

**To:** City Executive Board

**Date:** 11 February 2016

**Report of:** Head of Housing and Property Services, Head of Direct Services, Head of Business Improvement

**Title of Report:** Replacement of Housing Computer Systems

## Summary and Recommendations

**Purpose of report:** To seek project approval for the purchase of new Housing IT Systems.

**Key decision** Yes

**Executive lead member:** Councillor Mike Rowley

**Policy Framework:** An efficient and effective Council

**Recommendation:** That the City Executive Board resolves to:

1. grant project approval for the tendering of the Council's housing systems; and
2. delegate authority to the Executive Director Organisational Development and Corporate Services to award the contract for new Housing IT System(s) on the basis of the most economically advantageous bid.

## Appendices

### Appendix 1 - Risk Register

#### Background

1. In 2014 the Council commissioned NCC (National Computer Centre) to carry out a major review of its software systems and make recommendations for potential rationalisation and efficiencies. The review was informed by a series of focus groups including service users and IT staff as well as market intelligence. A priority recommendation arising from the review was the need to retender the Council's housing related systems.

2. The current housing systems used by the Council are:
  - Northgate Housing for housing management – rents, voids, leaseholders etc. and
  - Civica Servitor for housing repairs, job costing and traded services
3. Additionally a range of ancillary systems are used to support specialist functions:
  - DRS (Xmbrace) – job scheduling and appointments
  - Codeman (Northgate) – housing asset management
  - DataStox (DataStox) – stores
  - iCaseworks (iCaseworks) – anti social behaviour
  - Information@Work (Northgate) – document management (also used by Finance with the Academy system)
4. The systems interface with other core Council systems as follows:
  - Agresso Finance – rents, repairs third part supplies, income from traded services
  - Academy Benefits – housing benefits
  - Lagan CRM – online applications for housing services
  - ePay BACS – direct debit rent payments
  - Paris - payments system
5. Software support and maintenance costs for the housing related systems are around £148K per annum. On average a further £65K is spent each year on upgrade and enhancement projects.
6. Servitor is central to the day to day operations of Direct Services. Considerable investment has been made to improve the solution and make use of improvements in the mobile technology and scheduling tools and around 180 staff use the mobile application. The solution is also central to the management and job costing of a wide range of traded services.
7. Northgate Housing has been upgraded from time to time but there have been a number of difficulties that have prevented the service from taking full advantage of new functionality provided by most recent software releases. Changes to the underlying technology platform and historic customisation of the application by the Council to meet business needs at the time mean that current data structures cannot easily be adapted to work with the latest version of the application.
8. The ICT Strategy agreed at CEB on 11 June 2015 included a commitment to retender all IT systems as and when contract periods end. The Council is now in a position where it needs to tender these systems.
9. There are a number of routes to procurement including :

- **Open competition (open or restricted procedure)** – this will require the authority to prepare a specification which is generic and not specific to the existing system. There is a cost to tendering which would be higher than if we go down the framework route.
- **Framework** – frameworks provide the ability to run a mini tender with suppliers who have already been checked for financial standing and ability to deliver the contracts.

### **Housing IT Systems Tender**

10. The core functions provided by the systems detailed in para 2 above are in scope for the housing systems tender.
11. It is expected that the tender will be divided into lots to encourage a range of providers to bid and secure best value.
12. All of the other housing related IT systems (as per para 3) will be considered in terms of their current contract period and their potential to integrate with a new solution. This is in line and consistent with the recommendations arising from the Applications Rationalisation Review (referred to in para 1).
13. Tenders will be evaluated by a multi-disciplinary project group (including service users) on the basis of most economically advantageous solution.
14. The Board is asked to delegate authority to award the new contract(s) to the Executive Director Organisational Development and Corporate Services.

### **Legal Issues**

15. There are no known legal issues. The procurement of new housing IT system(s) will be carried out in accordance with the Public Procurement Regulations 2015.

### **Financial Issues**

16. The ongoing software support and maintenance cost of the housing IT system(s) will be managed within existing revenue budgets.
17. The scale of the change project will vary depending on the solution that is chosen. If the procurement process results in the replacement of either of the main housing systems then the typical timescale for procurement and implementation would be 12 to 18 months. The implementation timetable will be dependent on the procurement and replacement of the Councils Financial Management System which depending on the agreed way forward would take precedent over this housing.
18. The additional cost to migrate to a new system would be in the order of £600K for new licences, implementation project resource and backfilling of key staff. This is included in the Medium Term Financial Plan with costs split between the HRA and the General Fund.

19. The intention is to name other local authorities within the procurement exercise, on the basis that other authorities may be added to the procurement, potentially reducing the cost of procurement, implementation and on-going support.

**Risk Implications**

20. The risks associated with this project are shown in Appendix 1.

**Environmental Impact**

21. There are no specific environmental impacts.

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