

	<b>Policy and Resources Committee</b> <b>19 July 2018</b>
<b>Title</b>	<b>Adults and Communities Case Management System</b>
<b>Report of</b>	Cllr Richard Cornelius
<b>Wards</b>	All
<b>Status</b>	Public
<b>Urgent</b>	No
<b>Key</b>	No
<b>Enclosures</b>	None
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## Summary

The council went live with a new adult social care case management system (Mosaic) in April 2017. The implementation has involved significant issues which have critically affected the system's performance.

Improvements have been made to the system since go-live but there are still significant issues. These have an impact on financial monitoring, performance reporting and operational effectiveness, including the ability to efficiently bill clients and pay invoices. Mitigations are in place to manage the risks and issues.

Resolving these problems has had both operational and commercial consequences. It is proposed that an audit lessons learned exercise is now undertaken and the findings are reported to Audit Committee. The commercial teams of the council and Capita have

agreed to the principle that the most effective way to deliver a fit for purpose system is for the council to engage with an alternative provider to undertake the rest of the required implementation work.

This paper seeks authorisation to procure a new delivery partner to complete the delivery of a fit for purpose case management system for adult social care in Barnet, and the allocation of a capital budget to enable the procurement to commence, whilst the process to agree commercial liability with Capita concludes.

## **Officers' Recommendations**

- 1. That the Policy and Resources Committee approves a procurement exercise to the value of up to £3m.**
- 2. That the Policy and Resources Committee approves the project for inclusion in the capital programme with the budget requirements set out in section 5.2.**
- 3. That the Policy and Resources Committee agree that an audit lessons-learned exercise is now undertaken and the findings are reported to Audit Committee.**

### **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Adults and Communities Investing in IT Programme was established to deliver a new IT system that supports the legislative requirements of the Care Act (2014, came into effect April 2015) and replace out-dated systems. The outcomes sought through this programme of work include:
  - Improved citizen and customer choice and control.
  - Increased shared data and records between services enabling more joined up care.
  - Strong evidence used to inform intelligent commissioning.
  - Increased productivity and efficiency.
- 1.2 In September 2014 Capita were commissioned by the council to deliver a fit for purpose Adult Social Care IT system. This was to replace two existing systems: Swift – the legacy case management system no longer under general support by Northgate; and Wisdom - used for case related document management.
- 1.3 There have been various issues in respect of the implementation. The new system was originally due to go live in April 2015 but this was delayed by two years. Go-live was achieved on the 3 April 2017 but unfortunately the system as it is currently configured is still not fully fit for purpose and has not achieved all the intended programme outcomes.
- 1.4 Whilst currently configured the Mosaic system enables the safe management of adult social care case work with service users and carers, the functionality of the new system has not been optimised to achieve the benefits sought in

more efficient case recording. The automated system reporting functionality is not working in a reliable, timely and accurate way, and the current finance and purchasing / payment processes require workarounds.

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 The continuing difficulties faced by the programme in completing the implementation of a fit-for-purpose system after the go-live in April 2017 led to a review of risks and issues by the programme board. Given the ongoing issues including the urgent need to meet year-end statutory reporting requirements, the council needed to engage additional contractors to continue delivering the necessary remedial work to the system configuration to ensure the council could meet its statutory obligations. The additional resources required in the short term is creating an additional cost pressure. Section 5.2 of this report sets out the resource requirement to cover work completed since April 2018 by council interim resource and for the future implementation work required to deliver a fit for purpose system.
- 2.2 The council commissioned a health check from a third-party supplier with experience in deploying Mosaic solutions to local authorities to set out the activities and effort required to get from the current point of implementation to the end-point of a fit for purpose case management system, as defined by the programme's critical success factors. Following completion of the health check, the council and Capita have been in discussions to determine the most effective way to deliver a fit for purpose system and have agreed the principle that the council should engage with an alternative provider to undertake the rest of the required implementation work.
- 2.3 The proposed approach is to undertake a procurement exercise, using the Crown Commercial Service G-Cloud Framework, to contract with a new provider to deliver the work required to get to a fit for purpose system.
- 2.4 To enable a procurement exercise to be undertaken, authority must be granted for the procurement, and a capital budget must be agreed. The resource and financial implications of this decision are set out in section 5.2 of this report.
- 2.5 Given that there have been various issues in respect of the implementation of the Mosaic system, the council's audit function had planned to undertake a lessons-learned exercise in relation to the implementation of the Mosaic programme. Now that there is a clear, recommended course of action for further implementation, an audit lessons-learned exercise will be undertaken and the findings will be reported to Audit Committee.

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 The Committee could choose to not proceed with the recommended procurement and could choose to continue with the current delivery arrangements. To not proceed is not recommended. Due diligence has been undertaken which demonstrates that there are other suppliers in the market who have successfully stepped in to ensure that the Mosaic IT system can

deliver the requirements of local authorities from a similar starting point to Barnet's current position.

#### **4. POST DECISION IMPLEMENTATION**

- 4.1 If the Committee approves the recommendations in this paper, the following activity will be undertaken to implement the decision:
- A written agreement between Capita and the council will be drawn up to agree how the council and Capita will engage with a new third-party provider to successfully deliver the Mosaic system implementation, while the Capita team withdraw from the delivery of the programme;
  - A specification will be finalised and a procurement will be undertaken to award a contract to a new provider; and
  - The activity which will follow will be mobilisation of a new third-party provider and a period of handover between Capita and new third-party provider.

#### **5. IMPLICATIONS OF DECISION**

##### **5.1 Corporate Priorities and Performance**

- 5.1.1 The council's corporate plan (2018-19 addendum) sets out that the one of the council's core purposes is to work together to ensure quality services. The corporate plan also includes a focus on ensuring services are delivered efficiently to get value for money for the taxpayer. The recommendations are the most effective option to deliver a fully functioning Mosaic system to support high quality service delivery to residents.

##### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 There are negotiations in progress between the council and Capita's commercial teams about the funding of the additional work required. There are differences in views on who should pay for the £4.2m costs.
- 5.2.2 While commercial discussions are progressing, the approval of a capital budget of up to £4.2m is required to enable the council to undertake a procurement for a new provider, award a contract for the delivery of this work, and meet the internal resourcing requirements needed to deliver the additional work.
- 5.2.3 The exact split of costs for LBB resourcing and third-party costs will be determined by the procurement outcome but it is anticipated that there will be up to £1.2m of council resourcing costs and up to £3m of third party costs. Full details of how the capital budget will be utilised will be included in the Delegated Powers Report which will formalise the award of contract following the procurement exercise. This is a significant investment by the council and as such every effort will need to be taken to ensure good value for money and the scrutiny of spend. The Adults and Communities Investing in IT Programme

Board will be responsible for overseeing the delivery of this work and ensuring value for money is achieved. The Programme Board will request the input of the commercial team and corporate finance to support this where required.

### **5.3 Social Value**

- 5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits. Before commencing a procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. Requirements for a contractor to deliver activities in line with Social Value will be monitored through the council's contract management framework.

### **5.4 Legal and Constitutional References**

- 5.4.1 Article 7 of the constitution sets out that, among other responsibilities, Policy and Resources Committee is responsible for:
- Strategic policy, finance and corporate risk management including Capital and Revenue Budget
  - Finance including:
    - Corporate procurement; and
    - Effective use of resources
  - Procurement Forward Plan

The content of this report is in line with these Constitutional responsibilities.

- 5.4.2 Following agreement to the capital budget and procurement, oversight of delivery would be a matter in the remit of the Adults and Safeguarding Committee which is responsible for all matters relating to adult social care.

### **5.5 Risk Management**

- 5.5.1 The council's Risk Management Framework is used to identify and respond to risks across all the council's services. Risks relating to the implementation of the Mosaic IT system have been identified and managed in line with this Risk Management Framework and have been reported to relevant Committees in line with this framework. The recommendation to procure a new provider to complete the Mosaic implementation is a key mitigation in managing identified risks.

### **5.6 Equalities and Diversity**

- 5.6.1 Pursuant to the Equality Act 2010, the council and all other organisations exercising public functions on its behalf must have due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advance equality of opportunity between those with a protected characteristic and those without; promote good relations between those with a protected characteristic and those without. The

relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.

## **5.7 Corporate Parenting**

- 5.7.1 In line with Children and Social Work Act 2017, the council has a duty to consider Corporate Parenting Principles in decision making across the Council. A fit for purpose Mosaic system supports care leaving young people aged 18-25 who go on to receive support from Adults Services. The successful implementation of the system will better support this cohort of young people.

## **5.8 Consultation and Engagement**

- 5.8.1 Adults and Communities staff, service users and third-party care providers will benefit from the successful implementation of the Mosaic system. The views of those using, and impacted by, the system are being sought through the programme implementation.

## **5.9 Insight**

- 5.9.1 The successful implementation of the Mosaic system will provide Adults and Communities with better reporting abilities which can be used to inform intelligent commissioning.

## **6. BACKGROUND PAPERS**

- 6.1 None