

Waverley Borough Council

Report to: Executive Co-Portfolio for Housing (Operations & Services) Decisions

Date: 28 September 2023

Ward(s) affected: All

Report of Director: Community Wellbeing

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Report Status: Part Exempt

Housing Service's Asset Management System Procurement Decision: excluding exempt information

1. Executive Summary

1.1 The housing services asset management IT system (AMS) is a core system that stores all housing asset information on c.5000 properties and their components. The AMS supports the delivery of core services to tenants alongside the housing management

system (HMS). It is essential that the council has a clear understanding of housing assets to manage and maintain homes effectively and meet regulatory and legal requirements.

1.2 Not available in the public domain.

1.3 Following a comprehensive review into the service needs and research into what is available on the market, one product has been identified. It is the only product on the market that meets our user needs, fulfils our technical requirements, and can be installed as a stand-alone system and not part of an integrated HMS.

2. Recommendation

1.1 That the Executive Co-Portfolio Holder for Housing approves:

- the strategy used to procure an AMS, comprising of a direct award of over £100,000
- follow the framework guidance on issuing direct award to MIS Active Management System through the Vertical Application Solution, a Crown Commercial Framework Agreement, RM6259, and
- the delegation of authority to award the resultant contract to the Executive Head of Housing.

3. Reason(s) for Recommendation:

3.1 A comprehensive review of suitable AMS products has been undertaken. The review has consisted of:

- identifying user need including regulatory and legal asset requirements
- identifying technical requirements to:
 - ensure compatibility with Housing IT systems, and
 - ensure compatibility with IT infrastructure,
- ensuring data and information management principles can be upheld, and
- providing opportunities for continuous improvement and future proofing where possible

3.2 Providers have been analysed based on risk in relation to:

- Integration with IT systems
 - How they fit with housing and corporate IT systems
- Capability
 - Can meet specification
- Futureproof
 - Modern technology

- Can meet data aspirations
- Fully integrated HMS available

3.3 One provider has been found that will be able to align with our needs with minimum risk. If required in the future the system is capable of being implemented at Guildford Borough Council for a reasonable cost.

3.4 Due to the urgent need to replace Keystone to protect our asset data, it is recommended that a light implementation or first phase of the replacement product is carried out to protect asset information in the short term, while viable long-term plans are agreed.

3.5 Since the AMS project initiation document was approved in January 2023, a Housing Service IT systems review was carried out during April/May 2023 by [Acutance Consulting Limited \(ACL\)](#) and has informed the recommendations in this report.

3.6 There are two main IT software procurement frameworks for this type of procurement provided by Crown Commercial Services. [G cloud](#) is predominantly set up for buying cloud based services and is limited to a two-year contract term. [Vertical Application Solution \(VAS\)](#) is set up for locally hosted software and the term of the contracts are not limited.

3.7 The council's preference is to host software, and the system is likely to be in place for at least five years. However, officers will seek to include a break clause to give flexibility. Therefore, VAS is the preferred procurement framework.

3.8 Lot 3: Housing, Environment and Planning Solutions in the VAS framework has 28 suppliers. Of these, three offer housing management systems but only one, MIS Active Management Systems, offers asset management as a standalone option.

3.9 Earlier market research consisted of contacting IT suppliers to identify the range of asset management products available. Five IT suppliers carried out demonstrations of their product to a range of officers in Housing and IT and were reviewed against the council's requirements. One provider, MIS Active Management Systems, can align with the requirements with minimum risk and are on the preferred procurement framework.

3.10 Suppliers have been asked as part of this process what the cost implications of future collaboration with Guildford is likely to be. MIS Active Management Systems have stated there will be no charge for contractual changes. There will be no software cost and annual charges are charged at £1 per property. There will be an implementation cost for migration of data and configuring the system to allow for user permissions to be split and accessed by both services.

4. Exemption from publication

3.1 Yes, part of the report. All exempt information has been omitted from this report and can be found in the confidential version (Annex 1).

3.2 Not available in the public domain.

5. Purpose of Report

- 4.1 To seek approval to secure a contract with MIS Active Management Systems Limited to provide Active H software for a least 5 years to replace the Housing Service's asset management IT system.
- 4.2 The asset management system is a core system that stores information on housing assets of c.5000 homes and the components within those homes which informs capital works programmes and cyclical work cycles. It also holds some legal compliance information such as the asbestos register which contractors are required to access before entering homes to carry out works. It will also hold data from the stock condition survey currently being undertaken.

6. Strategic Priorities

- 6.1 The report supports the council's corporate commitment to promote *"Good quality housing for all income levels and age groups"* and aim to *"be the best council landlord in the South East and to be acknowledged so by our tenants."*

7. Background

- 7.1. The housing regulatory landscape is evolving in response to the Housing White Paper 2017. Tenant Satisfaction Measures (TSMs) were introduced in April 2023 to assess the performance of registered providers of social housing in England. The TSMs measure both tenant satisfaction and compliance with consumer standards set by the Regulator for Social Housing. Effective data management directly impacts on both as it sits at the core of being able to improve our services to meet the needs of our tenants, meet regulatory requirements, and meet our commitments to reducing carbon emissions from our homes.
- 7.2. Not available in the public domain.
- 7.3. The project will ensure that AMS is fit for purpose, both now and in the future. The new system will help deliver the objectives and targets in the Housing Asset Management Strategy 2022-2030.
- 7.4. The council is currently undertaking a stock condition survey of all its homes at the cost of £300,000. For the data collected to be stored, managed, and used effectively a new AMS is required.

8. Consultations

- 8.1. No formal public consultation process required.
- 8.2. Report will be shared with Landlord Services Advisory Board.

9. Key Risks

- 9.1. Not available in the public domain.

10. Financial Implications

- 10.1 Within the 2023/24 capital budget an allowance of £60,000 was made to upgrade/change the AMS. This, alongside the revenue budget of £26,400, which is the existing budget for maintenance of the system, will be used to fund this proposal. The ongoing maintenance cost of £13,700 for the MIS system will result in a saving of £12,700 from 2024/25 onwards.
- 10.2 The first phase of implementation can be managed within existing resources, with the Housing Asset Management team and support from the IT, Business Transformation, and Service Improvement teams. The second phase, developing compliance and planned works systems, is likely to require additional resources. A request for resource is to be made separately, as this report covers the procurement and phase one only.

11. Legal Implications

- 11.1 The report is seeking approval of a procurement strategy and delegation of authority to award the resultant contract.
- 11.2 Not available in the public domain.
- 11.3 It is proposed that the services be procured via Vertical Application Solutions Framework RM6259 (the framework agreement/FA). The FA is in place until September 2025 and has been lawfully procured. Call off must be undertaken in accordance with the procedure outlined in schedule 7 of the FA and the resultant contract must be in the form set out in schedule 6 of the FA.
- 11.4 The strategy for procuring these services as outlined in section three of the report will ensure compliance with Chapter 8 PCR 2015 and the council's Contract Procurement Rules.
- 11.5 The decision to award will be subject to further report to Head of Housing and the legal team must be consulted for the purposes of engrossment and sealing of the call off

contract. For the purposes of compliance with regulation 112, upon award of the contract, the council must publish certain information about the resultant contract on Contracts Finder.

- 11.6 Finally, there are no immediate data protection issues arising from the report. Should any arise during the procurement process, they will be resolved by way of special conditions being set out in the order form.

12. Human Resource Implications

- 12.1. Staff training on the AMS

13. Equality and Diversity Implications

- 13.1. The current system is limited to how it records aids and adaptations and how disability information is passed to contractors. The new system will seek to improve this, enabling services to be tailored to tenants needs.

14. Climate Change/Sustainability Implications

- 14.1. The service is committed to reducing its carbon footprint. Having better quality data on our homes will allow us to manage resources efficiently when decarbonising homes.
- 14.2. The system has a planned maintenance function so decarbonisation projects can be managed more efficiently.
- 14.3. The provider achieved ISO 14001 accreditation in 2022. ISO 14001 provides assurance to company management and employees as well as external stakeholders that environmental impact is being measured and improved.

15. Summary of Alternative Options

Do nothing

Not available in the public domain.

Alternative option 1 – Interim solution

An alternative option has been to consider an interim solution while further reviews of the council's wider IT infrastructure are undertaken. An interim solution was not found. There is not a corporate asset management system that could be used.

16. Conclusion

16.1 A comprehensive review and market research has been completed to identify the most suitable new AMS. Thank you to the IT Manager, Data Manager, Procurement Officer, and housing team for their support and engagement with the project. An AMS system and provider has been identified and the team are ready to progress to the implementation project to improve asset information and services to tenants.

17. Appendices

17.1 Annex 1: Committee report including confidential information (Exempt)

17.2 Annex 2: Project Outcome Report (Exempt)

Please ensure the following service areas have signed off your report. Please complete this box, and do not delete.

Service	Sign off date
Finance / S.151 Officer	21/06/2023 CK
Legal / Governance	21/06/2023 AO
HR	16/06/2023 JD
Equalities	n/a
Lead Councillor	22/08/2013
CMB	01/08/2023
Executive Briefing/Liaison	22/08/2023
Committee Services	20/09/2023