

EXECUTIVE

12th October 2023

Report Title	NNC Development Services and Regulatory Services Case Management Systems (CMS) Replacement
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Lead Member(s)	Cllr David Brackenbury, Executive Member for Growth and Regeneration

Key Decision	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input 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 single Case Management System (CMS), to replace the Council's seven legacy Case Management Systems due to the current contracts expiring, without further opportunity to extend, on 31st March 2024.
- 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 available through reserves and the inclusion of the ongoing annual revenue costs be included in the Medium-Term Financial Plan (MTFP) from 2023/24 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 Growth and Regeneration in consultation with the Executive Director of Place & Economy and the Chief Information Officer to take any further decisions and/or actions required to procure, a new single Idox CMS for the Council and award and enter into a five (5) year contract, with an option to extend for a further 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. Development Services (within Growth and Regeneration) and Regulatory Services within NNC operate on multiple case management systems to hold case details in relation to their directorates varied services.
- 2.3. The current case management systems have been in place for several years and have become out of contract with limiting options to extend further. The infrastructure supporting these systems is failing and does not meet our required ICT standards. The current arrangement of the applications means that there are limitations to their use due to access to legacy sites, loss of some functionality and increased support requirements.
- 2.4. It is now necessary for the services to procure and implement a single case management system using an existing framework as the procurement route and working closely with the procurement and legal teams to ensure a compliant process is followed.
- 2.5. The proposed contract duration is up to five (5) years, with an option to extend for a further one (1) year. The cost of the proposed contract is estimated at £1.140m over five (5) years (annual contract costs), or £1.368m if the optional one-year extension is utilised. There is a total one-off cost of up to £600k to be requested from reserves which includes supplier implementation, parallel running costs and internal resources. The ongoing annual revenue costs are to be included in the Medium-Term Financial Plan (MTFP) from 2024/25 onwards, resulting in annual savings of £40.4k, which over the 5-year life of the contract will generate savings of £202k.
- 2.6. The proposal is to procure a single cloud hosted Idox solution and have the contract in place by 31st March 2024. The implementation will then commence in a phased approach over the following 18 to 24 months.

3. Recommendations

- 3.1 It is recommended that the Executive:
 - a) Approve the commencement of the procurement process via the Crown Commercial Services Vertical Application (VAS) Framework, reference

RM6259, using a Direct Award to purchase and implement a single cloud hosted Idox Case Management System for North Northamptonshire Council.

- b) Recommend to Full Council:
- i) The approval of the use of the Transformation Reserve to fund the one-off implementation costs of up to £600,000
 - ii) The approval of the inclusion of the ongoing annual revenue savings of £40,400 resulting from the implementation of the new Case Management System in the Medium-Term Financial Plan (MTFP)
- c) Delegate authority to the Executive Member for Growth & Regeneration in consultation with the Executive Director of Place and Economy and the Chief Information Officer to take any further decisions and/or actions required to conclude this procurement process. This will include, but not be limited to:
- Approving award of the contract to the preferred supplier
 - Finalising the Terms and Conditions of the service
 - Enter into a contract with the preferred supplier for the provision of the service

3.2 Reasons for Recommendations:

- Expiry of the incumbent contracts – the current system contracts expire 31st March 2024.
- NNC will gain significant benefits from having a single CMS. Levels of service will be improved, and process efficiencies implemented.

3.3 Alternative Options Considered:

- Do Nothing
- Do Minimal - Replacement Solution for Kettering
- New supplier single solution

All 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. Following Local Government Reorganisation across Northamptonshire and the creation of a single North Northamptonshire Council on 1st April 2021, seventeen services functions in the Place and Economy Directorate have continued to operate using the separate case management systems inherited from the County Council and the four former District and Borough Councils. There is a variance in how teams access these systems and data that is recorded within each.

- 4.2. The Planning Advisory Service (PAS) Peer Review, undertaken in October 2024, recognised the challenges that the multiple legacy IT systems were causing in terms of being able to create a single, flexible planning service.
- 4.3. The development of a comprehensive service transformation plan was recommended including a review of IT system structures. The report further acknowledged the challenging timescales, as some of the associated IT contractual agreements will not be able to be renewed beyond March 2024.
- 4.4. The services now need to harmonise, moving from seven separate case management systems to the procurement of a single case management system. This will enable the services to gain productivity efficiencies, improve the quality of analysis and consistency of reporting of relevant performance data. The procurement of a single system is a complex project that will require extensive discovery work, contractual alignment and the development of a technical design specification.
- 4.5. The present application systems offer a varied suite of software, with Idox being the main supplier across the current provision. The software is used by multiple services and managed largely in house through six contracts, with varying contract end dates.
- 4.6. The process of aggregating and aligning the systems will involve converting the databases, applications, parameters & peripherals, then merging & migrating to a single system. There will be a need to align processes and procedures on a best practice basis as part of the harmonisation.
- 4.7. The current annual contract costs (£268,393) are held centrally within the existing ICT budget. The recommendation to move to a single cloud hosted solution offers benefits of lower annual ongoing costs (£228,000), increased flexibility and improved security, plus cost avoidance for the hardware related to the in-house systems in Kettering and Corby. However, there will be a one-off revenue migration/ implementation cost of up to £600,000.
- 4.8. Development and Regulatory 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. The following options were considered for the way forward:
- 5.2. **Do Nothing** - This option would require NNC to continue to use the existing systems, infrastructure and support mechanisms. This option can only extend in time to the point at which existing solutions are viable (31st March 2024) beyond this point this option is not possible as the current systems are no longer supported, putting NNC at considerable risk of not being safe and legal. In addition, there would be an increased financial risk for NNC as the supplier/s may increase the costs significantly to remain in contract. Retaining existing

systems as is, would also have a further negative impact on the outdated legacy infrastructure. The Do-Nothing option is not viable and has been discounted.

- 5.3. **Do Minimal (Replacement Solution for Kettering)** - This option would only replace SX3 and Civica Flare systems in Kettering, as they are no longer under support or offered by the suppliers, with a hosted solution. This option would still require re-procurement of all five contracts with the same suppliers to mitigate the contractual risk and would retain a siloed suite of systems. There would also be unavoidable migration costs from SX3 to a replacement system. Therefore, this is not a feasible option and has been discounted.
- 5.4. **A case management system from a new supplier** - This option could see the implementation of a new supplier/system not currently in use by NNC. It would replace the five existing Idox systems and both SX3 and Civica Flare in Kettering. The procurement and implementation of a fully functioning new system including all migrated data, processes and users is not feasible by March 2024. As such, this option would require:
- Multiple procurement exercises to be undertaken with current suppliers to extend the use of existing systems to maintain a safe & legal contractual position. These new contracts would need to run in parallel for a period (approx. 18 months - 2 years), until migration to the new system has been completed and imbedded.
 - Increased contract costs due to the need to run existing contracts in parallel with the newly procured contract for the period of migration
 - Additional significant service training needs
 - A high probability of increased migration costs which have not been budgeted.

Given the restrictions of the current contract end dates, the associated implausibility of appointing an unknown supplier via a compliant procurement approach within this period, higher parallel running costs, the high probability of increased migration costs and additional impact on staff and service delivery this option, at the present time, is not deemed feasible.

- 5.5. **An amalgamated Idox case management system** – This is the recommended option and would see an amalgamation of the existing contracts into a single Idox Case Management solution. Five of the seven systems already in scope of this project are provided by Idox, 153 of the 210 users currently use its products. Business functions in Corby, East Northants and Wellingborough have used its document management system to associate hundreds of thousands of documents with their individual case records. Colleagues across the impacted directorates have existing organisational knowledge of the Idox System, processes and policies and can assist in informing a best practice approach to system design and use. The migration and alignment of the vast majority of in scope data would be an Idox-to-Idox process, providing advantage over a non Idox solution. If an Idox solution is used, only the contract needs to be in place by 31/03/2024 rather than the migration of data and implementation of the new system and processes. Idox would run the existing contracts alongside the new with no additional cost and

as the various functions and services are migrated, so would the associated contract costs. This would limit parallel running costs to only SX3 and Civica Flare.

- 5.6. **The preferred route to market** is the option outlined in 5.5 of this report. This would be a procurement using Lot 2 Crown Commercial Service (CCS) Vertical Application Solution (VAS) Framework (RM62589) using direct award process

6. Next Steps

- 6.1 Subject to approval of the way forward by Executive, these are the key milestones to procure a single CMS by April 2024

Milestone	Date
Business case approved by Executive	12 th October 2023
Budget Variation agreed by Full Council	26 th October 2023
Publish/ issue procurement documents to potential supplier	27 th October 2023
Preferred supplier identified and approved	30 th November 2023
Contract award date	January/ February 2024
Contract start date	31 st March 2024
Phased implementation commences	1 st April 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 a CMS. Early engagement has already taken place with Legal, Procurement, ICT, Finance and representatives of both Growth and Regeneration and Regulatory Services. In addition, part of the procurement process will require the supplier to provide a project plan which will include details of the resources required from the staff within Council teams.
- 7.1.2. Our research has established a single Idox case management solution annual revenue cost for maintenance and licences of £228.0k. This is approximately £40.4k less than the current cost of the of the existing case management systems.
- 7.1.3. In consultation and agreement with colleagues, a resource requirement and cost for our internal services including Transformation and ICT has been completed, this includes support in configuring, implementing and the migration of data migration.

- 7.1.4. The proposed term of the contract is initially five (5) years, with the option of a one (1) year 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 costs of up to £600k for implementing a system, will be met from a one-off contribution from the Transformation Reserve.
- 7.1.6. The ongoing annual revenue savings of £40.4k resulting from the implementation of the new Case Management System will be included in the MTFP from 2024/25 onwards.

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 NNC to procure and enter into the proposed new contract.
- 7.2.2. The procurement proposed in this report, namely direct award under Lot 2, Crown Commercial Services VAS Framework (RM6259), must be conducted in accordance with the requirements of the framework agreement, NNC's Contract Procedure Rules and the Public Contracts Regulations 2015 (Reg.33).
- 7.2.3. Where the proposed CMS involves processing personal data, NNC shall have regard to the requirements of the UK GDPR and Data Protection Act 2018 and ensure any call-off contract under the framework agreement (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.
- 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. NNC are undertaking several case management system aggregations and as such we can benefit from lessons learned to date. The full project risks and mitigations identified to date are captured in the project risk register.

The key risks relevant to this stage of the project are capacity, expertise, contractual and impact on business as usual.

Risk Assessment	Mitigating Actions
Contractual risk due to: <ul style="list-style-type: none"> • Non- alignment of existing Idox contracts. • The Northgate SX3 and Civica Flare contracts, associated with the services in Kettering in scope of this project, have been rolling since November 2019 and March 2020 respectively (prior to vesting day). 	Engagement with procurement / legal and agreement with Idox for alignment/extensions to be put in place in compliance with the Public Contracts Regulations 2015 (Reg 72). Having a single Idox solution in place will mitigate the current risk associated with the current Kettering CMS.
The Service's capacity may be limited in terms of supporting the delivery of the project.	Service SME's identified; workshops developed to ensure focus is on value adding activity assigned appropriately which minimises impact on BAU staff. External supplier consultant/ work packages included in financial proposal to add value /support gaps in knowledge/ expertise.
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 CMS project. Use previous knowledge around technical requirements when producing the specification. Additional resources to be bought in during implementation will 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/s around exit strategy and mitigation.

7.5. Consultation

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

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 CMS encompasses staff within the Development and Regulatory Service. 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 CMS will deliver improved flexible working and digital access to staff, 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 Greenhouse Gas Emissions from data centres compared to traditional servers hosted by the Council.

7.9.5. The preferred 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 services offered by the Council.

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