Herefordshire Council

Decision maker:	Director for children's wellbeing
Decision date:	Thursday 15 March 2018
Title of report:	Education admissions, family information service and special educational needs and disabilities application support and maintenance provision.
Report by:	Business and corporate applications manager

Classification

open

Decision type

Non-key

Wards affected

All

Purpose and summary

To renew the existing support and maintenance agreement with Servelec to provide the Synergy application for a period of up to two years from 1 April 2018, at an annual cost of no more than £70k.The application supports three the statutory services of admissions, family information service and special educational needs and disabilities.

Recommendation(s)

That:

> the existing support and maintenance agreement with Servelec, to provide the Synergy application for a period of up to two years, is agreed from 1 April 2018 at an annual cost of no more that £70k.

Alternative options

1. **To retender.** A preliminary soft market test was undertaken (over the last 12 months) in order to compare the viability of similar systems in the market place. The first part of this was undertaken through a request for information (RFI) via ProContract (the council's e-

tendering portal) and Contracts Finder, which resulted in receiving only one response from a supplier who confirmed that they could deliver within budget and specified timescales. The second part of the information gathering was from regional meetings and networking with other councils. The result of this indicated that there are only really three options, with Servelec Synergy being one option. It's the market leader in key areas, such as the statutory admissions management, therefore reassuringly Herefordshire Council is well equipped. The other two options would introduce significant cost of change (likely to be more than the original contract cost of 200k), not only in data migration, retraining, de-coupling existing integrations, project management, infrastructure design and staff user acceptance testing, but also solution re-procurement and higher annual running costs. Strategically, the council already has Mosaic (the social care case management application), which is also from Servelec and there is likely to be closer links in this business area and potential for further integrations and data sharing. Therefore, the option to retender is not recommended.

2. **Non-renewal of Servelec maintenance and support.** This is not recommended as the council would have to cease using the software applications to remain compliant with the licence agreement. The application suite is used extensively through the children's wellbeing directorate to deliver statutory functions, which carry penalties if not delivered correctly, such as school admissions.

Key considerations

3. The agreement with Servelec Synergy for the provision of an education, admissions, routing and educational needs suite was first implemented in 2003 and included the implementation of the system and associated licences, as well as support and maintenance on the system. From this time, the product offering and statutory requirements have grown, which Servelec has helped to deliver.

4. The Servelec Synergy suite is one of three main suppliers in the education area, the others being Capita and CACI. There is evidence in the market to show that there has been some movement away from the Capita solution (Durham, Dudley and Surrey). The annual cost for Durham County Council decreased from 122k to 80k.

5. There has been a preliminary assessment of the other vendor options and from this there is little to drive a move away from Servelec Synergy, due to reductions in cost or better more efficient practices. The cost of change alone would be the biggest determining factor on remaining with Servelec for the next two years.

6. The council has also made a significant investment in integrating Servelec Synergy with other applications including the website; there would be considerable effort and additional cost required to de-couple this environment. There are potentially more integrations coming up with Mosaic, which is also a Servelec product, therefore it should be simpler than with other vendor's products.

7. In addition to the review of the annual maintenance extension and recommendation based on this, a request for information was completed and sent out via ProContract and Contracts Finder to see what other options were available. There was only one response, which was from Servelec.

8. The council's draft IT Strategy provides guiding principles that are relevant to this issue: that there should be only one software application in use to provide a specific area of functionality and ensure reduced costs to the council in overheads.

9. A further detailed review will take place over the next two years to assess the market and consider future options for service delivery.

Community impact

10. If Servelec Synergy is not available from the end of March, we would be in breach of our statutory obligation to co-ordinate primary school admissions at the end of April 2018 and for secondary places commencing in August 2018. The council would also be in breach of the requirement to provide accurate information on nursery places, as the existing data would age rapidly at a critical point in terms of sufficiency (the start of the summer term).

11. The recommended approach seeks to maintain the standard of service and expected cost, effectively supporting achievement of the corporate plan priority to secure better services, quality of life and value for money.

Equality duty

12. 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.

13. 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.

14. Synergy is our central system for records within education and as such is our 'go to source' for all diversity information. It also enables us to identify and record the nine protected characteristics, as defined by the Equality Act, and others that we identify locally.

15. Synergy is largely, but not fully, accessible for disabled employees to use. Those with screen readers are able to use most of its functionality and we continue to push for full compatibility, which is being delivered as the functionality is improved.

Resource implications

16.   The new contract indicates that financial resources have been saved going forward, with the annual cost being £67k as opposed to the original £74k. The cost is included within the budget for 2018/19.

Legal implications

17.   The council has a number of statutory duties to provide education related services, including acting as admissions authority for school places (School Standards Framework Act 1998 and School Admissions Code 2012); ensuring appropriate special educational needs provision is available and appropriately allocated (Children and Families Act 2014); and ensure a sufficiency of placements, collate and make available information on early years provision (Childcare Act 2006, as amended). The software provided and maintained by Servelec Synergy enables the council to carry out these functions, providing a means of safely storing, sharing and sorting relevant information.

18.   The current contract includes maintenance provisions, which continue the council's rights to renew on an annual renewal basis, unless termination notices are served in relation to each specific service area, giving three months' notice. The renewal date for these contracts is annually in March.

19.   As no termination notices were served in December 2017, the contracts have renewed automatically under the terms of the contract (clause 7.23) and the council is therefore liable to pay the costs under the contract incurred under the contract for these services.

20.   The council has a duty to secure best value in the discharge of all of its functions. Periodically undertaking a re-procurement of an externally commissioned service is a useful means of demonstrating best value. In this instance, the report has identified why retaining the current service provider represents a best value solution for the time being.

Risk management

21.   There is a risk of loss of service provisioning to the public without this system and renewing the license ensures continuity in support and maintenance.

22.   There is a risk that Servelec Synergy would start legal proceedings as we haven't given a three month notice of termination. In order to mitigate against this, it is therefore recommended that the contract is renewed.

23.   **Risk** - There is a risk that since this contract has been in operation since 2003 another provider may challenge this renewal and seek to argue that the contract should be put out to tender, on the grounds of best value.

        Mitigation – Having undergone a market review and an open market testing exercise, which utilised the council's e-tender portal and Contracts Finder (government portal) and where only one response was received from the incumbent provider, this has demonstrated that there is a limited market to deliver this service within budget at this time. However, a further detailed review is planned to take place over the next two years, which will inform options going forward.

Consultees

None

Appendices

None

Background papers

None