

Report to Cabinet



Report Reference: C/042/2006-07.
Date of Meeting: 4 September 2006.

**Epping Forest
District Council**

Portfolio: Finance, Performance Management, and Corporate Support Services.

Subject: Replacement of the Local Taxation and Benefits ICT System.

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Recommendations:

- (1) That, in accordance with the Corporate ICT Strategy, the ICT system for the Local Taxation and Benefits service be replaced;**
- (2) That quotations be obtained using the Catalist system managed by the Office of Government Commerce; and**
- (3) That, after quotations have been obtained, a detailed report covering the financial implications of replacing the ICT system be submitted to Cabinet.**

The Customer Services and ICT Panel considered this report at their meeting on 14 August. Panel's comments are contained within the consultation section of this report.

Report:

1. Cabinet agreed the Corporate ICT Strategy for 2006/2008 on 19 December 2005. The strategy highlighted that the e-Government initiative was starting to have wider implications on the technical design and capabilities of many Council core business systems. This is due to the requirements set down by Central Government to allow the 'citizen' to access information and carry out transactions directly through the Council's website without the need for officer intervention. The technologies required to support this way of providing services are not currently in place.
2. The first areas that are being target by this requirement are Housing Benefits and Council Tax/NNDR. The Council is required under the ODPM's 'priority service' outcomes to be in a position where it can offer its customers online access to individual benefit claims and Council Tax and NNDR account information (priority outcomes G11 and R11). Central Government is assisting in this process by providing a common method of authentication for customers across all Government agencies. This method of access and authentication is called 'Government Connect' and it is the same system that central government currently uses for authenticating people who submit online tax returns. This system will handle all the issues of authenticating identity and gives the Council the assurance that it is safe to let citizens access and view information and participate in transactions with regard to their Council Tax/Benefit account.
3. This is obviously a major change in the way the Council currently handles a customer's account where all current system access is done via an officer of the Council. However, the main issue for the strategy was the fact that the Council's

Benefits and Council Tax/NNDR system (Orbis) was not designed to allow connection to the 'Government Connect' solution.

4. Given the above circumstances, the strategy concluded that the only viable way forward for the mandated requirement to be achieved was to change the current Benefits and Local Taxation System to one of the three currently 'Government Connect' compliant solutions. Therefore the Head of Finance, in consultation with the Head of ICT, was asked to review the current Benefits and Local Taxation System with a view to migrating to a new solution within the next 18 to 24 months; co-terminus with the end of the current contract for these systems.
5. A further concern that has arisen since the strategy review is that the only other English authority that used the Orbis system has now purchased an alternative system and is migrating from Orbis. Scottish authorities predominantly use the Orbis system, and Epping Forest District Council now remains the only English local authority using the product. Whilst there are many similarities between the English and Scottish systems, there are different legislative requirements, particularly with Council Tax and National Non-Domestic Rates, which mean bespoke work has to be undertaken for Epping Forest as the only English local authority using Orbis. This is not acceptable in terms of risk management and also makes any development work cost-prohibitive. This has meant that the overall Orbis product has not developed in line with other systems on the market.

Procurement:

6. Procurements of this value would normally require an open tender exercise. However, contract standing order C14 provides an exception for consortia, public supply agencies etc. This standing order states that "*The procedures for invitation of tenders by the Council need not apply where special arrangements have been entered into by any consortium, collaboration or similar body of which the Council is a member or under which the Council is entitled to benefit by virtue of its status as a public authority.*"
7. Catalist is a catalogue based procurement scheme that was originally established in 1997 to provide public sector organisations with a simplified means of procuring a wide range of ICT services from a variety of providers. The scheme is now managed by OGCBuying.solutions, which is an executive agency of the Office of Government Commerce. Any public sector contracting authority can enter into the scheme and use the framework agreements to place orders. There is no limit on the value or number of orders that can be placed through the scheme as Catalist contracts were awarded in accordance with the EU Procurement Directives.
8. Procuring ICT services can be a time consuming and costly process. Catalist reduces the time and costs associated with procurement by offering a pre-tendered call off facility. The scheme provides the following benefits:
 - Compliance with EU procurement legislation
 - Ability to call off urgent requirements quickly
 - Ability to split large complex projects into manageable chunks
 - Competitive fee rates (regularly benchmarked by an independent specialist)
 - Wide choice of skills and services across multiple categories
 - Ease of ordering
 - Sound contractual protection based on best practice

- E-commerce facilities
- Comprehensive management information

In accordance with contract standing order C14, the proposal here is to make use of the Catalist system.

Statement in support of recommended action:

9. The recommended actions are necessary to comply with the Corporate ICT Strategy. The Council's licence to use the Orbis system expires on 30 June 2008 and so steps must be taken to procure and implement a replacement.
10. The use of Catalist is proposed here as a quicker and cheaper alternative to the traditional procurement model.

Other Options for Action:

11. The only other option would be to seek to extend the Orbis licence and not procure a replacement at this time. As Epping Forest District Council is now the only English authority using the system, it is quite possible that Anite would not wish to extend the licence as to do so would commit them to maintaining a system that is not economically viable. Even if it were possible to obtain an extension, to do so would place the Council in a very vulnerable position as the supplier could demand very high costs for developments that proved necessary to comply with English legislation. An extension would also go against the Corporate ICT Strategy and delay the achievement of priority outcomes.
12. The other procurement option would be to conduct a traditional tendering exercise. However, this would be a slower and more costly exercise and so is not recommended.

Consultation undertaken:

The Customer Services and ICT Panel considered this report at their meeting on 14 August 2006, and fully supported the proposals.

Resource Implications:

Budget Provision: As stated in recommendation three, a full report on the financial implications will be made after quotations have been obtained. During the previous procurement exercise quotes ranging from £792,000 to £829,000 were obtained for a new system and the necessary data conversion exercise. It should be noted that these quotes also included a document management system, and as [Anite@Work](#) has now been adopted as the corporate ERDMS this requirement will not be included again. To help finance any purchase £240,000 of Implementing Electronic Government funds are available.

Personnel:

Land: Nil.

Community Plan/BVPP reference: CP3 (a) and CP3 (c).

Relevant statutory powers: N/A.

Background papers: None.

Environmental/Human Rights Act/Crime and Disorder Act Implications: None.

Key Decision Reference (if required): N/A.