

**PROCUREMENT OF A SUPPORT AND MAINTENANCE CONTRACT IN RESPECT
OF THE CHILDREN'S EDUCATION CASEWORK MANAGEMENT SYSTEM
(KNOWN AS "CAPITA ONE")**

Cabinet Date	11 March 2020
Economy, Education and Skills	Cllr Patrick Molyneux
Key Decision	Yes
Background Papers	Cabinet Paper: Procurement of maintenance for the Children Services ICT Systems 2014 Agreement for the License, Supply and Maintenance of Capita ONE System dated 8 th Sept 2015
Location/Contact for inspection of Background Documents	Clare Medland Email: Clare.medland@gloucestershire.gov.uk Tel: 01452 328686
Main Consultees	
Planned Dates	New contract to be awarded by the end of March 2020 to meet the next cycle of service provision to Education.
Divisional Councillor	All
Officer	Andy Gilbert, Head of ICT Tel: 01452 583706 Email: andy.gilbert@gloucestershire.gov.uk
Purpose of Report	To seek Cabinet approval to procure a new software support and maintenance contract in respect of the product known as "Capita ONE Education" when the current contract for such software expires in March 2020.
Recommendations	That the Cabinet delegates authority to the Director of Digital and People Services in consultation with the Cabinet Member for Economy, Education and Skills and the Director of Education to: (1) Award to the successful supplier, without further competition (ie direct award), a three year software support and maintenance call-off contract in

	<p>respect of the product known as “Capita ONE Education” under Kent County Council Framework Agreement (KCS) (Y16018) in accordance with the rules of that framework. The proposed contract will include an option to extend its term by up to two (2) further years.</p> <p>Such contract will enable the Council to continue to support the Education Service within GCC with their Information Management System requirements.</p> <p>(2) Authorise the Head of ICT, in consultation with the Director of Education, to review on an annual basis the Capita ONE modules supported under the proposed contract (described in section 2 of this Report) in order to confirm which of them are no longer required and should therefore, be removed from the proposed contract in accordance with its “change control” provisions.</p>
<p>Reasons for Recommendations</p>	<p>The Council’s current software support and maintenance contract in respect of the Capita ONE Education product ends in March 2020. The Council will nevertheless continue to require the services provided thereunder in order to enable its Education Services to fulfil their statutory duties.</p>
<p>Resource Implications</p>	<p>The estimated value for the required support and maintenance contract in respect of Capita ONE Education Software is expected to be no more than £200,000 per annum. Accordingly, the total value of the contract over the maximum of 5 years (if the option to extend described above is exercised) will not exceed a million pounds.</p> <p>This is an estimate because the contract value can flex on an annual basis to reflect any decrease or changes in the number of software modules required by the Council at that time. This can be due to the Council no longer requiring all the current modules; or it procures alternative, more suitable, modules from other suppliers; or the service needs change due to legislative changes affecting the council’s requirements. The cost can be met from within existing budget.</p>

MAIN REPORT CONTENTS

1. Introduction

Gloucestershire County Council (GCC) is required to fulfil a range of statutory education functions which meet the needs of children, young people and families across the county. In order to do so, it is necessary to have a well maintained information management system in place.

GCC currently uses the Capita ONE system to deliver and support the statutory functions of the Education Service. The current system maintenance contract comes to an end in March 2020 and GCC therefore need to ensure a new contract is in place to enable the effective continuation and use of the software system.

2. Background

GCC uses a system provided by Capita to support these statutory functions across Education. This system is called Capita ONE. Maintenance of this system is provided under contract from Capita Business Service Ltd the supplier known as Capita ("Capita"). This includes maintenance of the following modules:

- Admissions and Transfers;
- Attendance;
- Central Pupil Records;
- Daily Data Transfer from Schools;
- Records of Settings (details of Schools, Head Teachers and key staff);
- Child Employment;
- Child Entertainment;
- Early Years nursery payments;
- Exclusions;
- Home to School Transport including route mapping;
- Governors;
- Grants & Benefits;
- Education referrals including Hearing & Visual Impairment;
- Special Educational Needs;
- Two Year Old Funding;
- Family Portal (Free School Meals and Admissions & Transfers).

Under the current software support and maintenance agreement, Capita charges GCC an annual maintenance fee to support the system and to provide patches and upgrades. This ensures that the software is updated, maintained and improved to meet changing needs and processes which can result from new legislation and/ or requirements from the Department for Education.

3. Options

There are three options:

a) Option 1: To procure a support and maintenance contract from the current providers.

The Kent County Council (KCS) “Managed Services for Business Solutions Framework Y16018” permits direct contract awards to be made where they relate to the supply of a software package that is already being provided to the relevant Customer. Officers are satisfied that the Council meets this. Hence it is permitted, under the KCS Framework guidance, to make a direct contract award on the proposed basis. This option will allow the Council to continue using its current ICT system to support the full range of statutory functions within the Education Hub.

b) Option 2: Allow current maintenance and support contract to expire and provide in-house maintenance of both systems.

The Council needs to ensure robust ICT systems are in place to manage all aspects of these critical areas of business within Education. The Council or a third party provider does not have access to the source codes necessary to maintain the current Capita ONE system. The Developers (owners) of the Capita ONE system maintain the software for the database and are the only supplier of maintenance, upgrade patches and development available and able to carry out this function

c) Option 3: Run a mini competition using the Crown Commercial Services Framework (RM3821) and procure a new Education Management System.

An alternative supplier is in the process of developing and implementing similar modules to parts of the Capita ONE product. However, other Councils who have proceeded with the alternative solution are encountering implementation / service difficulties whilst bugs and issues are being resolved. This is a significant risk with being an early adopter of new software.

The estimated costs of pursuing this option are approximately £1m over and above the annual maintenance charge. This figure is based on the Children’s Social Care Casework Management system procurement in 2009.

4. Officer Advice

GCC has a range of statutory duties to provide services to children and families in relation to education. The current Education Management System provides a solution that supports these functions well and ensures the council is able to meet its statutory duties.

Procuring a new support and maintenance contract for our current system provides the most economically advantageous and least disruptive solution. This will enable the Council to continue to support the Education Service within GCC with their Information Management System requirements. The Council needs to ensure robust ICT systems are in place to manage all aspects of these critical areas of business and ensure it delivers its statutory education functions.

The Council or other third-party providers do not have access to the source codes necessary to maintain and update the current Capita ONE systems. The Developers (owners) of the Capita ONE system maintain the software for the database and are the only supplier of maintenance, patches and development available and able to carry out this function. To use another contractor to maintain the system currently in place is not recommended.

Procuring and implementing a new Education Management System will require a lengthy lead in time and there are also significant potential risks associated with being an early adopter of any new software packages.

Officers therefore recommend option 1.

5. Risk Assessment

Without specialist ICT system maintenance in respect of the council's current Capita ONE system, the Council is at increased risk of a critical system failure, with consequential risks including:

- Inability for the Council to carry out a wide range of statutory functions, including safeguarding and school admissions;
- The Council would not meet the required standards for access to the public services network (PSN) and could be cut off from wider government systems under the PSN code of connection;
- The Council would have unsupported data systems and be at higher risk of potential data loss resulting in an increased likelihood of fines from the Information Commissioner for data breaches;
- Reputational risk both locally and nationally through a failure to deliver statutory functions.

Mitigation - it is therefore important to have an appropriate maintenance contract in place.

The KCS Framework is a legally compliant route for the procurement of the Capita ONE software maintenance contract renewal. In light of to the concerns that the terms and conditions of the framework are not as robust as they could be, the additional measures have been added to the standard framework:

- Change control Schedule
- GDPR clauses and data processing table Schedule
- Exit (Schedule)
- Business Continuity and Disaster Recovery policy (this is limited by the fact that the software sits on our servers (Schedule)
- ISO27001 / Cyber Essentials certificates to be included within the contract

Mitigation - the risk is considered acceptable as the Council has used this framework previously to secure its current Capita SIMS contract without any issues and other local authorities are also using the framework.

6. Equalities Considerations

The procurement of this Education Casework Management Software and maintenance contract does not have a direct impact on equalities or any of the protected characteristics. It does, however, help schools and the Council in relation to data collection, monitoring and reporting on different characteristics that are of interest to the Council in considering matters of equality and protected groups.

7. Performance Management/Follow-up

If approval is given, meeting dates will be set up with the assigned Account Manager from Capita ONE as per monitoring and system support requirements within the contract.

Report Title	Procurement of a Support and Maintenance Contract in respect of the Children's Education Casework Management System (known as "Capita ONE")
Statutory Authority	Local Government Act 1972 to procure the contracts and the Local Authority Goods and Services Act 1970 to provide services to schools.
Relevant County Council policy	There is no particular policy but the service does help the Council meet various statutory monitoring & reporting obligations relating to Education including Census for maintained Schools and Nursery Providers.
Sustainability checklist:	
Partnerships	N/A
Decision Making and Involvement	Provides data information and analysis to support decision making process.
Economy and Employment	N/A
Caring for people	Helps support front line employees that deliver education support and life benefits to Gloucestershire children.
Built Environment	N/A
Natural Environment' including Ecology (Biodiversity)	N/A
Education and Information	N/A
Tackling Climate Change	N/A
Due Regard Statement	Has a Due Regard Statement been completed? No
Human rights Implications	N/A
Consultation Arrangements	Commercial Services Head of Commissioning for Learning Integrated Systems Programme