

EXECUTIVE

17th August 2023

Report Title	Education Case Management System Procurement and Implementation Business Case
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Lead Member	Cllr Scott Edwards, Executive Member for Children, Families, Education & Skills

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

List of Appendices

None

1. Purpose of Report

- 1.1 The purpose of this report is to advise the Executive as to the options available to procure and implement a new Education Case Management Systems (ECMS) for North Northamptonshire Council (NNC).
- 1.2 The report also seeks, via recommendation to Full Council, that the funding for the one-off implementation costs of the project be made through reserves and the inclusion of the ongoing annual revenue costs be included in the Medium Term Financial Plan (MTFP) from 2024/25 onwards. This is a variation to the budget agreed by Council in February 2023.
- 1.3 Finally the report seeks delegated authority to the Executive Member for Education, in consultation with the Executive Director of Children's Services, to take any further decisions and/or actions required to procure a new ECMS for NNC and award and enter into a seven (7) year contract, comprising an initial

term of four (4) years with option to extend for a further three (3) years (in increments of two (2) years plus one (1) year).

2. Executive Summary

- 2.1 This report outlines the current position, the scope, timeline and costs of the project, and the anticipated benefits that will be achieved through the delivery of the project.
- 2.2 The Council is committed to delivering a high-quality education service so that children and young people can flourish and reach their potential. We are working with partners to provide support to families and we striving to ensure that education and children's services are accessible to all. Underpinning an effective service is a case management system that provides the foundations for effectively managing the service, facilitates closer partnership working, performance management, quality assurance and statutory reporting.
- 2.3 The current case management system has been in place for a number of years and the current contract ends on 31st March 2024. It is appropriate for the Education service to investigate the market and to procure and implement an ECMS, using an existing framework as the procurement route and working closely with the procurement and legal teams to ensure a compliant process is followed.
- 2.4 The proposed contract duration is up to seven (7) years on a four (4) year, with option to extend for a further three (3) years (in increments of two (2) years, plus one (1) year), allowing for the consideration of alternative options to be in place after four (4) years, if required. The cost of the proposed contract is estimated as £1.820m over seven (7) years (annual maintenance and implementation costs). The total one-off cost of £1.362m, which includes supplier implementation and internal resources, are to be met through the Transformation Reserve. The ongoing annual revenue costs for the new ECMS to be included in the Medium Term Financial Plan (MTFP).
- 2.5 The proposal is to procure a system and the implementation to be complete by the end of Quarter 3 2024.

3. Recommendations

- 3.1 It is recommended that the Executive:
- a) Approve the commencement of the procurement process to purchase and implement an ECMS for NNC
 - b) Recommend to Full Council:
 - The approval of the use of the Transformation Reserve to fund the one-off implementation costs of £1.362m.

- Approve the inclusion of the ongoing annual revenue costs (£131k in 24/25 and £142.5k in 25/26) for the new Education Case Management System to be included in the Medium-Term Financial Plan (MTFP).
- c) Delegate authority to the Executive Member for Children, Families, Education and Skills, in consultation with the Executive Director of Children’s Services, to take any further decisions and/or actions required to conclude this procurement, implement the system and deliver this project, including but not limited to awarding and entering into a contract for an ECMS.

3.2 Reasons for Recommendations –

- Expiry of the incumbent contracts – the current system contracts expire in April 2024.
- NNC will gain significant benefits from an ECMS. Levels of service to Children, Young People, parents and carers will be improved, and process efficiencies implemented.

3.3 Alternative Options Considered –

- Do nothing.
- Apply for a variation with the current supplier, subject to this option being available under the current contract and such modification satisfying the Public Contracts Regulations 2015.
- Reprocure the current system through a direct award
- Build a bespoke system for the Education Service

3.4. All of the alternative options shown above have been discounted as they do not provide an effective solution, for reasons set out in section 5 of this report.

4. Report Background

4.1 The commitment of the Education Service at North Northamptonshire Council is to deliver better, brighter futures, though caring for our young people, providing them with a high-quality education and opportunities to flourish.

4.2 The service works to provide opportunities and an education to children and young people that is equal for all, no matter background, family circumstances, or need. The aim is to support learning that enables children and young people to thrive, by protecting the vulnerable and ensuring the delivery of excellent standards of education, which helps them achieve their potential.

4.3 Working with our partners including schools, social care and health, the service provides support to children, young people, parents, carers through the provision of services by a number of teams such as School Admissions, Free

School Meals, SEND, Early Years, Virtual Schools and SEND. All require different functionality from a system, and therefore individual, be-spoke modules, while building 'one-view' of the child or young person.

- 4.4 The Education Service at the Council currently uses the Capita One Education Case Management System. The current contract for the system expires 31st March 2024. As the current system has been in place in both the former Northamptonshire County Council and North Northamptonshire Council for a number of years, it is at a point where we need to reprocure, in order to adhere to public procurement rules, and to provide transparency and assurance around the procurement procedure. A case management system is essential to delivering an effective and efficient education service, it is therefore the proposal to procure a system and the implementation to be complete by the end of Quarter 3, 2024.
- 4.5 The Capita One Education system was originally procured by the former Northamptonshire County Council, and has been utilised for over 20 years, however, since 1st April 2021 the system has been split between NNC and WNC, with NNC being the contract holder and WNC being a named affiliate.
- 4.6 Over this period of time there have been changes to education statutory requirements, significant developments in IT systems, digital expectations and the importance of reliable data.
- 4.7 Under development of the current system by the Authority on an ongoing basis, therefore staff have become reliant on creating processes and holding data outside the system, there is little integration with other IT systems, forms require a significant amount of re-keying and work outside Capita One, reporting is difficult and requires specialist staff to support.
- 4.8 These constrain, the ability to have one, complete, view of the child, which hampers effective customer service, support for children and young people, staff well-being, as well as process efficiencies and delivery of statutory functions that a fully supported, integrated, effective system can offer our customers, partners and staff.
- 4.9 A new system will not only provide benefits for the Education Service, by providing the opportunity of refining processes and efficiencies but also corporate improvements and efficiencies will be achieved. These include:
 - A reduction in corporate complaints as parents and carers will have more direct access to Education staff, documentation and communication through a digital portal.
 - Reduced telephone calls to Customer Services as communication and efficiency by staff in the service is improved.
 - Improved financial controls as all Education expenses and charges are recorded and systems are integrated.

- 4.10 The end of the current contract has presented the opportunity for the Education Service to investigate the market currently, allowed consultation with other Local Authorities, staff and stakeholders, and consideration of efficiencies that can be achieved through a transparent procurement process to implement a case management system. Soft market testing and research has taken place in preparation for the procurement and implementation of the system. All viable options have been explored to consider efficiencies while delivering an improving, sustainable system. This has helped the service understand the market, the needs of the users and customers and improvements that the teams want to make to deliver a improving service.
- 4.11 Children's Services will work closely with colleagues within Legal Services, Procurement, Finance and ICT to support the effective delivery of any new system.

5. Issues and Choices

- 5.1 There are several options for the way forward. These are now examined in detail.
- 5.2 **Do Nothing** - There is the option to continue to maintain the current system however, this is not considered feasible. Once the contract for the current system has ended access to the database would cease as it is cloud hosted by the supplier. The risk to the service and the Council is the loss of accessible data and an unsustainable service.
- 5.3 **Apply for a variation with the current supplier** – To apply for modification of the existing contract. It is not possible to extend the current contractual arrangement, which has been procured through a framework via further call-off as the relevant framework has now expired. Call-off/specific contracts let under a framework can continue beyond the expiry of that framework, however the availability of variation to extend the term will be determined by (i) the option being available in the existing contract, and (ii) whether the proposal is lawful under the Public Contracts Regulations 2015. This would not allow for an open, competitive tender process, and may be open to challenge from other suppliers, if points (i) and (ii) above are not satisfied.
- 5.4 **Procure the ECMS through an existing framework via Direct Award** - Using a compliant framework agreement. Whilst a Direct Award is a compliant route to market, it may not be the most competitive route to market and may not provide value for money.
- 5.5 **Build a bespoke system for the Education Service** - This would allow the Council to design a new system based on its needs. However, there would be significant resource constraints in doing so and it would require skills not currently available within the Council. Furthermore, it could take a significant time to build a system and would prove a higher risk to implement and maintain.

- 5.6 **Commence a procurement process** through an existing framework via a mini-competition process, to purchase and implement a software product that is available on the market from a supplier that has proven experience and knowledge of the Education Services delivered by local authorities. This would allow the Council to configure an IT solution that is fit for purpose, has an established and verifiable record of delivery within a relatively short period of time. This would also satisfy the principles of fairness, transparency and competitiveness.
- 5.7 The preferred route to market for the ECMS is the option outlined at 5.6 of the report. This would be a procurement using Lot 2 Crown Commercial Service (CCS) Vertical Application Solution (VAS) Framework (RM62589) using a mini-competition process

6. Next Steps

- 6.1 Subject to approval of the way forward by Executive, these are the key milestones to procure and implement an ECMS by December 2024.

Milestone	Date
Business case approved by Executive	17 th August 2023
Budget Variation agreed by Full Council	31 st August 2023
Tender publication date	1 st September 2023
Tender return date	5 th October 2023
Preferred supplier identified and approved	17 th November 2023
Contract award date	15 th December 2023
Contract start date	17 th January 2024
Implementation commence	5 th February 2024
Go Live	December 2024

7. Implications (including financial implications)

7.1. Resources, Financial and Transformation

- 7.1.1. There will be resource implications with regards to procuring and implementing an ECMS. Early engagement has already taken place with Legal, Procurement, ICT, Finance and Learning & Development teams. In addition, part of the procurement process will require the suppliers to provide a project plan which will include details of the resources required from the staff within Council teams. A soft market testing exercise has provided an indication of costs for implementation and ongoing annual maintenance of a system, obtained from potential suppliers and other local authorities.
- 7.1.2. Our research, including estimates from potential suppliers, costs paid by other local authorities (as published), and costs made available through Crown

Commercial Services has established that it is possible to deliver a case management solution of an annual revenue cost for maintenance and licences of £250,000. This is approximately the same as the current cost of the Council's share of the existing ECMS.

- 7.1.3. In consultation and agreement with colleagues it has been established a resource requirement and cost for our internal services including ICT, Legal such as contracting, support in configuring, implementing and data migration.
- 7.1.4. The proposed term of the contract is initially four (4) years, with the option of a two (2) year extension, followed by a further one (1) year optional extension. This is to allow for the system to be fully implemented and used by the service before a further procurement exercise needs to be carried out. The extension periods are not obligatory but allow flexibility for the service and support the principle of obtaining best value.
- 7.1.5. It is proposed that the £1.362m costs for implementing a system, will be met from a one-off contribution from the Transformation Reserve.
- 7.1.6. The ongoing annual revenue costs for the maintenance and support of the system throughout the contract will be included in the MTFP from 2024/25 onwards.
- 7.1.7. Included in the on-going budget pressure is a proposal to provide an ongoing resource to maintain and develop the system, support staff with training and process improvement, and provide more effective data and reporting from the system. This is estimated at an ongoing cost of £115,000 per annum. This requirement will be reviewed in two (2) years' time with an option to reduce the resource if viable.

7.2. Legal and Governance

- 7.2.1. The Localism Act 2011 gives local authorities a 'general power of competence' that allows them to do anything that an individual can do provided that the proposed action is not specifically prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act which enables the Council to procure and enter into the proposed new contract.
- 7.2.2. The procurement proposed in this report, namely mini competition under Lot 2, Crown Commercial Services Vertical Application Solutions (RM6259), must be conducted in accordance with the requirements of this framework agreement, NNC's Contract Procedure Rules and the Public Contracts Regulations 2015 (reg.33).
- 7.2.3. Where the ECMS involves processing personal data, the Council shall have regard to the requirements of the UK GDPR and Data Protection Act 2018 and ensure any call-off contract under RM6259 contains appropriate data protection clauses.

7.2.4. Legal services, where instructed, will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.

7.3. Relevant Policies and Plans

7.3.1. NNC Corporate Plan 2021-2025 - The system will support the commitment to Modern Public Services and Better, Brighter Futures by supporting the reliability of data to base decisions on, help staff to improve efficiency, increasing the ability to engage with customers, and providing the potential to integrate with other appropriate IT systems to provide one view of the child.

7.3.2. The Technology, Digital and Data 2021-2026 Strategy Support - The project will support the aims of to deliver a cloud hosted system, improved access to information, improved customer experience, use of digital technologies and use of data.

7.4. Risk

7.4.1. The Council is statutorily required to provide Education Services, failure to deliver this would have serious reputational consequences and could jeopardise the safety of vulnerable children and young people. There is a risk that if the procurement process is not started immediately, the implementation timeframe maybe adversely affected. and the financial implications and continuity of service which may result.

Risk Assessment	Mitigating Actions
The current system is also used by NCT ICT system for Social Care Early Help. The new social care case management system timelines do not coincide with Education service system replacement.	Identify how to case manage Early Help in the interim if procurement of the NCT and implementation does not align with NNC Education Case Management System.
The Education Service's capacity may be limited in terms of supporting the delivery of the project.	Include cost of backfill resource or temporary staff to support implementation.
ICT capacity may be stretched as they will need to support several projects, including this implementation.	Engagement with IT teams to ensure that capacity and resources are identified for the ECMS project. Use previous knowledge around technical requirements when producing the specification. Additional resources to be bought in during implementation such as a Technical Project Manager and additional System Specialist staff will

Risk Assessment	Mitigating Actions
	be supporting the implementation with configuration, data migration, and training. This is costed into the finance proposal.
The procurement process and implementation could take longer than planned.	Careful planning and monitoring of the project. Agreement with current supplier around exit strategy and mitigation.
With the disaggregation of the Business Intelligence and Performance Information service, this function has now transferred to NNC. This could mean a loss of staff knowledge and user experience and expertise of the current Education system.	Agree responsibility for Business Intelligence and reporting from the system. Corporate Performance Team are working closely with the Project Team to understand implication for reporting from a new system. Education System Specialist resource to be put in place to add resilience to the service. A potential new system will mean that staff will need to learn and understand data extraction and reporting system. Training to be included in the specification.
The planned disaggregation of IT services, including DTI service may impact on the implementation of a system. Timescale for this is to be confirmed.	The system procured will be cloud based which will give the supplier greater responsibility for implementation. Additional permanent resources have been included in the business case to add continuity and capacity. Representatives from WNC and NNC IT are on the project board and disaggregation of IT services is a standing agenda item at the board.
Service Requirements mean that there is a short window available for 'Go Live'.	Schedule implementation work around the services timetable and statutory return requirements. Extend the Capita contract for 12 months.
Ofsted inspections of Children's Services potentially impact on the project timeline.	Progress / re-profile with elements of work that can continue unaffected to ensure some progress continues.
An agreement is not reached with Capita for a contract to continue to use One Education (current system) whilst implementation is completed.	Continue to communicate with Capita to negotiate a mutually beneficial solution. Consider contingency actions to ensure that data is maintained, and

Risk Assessment	Mitigating Actions
	services will not be negatively impacted.

7.5. Consultation

7.5.1. Consultation has and will continue to take place with stakeholders, partners and parent representatives as a part of the procurement process.

7.5.2. Consultation has also taken place with potential suppliers and local authorities as part of the soft market testing and research exercise.

7.6. Consideration by Executive Advisory Panel

7.6.1. This report has not been considered by an Executive Advisory Panel

7.7. Consideration by Scrutiny

7.7.1. The procurement process and/or any part of the requirement may be selected for consideration by Scrutiny.

7.8. Equality Implications

7.8.1. The Council is committed to treating people fairly. The procurement and implementation of an ECMS encompasses all staff within the Education Service, and will extend potentially to partners, parents and carers. An Equality Impact Assessment Screening has been conducted and potential implications for protected characteristics have been considered and the system requirements reflect these considerations.

7.9. Climate and Environment Impact

7.9.1. The Council, having declared a climate change emergency in June 2021, is committed to reducing its climate impact both within its own Council buildings and in working with businesses and the wider community to achieve net zero energy emissions.

7.9.2. The ECMS will deliver improved mobile working and digital access to staff, partners and customers reducing the need for paperwork, and unnecessary travel.

7.9.3. Improved digital communication will reduce the need for printing and posting of letters and documentation to parents and carers, impacting on energy usage by the Council.

7.9.4. A Cloud based system produces less of Greenhouse Gas Emissions from data centres compared to traditional servers hosted by the Council.

7.9.5. All potential suppliers will be assessed as to their climate impact and commitment now and in the future as part of the procurement process.

7.10. Community Impact

7.10.1 Residents of North Northamptonshire will be presented with a uniform, modern interactive portal allowing them to access Education services offered by council.

7.10.2 User experience will be updated to provide a first-class experience for customers accessing our services and communicating through a variety of the mediums like mobile phones, tablets, and personal computers.

7.11. Crime and Disorder Impact

7.11.1. There are no implications arising from any recommendations that are being proposed that have a crime and disorder impact.

8. Background Papers

8.1. None