

Decision maker:	Director for adults and wellbeing
Decision date:	Friday 02 February 2018
Title of report:	Abacus site licence renewal
Report by:	Welfare and financial assessment team manager, Adult social care commissioning manager

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose and summary

To agree a direct award for licences for the Abacus e-solutions software system for a period of three years from 1 February 2018.

Recommendation(s)

That:

- (a) Servelec HSC be directly awarded a contract for the provision of the existing Abacus e-solutions software licences for a period of three years from 1 February 2018 at a maximum cost of £45K.**

Alternative options

1. Discontinue using the Abacus e-solutions system and raise service user charges manually through the council's main financial system, Business World. This is not recommended as this would require additional staff resources of at least two full-time

employees to manually calculate charges based on services provided, and to manually raise service orders in Business World for each four weekly billing period. This would be more costly than the licence renewal and inefficient, resulting in data having to be re-keyed into two systems.

2. Discontinue using the Abacus e-solutions software and use the financial assessment functionality within the existing Mosaic case management system, utilising calculations in forms. This is not recommended as this is not an option available within the timescales. This option would require significant investment in staff time to develop the functionality within Mosaic to comply with the council's current charging policy, implementation and training, and is not practical, affordable or achievable within the timescale.
3. Extend the contract for one year. This is not recommended due to aligning the Abacus and Mosaic licence end dates. The market is limited and the risk of another provider not being able to deliver, due to the complexities of the co-dependencies within two existing systems, within a mobilisation timescale are high.
4. Procure a new provider. This is not recommended. The timeframes available do not allow the council to go through a full procurement process, and the system licence needs to be in place to maintain business as usual, to remain compliant with the Care Act.

Key considerations

5. The Abacus e-solutions system enables the council to undertake financial assessments and inform individuals with the outcome of assessments promptly and effectively in accordance with Care Act 2014 statutory guidance. It has also been developed to meet Herefordshire Council's local care and support charging policy requirements. The system currently interfaces with the council's main financial system Business World to produce customer invoices for care and support services, and the Mosaic case management system for adult service user details.
6. The total expenditure on this contract to 1 February 2018 is in the region of a maximum of £128,000 accumulated value. The three year new contract under a direct award will be an additional spend to a maximum total of £45,000. This will bring the total value to £173,000 which is below the Official Journal of the European Union (OJEU) threshold of £181,302
7. Servelec HSC currently provides both the Abacus e-solutions and Mosaic case management system, which is currently in use by the adults and children's wellbeing directorates.
8. A full finance functionality review of the Servelec owned case management system was undertaken to assess current usage and ensure the set-up was working as intended, in conjunction with the company, in September 2016. Recommendations from the project group, which included all stakeholders from relevant council departments, included further extending integration with the Abacus product with purchase order and service delivery information to reduce the requirement to re-key service delivery data required for customer billing and payment to providers.
9. Servelec HSC has recently extended integration capabilities between these two products. Simple Excel reports created from the case management system can import key data into Abacus, taking the council closer towards a single working platform.

10. The contract with Servelec Corelogic Ltd for the annual support of the Mosaic case management system has the option to extend to 27 January 2021. Extending use of the Abacus product for a period of three years will enable the service to continue providing efficient and effective financial assessments and implement further integration without incurring additional costs for developing either system.

Community impact

11. The council's corporate plan 2017–2010 has four priorities, one of which is the improvement of the health and wellbeing of people in Herefordshire to 'enable residents to live safe, healthy and independent lives'.
12. The adults wellbeing plan 2017-2020 demonstrates the volume of residents that this licence impacts upon, as the council currently supports around 3,200 people a year through its adult social care services. On average, there are around 2,500 people receiving long term services at any one time and over two thirds of these are aged 65 or older.
13. This proposal supports the council's priorities by having IT systems which will provide the infrastructure to deliver efficient and effective financial assessments and raise charges to the most vulnerable residents across the county by maximising available resources.

Equality duty

14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
15. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

Resource implications

16. The cost of this contract at £45k is built into the capital programme budget for the next three years.
17. The contract will ensure continuity of service at low cost.

Legal implications

18. The proposed contract value is below the relevant financial threshold in the Public Contracts Regulations 2015, above which a competitive procurement process is required. Therefore, the council has a legal basis to directly award this contract to the proposed provider.
19. The council has a duty to secure best value in the provision of all of its services and, to this end, it is appropriate that services are subject to periodic re-procurement and market testing, as is proposed by this report, by making the Abacus contract co-terminus with the extended term of the support contract for the Mosaic care management system.

Risk management

20. Under the Care Act 2014, where a council has decided to charge for a service, it must carry out a financial assessment of what the individual can afford to pay and once complete, it must give them a written record of that assessment. If the recommendations in this report are declined, there is a risk that the council will not be able to administer financial assessments effectively. Mitigation would involve manual systems, but these might not be timely enough and risk our capability to charge for service delivery. There is also a high risk of error due to the complexities of calculating charges.

Risk / opportunity	Mitigation
a) Failure to renew the licence - By not accepting the contents of this report, the council would be forced to operate unlicensed software from 1 February 2018.	a) Ensure contract renewal is in place by 1 February 2018.
b) Contract renewal not approved.	b) Development of functionality in Mosaic, but this would require significant lead in time and is not practical or achievable within the timescale deadlines, and will result in a failure to raise charges in a timely way. Implementation of manual processes would require additional staffing resources and additional delays as indicated in risks above, resulting in financial risk to the council.
c) Risk of challenge	c) The accumulative price is under OJEU threshold which reduces the risk. In addition the risk of procuring a provider which would not be able to mobilise and be compatible is greater risk
d) Contract renewal for a three year period aligned to Mosaic system- This will allow us to review our operational processes and systems to bring greater efficiencies.	d) We will continue extending integration with the case management system.

Consultees

21. None

Appendices

None

Background papers

None