

Cabinet Member delegated decision

Decision Due: 27/05/2014

Procurement of management information system(s) for school admissions, Families Information Service and children's centres

Wards: All

Report Authorised by: Strategic Director: Delivery Cluster, Sue Foster

Portfolio: Deputy Leader Policy – Councillor Imogen Walker

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Report summary

This report seeks to obtain authority to award a contract to Tribal Education for the provision of an Integrated Management Information System to commence on 1st July 2014 for a total of 12 years with contractual bi-annual review clauses, following the outcome of a competitive tender undertaken via the Open Procedure and OJEU process.

It also summarises the outcome of the Pre-qualification and Procurement Exercise carried out for a suite of management information systems to be used within the Delivery Cluster to support the management information processes for School Admissions, Children's Centre programme and Families Information Service (FIS).

Following aims were set and achieved:

- finding suitable management information systems for individual service areas,
- enhancing current functionalities,
- achieving value for money and cost savings merging three free standing contracts into one,
- integration and effective sharing of child level data between early years and school admissions.

Finance summary

The overall approved budget for the integrated management information systems is £731,261, for 12 years with a contractual bi-annual review option. The breakdown of this budget is tabled below.

This is based on the recommendation that Lambeth enters a 12 year contract with Tribal Education Ltd, costing £260,004 over first two years. The costs of children's centre and Families Information Service solutions will be met in the revenue budget in Communities, Housing and Environment - Preventative Services budget (cost code 430). The costs of School admissions will be met in the revenue budget in Education, Skills and Learning – School Admissions Service are (cost code 475). A potential bid to capitalise the licence costs in the region of £130,000 is being pursued.

Software licence, support and maintenance costs	Years 1 and 2	Years 3 to 12	Years 1 to 12
School Admissions	£165,352	£194,576	£359,928
Children's Centres	£53,645	£141,387	£195,032
Families Information Service	£41,077	£135,223	£176,300
TOTAL	£260,074	£471,187	£731,261

Recommendations

- (1) That Tribal Education Ltd is awarded the contract for the integrated management information systems for Lambeth Children's Centres, School Admissions and Families Information Service for the term of 12 years from the 1 July 2014 to 1 July 2026, with a contractual two yearly review option.

1. Context

- 1.1. The aim is to procure suitable software to meet the needs of individual service areas and to integrate and share effectively people/child level information between early years and school admissions. An effective MI solution is required to enable Lambeth to meet its statutory duties, management information processes and tracking and monitoring of outcomes. All three service areas that participated in this procurement exercise are delivering statutory duty service provision placed on local authorities under the Education Act 2002, Childcare Act 2006 and/or Apprenticeship, Skills, Children and Learning Act 2009.
- 1.2. The management information systems used by children's centres and FIS are currently procured from Tribal Education Ltd, and both contracts ended in March 2014 and are currently being extended for 6 months. The School Admissions team is using a CACI LTD's solution –known as Impulse. The solution is deemed unfit for purpose and the current contract with CACI is in the process of being terminated. A procurement exercise is required to identify a suitable replacement solution meeting the whole needs of the service.

2. Proposal and Reasons

- 2.1 It is recommended following on from the procurement exercise that the contract is awarded to Tribal Education Ltd for the provision of integrated management information services for School Admissions, Children's Centres and Families Information Service. Although the council received only one bid which was from Tribal Education, their submission demonstrated their capability and capacity to deliver the specified requirements as well as value for money. The contract is to be awarded for 12 years with contractual two yearly review clauses, from 1st July 2014 to 1 July 2026.
- 2.2 Merging three independent existing contracts into one will enable the Council to achieve savings of £450,000 (60%) over 12 years. The tender process has also achieved an improvement on the pre-tender research benchmarks of 10%.
- 2.3 The market has been tested through the pre-tender research of existing potential suppliers and through the competitive procurement on EU supply, and a re-tendering exercise would not create any additional competition, but would cause substantial delays in delivering a fit for purpose management information solution for School Admissions in particular.
- 2.4 Tribal is well established company and has been trading since 2001 with a number of subsidiaries. The D+B credit check for the company rates is as green 'Low Risk', it continues to trade profitably and risk of failure as an on-going concern is low. There are no outstanding mortgages or charges registered against the business. The values, ratios and trends taken from the Balance Sheet and pre-tax profit over total assets ratio (calculated from the accounts made up to 31 Dec 2012) are generally strong. The Principal's experience and the performance of their current associated businesses are very strong.

3. Finance

- 3.1 Financial analysis and credit check showed no serious concerns regarding Tribal's financial viability and finance would recommend the consideration of Tribal's bid to do business with Lambeth.

4. Legal and Democracy

- 4.1 This proposed key decision is entered in the Forward Plan and the necessary 28 clear days notice has been given. In addition, the Council's Constitution requires the report 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 taken. A further period of five clear days - the call-in period – must then elapse 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.
- 4.2 If other boroughs use this contract it would result in cost reduction to the overall contract amount

5. Consultation and co-production

- 5.1 This procurement of integrated management information systems supports Lambeth internal business processes. System users and representatives from individual service areas and Enabling cluster have been consulted and involved in the development of system requirements for the tender and evaluation of the tender.
- 5.2 The cabinet member for children, young people and families was consulted on this procurement. The Cabinet Member supports the aims of this procurement to enable the integration of management information and sharing of child level information between early years and school admissions. It is required to ensure the project delivers value for money and enables delivery of future requirements for the areas in Lambeth through integrated and wholistic management of child related data.

6. Risk management

- 6.1 The risks identified in using the systems procured from Tribal Education Ltd are minimal. Two of the systems are already used within the Preventative service and have been offering a stable management information platform over the past 3-5 years. The potential risks would include:
- The supplier of the system going bust – this risk has been mitigated by a thorough credit and financial accounts analysis.
 - Changes in national or local agendas – school admissions, children's centres and Families Information Service are statutory service
 - Systems no longer fit for its purpose – to mitigate this the contract manager in Lambeth will constantly engage with system's user group and the supplier and ensure continuous development of the system to fit the needs of Lambeth
 - Supplier's servers are down for an extended time period – minimised by liaison with the supplier

- Lambeth network disruption and internet being down for extended time period – to be mitigated by staff working from home during these periods.

6.2 The current School Admissions software is deemed unfit for purpose. Should the council not award the contract to Tribal Education Ltd at this stage; a delay in securing a suitable solution will have negative impact of the school admissions process in September 2014.

7. Equalities impact assessment

7.1 The procurement of integrated management information systems will enable delivery of information to fulfil Lambeth's statutory duties and understanding and analysis of access to services. An Equalities Impact Assessment has been completed for outcomes-based budgeting for 'All young people have opportunities to achieve their ambitions' that covers this area. These are 'business as usual' services which will improve the effectiveness of service delivery to all children.

8. Community safety

8.1 Not applicable.

9. Organisational implications

9.1 Environmental

Effective electronic management information solution will significantly reduce the need for paper record management.

9.2 Staffing and accommodation

None

9.3 Procurement

9.4 The initial market research into possible solutions showed that this is a niche market with a limited number of suppliers who would be able to deliver 'off the shelf' solutions. The Business Questionnaire and Tender were published on the e-tendering Portal ('EU Supply') on 10th March 2014 with the deadline of 22 April 2014, initially attracting interest from over 30 potential suppliers including all three with available 'off the shelf' solutions.

9.5 One supplier – Tribal Education Ltd completed and submitted a bid offering available 'off the shelf' integrated management information solutions.

9.6 A project group made up by members from individual service areas, finance, procurement, commissioning and IT was set up to oversee the procurement exercise and undertake evaluation of submitted bids. A robust evaluation methodology was applied to the Tribal Bid involving all key system stakeholders.

9.7 The submitted bid was checked for compliance and evaluated with the evaluation criterion - 40% of the overall score based on the financial criteria and 60% on quality criteria.

9.8 Health

None.

10. Timetable for implementation

10.1 The timetable for this procurement is tabled below.

No.	Item Description	Date(s)
1	Procurement board approval	29 May 2014
2	Tender outcome published	8 June 2014
3	Contract award	12 June 2014
4	Contract start date	1 July 2014
5	Contract delivery commences	1 September 2014

10.2 The contract will be managed and monitored by Preventative Service in partnership with School Admissions team. The council's contract performance management procedures will be followed for contract monitoring. The officers responsible for this contract will actively participate in the system supplier's user groups and system developments going forward.

Audit trail				
Consultation				
Name/Position	Lambeth cluster/division or partner	Date Sent	Date Received	Comments in para:
Sue Foster	Strategic Director Delivery	08/05/14		All sections
Carolyn Dwyer	Delivery Director Communities Housing and Environment	08/05/14		All sections
Cathy Twist	Delivery Director Education Learning and Skills	08/05/14	13/05/14	All sections
Maria Millwood	Commissioning Director	08/05/14		All sections
Stella Clarke	Assistant Director Preventative Services	08/05/14	15/05/14	All sections
Finance clearance	Business Partnering	08/05/14	14/05/14	Section 3

Legal clearance	Enabling: Integrated Support: Legal Services	13/05/14	15/05/14	Section 4
Democratic Services clearance	Enabling: Corporate Affairs: Democratic Services	08/05/14	13/05/14	Section 4
Councillor Rachel Heywood	Former Cabinet Member for Children and Families	08/05/14	13/05/14	All sections
Councillor Imogen Walker	Deputy Leader – Policy	18/06/14		
Mary Cotterell	Assistant Director, Contracts, Information and Projects	08/05/14		All sections
Lambeth Procurement Team	Enabling Cluster	7/05/14	09/05/14	Procurement and throughout.

Report history	
Original discussion with Cabinet Member	04.02.14
Report deadline	13.05.14
Date final report sent	15.05.14
Report no.	N/A
Part II Exempt from Disclosure/confidential accompanying report?	Yes
Key decision report	Yes
Date first appeared on forward plan	25.04.14
Key decision reasons	Expenditure, income or savings in excess of £500,000
Background information	Childcare Act 2006 Education Act 2002 Apprenticeship, Skills, Children and Learning Act 2009
Appendices	None.

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

I confirm I have been consulted on this report:

Signature _____ Date _____

Stella Clark, Assistant Director Preventative Services

I approve the above recommendations:

Signature _____ Date _____

Sue Foster, Strategic Director Delivery

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

Signature _____ Date _____

Councillor Imogen Walker, Deputy Leader – Polcy

Any declarations of interest (or exemptions granted):

Issue	Interest declared
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