

28 March 2022

Wards: All

Corporate Contact Centre and Revenues and Benefits Service Future Arrangements for Service Provision

Report of the Director of Finance and Transformation and Director of Legal Services and Partnerships

This item is not exempt However, Appendix 1 to the report is exempt as It contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

[Click here to enter details relating to the Forward Plan](#)
Ref: 0021/22

1. Purpose of the Report and Summary

- 1.1 The Council currently has in place a range of contracts awarded to Civica for the delivery of software and related services. The primary Revenues and Benefits contract through which services (including wider software) are procured expires in the Autumn of 2022. There is a need to establish the arrangements through which the Council will continue to maintain access to software provided by Civica.
- 1.2 The report outlines the alternate options available to the Council and recommends the proposed approach.

2. Recommendations

- 2.1 To authorise entry into a four year contract with Civica UK Limited to maintain software services delivery to the Council for:
- (a) Revenues, Benefits and Council Tax management;
 - (b) Licensing, Trading Standards, Environmental Health and Enforcement; and
 - (c) The Coroner's Service.
- 2.2 To note that there is existing separate contractual provision called off through the current contract for:

- (a) Payments (expires 2025)
- (b) Master Data Management and Customer Account (expires 2024)
- (c) Election management

3. Reasons for Recommendations

- 3.1 The Council procures a range of software services, primarily through a range of contractual arrangements including the existing agreement between Hull City Council and Civica UK Limited (“Civica”) associated with the delivery of its financial, revenues and benefits services. That agreement incorporated provision for a 3 year extension. The Council has determined not to exercise the extension for service delivery other than software delivery, however, there is a need to maintain the software through which a range of Council services are delivered.
- 3.2 The Council has determined to pursue a Cloud First strategy, through which such software is delivered to the Council via a Cloud environment, unless there are compelling reasons not to do so.
- 3.3 The contractual arrangements will allow for the Council to retain access to the software services it currently procures from Civica, but delivered through a Cloud environment.
- 3.4 The requirements are capable of being procured through existing software framework agreements to ensure that the Council’s on-going requirements are met.

4. Impact on other Executive Committees (including Area Committees)

- 4.1 These services provide Citywide coverage and are not area specific.

5. Background

- 5.1 The Council is a user of software provided by Civica. The software has been procured by the Council through a range of different contractual arrangements. A significant element of the software requirements of the Council have been secured through a contract entered into as part of the Council’s Corporate Financial Payments Administration Services (including Revenues and Benefits, Social Care administration and debt recovery) which were outsourced through contracts with Civica which commenced with a 7 year term on 01 November 2015, with provision for a 3 year extension.
- 5.2 The software services fall into the following categories:

5.3 Revenues, Benefits and Council Tax

The software provided by Civica is applied to manage the Council's Council tax, Benefits and Local Assistance systems and their interface with the public and business through the Open Revenues portal.

The proposal is for the service currently provided through the overarching contract for Revenues and Benefits to be re-provided for a four year term through the Crown Commercial Services Framework Agreement via a Cloud Platform in accordance with the Council's Cloud First Strategy.

5.4 Enforcement and Licensing Services (Environmental Health, Licensing, Trading Standards and Private Housing)

The software provided by Civica is applied to manage all the Council's Licensing and Enforcement functions and their interface with the public.

The proposal is for the service currently provided through the overarching contract to be re-provided for a four year term through the Crown Commercial Services Framework Agreement via a Cloud Platform in accordance with the Council's Cloud First Strategy. In its Cloud form the software is branded CX.

5.5 Payments

The Payments system is already provided via a Cloud Platform on a five year term with a contract end date of 31 December 2025 procured through the existing agreement. There is no immediate requirement to review this contract.

5.6 CRM and System Interoperability

The Council's existing Customer Relationship Management solution, its Customer Account and its Master Data Management System are delivered through a separately procured contract with an end date of 31 March 2024.

5.7 Coroner's Service

The Case management system operated by the Coroner is currently provided as a Cloud service through the overarching contract. In the light of the discontinuance of that contract there is a need to refresh the contractual arrangements.

The proposal is for the service currently provided through the overarching contract to be re-provided for a four year term through the Crown Commercial Services Framework Agreement.

5.8 Elections and Democratic Service Management

The Council's Election Management software is provided by Civica, presently hosted in the Council's Cloud, subject to an annual support and maintenance contract. At this stage there is no satisfactory Civica Cloud alternative and it is therefore intended that the service remain contracted as presently.

5.9 Cloud Call Centre as a Cloud Software Service

The Council are presently implementing the Council's requirements for a Call Centre through a Call Centre as a Cloud Service model transferring the Civica Cloud Call Centre to the Council. This has been secured through the GCloud framework in accordance with the decision of the Leader of Council (DH051/2021).

6. Issues for Consideration

- 6.1 Following the decision not to extend the existing contract with Civica for the comprehensive provision of Revenues and Benefits and software services it is necessary to put in place new contracts for the software required to maintain service provision.
- 6.2 The options available are (a) to call off the services through the existing contract prior to its expiry in October 2022 (as originally envisaged) (b) to contract through the Crown Commercial Services Framework Contract for the requirements going forward, or (c) to run a new tender process.
- 6.3 The existing contract permitted the provision of a range of software services complementary to the core service provision. Going forward the contractual requirements will be for software only. Given this it is considered that entering into a contractual arrangement that is focussed upon maintaining software provision is the preferable route, subject to confirmation of satisfactory terms.

7. Options and Risk Assessment

7.1 **Call off the services through the existing contract prior to its expiry:**

Were the Council to have maintained the contract for delivery of the core services this would have been the preferred solution. As the existing contract is part of a wider array of service provision, maintaining elements of the provision in isolation, while possible, is not considered the optimal arrangement. Given the decision to not call off the core services for a further 3 year term through the existing contract; using an alternate form of contract exclusively focussed upon software provision is considered preferable,

subject to agreement upon commercial terms that meet the Council's requirements.

7.2 **Undertaking a re-tender process with a focus upon software only.**

The difficulty with such an approach is that changing the software platform through which such services are delivered is a major undertaking which would take several years to reprocure and re-provide and involve significant internal capacity and capital investment to establish a new system and migrate existing data to it. The Council reviews its systems periodically and embarks upon the re-procurement of such services where this is merited with a suitable timeline to allow for the necessary change

7.3 **Securing the services through a Crown Commercial Services Framework Contract**

Civica's software is available through the Crown Commercial Services suite of contracts. The contracts have been procured in accordance with Procurement Rules and enable a direct contract award where a public body has an existing contract with a supplier.

This is believed to be the preferred contract route as it provides a compliant contractual framework enabling the services to be called down as exclusively software services for a four year term.

8. Consultation

- 8.1 The proposals in this report will be the subject of consultation with Finance and Value for Money Overview and Scrutiny Commission at its meeting on 25th March 2022.

9. Comments of the Monitoring Officer (Director of Legal Services and Partnerships)

- 9.1 The use of a framework is compliant with both the Council's Contract Procedure Rules and the Public Contracts Regulations 2015. The use of the framework enables efficient access to providers that have undergone a competitive selection process to be placed onto the framework which will provide assurance in terms of best value. [BP]

10. Comments of the Section 151 Officer (Director of Finance and Transformation)

- 10.1 The proposed approach is supported to provide continuity of services and retain access to the software services currently procured from Civica, but delivered through a Cloud environment.(AFB)

11. Comments of Assistant Director of OD & HR and compliance with the Equality Duty

11.1 There are no staffing or equalities issues arising from this decision. KH

12. Comments of Overview and Scrutiny

12.1 This report is due to be considered by the Finance and Value for Money Overview and Scrutiny Management Commission on 25 March 2022. Any comments or recommendations agreed by the Committee will be tabled at Cabinet for consideration alongside the report. (Ref.Sc6765 (FH))

13. Comments of the Portfolio Holder for Corporate Services

13.1 The need to retain the software provided by Civica following the decision to not exercise the options to extend the current full service contract is accepted. The proposed procurement route will allow the software to be provided via a Cloud environment consistent with the Council's Cloud First Strategy.

David Bell

Director of Finance and Transformation (Section 151 Officer)

Contact Officer: Ian Anderson

Telephone No.: (01482) 613500

Officer Interests: None

Background Documents: - None

Implications Matrix

This section must be completed and you must ensure that you have fully considered all potential implications

This matrix provides a simple check list for the things you need to have considered within your report

If there are no implications please state

I have informed and sought advice from HR, Legal, Finance, Overview and Scrutiny and the Climate Change Advisor and any other key stakeholders i.e. Portfolio Holder, relevant Ward Members etc prior to submitting this report for official comments	Yes
I have considered whether this report requests a decision that is outside the Budget and Policy Framework approved by Council	Yes
Value for money considerations have been accounted for within the report	Yes
The report is approved by the relevant Assistant Director	Yes
I have included any procurement/commercial issues/implications within the report	Yes
I have considered the potential media interest in this report and liaised with the Media Team to ensure that they are briefed to respond to media interest.	Yes
I have included any equalities and diversity implications within the report and where necessary I have completed an Equalities Impact Assessment and the outcomes are included within the report	No
Any Health and Safety implications are included within the report	Yes
Any human rights implications are included within the report	Yes
I have included any community safety implications and paid regard to Section 17 of the Crime and Disorder Act within the report	Yes
I have liaised with the Climate Change Advisor and any environmental and climate change issues/sustainability implications are included within the report	No

I have included information about how this report contributes to the City Plan/ Area priorities within the report	Yes
I have considered the impact on air quality, carried out an appropriate assessment and included any resulting actions or opportunities necessary to improve air quality in the report.	No