Wiltshire Council
Where everybody matters

Simdell Replacement
Housing IT Management System

Business Case

Contents

1.   <u>Executive Summary</u>

The Simdell housing application was procured from Simdell Ltd (latterly Aareon UK Ltd), and was implemented in 1998. Simdell was a dedicated housing product designed to support business areas of:

- Rent accounting
- Rent arrears
- Responsive repairs
- Property sales/Right to buy
- Lettings/Void management
- Multimedia/Mail-merge

The Simdell application has reached the end of its useful life. The product design is outdated and is no longer available to new customers.

The outmoded design of Simdell does not enable the council to demonstrate that Wiltshire meets any of the Audit Commission's performance indicators. This key shortcoming was underlined when housing failed to be awarded any stars by the most recent Audit Commission inspection.

There is no upgrade path from Simdell to Aaeron's current housing product. Simdell is not a hierarchical database. It does not meet current technology standards, and fails to deliver open systems and web-enabled functionality.

The successful implementation of a new housing management system will enable Wiltshire Council to demonstrate that it exceeds many of the Audit Commission benchmark performance indicators. It will also allow housing staff to operate more effectively and to perform more responsively to changing requirements.

A modern housing management application would also align with Wiltshire Council's IT and IM strategies.

2. Project Objectives

2.1. Background

Wiltshire Council is responsible for social housing in the Salisbury district. The current stock comprises:

- 5,372 dwellings
- 1,250 garages
- 1,000 communal facilities (approx)

The housing management department is also responsible for the care and maintenance of leasehold land and flats within the Salisbury area. A medium to long term plan exists to build new council housing throughout the county. This will expand the housing stock.

The Salisbury area is the only part of Wiltshire Council with a retained housing stock. Social housing in other districts is provided by housing associations.

The performance of housing management is currently rated with a 'zero star' rating by the Audit Commission.

As a result of the Audit Commission report, housing management have developed an improvement plan which sets out a number of targets and areas for improvement. Key to the success of this improvement plan is the implementation of a modern housing management system, to support the service improvements and provide housing management staff with a high quality management and information system.

The current housing management system is 'Simdell', which was procured from Simdell Ltd (now Aareon UK Ltd), and was implemented in 1998. The design and structure of the system does not meet modern requirements in either information or technical requirements. Simdell is an uncustomisable flat-file application. It is no longer available on the market and has a user base of less than five local authorities.

In order to address Simdell's shortcomings, a number of workarounds and *ad hoc* Access databases have been developed in-house. These temporary solutions need to be brought in to line with corporate standards and support requirements. Simdell is hosted on its own hardware environment, which is unsustainable in the modern, virtualised server environment.

2.2. Requirements

Housing management require a new information system to replace the legacy Simdell application. Simdell does not meet or support the business needs, it will restrict the Council's ability to react to change and will not support service improvements in a proactive manner. The continued use of Simdell will also inhibit the business as it attempts to achieve top quartile performance, as laid out in the housing improvement plan.

3.   Options

A number of options have been considered by the housing management team. These are:

Option	Comment
1. Do nothing	The current system fails to deliver key 'business as usual' (BAU) functions The current system is no longer provided to new customers by the solution provider The user-base of Simdell users is shrinking The possible cessation of support for Simdell is likely **Summary**: Option 1 is unsustainable and would clearly fail the business.
2. Have Simdell developed to meet Wiltshire's needs	Aareon UK Ltd has confirmed that only user group funding for commissioned development will be considered. Wiltshire are unlikely to get the entire user group to fund system changes to benefit Wiltshire's needs Commissioning development work through the user group would be a costly option that would bring extremely lengthy lead times for delivery Integration of a developed version of Simdell with corporate applications would further complicate a complex task and would extend the testing process to other areas **Summary**: Option 2 is not a practical alternative. It would be an expensive route. Option 2 would not offer a future-proofed solution. It would fail to offer future growth and would not be able to support a changing service without a continuing development path
3. Develop an in-house solution	The lead-time to specify, design and build an in-house system that met all of the Housing requirements would be extraordinarily lengthy. In-house development time would be a significant factor, and a considerable drain on IT development. **Summary**: This would be a financially costly alternative that would take years to fully implement.
4. Procure a solution from an existing Housing system providers	This option would deliver a tried and tested Housing application that met Wiltshire's requirements in all of the key business areas. **Summary**: This option would give Wiltshire an off-the-shelf, fit for purpose housing management system, provided by experienced application providers, delivered to a fixed budget and timescale.

4.   Procurement Options

In the interests of looking for the most economical procurement model, the housing management team have considered two possible scenarios.

4.1. Procurement option with Poole Housing Partnership

Poole Housing Partnership (PHP) are in the early stages of considering a replacement housing management system. Wiltshire and PHP have had a number of discussions to share information on business, technical and system requirements. These include:

- Members of PHP attending a series of pre-procurement demonstrations at Bourne Hill, from various housing management system suppliers
- A Wiltshire council business analyst visiting PHP to help draft their requirements documentation

Although the requirements of Wiltshire and PHP are broadly similar, and could be brought closer together though some process re-engineering, the timescales of the two organisations do not converge. At this time, PHP are up to a year behind Wiltshire. Wiltshire's requirement has a higher degree of urgency driving it.

PHPs requirement, being broadly similar, could be accommodated in a shared system at a later stage.

A more practical approach would be for Wiltshire to implement a new housing management system in a more immediate timescale. Wiltshire staff could use the time to gain key skills in operating and administering the product. PHP could join the new system at a later stage, and benefit from the in-house expertise gained by Wiltshire staff. This would allow PHP to save money against the usual consultancy fees during product implementation.

Recommendation: That Wiltshire and PHP continue their dialogue through the procurement, planning and implementation phases, to enable PHP to migrate, at a later stage, to an external 'hosted' housing management solution provided by Wiltshire council, if so required.

4.2. Procurement methodology

Wiltshire council have two procurement methodologies to choose from. These are:
   a. Full OJEU tender, and
   b. Buying Solutions framework

There are a number of advantages and disadvantages to both options. These are set out below.

4.3. Full OJEU tender:

This is a comprehensive, open-to-all procurement method that begins with an invitation to tender advertisement being placed in European journals. Although this all-embracing approach could gain significant interest, the comprehensive nature of this approach means that a significant amount of time needs to be invested in managing the procurement pipeline and reducing the number of responses to a workable shortlist. Reducing the shortlist further to a single, chosen supplier would add further time to the process. Procuring a system through a full OJEU tender would extend the time of delivery in to two years before 'go live'.

4.4. Buying Solutions framework:

This is a streamlined procurement framework managed by the national partner for all UK public services purchasing and is part of the Efficiency and Reform Group within the Cabinet Office. Buying Solutions provides public sector organisations with a shortlist of pre-approved software providers grouped by area of business speciality. The pre-approved list of specialist suppliers does not include one supplier Wiltshire and PHP have seen demonstrated, but all others would be included. Procuring a system through the Buying Solutions framework would put the likely time to 'go live' in to 12-18 months.

Recommendation: That Wiltshire adopt the Buying Solutions framework for the procurement of the Simdell replacement product.

5. Costs

5.1. Estimated purchasing costs

Based on the software demonstrations that Wiltshire and PHP have received, and mindful of the full specification of requirements, it is likely that the purchase price for the Simdell replacement, including external consultancy costs, would be not more than £500,000.

5.2. Resource assessment

Internal resources for the delivery of this project will be drawn from housing staff, with additional support from corporate IT.

This project will be run by a project team which would deal with the day-to-day progress, risk and issue reporting, escalation and resolution, and task progress of the project plan. The project team is likely to meet at least weekly and will also manage communications within the council in general and within the user community in particular.

The project team will be overseen by a Governance and Oversight project board, to ensure that costs remain in line with the initial projections as set out in the Project Implementation Document (PID), and that risks and issues are contained, that benefits are managed and that the plan remains faithful to the scope and timescale.

The governance and oversight board is likely to meet monthly.

The proposed constitution of the governance and oversight board is:
- Project sponsor/Senior responsible officer
- Project manager
- Solution provider rep
- Wiltshire corporate IT rep
- Senior housing user
- Stakeholder

The proposed constitution of the project team is:
- Project manager
- Solution provider rep
- Wiltshire corporate IT rep
- Senior housing user
- Housing staff (reps drawn from multiple business areas/sections)

5.3. Costs
The full cost of procuring and implementing a replacement housing management system will be met by Housing Management from the ring-fenced housing revenue account

6. Timescales

The indicative timescales in this Pre-PID business case are for completion of the project within one year, as indicated in the following table:

Milestone / Stage	Start Date	End Date
Business Case	25/09/2010	01/10/2010
Tender Document		
Award Tender		
Test install and data transfer	01/07/2011	30/09/2010
Go live	01/10/2011	

7. Risk Assessment

No extraordinary risks apply in the delivery of this project. Security of information and data will be protected by strict adherence of Wiltshire's security policy. All aspects of the project will comply with Wiltshire's Health & Safety and Risk Awareness policy.

Daily project management and risk/issue reporting will identify known/unknown and potential problems, and report these to the project board for categorisation, prioritisation, logging and mitigation.

8. Success Measurement

Appropriate success measures for this project would include:
- The successful data transfer of existing data from Simdell
- The successful data transfer from interim third party applications and data sources
- The completed, successful roll-out of the new solution to all areas of housing
- A comprehensive range of reports produced by the new solution
- On-time, on-budget delivery of the project and, ultimately
- Achievement of top quartile performance as laid out in the housing improvement plan.

9. Summary and Recommendations

The successful delivery of a new housing management system will benefit corporate goals and opportunities as set out in the current housing business improvement plan. These include offering:

- A client- (applicant and/or tenant) based approach to housing management functions
- A single housing management system, as opposed to multiple systems, as currently utilised
- A higher level of proactivity in supporting business requirements, rather than reactive approach currently taken
- A more intuitive use of technology that reflects changing practices, not dated practices as dictated by legacy systems
- Contractors and staff being able to access services online – currently not an option in Simdell. Government guidelines recommend online solutions
- Raising housing management services to the current level of technology
- Reduce housing management costs through adopting a more agile, flexible method
- A high quality, low cost, customer focused services
- A more transparent decision making process to housing management officers.

This business case recommends that progress is made to deliver a procured solution from specialist application providers as outlined in Option 4.

10. <u>Governance and Oversight</u>

10.1. Project Team
As discussed in Para 4.1 (Resource Assessment), a project team will need to be convened. The function of this team is to combine a 'hands on' approach to driving the project forward, dealing with risks and issues, task planning and reviewing progress reports and RAG reports

10.2. Project Governance and Oversight Board
The governance and oversight board exists at a strategic level to ensure the project complies with its terms and conditions, matches the project plan, deals with risks and issues as escalated by the project team and ensures that the project stays within financial constraints. The chair of the governance and oversight board may be required to report to committee or sub-committee, on project progress, as requested.

The chair of the governance and oversight board for procurement projects of this size is usually a Head of Service/Director of Service.

11. <u>Document Control</u>

11.1. Revision History

Version	Summary of Changes	Status	Date published
1.0	First Draft	Draft	27th Sept 2010
2.0	Second Draft	Final Draft	30th Sept 2010
3.0	Third Draft	Final Draft	7th Oct 2010
4.0	4th Draft	Final Draft	13th Oct 2010
4.1	5th Draft to reflect updated content	Pending	14th Jan 2011
5.0	Previous draft edited to reflect draft costs	Pending	3rd Feb 2011

11.2. RACI

Issued To	Title	RACI
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12. <u>Document sign-off:</u>

Head of Service/Sponsor:		Date:	
Head of IT:		Date:	