

Name of decision maker:	Margaret Griffiths
Portfolio:	Housing
Date of Portfolio Holder Decision:	

Title of Decision:
 To agree amendments to the Portfolio Holder decision of 25th February 2008 relating to the provision of funding for a web-based Choice Based Letting Scheme from a specialist provider - Abritas.

Decision made and reasons:
 To agree the revised cost for the procurement of the Choice Based Lettings system, which includes the Housing Register and Enhanced Housing Options module together with the additional Homelessness module?

The amendments are in support of the need to update and improve other key functions within the Housing Options Service that operate closely in conjunction with CBL. The project is a key element to improving the efficiency and effectiveness in the delivery and management of the Housing Options and Homelessness Service in particular:

- Maximising staff efficiency and workflow tools;
- Effective and efficient processing of homelessness cases and housing applicants;
- Reducing the amount of time spent on statutory reporting;
- Highlighting bottlenecks in case processing;
- Improving financial monitoring and control – especially for rent deposit guarantees;
- Increasing the utilisation of temporary accommodation units.
- Enable staff to access case files from remote working.

Reports considered:

- Portfolio Holder decision of 25 February 2008 with background report
- Specialist Provider's Report with costs - Abritas
- CLG guidance report (January 2007)
- Financial Regulations
- Procurement Standing Orders (A6 & Section E Tendering Exceptions)

Officers/Councillors/Ward Councillors/Stakeholders Consulted:
 Andrew Reynolds – Interim Housing Programme Manager
 Ben Hosier – Group Manager Procurement
 Steve Baker – Senior Finance Officer

Monitoring Officer/Chief Financial Officer Comments:

Monitoring Officer

No further comments to add to this report.

Chief Financial Officer

The Capital Strategy Steering Group has approved the additional capital provision.

The revenue cost will be met from within the current budget for advertising costs but as this is a lower cost than current budget provision of £35,000, this will release resources of £45k over three years as recent spend on this budget has been below budget.

Options Considered and reasons for rejection:

The council could decide not to proceed with the introduction of the additional modules that support an enhanced web-based system and continue with procurement of a new CBL system. However, this will fail to deliver the full efficiencies and cost savings required as part of the restructure and limit any real service improvements.

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

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Date Decision Record Sheet received from portfolio holder: 22 October 2010

Date Decision Published: 25 October 2010 Decision No: PH/061/10

Date of Expiry of Call-In Period: 1 November 2010

Date any Call-In received or decision implemented:

BACKGROUND

The restructure of the Housing Options Service marks a fresh approach to providing housing options in Dacorum. It will provide the necessary framework and impetus for effective partnership working and the delivery of efficiently managed and co-ordinated advice, access to housing, housing and support services for people who are homeless or at risk of becoming homeless.

With its emphasis on partnership working and early intervention, the plan will continue to seek to reduce people's reliance on the homelessness legislation and social housing to meet their housing need. The team are committed to working even more closely with private landlords, developing and promoting a range of affordable housing options, and providing people with the advice, encouragement and opportunity to access training, education and employment, and to have more of a say in the services they receive.

The unforeseen delay, due to the Housing Futures Programme and staff changes, in procuring the CBL system has resulted in the need to seek a revised quote. Whilst the case was made to procure a new Choice Based Lettings system and Housing Register, at the time no consideration was given

other opportunities to deliver greater efficiencies across the Housing Options Service.

An analysis of the current operating systems have identified a range of weaknesses with performance and case management, staff using three different systems for homelessness record keeping and the potential for errors being made.

Abritas has developed a specific module for managing Homelessness Services that operates with the CBL system. The opportunity to include the procurement of this module will achieve an overall saving of £6,400 than if the Council were to purchase at a later date. Abritas has also advised that there will be no increase in the annual maintenance cost if we undertake a single procurement process.

Exceptions to Procurement Standing Orders and Section E – Tendering Exceptions. This states 'where corporate procurement contracts already awarded by other public sector bodies can be used by the council provided such use is permitted by that terms and conditions and subject to the approval of the Senior Manager for Corporate Procurement'. Such contract has been awarded to Abritas by the Northern Housing Consortium through the Consortium Procurement whose members carried out an 'Open' procedure through the Official Journal of the European Union (OJEU). By appointing Abritas as the preferred supplier, the partnership offers discount on the overall cost of approximately 10%. Abritas has been established since 2000 and implemented choice based letting system for over 75 local authorities.

Abritas – Initial Costs Stand alone Implementation of CBL & Housing Register

In summary the costs are:

Choice Based Lettings module and Housing Register Module - £41,500

Enhanced Housing Options Plug-in - £7,000

Homelessness Module - £17,400

Total - £65,900

Capital Programme approved sum is £66,000

Operating cost is £17,585. The current budget provision of £35,000 will cover the operating cost and realise an ongoing annual saving from 2011/12

Assuming a 3 year contract the cost comparison between the original quote and the revised quote is:

Original

3 Year Contract - £48,707 plus 3 x £10,500 (based on operating costs remaining constant) = £80,207

Revised

3 Year Contract - £65,900 plus 3 x £17,585 (based on operating costs remaining constant) = £118,655

The Capital Strategy Steering Group has approved the additional capital provision.

The revenue cost will be met from within the current but as this is a lower cost than current budget provision of £35,000, then this will deliver an actual cash saving over the three years of £45,000 (assuming a £15,000 saving each year).