



Agenda Item 25

Author/Lead Officer of Report:

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Service Manager

Applications Systems and Data – Place Portfolio
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Report of: Executive Director of Place

Report to: Co-operative Executive

Date of Decision: 16 / 03 / 2022

Subject: Procurement of Housing Software System and Document Management IT systems

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 type="checkbox"/>	
Which Co-operative Executive Member Portfolio does this relate to? Housing, Roads & Waste Management		
Which Scrutiny and Policy Development Committee does this relate to? Overview and Scrutiny Management Committee		
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? EIA1140		
Does the report contain confidential or exempt information?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
“The appendix is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended) in that they include information relating to the financial or business affairs of any particular person (including the Council) and the balance of public interest is in the information not being released.		

Purpose of Report:

The purpose of this report is to seek approval for the procurement of a Housing software solution and Document Management IT systems for the Council’s Housing service. This will be procured via the Crown Commercial Services procurement framework Data and Applications Solutions RM3821 for a period of 3 years for the housing solution and an initial period of 3 years with an option to extend for a further up to 2 years for the housing document management solution

Recommendations:

It is recommended that the Co-operative Executive:

- 1) Approve the procurement of the Housing software solution and Document Management Systems via the Crown Commercial Services (CCS) framework as outlined in this report.
- 2) Approve the direct award of the new contracts to NEC Software Solutions Ltd as outlined in this report.
- 3) Where no existing authority exists, delegate authority to the Executive Director of Business Strategy, in consultation with the Director of Finance and Commercial Services to take such steps to meet the aims and objectives of this report.

Background Papers:

N/a

Lead Officer to complete:-		
1	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: Kayleigh Inman
		Legal: Gemma Day and Henry Watmough-Cownie
		Equalities: Louise Nunn
<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	Executive Director who approved submission:	Mick Crofts
3	Cooperative Executive Member consulted:	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: Jessica Kavanagh	Job Title: Service Manager; Applications Systems and Data Place
	Date: 04 March 2022	

1. PROPOSAL

1.1 The Council Housing Service currently has a contract with NEC Software Solutions Ltd (NEC) for the provision of a housing IT software system and a document management system which the service use to enable delivery.

1.2 The Housing and Neighbourhoods service employ over 1000 staff and provide a wide range of housing and related services. They are the largest social housing landlord in the city with 38,700 homes and 2,700 leasehold properties to manage and maintain. The service has a £150 million annual 'rent roll'.

1.3 On top of the standard local authority landlord offer, the Housing and Neighbourhoods service works closely with its statutory partners, tenants and landlords to offer additional services. They are responsible for the regulation of over 45,000 Private Rented Homes, as well as around 100 high-rise buildings in the city, the majority of which are in the private sector.

1.4 The Council has used NEC housing software for a number of years and the functionality forms part of the wider Place Systems Review programme (PSR). The Council's aspiration is to eventually consolidate the number of housing related systems that provide the current functionality and replace with one solution that delivers most of the requirements. Following a positive soft market engagement exercise in 2021, consolidation was deemed to be achievable.

1.5 Subsequently a tender was issued as a Further Competition under Crown Commercial Services, Data and Applications Solutions framework RM3821 for the PSR. The returned bids are currently in the evaluation stage of the procurement process and therefore no further details on the tender process can be provided at this time to ensure a robust and compliant process is adhered to in accordance with Procurement Contract Regulations 2015.

1.6 The current contract with NEC ends on 31 March 2022, the proposal outlined will allow for the continuation of the current software and services from the supplier whilst the procurement of replacement systems(s) is concluded, and the new solution implemented through the PSR programme. A new contract to enable retention of the current systems beyond 31 March 2022 is required to ensure there is no loss of service or disruption to the Housing delivery teams or Council tenants until the PSR programme is delivered.

1.7 This proposal is to procure a new contract to enable the retention of the current housing software solution and will be undertaken via the Crown Commercial Services framework Data and Applications Solutions (DAS) RM3821 in which NEC is appointed. The new contract is proposed to be for a period of 3 years which will complement the outcome of the live PSR tender. Retention of the current housing solution will therefore provide stability while the replacement PSR programme is undertaken.

1.8 The Council requirements for a document management solution will also be met as a direct award to NEC under the above Crown Commercial Services RM3821. This will be for a period of 3 years with an option to extend by two further 1 year periods to make 5 years in total. An extension period is required as the document management solution is outside of the scope of the PSR programme. The expectation is that the document management solution will remain regardless of the outcome of which housing management solution is awarded via the PSR programme.

2. HOW DOES THIS DECISION CONTRIBUTE?

2.1 The provision of an efficient automated Housing service supports high quality and safe homes for all our citizens; an ambition that is set out within the Communities and Neighbourhood section of the One Year Plan.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 No. There is no statutory requirement to consult on this matter.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 Following an Equality Impact Assessment there are no concerns raised. Any appointed Supplier must meet the Supplier Code of Conduct standards set out by government

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf)

4.1.2 This is part of Joint Schedule 5 (Corporate Social Responsibility) setting out the standards and behaviours expected of suppliers who work with government.

4.1.3 We know that the supplier has a corporate responsibility framework and within this has a Equality statement <https://www.necsws.com/corporate-responsibility>

4.2 Financial and Commercial Implications

4.2.1 The new contract price being £528k. The increased price is due to additional Citrix licencing costs as well as general inflationary cost rises.

4.2.2 The general cost increases will be met by BCIS and will need to be managed within the existing resources of the service.

4.2.3 The additional licensing costs relating to housing will be recharged to the appropriate housing budget.

4.2.4 As the proposed values will exceed the Public Contract Regulations 2015 threshold, in which as a public sector authority the Council is required to comply with. Commercial Services have identified a suitable Public Sector framework, Crown Commercial Services Data and Application Solutions (DAS) RM3821 as a compliant route to create a contract. The terms and conditions will be in accordance with the framework Call Off procedure.

4.2.5 The contract term will be for an initial period of 3 years for both the housing solution and the document management solution, with an option to extend for a further two 1 year periods for the latter only.

4.3 Legal Implications

The Localism Act 2022 provides Local Authorities with a general power of competence which enables them to do anything that an individual can do so long as the proposed action is not specifically prohibited. The Council has a specific power to do anything which is calculated to facilitate is conducive or incidental to the discharge of any of the functions (s111 Local Government Act 1972).

The procurement of any goods or services by the Council must be undertaken in accordance with all relevant provisions of the Council's Constitution including Contracts Standing Order and all applicable Procurement rules. In this case the Council intend to call off a contract under the CCS Framework.

4.4 Other Implications

4.4.1 Human Resources Implications

n/a

4.4.2 Environmental Implications

n/a

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Do Nothing

Due to the anticipated expenditure for both software applications over the proposed term the Council is required to comply with Public Contract Regulations 2015 and therefore to continue use of the software beyond the current contract period would not conform.

5.2 Reduced Contract period

A shorter contract period was not taken forward for either software application due to the required alignment to the PSR programme and/or to longevity required to provide stability to the service and council tenants.

5.3 Open Market Procurement

The housing marketplace is very limited due to the bespoke nature of the service requirements in which the council are seeking to consolidate the requirements and commercial arrangements. The key players in the market are appointed to the CCS DAS framework and have already undertaken a competitive and compliant procurement process.

5.4 Use of a Public Sector Framework

The CCS DAS framework has been identified as a suitable framework in which to make a Call Off contract. It has already been competitively tendered and is

compliant with PCR 2015 regulations. It enables a direct award via CCS e-marketplace.

6. REASONS FOR RECOMMENDATIONS

6.1 The contract with NEC for housing software and document management software is due to expire 31 March 2022. The housing service has a requirement to retain use of the systems to compliment and align to the PSR programme. A compliant commercial vehicle has been sourced.

6.2 Failure to secure a contract for the supply of these systems will impact on the Council's ability to provide a housing service to its residence and create a service gap until the PSR programme has delivered its outcome.

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