

5 June 2024	ITEM: 14
Cabinet	
Re-Procurement of Education Case Management Application	
Wards and communities affected: N/a	Key Decision: Key
Report of: Andy Best – Head of Digital and ICT	
Accountable Assistant Director: N/A	
Accountable Director: Daniel Fenwick – Executive Director Corporate Services	
This report is Public	
Version: Cabinet / Final	

Executive Summary

This report seeks agreement to commence the procurement of the education case management application for a contract of five years (with an option to extend for up to a further five years subject to satisfactory performance) commencing on 1 September 2024. The education case management application is the primary case management software used by the Education & Skills service. Its key functions include school admissions, free school meals, early year funding and school census, all of which form part of our statutory duties pertaining to returns for the Department of Education (DfE).

Commissioner Comment:

Commissioners have been consulted on the content of this report and agree with the recommendations made.

1. Recommendation(s)

For the reasons set out in this report, Cabinet is recommended to agree:

- 1.1 To commence the procurement of an education case management software system as described in this report using the CCS (Crown Commercial Services) Vertical Applications Solutions framework RM6259 for a period of five plus five years from 1 September 2024 with an option to extend for a further five years conditional on satisfactory performance for an estimated total contract value of £2.13M.**
- 1.2 If 1.1 is agreed, to delegate the award of the contract to the Executive Director of Corporate Services in consultation with the relevant Portfolio Holder.**

2. Introduction and Background

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- 2.1 The education case management application is the primary case management software used by the Education & Skills service to run the service and facilitate statutory returns to the Department for Education (DfE). It houses both current and historical data for over 100,000 pupils, performing key functions around admissions, meals and funding. It also records key information on children missing education, children in elective home education and alternative provision. The software is instrumental in producing various statutory returns such as the special education needs (SEN) return and early years census.
- 2.2 The current education case management software was implemented in 2020. The support and maintenance agreement under CCS Frameworks Gcloud11 to Access UK Ltd from 01 April 2019 to 31 March 2024 cost £487,000 for an initial two-year term with the option to extend for a further two periods of 12 months each. A further two-year agreement was awarded using CCS Frameworks Gcloud13 commencing 1st April 2024 as an interim solution costing £249,000 to provide for a transition period in which to (a) conduct this complex procurement process and (b) to provide sufficient time for the transition between the existing and new provider including significant data migration. A successful migration of a complex software of this nature is expected to take 12-18 months.

Requirements and proposed procurement route

- 2.3 Until now, education and social care services case management systems have operated separately using different software, Access Synergy platform and Liquid Logic software respectively. Both areas are subject to Ofsted inspections and recent regulatory changes requires data points across both education and social care are used to make better decisions around a single child. The “*single view of a child*” is becoming increasingly important to produce robust and reliable returns to DfE and improve the effectiveness of staff supporting these two front line services. There is a clear risk that maintaining separate systems for collating data in respect of children will lead to the likelihood of errors in the accuracy of returns and is an inefficient way of recording data. A single system will also support the Council’s compliance with its data protection duties to ensure it holds data securely and has technical and operational measures in place to ensure this. The underlying benefit is to facilitate and enable the better protection and welfare of children in the borough.
- 2.4 To deliver this, it is recommended to procure software with a core requirement to provide integration and transparency across the education and social care software applications.
- 2.5 It is also noted that concerns during the current contract about the performance of the current supplier which have been raised with them under the contract. Some of the difficulties have arisen from the terms of the framework agreement under which the provider was procured. The proposed procurement route will provide greater assurance to the Council in respect of performance and the Council’s ability to require the provider to remedy defaults.
- 2.6 Pre-market studies suggests there are limited suppliers able to meet the requirements of the single view of child as set out in this report. There are only a selected number of providers who provide software combined across Education, Childcare & SEN.
- 2.7 The specification of the tender includes standard requirements of a local authority education system including but not limited to:
- (i) managing statutory services and returns,
 - (ii) case management with access for external partners,

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- (iii) data warehouse for historical pupil data,
 - (iv) schools admission portal,
 - (v) school transport management, and
 - (vi) automated transfer of data from Schools.
- 2.8 In addition, the tender will seek an enhanced scope requiring an integration into the current social care system enabling a single view of child across the education and social care business units. This will improve efficiency and effectiveness in identifying, managing and decision making around vulnerable children and supports the wider digital strategy around application rationalisation. To ensure greater emphasis on performance and to mitigate against the risk of awarding competitive tender to a poor performing provider the Council will apply a 50:50 ratio split between price and quality in the award assessment. The proposed contract term is five years with an option for the council to extend for up to a further five years depending on satisfactory performance. This length is recommended as it will encourage greater investment by the provider and due to the complexity of any data migration between suppliers, especially as this involves children's personal data, including special category data.
- 2.9 The procurement must comply with the requirements of the Public Contract Regulations 2015 and the Council's Contract Procedure Rules. Further, the Council is required to deliver best value through its procurement of goods and services, and this is generally considered to be achieved through open market competition for contracts. It is proposed to procure the software via the CCS (Crown Commercial Services) Vertical Applications Solutions framework RM6259 complying with the rules of the framework.
- 2.10 There are 32 suppliers listed under the framework in Lot 2 Education, Community Health and Social Care Solutions, offering a range of services including, learning applications and platforms, academic scheduling and management solutions, education management system (EMS), community health and social care solutions and enterprise health solutions.
- 2.11 Following a desktop review of all suppliers and further pre-tender engagement discussions, the Council has identified four suitable suppliers who are likely to be able to meet the requirements of this procurement and so there is confidence that the framework route will provide for effective competition to deliver best value in the award. If this report is agreed, this process will be commenced.

Implementation

- 2.12 It is estimated that any change in system will require a 12-18 month implementation period due to the complexity of the data migration. The implementation effort will consist of systems configuration, project management and training. Risks around migration from one system to another system will be managed through running dual systems for 6-12 months prior to bring the incumbent agreement to an end. The current agreement with Access also has sufficient provisions for exit management.
- 2.13 Based on pre-market research the cost of implementing a new education case management software will be approximately £611,000. It is estimated the total costs will consist of Implementation (£611K) and annual recurring costs over a 5+5 term of (£1.5M or £153K per annum), with a contract term commencing in September 2024. The pricing obtained through the pre-market engagements will be used to set Procurement budget for the service ensuring a best value award.

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	Initial Term					Ext					Total Value	
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		Year 10
Implementation	298,400											298,400
Consultancy	160,000											160,000
Parallel System / Testing	152,438											152,438
Annual S&M		152,438	152,438	152,438	152,438	152,438	152,438	152,438	152,438	152,438	152,438	1,524,380
Est Costs	610,838	152,438	152,438	152,438	152,438	152,438	152,438	152,438	152,438	152,438	152,438	2,135,218

All costs are Estimates and Net of VAT & annual CPI increases

2.14 Further details are set out in the financial implications below. The proposed timeline is set out below:

Delivery Timeframe	Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024	Nov-2024	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026		
Incumbent preceeding agreement GCloud11																																
Incumbent agreement GCloud13							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
Education Software Award																																
New Contract Implementation												1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18			

3 Risks

3.1 The key risks in relation to the recommendation at 2.1. identified at this stage are:

- i.) The current provider is a potential bidder and has a part record of poor performance. The council must assess their bids in accordance with procurement law. This is mitigated by the increased integrity of the procurement process and strengthened contract management including via the terms of the framework, which would apply to whoever is the successful bidder.
- ii.) Disengagement of the current provider during the transition period, if they are unsuccessful in the procurement. Effective contract management and sufficient exit provisions have been included in the current agreement to ensure the incumbent will assist as appropriate to support the migration to any new system.
- iii.) An unsuccessful migration due to insufficient resource and expertise. The migration to a new Education software is complex and expected to take 18-24 months, a failed migration will put the Council at risk of meeting statutory responsibilities. Additional Capital budget has been secured to ensure consultancy is available during the migration. Further ICT managers are in liaison with other Local Authorities who have recently started or performed similar migration's to learn and share best practice, lessons learnt and identified issues.
- iv.) Data protection risks. The nature of the data (children's personal data) is high risk and data protection checks will be put in place to ensure effective technical and organisational methods are put in place.

4 Issues, Options and Analysis of Options

- 4.1 The recommended procurement via CCS Vertical Applications Solutions framework RM6259 is set out above.
- 4.2 It is not recommended to seek to extend the current provider's contract due to concerns over performance and it would not be compliant with procurement law.

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4.3 It is not recommended to seek to award a contract to the existing Social Care SaaS provider (Liquid Logic) for Education SaaS services under CCS Framework RM6259, as whilst it may lead to lower costs and synergy with an existing system, it is unlikely to comply with procurement law.

5 Consultation (including Overview and Scrutiny, if applicable)

5.1 This report takes into account feedback from the Senior Leadership Team and consultation has taken place with relevant services. Engagement has taken place with 15 members of the Education team to gather essential and desirable needs and requirements and shortfalls in existing system in December 2022. The service will be involved in the procurement exercise and implementation plans.

6 Impact on corporate policies, priorities, performance, and community impact

6.1 The procurement enables the more effective delivery of children's safeguarding and the council's education duties.

7 Impact on corporate policies, priorities, performance, and community impact

7.1 Any platforms will be accessible and enable positive equality outcomes.

8 Implications

8.1 Financial

Implications verified by: **Rob Chimani**
Accountant
26 March 2024

- i.) Costs will be met by existing capital & revenue budgets.
- ii.) The recommended option suggests annual recurring costs for the new award will be £153,000 per annum, presenting the Council with a year-on-year increase in the first year of award and will be met by exiting BAU software budgets.
- iii.) £160,000 consultants' costs will be covered by the use of existing IT staff budget.
- iv.) The cost of implementation of £298,000 will be covered by the statutory compliance capital bid 2024/2025; which is capital funding ringfenced for the purposes of compliance with PCR 2015.

8.2 Legal

Implications verified by: **Kevin Molloy**
Principal Solicitor Contracts Team
26 March 2024

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- i.) The Council has power to enter into contracts for the provision of IT systems to support the delivery of its functions under s.1 of the Localism Act 2011 (the general power of competence) as it has the power to do anything an individual can do. None of the limitations on the power in s.2 to 4 of the 2011 Act apply to the recommended decisions. The Council may also rely on its implied powers under s.111 of the Local Government Act 1972 as the procurement of IT systems facilitates the delivery of the statutory duties in relation to pupil data.
- ii.) In procuring goods and services, the Council is required to comply with the requirements of the Public Contracts Regulations 2015 and its own Contract Procedure Rules (although the former will override the latter if there is any inconsistency). The proposed procurement process in this report uses a framework to procure goods and services and this is specifically authorised under Regulation 33 (8a) of PCR 2015, as an open procurement process has been undertaken to procure the framework, but the Council must comply with the terms of the Framework.
- iii.) Cabinet is advised that the proposed procurement process is compliant with the terms of the Framework.
- iv.) The proposed award of the contract falls within the definition of essential spending under s.114 of the Local Government Finance Act 1988 notice, as it ensures the fulfilment of a statutory duty.
- v.) The report addresses that the service provision and implementation of the contract will ensure compliance with data protection requirements in relation to the data held and processed in compliance with the statutory duties.

8.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**
Community Engagement and Project Monitoring Officer
25 March 2024

- i.) The procurement allows the provision of systems that have a positive equality impact on the age protected characteristic in collating children’s data with the purpose of enhanced safeguarding.
- ii.) There are no other specific equality implications contained within this report. A social value selection criterion will be set as part of the tender with specific community initiatives pledged during the contract term becoming a contractual commitment. The social value criteria will form 5% of the overall weighted scoring during the evaluation process. A Community Equality Impact Assessment will be carried out prior to procurement to ensure the platforms are accessible and enable positive equality outcomes.

9. Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

None

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- 10. Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

Procurement Stage 1, Approval to Proceed to Tender Form

None

- 11. Appendices to the report**

None

Report Author:

Andy Best – Head of ICT

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