

## LONDON BOROUGH OF HAMMERSMITH & FULHAM

**Report to:** Sukvinder Kalsi, Executive Director Finance and Corporate Services in consultation with The Cabinet Member for Finance and Reform

**Date:** 20/11/2024

**Subject:** The Access Group Mosaic and Synergy Contract Extension

**Report of:** Tina Akpogheneta, Interim Chief Digital Officer, Procurement and Commercial

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**Responsible Director:** Joanna McCormick, Strategic Director Chief Operating Officer Procurement and Commercial

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### SUMMARY

Hammersmith and Fulham Council (H&F) provides social care services to both adults and children in the borough, the provision of these services is supported by case management platforms Mosaic (social care) and Synergy (CHS Education). The platforms are owned and managed by The Access Group formerly Servelec.

A paper was approved at Cabinet on 8<sup>th</sup> November 2019 to award a five-year contract for Mosaic and Synergy (16<sup>th</sup> January 2020 to 15<sup>th</sup> January 2025) with the option to extend for a further two years. The authority for the approval of the extension was delegated to the Strategic Director of Finance and Governance, in consultation with the Cabinet Members for Health and Adult Social Care, Children and Education, and Finance and Commercial Services. This report seeks the approval to extend the contract from 16<sup>th</sup> January 2025 to 15<sup>th</sup> January 2027 whilst officers work to procure a new contract.

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### RECOMMENDATIONS

1. Approve the extension of the Mosaic and Synergy contract for two years from 16<sup>th</sup> January 2025 until 15<sup>th</sup> January 2027 at a total cost of **£849,092: £740,449 (Mosaic) and £108,644 (Synergy)**.
2. Approve purchase of additional Synergy SEN module licences at total cost of **£23,616 (£11,808 per annum)** There are only 5 licences in the current contract but there is requirement for 80.

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**Wards Affected: All**

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<b>Our Values</b>	<b>Summary of how this report aligns to the <a href="#">H&amp;F Corporate Plan</a> and the H&amp;F Values</b>
Building shared prosperity	The contract extension will not have an impact on businesses in the borough
Creating a compassionate and inclusive council	Having systems in place to support service delivery for better outcomes for our residents
Doing things with local residents, not to them	Ensuring the information we hold on residents is relevant and kept secure.
Being ruthlessly financially efficient	Ensuring best value for money for contracts and extensions
Taking pride in H&F	Being proud of our investment in systems that support better information sharing between staff, promoting better outcomes for residents.
Rising to the challenge of the climate and ecological emergency	There are no anticipated climate and ecological implications as a result of the contract.

## Financial Impact

	2024/25	2025/26	2026/27
Synergy	£52,689	£53,585	£55,059
Mosaic Adults	£203,151	£206,605	£212,287
Mosaic Children's	£155,947	£158,598	£160,959
<b>Total</b>	<b>£411,787</b>	<b>£418,787</b>	<b>£430,305</b>

Table 1 – costs for Synergy and Mosaic

The current in year costs paid to Access Group for Synergy and Mosaic are £337,939, however this does not include the annual CPI increases as per the contract, which have not been charged to this date. The true cost for this financial year is £411,787 A separate agreement is being sought with Access Group with regards to the CPI under-payments.

Within the contract there is an annual uplift based on the CPI rate of the month before the annual anniversary, which falls in December. The costs above have been based on the published CPI for September 2024, and an estimate of CPI, based on Bank of England projections, at 2.75% for December 2025.

The total estimated cost of the 2 year extension is £849,093 and is for the period 16<sup>th</sup> Jan 2025 to 15<sup>th</sup> Jan 2027

Additional funding of £74,000 is required to meet the 2024/25, and ongoing costs, and will be met from Digital Services budgets. Inflationary increases applied each

year will be addressed through the contractual inflation requested as part of the 2025/26 budget setting process.

The additional cost for licences of £11,808 per annum will be funded by Children's Services.

Access UK Limited has a credit rating of 97 as of 4<sup>th</sup> November 2024, which represents a very low risk to the council.

*Alex Pygram, Head of Finance, Finance and Corporate Services, 6<sup>th</sup> October 2024*

*Verified by James Newman, AD Finance, 8 November 2024*

## **Legal Implications**

The Council has the power to procure these services as they are needed to support its statutory functions.

The Mosaic and Synergy contract is subject to the Public Contracts Regulations 2015 (PCR) and any variation therefore needs to be compliant with regulation 72 of the regulations. Under regulation 72(1)(a) changes are permitted:

where the modifications, irrespective of their monetary value, have been provided for in the initial procurement documents in clear, precise and unequivocal review clauses, which may include price revision clauses or options, provided that such clauses—(i) state the scope and nature of possible modifications or options as well as the conditions under which they may be used, and (ii) do not provide for modifications or options that would alter the overall nature of the contract or the framework agreement;

The contract was let as a call-off contract under the Crown Commercial Service Data and Applications solutions framework. It included a provision allowing for a two-year extension which is in accordance with the above condition. The proposal is therefore compliant with the PCR.

This is a high value contract under the Council's Contract Standing Orders. This allows for the variation of contracts above the PCR threshold if the change is permitted under the PCR. The above change is PCR compliant for the reasons set out above and therefore complies with the CSOs.

This is a key decision and needs to be included on the key decision list on the Council's website.

*John Sharland, Assistant Director of Legal Services, 29/10/2024*

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## **Background Papers Used in Preparing This Report**

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### **DETAILED ANALYSIS**

#### **Proposals and Analysis of Options**

1. Hammersmith and Fulham Council social care staff utilise the Mosaic platform for case management, invoicing, and reporting. The platform offers access to real-time information on residents, their immediate family, and finances, providing a holistic view of individual's circumstances and environment.
2. The Synergy platform is used by the Education Admissions team, Early Years and SEN teams. The platform is use by over 70 staff members across the teams. The Admissions team use the platform to manage school admissions, the platform links to the school's platform (SAM). The link to the school's platform simplifies information sharing, allowing immediate access to information entered by staff from the council and schools. The Early Years team use the platform to manage childcare funding applications. Childcare providers in the borough have access to the platform to upload information on children eligible for funding. SEN Teams use the platform for case management.
3. H&F Digital Services jointly reviewed supplier options for the end of contract with ASC and CHS colleagues. The three suppliers below were reviewed.
  - OLM/Eclipse – This supplier has been offering case management products for several years, but the functionality compared to Mosaic would be less.
  - Liquidlogic – The only alternative supplier in the market that may provide a system able to meet the requirements of social care, but further reviews and assessments are required.
  - The Access group (Mosaic) – the incumbent supplier of Mosaic ASC, CHS & Synergy for education.
4. The Access Group contract extension was deemed the best option following the review of suppliers in the market and the Mosaic/ Synergy contract. Digital Services have been working with the Access Group for the past 14 months to improve the service delivery and support provided under the current contract and, more recently, have been in discussion with the supplier regarding product development and their future roadmap. Information sessions have been provided for both ASC and CHS. The two- year contract extension will allow time required to assess the viability and deliverability of the suppliers' proposal, helping inform the decision around a future contract.
5. **Option 1: Approve The Access Group two-year contract extension (Recommended)**

The Access group Mosaic and Synergy platforms continues to meet the requirements of social care staff for case management. The contract extension would enable staff to complete the procurement exercise to award a new contract beyond January 2027. Changing to a new supplier in January 2025 is not an option due to time constraints and the risk of significant disruption to services.
6. **Option 2: Procure a new case management system via an open tender (Not Recommended)**

This option is not recommended due to time constraints limiting the capability for an open tender and the risk of significant disruption to services.

## 7. **Option 3: Do Nothing (Not Recommended)**

This option is not recommended due to social care's reliance on the Mosaic and Synergy platforms for case management. There would be substantial risk to service delivery without a functioning case management platform.

## **Reasons for Decision**

8. The Mosaic and Synergy contract ends on 15<sup>th</sup> January 2025, to ensure there is no disruption to services the contract extension is essential. The two- year extension will enable officers to complete the required procurement exercise with sufficient time to evaluate, select and award a new contract by 15<sup>th</sup> January 2027.
9. Mosaic and Synergy are essential tools for Social Care and Education staff case management. Mosaic is integrated with the Hampshire IBC system that H&F uses for finance and HR. It also connects with the H&F Youth Justice Service case management platform Core+. The Access group integrated/ connected platforms streamline data sharing with various services, promoting better joint working and collaboration between teams.
10. H&F social care have been using the Mosaic platform for over 10 years, Mosaic is a leader in the market and is used by most Local Authorities in London. Initial market analysis has identified two dominant suppliers, with Mosaic being the lead.
11. The work to review services and the market for options is already underway and will continue once contract extension has been approved. H&F Digital Services will work with colleagues from ASC and CHS to complete a comprehensive review and assessment of services to ensure the new contract awarded in 2027 will meet the requirements of the teams. Furthermore, as part of H&F's drive to be ruthlessly financially efficient, savings will be sought going forward before approving new contracts.

## **Risk Management Implications**

12. There is a programme risk in extending the supplier. In both cases there is a risk of either customer or supplier complacency in the engagement, the products, or the service. It is advised that supplier performance engagement is made a key part of the proposed ongoing review cycle. This can be supported by internal customer reviews (including supplier questionnaires) and continuous risk monitoring.
13. Similarly, there is a business risk that LBH&F may become dependent upon the products from these suppliers both architecturally and through business engagement. Enhancement products or fixes must be assessed not only for the current fit but in consideration of future proofing and potential separation and disengagement.

*Implications completed by: Jules Binney, Risk and Assurance Manager,  
30/10/2024*

## **Climate and Ecological Emergency Implications**

14. There are no anticipated climate and ecological implications as a result of the contract extension.

*Implications completed by: Hinesh Mehta, Assistant Director Climate Change,  
29/10/2024*

## **Procurement implications**

15. A named contract manager must be allocated to the contract on the Council's eProcurement portal and given activities which have led to the termination of the current contract, it is recommended a closer period of contract management be observed in the short-to medium term of the contract.
16. In addition, an electronic copy of the completed (dated) Contract, where valued at £10,000 or more, must be uploaded to the Contracts Register along with a copy of the record referred to at CSO 10.2.

*Implications completed by: Jacqueline Rutherford 31<sup>st</sup> October 2024*

## **Digital Service Implications**

17. Digital Services has been supporting Childrens Services and Social Care with this contract extension and will continue this support as the services look at future options beyond January 2027. Digital Services will also work with the services to develop a clear digital strategy to aid the future procurement activities.

*Implications completed by: Karen Barry, Strategic Relationship Manager, Digital Services, tel 0208 753 3481, October 31, 2024*

## **IMT Implications**

18. A Data Privacy Impact Assessment (DPIA) was completed for the original contract, and should be kept up to date to ensure that all potential data protection risks are properly assessed with mitigating actions agreed and implemented.

*Implications completed by: Karen Barry, Strategic Relationship Manager, Digital Services, tel 0208 753 3481, October 31, 2024*