Programme stalls – delivery of procurement programme fails	Resource plan has been developed Migration Lead recruited. Procure specialist experienced skills for tasks with outcome-based contracts.
2.	Unknown data quality across services	Inaccurate/incomplete data will impact the time taken for implementation	The planned programme costs identify a significant level of expenditure on data cleansing which will prepare the foundations for a successful implementation
3.	Capita Resource requirements	If not aligned – a protracted implementation will ensue. Mobilisation not on time. This in turn will impact on managing and forecasting costs	Weekly update and planning meetings with Capita, ICT and Business Systems Team. Fortnightly senior HOS meetings to mitigate any risks for lack of join up. Further develop implementation plan in line with the ICT Sourcing Strategy.
4.	Alliance – APA. ICT Systems timeline / development /links	The Children & Adult and Alliance systems will not be able to integrate to allow automated exchange of information	Programme team and corporate ICT are members of the OBC ICT group in order to identify touch points and opportunities for alignment

5.	Data migration requires significant resource and skills expertise	Information does not migrate over in a timely manner. Critical path timescales slip.	Ensure detailed mapping and migration plan completed. Ensure migration is fully resourced to avoid slippage.
6.	Contractor cannot deliver to contract either due to performance issues, staff availability or insolvency.	Implementation is not delivered or severely delayed	Ensure contract is outcomes based and monitored regularly. Incorporate contract monitoring clauses and practices.
7.	If different suppliers successful in procurement then they will have dependencies relating to each other's projects.	Implementation is delayed	Programme team to manage dependencies and develop methods for suppliers to work together
8.	The Implementation Partner and the System supplier(s) do not agree on implementation and migration timescales.	Dispute between suppliers and potential delays in delivery.	Programme team to manage relationships and outcomes and advise ways to resolve concerns in the interests of the business.
9	There are a number of ICT programmes and changes happening and planned to happen during the implementation period for this programme.	Conflict of resources and potential delays. Resources not available.	Programme team to establish regular liaison meetings with ICT colleagues and other programmes to ensure awareness and agreed plans.

5.5 Options

Alternative options were considered and set out in the Procurement Strategy report dated 18 October 2018 reference CCB1410/18-19.

An assessment was made of the costs of running the service via individually sourced contractors which showed that, for this procurement, the cost would be lower. There are also longer term benefits such as access to skilled resources and expertise.

5.6 Future savings/efficiencies

The activity proposed is in order to pursue the efficient and timely implementation of systems procured required for contractual compliance purposes and to improve services. It is therefore not a savings project.

Approved by Flora Osiyemi, Head of Finance (Place, Gateway, Engagement & Strategy)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 There are no additional legal implications directly arising from this report.

Approved by: Sean Murphy, Head of Commercial and Property Law & Deputy Monitoring Officer, on behalf of the Director of Law and Monitoring Officer

7. HUMAN RESOURCES IMPACT

- 7.1 There are no direct human resources implications for Council employees arising from this report. However, as part of the implementation, there may be a need to review and/or consider workforce changes in the future. If this is the case, then the Council's existing policies and procedures will be observed and HR advice sought at an early stage.

Approved by: Debbie Calliste, Head of HR (Health, Wellbeing and Adults Department lead) on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 None identified. No further equality analysis is required

9. ENVIRONMENTAL IMPACT

- 9.1 There are no environmental impacts arising from this procurement.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no crime and disorder impacts arising from this procurement.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

The Strategy for this procurement was agreed by CCB on 18 October 2018 and the procurement approach has been followed. The recommendation to award this contract is based on value for money for the Council based on agreed evaluation criteria and meets service requirements.

12. OPTIONS CONSIDERED AND REJECTED

No other options were identified for consideration.

CONTACT OFFICER:

Name:	Helen Gregson-Holmes
Post Title:	Programme Manager – ICT Procurement Programme
Telephone number:	63964