

COMMITTEE: Resources and Governance Overview and Scrutiny Committee

DATE: 19th July 2007

REPORT OF: Director of Housing

SUBJECT: Civica Universal Housing (UH) Management System.

PURPOSE OF REPORT : Update on the implementation of the Civica UH Management System and how the technology will contribute to the reshaping of service delivery.

RECOMMENDATION

That this report be noted.

FINANCIAL CONSEQUENCES FOR THE REVENUE AND CAPITAL BUDGETS

The original CIVICA Contract, as signed in October 2005, was fixed at £3.6m. A capital budget of £2.5m was allocated to the Project with a view to further approval of the remaining amount. The final forecasted expenditure for the City Council from 2005 –2007 is estimated to be in the region of £3.4m for Phase 1. Final spend on phase 1 will be an under-spend on the original signed contracted cost of £3.6m.

A Capital budget of £500k has been agreed for 2007/8 for phase 2 activity, this will complete the implementation of Civica UH for the remaining stock transfers up to and including East Local Housing company.

It was agreed at contract sign up that essential service improvements, that arise through the normal course of business, would need to be put on hold until after the main system implementation. £468k capital has now been requested to meet these essential service improvements going forward.

Revenue funding for the Civica Project is met from the Housing Investment Options budget.

CONTACT OFFICERS

Mark Slater, Head of Performance Management 0161 234 4770
m.slater@manchester.gov.uk

Gail Heath, HIO Programme Manger 0161 234 1244
g.heath@manchester.gov.uk

BACKGROUND DOCUMENTS

WARDS AFFECTED

All.

Background

The City Council's Housing computer applications, developed in the late 1980's, were based on a mainframe system that had become out of date and unsupported. It was therefore a Corporate Strategy objective that the mainframe be decommissioned at the end of March 2007.

The CIVICA (formerly Comino) Housing Management System was selected following a formal Invitation to Negotiate process undertaken under the European Union OJEU process.

City Council staff, from across the business, were involved during the final stages in assessing the leading five commercial applications and their suppliers against defined selection criteria. An essential part of the selection process was the ability of the supplier to commit to the extremely tight time-table to implement the system imposed on the project by the decommissioning of the mainframe. It was also an important selection criteria that the chosen system should have the flexibility to cope with the ever changing / evolving service requirements of all partners and users, in particular the needs of the new local housing companies being created through the HIO Programme.

Additionally, the system had to be enhanceable/amendable without the need to rely on the suppliers to make the changes as this would have proved expensive and built delays into service development going forward. Civica were the only supplier who committed to working with Manchester to enhance the solution into the future.

Civica met this specification and was the preferred supplier, achieving the highest match to existing processes (67%), together with the lowest proposed cost. The need to develop some bespoke solutions such as re-housing and homelessness was incorporated into this cost on the basis that Civica would benefit in the longer term from having an enhanced product to sell to the wider market going forward.

The City Council signed a contract with CIVICA PLC for supply of, defined enhancements to, and implementation of their Housing Management solution in November 2005, although due to the tight timescales detailed work commenced in advance of this under a letter of intent. The contract included provision for use by MCC Housing Services and the new local housing companies set up through the HIO Stock Transfer Programme.

Current Position

The system was rolled out in a number of phases. Capital Programme Management, Asset management, Energy surveys, Gas Servicing and Asbestos monitoring were introduced for technical service areas in October 2006.

The system was implemented in Local Housing Company, Estate Management and Homelessness service areas in two stages during March. This included Rent, Arrears, Rehousing (including the Manchester Housing Register), Homelessness, Responsive Repairs, Call Centre and Contact Manager.

The system is currently used by City Council Housing Services, MCC Revenues and Benefits service, Northwards Housing Trust, Parkway Green Housing Trust and Grove Village PFI and the 19 partner organisations that use the Manchester Housing Register. In total, it manages over 41,000 properties and there are over 2,500 registered users of the Civica application within the four companies.

The new system is now in implementation stabilisation phase that is due to finish at the end of August 2007. A business stabilisation phase is planned for the 12 to 18 months after this.

Benefits

The primary benefit to the City Council of the implementation of Universal Housing was to remove all Housing applications from the mainframe, to enable its decommissioning at the end of March 2007. Other key benefits achieved include:

- Assisting the Housing Investment Options (HIO) Programme and retained services in meeting their objective of establishing Local Housing Companies delivering high quality customer driven service's, that are consistent with the 3star excellent housing management services they have come to expect from Manchester City Council.
- Enabling the retained Housing functions (primarily Rehousing and Homelessness) to provide a 'business as usual' service in order that tenants experienced no reduction in quality and access to information.
- The efficient exchange of Housing Benefit information between Revenue and Benefits and the new companies being created through the HIO Programme. Thus ensuring that rent collection and arrears are managed efficiently, without unnecessary delay to the Council or the new companies.
- Providing access to a value for money, cutting edge, IT platform capable of responding flexibly to changing service demands, thus ensuring that the new technology supports the needs and priorities of each neighbourhood.
- Reducing annual running costs for the City Council as a result of lower licensing and operating costs for the Civica system compared to the replaced applications. These reduced costs are shared between the partner organisations. Annual maintenance savings are anticipated to be in the region of £500K.
- Consolidating Housing Services property, tenant, applicant and contact information into a single integrated application, providing greater availability and reduced information maintenance costs. Ensuring that the tenant's need for up to date information, across a range of housing services, can be answered in most cases by one call to one individual.
- The introduction of an electronic interface between retained services such as temporary accommodation, allowing for the automatic posting of Housing Benefit and tenancy information and thus improved tenancy management such as reductions in delays around posting rent to individual accounts.

Future benefits that will accrue to partners as a result of using Civica UH include:

- All areas of the business have the opportunity to use workflow, which is the management of processes through the IT system, for enhancement, development and customisation in the future as business needs change and evolve. This will result in a more consistent service for tenants and fewer administrative errors going forward.
- Economies of scale and the sharing of good practice within and between companies. The combined purchasing power of the Civic partners will ensure better value for

money, and the sharing of best practice in both business and information technology going forward.

- Enhanced partnership working through a newly established Civica Governance Group, chaired by Northwards. This will ensure that tenants and residents in different parts of the City can expect some consistency in housing management approach, and thus the potential for more effective benchmarking and performance management.
- The system will provide a sound platform for remote and mobile working in the future, this will cut administration costs ensuring that more resources is available for meeting the tenants and neighbourhood priorities.
- Greater availability of consistent performance information. The City Council is required to report on all stock it still owns, which comprises the ALMO and the four PFIs and to ensure decent homes promise's made to tenants are kept.
- The provision of consistent PI information will continue to inform the delivery of the Community Strategy and provide us with the ability to consult with, and gain feedback from, residents as a body. Without the shared system the ability to consult and feedback across the social housing sector would have been much reduced.

Progress in achieving benefits.

In line with any implementation some of the benefits appear to be partially offset by some services areas experiencing increased duration for some processes, for example customers contacting OnCall did initially experience long delays but response times have improved considerably as staff have become more competent and confident at using the new system. The service has already increased the range and accessibility of housing management information that can be accessed by on call operatives, resulting in an improved service for callers and allowing a higher proportion of problems to be solved in the back office freeing up front line staff

In some areas, such as re-housing and allocations, the complexity of the bespoke system required in Manchester, the number of partners accessing it, and the need for changes as a result of a recent review of allocations procedures has meant that the implementation has been more challenging and further service improvements have had to be commissioned before the benefits will be fully realised. However, towards the end of the summer it is anticipated that the quality and consistency of re-housing practice will be significantly improved as will the provision of re-housing data to inform emerging policy agendas such as the Affordable Housing Strategy.

In order to ensure that Housing Services, and partner organisations, can fully realise the potential of the new system a Business Owner has been identified in each organisation to attend the Civica governance group and champion service improvements going forward.

We are confident that the new system will provide both Housing Services and the new companies with a responsive and flexible IT platform to support the delivery and development of services. The partnership that underpins the system, which currently includes MCC Housing Services, Northwards Housing, Grove Village and Parkway Green Housing Trust, will allow for a continuation of a uniform approach to quality services whilst supporting independent development where neighbourhood priorities identify this as required.