



Author of Report: Jim Wilson Business Change Manager

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Report of: Laraine Manley
Report to: Cllr Paul Wood
Date of Decision: 19 October 2020
Subject: Housing Repairs and Maintenance Replacement IT System

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? Neighbourhoods and Community Safety		
Which Scrutiny and Policy Development Committee does this relate to? Safer and Stronger Communities		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

Purpose of Report:

1. This report seeks authority procure the provision of a suitable supplier of a Housing Repairs and Maintenance IT system and award the contract and implement a new system in line with the contents of this report
2. Provide background to the decision that is being recommended

Recommendations:**That the Independent Cabinet Member:**

1. Approves the tender exercise for the procurement of an IT system to support the activity of the Housing Repairs and Maintenance Service as outlined in this report
2. Delegates authority to the Executive Director of Place, in consultation with the Director of Financial & Commercial Services and Director of Legal and Compliance to:
 - a. decide the procurement strategy;
 - b. negotiate and agree the terms of the new contract for the provision of IT System - including framework and call-off contracts, and the purchase of IT equipment;
 - c. award the new contracts to the successful services providers chosen by the Council for the installation of an IT system for the Housing Repairs and Maintenance Service;
 - d. Take all other necessary steps not covered by existing delegations to achieve the outcomes outlined in this report.

Background Papers:

Outline Business Case - Housing Repairs and Maintenance Service Replacement IT System

Lead Officer to complete:-							
1	<table border="1"> <tr> <td rowspan="3">I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</td> <td>Finance: Chloe Parker Commercial: Samantha Stocks</td> </tr> <tr> <td>Legal: David Cutting</td> </tr> <tr> <td>Equalities: Annemarie Johnston</td> </tr> <tr> <td colspan="2"><i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i></td> </tr> </table>	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Chloe Parker Commercial: Samantha Stocks	Legal: David Cutting	Equalities: Annemarie Johnston	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
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	Equalities: Annemarie Johnston						
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>							
2	EMT member who approved submission: Laraine Manley						
3	Cabinet Member consulted: Cllr Paul Wood						
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for						

submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
Lead Officer Name: Jim Wilson	Job Title: Business Change Manager
Date: 23 October 2020	

1. PROPOSAL

Following extensive investigation (conducted by the Target Operating Model Project – TOM Project) it is evident that delivery by the Housing Repairs and Maintenance Service is hindered by the limitations of the current IT system.

The current application was inherited during the insourcing process from Kier and was previously used predominately as the Mobile Working application for Repairs and Maintenance and Corporate Repairs. After insourcing the current supplier has expanded their product and developed other modules within their application to cover Stores, Finance and Job Management.

However, the current system leaves gaps in many modules and processes that might be expected from a Repairs Management system and as a consequence there are still substantial manual interventions. There is resultant duplication of effort and opportunity for human error. There is little integration (if any) between this system and Sheffield City Council's Corporate Systems. Again the result is duplication of effort and double handling of information.

The service has struggled with the system infrastructure, issues with performance, integration and support from the supplier. HRMS resources are sapped maintaining the environment and modern ways of working are not easily supported.

General improvements to the Housing Repairs and Maintenance Service require an IT system that provides a good customer service and promotes efficiency and effectiveness. Investment in suitable, supportive IT will allow the service to focus resources on frontline customer delivery through:

- the reduction in the manual handling of information
- the timely allocation of operatives and materials to repair requests
- achieving closer control of costs and performance

A Soft Market Test of alternative IT suppliers conducted over the summer of 2020 indicated that there are several suitable alternative systems available which are capable of providing the functionality that the Service has specified. Costings provided at this stage suggest that these alternatives are affordable and will enable the improvements to efficiency

and effectiveness that are being sought.

2. HOW DOES THIS DECISION CONTRIBUTE?

Strategic Objectives: The IT replacement will be delivered alongside the Place Change Programme which is Sheffield City Council's (SCC) plan to re-structure service delivery to be Easier, Quicker, Better, and More Affordable.

The IT replacement will:

- Make the delivery of repairs easier and quicker
- Allow for a better interaction with customers
- Make Housing Repairs more efficient and more affordable

Project Objectives: To achieve best in class performance on a range of operational key performance indicators, for example:

- Upper quartile performance on appointments made and kept
- Average number of days to complete Voids
- Delivery of Gas Servicing Compliance
- Levels of Customer Satisfaction

Project Outputs: A comprehensive, fit for purpose Housing Repairs and Maintenance Service IT system

Project Outcomes:

- Better customer experience of the Housing Repairs and Maintenance Service
- Reduced back office overheads to support frontline repairs delivery
- Higher volume of repairs being conducted
- Increase in average number of housing repairs conducted per operative per day
- Reduction in mileage per housing repair completed
- Increase in number of housing repairs completed right first time

3. HAS THERE BEEN ANY CONSULTATION?

The TOM Project conducted a significant level of consultation in arriving at its conclusions. This activity included focus groups with tenants, discussions with other SCC departments, and the involvement of wider stakeholders such as suppliers. However, this consultation was around the Service generally and not specific to the IT provision.

In reaching the conclusion that the IT systems need renewal the TOM Project drew on this broad feedback which indicated that there were gaps in the provision that forced behaviours that were inefficient. To establish whether other systems were available that could address some of these inefficiencies a Soft Market Test was conducted in early summer 2020. The result of the assessment of suppliers' returns was that there were alternatives available that offered enhanced systems and were affordable.

Consequently the Service has compiled a detailed IT specification that pulls together all the requirements and categorises them as: Must Haves; Should Haves; Could Haves, and; Would Haves. In drafting the specification the Service has drawn on opinions from all teams. Primary consideration has been given to a system that enhances the tenant experience by allowing direct online reporting of repairs and opportunities to track repairs progress.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 No significant implications. Summary from Equality Impact Assessment – “Overall there are no significant differential, positive or negative, equality impacts from this proposal. This proposal should benefit all tenants through having a repairs service, that is improved in quality and response times, regardless of how the repair is reported.”

4.2 Financial and Commercial Implications

4.2.1 The project is anticipated to cost £541k, made up from:

Item	£000s
SCC Implementation Costs	318
Contractor Implementation	135
Parallel Running of Systems	88
	541

This will be funded from invest to save which will be repaid over three years.

4.2.2 This project is an essential enabler to deliver the savings required from the Housing Repairs and Maintenance service. There are two specific savings which are embedded in the current financial plans:

1. A £1,664k saving which is part of the 2019/20 Business Planning round approved by Members; and
2. Repayment of £2.4m support to the HRA given in 2020/21 at £0.5m p.a.

As the table below shows, this project will enable the service to deliver the two commitments above and repay the initial investment of £540k:

BUDGET IMPACT						
		20/21	21/22	22/23	23/24	Total

	£000	£000	£000	£000	£000
Current targets					
19/20 BP BIP	333		1,331		1,664
HRA Saving		500			500
Total Saving Target	333	500	1,331	0	2,164
Project Impact		-1,410	-763		-2,173
Invest to Save					
Funding	-229	-311			-540
Repayment		180	180	180	540
Total Position	104	-1,041	748	180	-9
Cumulative Position	104	-937	-189	-9	

On the basis of the above projections, and in the absence of any alternative strategy for the generation of savings promised to the HRA, there is little room for variation on the planned costs and savings. Redundancy costs for the staff savings will be funded from the corporate provision as these savings are part of a Business Planning BIP.

4.3 Legal Implications

- 4.3.1 The Localism Act 2011 provides local authorities with a “general power of competence” which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. The Council also has a specific power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions (s111(1) Local Government Act 1972).
- 4.3.2 The Housing Act 1985 requires the Council to maintain and repair the housing it provides under its statutory duty as a local authority. Procurement of the proposed IT system will assist the Council in meeting its statutory housing functions by providing the ability to repair and maintain property it is responsible for.
- 4.3.3 When the Council delivers services it is subject to the “best value duty”. This requires the Council to ‘make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness’.
- 4.3.4 The procurement of any goods, works or services by the Council must be undertaken in accordance with all relevant provisions of the Council’s Constitution including its Contracts Standing Orders and all applicable

Procurement rules. Successful providers/suppliers chosen by the Council will then be required to enter into formal written legal agreements with the Council.

4.4 Other Implications

4.4.1 None.

5. **ALTERNATIVE OPTIONS CONSIDERED**

a) Maintain existing relationship with current provider and seek incremental changes to the system as resources allow

- This option was not preferred as:
 - There is a significant business continuity risk associated with operating a system that is supported by the existing small provider
 - The size of the supplier limits the pace at which the system can be developed and enhancements introduced
 - The current system does not offer some functionality that has been identified as being critical to overall service improvement – dynamic resource scheduling, a comprehensive suite of business intelligence reports, online reporting, contractor portal, real time data for the workforce and customers, no attribute data and customer details

b) Purchase additional software package(s) to bolt onto existing systems and deliver additional functionality

- This option was not preferred as:
 - It would require considerable time and effort investigating and installing of compatible systems with existing IT software
 - It would add to the number of IT applications operating in the Place Portfolio – with extra demands on commercial monitoring, additional staff training
 - There is the potential for additional liaison and support requirements with multiple suppliers
 - It could potentially increase the amount of double entry and manual handling between systems if full integration is unachievable

6. **REASONS FOR RECOMMENDATIONS**

Purchase of a full Housing Repairs and Maintenance suite:

- Provides full suite of asset management data and repairs functionality
- Handles compliance and document storage for individual properties
- Reduces the number of applications running across the service
- Potentially provides security of larger suppliers and associated support
- Reduces fuel consumption through more efficient scheduling of operatives responding to repair requests