

Name of Committee:	Overview and Scrutiny Committee		
Committee Date:	Wednesday, 18 February 2026		
Report Title:	Strategic Commissioning Programme Review		
Responsible Officer:	Steven Pink, Corporate Director of Finance and Resources (Section 151 Officer)		
Cabinet Lead:	Cllr Philippa Gray - Cabinet Lead for Finance & Governance		
Status:	Non Exempt		
Urgent Decision:	No	Key Decision:	No
Appendices:	Appendix A: Programme Timeline document Appendix B: Programme Lessons Learnt Appendix C: Arcus & Land Charges summary		
Background Papers:	<p>Programme Business Case – Strategic Services Commissioning final - Programme Business Case Strategic Services Commissioning resources FINAL.docx</p> <p>Finance System ERP – Appendix 1 - Finance System ERP Procurement Full Business Case.docx</p> <p>Place Service Software Procurement – Appendix 1 - Place Service Software Procurement Full Business Case November 2023.docx</p> <p>Customer Services Staffing Structure – Appendix i - Business Case - Customer Services Staffing Structure.docx</p> <p>ICT Infrastructure and Security – Full Business Case ICT & Security Procurement v1.docx</p> <p>Waste IT - Waste IT Full Business Case.docx</p> <p>Cabinet Report – Customer Services Telephony and Case Management - November 24 - Cabinet Report - Customer Services Telephony and Case Management.docx</p>		
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Report Number:	HBC/014/2026		

Corporate Priorities:

The Council's Overview and Scrutiny committee fulfils the statutory responsibility placed on local authorities to review and scrutinise decisions and actions taken, and it plays a vital role in influencing services and shaping policies and plans which affect the corporate strategy.

This work supports Havant Borough Council's Corporate Strategy growth theme and its ambition to modernise services, improve customer experience, and strengthen organisational resilience.

The Strategic Commissioning Programme has contributed directly to these priorities through delivery of a coordinated programme of ICT migrations, contract transitions, and service transformation, improving the Council's digital capability, security, and long-term sustainability.

Executive Summary:

Overview and Scrutiny Committee requested assurance in relation to the Council's programme of ICT migrations and associated transitions. This report covers the whole programme rather than any single project but due to the issues identified as part of the Arcus implementation there is a focus on Arcus.

This document has been intentionally prepared as a comprehensive overview and scrutiny evidence pack, providing Members with a full narrative, context, and supporting documentation to enable informed scrutiny and assurance.

The Strategic Commissioning Programme was initiated in response to the scheduled expiry of the Capita 5Cs ICT contract in September 2025. The contract supported a wide range of business-critical systems including finance, revenues and benefits, customer services, elections, HR, environmental health and planning. Many of the platforms were legacy systems that constrained digital capability, cyber resilience, data integration and service modernisation. Failure to exit and replace the contract within the required timescale would have exposed the Council to significant operational, financial and reputational risk.

Recommendations:

The Committee can either:

- a. Agree that the committee has scrutinised the matter and does not wish to make any formal comments or recommendations to Cabinet.
- b. Agree to submit formal comments to Cabinet and recommend Cabinet to consider whether it wishes to take any action in response to the comments made: or
- c. Agree to make formal recommendations to Cabinet, for their consideration.

1. Introduction

- 1.1. The purpose of this report is to demonstrate the strategic rationale for the programme, the full scope of activity delivered, performance against timescales and milestones, governance and assurance arrangements, financial and resource management, and the lessons to be embedded in future corporate transformation programmes.

2. Background

- 2.1. The Strategic Commissioning Programme was established in response to the planned termination of the Council's long-term Capita 5Cs ICT contract in September 2025. The contract supported critical business systems that underpin statutory services, financial management, customer access, regulatory processing, democratic functions, council connectivity, telephony and security of council data.
- 2.2. A significant proportion of these systems had reached or were approaching end-of-life. Limitations in functionality, integration capability, cyber resilience and supplier dependency increasingly constrained service improvement and organisational resilience. Continuing reliance on legacy

platforms also exposed the Council to rising support costs and reduced market leverage.

- 2.3. Cabinet approved a strategic shift toward a simplified supplier model and greater adoption of Software-as-a-Service (SaaS) platforms. This aimed to improve system resilience, strengthen cyber security compliance, reduce technical debt, enhance scalability and enable more agile service transformation.
- 2.4. Additional strategic drivers included the renewal of the Environmental Services contract, the redesign and insourcing of Customer Services, and the replacement of regulatory systems supporting Planning, Environmental Health and Licensing. These dependencies significantly increased programme complexity and delivery risk.
- 2.5. A hybrid delivery model was approved, combining internal Programme leadership, governance and service expertise with externally sourced data migration, user acceptance leadership, architecture design, project management. This approach balanced pace of delivery with knowledge transfer and longer-term organisational capability building.

3. Scope

- 3.1. The Strategic Commissioning Programme comprised a coordinated portfolio of major transformation projects required to replace end-of-life systems, exit the Capita 5Cs contract, modernise service delivery, and strengthen organisational resilience across multiple statutory and customer-facing services. The scope extended beyond technical system replacement to include operating model redesign, workforce transition, supplier mobilisation, data migration, cyber resilience, governance maturity, benefits realisation and long-term sustainability.
- 3.2. The programme brought together multiple principal workstreams, each approved through separate full business cases but governed and sequenced as a single integrated programme due to shared dependencies, constrained timelines and overlapping technical architecture.

3.3. The following systems and services were impacted by the programme:

New System	Impacted Service
Bartec – (online portal - missed bin reporting/garden waste subscriptions).	Environmental Services
Zellis (HR and Payroll)	HR/Payroll
Xpress	Elections
TechOne	Finance
Exponential-e	ICT and Infrastructure
Arcus	Planning Development Management, Land Charges, Environmental Health, Licensing
Netcall	Customer Services

4. Arcus & Land Charges

4.1. The Arcus system was implemented as part of the Regulatory Systems workstream and supports core statutory functions including Planning Development Management, Land Charges, Environmental Health, Licensing and associated regulatory workflows. The system is business-critical, with direct impacts on statutory timescales, customer satisfaction, income generation, planning performance metrics and reputational confidence.

4.2. The implementation of Arcus represented one of the most complex elements of the programme due to:

- Updating a 20+ year legacy system (Acolaid, Lalpac and iDOX Document Management System) including data, workflow and documents
- The breadth of functional modules being deployed concurrently.
- Integration dependencies with GIS, payments and customer platforms.
- Reliance on an outsourced service provider for Land Charges

- Data migration from multiple legacy systems with inconsistent data standards into one new system.
- Regulatory compliance requirements and statutory reporting obligations.
- The operational requirement to maintain live service continuity throughout transition.

4.3. While the system successfully achieved technical go-live within the programme timescales, a number of post-implementation issues emerged during the early operational stabilisation period. These included workflow configuration defects, performance latency, data integrity inconsistencies, reporting limitations and user interface challenges that impacted productivity and increased manual workarounds for operational teams. These issues created short-term pressures on service throughput and case processing efficiency, particularly within the Planning and Land Charges services. While statutory compliance was maintained, operational resilience was temporarily reduced, and additional management capacity was required to stabilise performance.

5. Land Charges

- 5.1. The Land Charges service has been outsourced for many years, which created additional challenges when transitioning to Arcus. The lack of internal expertise significantly impacted the implementation of this module and resulted in additional costs.
- 5.2. Following the Arcus go-live, it quickly became apparent that the Land Charges module was not performing as expected and required a major overhaul. It was therefore agreed that the fastest and most effective route to operational stability was to engage the supplier's expertise to undertake a full reconfiguration and data re-migration. This work was treated as the highest priority. See further information in Appendix C
- 5.3. During the Land Charges downtime period, a total of six formal complaints were received and recorded in the complaints system between 3 September 2025 and 21 October 2025. None of these complaints progressed to Stage 2. An additional 18 enquiries were received and managed outside the complaints process.

6. Planning

- 6.1. The Planning service has experienced several issues following go-live, primarily relating to data and document migration. As a result, the go-live of the Planning Register was delayed.
- 6.2. To address these issues, several data and document fix runs have been carried out after go-live, focusing mainly on resolving problems affecting current open cases. Consequently, the Public Register for current live cases became available in early November.
- 6.3. Following go-live, it was identified that a further review of published data was required and therefore documents were temporarily withdrawn from the Public Register. After further assessment, it was determined that the level of risk associated with publishing this information was consistent with that of the legacy system. The documents were therefore republished in mid-December. Along with additional fixes, this enabled historic information to be made available within the Public Register.
- 6.4. All pre-planned fix runs have now been completed, with one additional fix run anticipated.
- 6.5. Further data quality and process improvements are currently under discussion, with the aim of increasing confidence in the system and achieving efficiency savings.

7. Outcomes and learning

- 7.1. The Strategic Commissioning Programme was a complex, business-critical transformation programme with multiple dependencies, delivered to a fixed deadline linked to the end of the Capita contract for ICT infrastructure, security, and Customer Services. Lessons learned during the programme will inform future programmes. See Appendix B

8. Options

- 8.1. The options available to the Committee are set out in the recommendations section of the report.

9. Relationship to the Corporate Strategy

9.1. The Council's Overview and Scrutiny committee fulfils the statutory responsibility placed on local authorities to review and scrutinise decisions and actions taken, and it plays a vital role in influencing services and shaping policies and plans which affect the corporate strategy. The Strategic Commissioning Programme work supports Havant Borough Council's Corporate Strategy being a responsive council theme and its ambition to modernise services, improve customer experience, and strengthen organisational resilience. The Strategic Commissioning Programme has contributed directly to these priorities through delivery of a coordinated programme of ICT migrations, contract transitions, and service transformation, improving the Council's digital capability, security, and long-term sustainability.

10. Conclusion

- 10.1. The Strategic Commissioning Programme successfully delivered a major systems transition within a fixed contractual timeframe and mitigated significant organisational risk associated with legacy platform dependency. The programme demonstrated strong governance maturity, effective financial control and organisational commitment across multiple services.
- 10.2. The programme also demonstrated that compressed delivery timelines, market volatility and high system complexity materially increase operational risk during stabilisation phases. While these risks were effectively managed, further maturity in assurance, readiness assessment and benefits realisation would strengthen organisational resilience.
- 10.3. The challenges experienced within the Arcus project, particularly the Land Charges module, resulted in a period of operational downtime that had a significant impact on residents accessing the service. However, when considered in the context of the wider programme, this impact represented a relatively small element of an otherwise highly complex transformation, which successfully delivered seamless transitions across other projects, including Customer Services and ICT infrastructure and security.

11. Implications and Comments

11.1. Section 151 Comments

Members of the committee should be reminded of the significant amount of change that was required to be delivered by this programme, and that, due to previous contract, was largely unavoidable. Financial risks remain whilst some elements of the programme are still embedding and/or maturing, but given the scale of the programme, it has so far been delivered successfully from a budget perspective.

11.2. Monitoring Officer Comments

11.3. The Council's Strategic Commissioning Programme represented a business-critical transformation with significant technical and operational dependencies, mandated by the termination of the Capita contract. Moving forward, the Council is committed to utilising these insights to strengthen future delivery and avoid comparable delivery risk. Legal Implications The role and remit of Overview and scrutiny is set out in the main body of the report. Scrutiny have the power to make recommendations in relation to service delivery and strategic policy development for the Executive to consider when planning and discharging their functions under the Local Government Act 2000 as amended.

11.4. Equality and Diversity: There is no impact on Equality and Diversity as a result of this report.

11.5. Information Governance There is no impact on Information Governance as a result of this report.

11.6. Climate and Environment: The report findings are noted and the impact on the climate and environment is limited. However, due to the significance of the contract, the authority had/has an opportunity to better understand how the outcomes achieved from them align and support the authority to reduce its carbon emissions and net zero goals.

11.7. There is a potential opportunity to use the reporting, outcomes and future information gathered from this work to assess this as these contracts would directly influence the Council's scope 3 emissions which the Council is striving to produce regular reporting on.

12. Risks

- 12.1. There are no direct risks from the content of this report. The report is for information only as requested by the committee.
- 12.2. A lessons learnt exercise has been conducted and an Internal Audit is currently taking place with respect to the Arcus implementation. Any further programmes of this nature will need to take account of the lessons learnt to ensure that similar risks do not materialise in the future.

13. Consultation

- 13.1. During the programme lifecycle, the following stakeholders were consulted and involved: the Cabinet lead, project managers, service users, and subject matter experts.

14. Communications.

- 14.1. Upon programme completion, a formal lessons-learned workshop was undertaken to capture and document insights for application to future programmes.

Agreed and signed off by:		Date:
Cabinet Lead:	Cllr Philippa Gray	09/02/2026
Executive Head:	Steve Pink	10/02/2026
Monitoring Officer:	Jo McIntosh	10/02/2026
Section151 Officer:	Steve Pink	09/02/2026