Subject:	**Repairs Works Management IT System Procurement**
Date of Meeting:	1 July 2021
	23 June – Housing Committee
Report of:	**Executive Director Housing, Neighbourhoods & Communities**
Contact Officer Name:	**Vicky Hill** **Tel: 01273 293443**
Email:	**vicky.hill@brighton-hove.gov.uk**
Ward(s) affected:	**All**

FOR GENERAL RELEASE

1   PURPOSE OF REPORT AND POLICY CONTEXT

1.1   Brighton & Hove City Council (the Council) use the Mears Groups' IT system to support and deliver the Repairs & Maintenance (R&M) services to council tenants and leaseholders. This system has been in use since 2010.

1.2   The current contract set up in 2020 was made between the Council and Mears Group, when the service came in-house, 1 April 2020. Continued use of the Mears IT system was the only option to continue to deliver services.

1.3   The Mears IT system contract is for two years, 01 April 2020 to 31 March 2022 and has extensions options to take up on annual basis for a further three years ending 31 March 2025.

1.4   This report seeks approval for the procurement and award of a works management IT system contract for a period of 5 years, with an option to extend for a further 2 years.

2   RECOMMENDATIONS:

That the Housing Committee:

2.1   Grants delegated authority to the Executive Director - Housing, Neighbourhoods & Communities to:

(i)   Procure and award a contract for a new works management IT system for the councils' repairs and maintenance service with an initial term of five (5) years and the option to extend for up to a further two years;

(ii)   Grant the optional extension to the contract referred to in 2.1 (i) subject to the satisfactory performance of the contractor.

2.2   Recommends that Policy & Resources Committee approve the following:

(i)   An estimated budget of £397,596 for a contract for an asset management IT system, funded by Housing Revenue Account, is approved. This covers £10,500 in year 2021-22 and £387,096 in year 2022-23;

(ii)   An estimated budget of £488,347 for the project team to procure and implement an asset management IT system, funded by Housing Revenue Account, is approved. This covers £142,215 in year 2021-22 and £346,132 in year 2022-23.

3   CONTEXT/ BACKGROUND INFORMATION

3.1   A works management IT system's purpose is to manage end to end lifecycles of repairs. It allows users to monitor all aspects of a repair, such as; logging jobs, scheduling works, enabling workforce mobilisation for operatives, resources and performance management, monitoring of jobs till physical and financial completion, and has, quality assurance with full auditable breakdown of services costs.

3.2   The Mears Group works management IT system consists of separate IT systems that together form an IT platform to deliver the R&M services, as follows:

System	Function
MCM	Main overarching system
MCM View	Mobile working platform for all
Mears Appoint	Dynamic scheduler
ME3	Operatives mobile working
MEPOS	Materials supply chain - provides full merchant integration allowing electronic processing of financial activities e.g. purchase orders to invoices and payments.

3.3   A new works management IT system needs to interface into the council's IT platform of peripheral applications supporting daily housing services, as follows:

System	Function
Northgate, NPS Housing	Lead housing management database
Other Northgate, NPS Modules intrinsic to this procurement: • NPS Repairs • NPS Contractor Portal • NPS Planned Maintenance	To Council's system to raise all repairs The Council's contractor portal The Council's system for planned maintenance works
ICON	The Council's banking system
Civica Financials & Purchasing	The Council's financial system
IDOX and other systems (e.g. SharePoint)	The Council's document management system e.g. reports, certification.
Asset Management System	The Council's strategic and operational system for asset management.

3.4   The Council will take up one of the three yearly extensions to continue using the Mears IT system covering April 2022 to March 2023; as the Council is required to competitively test the market and follow a compliant procurement process.

3.5   The current contract with Mears is a bespoke interim arrangement and IT system set-up, as the Mears Group do not sell their IT system commercially on the open market. Consequently, it is highly unlikely the council can extend this contract beyond its 2025 expiry.

Procurement Approach

3.6   Procurement advice will be sought to ensure that the Council is compliant with both The Public Contracts Regulations 2015 and the council's CSOs as well as establishing a value for money solution to meet the Council's requirements for a works management IT system.

3.7   Procurement options being explored under the delegated authority for procurement of the works management IT system, are:

   (i)   Direct Award to Northgate Public Services (NPS) via the Crown Commercial Services DAS framework. This option allows for the new system to be implemented at the earliest opportunity, as no further tender or evaluation would be required.
   (ii)   Further competition via an existing framework agreement (where pre-qualification of providers has been completed by the framework provider to offer a quicker and more streamlined approach than an open tender). The suppliers on this framework includes most of the leading software providers, and some newer software providers. Suppliers on the framework enter a mini competition against our specification, to ascertain the most economically advantageous tender; and,
   (iii)   Open Tender (stand-alone tender) which would take the longest time to undertake and complete as the council would undertake pre-qualification and evaluation of all bidders.

3.9   The council have undertaken software market testing in which we have seen demonstrations from the leading software providers and newer emerging software providers in the market for a works management system.

3.10   The council have undertaken due diligence undertaking a value for money exercise of alternative software systems in the market, on various procurement frameworks that are available and suitable, and for a direct award.

3.11   A decision on the preferred procurement approach for the contract will be made once a full specification is developed.

3.12   If recommendations are approved, the following provisional timescales will apply:

   (i)   Summer - Autumn 2021   Procurement processes start
   (ii)   Autumn - Winter 2021/22   Contract awarded
   (iii)   Spring 2022   Contract mobilisation and pre-implementation
   (iv)   By end March 2023   Go-live with a new system

   The timescales may change slightly when a decision is made on which procurement route will be taken.

4   COMMUNITY ENGAGEMENT & CONSULTATION

4.1   This is not required as it is not a customer facing IT system.

5   CONCLUSION

5.1   The Council has a requirement to ensure that its systems and software are fit for purpose and that we can ensure that resident services are provided as effectively and efficiently as possible.

5.2   Procurement of a new system will lead to long term operational efficiencies, improve the customer experience, and make a significant contribution to service delivery that is fit for the future.

6   FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

6.1   Procurement of this new IT system will enable the service to procure a system which is fit for purpose and ensure value for money for the landlord service. The estimated costs of purchasing and implementing the new system is £397,596 for which budget approval is being sought at recommendation 2.2 to be met from HRA borrowing.

6.2   To enable the Council to implement a new works management system funding of the project team resources will be required, estimated at £488,347 over a two-year peroid, funded by Housing Revenue Account, is approved. This covers £142,215 in year 2021-22 and £346,132 in year 2022-23.

6.3   Funding is already built into the HRA revenue budget for the annual support and maintenance of the current system. Any additional budget requirements will be included as part of the 2023/24 budget setting process.

Finance Officer Consulted: Michael Bentley   Date: 10-02-2021

Legal Implications:

6.4   The authority of Policy & Resources Committee is required for matters with corporate budgetary implications, such as the award of a contract for a new Works Management IT system by the Council where it is proposed to use a proportion of HRA reserves. This report will be provided to Policy & Resources Committee.

6.5   The Council's Contract Standing Order 3, states that an Executive Director has unrestricted delegated power to agree to the Council entering into Contracts or joining existing Framework Agreements up to the sum of £500,000. Above this sum and before inviting expressions of interest from potential bidders, Council Employees must seek approval from the relevant Committee.

6.6.   The Councils Legal officers will advise on the process to ensure that the council complies with all relevant European and UK public procurement legislation as well as the Council's CSOs.

Lawyer Consulted: Barbara Hurwood   Date: 10-02-2021

Equalities Implications:

6.7   None arising from this report. An Equality Impact Assessment will be carried out to inform the specification for the new system.

Sustainability Implications:

6.8   Sustainability Implications:

None arising directly from this report.

Public Health Implications:

6.9   None arising directly from this report.

Crime & Disorder Implications:

6.10   None arising directly from this report.

Risk and Opportunity Management Implications:

6.11   None arising directly from this report.

Corporate / Citywide Implications:

6.12   None arising directly from this report.

SUPPORTING DOCUMENTATION

Appendices
None

Documents in Members' Rooms
None

Background Documents
None