

**TO: THE EXECUTIVE
20 MAY 2014**

**SIMS AND ONE IT SYSTEMS CONTRACT STANDING ORDER WAIVER
Director of Children, Young People & Learning**

1 PURPOSE OF REPORT

- 1.1 To approve a Contract Standing Order waiver for the Annual Maintenance contract with Capita for both the ONE and SIMS Management Information Systems for six years.
- 1.2 ONE is a software application and associated database containing detailed pupil information from schools. This data is supplemented and used by the council's support teams in undertaking statutory processes including school admissions and pupil attendance.
- 1.3 SIMS is a suite of software modules used by schools to support all elements of school administration. This includes Basic Student Details, Attendance, Assessment, Behaviour, Special Needs, Timetabling and Finance and Personnel data.

2 RECOMMENDATION(S)

- 2.1 **That The Executive approves two Contract Standing Order Waivers for a 6 year period with a 3 year review for the ONE and SIMS software applications. This equates to £1.057m for ONE and £0.486m for SIMS.**
- 2.2 **To approve the commencement of this waiver from 1st April 2014 to 31st March 2020.**

3 REASONS FOR RECOMMENDATION(S)

- 3.1 Contract Standing Orders require waivers over £0.4m to be approved by the Executive. Both proposed waivers exceed this threshold.
- 3.2 Capita is currently the only supplier and consequently there is no effective market for much of the functionality covered by these two systems.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Go out to competition for both systems. This would be costly and of little benefit, considering the current functionality on offer and the recent patch upgrades on both systems.
- 4.2 Go out to competition for ONE. This will involve finding an alternative to the integration solution (B2B) which currently exists between the two systems. As this has also been developed by Capita, it will be difficult to find software that can offer the same technology links. Therefore adding cost to a solution.

5 SUPPORTING INFORMATION

Background

- 5.1 Capita is the dominant supplier of Management Information Systems in the Education Sector, supporting over 120 Local Authorities in England and Wales. As such, there is no effective competition for the functionality provided by the ONE and SIMS systems.
- 5.2 There is an integral link between the two systems, to share data between schools and the council. This is an important data sharing arrangement for the council to carry out its statutory obligations for school admissions and school place planning.
- 5.3 Capita have given no indication that they will adopt a more open standard of interoperability and make use of SIF(Systems Interoperability Framework), which should make it easier for LAs to procure other alternatives solutions.
- 5.4 In line with ICT Category Management strategy, the council have met with Capita to discuss and negotiate the current pricing for support and maintenance. Capita have committed to looking at ways to ensure both schools and the council are not burdened with substantial increases in the next few years. This is an ongoing dialogue and will continue to be developed. All authorities are looking to DfE to take a lead on a national level to open up the market.
- 5.5 We are also looking at ways to achieve better value for money in terms of support and technical consultancy from Capita as part of our overall support package. We are also continuing to make our views known at various User Groups and Capita national events and engaging with other South East Local Authorities on sharing resources and expertise.
- 5.6 The council have not introduced any significant enhancements outside the current support arrangements with the supplier. Therefore we do not pay for bespoke development.
- 5.7 The current agreements will be reviewed annually to assess any significant changes in the marketplace and whether any competitive technologies are available.

Financial information

- 5.7 The value of each maintenance agreement depends on the modules purchased and the annual inflationary increase applied by Capita. Modules current purchased through the ONE annual maintenance agreement, which in general supports LA functions and responsibilities are set out in Annex A. For the SIMS agreement, this is used solely in schools and provides modules relating to school office administration, data collection and analysis and support services, such as Finance and Human Resources.
- 5.8 The 2013-14 cost for ONE was £0.148m, with SIMS costing £0.071m. Based on recent cost increases, annual inflation of 7% and 5% respectively can be expected. This indicates costs to 31 March 2019 of £1.057m and £0.486m. Funding the annual maintenance fees is shared between the LA and Schools Budget, based on relative responsibilities. For 2013-14, the Council funded £0.095m of the £0.219m and schools £0.124m.

- 5.9 During 2013-14 we removed one of the software modules, the 'Education Plan Monitoring', reducing the annual maintenance by £6k and upgrade costs of £12k.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 Legal comments have been incorporated in this report. The Public Contracts Regulations permit a contract award to be made without prior notice or a call to competition where for technical reasons the public contract may be awarded only to a particular contractor, and that exemption appears to be applicable at present. This may not be the case in the future if viable competitive technologies should emerge. Officers have been advised that although exemptions may exist for the renewal of annual maintenance and support contracts, any upgrade or the addition of any enhanced functionality may engage the Regulations, and must be the subject of discussion with the Borough Solicitor

Borough Treasurer

- 6.2 The Borough Treasurer is satisfied that the annual revenue costs associated with the modules currently being purchased for SIMS and ONE can be met from within existing resources.

Head of Procurement

- 6.3 There is no effective competitive market for much of the functionality covered by these two systems, an issue highlighted in the BECTA report. Given the huge costs of entry into this market (to develop competing software), the chances of this situation changing in the short term are nil and there is nothing the Council can do alone to change this. All authorities are looking to DfE to take the lead on a national level. In the meantime we need to be careful to ensure that future enhancements are considered carefully to ensure we subject these to competition, insofar as this is possible, wherever necessary.

Equalities Impact Assessment

- 6.4 Services will continue to be provided and no impact is envisaged on any of the equality groups.

Strategic Risk Management Issues

- 6.5 Cost risk is considered to be LOW as Capita have indicated that the Annual Maintenance cost for 2014-15 will be no more than 4%.
- 6.6 Future requirements to alter the functionality for either system, is considered LOW. We have made significant changes in the last three years, and do not envisage any further requirements in the next two years for schools or the LA.

Background Papers

Annex A - ONE software modules used by various teams within CYP&L

Annex B - Contract Standing Orders – Waiver Authorisation Forms:

- ONE Annual Support & Maintenance (2013-19)
- SIMS Annual Support & Maintenance (2013-19)

Contact for further information

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Annex A

ONE software modules used by various teams within CYP&L.

ONE Module	Users/Teams
Admissions & Transfers	Admissions Team
Admissions Online	General Public
Attendance	Education Welfare Service, other child support teams Mechanism for obtaining base pupil data and attendance from Schools
B2B Student	All ONE users
Bases	Education Welfare Service
Child in Employment	Education Welfare Service
Child in Entertainment	Education Welfare Service EWO, Ed Psych, Children and Families, Behaviour Support Service, LAL, TASS, Autism Service, CAF Service, CME team, LAC team
CSS	Early Years team
Early Years	School Advisors team; Early Years team
EPM	EWO, Ed Psych, Children and Families, Behaviour Support Service, LAL, TASS, Autism Service, CAF Service, CME team, LAC team
Exclusions	Governor Services Team
Governors	Education HR Team
Personnel	
SSRS Prime (Reporting Tool)	SEN, Children and Families, EWO
Pulse	HOSST, School Advisory Service, Performance team
SEN	SEN Team
Training Manager	Easthampstead Park Education Centre, School Advisory Team, EDIT, Gov Services, Early Years