

Maintained Schools: Schools Information Management System (SIMS) and Financial Management System (FMS) - Contract Renewal

Key Messages

Forum members are asked to:

- Note the changes to procurement options available for SIMS and FMS.

1. Introduction/background

- 1.1. SIMS is a Student Management Information System (MIS) fulfilling essential school functions. FMS is the finance module. Other systems are available, but the Local Authority only supports SIMS at this time.
- 1.2. SIMS and the Company that maintains it (Education Software Services – ESS) has been sold by Capita and merged with ParentPay.
- 1.3. A paper was presented at the September Forum regarding the SIMS contract. Officers were asked to see if it was possible to negotiate a one-year extension. This has not been possible and ESS have made a decision to change the way that they contract with schools.
- 1.4. This is a significant change and requires scrutiny. We are consulting on an approach.
- 1.5. Other Local Authorities and Multi Academy Trusts have raised concerns at the SIMS Northern User Group.

2. Change to contracting arrangements

- 2.1. Previously Sheffield City Council procured SIMS and FMS licences on behalf of maintained schools. Academies procure their own licenses but can opt to take support.
 - This enabled us to negotiate a reduced per-pupil cost which is passed on to schools.
 - The current contract with SIMS is due to expire on the 1st April 2022 and has a 90-day notice period.
- 1.3. ESS have decided to cease this arrangement and to contract directly with schools from April 2022. This change is across all their customers. This

became apparent on the 8th November but was embargoed until 23rd November. Their offer is as follows:

- From 1 April 2022, ESS will contract for SIMS Annual Entitlement directly with schools who are currently using SIMS under the LA's umbrella licence.
- ESS state they need a 3-year term in order to invest in cloud infrastructure. Previously the contract was multi-year (4+2) but the Authority carried the risk of schools opting out.
- Most other Suppliers will only offer multi-year contracts.
- Schools will continue to have access to exactly the same range of SIMS and FMS software modules and SIMS Additions as they currently use under the LA's existing SIMS licence agreement.
- Schools currently supported by the Local Authorities will continue to receive services at the rates of the existing local authority Annual Entitlement Contract plus an inflationary rise.
- SIMS annual entitlement fees will rise by 3.5% this year, materially less than the current inflation rate in the software industry, and by no more than CPI + 2.5% in contract years 2 and 3.
- Schools will not need to purchase licenses as academies have in the past.
- There will be no data migration charges when moving modules to the cloud.
- The Local Authority would continue to support schools.
- Billing may also continue to be handled by the LA.

3. Options

3.1. This significantly limits the options that we discussed at the last Forum.

- The Local Authority will not be able to lead a procurement or market testing process before April 2022.
- Individual schools may wish to test the market and the LA SIMS Support Team will provide informal advice if required.

3.2. A 3-year contract provides more time to test the market and time for the market to develop, while maintaining stability.

3.3. The Local Authority SIMS Support team has developed a relationship with one other supplier. However, there would need to be a significant proportion of schools wishing to change to make the provision of support viable in terms of resource and maintaining practice.

4. Recommendations

Forum members are asked to:

- Note the change to contracting for SIMS.
- Consider an approach to market testing either informally or formally.