

London Borough of Hammersmith & Fulham

CABINET
5 MARCH 2018



LEGAL CASE MANAGEMENT SYSTEM

Report of the Cabinet Member for Finance: Councillor Max Schmid

Open report

A separate report on the exempt part of the Cabinet agenda provides financial information.

Classification: For decision

Key Decision: Yes

Consultation:

Legal, Finance, IT, Procurement

Wards Affected: ALL

Accountable Director: Tasnim Shawkat, Director of Law

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1. EXECUTIVE SUMMARY

- 1.1. This paper seeks Cabinet approval for the procurement of a new case management system for LBHF legal services through the Crown Commercial Services' G-Cloud 9 Framework that will enable legal services to deliver value for money and provide high quality services.
- 1.2. The proposal is to award a contract for 2+1+1 years. This is the maximum length under the G Cloud Framework 9. This is also consistent with officers' view that it would not be appropriate to award a long-term contract whilst there is a review of the LBHF sovereign Legal Services to ascertain how best to provide Legal Services for the council in the future.

2. RECOMMENDATIONS

- 2.1. To approve the Procurement strategy to procure a new case management system for LBHF legal services through a call-off contract from the Crown Commercial Services G-Cloud 9 Framework.

- 2.2. To approve the award of a contract to DPS Software Limited (trading as DPS Cloud) (“DPS”) under the G-Cloud 9 Framework to host and provide a case management system for Legal Services for a period of up to 4 years (two-year initial term with the option to extend by 2 further periods of up to 12 months each) at a total cost of up to £239,670.00.
- 2.3. That the Director of HR be delegated authority, in consultation with the Monitoring Officer and the Cabinet Member for Finance, to take all necessary legal and practical steps required in order to complete the contract.
- 2.4. That the Director of HR be delegated authority, in consultation with the Monitoring Officer and the Cabinet Member for Finance, to exercise the option to extend by 2 further periods of up to 12 months each in accordance with the terms of the Contract.

3. REASONS FOR DECISION

- 3.1. Hammersmith and Fulham Legal Services has a case management system that is no longer fit for purpose in its current state. The contract was due to expire in November 2017 but the provider has agreed to extend on a 2-month rolling contract whilst the service review their needs and reprocure.
- 3.2. Once a decision was taken that LBHF would have their own sovereign service, at least in the short to medium term, the service began exploring the option of purchasing a new case management system for LBHF alone. When the current case management system was implemented it was agreed that it would need to be reviewed and further market testing considered in four years, i.e. 2017/18. Soft market testing undertaken in January 2017 has assisted the service to identify what the market can currently offer.
- 3.3. Fee earners and business support have expressed dissatisfaction with the current case management system (CMS) which is hosted by LBHF’s service provider. Reported issues include lost work, loss of confidence in working within the current system due to system crashes, inability to integrate with Outlook and a failure to develop the system to meet the changing needs of the service. As the implementation of O365 approached expectations of a better user experience grew.
- 3.4. The O365 project exposed many issues with the current case management system including
 - Incompatibility – resulting in an upgrade that failed to deliver promised functionality
 - Quality of training and support was not to the required standard
 - Supplier relationship issues have been strained.
- 3.5. Legal Services is becoming a sovereign service by 1st April 2018. A key priority for the LBHF Legal Service in 2018/19 would be the review and

implementation of a best in class legal case management system that will enable Legal Services to be more agile through increased automation, whilst delivering consistently high quality legal advice supported by standardised workflow and processes. Currently a significant amount of fee earner time is consumed by system failure and paper based information systems, this impacts upon morale, time resources and quality. By improving the case management system the new sovereign service will be able to:

1. Improve client experience
 2. Increase efficiency which will reduce costs
 3. Generate income as a result of increased efficiency
- 3.6. A desk-top exercise under the G-Cloud Framework has identified one system called 'DPS' that meets the business needs of H&F Legal Services.
- 3.7. DPS is a web-based system and it is accessed via an internet browser on PCs and mobile phones. It requires no "local" software (i.e. software installed on the users' PCs or laptops) other than a link to internet. This allows users who are based across multiple sites (or at home) to access the system securely.
- 3.8. The cost of the current system is £59k (licences and server cost) per annum, this does not however include development costs. It is anticipated that the costs for the DPS CRM will give rise to efficiency savings and reduced development charges.

4. OPTIONS AND ANALYSIS OF OPTIONS

Remain with existing supplier or procure new solution

4.1. Option 1 - Remain with the existing supplier with a view to improving and developing the system and supplier relationship

- The current system does not integrate with Office 365.
- The current system is not accessible from all types of devices (e.g. mobile devices).
- This option is not recommended.

4.2. Option 2 - Procure a new case management system using GCloud9 e-marketplace in order to run a mini procurement and thus limit the cost of the procurement exercise.

- Following the desk-top exercise under the G-Cloud Framework, a system called 'DPS' has been selected which meets the business needs of H&F Legal Service.
- The G-Cloud system avoids the time-consuming and costly nature of traditional procurement processes.
- There is an assurance that the supplier DPS has been vetted and due diligence has been carried out

- This is the recommended option.
- 4.3. **Option 3 - Run a standalone procurement to procure a new case management**
- This option is time consuming and expensive. Many of the main suppliers of legal case management systems are on the G-Cloud Framework 9 and therefore a standalone procurement is unlikely to bring any benefits which cannot be achieved by using the G-Cloud Framework 9. As the sovereign service is established on 1st April 2018, it is necessary that the new service has a case management system as quickly as possible, a standalone procurement would build in unnecessary delay without any obvious benefits.
 - This option is not recommended.

Hosting Options

- 4.4. Implementation options are being considered for DPS systems

The options are

- Option 1: a system hosted by DPS
 - Option 2: a system hosted by H&F's service provider, BT
- 4.5. Option 1 is recommended as this will be the most efficient option for Legal Services as DPS have sufficient resources to deal with multiple issues at once, they will therefore be responsible for the end to end case management system which should minimise any loss of chargeable time if any problems arise.
- 4.6. Both options for hosting the DPS system are dependent on Citrix infrastructure, which is not a strategic solution for the council. However, by having the solution hosted by DPS themselves, the system can be delivered to H&F without the need to invest in bespoke infrastructure. Delivering systems through externally hosted solutions via internet explorer fits in with the council's IT strategy. The hosted solution is therefore recommended from an IT perspective.

5. PROPOSAL

Business needs and objectives

- 5.1. The legal case management system is a key deliverable in LBHF's Business Plan - Deliver value for money whilst providing high quality services.
- 5.2. The business objective for a case management system is to automate documents by using in built templates, workflows and file management procedures across the whole service. Successful delivery will allow legal cases to be completed within agreed SLA's
- 5.3. To develop working processes and systems to deliver an enhanced level of reporting for detailed analysis of legal work. The successful delivery of which will allow management to produce detailed cost and time analysis for all stages of legal work.

5.4. Benefits to departments.

The new Case Management Service will benefit client departments as well as the Legal Service.

- The ease of use of DPS by fee earners will drive them to use the CMS. This will ensure that all data relating to the matter is stored in one place.
- DPS has a client portal function allowing clients to
 - Request advice more speedily.
 - Self-serve to receive the management information created by the CMS.

Requesting work in this way will also assist with demand management and enable clear and accurate management information to be produced such as billing information to support journals.

Evaluation Process

5.5. The G-Cloud Framework is set up so that buyers can undertake desktop exercise to evaluate services based upon best fit and/or price. This enables buyers to make a direct award following the prescribed buying process, which is made up of the following 5 steps:

- 1) Preparing and setting requirements;
- 2) Search and creation of long list;
- 3) Using filters to create a short list
- 4) Evaluation of short listed suppliers and selection
- 5) Award of contract.

5.6. Legal services has followed the first 4 steps of the prescribed buying process and has selected DPS Software Limited (trading as DPS Cloud) as the supplier that best fits its requirements. This report therefore proposed that a contract for the legal case management system for LBHF be awarded, for up to 4 years, to DPS Cloud. Appendix 1 (contained in the exempt part of the agenda) shows that DPS meets all of the required criteria

6. CONSULTATION

6.1. Legal Services staff were invited to take place in the soft market testing and have had input to the requirements of the system.

7. EQUALITY IMPLICATIONS

7.1. There will be no negative implications for protected groups in the proposed procurement of a new case management system for legal services.

- 7.2. Implications completed by Peter Smith, Head of Policy and Strategy, tel. 020 8753 2206.

8. LEGAL IMPLICATIONS

- 8.1 The Council is permitted to access and call-off from the G-Cloud 9 Framework. Legal services has followed the prescribed buying route as set out in the GCloud 9 Framework and as such the award of a contract for a new case management system from DPS would comply with EU procurement rules.
- 8.2 I have reviewed the terms and conditions which would form the basis of a contract with DPS and advised that they are acceptable.
- 8.3. Implications completed by Catherine Tempest, Senior Solicitor (Contracts), tel. 020 8753 2774.

9 FINANCIAL IMPLICATIONS

- 9.1. The current cost of the case management system is £58,948 per annum or £235,792 for four years. The forecast annual cost of the preferred contract with DPS is £51,480 which is £7,468 less than the current provision. These costs are incurred by IT Services and recharged to Legal Services via the Service Level Agreement process.
- 9.2. The one-off implementation costs of £33,750 will be funded from the FCS Pressures and Demands Reserve.
- 9.3. The implementation and ongoing costs are outlined in **Appendix 2** (contained in the exempt part of the agenda).
- 9.4. Implications verified/completed by: Danielle Wragg, Finance Business Partner, tel. 020 8753 4287.

10. COMMERCIAL IMPLICATIONS

- 10.1. The Framework Agreement is compliant with all statutory regulations. A OJEU contract notice and a OJEU contract award notice has been placed on Tenders Electronics Daily (TED).
- 10.2. The procurement process for a new contract under the framework, including award, is laid down in the Council's Contract Standing Orders (CSOs).
- 10.3. A Contract Notice must be published on Contracts Finder following the award.
- 10.4. A contract entry must be entered in the contracts register and all documentation explaining the thought process behind the award should be attached as evidence.
- 10.5. Implications verified/completed by: Andra Ulianov, Procurement Consultant, tel. 020 8753 2284.

11. IT IMPLICATIONS

- 11.1. The requirement specification was drawn up without reference to IT technical, security and data requirements. These requirements have now been added by IT Services and the solution should only be purchased on confirmation by DPS that the system can deliver those requirements. Confirmation that the system can deliver these requirements has been obtained.
- 11.2. It is essential that the new solution is compliant with existing primary legislation and the new General Data Protection Regulation which comes into effect in May 2018. It requires targeted fair processing notices, ability to delete and archive data and clarity around data processing and ownership.
- 11.3. Both options for hosting the DPS system are dependent on Citrix infrastructure, which is not a strategic solution for the council. However, by having the solution hosted by DPS themselves, the system can be delivered to H&F without the need to invest in bespoke infrastructure and therefore the hosted solution is recommended.
- 11.4. Delivering systems through externally hosted solutions via internet explorer fits in with the council's IT strategy.
- 11.5. Implications verified/completed by: Veronica Barella, interim Chief Information Officer, tel. 020 8753 2927.

12 BUSINESS IMPLICATIONS

- 12.1 There is no direct business implications.
- 12.2 Implications verified/completed by: Alben Karameros, Economic Development Team, tel. 020 7938 8583.

13. RISK MANAGEMENT

- 13.1 Access to the framework would provide additional resilience to the Council and Legal Services as the current system is no longer fit for purpose, the hosted solution will need to be reflected in the Service's Business Continuity Plans. Proposals to introduce a new Case Management Service would contribute to the management of Corporate Risk 6 Business Resilience and 12 Decision making and maintaining reputation and service standards.
- 13.2 Implications verified/completed by: Michael Sloniowski, Risk Manager, tel. 020 8753 2587.

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

No.	Description of Background Papers	Name and contact details of responsible officer	Department/ Location	
1	G-Cloud buyers guide - <i>published</i>	Sucheta Naik	Legal Services	
2	G-cloud-9-framework-agreement - <i>published</i>	Sucheta Naik	Legal Services	

LIST OF APPENDICES

Appendix 1 and 2 - contained in the exempt part of the agenda