Integrated Adult System/ERIC Replacement Project

Business case

Version 2.5

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7/6/2010

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1. Background

Gloucestershire County Council uses an in-house developed ICT system (ERIC) to support delivery and management of its social care provision for adults across the county.

There are several drivers currently at work that are prompting a review of Adult Social Care ICT provision;

1.1. The Putting People First programme (PPF) is driving new ways of working within the Directorate and creating new system and information requirements

1.2. Information technology is required to support integrated working between Health and Social Care

1.3. There is a need to improve data accuracy and integration with SAP Finance

1.4. Technical knowledge of ERIC is limited to a very small number of individuals which puts the service ERIC provides at risk and constrains speed of development

1.5. There is a need to improve efficiency in all areas and cut costs

1.6. There is a need for better support for Multi-Agency working

1.7. Many Field Workers complain that ERIC is not easy to use

1.8. Funds for a replacement system are available but possibly only for a limited period

The purpose of this document is to explore the options available for the future in the area of Adult Social Care systems.

2. Options available

2.1.   Do nothing

The changes in working practices and information required by the Putting People First Programme mean it is not possible to "do nothing". A series of minor enhancements have been made to ERIC to deliver the essential features of Personal Budgets for PPF but further investment will be required to address the more advanced PPF requirements.

2.2.   Commit to the in-house Adult Social Care system (ERIC)

The existing system provides a wide range of functions and GCC could continue to invest time, effort and money in adding new features to ERIC over the next 3-5 years. This effort is likely to be significant due to the changes demanded by the PPF Programme and the need for integrated working with Health. The work would have a significant impact on both ICT and CACD resources.

2.3.   Replace ERIC with SAP's Social Care Module

SAP supplies GCC's existing Financial, HR and Procurement systems. GCC has been waiting for SAP to develop its Adult Social Care module and implement it in at least one major client. The

lead local authority partnering with SAP in this work withdrew from the project in 2009 so the GCC Programme Management Board has dismissed this as a viable option for social care record management.

2.4. *Replace ERIC with a Package solution (Adults only)*

There are several commercial companies who are able to provide a suitable Adult Social Care system. Most have experience and/or plans for supporting integrated working with Health. The vast majority of local authorities use packaged solutions from a relatively small number of suppliers.

2.5. *Replace ERIC & CYPD's Social Care System with one package*

CYPD plan to replace their existing Integrated Children's System (Capita One) in a very short period of time as it is putting their services at risk. Some commercial providers can supply a solution for both Adult and Children's Social Care but their solutions tend to be strong in one and weak in the other so a combined solution means a compromise for one directorate. The timescales for replacing Capita One and the specific nature of CYPD's requirements mean that a joint procurement would cause unacceptable delays for CYPD and would probably not allow CACD to competitively purchase its best solution. Also, by managing the procurement process appropriately, the option of a joined up solution could remain open for take up at a later date with attendant cost economies.

2.6. *Replace ERIC with a Healthcare based solution*

Research has shown that Healthcare databases are heavily focussed on the medical community and have little patient/service user charging or budgeting capability as treatment is free at the point of delivery. Social Care is required to charge for some services and needs significant patient/service user financial functionality. Also, the local PCT is required to adopt nationally or regionally selected solutions and therefore has little opportunity to implement locally agreed case management systems.

The options above were considered by the "ERIC Replacement PMB" and a decision made to further explore options 2.2 and 2.4 (see below). Option 2.2 (Commit to the in-house Adult Social Care system) is the default path that would be followed in the absence of a review and 2.4 (replace ERIC with a package solution for Adults only) is the only viable alternative. By comparing these two options, the benefits and risks of change can be established and an informed decision made on retaining or replacing ERIC.

3. Potential costs

3.1. Existing ERIC support costs

The cost of supporting ERIC is;

1. Application licences & Support: £0 (part of a corporate contract)
2. Database & Document Mgmt: £40K pa
3. Customisation (2008 Minor):   £60K pa
4. Help Desk (2008 – 4.5.FTEs):   £100K pa

Note;
- If ERIC is replaced, items 2 & 4 will probably still be incurred
- The cost of customising ERIC to meet all future requirements is not included

3.2. Replacement system costs

A survey of the four leading Adult Social Care systems providers (Northgate, OLM, Corelogic and Careworks) has enabled the following average costs for implementing a replacement system to be compiled;

- Licences and implementation: **£950K** (lowest 600K, highest £1,590K)

- Hardware: **£140K** (estimate)

- SAP and Coldharbour interfaces: **£160K** (estimate)

- Ongoing Licences and Support: **£264Kpa** (lowest £120K, highest £546K)

The figures above do not take into account;

- The costs associated with tendering and work prior to contract award

- Internal ongoing support costs (Help Desk, First Line support etc.)

- Database and document management licence costs (if required)

- External interface development for Community Health systems or SAP report developments to exploit the new interfaces

- Non GCC licences (such as for Health workers)

- An amount for project contingency (typically 10 – 20%)

- The likely benefits of implementing a package from streamlined processes and easier operation that will help offset the costs of a package solution.

3.3. Internal project implementation costs

Based on previous local government adult social care system proposals, the estimate for backfilling significantly involved key staff and engaging technical specialists is **£353K**.

4. Benefits of implementing an Adult Social Care package

4.1. Specific benefits for GCC

4.1.1. Support for "Personalisation"

The four main Adult Social Care systems on the market support "Personalisation" (i.e. PPF requirements) and have road maps showing their commitment to adding further functionality. This reduces the effort required from GCC to analyse, design and develop bespoke processes and systems.

4.1.2. Support for future legislative changes

A significant benefit of implementing a package is the information system changes needed to support new legislation and best practise are usually (*but not always*) provided as part of the support contract. This will avoid the work needed by business users and ICT to define and develop new functionality in the future. This, for example, could include complying with recent Records Management legislation.

4.1.3. Reduced cost of ownership

The total cost of ownership over a period of five years is usually lower for a package solution than for a bespoke application. The existing in-house application is relatively inexpensive to support as it benefits from a corporate ICT Contract that includes low developer rates. It is unlikely that removing ERIC support and minor enhancements from the Corporate ICT contract will create any savings in the near future. However, major changes required in the future (e.g. NHS Spine integration) will be expensive and time consuming to implement on ERIC whereas they are delivered as part of a standard package (subject to negotiation).

4.1.4. Conformance with GCC Corporate strategy

Part of the corporate strategy is to replace bespoke in-house systems with "commercial off the shelf" (COTS) packages.

4.1.5. Larger support resources

Sungard currently employs a very small number of developers for maintaining ERIC and this represents a risk to the organisation. Third party suppliers usually have larger teams with overlapping knowledge of their application.

4.1.6. Improved ease-of-use

Anecdotal evidence suggests ERIC is difficult to use, especially in the area of Document Management. The desirable packages on the market are modern and easy to use.

An easy to use system will improve productivity, make training new users easier, reduce errors, help introduce change, improve staff morale and help improve data accuracy and quality.

4.1.7. Improved efficiency

As packages are used by a large number of clients and have been refined over several years, they should deliver or support more efficient processes and/or "best practise". Suppliers can also provide consultancy to help configure processes that are efficient.

Mobile working is offered by some of the suppliers which should help boost productivity of field staff.

4.1.8. NHS (spine) integration to support joint working (CAF)

ERIC does not have any integration with the NHS Spine and to implement it would be costly and time consuming. The principle software suppliers have received funding to pilot interfaces to the NHS Spine. This will enable joint working between GCC and the PCT.

4.2.   Generic benefits of implementing a package

4.2.1. Promotion of standard processes

Most packages allow some configuration by the client to support different process models but inevitably have constraints. This lack of complete flexibility means staff are no longer required to design their processes and forms from scratch, a practise which can lead to small groups developing their own unique, local ways of working. Standard processes improve reporting, delivery of a consistent service and improve staff mobility.

4.2.2. In-line with the marketplace migration to packaged solutions

SOCITM surveys show that the number of Authorities who operate their own in-house developed Adult Social Care system has declined from 26 to 20 in the last year, a reduction of 23%. The percentage of respondents with in-house systems now stands at 12%.

4.2.3. Helps introduce organisational and process change

Implementing a new package is one way of driving change in an organisation. Staff expect to have to do things differently with a new system (although may not support the idea of change). It enables a break from past ways of working.

4.2.4. General integration adaptors

In general, package suppliers have well developed integration toolkits that are used to implement interfaces with a range of other packages. These use more formal methods for specifying interfaces and integration so maintenance is usually easier and the workings of the interface more transparent.

4.2.5. Provides standard reports

Most of the applications come with a standard set of tools and reports. These are for creating the returns required by central government and operational reporting. As these are created and maintained by the supplier then the work required to support and deliver performance reporting should be reduced.

4.2.6. Regular functional improvements

Most of the suppliers have User Groups that input to annual developments and improvements. This means the whole client base benefits from improvements on a regular basis, usually at no extra cost.

4.2.7. SAP Financial integration

ERIC currently has limited integration with SAP but most of the suppliers have experience of deeper levels of SAP integration (also see the Risk section). This should improve budgeting and financial reporting/control across the directorate.

5. Risks of implementing a package

5.1. Specific benefits for GCC

5.1.1. Failure to make efficiency savings

A new system could cost more to own and use than ERIC as most of the readily identifiable efficiency savings have already been made. A specific thread of the procurement process needs to provide evidence of genuine savings that will made and how the savings will be achieved.

5.1.2. Supplier goes out of business/de-commits to the product

There is growing evidence there are too many suppliers in the Adult Social Care marketplace (which has a fixed client base) and already some companies are being taken over (e.g. Northgate purchased Anite, Civica purchased In4Tek and System C purchased Liquid Logic). It is essential GCC selects a supplier that will be in operation in 5 years time and supporting the implemented solution. An ESCROW agreement that provides access to the underlying programme code in the event of a company being declared bankrupt could be used to limit the impact of this risk.

5.1.3. Loss of functionality

Anecdotal evidence suggests ERIC supports a wide range of different contract types and highly bespoke processes. It is unlikely a replacement package will support all the variations currently in use so decisions will need to be made during the selection process and implementation.

5.1.4. Timescales

The Putting People First programme has to be rolled out and complete by April 2011. There is a significant risk that a new system will not be rolled out within this timescale.

5.2. Generic risks of implementing a package

5.2.1. Inadequate migration of records

The records held on ERIC are many and complex and include 0.5 million documents. The information will need to be migrated to a new package and unless done with precision will lead to corruption, service problems and put Service Users at risk.

5.2.2. Inability to decommission existing systems

It may not be possible to entirely replace ERIC as some residual or historical information may need to be kept (e.g. Children's records). However, as the "static" running costs of ERIC are relatively low the main impact of this risk is on the need for people to use two systems in their work and the issue of reporting across two systems.

5.2.3. Reporting deficient

Year on year reporting is always difficult when a new system is introduced as previous year's data is often not available in the new system.

5.2.4. Loss of control over delivery timetable

GCC has consistently out-performed most authorities in England by meeting the delivery timetables of system changes to support new requirements (e.g. Children's ICS). Most package suppliers appear to be late in delivering their required functionality but as this affects all their clients then the delivery dates are usually moved by the government departments making the demands.

5.2.5. SAP integration may be limited

The level to which the selected package will integrate with SAP will determine how well financial controls, reporting and budget management will be delivered. Careful attention will be needed to optimise this element of the solution.

5.2.6. Loss of choice over CRM solution

Some suppliers have embedded CRM functionality that may make it difficult to retain the existing solution from Northgate. Operating two different CRM systems will be inefficient, especially in the Contact Centre.

6. Conclusion and recommendation

The Board has considered the options available (Section 2) and recommends replacing ERIC with a commercial off-the-shelf package for Adult Social Care (option 2.4). The most important reasons for recommending this option are;

- It will provide the ICT needed for the Putting People First Programme, both in the short and long term

- It will support integrated working between Social Care and Health

- It conforms with the corporate ICT policy of using packaged solutions instead of bespoke systems

- It provides an opportunity to have a well supported system

- It enables users to have an "easy to use" Adult Social care system that will improve productivity, help introduce change, improve staff morale and help improve data accuracy and quality

- It will support the effective processing of high volume purchasing and support

The recommendations include;

6.1. Issuing an Invitation To Tender (ITT) for a replacement system

6.2. Undertaking analysis of the potential efficiency savings likely to result from implementing a package solution during the Tender evaluation phase (as costs and benefits will vary by supplier). However, the PMB recognises that most of the readily identifiable efficiency savings have already been made.

Background

Gloucestershire County Council is looking to replace its existing in-house developed Electronic Social Care Records System (ESCR) for Adults with a packaged solution that can;

- Deliver the new functionality and processes required for "Personalisation"
- Support its operation today with improved efficiency
- Enable integrated working between health and social care workers

The purpose of this document is to identify at a high level the broad areas of functionality required so you can produce a realistic budgetary cost for the project (assuming GCC's CYPD purchase the ICS solution from you) and an estimate of how long the project would take to implement.

Principle functional areas and services required

- Contact management (integration with Northgate's Front Office would be a bonus)
- Case Management with workflow
- FACE Form set; especially the Version 6 Overview Assessment with question scoring and macro execution
- Integration with the FACE Web Resource Allocation System (RAS)
- Supported Self Assessments
- Personal Budgets
- Financial Assessments
- Outcome focussed Support and Care planning with providers, costs etc. and outcome/performance monitoring. Includes the FACE Support Plan integrated with the Overview Assessment.
- Full Social Care Finance functionality (e.g. Block & Spot contracts)
- SU charging and Direct Payments
- Provider Service Purchasing, invoice matching and Payments
- Document Management (integration with OpenText)
- Reporting – operational and Statutory returns
- Mobile working support, preferably using GCC's existing mobile infrastructure from Hytec/IMD
- Interface to the NHS Spine to support Joint working with Health
- Integration/interfaces with SAP Finance and Coldharbour rostering
- Information Portal for advice & guidance, Service user access to social care records/documents, support for a market place and Personal Budget management
- Multiple environments (Production, Development, Testing and Training)
- Migration of existing records
- All hardware, software and services (consultancy, configuration, training etc.) required

Key metrics

- Number of ERIC users (Adults only): 2100
- Number of Adult cases: 160,000 total of which 52,000 are active
- Number of Adult documents in OpenText: 620,000 (multiply by 8 for all versions of a document)
- Number of residents in Gloucestershire: 585,000

Adult Social Care Software: Supplier Presentation/Demo Agenda

Company Overview
- Financial status
- Reference sites and recent successes

Support
- Numbers of staff in support and development
- Product Roadmap
- Updates to meet future legislative changes

Putting People First functionality
- Case Management and workflow
- Initial Contact management
- FACE Assessments
- FACE RAS
- Financial Assessments
- Supported Self Assessments
- Personal Budgets
- Support and Care planning
- Direct Payments
- Information Portal

SAP Integration
- Financial and SAP Reporting improvement

Multi-Agency working
- NHS Spine integration
- Joint Assessments
- Multi-disciplinary teams

Productivity improvements
- Ease of use
- Mobile working
- Data accuracy improvement
- Software configuration

Finance
- Block and spot contracts
- Contracted service delivery recording, Invoice matching and Paying suppliers
- Charging Service Users

Other
- Document Management
- Reporting (Statutory returns, Performance and operational)
- Integration (Coldharbour, Capita 1, Information Portal etc.)
- Data migration
- Technical infrastructure
- ICS compliance