

CABINET

6 SEPTEMBER 2011

GATEWAY 1 PROCUREMENT COMMENCEMENT: SOCIAL CARE SYSTEMS ACQUISITION

Portfolio Holders: Councillor David Brake, Adult Services

Councillor David Wildey, Children's Social Care

Report from: Rose Collinson, Director of Children and Adult Services

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Summary

This report seeks permission to commence the procurement of a new Children and Adult's Social Care System(s) that will address the service recording, payments, charging and management information needs of both Children and Adult's Social care. A recent market analysis exercise suggests that there are shared systems available that will meet the needs of both sides of the social care business.

The aim is to procure one system in line with the needs of the directorate; however it may not be possible to meet the distinct needs of both services in one system in which case it may be necessary to buy two systems. This fact will need to be taken into account at the specification and tendering stage of the process.

To achieve collaborative working across the directorate, the procurement of an Integrated system would allow the sharing of relevant data between the children's and adult's divisions. This would provide practitioners with a more complete picture of a child's or adults' care requirements, reducing data entry for users, thereby enabling staff in both divisions to spend more time with Service Users.

In exploring the options for a suitable ICS and Adult System, the prime considerations will be that the system supports the analysis and delivery of operational social work and care management and meets the requirements of Professor Munro's Child Protection Review and the Department of Health's Putting People First Personalisation agenda. As part of the Better for Less Programme, we will also need to ensure that the system will have the capability of interfacing with the Council's new CRM and other key systems in the directorate.

This Gateway 1 report has been approved for submission to Cabinet after review and sign off from the Director of the Children and Adult Directorate on 31 May 2011 and consideration at the Strategic Procurement Board on 3 August 2011.

The Children's and Adult's Directorate Management Team has recommended that this procurement project be approved as a Category B High Risk procurement project at Procurement Gateway 1 by the Strategic Procurement Board/ Cabinet although this procurement project is a Supplies (Goods) Category B procurement

with a total contract value above £250,000.00. There are political implications and service sensitivities linked to the number of critical services that use the system as well as the contract value.

1. Budget and Policy Framework

1.1 Service Background Information

- 1.1.1 Medway Council's Children's Social Care division provides support and services for children who are legally at risk or in need of support. They also support children with high level disabilities and their families and looked after children.
- 1.1.2 If a child appears to be in danger or at risk from abuse, the matter must be investigated quickly. Where appropriate, Children's Social Care division works with partner organisations to support and protect children and young people.
- 1.1.3 The Adult Social Care Division is responsible for running social care services for around 6,500 adult residents in Medway.
- 1.1.4 The division supports vulnerable people in Medway by assessing their needs clearly and providing accessible, effective and efficient services that will support them and ensures that vulnerable adults are given the greatest protection possible from harm.
- 1.1.5 Adult social care is on a journey to provide higher quality support and to be more responsive to people's needs and wishes – to personalise their care – as well as being more cost effective.
- 1.1.6 The Social Care Systems are a vital tool in both divisions. It is essential that the social care systems are able to deliver consistent robust information to ensure the Service Users details are recorded, along with assessments, support plans, service provisions and financial details, enabling practitioners to monitor and review support given to most vulnerable residents and allow payments to be made to providers and charges for care to be made. In addition, the systems are used to collate information to provide statutory statistical returns on National Indicators to the Department for Education (DfE) and Department of Health (DoH).
- 1.1.7 Both Adults and Children's social care are heavily regulated and in the case of Children's Social Care the last Unannounced Inspection of Contact Referral and Assessment 2011 indicated that the children's social care system was an area for development stating:
- “The council has identified deficiencies in its electronic social care records which have limited functionality and paper files are also kept to capture critical elements such as management decisions.”
- 1.1.8 As a result the council are looking at the re-provision of a children and adults combined system to provide an effective social care electronic recording system.

1.2 Councils Strategic Priorities And Core Values

1.2.1 The procurement of this requirement directly links into the following Council Strategic Priorities and Core Values:

Core Values

- Putting our customers at the centre of everything we do.

This procurement requirement will deliver against the Core Value of 'Putting our customers at the centre of everything we do' by providing social care systems that effectively record information and help to support and monitor the needs of some of the most vulnerable people in Medway. The directorate aims to purchase a more flexible and reliable system that assists in delivering better outcomes for our customers.

- Giving value for money

This procurement requirement will deliver against the Core Value of 'Giving value for money' by increasing operational efficiency and minimising the amount of time staff spent on recording unnecessary client information. Instead the aim is to purchase a system that supports social workers and care managers, giving professionals the time and power to be responsive and make a difference to their clients' life within the existing resource envelope.

In addition, the procurement of a more flexible and adaptable system will ensure that changes can be made to the product to meet the changing and emerging needs of Social Care for children and adults in the light of the national policy changes.

Strategic Priorities

- Children and young people having the best start in life in Medway.

This procurement requirement will deliver against the Strategic Priority of 'Children and young people having the best start in life in Medway' through recording details of children at risk and those in need in Medway, to assist and support: planning, monitoring, reviewing and protecting them from harm and neglect, in line with the requirements of Working Together and the emerging findings of the Munro review.

- Adults maintain their independence and live healthy lives.

This procurement requirement will deliver against the Strategic Priority of 'Adults maintain their independence and live healthy lives' – an effective system for recording the details of vulnerable adults and assisting in all aspects of the care management process will mean that better outcomes can be achieving for these groups.

1.3 Strategic Council Obligations

The procurement of this requirement directly links into the following Strategic Council Obligations:

- **Medway Council Plan**

This procurement requirement links into the Medway Council Plan through the delivery of a project that supports the core values of 'Putting our customers at the centre of everything we do' and 'Giving value for money'.

- **Children and Young People's Plan**

This procurement will support the strategic priorities set out in the revised Children & Young People's plan (currently draft), which is the strategic partnership plan for the area seeking to ensure that all children and young people in Medway are:

- safe and cared for
- succeed in learning
- thrive.

1.4 Departmental and Directorate Service Plans

This procurement requirement links into the key Service Plans of Children and Adult Services including: Children's Social Care, Adult Social Care and the Commissioning & Strategy divisions. All of which have a direct bearing on the effective use and support to the social care recording systems.

2. Background

2.1 Project Details

2.1.1 This procurement is a services procurement requirement.

2.1.2 This report seeks permission to commence a new procurement project with a proposed contract duration of one year plus an annual maintenance contract. The cost of the procurement is based on the initial first year costs plus 4 years of estimated maintenance costs.

The contract is proposed to commence on 01 April 2012 and conclude on 31 March 2013 with an option to extend by on-going annual agreement.

The total value of this new procurement contract is contained with the exempt appendix.

2.1.3 This procurement requirement is a standalone project with no linkage to any other procurement projects or procurement programmes.

2.1.4 This procurement requirement is required to fulfil Medway's statutory obligations. These statutory obligations are providing social care for vulnerable and disabled Children and Adults in Medway and being able

to record on the volume and nature of that work as well as regulator, Ofsted the individual cases as required by the inspection framework.

2.2 Business Case

2.2.1 Procurement Project Outputs / Outcomes

As part of the successful delivery of this procurement requirement, the following procurement project outputs / outcomes within the table below have been identified as key and will be monitored as part of the procurement project delivery process.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?
1. Successful appointment of supplier to deliver required application based on specification and business requirements identified	Successful procurement of required application that meets the needs of Children & Adults Services.	Social Care Systems Project Board, Social Care Systems Operational Group and Finance Monitoring Group and ICT.	Monitored throughout the process by close working relationship with successful supplier.
2. Successful appointment of supplier who can deliver agreed application within agreed timescales	Successful procurement of required application that meets the needs of Children & Adults Services.	Social Care Systems Project Board, Social Care Systems Operational Group and Finance Monitoring Group and ICT.	Monitored throughout the process by close working relationship with successful supplier.
3. Successful delivery of application that meets the needs of the Children's & Adults directorate.	Successful procurement of required application that meets the needs of Children & Adults Services.	Social Care Systems Project Board, Social Care Systems Operational Group and Finance Monitoring Group and ICT.	Monitored throughout the process by close working relationship with the successful supplier through the life of the implementation.

2.2.2 Procurement Project Management

This procurement project will be resourced through the following project resources and skills:

Social Care Systems Board
 Children and Adult's DMT
 Social Care Systems Operational Group

Finance Monitoring Group
Business Analyst
Project Manager

2.2.3 Post Procurement Contract Management

The contract management of this procurement project post award will be resourced through the following contract management strategy

This will be monitored closely by the following groups:

Procurement Board
Social Care Systems Board
Social Care Systems Operational Group
Finance Monitoring Group
Project Managers, ICT and Systems Support

2.2.4 Other Issues

The following issues have been identified that could potentially impact both the procurement process and overall strategic aims as identified within Section 1 Budgetary and Policy Framework:

Interfaces will be required between the Social Care Systems and Medway's corporate finance system in respect of payments to providers/foster carers and invoices to Service Users for care received.

There are major procurements currently being undertaken by ICT as part of the BfL programme. There is a risk that both the BfL programme and Children & Adults directorate will require the resources of ICT at the same time. Similarly the support for children and adults social care systems is provided by the same team and there is a risk that the demands of introducing new systems on both sides could overload the support team resource.

2.2.5 TUPE Issues

Further to guidance from Legal Services, Human Resources and the Strategic Procurement Team, it has been identified that TUPE does not apply to this procurement process. This is because there are no staff implications as this is an ICT system procurement.

3. Options

In arriving at the preferred option as identified within Section 4.1 'Preferred Option', the following options have been considered with their respective advantages and disadvantages.

3.1 Do nothing

The option of doing nothing is not a viable option because the system currently in use by Children's Social Care has been identified as not fit for purpose in a recent unannounced inspection 2011, this system also does

not meet the Munro review requirements and will not be improved or adapted by the current provider to meet these requirements. See exempt appendix.

3.2 In-house service provision

The option of providing this requirement through in-house service provision has been considered but is not a viable option because of the length of time, cost, resource and knowledge required to build an in-house system

3.3 Using another local authority to deliver procurement requirements

The option of using another local authority to deliver these procurement requirements has been considered but is not a viable option because some of the systems in use are recognised as being ineffective in supporting the business processes of the organisation.

3.4 Procurement via an EU compliant framework

The option of using a EU compliant framework to deliver procurement requirements has been considered and the following frameworks have been identified from which Medway Council's procurement requirements can be satisfied.

Frameworks and framework provider details:

3.4.1 Government Procurement Service – Local Government Software Application Solutions

This framework is due to go "live" at the end of July 2011. The Government Procurement Service will provide further detail at a later date.

Buying Solutions is putting in place a pan government collaborative framework agreement for use by public sector bodies for the provision of software application solutions.

The term "software application solutions" means the provision by the service provider of:

- (a) application software (e.g. packages or bespoke), whether on a licensed or rental basis, that addresses the specific sector needs of local government bodies in management & finance, social care and education, communities, environment & public protection (as further defined by the lot structure); and/or
- (b) goods and/or services which are necessary for the implementation, delivery, and operation of the application software provided in (a) above, including:

consultancy/advice, business change, programme and project management, feasibility and financial studies, requirements analysis, functional design, architecture design, software/system/solution design, software purchase or rental, programming and development, computer

hardware (servers and storage systems) purchase or rental, system build, system configuration, system(including related middleware and system software) installation, integration of the system with external systems and software (see below for further definition of the term "integration"), data integration/migration and conversion, all stages of testing (technical and user), training and support (technical and end user), hosting(including CLOUD services), ongoing operation and support of the system, help desk and end user support, contact centres, ongoing maintenance/enhancement and upgrades of both the software and hardware platform.

For this procurement, the term "integration" refers to ensuring a software application is capable of interacting with other applications or systems.

The Framework Agreement is intended for use by Public Sector Bodies who require Software Application Solutions to address service areas within the local government sector.

Software Application Solutions will specifically enable Local Government Bodies to deliver their functions in the field of social care. Including: administration and management of enquiries, care teams, care related establishments and assets, tracking, recording and reporting on targets, cases and trends, and needs assessments.

Example systems that would support these functions include, but are not limited to: adults, children, combined and integrated social care systems, home care and domiciliary care systems, foster care and adoption related software, social care related case management applications, comparison software, scheduling/rostering applications, training related software, asset management applications, Registrar and Coroner software, cemeteries management & administration software,

The products and services under the Framework Agreement will be provided on a call-off basis to Public Sector Bodies via a catalogue or through further competition.

Below are the advantages and disadvantages of this option:

Advantages:

- Known Government Procurement Service (Buying Solutions) recognised framework with suppliers of Social Care Systems that can be used for the council's preferred option of a speedier method of procurement.
- A well understood procurement process.
- The additional fee of 2.25%, applied in other similar frameworks eg Sprint ii below, is not included in this framework

Disadvantages

- Although there is the potential of a range of between 3 and 12 suppliers on this Framework Agreement, if only 3 are on the framework, we would be restricted to the list of suppliers on the framework.

3.4.2 - Sprint ii – ICT Products & Services

The Sprint ii framework agreement provides a convenient 'one-stop-shop' for a range of IT products and services, with the added provision of a web catalogue to enable quick and efficient procurement via a single supplier.

Developed in consultation with our public sector customers, the framework agreement has been structured so that IT products and services in the context of the four areas below can be quickly and efficiently procured, with the benefit of the online catalogue while standard terms and conditions provide the important contractual safeguards you need.

Buying Solutions, in collaboration with HMRC, have procured a government framework agreement for use by UK public sector bodies including, amongst others, central government departments and their agencies, non-departmental public bodies, NHS bodies and local authorities. Sprint ii offers a single supplier one-stop-shop for a wide range of ICT products & services.

Products and Services:

The products and services available under Sprint ii fall in to four broad categories, Hardware, Software, Infrastructure (including Networks & Telecommunications) and IT Services.

Hardware to include, but not limited to the provision and configuration of mainframe, mid-range, mini computers, PC's, laptops, netbooks and peripheral equipment, audio-visual equipment and associated consumables and related services. Also to include consumables and hardware disposal and recycling up to security level IL5.

Software to include, but not limited to Software Applications, including Open Source, Software Licences, Software Upgrade, Software-related Services, Software Support Services, Software Development Services, Software Maintenance Services, Software Implementation Services, Software Reproduction Services, Software Configuration Services, Hosted Services, Software as a Service (SaaS), Data Services, ESCROW and Managed Services.

Infrastructure & Networks to include, but not limited to provision and management of voice, data and combined (IP) and VOIP equipment and link provision across all transmission methods, e.g. wire, fibre, satellite and radio. To include local, campus and wide area networks as well as all equipment and services supporting and facilitating the network.

Services to include, but not limited to, installation, maintenance and management of any of the above mentioned items. Also to include same for infrastructure required to maintain central or remote ICT provision, as well as on-site management or remote hosting of web accessed services, including their development and maintenance.

Benefits

- A fast, efficient, EU-compliant route to market
- Standard, pre-agreed terms and conditions
- Expert advice and guidance on using the framework agreement

- Operational support
- Provision of Management Information
- Benchmarking activity to ensure continued value for money
- Supplier management and audit
- Shared information on best practice

The Sprint ii allows the public sector to access IT products and services with the use of catalogue ordering, but not via further competition (as this is a single supplier framework agreement further competition is not necessary), however Sprint ii can also be used to support a mini competition process – with the benefit that the Council can choose the suppliers it wishes to be part of the tender process – provided that the supplier agrees to the Sprint ii terms and conditions.

In procurement terms the Council would award SCC (the single source supplier) the contract directly through Sprint ii, with SCC awarding the contract to our chosen supplier as a sub-contractor. The Sprint ii framework provides the Council with a set of standard Terms and Conditions.

Below are the advantages and disadvantages of this option:

Advantages:

- EU procurement rules recognised sole supplier framework that can be used for the council's preferred option of a speedier method of procurement.
- Council can select the suppliers that can participate in a mini competition with that sole supplier.
- Using this method the Council can invite all of the leading Local Government Social Care System suppliers to the tender – without having to pay a 3rd parties management costs.
- Despite increased speed of procurement, value is not compromised as we can invite all leading providers to tender.

Disadvantages

- Framework fee would be additional cost of 2.25%.
- Less familiar with this method of procurement, although the new CRM has been procured via this framework.

3.5 Formal tender process in line with EU Procurement Regulations.

The option of formally tendering this procurement requirement in line with EU Procurement Regulations has been considered because the value of this procurement requirement is above the EU Procurement Threshold for Supplies (Goods) of £156,442 and below are the advantages and disadvantages of this option:

Advantages – Not restricting the list of potential suppliers that could respond to the tender documentation could potentially result in an application, which lends upon market innovation and a tender package, which is competitively priced in the current economic climate.

Disadvantages- Time and resource constraints mean that this would not deliver required benefits within project timescales as an EU procurement process, inclusive of internal Gateway Procurement reporting stages could take as much 6-8 months to effectively procure.

3.6 Internal Medway Council Collaboration between departments

The option of procuring requirements through internal collaboration between Medway Council departments in order to exploit economies of scale and synergies has been considered but no such opportunities currently exist.

3.7 External public sector collaboration (e.g. other Councils, Fire Service, PCT, Police)

The option of procuring requirements through external collaboration between Medway Council and other external public sector organisations in order to exploit economies of scale and synergies has been considered however the time frames are not in synergy with ours.

3.8 Private sector collaboration e.g. Private Public Partnering/Private Finance Initiatives

The option of procuring requirements through private sector collaboration between Medway Council and other external private sector organisations has been considered but no such opportunities exist.

3.9 Procurement via a below EU Threshold Select List

No below EU Threshold compliant Select Lists have been identified from which Medway Council's procurement requirements can be satisfactorily delivered due to the limited number of suppliers able to deliver the required systems.

3.10 Other alternative options

No alternative options have been identified.

4. Advice and analysis

4.1 Preferred option

Further to an extensive review of procurement options as highlighted within Section 3 'Options' above, the following preferred option is recommended to the Cabinet including justification for this recommendation.

The preferred framework option is 3.4.1 to procure via Local Government Software Application Solutions, as this framework specifically relates to Social Care System procurement without any financial costs of using the framework.

Option 3.4.1 the Local Government Software Application Solutions will enable a greater number of potential suppliers to respond, ensuring that Medway Council procures a system(s) that meets the needs of the business, our Service Users and the requirements of the Munro Review and Personalisation Agendas.

5. Risk Management

5.1 Risk Categorisation

The following risk categories have been identified as having a linkage to this procurement project:

Procurement process	x	Equalities	x
Contractual delivery	x	Sustainability/Environmental	
Service delivery	x	Legal	
Reputation / political	x	Financial	x
Health & Safety		Other	x

For each of the risks identified above in OPTION B, further information has been provided below

Risk Categories	Outline Description	Risk Impact I=Catastrophic II=Critical III=Marginal IV=negligible Impact	Risk Likelihood A=Very High B=High C=Significant D=Low E=Very Low F=Almost Impossible	Plans To Mitigate Risk
a) Procurement process	Buying Solutions Framework procurement route does not deliver required outcomes.	III	B	Ensure all deadlines are met to achieve the outcomes. Close liaison with procurement team to meet all deadlines.

b) System procurement	Failure to identify a provider that can deliver an integrated system.	II	D	Contact other LA's to discuss their systems, establishing whether they could meet Medway's requirements.
c) Service delivery	Failure of contractor to deliver against agreed timeframes	II	C	Include milestones as part of the contract monitoring process.
d) Reputation / political	<p>Negative reputation if procurement is not seen as fair, does not deliver benefits particularly in the current financial climate</p> <p>Risk to the reputation of the authority if there is a disruption in service as an outcome of the procurement process affecting inspection outcomes</p>	II	C	<p>Close liaison with procurement in terms of approach and close evaluation of suppliers to ensure solutions can deliver potential benefits</p> <p>Ensure there is a comprehensive mobilisation plan in place as part of the procurement process to address any potential migration of data risks and fully test the system before introducing live.</p>
e) Health & Safety	N/A	N/A	N/A	N/A
f) Equalities	By failing to take equalities into account when procuring the system may discriminate against users with a disability	III	B	Ensure procurement process only includes suppliers where the system meets the needs of users with a

				disability.
g) Sustainability /Environmental	N/A	N/A	N/A	N/A
h) Legal	Local authorities have a statutory duty to hold electronic social care records	III	A	Follow compliant procurement procedures to ensure a system is procured.
i) Financial	<p>1. The process determines that two standalone systems need to be procured. The children's system may need to be funded corporately.</p> <p>2. Costs are highly likely to increase if an integrated system cannot be procured.</p> <p>3. Maintenance costs will need to be paid to both the current supplier & future supplier during the migration/ implementation process.</p>	II	B	<p>1. Ensure procurement process involves suppliers that provide integrated systems that are currently working in other Local Authorities.</p> <p>2. Additional funding will need to be identified for the children's system in this event.</p> <p>3. The current suppliers maintenance cost is already budgeted for. Funding requirements will be identified for the new suppliers' maintenance costs.</p>

j) Other	<p>There are major procurements currently being undertaken by ICT in the BfL programme. There is a risk that both the BfL programme and Children & Adults directorate will require the resources of ICT at the same time.</p> <p>In addition, if an integrated system cannot be procured, there is a risk in implementing two systems for both ICT and the Systems Support Team.</p>	II	B	<p>Resource external contractors to implement the system.</p> <p>Recruit an additional resource within the current budget, to the Systems Support Team to support the implementation.</p>
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5.1.1 This procurement requirement and its associated delivery as per the preferred option highlighted at Section 4.1 'Preferred Option' and the recommendations at Section 9, has financial implications which Cabinet must consider set out in the exempt appendix.

6. Consultation

6.1 Internal (Medway) Stakeholder Consultation

6.1.1 Before commencement of the procurement process in order to direct the specification

As part of this procurement project, the following internal stakeholder consultation is required before the commencement of the procurement project in order to direct the specification.

Representatives from both children and adults social care need to be consulted on the requirements they have of the system both locally and nationally

ICT will need to be involved in the procurement process to ensure that a new system meets Medway Council's ICT service standards.

It will also need to include Business Support's Exchequer Services department in respect of the finance modules included in the application due to Medway Council's corporate system making payments and collecting income.

6.1.2 During the procurement process in order to aid the evaluation process

As part of this procurement project, the following internal stakeholder consultation is required during the procurement process in order to aid the evaluation process

- Social Workers/Care Managers/Team Managers in C&A social care.
- ICT
- Business Support's Exchequer Services Department
- Social Care Systems Operational Group
- Members of the Finance Monitoring Group/Foster Payments Officer
- Management Information team

Consultation will take place through regular meetings that are either currently taking place (Operational Group and FMG) or new groups to discuss and monitor the procurement.

6.1.3 Post procurement/tender award in order to aid the contract management process

As part of this procurement project, the following internal stakeholder consultation is required post procurement/tender award in order to aid the contract management process

- ICT
- Business Support's Exchequer Services Department
- Social Care Systems Operational Group
- Members of the Finance Monitoring Group/ Foster Payments Officer
- Social Workers/Care Managers/Team Managers.
- Consultation will take place through regular meetings that are either currently taking place (Operational Group and FMG) or new groups to discuss and monitor the procurement.

6.2 External Stakeholder Consultation

6.2.1 Before commencement of the procurement process in order to direct the specification

As part of this procurement project, the following external stakeholder consultation is required before the commencement of the procurement project in order to direct the specification.

Out of Hour's service provider
Looked After Children designated nurse

6.2.2 During the procurement process in order to aid the evaluation process

As part of this procurement project, the following external stakeholder consultation is required before the commencement of the procurement project in order to direct the specification.

Out of Hour's service provider
Looked After Children designated nurse

6.2.3 Post procurement/tender award in order to aid the contract management process

As part of this procurement project the following external stakeholder consultation is required post procurement/tender award in order to aid the contract management process.

Out of Hour's service provider
Looked After Children designated nurse

7. Financial and legal implications

7.1 Financial Implications

7.1.1 This procurement requirement and its associated delivery as per the preferred option highlighted at Section 4.1 'Preferred Option' and the recommendations at Section 9, has the following financial implications which Cabinet must consider.

7.1.2 Detailed finance and whole-life costing information is contained within **Section 2.1 Finance and Whole-Life Costing of the Exempt Appendix** accompanying this report.

7.2 Legal Implications

7.2.1 This procurement requirement and its associated delivery as per the preferred option highlighted at Section 4.1 'Preferred Option' and the recommendations at Section 9, has the following legal implications which the Cabinet must consider.

7.2.2 The preferred option is procurement through a framework arrangement. Documentation will need to be checked to ensure that the framework has been set up in a way so as to allow use by local authorities. The Council must ensure that it complies with the terms of the framework in call off work (e.g. by undertaking a mini-competition between framework contractors, if required by the terms of the framework). The Council must be satisfied that the framework management is in place so that the framework operators comply with their requirements under the Public Contracts Regulations 2006 and EU procurement rules.

7.3 Procurement Implications

7.3.1 This procurement requirement and its associated delivery as per the preferred option highlighted at Section 4.1 'Preferred Option' and the

recommendations at Section 9, has the following procurement implications which the Cabinet must consider

- 7.3.2 The proposed procurement option of using an EU compliant framework is supported by the Strategic Procurement Team as it will provide a robust and fully compliant method of delivering requirements within the time and funding constraints without detriment to service delivery, objectives and associated outcomes.
- 7.3.3 This procurement is considered by the EU procurement regulations to be a services procurement. Although the public sector Regulations have been consolidated, some differences in treatment remain for supplies, services and works contracts. Usually it will be clear how to categorise a requirement from its subject matter but there are occasions when contracts contain elements of both supplies and services, for example. This requirement encompasses services and supplies but is considered a services procurement because contracts for software are considered to be for supplies unless they have to be tailored to the purchaser's specification, in which case they are services. As the total value of this requirement is above the EU Services threshold of £156,442.00, this requirement must be subject to the full application of the EU Procurement Regulations, including adherence to EU Treaty principles of transparency, fairness and equal treatment. The use of an EU compliant Framework Agreement as proposed within this report, negates the statutory need to subject requirements to a full EU competitive process. However, the client department must still ensure adherence to the protocols of the Framework Agreement and the Council's Contract Procedure Rules. In adhering to protocols, the client department must ensure that any competitive mini competition process or direct call off is undertaken in accordance with appropriate protocols, especially in relation to tender evaluation.

8. Strategic Procurement Board

- 8.1 The Strategic Procurement Board considered this report on 3 August 2011 and recommended to Cabinet to approve this project to proceed to Gateway 2.

9. Recommendation

- 9.1 The Cabinet is recommended to approve this Gateway 1 High Risk Report and proceed to the next step of initiating a full tender process as per the preferred option highlighted at Section 4.1 'Preferred Option' (to procure via Local Government Software Application Solutions).

10. Suggested reasons for decision(s)

- 10.1 The recommendations contained within Section 9 'Recommendations' above are provided on the basis that the project underpins the Core Values of Medway Council and the commencement of the Social Care Systems procurement means that the business needs of the Children and Adults directorate are met in line with the DfE and DOH.

Lead officer contact

Name Title
Department Directorate
Extension Email

Background papers

The following documents have been relied upon in the preparation of this report:

Description of document	Location	Date
Munro Final Report	Department for Education (Website)	10.5.2011
Unannounced inspection	Ofsted	25 and 26 January 2011