

## Member Key Decision Report

14th November 2024

Key Decision



### Revenues and Benefits Application Contract Award

Executive Members: Councillor Liz Leyshon, Executive Lead Member for Resources, Procurement and Performance and Councillor Theo Butt Philip, Executive Lead Member for Transformation, HR and Localities

Executive Director: Maria Christofi, Interim Chief Finance Officer and Alyn Jones, Executive Director for Resources, Strategy and Transformation

Service Directors: Andy Kennell, Service Director for ICT and Nicola Hix, Service Director for Finance and Procurement

#### Executive Summary

The Revenues and Benefits service has inherited four different systems from the legacy District Councils that are operating separately. Following a competitive tendering process between incumbent suppliers, the project is seeking to award a contract for the implementation, support and maintenance of one consolidated case management system, document management solution, and customer experience platform supplied by NEC Software Solutions Ltd. The contract will cover the migration from the four current application environments into one consolidated and hosted instance and will enable service redesign and a consistent customer experience.

#### Recommendations

Lead members are recommended to

1. Approve the direct award of the contract to NEC Software Solutions Ltd for the implementation, support and maintenance of one consolidated case management system, document management solution, and customer experience platform for the Revenues and Benefits Service. The contract will be awarded using the CCS Vertical Application Solutions framework.
2. Note the contract term will be for five years, with the option to extend for a further two. The total contract value is £1,250,000 with breakdown of costs available in Appendix C.

#### Reasons for Proposals

The Revenues and Benefits App Consolidation Project aim is to procure one, fit for purpose system that meets requirements for all area teams and consolidate the four existing databases into this, to enable service alignment, an improved customer experience and financial benefits.

The former district teams within the Revenues and Benefits service are currently using four different applications in separate environments. The Sedgemoor solution is an in-house developed application that has reached the end of its life, with limited support available within the Council. The Mendip RandB service is outsourced to Capita and the Council have given notice on this contract, with it coming to an end in September 2025. Due to these circumstances, and the opportunity to realise savings, Revenues and Benefits has been prioritised as part of ICT's Application Consolidation Programme. This consolidation will also create a consistent customer experience and enable Revs and Bens service redesign around a single system and processes.

We are seeking to use urgency provisions to expedite the decision to award the contract to the supplier and implement urgently. Reasons for this are outlined in Appendix C.

Report Author: Abbie Sweeting, Project and Change Manager, ICT Transformation, Strategy, Workforce and Localities

Contact Details: [abbie.sweeting@somerset.gov.uk](mailto:abbie.sweeting@somerset.gov.uk), 01823 359253

## Main report and supporting information



### Background and purpose of report

#### 1. Introduction

The project aim is the consolidation of four existing Revenues and Benefits applications into one, fit for purpose system that meets requirements for all area teams and enables service alignment and financial benefits.

#### 2. Context

Details of the current solutions in place are below:

	South Somerset	Somerset West & Taunton	Sedgemoor	Mendip
<b>Front office</b> 	Civica Digital 360 £70k Contract end - May 2024	Firmstep (Granicus) £70k Rolling annual contract	Goss CMS & Firmstep (Granicus) £100k Rolling annual contract	Managed service by Capita
<b>ePay</b> 	Adelante ePay	All Pay – ePay, Gov Pay & Stripe	Adelante ePay	Pay360 ePay (SS)
<b>Document Management</b> 	Civica Digital 360	Civica Open Revenues	?	'Images at Work'
<b>Workflow</b> 	Civica Digital 360	Civica Open Revenues	?	'Images at Work'
<b>Back-office R&amp;B app</b> 	NEC R&B £110k Rolling annual contract – 30/9/24	Civica Open Revenues £105k Rolling annual contract – 31/3/25	In-house development £10k N/A	Academy (Capita) Contract ends September 2025

Each legacy district council area is using a different combination of platforms for the back office Revenues and Benefits function, the document management and workflow, and the customer front end. This means they are still having to operate as separate areas with different processes, with options to work across teams limited. The customer experience and level of self-service varies across areas.

Costs for the current solutions is available in Appendix C.

#### 3. Procurement

An initial discovery phase took place towards the end of 2023, to determine what the options were for application consolidation within the Revenues and Benefits service. The team found that:

- There are concerns over the stability and support of the current Sedgemoor solution and its ability to perform through another year-end cycle of work
- A solution needs to be in place to bring back the Mendip area work upon exit of the Capita contract in 2025
- Due to timescale limitations, undertaking a full transformation project and going out to market to procure was not a practical option
- Working with incumbent suppliers (Civica and NEC) was the most workable option, and to move all areas into one of these applications that are currently in use in the legacy SWT and SSDC teams

The project team undertook a procurement exercise from February 2024, to determine our requirements and engage with the suppliers. Full details of the procurement process used can be found in Appendices A and B.

The evaluation found that NEC's response met our specification, and a decision was taken by the Application Consolidation Programme Board to move forward with NEC's proposal. NEC's proposal included the Revs and Bens back-office application, as well as their document management/workflow solution, and the front office application for customers, Citizen Access. They also presented the option of cloud hosting.

The Project Team have reviewed the impact of moving to NEC's document management solution and customer experience platform, Citizen Access, for the Revenues and Benefits service. Additional modules are available as part of the core product and there is opportunity to improve productivity, efficiency and customer experience with these tools. Using the NEC solution also prevents us needing to expand the Civica contract for Digital 360 to move the three previous district teams onto this platform, avoiding further cost.

#### 4. Costs

Costs for NEC's solution are a total of £1.25m across the 5 year contract period.

ICT have investigated the cost of hosting the application on-premise, and the infrastructure and staff required to support this. Hosting the application on-premise has been estimated to be more expensive than cloud hosting with the supplier with increased risk. For this reason, we have purchased cloud hosting from the supplier. Further information is available in Appendix C.

Initial cost benefit analysis has been completed, details are available in Appendix C. This project is primarily a cost avoidance exercise. Full cost benefit analysis will be completed when further details are available, including costs of migrating out of existing systems such as Civica Open Revenues and Digital 360, and how ICT support will be adjusted in line with decommissioning the existing solutions.

More detail on the decisions made by the ICT Application Consolidation Programme Board is available here. [R&B Solution and Recommendations - May 2024.pdf](#) (internal only)

#### 5. Timeline

The Project Team have begun work with NEC on the implementation of the solution. Work to date includes:

- Set up of technical infrastructure to allow access to the applications in the NEC Cloud
- Overview sessions of the product provided to the project team
- Revenues and Benefits service are currently configuring the setup database
- Technical team are working on the extraction of data from the Sedgemoor system, and transformation of this into the correct format for loading into NEC database

We are working to this timeline:

- South Somerset move to NEC Cloud July 2025
- Sedgemoor go-live July 2025
- Mendip go-live September 2025
- SWT go-live October 2025
- Merge all 4 databases into consolidated system November 2025

### **Links to Council Plan and Medium-Term Financial Plan**

6. There are currently no savings committed to the Council's MTFP, as full cost/benefit analysis is not yet available.
7. The consolidation of systems will enable the Revenues and Benefits service and Customer Services to work across areas, improve productivity, and create a consistent and improved experience for customers following the move to a Unitary authority.

### **Other options considered**

8. Due to the time pressures explained above, the decision was taken not to go out to market for a full procurement exercise. Therefore, we reviewed the two feasible applications we already had in use across the service and invited both to submit a proposal for working with us moving forward.

### **Key considerations for the Council**

#### **Scrutiny comments / recommendations:**

9. The proposed decision has not been considered by a Scrutiny Committee as we are seeking special urgency measures and urgent implementation, due to the reasons outlined on page 2.

### **Consultation and feedback**

10. No consultation required, as the project scope does not include changing service provision, staffing or roles. No detrimental impact for customers or staff is expected.

### **Financial and Risk Implications**

11. The cost profile for the project is outlined in Appendix C. Please note that this includes some estimated costs, as we do not have full costings from suppliers to cover exit arrangements. There will be a period where the new contract is being paid for at

the same time as existing applications and contracts. This cost/benefit analysis will be developed as we move through the project.

12. The contract award has been reviewed by the Head of Revenues and Benefits, and the Commercial and Procurement Board. Revenue spend will come from the ICT software budget, and there is LGR project budget available for the capital spend to cover the implementation costs. No additional budget is being requested, all costs of delivery and implementation are within existing budgets.
13. There have been project risks identified and tracked for the implementation of the consolidated solution. The highest scoring risks are set out below:

Risk	Current Score			Mitigation	Projected Score		
	L	I	Score		L	I	Score
Voluntary redundancy process and the restructure programme are currently ongoing and could impact the resources available to support the project. Full impact of the consultation and restructure are not yet confirmed.	5	5	25	Identify skillset and capacity required within the Sedgemoor ICT team and solutions available - temporary contracting arrangements, re-allocation of work etc.	4	4	16
If unable to award a contract or to deliver the Sedgemoor or Mendip migrations in the required timescale, there is currently no viable alternative plan in place. Capita contract ends in September 2025. Significant impact on services ability to function and collect revenues.	4	5	20	<ul style="list-style-type: none"> <li>• Selection of supplier that can meet requirements.</li> <li>• Awarding contract through Key Decision urgency measures to avoid delay.</li> <li>• Making required changes to Sedgemoor system to function through 24/25 year end</li> </ul>	3	4	12
High resource commitment required from the service, across all area teams to deliver migrations and implementation successfully. Limited resourcing available within the existing services	4	5	20	Identifying key staff from each area to be involved in different stages of the project. Prioritising work accordingly	3	4	12

14. Project risks are being tracked by the Project Manager in risk log and reported to the Application Consolidation Programme Board for management and escalation where required.

### **Legal and Procurement Implications**

15. Legal Services have been engaged with and advised on some commercial terms within the contract. We will continue to work with them where required for contract signature.
16. Commercial and Procurement have been involved from the outset and have run the evaluation exercise for the project team to select a preferred solution and supplier.
17. As part of the Financial Emergency measures, this contract award was reviewed by the Commercial and Procurement Board. This was originally in the context of awarding through the ICT Software Reseller Framework, with the necessary change in approach we have consulted with C&P leads and the original C&P approval received is deemed sufficient with no further requirement to come back to C&P Board again.

### **HR / Workforce Implications**

18. No HR implications identified. The projects scope is to consolidate applications and contracts to enable further service alignment work to take place. Delivery of any further changes would be covered by a separate project.

### **Equalities Implications**

19. An equalities impact assessment has been conducted by the project team. Full details are available in Appendix D.
20. Minimal impacts have been identified for protected groups. We are aware that there may be some staff that are on long term leave such as maternity, paternity, parental and sick leave that may not be in work for the relevant go-live period or system training. The project will work to identify any staff in this situation and ensure they receive relevant communications and training upon their return to work.

### **Community Safety Implications**

21. Not applicable

### **Climate Change and Sustainability Implications**

22. There may be some positive impact from decommissioning existing on-premise applications that are supported in various office locations, including reduction in energy usage for technical infrastructure. Details not yet known.

### **Health and Safety Implications**

23. Not applicable

### **Health and Wellbeing Implications**

24. Not applicable

## Social Value

25. Not applicable

## Background Papers

26. [RandB Solution and Recommendations - May 2024.pdf](#) – Slides with more detail, outlining the decisions made by the ICT Application Consolidation Programme Board.

## Appendices

- Appendix A – Tender Evaluation Report
- Appendix B – Tender Evaluation Report Confidential Appendix
- Appendix C – Key Decision Confidential Appendix
- Appendix D – Equalities Impact Assessment

## Report assurance checklist ahead of report publication (for Audit, Executive, Full Council and Scrutiny Committees)

	Officer Name	Date Completed
Legal and Governance Implications	David Clark	30/10/2024
Finance and Procurement	Nicola Hix	31/10/2024
Workforce (*)	Dawn Bettridge	Not required
Asset Management (*)	Simon Lewis	Not required
Executive Director	Alyn Jones	06/11/2024
Service Director ICT	Andy Kennell	31/10/2024
Executive Lead Member	Cllr Bill Revans	31/10/2024
<b>Consulted:</b>		
Lead Member for Transformation, HR and Localities	Cllr Theo Butt Philip	
Lead Member for Resources, Procurement and Performance	Cllr Liz Leyshon	08/11/2024
Opposition Spokesperson(s)	Cllr Diogo Rodrigues Cllr Faye Purbrick	13/11/2024
Chair of Corporate and Resources Scrutiny Committee	Cllr Bob Filmer	10/11/2024