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| Report to: | CABINET |
| Report of: | Interim Corporate Director, Adult Social Care and Health and Interim Corporate Director, Children and Young People |
| Date of Decision: | 25th July 2017 |
| SUBJECT: | REPLACEMENT SOCIAL CARE IT SYSTEM (CHILDREN'S AND ADULTS') FULL BUSINESS CASE |
| Key Decision: Yes | Relevant Forward Plan Ref: 003904/2017 |
| 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) or Relevant Executive Member: | Cllr Ian Ward - Deputy Leader Cllr Brigid Jones - Children, Families & Schools Cllr Paulette Hamilton - Health and Social Care Cllr Majid Mahmood - Value for Money and Efficiency |
| Relevant O&S Chairman: | Cllr Mohammed Aikhlaq - Corporate Resources & Governance Cllr Susan Barnett - Schools, Children & Families Cllr John Cotton – Health, Wellbeing and the Environment |
| Wards affected: | All |

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| 1. Purpose of report: |
| <p>1.1 To seek approval of the Full Business Case (Appendix 1) to replace the Council's Social Care IT system at an estimated total cost of £4.87m.</p> <p>1.2 To seek approval to place orders with Service Birmingham to progress the project implementation. The proposed contract is planned to commence from September 2017 for an initial period of five years with the option to extend the Hosting, Licensing and Support for a further four years, subject to satisfactory performance and budget availability.</p> <p>1.3 The accompanying private report contains confidential details of the contract award outcome.</p> |

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| 2. Decision(s) recommended: |
| <p>That Cabinet:</p> <p>2.1 Notes the content of the report.</p> |

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| Lead Contact Officer(s): | Alastair Gibbons Executive Director for Children's Services Graeme Betts Interim Corporate Director, Adult Social Care and Health |
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| 3. Consultation |
| <p>3.1 <u>Internal</u></p> <p>3.1.1 Extensive internal engagement has been completed as part of the Business Requirements Capture and Solution Selection exercise as follows:</p> <ul style="list-style-type: none"> • 64 Requirements workshops held • 34 Business Areas involved • 160+ people included. • 70+ People invited to attend the Demonstrations • CareFirst User Group attendance • ICT User Group consulted <p>3.1.2 The Chief Information Officer and officers from City Finance, Legal and Governance, Procurement, ICF and Social Care Operational Colleagues have been involved in the preparation of this report.</p> <p>3.2. <u>External</u></p> <p>3.2.1 During the Requirements Gathering and Supplier Selection Process considerable engagement took place with other Local Authorities.</p> |

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| 4. Compliance Issues: |
| <p>4.1 <u>Are the recommended decisions consistent with the Council's policies, plans and strategies?</u></p> <p>4.1.1 This proposal supports the following Vision and Forward Plan priorities:</p> <ul style="list-style-type: none"> • Children – Birmingham is a great city to grow up in • Health – Birmingham is a great city to grow old in <p>This will be by ensuring the continuity and continued improvement in Social Care delivery through the following;</p> <ul style="list-style-type: none"> • Efficient modern ICT systems enabling social workers to spend more time with people and families |

- User friendly system removing the administrative burden of the present system.
- Process automation and simplification
- Improved management information to enable more effective management of the Social Care Process
- Removal of duplication
- Retention of social workers

The replacement of the existing Social Care IT System is in line with the Future Council outcomes and the Information, Communication, Technology & Digital Strategy 2016 – 2021, approved by Cabinet in October 2016.

4.1.2 Compliance with the Birmingham Business Charter for Social Responsibility (BBC4SR) Including Living Wage Requirements

The preferred bidder of the new social care ICT system has agreed to be a signatory to the Birmingham Business Charter for Social Responsibility and has provided a draft action plan that is commensurate to the value and nature of the contract. The Action Plan will be finalised as part of the contract negotiations.

4.2 Financial Implications

4.2.1 The total costs associated with the development and implementation of the new Social Care ICT system is estimated at £4.87m (£3.55m capital and £1.32m revenue). These costs are within the overall resource parameters reported in the Project Definition Document that was approved by Cabinet on 22 March 2016. The Adult Social Care & Health and Children's Directorates have approved capital resources and revenue budgets sufficient to fund the total costs of this proposed scheme. Further details are provided in the Private report.

4.2.2 The ongoing revenue costs associated with operational support and maintenance will be marginally less (circa £4K) than currently incurred for CareFirst and funding for these costs exists within approved budgets. Specific financial benefits are not the primary driver of this project which is to ensure the continuity of the Social Care Service and enable improvement of these services. The delivery of the project should however help enable long term savings in the operational teams through increased efficiency, which cannot be quantified at this time.

4.3 Legal Implications

4.3.1 Legal Compliance

The new system will facilitate the Council to discharge a range of statutory functions and will be required to be compliant or support compliance with the wide range of legislation applicable to Social Care and Information Management including the following:

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| Children Act 1989 | Carers and Disabled Children Act 2000 and Carers (Equal Opportunities) Act 2004 |
| Education Act 2002 | Data Protection Act 1998 |
| Sexual Offences Act 2003 | Equality Act 2010, Parts 2, 3 and 11 |
| Adoption and Children Act 2002 | |
| Homelessness Act 2002 | Human Rights Act 1998 |
| Children Act 2004 | Mental Capacity Act 2005 |
| Criminal Justice and Immigration Act 2008 | Welfare Reform Act 2009 – Part 2 |
| Borders, Citizenship and Immigration Act 2009 | Care Act 2014 |
| Children and Families Act 2014 | Mental Health Act 1983 |
| Computer Misuse Act 1990 | Mental Health Act 2007 |

This list is not intended to be exhaustive and simply identifies the key legislation we are responsible for implementing.

4.3.2 Pre-Procurement Duty under the Public Service (Social Value) Act 2012

The definition of requirements held by Service Birmingham included how this project will contribute to achieving the Council's priorities and improve the economic, social and environmental well-being of the relevant area as follows:

- Service Birmingham mandated BBC4SR through its supply chain as part of its obligation to adhere the Charter.
- Specific Social Responsibility Requirements were included in the Tender Documentation including the submission of Social Responsibility Plans which were evaluated by Corporate Procurement. These draft plans will be developed as part of the contract negotiations to ensure that the plans are commensurate to the value and nature of the contract.

4.3.3 TUPE does not apply.

4.4 Public Sector Equality Duty

4.4.1 Implementing a new system should not adversely impact on any citizen of Birmingham. Public Sector Equality Duty was part of the business requirement specifications for the procurement.

The initial equality impact assessment has been reviewed and updated to determine any impact of this proposed procurement on those within the protected categories. This will be further updated as the Programme progresses. The updated assessment is attached at Appendix 2.

The new system will have the ability to allow Citizens access to their information and to self-serve online (i.e. digital by preference). As not all citizens will have the capability to use online services for themselves, assistance will continue to be provided in these cases.

5. Relevant background/chronology of key events:

5.1 The Need For Change

Continued and sustained improvement in Children's and Adults' Social Care is dependent on a replacement ICT solution. Our professional workforce needs an ICT system that is accessible, workable and secure. It is critical that the opportunity is taken to reduce the burden on practitioners by ensuring that the ICT system is fit for purpose.

This proposal is a key part in supporting the Social Care Improvement agenda for Children's Services resulting from external scrutiny over the last 6 years rating the service as inadequate. There has been continued Government attention over this period of time.

There is also the opportunity to consolidate a number of existing systems (for example e-records) into the one new system improving the user experience.

The current primary Social Care ICT system is called CareFirst and is provided by OLM. CareFirst is hosted and supported by Service Birmingham and has been used in Birmingham since circa 1999. It uses outdated technology, is difficult to report from and inhibits good social work practice.

The system is used by about 4,000 staff and holds information about more than 25,000 people where the Adults and Children's Directorates are currently involved. It also contains historic information relating to 684,000 people who have been connected to the use of care services over the years. In addition it manages in excess of 20 million payment and 5 million income financial transactions per annum.

OLM are now focussing the majority of their development effort into a replacement system which was released in March 2016. For Birmingham this means the current system will only adapt to support statutory requirements and other minor developments effectively ensuring its demise. This is an opportunity to procure an effective and responsive child and family welfare ICT system. The new system will be more aligned with the practice needs of our social workers and will enable technology and innovation to better support practice, not drive the business.

An end of support date has not been provided by OLM however this situation presents a growing risk to ongoing support in the future, however, OLM have committed to providing continued support the current CareFirst System for the duration of our transition to a new system.

5.2 Options and Recommended Approach

The Project Definition Document (options appraisal) for this project considered the following possible routes for replacement;

- Do nothing and continue with the existing CareFirst System
- Implement OLM's replacement product – Eclipse
- Develop a new ground up bespoke solution
- Partner with another local authority and use their Social Care System
- Configure and develop a SAP based solution
- Go to market to select an off the shelf solution

Cabinet in March 2016 approved a recommendation to go to market using the Service Birmingham procurement process. This would select a solution and yield the optimum functionality and value for money that can be provided by market leading vendor solutions. More information about the procurement process is shown in the Full Business Case.

5.3 Outcomes Sought

- i. Better delivery of service to the citizens of Birmingham to improve lives
- ii. Move from Child focussed to family / network based focussed recording & Case analysis
 - a. Families and relationships – Improved safety planning
 - b. Better decisions, more quickly and more responsive interventions
 - c. More children safely left at home.
 - d. Identification of geographical clustering e.g. alleged offenders or collective needs within Children’s homes.
 - e. Better handling of out of hours incidents due to improved information.
 - f. Consistent plans and reviews with a single record of a child and family
 - g. Social workers (Children’s) spending less time on computers and more time with families.
- iii. Improved efficiency in Children’s and Adults’ Services
- iii. Increased staff satisfaction and improved staff retention.
- iv. Continuity and future proofing of the critical underpinning ICT service
- vi. Integrated document management in the new solution
- vii. A system to retain historical data will still be required.
- viii. Improved data quality, communication and sharing of financial and customer data.
- ix. Avoidance of reputational damage and penalties due to a failure to properly discharge statutory duties.
- x. Compliance with legislative requirements/changes *

* Whilst the City Council will require that a replacement system complies with relevant legislation (i.e. what is enacted in a Bill or even proposed in a consultation paper), the City Council will by the operation of a change clause ensure that any other changes due to legislation following service commencement are implemented. The costs associated with these requirements will be approved by the relevant decision maker at the appropriate time.

5.4 Project Scope

The three main scope areas are;

- Children’s Social Care including Early help
- Adults’ Social Care
- Finance

It will involve the handling and transferring of records associated with 684,000 people and the training and upskilling of circa 4,000 officers as users of the system.

CareFirst is integrated into a range of other systems including SAP Voyager Finance, Matrix Micro-procurement, e-records, Adults’ Needs and Finance assessment Web portals. The new solution will incorporate these capabilities or integrate with the existing systems.

A high level view of the overall scope of work to be completed is;

Implementation Stage

- i. Detailed technical architecture and design (including business, application, data and security). (Design how all aspects will work together in detail)
- ii. Reports to meet statutory and organisational requirements (develop necessary regular reports required to enable effective ongoing management of the service and provide statutory returns)
- iii. Implementation of the preferred supplier's solutions and integrations, Children's first followed by Adults' (technical implementation of the system)
- iv. Migrate data from CareFirst and e-records to the new solutions (an iterative process to transfer the data successfully) including data cleansing activities
- v. Design and implement changed business processes
- vi. Communications and Training
- vii. Migrate Users to the new system and bring it into operational use
- viii. Final acceptance sign-off of the replacement System.
- ix. Decommission CareFirst and other systems no longer required

5.5 Procurement Approach

Per the approved report at Cabinet in March 2016, the recommended procurement route was:

| Stage | Recommendation |
|--|--|
| Specialist Project Support | Direct recruitment on short term contracts (with Technical BA support from SB on requirements to avoid later due diligence costs). |
| Procurement and implementation <ul style="list-style-type: none">• Social Care System• Archive System | Use of JVA with Service Birmingham |
| Associated works with rollout within the City Council and training | Direct recruitment on short term contracts |
| Ongoing Contract Management | Use of JVA with Service Birmingham |

This process has been followed diligently with the support of Procurement and ICF Colleagues. Audit has actively been involved in the process throughout.

5.6 Evaluation Approach

A Pre-Qualification Questionnaire (PQQ) evaluated the bidders against the following criteria:

- An evaluation of the bidder suitability, experience and qualifications as well as the organisational structure and infrastructure proposed by the bidder to provide the service;
- A commercial evaluation on the extent to which the bidder is in a position not to increase or transfer commercial risk to Service Birmingham.

As part of the assessment criteria the Bidders were asked to confirm that they met 18 core system requirements. In response to the PQQ, 4 submissions were received. All four bidders were assessed by Council Officers and Service Birmingham as being suitable to proceed to Request for Proposal (RFP).

In January 2017 the Request for Proposal was issued to all four bidders and they each responded.

Scoring of the RFP responses followed the following process:

- Individuals scoring the requirements relating to their business areas.
- Scoring moderation sessions to identify a moderated score for all representatives of a particular functional area and documenting the justification.
- Demonstrations and the completion of questionnaires. Over 70 people attended the demonstrations. Representatives of the CareFirst User Group and the ICT User Group were both invited.

During the Demonstrations Cycle, Bidder 3 requested an extension. When the other bidders were consulted on the proposal they declined the opportunity for an extension. As a result Bidder 3 formally withdrew from the process, leaving three possible solutions.

The final stage in the process was to request a Best and Final Offer (BAFO) to ensure that the pricing was as competitive as possible.

As a result of this process one bidder is recommended as the Preferred Bidder. Further details of the evaluation and preferred bidder are included in the Private Report.

The contract and delivery of the project will be managed by the Head of Directorate IT for Adults and Children's.

5.7 Implementation Programme Timescales

Given the complexity of the implementation work, a staged implementation is being planned.

The delivery of the whole implementation including any necessary archive solution is anticipated to take circa 2.5 years. The table below shows the indicative timescales. Implementation timescales will become clearer once a detailed joint plan has been drawn up between the Service Birmingham, the supplier and the City Council.

Over this duration change to the ICT estate is possible, the project will be part of the wider ICT & Digital strategy that will be managed through common governance to ensure any dependencies or potential conflicts are taken into account.

| Stage | Early view of Completion Timescales |
|---|-------------------------------------|
| Cabinet Approval of the PDD | Mar 2016 - Complete |
| Requirements / Specification | Autumn/Winter 2016 – Complete |
| Procurement process | Winter 2016/Spring 2017 – Complete |
| Full Business Case Approval and appointment of Service Provider | Summer 2017 |
| Overall and integration Design | Autumn/Winter 2017 |
| Implementation, training, migration and transition (Children’s) | Summer 2018 |
| Implementation, training, migration and transition (Children’s Finance) | Winter 2018/Spring 2019 |
| Implementation, training, migration and transition (Adults’) | Winter 2018/Spring 2019 |
| Implementation, training, migration and transition (Adults’ Finance) | Summer/Autumn 2019 |
| De-commission CareFirst | Winter 2019 |

5.8 Resources

Temporary resources for the City Council required to implement the project will be recruited using standard City Council recruitment procedures making use of fixed term contract employees and agency people as appropriate to the role.

6. Evaluation of alternative option(s):

- 6.1 A number of options were considered in the previous Cabinet report with a decision made to go to market to purchase a new system. Having tendered for a solution and come to a conclusion that the best has been selected, the procurement process has further informed and confirmed that going to market was the correct way forward.

7. Reasons for Decision(s):

7.1 To inform members that:

7.1.1 The Procurement Process has been completed and a Preferred Bidder has been identified, as per the process set out in the Project Definition Document approved by Cabinet in March 2016.

7.1.2 We are seeking approval of the Full Business Case, Award of Contract and commencement of implementation.

Signatures

Date

**Councillor Ian Ward
Deputy Leader**

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**Councillor Brigid Jones
Cabinet Member Children,
Families and Schools**

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**Councillor Paulette Hamilton
Cabinet Member Health and
Social Care**

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**Councillor Majid Mahmood
Cabinet Member Value for
Money and Efficiency**

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**Graeme Betts
Interim Corporate Director,
Adult Social Care and Health**

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**Colin Diamond - Interim
Corporate Director Children and
Young People**

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List of Background Documents used to compile this Report:

Replacement Social Care IT system Project Definition Document – Cabinet 22nd March 2016.

Financial Plan 2017+ -February 2017 Council

SB Schedule of Requirements - v1.0 25/1/2017

List of Appendices accompanying this Report (if any):

Appendix 1 – Full Business Case

Appendix 2 – Equality Impact Assessment

Report Version 07

Dated 13/7/2017