

CAMBRIDGESHIRE COUNTY COUNCIL CHILDREN'S SERVICES' IT SYSTEMS

To: **General Purposes Committee**

Meeting Date: **29 May 2018**

From: **Director of Corporate and Customer Services
Service Director, Children and Safeguarding**

Electoral division(s): **All**

Forward Plan ref: **2018/048** *Key decision:* **Yes**

Purpose: **To update Members on the implications of changes in Children's Services to the IT systems that support this service.**

Recommendation: **The Committee is ask to:**

- **Note the content of the report;**
- **Approve the provision of £2.74m capital, funded through prudential borrowing, to support the proposed changes to IT systems for Children's Services; and**
- **Delegate authority to the Director of Corporate and Customer Services, in consultation with the Chairman of General Purposes Committee,**
 - **to determine whether contract variation negotiations have been successful and to authorise entering into the deed of variation with the existing supplier;**
 - **to award a new contract to a supplier through the procurement framework for local authority software applications RM1059 for an IT system for Children's Services for Cambridgeshire County Council that can be aligned with Peterborough City Council, subject to appropriate approvals within Peterborough City Council.**

<i>Officer contact:</i>		<i>Member contacts:</i>	
Name:	Chris Stromberg	Names:	Councillors Count & Hickford
Post:	Head of IT & Digital Service	Post:	Chair/Vice-Chair
Email:	chris.stromberg@cambridgeshire.gov.uk	Email:	Steve.Count@cambridgeshire.gov.uk Roger.Hickford@cambridgeshire.gov.uk
Tel:	01223 715654	Tel:	01223 706398

1. BACKGROUND

- 1.1 In February 2016 Cambridgeshire County Council's Children's Services procured a new case management and finance IT system alongside Adult Services. Part of the rationale for this procurement was to have a single system to support both of these services within the County Council.
- 1.2 Since that time the environment within which these two services operate has changed considerably. One of the most significant changes being the commitment to explore the development of a shared service for both Adult and Children's Services across Peterborough City Council (PCC) and Cambridgeshire County Council (CCC).
- 1.3 Service priorities have also changed with the focus for Adult Services being links with the health system and the focus for Children's Services being links across all services that support children and their families. The actual crossover between Children's and Adult systems has always been quite small, as relatively few children grow up to be adults who are also open to Adult Services, so a shared system between these two services is no longer seen as a key driver.
- 1.4 However, as we develop closer working relationships between services across the two local authorities it has become increasingly clear that a pre-requisite is that these two services need to be using the same IT system within each Council.

2. THE PROPOSAL

- 2.1 The new system procured by CCC in 2016 is currently being implemented with a Go-Live date of 1 October 2018. Following a review of systems across both authorities there is a strong case to continue with this implementation for Adult Services in Cambridgeshire and for Peterborough to move towards using this system in the coming months – PCC currently use with a precursor system with the same supplier.
- 2.2 In Children's Services both authorities use different systems and are with different suppliers. So that this situation can be addressed officers have paused the current implementation of the new system for Children's Services in Cambridgeshire so we can consider how we can proceed with the procurement of an aligned system for both CCC and PCC; the current contract for the system in use in Peterborough expires in the next few months.
- 2.3 An example of how an aligned, common IT system will benefit children can be seen from the experience to date of establishing a shared Integrated Front Door for referrals into Children's Services for both local authorities. This Integrated Front Door responds to all referrals about children and works with partner agencies to share information so that we make the best decisions about how to respond when children are referred for our support. Many children and young people referred require support from our early help services but a small number

will require much more urgent interventions to protect and promote their welfare. The development of a shared front door offers the potential for both local authorities to streamline their response to enquiries about children and young people, developing a more efficient and resilient system for children and young people, while improving the quality of decision making for children in need and in need of protection through a shared interface with partner agencies, many of whom work across the two local authority areas. Moving to an aligned, common IT system to support the Integrated Front Door was recommended by the recent peer review of this activity by the Eastern Region of the Association of Directors of Children's Services.

- 2.4 The lack of a common system also means that managers within the shared service cannot easily track and monitor performance. This performance information enables managers to be confident that there are no delays in decision making affecting individual children and young people. In March 2018 Ofsted undertook a focused visit to Cambridgeshire under the new inspection framework for Children's Services. The focus was on looking in detail at how well we work with children and young people in need or who are the subject of a child protection plan. While the outcome of the focused visit was positive inspectors did identify that there were delays in responding to the needs of children in the Integrated Front Door and the Multi Agency Safeguarding Hub that works as part of this front door.
- 2.5 Delays in progressing work are clearly not in the best interests of children and young people. Delays are also expensive because they lead to more children being in the system and are therefore a contributing factor to the significantly higher numbers of children in care in Cambridgeshire compared with our statistical neighbours.
- 2.6 Developing closer alignment across the two authorities, facilitated by a common IT system, offers considerable opportunities for realising significant improvements in outcomes for children and young people as well as reducing the cost of delivering services. Achieving these outcomes will mean that we are in a better position to protect frontline services in future years. Further information about the future direction of Children's Services is set out in the paper to the Children's and Young People's Committee 22nd May 2018 [Children and Young People Committee meeting 22/05/2018](#)

3. DELIVERING THE PROPOSAL: KEY ISSUES

- 3.1 The proposal to procure a common system for both authorities is dependent on the successful re-negotiation of the current contract with the supplier whose system we have been implementing for Children's Services in Cambridgeshire over recent months. Informal discussions have already taken place. If the Committee supports the recommendations in this report the formal re-negotiation will begin immediately.
- 3.2 Working with colleagues in LGSS Procurement and LGSS Law we have identified a procurement framework for local authority software applications,

RM1059, which will enable us to award a contract for an IT system for Cambridgeshire's Children's Services by way of a direct call-off. Preparatory work has taken place, in partnership with colleagues in Peterborough, on the business and technical specification for this award so that we are confident it can be achieved within the timescale for awards within this framework, the end date for the framework is 3 August 2018.

- 3.3 The detailed costs associated with the Cambridgeshire system are set out in the **Appendix One**. In summary these are the costs of procuring and implementing a new system, giving us the opportunity to align our procurement with Peterborough's re-consideration of its system. The estimated cost of procurement is based on analysis of information provided by suppliers through the framework and the cost of implementation is based on our current experience of implementing a large scale, complex case management, finance, and information system for Adult Services. The total request for capital funding is £2.74m. Subject to the Committee's agreement this will be added to the capital programme and funded from prudential borrowing.
- 3.4 The re-modelling of Children's Services in Cambridgeshire means that a significant proportion of the system configuration that has been carried out as part of the CCC Children's system implementation over recent months would have had to be written off, irrespective of this decision to move to an aligned system with Peterborough. This is due to the requirement to extensively re-work business processes to support the future model of working in the shared service. This figure has been estimated as £289k. There is also £215k of system costs that cannot be re-used to support a new system. The intention had been to charge these costs to the capital budget, however these costs will no longer be eligible for that treatment creating a pressure in the revenue budget instead. These sums will be off-set over time by the operational and financial benefits that will be delivered by these changes.
- 3.5 There is a risk that the contract re-negotiation with the supplier whose system we have been implementing for Cambridgeshire's Children's Services is not successful. If this is the case the work to implement this system would resume and the opportunity to move an aligned system for both authorities would take place when this contract expires in March 2021.

4 ALIGNMENT WITH CORPORATE PRIORITIES

4.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

4.2 Helping people live healthy and independent lives

An effective IT system will contribute to children and young people who live in permanent family arrangements having much better lifelong healthy outcomes and greater resilience, helping them to live successfully and independently as adults.

4.3 Supporting and protecting vulnerable people

Children and young people in care are highly vulnerable; an effective Children's Service, supported by a fit for purpose IT system, will contribute to benefits such as good quality family-based placements close to home communities and helping children to progress through the care system to successful permanence either with their own families, or to move on to adoption or special guardianship.

5. SIGNIFICANT IMPLICATIONS

5.1 Resource Implications

Are set out in paragraphs 3.3 and 3.4 and in the **Appendix One**.

5.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The call off from the LASA framework is compliant with the Contract Procedure Rules and Public Contract Regulations so risk is minimal with the main risk being that the framework expires in August 2018. We are working with the central procurement teams and legal teams for advice and support. Therefore time to get contract agreed and awarded is the biggest risk in this proposal.

5.3 Statutory, Legal and Risk Implications

The Council has a variety of statutory duties relating to children and young people, in need of protection and in care, and in ensuring that this group of children and young people are supported to achieve good outcomes. The changes proposed in this report are to assist the Council in discharging these responsibilities.

The Council is obliged to comply with the Public Contracts Regulations 2015 and the contract procedure rules set out in its constitution in relation to the renegotiation of existing contracts and the award of new ones; officers are working with LGSS Procurement and LGSS Law to ensure that the proposals outlined in this report are compliant in both respects.

5.4 Equality and Diversity

There are no direct implications but an effective IT system will ensure all children and young people who have contact with Children's Services can access services fairly and appropriately.

5.5 Engagement and Communications

There are no significant implications.

5.6 Localism and Local Member Involvement

There are no significant implications.

5.7 Public Health

There are no significant implications.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Tom Kelly: Head of Finance
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	Tom Kelly: Head of Finance
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Catherine Wilson: LGSS Law Gus de Silva: LGSS Procurement
Have the equality and diversity implications been cleared by your Service Contact?	Sue Grace: Director of Corporate and Customer Services
Have any engagement and communication implications been cleared by Communications?	Christine Birchall: Head of Communications and Information
Have any localism and Local Member involvement issues been cleared by your Service Contact?	N/A
Have any Public Health implications been cleared by Public Health	N/A

Source Documents	Location
Children and Young People Committee Agenda – 22nd May 2018	Children and Young People Committee meeting 22/05/2018

APPENDIX ONE: CAMBRIDGESHIRE COUNTY COUNCIL CHILDREN'S SERVICES IT SYSTEMS

Procurement and implementation costs for Cambridgeshire County Council for an IT system for Children's Services that can be aligned with Peterborough.

Procurement & Implementation	Capital '000
Supplier Costs	
Procurement of core modules to support key elements such as Social Care, Early Help including MASH, remote access, data warehouse, Social Care finance	£270
Supplier implementation costs covering their costs for data migration, configuration, training and project management	£170
<i>Subtotal</i>	<i>£440</i>
CCC Costs	
For external expert programme management, technical, finance and business analysts and data migration specialists	£1,400
Other costs such as hardware, backfill of posts in LGSS IT and CCC, training & e-learning packages	£900
<i>Subtotal</i>	<i>£2,300</i>
TOTAL CAPITAL	£2,740

We would expect annual revenue costs to be cost neutral, so in the region of £218k over 5 years. PCC costs would mirror these costs, sized in accordance with their user base. A paper on this issue is due to go to PCC Cabinet in June 2018.

We have calculated the implementation costs above over 18 months. In the meantime we will require some investment to sustain the system that is currently in use in Children's so it is robust and so that reporting is effective whilst implementation to the new system takes place. We would resource this by re-prioritising existing IT capital funds following discussion with the Capital Programme Board.

The investment in the system where we have paused implementation (procured in 2016) has some costs which continue to be required for the system to operate for Adult Services and some costs that would be lost due to the redesign of Children's Services and this proposed change to IT systems.

Investment in system where implementation has paused	Capital '000
System investment still required for Adult Services	£190
Cost to date on data cleansing that can be re-used	£25
Total investment to date that can continue to be charged to capital	£215
System related costs that cannot be re-used	£215
Configuration costs lost through service re-modelling	£289
Total investment to date that creates a pressure on revenue	£504

This £504k was formerly charged to capital, however this is not possible if implementation does not complete. This means these costs will fall back as a revenue pressure in 2018/19.