

## Slough Borough Council

<b>Report To:</b>	Cabinet
<b>Date:</b>	16 <sup>th</sup> January 2023
<b>Subject:</b>	Procurement of electronic document management services
<b>Lead Member:</b>	Councillor Zaffar Ajaib, Customer services, procurement, and performance
<b>Chief Officer:</b>	Stephen Brown, Chief Executive
<b>Contact Officer:</b>	Simon Sharkey Woods, Assistant Director, Chief Digital, and Information Officer
<b>Ward(s):</b>	ALL
<b>Key Decision:</b>	No
<b>Exempt:</b>	No
<b>Decision Subject to Call In:</b>	Yes
<b>Appendices:</b>	None

### 1. Summary and Recommendations

- 1.1. Electronic document management services (EDMS) are a business-critical technology product used extensively across the council. It enables residents to submit documents electronically and these documents are then available in case management applications to support council decision-making.
- 1.2. The existing contract is due to expire on 31st March 2023. There is insufficient time to migrate to a new service provider. It is proposed that the council directly awards a contract to the council's existing provider for a maximum period of two years under a Crown Commercial Service (CCS) framework. There will be a break clause in the contract after 18 months.
- 1.3. This would allow the council sufficient time to review future provision and resourcing, undertake a competitive procurement exercise and migrate to a new service provider with no loss of service to the council.

### Recommendations

- 1.4. Cabinet is recommended to:
- 1.5. Approve the direct award of a contract to Civica Ltd for the provision of EDMS services for a total contract value of £284,028 and a maximum period of two years. The contract will run from 1<sup>st</sup> April 2023 until the 31<sup>st</sup> March 2025 with a break clause after 18 months.

## **Reason**

- 1.6. The financial and resourcing challenges faced by the Council over the past two years have meant it has not been possible to define the requirements for cross-departmental technology services like electronic document management services with any degree of certainty. Managing our contractual obligations is challenging. The ICT and Digital team will, with the support of Members, continue to maintain services and when our future operating model is clearer, act quickly to procure the best value contracts for what we need.
- 1.7. The council's existing EDMS is a business-critical application which enables residents to electronically submit documents in support of case management. This could include information relevant to benefits claims.
- 1.8. EDMS projects are difficult and complex. Typically, an EDMS project will take between 18-24 months to complete. To ensure that the correct decision is made with no loss of service, the council needs to engage with all stakeholders to gather requirements, appraise both the technology and resourcing options available and then consider the migration of terabytes of data to the new application. With that in mind, it is not practical to: review, procure and migrate to a new supplier in the short time frame we have available before the contract ends on 31 March 2023.
- 1.9. Failure to retain access to this service would impact on the council's ability to process claims for benefits, provide access to adult and children's services and make decisions on planning applications.
- 1.10. By awarding the contract for a two-year period the council would be able to:
  - a) appraise existing technology solutions and select the correct product for the council's longer-term needs;
  - b) agree an appropriate resourcing strategy; and,
  - c) undertake a competitive procurement exercise and migrate to the new service with no loss of service to the council, whilst ensuring best value for the council.

## **Commissioner Review**

- 1.11. *"The Commissioners are content with the report and its recommendations."*

## **2. REPORT**

### **Introductory paragraph**

- 2.1. The proposal outlined in this report supports SBC in delivering appropriate fit for purpose ICT capability to residents and staff; a key element of the Council's recovery plans.
- 2.2. Aligned to this, by considering the council's longer-term needs, it is more likely that the council will not only choose the correct technology product but be able to achieve best value in any future procurement decisions through understanding our requirements fully and effectively planning future provision.

## Options considered

2.3. Three options have been considered:

**Option 1 – RECOMMENDED:** directly award a contract to the existing provider through an established framework agreement.

2.3.1. The council would use an existing Crown Commercial Service framework agreement to directly award a contract to the existing supplier. This approach would ensure:

- a) continued access to a business-critical application; and,
- b) provide sufficient time for the council to appraise its longer term needs and competitively procure and migrate to the new service.

2.3.2. During the period of the new contract the council will establish, through the modernisation programme a project team to carry out a review of the council's requirements for EDMS functionality.

2.3.3. Should the council be able to develop its proposals more quickly the new contract will include a contract break point at 18 months.

2.3.4. It will:

- a) Collect council-wide requirements;
- b) Develop user stories and acceptance criteria;
- c) Map all processes and security requirements;
- d) Assess and make recommendations on available technology solutions;
- e) Assess and make recommendations on the best value delivery model for the council considering;
  - in-house: Slough develops in-house capability to provide EDMS functionality through SharePoint;
  - hybrid: Slough partners with an external provider to provide EDMS functionality via SharePoint; and,
  - out-sourced: a new product is procured and managed by the supplier.
- f) If required, procure an appropriate solution; and,
- g) Incrementally migrate Slough to the new solution – there will be a period when it is likely that both products will be in use whilst services are migrated to the new service.

2.3.5. Assuming the council is able to resource appropriately for the scale of this work an indicative timeline could be:

Activity	Timeline
Review of technologies	Feb-Apr 2023
Review of resourcing options	Apr-Jun 2023
Cross-council stakeholder engagement on requirements	Jun-Sep 2023
Process and security mapping	Jul-Sep 2023
Develop user stories and success criteria	Sep-Nov

Decision on future provision	Sep 2023
Develop specification and ITT	Nov 2023
Procurement activity	Nov-Jan 2024
Build workflows, security, and access	Mar-Apr 2024
Incremental migration to new service, including data migration	May onwards 2024
SBC fully migrated to new service	Mar 2025

**Option 2 – NOT RECOMMENDED:** undertake a competitive procurement exercise

2.3.6. There is insufficient time to undertake a competitive procurement before the existing contract expires.

2.3.7. To complete the procurement exercise, the council would need to: collect council wide requirements; map all workflows and processes; map all integration points to other applications; develop a specification and run the procurement – before migrating to a new supplier.

2.3.8. Typically, this would take between 18-24 months to deliver successfully.

**Option 3 – NOT RECOMMENDED:** do not renew the existing contract

2.3.9. This option is not recommended as the impact of losing access to the service would place the council at significant disadvantage in making decisions on residents' cases.

## Background

2.4. EDMS are complex document repositories. They are increasingly being used to manage the lifecycle of a document from receipt to destruction, often automating the lifecycle through workflow. They are also becoming an important tool in supporting the council's responses to Freedom of Information (FOI) and Subject Access Requests (SAR), providing strong electronic discovery potential.

2.5. Here in Slough, we use Civica W360 extensively for the submission of documents from residents, scanning the documents into our 'digital mailroom' and routing the document to the appropriate staff member and case management system.

2.6. EDMS projects are very complex and time consuming. This is due to four factors:

- i) building the correct workflow for every service area – each workflow must be mapped, and the attributes required captured, the council has multiple workflows.
- ii) ensuring security and access permissions – differing service areas have differing security and access requirements which need to be documented and tested and tested again.
- iii) attributing each document with the correct metadata for the new system – the metadata for one application is not necessarily in the same format as the metadata required in another application. All these fields need to be cross referenced and tested.

- iv) physically migrating terabytes of data – migration techniques have greatly improved. However, there is still a risk that taking significant data from one application to another may fail, hence the likelihood that data will be migrated incrementally.

### **3. IMPLICATIONS OF RECOMMENDATIONS**

#### **Finance implications**

- 3.1. The current contract is valued at £156,400 annually. There is existing revenue funding in the ICT and Digital budget for this service. The new contract value for the two years is £284,028, which represents a reduction in costs to the council of £28,772 over the life of the contract.

#### **Legal implications**

- 3.2. The recommended procurement route would be via Crown Commercial Services (CCS) framework agreement, Data and Application Solutions RM3821. The direct award of this contract under this CCS framework agreement is a procurement approach which is compliant with both the council's Contract Procedure Rules and the Public Contracts Regulations 2015.
- 3.3. HB Public Law will be instructed to prepare the call-off contract pursuant to the CCS framework agreement, Data and Application Solutions RM3821.
- 3.4. The call-off contract will need to be sealed in accordance with the council's Contract Procedure Rules.

#### **Risk management implications**

- 3.5. There are three risks which need to be managed:
  - i) loss of service – any loss of service would impact on residents' ability to submit supporting documentation on claims and applications. The council would have incomplete information when making decisions which could lead to under/over payment of benefit claims and incorrect decisions on applications for other services.
  - ii) making the wrong long-term technology decision – technology has moved on and the council needs to look longer term at what technology and capability it wants to use.
  - iii) taking the wrong approach to resourcing the provision of this service – there are options for the council to in-source service provision or retain an outsourced service provision. These two approaches need to be appraised and aligned to the council's longer-term requirements.

#### **Environmental implications**

- 3.6. If the council were to choose not to continue with this service, the council would revert to physical submission of documents. There would be a requirement to have physical cases and documents which would adversely impact the council's carbon footprint.

### **Equality implications**

- 3.7. The loss of service would impact on residents' ability to submit document in support of their claims or applications. This would lead to a loss of access to council services.

### **Procurement implications**

- 3.8. The recommended procurement route would be via Crown Commercial Services (CCS) framework agreement, Data and Application Solutions RM3821. The direct award of this contract under this CCS framework agreement is a procurement approach which is compliant with both the council's Contract Procedure Rules and the Public Contracts Regulations 2015.
- 3.9. The direct award of a contract for another 24 months will enable a council-wide approach to EDMS provision which will help the council gain significant improved and streamlined control over its document management system.

### **Workforce implications**

- 3.10. There are no workforce implications.

### **Property implications**

- 3.11. There are no property implications.

## **4. BACKGROUND PAPERS**

- 4.1. None