



**Open Report on behalf of Andrew Crookham, Deputy Chief Executive & Executive Director - Resources**

Report to:	<b>Executive</b>
Date:	<b>05 September 2023</b>
Subject:	<b>Commissioning of the Social Care Financial Management System</b>
Decision Reference:	<b>I030031</b>
Key decision?	<b>Yes</b>

**Summary:**

The Council must re-commission its social care financial management system contract from January 2024.

The marketplace is extremely niche with a limited number of suppliers who can offer the full solution required.

In January 2023, the Council entered into a Crown Commercial Services (CCS) Call-Off Contract with The Access Group for the Mosaic system under the CCS Data and Application Solutions Framework. This was a key decision approved by the Executive on the 4 January 2023. The Call-Off Contract provides for additional modules to be purchased from The Access Group which will then form part of the same contract, one of which is the Abacus application.

This report recommends utilising this facility to add the Abacus module into the existing Call-Off Contract through change control. The recommended duration is a further 4 years (with further options to extend of 1 + 1) which allows us to align the duration of the financial management system contract with the duration of the Mosaic contract and benefit from a fixed price for the 4-year initial duration which manages inflation risk over that period.

**Recommendation(s):**

That the Executive:

1. Approves the commissioning of Abacus as the Council's social care finance management system.
2. Approves contracting for the system through the addition of Abacus as a module into the Call-Off Contract between the Council and The Access Group dated 9<sup>th</sup> February 2023 via a change control process under the contract.
3. Approves the Council contracting for Abacus for an additional four years (until January 2028) with options to extend for two further periods of one year each.
4. Delegates to the Deputy Chief Executive & Executive Director of Resources, in consultation with the Executive Councillor for Resources, Communications and Commissioning, authority to take all decisions necessary to commission the system including determining the final form and approving the entering into of the contract change control.

**Alternatives Considered:**

Other options have been considered as part of this process:

**Do Nothing:**

This would not be recommended as the Council would be out of contract with its existing supplier and vulnerable to uncontrollable costs and system / security issues.

**Go out to tender:**

This would not be recommended. As highlighted above, this is a relatively limited market, the chance of securing an enhanced solution, that also mitigates the risks related to our pre-existing financial investment and the disruption from uncoupling from the existing system is extremely unlikely. The Council has secured a contractual and commercial basis for commissioning Abacus through its existing contract for Mosaic which was entered into as a result of a compliant call-off through a government Framework. We are more likely to achieve a better commercial result securing the provision through the contract the Council already has in place. This would also save on the potentially significant cost, time and resourcing pressures involved in going out to tender.

**Direct award utilising existing Mosaic Contract:**

This is the preferred option as it allows the Council to build upon its extensive investment into the system and will provide the least disruption to staff and implementation costs incurred.

The alternative of a new system implementation would be resource and time intensive and would cause significant disruption to the service whilst resources had to focus on the

solution design, data mapping, data transfer and reconciliation of data as well as extensive testing and training requirements and the associated costs.

The Council is currently in the process of moving from net to gross payments and progressing further Mosaic and Abacus system integrations and improvements. Any disruption during this change would cause significant implications for the Council, providers and service users.

The Council would request to purchase Abacus from the optional drawdown elements under the call-off contract the Council has with the Access Group for Mosaic, which would allow the council to secure the Abacus system for a period of 4 years, +1, +1. This was built into the Mosaic contract as an option as part of the recent recommissioning of the Mosaic contract as the two are intrinsically linked and with the same supplier. The extensive work already undertaken by the legal and commissioning teams around service and support applies to these financial modules as well as the core Mosaic elements.

**Reasons for Recommendation:**

- The Council needs to ensure it operates an effective social care financial management system for efficient control of payments and receipts adhering to and fulfilling the council's statutory requirements.
- The Council needs to re-commission the system as the existing contract for Abacus runs out on 5<sup>th</sup> January 2024, with the maximum permitted number of annual contract extensions already implemented.
- Adding Abacus as a module into the call-off contract with the Access Group for the Mosaic system enables the Council to continue to build upon the significant resources invested in configuring the Abacus system to meet service needs and will minimise; operational service delivery risk, costs and time of transition to a new system and staff disruption.

**1. Background**

- 1.1. Abacus is the social care financial application that aligns with Mosaic, (the council's social care case management system) to control the financials and manage payments to the council's clients. Both Abacus and Mosaic are developed by the Access Group.
- 1.2. Abacus has been used within the authority since April 2002, following a full procurement and implementation project, with extensive training undertaken at that time.
- 1.3. Through its modules Abacus provides financial assessment functionality and generates client contributions towards social care services which generates income for the council, providing a clear breakdown of the financial assessment and contribution for the clients of Lincolnshire County Council.

- 1.4. Abacus manages around 4,500 payments made to the council every 4 weeks by its clients, as contributions towards their care costs. It also makes around 3,500 residential care payments every 4 weeks to care homes. Abacus also allows the Council to manage deferred payments for clients in residential care.
- 1.5. Using Abacus ensures that we are compliant with current legislation and the Care Act 2014. Access Group update the application with any elements or rules that need changing and ensure values comply with the current legislation around assessments and benefits.
- 1.6. The output from Abacus feeds into the Council's Business World system.
- 1.7. Current year contract costs for Abacus are c£0.210m per annum, (this includes Licensing, hosting, and support). The budget is currently split across IT and Adult Care.
- 1.8. Abacus is regularly developed by The Access Group to enhance the system and there are future plans for closer integration with Mosaic and improvements with the self-service portal.

#### Commissioning Approach

- 1.9. The marketplace for social care client financial management systems is extremely niche and is dominated by two main suppliers. The intention is to enter into a change control with Access Group to add the Abacus module into its existing contract for Mosaic. This allows the Council to build upon its extensive investment into the system and will provide the least disruption to staff and implementation costs incurred.
- 1.10. This would be achieved through exercising a right under the Council's Crown Commercial Service (CCS) DAS framework call-off contract already in place with Access Group for Mosaic to add in Abacus which is an optional element of the Mosaic call-off. This will enable the Council to add Abacus to its current contract with Access Group for four-years at a fixed price with further extensions of one year plus one year which will be subject to potential price variation.
- 1.11. The alternative of a new system implementation would be resource and time intensive and would cause significant disruption to the service whilst resources had to focus on the solution design, data mapping, data transfer and reconciliation of data as well as extensive testing and training requirements and the associated costs.
- 1.12. In particular, the Council is currently in the process of moving from a net to gross system of payments to providers of residential care. This is a complex transition involving changes to the way payments are made to providers and contributions are recovered from service users and third parties. The Abacus system is central to the smooth and secure transition between payment regimes to ensure payments are made and income received seamlessly as the change is made. Any delay or disruption to the transition will have significant implications for providers and service users and the finances of the Council. To carry out such a change while also changing the financial system would introduce an unacceptable level of risk into the project.

1.13. In addition, further developments are progressing with Mosaic and Abacus system integrations and improvements for payments and charges which will provide efficiencies during the next six to twelve months, including the financial assessment project to assist in the automation of financial assessments. If a new system were to be introduced it would impact on the timeframes for achievement of the benefits of those changes both for the Council and for service users

#### Cost

1.14. Current annual contract costs for Abacus are c£0.210m per annum, this includes licensing, hosting and support. Recommissioning the system under the Council's existing CCS DAS Framework call-off contract for Mosaic would fix the cost and no increases would be incurred for the next 4 years. The call-off contract allows for removal of licences and optional functionality, (if appropriate), to further reduce cost as part of an ongoing overview of processes and procedures.

## **2. Legal Issues:**

### Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

An Equality Impact Analysis has been prepared for this system which identifies any potential impact on persons with a protected characteristic. Applicable mitigating factors are set out in the impact analysis, which can be found at Appendix A. The Impact Analysis will act as a live document throughout the delivery of the system and the conclusions drawn from it will be kept under review so that as issues arise, any potential for differential impact can be mitigated wherever possible.

#### Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

The system is critical in supporting the delivery of financial care assessments and management of payments to vulnerable adults and children which are specifically focused on improving their wellbeing.

#### Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

The specific nature of the system itself is not of direct relevance to Crime and Disorder, however maintaining our existing system will result in more efficient processes for how staff engage with the system and will support their ability to maintain accurate client information, which should allow resources to be focussed on operational service delivery including those aimed at reducing crime and disorder.

### 3. Conclusion

1.15. Social care financial management software is a critical tool to provide financial assessment functionality in accordance with statutory requirements, managing client contribution and make payments to residential care homes. The Council must ensure it has an effective software solution in place and having been configured and continually updated, the existing Abacus system is primed to meet current and future service delivery needs. The Council has a mechanism to incorporate the Abacus system within its existing Mosaic call-off contract through the CCS framework and using this option will best mitigate against potential risks.

#### 4. Legal Comments:

The Council has the power to make the decision proposed. Incorporation of Abacus into the existing contract awarded under a compliant Framework is a compliant procurement route.

The decision is consistent with the Policy Framework and within the remit of the Executive.

#### 5. Resource Comments:

The cost set out within this report will be met from the budget approved by Council for this service. Any inflationary uplifts will be addressed through our budget setting process for future years.

Accepting the recommendation within the report will offer value for money, as this is more beneficial than the time and investment which would be required to move to a new social care financial management system.

### 6. Consultation

#### a) Has Local Member Been Consulted?

N/A

#### b) Has Executive Councillor Been Consulted?

Yes

#### c) Scrutiny Comments

The decision will be considered by the Overview & Scrutiny Management Board on 24 August 2023 and the comments of the Committee will be reported to the Executive.

#### **d) Risks and Impact Analysis**

Awarding the contract using the Council's current Crown Commercial Service Framework call-off contract presents a number of risks, as it is a national framework agreement and not bespoke to the Council. The contract does allow for a level of adaptation to mitigate against some of those risks, which has to be balanced against the economic advantages of a direct award to the Access Group and the ability to maintain an existing system which supports our most vulnerable citizens.

### **7. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Equality Impact Analysis

### **8. Background Papers**

No background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

This report was written by Mark Williams, Business Change Manager - MDaS (Interim Mosaic Lead) who can be contacted at [mark.williams@lincolnshire.gov.uk](mailto:mark.williams@lincolnshire.gov.uk)