

SURREY COUNTY COUNCIL**CABINET****DATE: 26 MAY 2015**

REPORT OF: MR MEL FEW, CABINET MEMBER FOR ADULT SOCIAL CARE
MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICERS: DAVID SARGEANT, STRATEGIC DIRECTOR ADULT SOCIAL CARE
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SUBJECT: PROVISION OF A NEW SYSTEM FOR ADULT SOCIAL CARE**SUMMARY OF ISSUE:**

The contract with the current supplier of Adult Social Care's case management and financial system expires on 31 October 2015. There is no option to extend the contract, though a new contract can be agreed for a time limited period.

This report sets out the proposal to enter into a new contract for a replacement I.T. system to meet Adult Social Care's recording requirements for the foreseeable future.

RECOMMENDATIONS:

It is recommended that:

1. Approval is given to enter into a contract with Liquidlogic for the provision of the Adult Social Care I.T. System under the current contract with East Sussex County Council, where East Sussex acts as the central purchasing body for other Local Authorities.
2. Approval is given to enter into a new one year contract with the incumbent supplier to facilitate the migration to a new system.

REASON FOR RECOMMENDATIONS:

- A contract with the new supplier will:
- a) provide all required functionality for Care Act implementation by 1 April 2016
 - b) enable integration with the Children's System and the systems of health partners
 - c) improve system usability and efficiency
 - d) deliver a mobile working system and self-assessment functionality
 - e) more closely align the Adult Social Care system with the council's digital strategy
 - f) support strategic alignment with East Sussex County Council

DETAILS:

Current System

1. Northgate Public Services has provided Surrey County Council's core Adult Social Care System since 2001. This contract expires on 31 October 2015. There is no option to extend the contract as all extensions have been exhausted.
2. The changes to the system required for April 2016 to implement the major funding reforms under the Care Act 2014 are significant. The reforms mandated by the Care Act will generate a huge increase in the demand for both eligibility assessments and financial assessments. A modern case management and financial system that enables online access, self-assessment, and mobile working, and is flexible and compatible with the council's digital strategy is central to our compliance with the Care Act.
3. If no action is now taken to replace the Adult Social Care IT system, there is a risk that the council will not be compliant with the Care Act by April 2016 and will not have the necessary functionality to manage the increased demand for assessments.

Options considered

4. Three options have been considered for the future Adult Social Care I.T system:
 - (1) Go to market for a solution
 - (2) In-house or partner bespoke development
 - (3) Utilise East Sussex County Council's procurement process and contract (December 2014) that awarded an Adults' and Children's Social Care Management system to LiquidLogic Limited
5. A summary of the detailed options appraisal is at Annex 1.

Proposed solution

6. The options appraisal, including evaluation against critical success factors, show that implementation of the Liquidlogic system using the East Sussex County Council's contract would provide the greatest benefits with the least level of risk and is the recommended option.
7. Liquidlogic is the supplier of the council's Integrated Children's System (ICS). This will provide an opportunity to integrate the two systems. IMT resource will also be maximised as only one system will be supported across both the adults and children's services. There is also the opportunity to use the materials and expertise already gained by East Sussex and share further development ideas and costs.
8. The East Sussex County Council's contract with Liquidlogic includes Surrey County Council as a contracting authority. The contract was entered into as part of a comprehensive procurement process, providing a level of assurance and rigour that quality and cost considerations have been fully assessed. The contract negates the time and resource needed to go through a full OJEU tendering process. The council needs to avoid the resource and business

disruption that would be caused by any requirement to implement 2016 Care Act changes twice (once in the current system and once in the alternate solution).

9. The Council's Orbis partnership with East Sussex County Council will be further strengthened through using the same IT system, providing as a minimum; strategic opportunities for software development, lessons learned from the implementation of Liquidlogic and shared knowledge and training resource.
10. The proposed system is a market leader with the functionality to meet the statutory requirements of the Care Act and online self-assessment capabilities within the time frames demanded.
11. Research and intelligence to date, including site visits, indicates that the proposed system is intuitive, easier to use and is more efficient than the current system. For example, it incorporates many aspects that minimise the duplication of input and maximises automatic data field population. It also allows individuals to securely access their own data and promotes 'self-serve' options; key to managing increased demand.
12. The system will integrate seamlessly with the recently re-launched Surrey Information Point portal.
13. The functionality for safeguarding allows the recording of information against providers, supporting the recording of the number and seriousness of incidents and identifying possible trends. This facility can focus exclusively on providers which would permit full sharing of information with the Council's Clinical Commissioning Groups and Mental Health commissioning partners to update live information and trigger alerts where a multi-agency response may be required.
14. The system has been assessed against the Digital Strategy and supports us in taking an interim step toward Surrey County Council's Digital vision. This product supports the council in working towards achieving its' digital ambitions by consolidation of the social care platforms across adults and children's services, employing open standards for integration with health and other agency systems and facilitating the opportunity for residents to self serve. The council will actively work with Liquidlogic on the digital agenda to make sure that they remain aligned to achieving the longer term digital strategy.

CONSULTATION:

15. Consideration of the way forward for the Adult Social Care I.T. system has been on-going for the last two years and has taken account of feedback from staff across the service in a number of fora, which included a Rapid Improvement Event and conversations with staff during the council wide Better Place to Work Programme.
16. Focused consultation has been carried out across key stakeholders within the council during the development of the business case and options appraisal. This has encompassed representation from Adult Social Care, Procurement, Finance and IMT.

RISK MANAGEMENT IMPLICATIONS:

17. The following is a summary of the risks currently identified:

Risk	Likelihood	Mitigation
Procurement/contract issues are more complex than anticipated	low	A dedicated procurement and contract manager to lead on the procurement issues.
Financial performance of the new supplier	low	Assessment by the council's commercial insight team shows strong growth over recent years, in revenue and profit as well as consistently high credit ratings.
Challenge regarding the decision from other IT suppliers	low	East Sussex acted as a central purchasing body with a clear OJEU stating that it was buying services on behalf of other contracting authorities and named SCC. Surrey can therefore purchase the services available under the East Sussex contract.
Timescales from contract signature to implementation	medium	Dedicated project team led by ASC supported by a formal project management approach
Care Act compliance - change in regulations	medium	Final regulations and guidance for 2016 likely to be published in October 2015. Emerging discussions will be monitored closely. Strong links with Department of Health.
Training	medium	A full training plan will be put in place. It will involve the software provider and potentially East Sussex staff knowledge
Incumbent supplier	high	Early planning with the incumbent supplier to clarify requirements, timescales and scope.
Resources	medium	As part of the project planning process key resources will be identified with 'back fill' where required
Cost	medium	The costs will be set out within the contract and identified/monitored through the project planning process
Current system goes out of support during implementation	low	Linked to incumbent supplier and timescales

Financial and Value for Money Implications

18. An improved IT solution is required for Adult Social Care, both to enable smarter working across the Directorate and implementation of the new Care Act regulations due to come into force from 1 April 2016.

19. The East Sussex tender process for a new Adult Social Care system identified Liquidlogic as the best option and Liquidlogic is still judged to be the leading system solution currently available on the market. In light of this, and given the significant time constraints, option 4 to pursue implementation of Liquidlogic represents the best value for money approach. This option will deliver a long term system solution that will avoid the need for a two tiered system change to initially enable Care Act compliance for 1 April 2016 and subsequently implement full new system functionality. It is also sensible to avoid the costs of a full tender process when it is judged that Liquidlogic would win the tender based on the current system solutions available on the market.
20. The forecast costs of the proposed implementation are set out in more detail in item 23 (Part 2 Annex) of this report. The contract term is linked to the East Sussex contract, with an initial 4 and a half year period with the option to extend for a further five years.
21. Costs can be met through a combination of grant funding the Council is receiving to support the implementation of the Care Act and existing IMT funding that is already part of the Council's capital programme and annual revenue budget. Following implementation a small saving is likely to be realised on the current support and maintenance costs for the Northgate system.
22. A full schedule of the estimated project costs and available funding streams is out in item 23 (Part 2 Annex) of this report.

Section 151 Officer Commentary

23. The Section 151 Officer agrees that the proposed option for implementation of the proposed system represents the best option to achieve the required outcomes in the available timeframe at a reasonable cost.

Legal Implications – Monitoring Officer

24. East Sussex County Council procured the services of Liquidlogic as a contractor through a proper process acting as a central purchasing body for Surrey County Council and other local authorities. Surrey can therefore purchase the services available under the East Sussex contract. The existing contract with the current supplier can be extended by agreement between the parties for 12 or 15 months under a waiver because such an extension is permitted under EU law as set out in the Public Contracts Regulations 2015.

Equalities and Diversity

25. No equalities or diversity issues are expected in the award of this contract.

WHAT HAPPENS NEXT:

26. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award contract	26 May 2015
Cabinet call in and 10 calendar day statutory standstill period	5 June 2015
Contract signature	8 June 2015
Implementation commencement	9 June 2015

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Consulted:

William House – Finance Manager
 Kelly Marshall – IT Category Specialist
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Annexes:

Annex 1 Summary Options Appraisal
 PART 2 Annex 2 Summary of Estimated Project Costs and Available Funding
 Streams – item 23

Sources/background papers:

None.
