

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	Deputy Leader jointly with Strategic Director Change & Support Services
Report of:	Service Director Customer Services
Date of Decision:	18 July 2016
SUBJECT:	REPLACEMENT OF DOCUMENT MANAGEMENT SYSTEM FOR THE BENEFITS AND REVENUES SERVICES – FULL BUSINESS CASE
Key Decision: No	Relevant Forward Plan Ref: N/A
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/> O&S Chairman approved <input type="checkbox"/>
Relevant Cabinet Member(s)	Councillor Ian Ward
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq
Wards affected:	ALL

1. Purpose of report:
<p>1.1 To seek approval to the Full Business Case (FBC) , (Appendix 1) for a replacement Document Management System (DMS) for the Revenues and Benefits Services at an estimated total costs of £955,000</p> <p>1.2 To outline the benefits of this investment, including risk reduction, increase in productivity and improved service to customers</p> <p>1.3 To note that in accordance with the Corporate IT Contract, the procurement of a DMS solution will be undertaken by Service Birmingham.</p>

2. Decision(s) recommended:
<p>That the Deputy Leader jointly with Strategic Director Change & Support Services:-</p> <p>2.1 Approves the Full Business Case (as Appendix 1) for the replacement DMS solution up to the sum of £955,000</p> <p>2.2 Approves the prudential borrowing of £609,607 to procure a replacement document management system (DMS) for the Benefits and Revenues Services</p> <p>2.3 Authorises the Service Director Customer Services to place orders with Service Birmingham up to a value of £955,000 to progress the proposal.</p> <p>2.4 Authorises the City Solicitor to negotiate, execute and complete any necessary legal documentation to give effect to the above recommendations</p>

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3. Consultation

3.1 Internal

The following support services have been involved in the preparation of this report:

- Intelligent Client Function (ICF)
- Economy Directorate ICT Strategy Group
- City Finance
- Legal services
- Procurement
- ICT Programme Board

3.2 External

The council's Corporate ICT service provider, Service Birmingham Ltd, has been consulted about the proposal and has contributed information for the development of the business case in terms of product and supplier recommendation and the costs.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with Council's policies, plans and strategies?

- The new DMS is critical to the operation of Revenues and Benefits services and will contribute towards the council's core objective of **fairness** as stated in the Council's Business Plan and Budget 2016+ and will support the aims for developing a Future Council for the 21st century.
- Strategically, the new solution will enable greater channel shift from paper documents to electronic communication and will support customer self-service in the future.
- Service Birmingham has the exclusive contract for the ICT core systems for Birmingham City Council. The existing Vectus DMS is a core systems and the replacement system must therefore be procured via Service Birmingham in order to comply with the existing contract.

4.2 Financial Implications (Will decisions be carried out within existing finance and resources?)

The estimated cost of the initial investment is £955,000. The capital element of this investment (£610,000) will be financed from prudential borrowing over a five year period. The revenue element (£345,000) will be funded from Housing Benefit Information Technology Reserve. The annual prudential borrowing charges of £131,218 will be funded from the corporate ICT budget. The on going support costs will be increased by £1,585.

4.3 Legal Implications

The procurement of this product was undertaken by Service Birmingham in accordance with their contract with the Council. The solution will ensure legal admissibility of documents stored in the DMS and compliance with the Data Protection Act.

4.4 Public Sector Equality Duty

An equality assessment has been undertaken on 21/6/2016 (EA001355) and no equality impact has been identified as the new solution replaces an existing system and supports the existing service.

5. Relevant background/chronology of key events:

5.1 The council's Revenues Service and Benefits Service processing relies on a robust document repository for storing incoming documents (such as application forms) and an efficient work allocation and work management functionality to process them. The system stores around 64 million Benefits records and 26 million Revenues related records.

5.2 The current document management system (Vectus) has been in place for over 15 years and is reaching the end of its lifecycle. Whilst still operational, the dated functionality is no longer fit for purpose and carries a high risk of failure which would have a severe impact on the service and customers. Other issues with the current solution include:

- Application support is becoming increasingly difficult due to software incompatibilities and the numerous bespoke components in place to address these.
- Business processes require a lot of manual intervention due to poor integration with other systems and insufficient levels of automation.
- It is not possible to upgrade the current outdated system to match the enhanced functionality of more modern solutions and the greater business benefits they bring.

5.3 The replacement solution must combine document management, workflow management and record management functions to support the storing and viewing of documents and routing them for processing in relevant teams. Processing staff will benefit from simpler functionality and processes with a more comprehensive view of customer records. Customers will benefit from faster response from the council and more efficient handling of their enquiries.

5.4 High level business requirements have been identified via workshops, with representatives from Revenues Services, Benefits Services and Customer Services. These formed the basis for product supplier and selection.

5.5 Three potential products have been explored via Service Birmingham, each of which has significant presence in the public sector, namely Civica's "Document 360 and Workflow 360", solution, Northgate's "Information@work" solution and Alfresco's "Alfresco One" solution. After initial evaluation, two of these options (Civica and Northgate), were taken forward to the formal supplier selection stage.

5.6 Product evaluation has been conducted by an evaluation panel comprising representatives from key stakeholder groups. The process included:

- Setting up evaluation panel for functional evaluation of products (BCC)
- Business requirements (BCC)
- Demonstrations and meetings with prospective suppliers (SB)
- Formal responses from suppliers (SB)
- Functional evaluation (BCC)
- Technical evaluation and formal quote (SB)
- Product and supplier recommendation (SB)
- Supplier selection (BCC)

5.7 Based on functionality demonstrated during product demonstrations and described in detail in formal responses to business requirements, Civica's Document 360 and Workflow 360 has been selected as a preferred product. The chosen system is expected to provide a stable and future proof system for 10-15 years, matching the longevity of the current system.

5.8 The solution will be delivered in collaboration with Service Birmingham, adopting a structured approach comprised of the following key milestones: planning, design, build, implementation and embedding.

The target delivery date is December 2016 designed to avoid the annual billing period at the end of financial year.

6. Evaluation of alternative option(s):

6.1 Retaining or upgrading the current DMS is not considered a viable alternative, due to its incompatibility with modern technologies.

6.2 The dated functionality is no longer fit for purpose and carries a high risk of failure which would severely impact the service and customers.

6.3 The current system is out of support, the cost of its maintenance would increase substantially, while an off the shelf package provides a more cost effective option in medium/long term.

7. Reasons for Decision(s):

7.1 To obtain funding to procure and implement a 'fit for purpose', document management system for the Revenues and Benefits Service

7.2 To enable the replacement of the existing system due to the following factors:

- End of lifecycle of current system and associated risk to service delivery
- Process improvement and better service for customers
- To support the strategic move towards channel shift and customer self-service

Signatures

Date

Deputy Leader

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Chief Officer

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List of Background Documents used to compile this Report:

N/A

List of Appendices accompanying this Report (if any):

1. Full Business Case (Appendix 1)