



London Borough of Hammersmith & Fulham

CABINET

7 APRIL 2014

ELECTRONIC DOCUMENT MANAGEMENT SYSTEM CONTRACT EXTENSION

Report of the Leader of the Council – Councillor Nicholas Botterill

Open Report

A separate report on the exempt Cabinet agenda provides exempt information about costs and the supplier of the service.

Classification – For decision

Key Decision: Yes

Wards Affected: All

Accountable Executive Director: Jane West, Executive Director of Finance and Corporate Governance

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1. EXECUTIVE SUMMARY

- 1.1. The current electronic document management system (EDMS) contract for the provision of a corporate EDMS and workflow called Information @ Work expires on 31 July 2014.
- 1.2. An extension of up to 3 years is needed to cover the time required to maintain EDMS support during the implementation of Universal Credit and the scoping for a new shared service for Revenues and Benefits, including the procurement of a new Tri-borough system for both corporate and H&F Direct use.
- 1.3. The supplier of the service was unwilling to provide a three year contract with suitable break clauses. The Council's intention is therefore to enter into a contract of one year in the first instance. The Council can then enter into two further annual contracts, if required, thereby achieving the desired result.

2. RECOMMENDATION

- 2.1. That approval be given to potential contract costs as set out in the exempt report for the provision of a corporate EDMS from carried forward Finance and Corporate Services resources.

3. REASONS FOR DECISION

- 3.1. The Council anticipated that the majority of the corporate EDMS solution would have been provided by the new Universal Credit system by this stage. The other services had planned to migrate their document to a shared Tri-borough instance. However, uncertainty regarding the introduction of Universal Credit means that the Council has to continue with the EDMS extension to ensure existing H&F users of the Information @ Work can continue to use the system until a replacement system has been sourced. EDMS is used by Benefits; Business Rates; Corporate Anti-fraud Service; Council Tax; Education Benefits; Housing Assessment; Housing Projects and Procurement; Infectious Diseases and Parking Permits.

4. INTRODUCTION AND BACKGROUND

- 4.1. The EDMS is an application for managing electronic documents. The management of electronic documents is complex, requiring a large range of functionality in order for business needs to be met. This specialist system was procured and implemented to meet these needs using specialised software. It allows for the application and enforcement of classification, retention and access standards to ensure compliance with the Freedom of Information Act 2000 (Section 46) and the Data Protection Act 1998.
- 4.2. H&F have been using an EDMS since 2006 in the following service areas: Benefits; Business Rates; Corporate Anti-fraud Service; Council Tax; Education Benefits; Housing Assessment; Housing Projects and Procurement; Infectious Diseases and Parking Permits.
- 4.3. The purpose of this report is to obtain sufficient funding to extend the contract for the EDMS for up to 36 months from the point when it is currently due to expire, 31 July 2014.

5. PROPOSAL AND ISSUES

- 5.1. The main consideration for Cabinet is if the additional funding is not approved then the EDMS contract cannot be extended to allow for the Tri-borough and/or H&F Direct replacement systems to be procured and implemented, and for Universal Credit to be fully rolled out. The existing services using the EDMS will not be supported by the supplier. For example, H&F Direct currently use the EDMS and workflow to assist them

in managing Council Tax payments and benefits; without it the division would not be able to process Council Tax and housing payments and benefits, therefore Council Tax revenue will not be collected and benefits not paid without resorting to a paper system.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. Several options were considered: a Tri-borough ICT procurement; an H&F SharePoint solution; or use of an existing shared Tri-borough SharePoint solution.
- 6.2. The recommendation is to extend the contract for up to 3 years from 31 July 2014 until Universal Credit has been fully implemented and the Tri-borough plans are fully scoped, procured and implemented.
- 6.3. None of the other options are as appropriate or cost effective without risking a breakdown in the EDMS service for key clients such as H&F Direct.

7. CONSULTATION

- 7.1. The recommendations are in response to those who need to use the EDMS after the current contract expires on 31 July 2014 and until a replacement service has been implemented. The Corporate EDMS is overseen by a cross-H&F Project Board who have been consulted on and approve the proposal to extend the contract. No further consultation is considered needed.

8. EQUALITY IMPLICATIONS

- 8.1. The recommendations in this report are not relevant to the public sector equality duty.

9. LEGAL IMPLICATIONS

- 9.1. The Council's IT requirements are provided by HFBP under a service contract dated 1 November 2006 (the "IT Service Contract"). Under the IT Service Contract, HFBP contracts directly with software suppliers for the provision of IT software to the Council. This report requests the approval of funding to enable the Council to pay for the continued provision of EDMS.
- 9.2. Implications verified/completed by: Catherine Irvine (on behalf of Tasnim Shawkat), Principal Contracts Lawyer, 020 8753 2774.

10. FINANCIAL AND RESOURCES IMPLICATIONS

- 10.1. The Council intends to enter into a contract of one year in the first instance. If needed, the Council can then enter into two further annual contracts.
- 10.2. The additional corporate funding for the EDMS is recommended to come from carried forward Finance and Corporate Service Resources and will support departments until a replacement system has been procured.
- 10.3. Implications verified/completed by: Andrew Lord, Head of Strategic Planning and Monitoring, 020 8753 2531.

11. RISK MANAGEMENT

- 11.1. The EDMS is a business critical application for managing electronic documents. The management of electronic documents is complex, requiring a large range of functionality in order for business needs to be met. The funding requirement serves to ensure existing H&F users can continue to use the system while a Tri-borough ICT Provision procurement takes place. Information management and continuity risk is considered in the Enterprise Wide Risk and Assurance Register (Risk Number 6, Business Resilience).
- 11.2. Implications verified/completed by: Michael Sloniowski, Principal Consultant Risk Management, 020 8753 2587.

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 12.1. The Corporate Procurement Team agree to the approach to enter into a potential series of three one-year contracts to ultimately allow a joint procurement exercise with the Tri-borough councils to take place. The Director agrees with the comments from the Bi-borough Director of Law.
- 12.2. Implications verified/completed by: Mark Cottis, Procurement Consultant, 020 8753 2757

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

None.