

# Decision Pathway – Report



**PURPOSE:** For noting

**MEETING:** Cabinet

**DATE:** 05 December 2023

<b>TITLE</b>	<b>Extension of Housing systems contract</b>	
<b>Ward(s)</b>	All	
<b>Author:</b> Richard James	<b>Job title:</b> Interim Head of Business Development	
<b>Cabinet lead:</b> Cllr Kye Dudd, Cabinet Member for Housing Services and Energy	<b>Executive Director lead:</b> John Smith, Interim Executive Director Growth and Regeneration	
<b>Proposal origin:</b> BCC Staff		
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> For noting		
<b>Purpose of Report:</b>		
<ol style="list-style-type: none"> <li>To note an officer executive decision taken by the Executive Director Growth and Regeneration to approve additional costs for a 1 year extension to the Civica Housing System IT contract whilst the Housing IT Transformation programme implements the replacement solution.</li> </ol>		
<b>Evidence Base:</b>		
<ol style="list-style-type: none"> <li>The existing contract is due to end on 30<sup>th</sup> April 2024. The Housing IT transformation programme is implementing a new integrated housing management solution which will not be ready by the end of this existing contract and therefore a one-year extension is required to allow for continued use of existing Civica systems (CX housing management, Keystone asset management and Abrisas).</li> <li>On 7<sup>th</sup> February 2023 Cabinet approved the following, Authorised the Executive Director – Growth and Regeneration, in consultation with Cabinet Member for Housing Delivery and Homes, to take all steps required to extend the current contracts for Housing IT support services at a cost of up to £600k, should the Housing IT and Transformation programme not be fully implemented before they expire.</li> <li>The extension proposal received from Civica is now higher than the previously agreed cabinet decision due to the inclusion of unexpected license costs of £375,562.</li> <li>There is a deadline of 22<sup>nd</sup> December 2023 to have signed the variation to the contract as Civica have to make the necessary arrangements with 3<sup>rd</sup> party suppliers for the continuation of the hosting environment.</li> <li>An Officer Executive Decision (OED) has been taken by the Executive Director Growth and Regeneration on 27 November 2023 to approve the additional expenditure of £375,562 to ensure that the extension has been put in place by the agreed deadline to ensure the continuation of the critical Housing IT systems.</li> </ol>		
<b>Cabinet Member / Officer Recommendations:</b>		
That Cabinet:		
<ol style="list-style-type: none"> <li>Note the previous Cabinet approval of 7<sup>th</sup> February 2023 approving expenditure of up to £600,000 in relation to the extension of the Civica Housing IT contract.</li> </ol>		

2. Note the Officer Executive decision taken on 27 November 2023 to approve additional expenditure of £375,562 in relation to the extension of the Civica Housing IT contract for one year as outlined in this report.

**Corporate Strategy alignment:**

1. New systems and business process will align Housing services delivery to BCC’s Corporate Strategy:
  - a. Theme 2: Economy and Skills (Good Growth and Digital Inclusion)
  - b. Theme 5: Homes and Communities
  - c. Theme 7: Effective Development Organisation
2. New digital service delivery platform (new citizen facing and internal applications, and revitalised portals) will support Digital First.

**City Benefits:**

The extension of the existing Civica IT system is required to ensure we can continue to provide essential services to our residents and rent collection is maintained while the new NEC system is being implemented.

Once implemented, the new NEC system will provide additional benefits as outlined in the ‘Housing IT and Transformation Programme’ Cabinet report dated 7 February 2023.

**Consultation Details:**

1. None

**Background Documents:**

- [Cabinet approval of 7<sup>th</sup> February 2023](#)
- [Officer Executive Decision 27 November 2023](#)

<b>Revenue Cost</b>	<b>£975,562</b>	<b>Source of Revenue Funding</b>	HRA Reserves and General Fund
<b>Capital Cost</b>	<b>£</b>	<b>Source of Capital Funding</b>	
<b>One off cost</b> <input checked="" type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input type="checkbox"/>	<b>Income generation proposal</b> <input type="checkbox"/>

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** The Civica system is the councils current Housing Management System (HMS).

Civica holds data not only on our tenants, but also on our assets in the fields of key asset management and safety and servicing data. The lack of an effective HMS would prevent effective communication with our tenants, as well as raising repair works orders.

In addition, the HMS is the primary system that raises the rent debit each week for our tenants. Without such a system, the HRA would be unable to generate any income.

As well as the above risks, the council being without an effective HMS would also breach the Regulators consumer standard and would significantly increase any risk of enforcement action being taken against the council by the Regulator.

It has come to light no provision for licence fees was included in the original extension proposal in 2022. As a result, provision for 2024/25 is inadequate to cover the cost of services therefore an additional £375,562 has been requested.

**Finance Business Partner:** Martin Johnson – Interim Finance Manager Housing and Landlord Services 27 November

2023		
<b>2. Legal Advice:</b> There are no specific legal implications arising from this report which notes the Officer Executive decision taken to approve additional expenditure required to extend the Civica Housing IT contract for one year.		
<b>Legal Team Leader:</b> Husinara Jones Team Manager/Solicitor 27 November 2023		
<b>3. Implications on IT:</b> IT are happy to support and provide input where required. We are working closely with housing colleagues on the rollout and implementation of the new Housing Systems and will ensure we agree all respective budgets throughout the life of and subsequent to the completion of the programme.		
<b>IT Team Leader:</b> Gavin Arbuckle, Head of IT Operations, 27 November 2023		
<b>4. HR Advice:</b> There are no identifiable HR implications in this report		
<b>HR Partner:</b> Celia Williams, HR Business Partner, 27 November 2023		
<b>EDM Sign-off</b>	John Smith, Interim Executive Director Growth and Regeneration	27 November 2023
<b>Cabinet Member sign-off</b>	Cllr Dudd, Cabinet Member for Housing Services and Energy	27 November 2023
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	27 November 2023

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>NO</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Environmental impact screening/ impact assessment of proposal - EnvIAs are not required for briefing only papers where no decision will be needed</b>	<b>NO</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>No</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>