

Name of meeting: Cabinet

Date: 18 November 2020

Title of report: Housing IT System Replacement

Purpose of report:

Approval has previously been given to undertake a procurement exercise to replace the Council's Housing IT System and finance reserved within the capital plan. Approval is now being requested to, draw down the capital, award the contract to the winning bidder and delegate responsibility to officers for its implementation.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Yes
Key Decision - Is it in the <u>Council's Forward Plan</u> (key decisions and private reports)?	Key Decision – Yes Private Report/Private Appendix – No
The Decision - Is it eligible for call in by Scrutiny?	Yes If no give the reason why not
Date signed off by <u>Strategic Director</u> & name	Richard Parry 05/10/20
Is it also signed off by the Service Director for Finance?	Give name and date for Cabinet reports Eamonn Croston 05/11/20
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Give name and date for Cabinet reports Julie Muscroft 30/10/20
Cabinet member portfolio	Give name of Portfolio Holder/s Cllr Cathy Scott

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public.

Has GDPR been considered? Yes

1. Summary

Please note, wherever the term 'tenant' is used, it also covers leaseholder and citizen.

- 1.1 Currently both the Council, Kirklees Neighbourhood Housing (KNH) and Pinnacle (who also manage tenancies on behalf of the Council) use Civica's Universal Housing and Contact Manager products to help manage significant elements of housing delivery. These systems have been in place since 2005, have been written in legacy (old) technology, are past end of life and need to be replaced.
- 1.2 On the understanding that a new IT system would improve service to tenants through for example more opportunities for self-service, along with the benefits of mobile working resulting in a more responsive service the Portfolio Holder confirmed that officers should explore the market. An indicative budget of £1m was identified in the HRA Capital Plan.
- 1.3 Corporate procurement colleagues have provided guidance and a procurement process has been undertaken utilising the Crown Commercial Services Framework Data and Application Solutions RM3821. This led to submissions from suppliers on the framework and four were shortlisted. After submissions of functionality and price these solutions were evaluated by a wide panel of business users and IT staff.
- 1.4 A product came top in the evaluations both from a quality and price perspective and is the recommendation of the procurement process.
- 1.5 To continue running the existing system, both hardware and software upgrades would be required which would incur significant costs circa £250k.
- 1.6 Cabinet are asked to assign the necessary budget, already identified in the capital plan, to both purchase the system and to ensure sufficient resources are in place to implement the product. This is estimated to be circa £1.1million.
- 1.7 It is cheaper to purchase and implement a new system than to keep going with the existing system. Replacing the system would make a financial saving over the seven-year lifecycle. This is before any other efficiencies due to process improvements and new ways of working are factored in.
- 1.8 The replacement housing system would allow process efficiencies to be realised and further benefit identification is ongoing.
- 1.9 It is noted that Cabinet is due to consider, on 20/10/20, whether to ratify their previous 'in-principle' decision to merge KNH with the Council from April 2021. We have considered the implications of integrating housing activity across a wide range of Services and the ability to interface with key systems such as those within Adult Social Care has been incorporated into the new system specifications.
- 1.10 Lessons learned from Covid have demonstrated the need to change and improve the way / how we interact with tenants. It is anticipated the new capabilities around mobile and agile working would allow us to improve the service we offer to tenants and give them greater control over how they choose to interact and do business with the Council, KNH and Pinnacle
- 1.11 It is noted that the new mobile and web accessibility regulations for public sector bodies came into force on 23/09/20. The new system would be compliant and have a subsequent positive impact for the people of Kirklees.
- 1.12 The proposed scope does not include the Choice Based Lettings and Homelessness system that has links to Universal Housing.

2. Information required to take a decision

Background

- 2.1 On the 3rd September 2018, the Portfolio Holder and Service Director for Growth and Housing considered a paper recommending the replacement of the Council's Universal Housing System/Contract Manager.
- 2.2 The Portfolio Holder confirmed that officers should proceed to the first stage of procurement. This meant evaluating the market, with the results of such work being brought back to a future Portfolio Holder briefing before further action was taken.
- 2.3 As part of the 2019-20 budget process £1m capital was set aside from the HRA budget for the replacement of the housing management system, this was approved by full Council in February 2019.
- 2.4 Workshops and meetings were held with all the business areas who utilised both Universal Housing and Contact Manager and a scope for the replacement housing system arrived at.
- 2.5 A Pre-Procurement Market engagement was undertaken where Kirklees made their requirements known to the market and outlined the outcomes that we are trying to achieve.
- 2.6 Several suppliers took the opportunity to present back to Kirklees at subsequent sessions how their proposal could help Kirklees meet their required outcomes.
- 2.7 Following these presentations, the project board agreed, in conjunction with Corporate Procurement and Legal Services, a procurement route which was then progressed.
- 2.8 Following submissions from four shortlisted suppliers, demonstrations were held, and the solutions were evaluated on a 60/40 Quality and Price split.
- 2.9 A product was evaluated as being highest for both quality and price and is the recommendation from this process.

Timescale

- 2.10 The project is planning to commence in early 2021 assuming contractual issues can be resolved and there is sufficient time for the supplier to allocate the necessary resources.
- 2.11 Implementation is anticipated to be circa 12 to 15 months.

Expected impact / outcomes, benefits & risks (how they will be managed)

- 2.12 The replacement housing system will give us improved capability which will improve the ways we are able to work and the service that we can provide to our tenants.
- 2.13 The replacement system would provide:-
 - Self-service for tenants which could be delivered through MyKirklees, allowing them to raise service requests and check on the status of their ongoing issues without having to contact housing officers.
 - Improved frontline delivery to our tenants through :-
 - a. Mobile working which will reduce the administrative burden and enable officers and services to be more responsive.
 - b. Enhanced visibility for officers and management around work status of tenants and progression of their requests.

- c. Improved business intelligence allowing us to examine and further improve our service delivery.
- d. Improved functionality for existing business areas such as arrears collection leading to a better tenant and leaseholder experience.
- e. Tenants' rights will be further supported under GDPR through improved functionality.

- Lower support and licensing costs which would cover the complete cost of the project.
- Better integration with existing systems – this would improve the accuracy of information held, inform decision making and service delivery.

2.14 A new system would enable officers to be more responsive to citizens / tenants as they will have full access to the system when out in the field. This means they will also be able to raise service requests and action items in real time. This will lead to a substantial reduction in the administrative overhead as information will not need to be entered again once back in the office.

2.15 Tenants would also have the ability to access self-service through a customer portal. This would allow customers to check their own rent statements, make payments, upload, and download documents and interact with the housing service including initiating service requests.

2.16 The recent operating difficulties presenting as a result of the COVID crisis has shown the absolute need for both mobile and self-service functionality. Acquiring this capability would enhance our ability to operate under changing and challenging circumstances.

2.17 To maximise the benefits of the new systems we would take the opportunity to change our current ways of working, continuing to adopt best practice where suitable. This would minimise the implementation overhead and ensure we utilise a standard product rather than paying for expensive customised development.

2.18 The project will be managed under a PRINCE2 Framework the standard project management method for both the Council and the Supplier. Risk Management is integrated into this approach and the risks will be identified and pro-actively managed. The project board will have access and oversight of the Risk Log and will assure that the risks are being adequately managed.

2.19 Benefit management will be undertaken. Benefits will be recorded, tracked and progress reported to the project board.

2.20 The main risks to the project are :-

- a. Ensuring that the project is sufficiently resourced. Mitigation - Resources required have been identified and consideration given to the best approach to resourcing.
- b. Decisions required for the implementation can be taken in a timely manner. Mitigation - Clear arrangements would be in place via the project board and existing Council governance mechanisms.

Evaluation

2.21 Four suppliers were successful in being shortlisted to go forward to take part in the further competition process.

2.22 All four submitted completed tenders in response to the requirements outlined. All areas of the tender specification were evaluated by a wide range of in-house Service representatives.

Results

2.23 One supplier came out top in relation to both price and quality.

Implementation

- 2.24 Professional Services for implementation are included in the cost and based on an up to 15-month project.
- 2.25 The costs are based on a standard system configuration and may increase if we wish to deviate from this.

Data Migration

- 2.26 The proposal includes taking across appropriate data / information from the current system. The resource implication for this is noted.

Upgrades

- 2.27 The proposal includes an annual upgrade.

Services & Agencies Involved

- 2.28 The system will be utilised by Kirklees and its partners including Kirklees Neighbourhood Housing and Pinnacle. The project will be delivered by in partnership by Strategic Housing, KNH, Pinnacle, Corporate IT and the chosen supplier.

Timescale

- 2.29 The project is planning to commence in early 2021 assuming contractual issues can be resolved and there is sufficient time for the supplier to allocate the necessary resources.
- 2.30 Implementation is anticipated to be circa 12 to 15 months.

3. Implications for the Council

• Working with People

In setting the specifications for the replacement housing system one of the key outcomes identified was the capability to work more closely with our tenants. Tenants were engaged with and their views have assisted in informing the specification.

During the implementation, the intention is to utilise co-production with our tenants to build end to end processes focused on the customer and ensure that customer portal design is intuitive and makes sense to our tenants. Although this will be challenging in the current environment, we remain committed to doing so and embrace the potential opportunities.

• Working with Partners

The project has included relevant partners. KNH and Pinnacle are the key service providers and main users of the system, and as such have been consulted and involved in the procurement to ensure that their needs and issues are understood.

The project has worked with Business Continuity, IT and Social Care to understand the broader requirements around keeping tenants and the workforce safe. As a result, IT have created web services for the Hazard Warning Database which would allow existing and any new systems to integrate giving live and provide accurate risk information to officers.

The project has formed links with the project to replace the Adult Social Care system with a view to ensuring that any relevant information for a Social Care record can be passed across systems if

required. Further meetings are planned to understand what information may be relevant, GDPR implications and to understand what processes may need to be developed.

Corporate Information Governance and Business intelligence colleagues have been engaged.

- **Place Based Working**

The proposal fully supports and enhances the Council's ambitions for Place Based working.

- **Climate Change and Air Quality**

The replacement system has the capability to reduce Kirklees carbon footprint. This proposal will improve emissions and air quality within Kirklees compared to normal practice. Officers will no longer need to come into a central office in order to service tenants by printing or coming into drop information off for data input etc. Officers will instead be able to go straight from home to appointments returning home at the end of the day, this should lead to a reduction in travel.

The ability to deliver documents to customers electronically rather than physically will reduce printing and posting leading to a further reduction in energy required and emissions.

New ways of working will lead to a reduction in the amount of office space required as staff will be able to work with increased agility.

- **Improving outcomes for children**

Improved system capability particularly in the areas of case management and safeguarding coupled with better integration with other council systems and improved business intelligence will allow us to better provide services and support to tenants and their families.

- **Other (e.g. Legal/Financial or Human Resources)**

- There are human resource implications in terms of staffing the project where individuals will need to be allocated to the project and roles backfilled. Resources to meet the staffing requirements are included in the £1.1m budget.
- The replacement system will improve our capability to meet GDPR requirements.
- Replacing the system will provide savings over the life of the proposed contract.

4. Do you need an Integrated Impact Assessment (IIA)?

4.1 A stage 1 screening assessment has been completed. The assessment confirmed that a stage 2 assessment was not required. The assessment summary carried out is set out below.

ASSESSMENT SUMMARY

Theme	Calculated Scores						Stage 2 Assessment Required
	Proposal	Impact	P + I	Mitigation	Evidence	M + E	
Equalities	0	3.4	3.4	0	4	4	No
Environment		3.1	3.1	0	8	8	No

NATURE OF CHANGE

WHAT IS YOUR PROPOSAL?	Please select YES or NO
To introduce a service, activity or policy (i.e. start doing something)	NO
To remove a service, activity or policy (i.e. stop doing something)	NO
To reduce a service or activity (i.e. do less of something)	NO
To increase a service or activity (i.e. do more of something)	NO
To change a service, activity or policy (i.e. redesign it)	NO
To start charging for (or increase the charge for) a service or activity (i.e. ask people to pay for or to pay more for something)	NO

5. Consultees and their opinions

- 5.1 On the 3rd September 2018, the Portfolio Holder and Service Director for Growth and Housing considered a paper recommending the replacement of the Council's Universal Housing System/Contract Manager. Portfolio holder confirmed that officers should proceed to the first stage of procurement in order to evaluate the market, with the results of such work being brought back to a future Portfolio Holder briefing before further action is taken.
- 5.2 As part of the 2019-20 budget process £1m capital was set aside from the HRA budget for the replacement of the housing management system, this was approved by full Council in February 2020.
- 5.3 All local neighbourhood forums were engaged with around the development of the proposal and were supportive. Positive feedback focussed on the improved service delivery that the new system would make possible and housing officers being able to be more mobile / have access to information whilst on site. There was a general welcoming of the ability to self-serve and a recognition that technology was not for everyone. It was confirmed that traditional channels were not being switched off.

6. Next steps and timelines

- 6.1 Following Cabinet approval to draw down the capital, contract negotiations will need to be held. These will be supported by our legal representatives.
- 6.2 Following the outcome of these proposals we would anticipate implementation commencing early 2021 with implementation taking 12 to 15 months.
- 6.3 Changes to service delivery which would improve the delivery to tenants would be expected post implementation. The implementation would allow us to deliver the project objectives as agreed by the project board. These were improving the quality and methods of service delivery to our customers through improving efficiency and effectiveness.
- 6.4 Please see overview timeline and deliverables at Appendix A.

7. Officer recommendations and reasons

Cabinet is recommended to approve the drawing down of £1.1m capital from the HRA Capital Plan so that the contract for the new Housing IT System can be awarded to the winning bidder. To delegate all relevant steps needed to implement the decision to the Strategic Director, Adults and Health. To delegate to the Service Director Legal, Governance and Commissioning authority to enter into all relevant legal documents on behalf of the Council to enable implementation of the decision.

8. Cabinet Portfolio Holder's recommendations

I am very pleased that we continue to place people at the heart of our services and are taking advantage of technology to make a difference for and with tenants and leaseholders. The proposal

will help us deliver a more responsive service, for example through mobile working, and means people will be enabled to self-serve at a time and place that works for them.

I recommend that Cabinet approve the drawing down of £1.1m capital to enable the contract for the new Housing IT System to be awarded to the winning bidder and that officers take all the relevant steps needed to implement the decision.

9. Contact officer

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10. Background Papers and History of Decisions

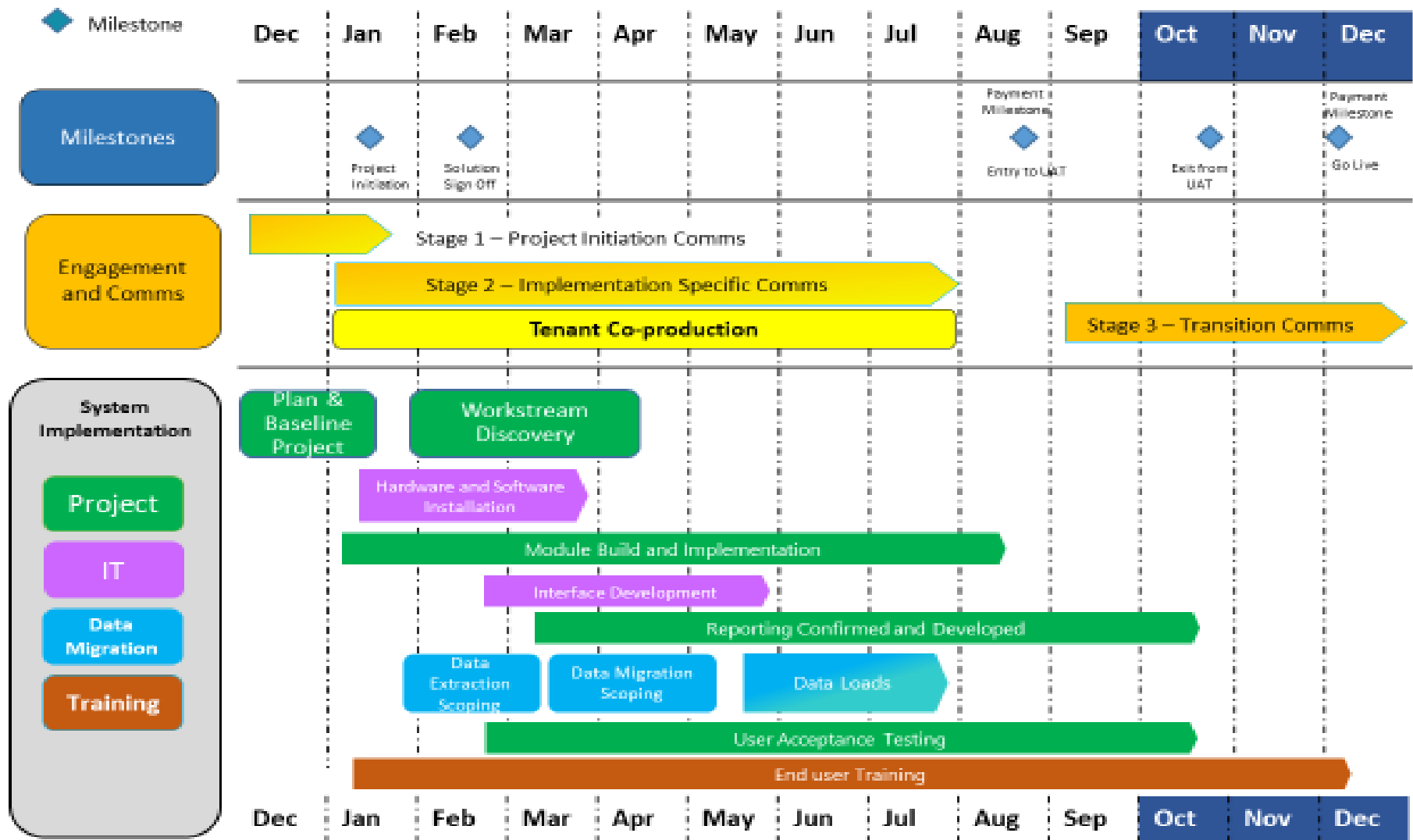
None

11. Service Director responsible

Naz Parkar

Appendix A - Overview timeline

Replacement Housing IT System 2020 /2021



Council Housing

Replacement IT System 2020 - 2022

The following slides provide a high level view of the project and its indicative timeline at this stage.

Additional levels of detail required to manage the project are held in other documents. These will be brought into view in a timely manner to avoid project board / key stakeholders from having to delve through significant volumes in order to see the critical items.

The colour coding is :-

- ❖ Governance / project control
- ❖ Comms / Engagement
- ❖ System replacement
- ❖ Data / Intelligence / Reporting

✓ Where the bullet point changes to a tick, the related work has been completed.



Dec 2020 / Jan 2021	Feb / March 2021	April / May 2021	June - September 2021	Oct– Jan 2022
<ul style="list-style-type: none"> ❖ Project mobilised ❖ Project plan and baseline created ❖ Communications workstream initiated ❖ Tenants for Co-production identified and recruited ❖ Hardware and software installation commenced ❖ Customer telephony interface work commenced ❖ CRM work commenced 	<ul style="list-style-type: none"> ❖ Hardware and software installation completed ❖ Business discovery sessions delivered ❖ Data extraction scoping completed ❖ Data migration scoping completed ❖ Solution design signed off ❖ User acceptance testing criteria defined 	<ul style="list-style-type: none"> ❖ Module delivery work commenced e.g. empty homes ❖ Reporting delivery work commenced ❖ Data loaded onto new system - First and second phases ❖ Interface development commenced ❖ Testing commenced 	<ul style="list-style-type: none"> ❖ Module delivery completed ❖ Interface development completed ❖ Reporting suite completed ❖ Third phase of data loaded ❖ Training plan and materials created ❖ User acceptance testing commenced and completed 	<ul style="list-style-type: none"> ❖ End user training delivered ❖ Transition readiness confirmed ❖ Transition comms deployed ❖ Go Live

