

REPORT TO:	Cabinet 18 November 2019
SUBJECT:	People's Systems Implementation Resources (Delivery Partner) for implementation and improvement – VARIATION
LEAD OFFICER:	Jacqueline Harris Baker Executive Director of Resources Neil Williams Chief Digital Officer
CABINET MEMBER:	Councillor Simon Hall Cabinet Member for Finance and Resources
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

The provision of ICT case management systems supports the councils priorities to collaborate across the borough with the voluntary sector, public services, business and community groups to create a seamless system of information, engagement and service delivery.

FINANCIAL IMPACT

The proposed contract extension and variation will be for ten months from 1st October 2019 until 30th September 2020(Go-Live date). This extension to the current contract will be funded from the existing budgets for the People's System Review Programme that are now held within the Croydon Digital Services. The total anticipated cost of the ten months extension will be £599,648. Giving a total contract value of £1,060,480

FORWARD PLAN KEY DECISION REFERENCE NO. 3719FR

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 Member for Finance and Resources the power to make the decisions set out in the recommendations below.

1. RECOMMENDATIONS

- 1.1. The Cabinet Member for Finance and Resources in consultation with the Leader is recommended by the Contracts and Commissioning Board to approve the variation of the People IT Systems delivery partner contract with Albany Beck Ltd in accordance with Regulation 30 of the Council's Tenders and Contracts Regulations for an additional contract period expiring 30th September 2020 for an increased contract sum of £599,648 and a new maximum contract value of £1,060,480.

2. Executive Summary

- 2.1 A procurement was undertaken in 2018 to obtain the specialist resources with the right skill set and experience to deliver the implementation of newly acquired ICT Case Management Systems for Adults Social Care and Education.
- 2.2 A variation to that contract is now required. There is a need to retain the delivery partner to complete Business Process and finance workstreams, as these are the most complex areas of the programme and will deliver the main configuration of the Liquidlogic Adults System and the ContrOCC finance system. This will enable the configuration of the Adult Social Care systems (LAS and ContrOCC) to be completed and for the systems to go live on the scheduled dates, whilst transferring knowledge and experience to Croydon Digital Services teams, meaning that any further implementation work can be undertaken by in-house staff.
- 2.3 Due to the support required for both of these workstreams a further variation to the original contract with Albany Beck is necessary to allow the completion of this work at a further cost of £599,648. This together with the original variation of £460,832 will exceed the original contract value of £607,156 by £453,324, however the additional monies have been included in the overall programme budget, so will not require additional money to be found.
- 2.4 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1522/19-20	24/10/2019

3. Detail

- 3.1 In accordance with the agreed procurement strategy, CCB Ref: 1410/18-19, the CCS G-Cloud framework was used where potential Suppliers (Delivery Partners) were identified following use of the framework search and filter facility. The search and filter was undertaken in accordance with the framework guidance. The CCS G-Cloud framework is a pre-bid compliant route to market.
- 3.2 The standard approach for G-Cloud was then followed where the Service Descriptions and Service Definitions for each Suppliers offerings was reviewed against the Council's requirements and any areas for further clarification were identified.
- 3.3 A delivery partner was not required to help with the implementation of the additional functionality procured for the Children's Social Care Case management system as the Children's Business Systems Team already have the skills and experience needed to undertake this work.
- 3.4 Following the procurement process, the subsequent contract was awarded in January 2019 (Cabinet Ref 0419FR) to Albany Beck as a Delivery Partner for the implementation of Liquidlogic Adult Social Care system (LAS) and associated

finance system (ContrOCC), together with the implementation of Servelec's Synergy Education system.

- 3.5 The contract was broken down into 4 distinct phases with gated processes built into progression between phases. The contract award was for £607,156 for the following:

Phase 1 – Analysis

Phase 2 – Design

Phase 3 – Implementation

Phase 4 – Improvements

- 3.6 The overall contract value of £607,156, which was based on the original scoping, was determined on the basis of all phases (1 to 4) being completed but with substantial input and activity from the in-house team. This has however proven to be a challenge and far more work has been required of the Delivery Partner as the in-house teams have been unable to undertake all the anticipated activities (more so in respect of the Liquid logic system which covers both Children's and Adults going forward. This led to Phases 1 and 2 costing £460,832, compared to £41,010 stated in the award report. This is the total expenditure to date.

- 3.7 A contract variation was agreed by CCB on 28/06/2019, CCB ref: CCB1500/19-20 which covered phase 1, allowed phase 2 to begin and agreed to the increased costs. This was approved with the direction that Croydon seek to re-procure other implementation resources for phases 3 and 4.

- 3.8 The impact of that decision however was not fully understood at the time as the information needed to define the requirements for phases 3 and 4 was to be informed by work undertaken in Phase 2. This has only recently started to be established, the outcome of which is:

Phase 2 is scheduled to end in October 2019 meaning there is insufficient time to complete the requirements for phases 3 and 4, undertake a procurement and award a contract without activity being paused until that process is completed

Due to the level of involvement already undertaken, it would be a high risk to the project if Croydon chose to re-procure at this stage and disengage from the current Delivery Partner, particularly for the Adult Social Care implementation

It should be noted that initial discontent with Albany Beck has largely disappeared within Adult Social Care due to the work being sub contracted to BetterGov who have since proven to be regarded as trusted by the Adults service.

Workstreams

- 3.9 During the Analysis and design phase, it was established that all functionality in the Adults Social Care system would go live in September 2020, but that the Education system would be implemented module by module over a period of two years.
- 3.10 The implementation of the Adults Social Care System would be broken down into a number of workstreams as shown below.

Workstream	Description
Data Migration	Migrate data from existing systems and spreadsheets to the Liquidlogic and ContrOCC systems
Business Processes	Identify all the business processes within Adult Social Care that need to be supported by the LiquidLogic system, document them, identify how the new system should be configured and configure it so that business processes are supported by the new system.
Finance Processes	Identify all the Adult Social Care finance processes that need to be supported by the new finance system (ContrOCC), document them, and configure the new system to meet them. This includes interfaces to corporate finance systems.
Reporting	Develop a reporting strategy, identify reporting and management information requirements and then develop those reports.
Training	Undertake a training needs analysis to identify the training required by ASC staff to use the system. Develop training programmes and materials, ensure all staff are trained.
Interfaces	Identify all required interfaces between the new systems and other systems used across the council and its partners.

Immediate Issues

- 3.11 The delivery of the business process workstream and Finance workstreams are a critical step in the implementation timeline. Liquidlogic work to a strict process and timetable and require the council to provide business processes to allow them to configure system workflows. (This is not such an issue for Education). Adult services need support in developing the processes in order to meet the deadlines for the implementation of Liquidlogic. The service has established a good working relationship with Albany Beck project team and the project is currently progressing well.
- 3.12 Initiating a tender at this stage to commission another or even re-commission the same Delivery Partner will result in the Liquidlogic timetable being missed. The implications of not delivering to that timetable will result in:
- Projected savings from software licences in the new system will be reduced or missed
 - Implementation of improved processes within Adults Social Care being delayed
 - Delays in delivering functionality to support One Croydon Alliance
 - Delays to improvements in payments processes to Providers
 - Delays to improvements in undertaking financial assessments

Resource Proposal

- 3.13 Different approaches are being taken towards the Liquid Logic Adults Social Care and Education systems implementation.
- 3.14 Adults will implement the whole system at once, which is scheduled to go live in September 2020 whilst Education is being implemented module by module. The first modules go live in April 2020 and the whole system is due to be live by the end of May 2021.
- 3.15 Education – will retain the Delivery Partner for phase 2 and re-scope for the remainder of the programme to allow the implementation to be delivered through a hybrid of Croydon Digital Resources, contractors and in-house staff.

3.16 Adults– The proposal is to retain the recent contract variation for phase 2 of the Delivery Partner contract in the amount of £378,300 as:

- We are already contractually committed to this
- Planning of all workstreams will be completed in this phase
- The first round of configuration and data migration for systems will be completed in this time period
- There is a need to retain Albany Beck for the remainder of the Business Process and finance workstreams, as these are the most complex areas of the programme and will deliver the main configuration of the Liquidlogic Adults System and the ContrOCC finance system.
- Due to the support required for both of these workstreams a further variation to the original contract with Albany Beck is necessary to allow the completion of this work at a further cost of £599,648. This together with the original variation of £460,832 will exceed the original contract value of £607,156 by £453,324, however the additional monies have been included in the overall programme budget, so will not require additional money to be found.
- This will enable the configuration of the Adult Social Care systems (LAS and ContrOCC) to be completed and for the systems to go live on the scheduled dates, whilst transferring knowledge and experience to Croydon Digital Services teams, meaning that any further implementation work can be undertaken by in-house staff. The result being we will not require the services of a Delivery Partner beyond the end of this contract extension, so there will no longer be a need for phase 4 of this contract as those activities will be conducted by in house resources including any configuration needed for the Children's modules.

4. CONSULTATION

4.1 The new approach has been discussed and agreed with Croydon Digital Services and the Senior Responsible Officers for Adult Social Care and Education whom are all supportive of the proposals with the understanding that potential risks will be mitigated.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2019/20	2020/21	2021/22	2022/23
	£'000	£'000	£'000	£'000
Capital Budget available				
Expenditure	9,033	2,014	1,521	0
Effect of decision from report				
Expenditure	0	0	0	0
Remaining budget	9,033	2,014	1,521	0

5.1 The total approved Peoples ICT programme budget is £12,568m up to 2021/22, with current annual allocations as set out in the table above. There will be no financial implications arising from the proposed contract variation to Albany Beck, which increases the contract by £599,648 to a total of £1,060,480. The 10 months contract extension will impact the profiling of the 2 years 2019/20 and 2020/21 but this can be contained within existing budget allocations.

5.2 The effect of the decision

The implementation of this strategy for the extension and variation of the contract for the Delivery Partner to continue with the Business Process implementation of the ICT case management systems for Adults. It will commit the council to a 10 months contract extension at an estimated cost of £599,648 that will be met from existing People ICT Programme budget.)

5.3 Risks

1	Supplier looks to increase charges for extension.	The Delivery Partner agrees to the ending of the contract at the end of the Go-Live date. Contingencies included in the projected costs
2	Lack of expertise to complete implementation	Use of external contractors with relevant experience and skills
3	The implementation is not	Highlight key dates and milestones and

	delivered in time.	allocate responsibility.
4	Lack of funding to progress activities needed to achieve key dates.	Outline resource profile developed. Business case developed to secure funding to deliver implementation.
5	The variation does not comply with the provisions of Regulation 72 of PCR as the value exceeds 50% of the awarded contract value. Risk of challenge	If challenged by a third party in this respect there is a risk that the contract might be found to be ineffective. The variation is required for technical reasons under Reg 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
6	Management of delivery partner resource usage against contract	Resource usage is monitored through fortnightly meetings with the CDS programme manager. It is also reported within the monthly highlight reports that go to the project board and CDS Digital Strategy Board. Any variations or out of scope work have to be quoted for against contingency and agreed by the programme manager, SRO and the project board before they are allowed to proceed.

5.4 Options

The variation and extension is required to ensure the project can be delivered within the new system providers implementation timeline

5.5 Future savings/efficiencies

A Statement of Works has been negotiated with the current supplier for the contract variation and extension. The aspects of work being brought in-house are: Reporting, Health and Social Care Integration, Data Migration Infrastructure and Training for the Adult Social Care project and delivery of the whole Education project.

Approved by: Ian Geary Head of Finance, Resources & Accountancy

6. LEGAL CONSIDERATIONS

6.1 Legal issues are as referred to in the report

Approved by: Sonia Likhari on behalf of Sean Murphy, Director of Law and Governance and Deputy Monitoring Officer

7. HUMAN RESOURCES IMPACT

7.1 I confirm HR authorisation and that there are no immediate HR issues arising from this report for Croydon Council employees or staff.

Approved by: Gillian Bevan Head of HR Resources on behalf of Sue Moorman, Director of Human Resources

8. EQUALITIES IMPACT

8.1 No discernible impacts identified as a result of this strategy. An initial Equality Analysis has been completed and a full analysis will be required as part of the commissioning process.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

9.1 No discernible impact identified as a result of this strategy

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no direct crime and disorder impacts identified as a result strategy

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The variation for extension is required in order to allow for the continuation of the work required for the implementation of the new ICT Adults Social care and Education case management systems.

12. OPTIONS CONSIDERED AND REJECTED

12.1 No other feasible options have been identified. To stop the extension into phase 2 would mean the implementation being stalled and timelines not being met.

13. DATA PROTECTION IMPLICATIONS

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

YES

The delivery partner will be processing personal data as part of their core duties, but will have to process Adult Social Care data within the new system as part of their work to test that data has been migrated successfully and that the system has been configured correctly.

Once the system is live, the delivery partner will not be involved in processing personal data.

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

Yes

The Chief Digital Officer of CDS comments that Information Management have reviewed the DPIA and there are no major issues. Some risks have been identified, which the implementation of the project will need to mitigate.

Approved by: Neil Williams Chief Digital Officer

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APPENDICES TO THIS REPORT:	Appendix 1 – DPIA
BACKGROUND PAPERS:	N/A