

CABINET MEMBER DELEGATED DECISION 11 DECEMBER 2019

Report title: MOSAIC (Social Care Case Management Application) Support and Maintenance

Wards: All

Portfolio: Councillor Edward Davie, Cabinet Member for Health and Adult Social Care

Report Authorised by: Fiona Connolly, Executive Director of Adults & Health

Contact for enquiries: Ian Wathen, ICT Contracts Officer, Resident Services, 07970 986 156, iwathen1@lambeth.gov.uk

Report summary

This report recommends that the London Borough of Lambeth (LBL) award the contract for Support and Maintenance for the MOSAIC Social Care Case Management application to Servelec HSC for a period of 2 years with the option to extend for two further periods of twelve months, at a maximum cost of £129,896 per annum. The award is made via the Crown Commercial Service G-Cloud 11 framework which provides a compliant procurement route.

Lambeth utilise the MOSAIC software application for its Social Care case management for both Adults and Children services the MOSAIC Finance module for purchasing, payments, financial assessment functionality within social care. The Council currently has approximately 1,000 users of MOSAIC who store 1.3TB of Council data.

Finance summary

The total cost of this contract will not exceed £519,584 (£129,896 per annum) for the maximum four year lifetime (2 years plus 1+1 year period extension options). The contract is expected to run for the period 1 April 2020 until 31 March 2022, or 31 March October 2024 should the option to extend both 12-month options are exercised. In 2019 the budgets for MOSAIC support and maintenance were transferred from Adults and Children's Services to the ICT Contracts Team.

Recommendations

1. To approve the award of the MOSAIC (Social Care Case Management Application) Support and Maintenance contract to Servelec HSC for a contract term of 2 years from 1st April 2020 to the 31 March 2022 with the option to extend this from 1 April 2022 for 1 year and then from 1 April 2023 for a further 1 year giving a total contract length of 4 years at an estimated maximum total cost of £519,584.

Reasons for Exemption from disclosure

The accompanying part II report is exempt from disclosure by virtue of the following Paragraphs of schedule 12A to the Local Government Act 1972:

3. Information relating to the financial or business affairs of a particular person (including the authority holding that information).

1. CONTEXT

- 1.1 Corelogic developed the MOSAIC software application, initially called Framework-i. Corelogic was purchased by Servelec HSC which continues to develop and support the MOSAIC application and as such they are the only supplier able to offer a support and maintenance service for MOSAIC.
- 1.2 Lambeth has been using MOSAIC for its Social Care case management for both Adults and Children services since 2004 and the Finance module for purchasing, payments, financial assessment for social care since 2006. Mosaic currently has approximately 1000 Council users and stores 1.3TB of Council data.
- 1.3 The current annual expenditure with Mosaic for the Supply and Maintenance contract is just under £113,000 per annum. This excludes support for the Local Care Record (LCR) interface which is currently under development. The Local Care Record currently connects the electronic patient record systems at Guy's and St Thomas', King's College Hospital and South London and Maudsley NHS Foundation Trusts with the vast majority of GP practices in Southwark, Lambeth and Bromley. The new contract will include support for the LCR enabling the sharing of information between NHS and Lambeth Council Social Care professionals.
- 1.4 The current support contract ends on 31 March 2020. Without a support contract the Council will not receive functional or technical software updates and enhancements. Not receiving functional updates and enhancements will mean the service will be unable to adapt to changes to legislation or to take advantage of enhancements to the MOSAIC application. Not receiving technical software updates and security fixes will expose core social care case management data to security threats and data breaches. This in turn would jeopardise the Council's Public Services Network (PSN) compliance and hence connectivity with other public sector organisations.
- 1.5 The provision of continued support, maintenance and upgrading of the MOSAIC Social Care application supports the aims of the Borough Plan in relation to Reducing Inequality, enabling Health and Wellbeing for All and support Reform Principles through Prevention and Early Detection and Integration. The proposed new contract ensures the Council is able build on its existing social care platform and remain flexible to adapt to changes in requirements and legislation.
- 1.6 This a Procurement Gateway 3 Report.

2. PROPOSAL AND REASONS

- 2.1 The Council owns the licences to use the Mosaic application in perpetuity. It has been agreed to continue to use this application for at least a further two years from April 2020 when the current support contact ends. There is therefore an ongoing need for support and maintenance for the software. Servelec have exclusive rights to provide the support and maintenance of the Mosaic application which means there can be no competition for this support.
- 2.2 The following options were also considered:

Do Nothing

This option is not viable, without a support contract the Council will not receive technical updates exposing core social care case management data to security threats and data breaches, which would jeopardize the council's PSN compliance and hence connectivity with public sector organisations. Without a contract in place, the opportunity to address and improve current issues would be lost. These factors would jeopardise the improved, recently acquired 'requires improvement to be good' status in Children's Social Care.

Mini Competition to investigate replacing MOSAIC with alternative solution

This is not deemed a suitable route given the financial, operational, technical and time resource requirement and risks associated with a tender exercise – potentially with the requirement to implement a new system across four divisions, transferring a 1.3TB database, staff training (and potential drop in operational effectiveness and increase in errors. The cost of which is estimated at £1.25-£1.5 million, outweighing the financial and operational benefits that can be achieved through a tender process. The lead time to undertake a competitive procurement exercise and implementation of a new system is anticipated to take a least 24 months to complete.

2.3 The following support and maintenance service contracts are required:

- Mosaic Children's and Adults Social Care Annual Support
- Mosaic Finance Children's and Adults Social Care Annual Support
- Mosaic NHS Mini-Spine Interface Annual Support
- Mosaic CPIS Interface Licence and Annual Support
- Mosaic Finance Interface to Corporate Finance System - AP/AR Annual Support
- CM2000 interface (POs to CM2000)
- Local Care Record (currently under development)

2.4 Servelec HSC offer MOSAIC support and maintenance service contracts for the different elements of the total MOSAIC application on the Crown Commercial Service (CCS) G-Cloud 11 framework which provided the Council with a compliant procurement route.

2.5 To ensure value for money and fit for purpose service provision the Council requested Servelec HSC to submit a price proposal and Method Statement responses in relation to the Council's support and maintenance requirements through the CCS G-Cloud Framework. Prices remain at the 2014 level for the duration of the contract.

2.6 Servelec's submission was evaluated by a Council evaluation panel. All the Servelec method statement responses met the Council's quality thresholds. The price proposals received were evaluated and benchmarked to ensure value for money. This is detailed in full in the Part II report.

2.7 For the reasons detailed above it is proposed to award the MOSAIC (Social Care Case Management Application) Support and Maintenance contract to Servelec HSC for a contract term of 2 years from 1 April 2020 to the 31 March 2022 (at an annual cost of £129,896), with the option to extend for further two 12-month periods up to 31 March 2024 at a total contract cost of £519,584.

3. FINANCE

3.1 The cost of this contract will be £259,792 for the initial period of two years (1st April 2020 to 31st March 2022). Should the option to extend the contract for two further periods of 12 months (until 31st March 2024) then the total value of the contract will be £519,584. The budgets for MOSAIC support and maintenance were transferred to ICT in 2019 so all costs will be met by ICT Business and Residents Services Division.

3.2 Annual costs for the proposed contract will amount to £129,896 from the next financial year 2020/21 for the duration of the contract. The MOSAIC element of this total is £112,684 and there is funding in the ICT budgets for this; the Local Care Record element for this support contract is £11,250 and it has been recently agreed that this will be funded from the Adult Social Care budget. The residual amount of £5,962 for the NHS mini spine support will be funded from the Adult Social Care budgets.

4. LEGAL AND DEMOCRACY

- 4.1 The authority to enact this report’s recommendation is delegated to the Cabinet Member for Health and Adult Social Care. Before exercising that authority, this paper should be reviewed by the Procurement Board.
- 4.2 The statutory procurement regime applies to the proposed award by virtue of the Public Contracts Regulations 2015. The regulations allow contracting authorities to call-off frameworks provided the authority is named, or is part of an identifiable group cited, in the contract notice published in respect of the framework.
- 4.3 Given that the Mosaic platform is proprietary to Servelec/Corelogic, with no third-party re-sellers, a direct award is permitted at law. The CCS also makes provision for direct awards on the G-Cloud 11 framework.
- 4.4 For above-threshold call-off contracts from a framework agreement there is no mandatory 10-day standstill period between the notification of the contract award and the commencement of the contract but applying the standstill is recommended to protect against possible post contractual ineffectiveness claims.
- 4.5 This proposed key decision was entered in the Forward Plan on the 6 September 2019 and the necessary 28 clear days’ notice has been given. In addition, the Council’s Constitution requires to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. CONSULTATION AND CO-PRODUCTION

- 5.1 Internal stakeholders were fully consulted throughout the process and were involved during the evaluation process.
- 5.2 The Social Care IT Project Board were kept informed and consulted throughout the process and formally signed off the enhancements to the standard SLA and the report from the Method Statement Evaluation Panel.

6. RISK MANAGEMENT

- 6.1 A risk register is maintained for this project. The key risks are identified and their mitigation actions are detailed below.

ID	Risk	Likelihood	Impact	Score	Mitigation
1	The procurement route chosen could signal to the current supplier that it is ‘business as usual’ and no improvements need making, especially around long-	3	8	24	Reduce: The contract term is 2 + 1 + 1 years. Payment terms will include incentives and penalties to encourage improved performance. The term of the contract will also give the council time to move to a competitive tender should Servelec not meet these contractual milestones.

	standing support issues.				
2	This route removes a re-evaluation of the market and the council may miss out on the best “fit for purpose” solution	3	2	6	Accept: The RSC project board have agreed that once this contract is signed they will start a new project to re-evaluate the market.
3	Risk Exposure of Service Provider	1	4	4	Certificate of public and products liability insurances were obtained
4	Financial robustness of service provider	1	2	2	D&B reports were obtained
5	Business Continuity Failure	1	8	8	Servelec have a comprehensive Business Continuity Plan in place which has been shared with the Council
6	Brexit	1	1	2	<p>Servelec statement on UK’s EU exit says:</p> <p><u>For our UK Customers</u></p> <p>We anticipate minimal or no impact on the continuation of our existing service provision to our UK customers. We do not anticipate any issues with equipment licences to use software or our hosting facilities. We only use commercial, off the shelf products that can be sourced from many locations, limiting the impact of any foreign exchange fluctuations.</p> <p><u>For our staff</u></p> <p>We already employ a small proportion of EU and non-EU nationals in our business and are well versed in the visa application process for non-EU nationals. Regardless of the agreed terms of the UK’s EU exit, the likelihood is that the current process or one very similar will be in place for any future non-UK staff appointments.</p> <p><u>Data handling and storage</u></p> <p>Servelec’s customer-facing hosting services are provided exclusively via UK-based data centres and Servelec’s handling of such data is GDPR compliant. The current market expectation is that post-EU exit, UK’s data protection laws will continue to align with the GDPR in order to facilitate continued trading between businesses in the UK and the EU. Nonetheless, given that the GDPR apply to all processing of EU citizen data (whether such processing takes place within or without of the EU), Servelec’s strategy is to ensure that in any event its services continue to comply both with the GDPR (post-EU exit) as well as any replacement UK data protection legislation.</p>

KEY

Likelihood	Very Likely	4	Likely	3	Unlikely	2	Very Unlikely	1
Impact	Major	8	Serious	4	Significant	2	Minor	1

7. EQUALITIES IMPACT ASSESSMENT

- 7.1 An Equalities Impact Assessment was completed identifying a Low impact, this was completed in consultation with the Senior Policy and Communications Officer and approved by the Head of ICT Services

8. COMMUNITY SAFETY

- 8.1 Not applicable.

9. ORGANISATIONAL IMPLICATIONS

Responsible Procurements

Living Wage

- 9.1 Servelec are not currently an accredited Living Wage Employer but pay the Living Wage to all employees (except volunteers, apprentices and interns).

Anti-Modern Slavery

- 9.2 Servelec Anti-Modern Slavery and Human Trafficking Policy: <https://www.servelec.co.uk/legals-terms/anti-modern-slavery-and-human-trafficking/>

Freedom to Join a Trade Union

- 9.3 Equal ops statement says:

Servelec recognise the need for a diverse workforce and we are committed to equal opportunities in employment. Servelec employees and candidates who apply to work at Servelec will be treated fairly and valued equally. All job requirements fit the needs of the business and those who work in it, regardless of age, disability, race, nationality, ethnic or national origin, gender, religion, beliefs, sexual orientation, domestic circumstances, social and employment status, HIV status, gender reassignment, political affiliation or trade union membership.

Quality Apprenticeships, Targeted Employment for Lambeth Residents and Lambeth Priority Group

- 9.4 Servelec's support and maintenance team are based in Sheffield so there are no specific opportunities for Lambeth Residents. However Servelec do operate a Digital Degree Apprenticeship Programme in conjunction with Sheffield Hallam University.

Reduce Emissions: Lambeth Council has a commitment to being Zero Carbon by 2030

- 9.5 Not relevant to this contract which is for software support and maintenance.

Single Use Plastics

- 9.6 Not relevant to this contract which is for software support and maintenance.

Positive Health and Wellbeing

- 9.7 Not relevant as Servelec HSC have less than 250 employees.

Procurement

- 9.8 The CCS G-Cloud Framework provides a compliant route to market for use by the UK public sector to buy cloud computing services covering hosting, software and cloud support. Given that the Mosaic platform is proprietary to Servelec/Corelogic, with no third-party re-sellers, a direct award is permitted at law.

9.9 To ensure value for money and fit for purpose service provision the Council requested Servelec HSC to submit a price proposal and Method Statement responses in relation to the Council's support and maintenance requirements through the CCS G-Cloud Framework. All of the Servelec method statement responses met the Council's quality thresholds. The price proposals received were evaluated and benchmarked to ensure value for money.

Staffing and accommodation

9.10 There are no anticipated changes to current staffing or accommodation.

10. TIMETABLE FOR IMPLEMENTATION

Action	Start
Procurement Board	19 November 2019
Decisions Online	3 December 2019
Formal Approval	11 December 2019
Contract Signing	20 December 2019
Contract Commencement	1 April 2020

AUDIT TRAIL				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Edward Davie	Cabinet Member for Health and Adult Social Care	31/10/19	31/10/19	None
Fiona Connolly	Strategic Director of Adults & Health	16/10/19	16/10/2019	None
Maqsood Sheikh	Accountant Finance and Property	01/10/19	10/10/19	3
Michael O 'Hora	Senior Contracts Officer Legal and Governance	01/10/19	01/10/19	4.1 to 4.4
Maria Burton, Democratic Services	Legal and Governance	01/10/19	16/10/19	2.2 and 9.1
Malcolm DeVela	Category Manager Finance and Property	01/10/19	04/10/19	Initial consultation of the draft document

REPORT HISTORY	
Original discussion with Cabinet Member	31.10.19
Report deadline	N/A
Date final report sent	19.11.19
Part II Exempt from Disclosure/confidential accompanying report?	Yes
Key decision report	Yes
Date first appeared on forward plan	06.09.19
Key decision reasons	2. Expenditure, income or savings in excess of £500,000.
Background information	N/A
Appendices	N/A

APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board and taken account of their advice and comments in completing the report for approval:

Signature: _____

Date: _____

Post: Ian Wathen,
ICT Contracts Officer

I approve the above recommendations:

Signature: _____

Date: _____

Post: Fiona Connolly
Executive Director of Adults & Health

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:

Signature: _____

Date: _____

Post: Councillor Edward Davie
Cabinet Member for Health and Adult Social Care

Any declarations of interest (or exemptions granted): N/A

Any conflicts of interest: N/A

Any dispensations: N/A