

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

<b>Reference Number:</b>	<b>3064</b>
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<b>Department:</b>	<b>Strategy and Resources</b>
<b>Contact:</b>	<b>David Foster</b> <b>(Job Title: Application Management Specialist, Email: dave.foster@nottinghamcity.gov.uk, Phone: 01158763121)</b>
<b>Subject:</b>	<b>Grants and Benefit Software Purchase plus 3 year Capita One Maintenance.</b>
<b>Total Value:</b>	<b>£410,000 (Type: Capital and Revenue)</b>
<b>Decision Being Taken:</b>	<b>1) To agree to the proposed licence and software maintenance for a period of 3 years for the Capita One System and the purchase of an additional Grants and Benefit Licence.</b> <b>2) To dispense with the provisions of contract procedure rules relating to tenders in accordance with financial regulation 3.29.</b>

**Reasons for the Decision(s)**

**Each year the Council must purchase Capita One maintenance in order to receive technical support, updates, etc for the list of business modules of the application used by a number of business areas in Children and Adults including:**

- **School Admissions**
- **Attendance and Exclusions monitoring**
- **Early Years**
- **Virtual School**
- **Special Educational Needs**
- **Child Support Services / Education Welfare**
- **Connectivity to schools SIMS systems**
- **A number of citizen-facing "self-serve" portals**

**There are no viable technology alternatives to this without incurring re licensing, consultancy, data conversion and staff re-training costs which would be well in excess of the annual software cost.**

**We have now been offered a three year deal with Capita One which will reduce the annual costs and fix the costs for the next three years by consolidating a number of separate modules into a "Core" module, ownership of which will attract a beneficial maintenance deal saving £39,096 over the 3-year term.**

**The Council has a perpetual license, and so only Capita can support this and the original agreement provides for the renewal of the annual maintenance.**

**To qualify for this deal we need to purchase an additional Grants and Benefit module at a cost of £18,150 so that we will be in possession of all the core modules. (The £39,096 cost reduction takes into account the purchase, implementation and maintenance costs of Grants and Benefits.)**

**Only Capita can provide this additional module as it is integrated into the system.**

**Grants and Benefits is a module which has been considered for purchase by the business in the past and which is felt will provide a benefit to service provision. The module should enable the business to reduce the time spent administering free school meals by utilising existing information and reducing the need for staff to re-key data. This in turn should improve the efficiency with which financial help can be directed to where it's needed - supporting children and families.**

**Other Options Considered:**

1) Do nothing -This option was rejected, as to not renew the Capita One annual maintenance would leave the Council without software support for a number of critical business areas.

2) Single-Year Renewal - This option was rejected. In recent years annual maintenance has been renewed on a single-year basis to allow flexibility for potentially looking at alternative systems but procurement have advised that this is not best practice as it restricts what savings can be made from the contract. Should the relevant service areas decide to look at the marketplace and carry out a procurement and implementation project the reality is that this would likely not see a replacement system implemented for 18-24 months in any case. A period of potentially dual-running the systems, or retaining Capita One for reference purposes following the implementation of a replacement system would also likely be advisable, therefore the 3-year term of the contract should not be overly restrictive to longer term plans.

3) Seek Alternative Providers - This option was rejected, as at this stage it would not be possible for a replacement product from an alternative provider to be procured and implemented prior to the start of the next annual maintenance period (April 2018). In advance of the decision to renew Capita One some time was spent by Children & Adults and IT colleagues looking at an alternative system being developed by LiquidLogic. In the longer term this may be an attractive alternative as LiquidLogic also provide Nottingham City Council's social care systems for Childrens, Adults and Early Help, meaning that potential economies of scale could be realised and data-sharing / joint-working should become easier. At this stage, however, it was felt that the LiquidLogic product lacked sufficient maturity to be a viable option - it is still largely in development with a small number of local authorities and, for example, has yet to complete a school admissions round. Over the coming months progress will be monitored however as the LiquidLogic product, once proven, may offer a preferable longer-term solution.

**Background Papers:**

None.

**Published Works:**

None.

**Affected Wards:**

Citywide

**Colleague / Councillor Interests:**

None.

**Dispensation from Financial Regulations:**

Yes

**Consultations:**

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

There are no crime and disorder implications

**Equality:**

EIA not required. Reasons: Purchase of software not directly used by colleagues and citizens

**Decision Type:**

Portfolio Holder

**Subject to Call In:**

Yes

**Call In Expiry date:**

08/02/2018

**Advice Sought:**

Legal, Finance, Procurement, IT

**Legal Advice:**

It is not considered that this procurement gives rise to significant legal concerns.

Legal are available to assist.

Advice provided by Brian Lewis Stewart (Solicitor) on 16/01/2018.

**Finance Advice:**

The total value of the decision (£410k) is based on the estimated cost of renewing Capita One Maintenance and the purchase of Grants and Benefits software for a period of three years. The cost of the above will be met from existing provisions within the IT revenue budget as incorporated within the Medium Term Financial Plan.

By consolidating a number of separate modules into a core module, this decision will present a saving to the Council of £39k over the period of the contract.

Dispensation from Contract Procedure Rule 5.1.2 is being sought in accordance with Financial Regulation 3.29 on the grounds of operational efficiency and continuity because there are no viable technological alternatives to the current systems in the short to medium term. Value for money will be pursued in the medium to long term through an ongoing review of system maintenance requirements and via specific tendering / procurement exercises.

Advice provided by Hayley Mason (Strategic Finance Business Partner) on 20/12/2017.

**IT Advice:**

The IT Service support the proposals made in this delegated decision.

The recommendation is to continue to purchase from system providers support and maintenance arrangements. The systems identified are used by colleagues to provide services to citizens and disruption to these caused by technical failure would have an adverse impact on service and productivity. The purchase of on-going support for the systems is a means of managing this risk and of providing access to system improvements and suppliers' expert advice.

Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 19/12/2017.

**Procurement Advice:**

As the Council holds a perpetual license for this software and the supplier owns the IPR for the software, we are only able to either buy the maintenance direct from the supplier (and seek dispensation from our own financial regulations) or procure an entirely new system, which does not represent value for money. In addition, securing maintenance over a 3 year period rather than on an annual basis helps to secure discounts for the cost of this support. It is on this basis that procurement support the request for dispensation to enable the operational efficiencies detailed in the report.

Advice provided by Rosalie Parkin (Category Manager) on 12/01/2018.

**Signatures**

<b>Toby Neal (Portfolio Holder for Community &amp; Customer Services)</b>
<b>SIGNED and Dated: 31/01/2018</b>
<b>Candida Brudenell (Corporate Director for Strategy and Resources)</b>
<b>SIGNED and Dated: 31/01/2018</b>
<b>Laura Pattman (Strategic Director of Finance) - Dispensation from Financial Regulations</b>
<b>SIGNED and Dated: 31/01/2018</b>
<b>Chief Finance Officer's Comments:</b>