

## Agenda Item 20

Cabinet

17 July 2013

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### New housing management software procurement

#### Exempt Information

**Para 3 Schedule 12A Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

#### Summary

We are currently operating on a number of software packages that are not integrated and some are outdated. There is a strong case for procuring and implementing a new comprehensive housing management software system to help us to achieve our service delivery aspirations. I reported to the Housing Review Board in March and June 2013 on our progress.

This report provides an update on our journey to date towards the procurement of a new housing management software system, and makes a recommendation of a preferred supplier.

#### Recommendation

**To commission Capita to implement and support a new housing management software system.**

#### a) Reasons for Recommendation

Our current housing software applications are in some areas not fit for purpose to support officers providing housing management services to tenants and other customers.

#### b) Alternative Options

To maintain existing systems and/or just upgrade in the areas where the software is most outdated.

#### c) Risk Considerations

We procure an inappropriate system that does not achieve what we expect it too. Costs exceed available budget. Implementation problems that delay rollout of the new system.

**d) Policy and Budgetary Considerations**

These are set out in the report.

**e) Date for Review of Decision**

September 2013.

**1 Procurement of housing management software**

- 1.1 In March and June 2013 I reported to the Housing Review Board on the project to source a new housing management software system and the reasons for upgrading our existing systems. This report brings the Cabinet up to date on the procurement exercise and makes a recommendation for a preferred supplier after an exhaustive evaluation exercise. The recommendation was supported by the Housing Review Board.
- 1.2 A Business Case is set out in **annex 1** using the corporate ICT template. This sets out a summary of the software selection and evaluation process leading towards a recommendation of a preferred supplier.
- 1.3 The final two software suppliers offer systems that would satisfy all of our operational requirements and the specification that we issued. The final choice is influenced by a 'look and feel' of the system and a significant price differential that has opened up through post-tender negotiations.
- 1.4 The Project Board working on the selection and evaluation exercise have scored the various demonstrations and site visits. The final scores are shown in **annex 2**.
- 1.5 We have been through a lengthy and comprehensive selection process with Capita and Aareon. There is little to choose between the systems with regard to the quality aspects of the evaluation, however, there is a significant difference when it come to value for money. There is a £67k difference in price between the two systems following detailed post-tender negotiations, which in many ways is the factor that ultimately influenced the recommendation.
- 1.6 There is no doubt that the implementation of new software will be disruptive to business, but the long term benefits will be worthwhile. The new system will enable different ways of working allowing a more generic form of service delivery with a genuine mobile working capability. The system provides a holistic view of the customer and a comprehensive property/asset database. We are proposing an Implementation Team and a post implementation System Administration Team. Our site visits and discussions with suppliers demonstrated the need to have a team that will ensure that we optimise the use of the system.
- 1.7 There will be a series of efficiency savings that the new software system will provide particularly around the potential for mobile working and the contractor and tenant portals which will lead to a more efficient deployment of staff and less of a need to correspond and send hardcopy of documents.
- 1.8 I advised the Housing Review Board in June that because of the amount of expenditure to be incurred and the wide ranging implications for the Service I intended reporting this matter in detail to the Cabinet.

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### **Legal Implications**

Legal advice has been provided in previous reports and there is no further update required at this stage.

### **Financial Implications**

£350,000 is included in the 2013/14 capital programme for the purchase of a new system. There are ongoing revenue implications which will be included in future budgets. There is currently no budgetary provision for new staff but the cost can be met from the HRA balance.

### **Consultation on Reports to the Executive**

None.

### **Background Papers**

- As detailed in the annex.

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John Golding [jgolding@eastdevon.gov.uk](mailto:jgolding@eastdevon.gov.uk)  
Head of Housing

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