

<b>Board/Committee:</b>	Policy and Organisation Board
<b>Date of meeting:</b>	30 <sup>th</sup> November 2022
<b>Title:</b>	Urgent procurement of migration software for Benefits and Council Tax NEC project.
<b>Author:</b>	Head of Benefits, Procurement & Insurance
<b>Status:</b>	For noting

**Purpose:**

This report sets out the actions taken to purchase required software for the NEC “spend to save” project as detailed and approved in the report to this Board on the 17/3/2022 which is attached as background papers.

**Recommendation:**

**That the Board notes the actions taken as detailed in the report which confirms the urgent delegated decision for a Waiver to the Council’s Contract Procedure Rules taken by The Chief Executive, Deputy Chief Executive & Head of Planning and Regeneration, Borough Solicitor & Monitoring Officer and Borough Treasurer on the 14<sup>th</sup> November 2022.**

**1.0 Background**

- 1.1 A report to P&O Board on the 17<sup>th</sup> March 2022 approved a “spend to save” project across the Benefits and Council Tax Sections to purchase the new NEC (Northgate) Document Management System (DMS) and additional automated Customer software modules which would result in savings and efficiencies across both Sections.
- 1.2 Civica, the Council’s current DMS provider, had given notice to GBC that they would de-support their system from 31<sup>st</sup> August 2022; the only alternative being to move to their cloud based image server. The image server is essential as it is used to store all images of documents. This move would incur costs circa £63K and was considered in comparison to purchasing the NEC DMS system, which will integrate with the processing systems already in place. A business case was approved as part of the current year’s budget for the purchase of NEC DMS and additional customer modules, which will result in one integrated system and savings for both services.
- 1.3 Data currently held in Civica must be extracted and migrated to the new NEC DMS system. The project is progressing well but careful negotiations were needed with Civica to ensure the security of the data transfer. An extension to the system support was agreed until 31/12/2022 and options for moving forward considered, which included the cessation of the Civica contract and the data extraction that would be needed to move to NEC DMS.
- 1.4 There were delays by Civica in providing costs to transfer the data but these were supplied in late September, the quotation being £59,961.

1.5 Due to the urgency required and the need to achieve the timeline, an urgent delegated decision was taken by the Chief Executive, Deputy Chief Executive & Head of Planning and Regeneration, Borough Solicitor & Monitoring Officer, and Borough Treasurer under paragraphs 3.3 and 3.4 of the Council's Contract Procedure Rules (CPRs) as follows:

**“Reasons for waiver request:** the value of the Contract is under Threshold so there are no implications under the PCR Regs 2015. However the current CPRs require an advertised process and at least 3 quotations to be obtained. 2 quotations have been obtained Civica £59,961 and NDL £40,450.

- **Urgency** - There is an urgency to this purchase due to the de-supported system from 31/12/22. NDL have confirmed that work will take 3-4 weeks once the robotics have been designed. A scoping meeting has been planned into the project plan for the 18/11/22 and if this can be achieved the period of a de-supported system will reduce. The project plan currently has a “go-live” date of the middle of January 23. Any delay whilst waiting for the next P&O board on the 30<sup>th</sup> November will increase the risks associated with a de-supported system as set out below.
- **Cost savings/efficiencies**- significant savings can be made by awarding the contract directly to NDL, their expertise in this specialist field and a proven track record justifies a direct award. We have been unable to reference any other company with this level of experience.
- **Reputational/financial risk**- the very tight timeline for this project will result in a de-supported system, a direct award will mitigate this risk by reducing the period before the new DMS is working and holds all relevant documents.”

This CPRs require that a report on the decision is brought to the next available Board.

## 2.0 Report

- 2.1 There is a critical risk attached to the move from Civica to NEC; support will cease on 31/12/22, which means if a problem arises with the Civica system no support can be obtained, the system holds all Benefits and Council Tax records which are required for administration, billing and for subsidy claims currently £28m per year. Both Sections need to migrate documents with urgency.
- 2.2 Research has been on-going to ascertain market specialists in data extraction as it was felt Civica's costs were likely to be high. NDL Software Ltd, a specialist company have worked with 6 Local Authorities including Portsmouth City Council (PCC) for this exact project of extracting Civica documents to NEC DMS. We have been unable to identify any other company with this level of experience.
- 2.3 Therefore discussions have been undertaken to ascertain indicative costs, which were originally quoted to be between £45 and £60K. Further discussions have resulted in a reduced quote of £ 40,450 taking advantage of the previous work which will allow NDL to re-use scripts written for similar projects.

- 2.4** The main priority attached to the move of data is to minimise the period of a de-supported DMS system (Civica). Discussions with NDL confirmed they are able to start the work immediately the contract is signed and the transfer of data is expected to be complete by the middle of January 2023 with only a two week gap of the de-supported system.
- 2.5** The Project Team had already planned a scoping meeting to be held between NEC and the firm awarded the contract to transfer the data and this was planned for the 18/11/2022. It is very difficult to move these dates due to the limited IT specialists available for these tasks.
- 2.6** NDL had indicated they would be able to attend this meeting to move the project with immediate effect.

### **3.0 Financial implications**

- 3.1** NDL have quoted £40,450 for this work and the Civica price is substantially higher. NDL have a proven track record in data transfer from Civica to Northgate.
- 3.2** The budget for the NEC project was approved within the budget report for this financial year and forms part of the “spend to save” project. The funds for this element are in place.
- 3.3** The project thus far has achieved savings of 2 FTE in accordance with the business plan. Further savings are factored in for the third year.

### **4.0 Risk Assessment**

- 4.1** Due to the need for migration of data from the “old” Civica system to the “new” NEC DMS system and de-support of the Civica system there is a risk to having a de-supported system as explained above. To mitigate this risk an urgent delegated decision was requested and this will reduce any period of risk. All resources from the NEC project team will continue to be directed at this element of the project and there is still opportunity to reduce the time for de-support further.
- 4.2** As part of the data cleansing required for this project thorough investigation of current documents held has been undertaken. The opportunity to securely destroy any out dated records will be taken to ensure continued compliance with the GDPR data retention requirements.

### **5.0 Conclusion**

The Board is asked to note the delegated decision made to approve a Waiver to the Council’s CPR’s as set out in this report.

<b>Financial Services comments:</b>	Contained within the report.
<b>Legal Services comments:</b>	Contained within the report.
<b>Equality and Diversity:</b>	N/A
<b>Climate Change implications:</b>	N/A

<b>Crime and Disorder:</b>	N/A
<b>Service Improvement Plan implications:</b>	
<b>Corporate Plan:</b>	
<b>Risk Assessment:</b>	Included within report
<b>Background Papers:</b>	P&O report 17/3/22
<b>Appendices:</b>	
<b>Report Author/Lead Officer:</b>	Stephanie Lucking