

Arun District Council

REPORT TO:	Housing and Wellbeing Committee – 17 December 2024
SUBJECT:	Housing management system contract
LEAD OFFICER:	Richard Tomkinson – Group Head of Housing, Wellbeing and Communities Sasha Hawkins – Business Improvement Manager
LEAD MEMBER:	Councillor Carol Birch, Chair of Housing and Wellbeing Committee
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: <p>The contract will support the following areas of the corporate vision</p> <p>Delivering the right homes in the right places</p> <ul style="list-style-type: none">• Ensuring the existing housing stock in the district (private sector and council owned) is maintained to a high standard• Continue to bring empty homes back into use for the benefit of the community• Support households with complex needs to secure suitable accommodation <p>The housing management system allows for the efficient management of our properties and tenant services, ensuring our properties are well maintained and that we are able to sustain and manage tenancies.</p>	
DIRECTORATE POLICY CONTEXT: <p>Having a housing management and housing register system is integral to our compliance with housing regulation and homelessness legislation, it also supports the delivery of key strategies and policies across the service.</p>	
FINANCIAL SUMMARY: <p>The annual contract value is estimated to be £150,000. Use of the system will be shared with the Property and Estates and Housing Options teams who will contribute an estimated £36,000 per annum to the costs with the remainder paid by the HRA. All costs are funded within the base budgets of each area.</p>	

The total contract value will be £1,500,000 over 10 years, with an initial four-year term, with a further option to extend in two-year periods.

1 PURPOSE OF REPORT

- 1.1 To seek budgetary approval from the Housing and Wellbeing Committee for the procurement and award of the Housing Management System contract.

2 RECOMMENDATIONS

- 2.1 To approve the procurement of the Housing Management System Contract to an upper value of £1,500,000
- 2.2 To approve the award of the contract to a supplier on the chosen framework, if pricing is within the approved budget as set out in 2.1.

3 EXECUTIVE SUMMARY

- 3.1 The current housing management system contract ends on 31 March 2025, Housing Services need to procure a contract for the ongoing hosting, licensing, support and maintenance of our Housing Management and Housing Register System which utilises CX software.
- 3.2 The recommendations ensure that procurement can be undertaken and completed withing the project timescales, ensuring the ongoing use of our housing management system.
- 3.3 The original contract included implementation of the software; this will not be required for the future contract.
- 3.4 The services for this procurement are for ongoing hosting, licensing and support and maintenance of the software.
- 3.5 We are seeking a longer contract term as the software is now established and this will offer greater continuity for the Council. Entering a longer-term contract to supply the use of our housing management system offers continuity for the Council, as we will not have to pay any implementation fees.

4 **DETAIL**

- 4.1 Our current housing management system contract ends on 31 March 2025, and we require budgetary approval for the contract value.
- 4.2 Without the use of a housing management and housing register system we will not be able to deliver our landlord functions as a social housing provider or manage our housing register.
- 4.3 A substantial amount of work has been carried out to implement these systems ensuring they improve our customer experience and the services we provide, and we now require a contract to ensure the ongoing hosting, licencing, support and maintenance of the software.
- 4.4 The system is also used by the Property, Estates and Facilities team who use the system to manage the Council's assets.
- 4.5 The contract will commence on 1 April 2025, and we are proposing an initial four-year term, with the option for three further two-year extensions. The whole contract term will therefore be from 1 April 2025 to 31 March 2035.
- 4.6 The value of this contract is estimated to be £150,000 per annum with the total contract value of £1,500,000 with the consideration of extensions.
- 4.7 Our route to market will be to utilise a framework agreement, this is compliant with the Public Contract Regulation (2015) and the Council's Contract Standing Orders (CSOs)
- 4.8 Our core objectives in procuring this contract are
- To ensure the supplier can host, support and provide licensing for the use of the CX platform currently in use by the service.
 - Ensure continued delivery of our housing management and housing register software for the Council with no disruption to services

5 **CONSULTATION**

- 5.1 No consultation has taken place

6. OPTIONS / ALTERNATIVES CONSIDERED

- .6.1 Not to give budgetary approval for the housing management system contract. This option is not considered feasible as this would leave the Council without a system to manage their properties and tenancies, or to manage the housing register. This would severely impact our residents and the running of our services and could result in non-compliance with regulation and legislation.
- 6.2 To give budgetary approval for a shorter-term contract, this option is not considered to offer the best continuity of service for the Council. The contract term we have chosen includes extension clauses. This enables us to choose not to extend the contract if we are not satisfied with the supplier, or if a review of services is required.

7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 7.1 The costs of the proposals in this report will be funded from existing budgets in the relevant areas
- 7.2 Part 6, section 4, paragraph 5.2 of the Constitution requires officers to obtain committee approval to award contracts exceeding the Public Contracts Regulations (2015) threshold of £214,904

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1 Without the continued use of a housing management and housing register system, there would be a high risk of non-compliance with the Council's statutory requirements as a social housing provider
- 8.2 The Council would also be unable to manage their housing register system with customers unable to make applications to join the register or place bids on properties. This would mean non-compliance with our Allocations Policy and Part 6 of the Housing Act 1996, which would leave us open to challenge and could increase the numbers of households in emergency accommodation, therefore incurring further costs to the Council.
- 8.3 Hampshire County Council Procurement has been involved in the procurement and are supportive of the approach outlined in this report.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 9.1 The Council has an obligation to ensure that its residential properties are kept in repair. This is an obligation as a landlord under the Landlord and Tenant Act 1985 and as a local housing authority under the Housing Act 1985.

9.2 This is a public works contract under the Public Contracts Regulations 2015 (PCR). The advertising and competition requirements in the regulations therefore will be observed. The use of a framework agreement, which the Council is entitled to call-off under, is a compliant method of procurement under the PCR.

9.3 The Council's Contract Standing Orders and procurement rules will be followed which state that.

i) Where not already in existence Committee approval of the budget to be obtained prior to the commencement of any procurement process and at the same time Committee approval to award the contract if bids/returns come within budget.

ii) Procurement to be consulted prior to the commencement of any procurement activity to determine the method of procurement, advise on tender documentation, agree the procurement timetable and the most suitable criteria for evaluation and award of contract.

iii) Procurement Pro-forma to be completed by officer and signed off by the Council's Procurement Officer [Hampshire County Council] agreeing approach and methodology to be used.

iv) Legal Services to be consulted prior to the commencement of any procurement activity in relation to contractual terms.

9.4 Legal services will be consulted for the purposes of engrossment and sealing of the contract.

10. HUMAN RESOURCES IMPACT

10.1 No impact

11. HEALTH & SAFETY IMPACT

11.1 The Council's housing management system holds data relating to our assets and will hold data that sets out our compliance with key health and safety legislation such as gas, fire, lift, water, and asbestos. The system ensures that this data is readily accessible by staff in housing allowing increased oversight and monitoring of our compliance.

12. PROPERTY & ESTATES IMPACT

12.1 The housing management system is also used corporately by our Property and Estates team to manage corporate assets, including the raising of repairs. Without use of a system, they would need to revert to the use of spreadsheets to manage their assets.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

13.1 Not required for this report

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

14.1 No impact identified

15. CRIME AND DISORDER REDUCTION IMPACT

15.1 No impact identified

16. HUMAN RIGHTS IMPACT

16.1 There are no implications identified.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

17.1 A data protection impact assessment has been completed as part of this procurement

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BACKGROUND DOCUMENTS:

None