

Place Systems Review – Housing Project

Background

The Place Systems Review (PSR) is a programme of work that will modernise the systems and infrastructure used across the Place Portfolio. Given the urgency to replace the core system Northgate Open Housing Management System (OHMS), PSR have prioritised the systems in Housing and Neighbourhoods service to be replaced first.

Housing System issues that need to be addressed

The main driver is that OHMS, first implemented in 1999, has been declared end of life by the current supplier: we have no choice but replace this soon. As part of our discovery work, we have identified several other systems that have grown up around or have been purchased to complement OHMS over the years.

We now have a fragile collection of systems that without costly and temporary 're-wiring' become defunct when OHMS is replaced. This means we cannot just replace OHMS like for like, in fact our modelling suggests it would be more complicated, costly and in the longer-term unsustainable to do so.

Customer data is fragmented across 20+ systems, in addition to OHMS we use the following systems to manage key services:

- **Civica Abrisas** – Choice based lettings
- **Flare** – Private rented standards
- **Rent Sense** – Arrears management
- **Apex and Technology Forge** – Asset management
- **Confirm** – Estates and environmental
- **Housing Pathways** – Homelessness case management
- **Qube** – furnished accommodation stock control
- **Infohub** – for performance management

Housing System opportunities for change

The programme has conducted a soft market test that has proven we could procure a single system that will do the majority of what we need in the service. We intend to proceed to procurement on this basis to make one purchase that corrects the flaws in the current setup at the same time.

1. Improve the way we work, an opportunity to align practice and process with what we saw was possible with a modern system, improving the customer and workforce experience and making long term savings/efficiencies.
 - a. Have a modern and consistent on-line offer across all processes
 - b. Allow self-service where appropriate, checking rent and other balances online, reporting issues. This will reduce avoidable contact and free up time up to deal with more complex enquiries
 - c. Introduce new channels like text messages for reminders about appointments, rent balance alerts etc.
 - d. Allow our teams to work in field effectively, actioning issues with customers and on estates without having to wait to return to the office.

2. Having one system means we can migrate all our customer, asset and transactional information into a single new structure and improve its quality as part of the programme. Having a Single view of Housing customer information will save time on searching multiple systems, allowing a joined-up picture to ensure the best chance for success for our customers and who only will need to 'tell their story once'.

There is also an opportunity to capture new information:

- a. Fire and building safety compliance brought into a single system, no longer spread across OHMS, Apex, Technology Forge
 - b. Energy sustainability data and building fabric information that will contribute towards meeting **Net Zero** targets going forward.
 - c. Align new and existing tenures like Shared Ownership and Private Rented Standards into a single system.
 - d. Fully integrate the new repairs systems with the Housing Management System as other LA's do.
-
3. To support this, we have developed a set of strategic enablers with senior managers in the Housing and Neighbourhood Service to address the issues we have with current systems.

Systems and suppliers will be assessed against their ability to support strategic enablers of:

1. Moving to Services On-line
2. Single Information System
3. Single View of our Customer
4. Single View of Assets
5. Single View of Documents and Evidence
6. Data Quality by Design
7. Mobile & Flexible Working

8. Workflow & Task Management
9. Process Automation
10. Effective and high-quality performance information used to improve our service offer
11. System Integration e.g. Repairs
12. Flexible system we can adapt in house
13. Seamless implementation of the new solution

4. Service Engagement

We have worked with staff in the Housing and Neighbourhoods service to gather all the requirements for the new system and look for opportunities that the new system will bring to allow us to work more efficiently.

We will involve Housing and Neighbourhoods staff to test and build the system to ensure that the system does what it needs to do and is easy to use. This will also iron out issues before we roll the new system out across the service, resulting in less disruption to service delivery.

We are proposing to set up a model office in May 2022 - we bring in housing experts from the Housing and Neighbourhoods service to work with the project team. We are confident that the new system will allow us to work more efficiently, and this is the place where we will test this. These staff will test, refine, and optimise processes to ensure they work for service and provide best experience for our customers before rolling out.

Next Steps – Funding

We prepared an Outline Business Case to secure HRA funding and with final approval expected at Co-Op Executive. Funding is required from 2021 to 2025.

The programme has estimated the funding needed to deliver the housing element from two key sources:

1. The estimated product costs provided by suppliers as part of the soft market test exercise
2. A detailed resource plan that profiles each resource we would need to deliver the plan, their costs and time needed on the project. This is based on experience of projects on a similar scale such as Social Care systems implementation, input from market responses and other LA's.

The estimated figure is £9.3m for which includes 5 years ownership of the new system. Which breaks down as:

Technical / Implementation Costs – System developers, Integration Specialists, Data Migration consultants	£1,547,000
Support Costs – Expected Corporate input – HR, Comms, Legal etc	£267,000
SME/Backfill – Housing service staff to develop, test and roll out the new practice\system model, training staff, making performance changes real.	£1,535,000
Change Resource – programme resource to deliver change, BA resource to follow through on requirements to benefits realisation	£2,930,000
Development Costs (Post Go Live)	£300,000
5 year ownership costs	£ 2,226,030
Supplier Project Costs	£ 453,645
Total	£ 9,258,675

The initial estimates for the replacement of OHMS were of £3 - £5m before the Place Systems Review started. These figures were estimates and were made 2/3 years ago and they did not include the replacement of the range of other systems around OHMS, the impact of under investment over the last 20 years through outsource arrangements and the resources needed from the Housing and Neighbourhoods service.

We have now carried out the soft market test and understand the tasks ahead that informs an honest and robust estimate of implementation costs over the 2/3 years of delivery.

While some systems savings are expected year on year and additional benefits mentioned will be quantifiable in the longer term, a degree of investment is required to address current situation in a way that delivers the most added value.

Other LA's we have been in contact with have changed systems at least once over the last 20 years and have a less complex legacy set up compared to Sheffield. The programme feels this is the right resource to do this unavoidable task safely.

Based on lessons learned, not doing the process work at the same time will result in customer and workforce benefits falling short of what possible when a new IT system follows practice and culture closely.

Other options considered

This option approved by the PSR programme board is the most strategic in terms of offering the highest level of system and data consolidation, and the foundation for the efficiency benefits that will be captured during the model office process.

Due to the nature of the current systems landscape and opportunity to move to one or less systems, other options that take a less transformational approach and fall back to just replacing OHMS 'like for like' could cost more in the longer term from:

- Continued costs for systems we could consolidate.
- Cost to 'rewire' current integrations with systems that could be consolidated.
- Systems in the current landscape will also reach end of life over the next 2-5 years, requiring the same work to replace without the economy of scale in the project.

In addition to the above, other 'like for like' options **will not**:

- Achieve enablers and related benefits
- Achieve a single housing customer and asset dataset
- Ensure positive changes to practice and process through staff adoption in the model office.

Other options don't address the strategic issues and so in the long-term risk costing more while achieving much less.

Next Steps – Procurement

We are finalising all the requirements for the Housing and Neighbourhoods service and the research from the soft market test activity, we are ready to approach the market through a formal exercise to procure the system

Proposed Timeline

Subject to funding approval our broad timescales are:

Period	Activity
October 21 – February 22	Procurement
March 22	Milestone: Contract Award
April 22	Commence system build, migration model office, training activity.
April 23 - September 23	Phase 1 rollout completed (all core systems)
By April 24	Phase 2 complete (non-critical systems)

This page is intentionally left blank