



**Committee: Prosperous
Communities Committee**

Date: 5th December 2017

Subject: Home Choices IT System and Revised Housing Allocations Policy

Report by:

Chief Operating Officer

Contact Officer:

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Purpose / Summary:

To enable the successful transition to the Homelessness Reduction Act (2017) and make necessary improvements to the Home Choices Service this report:

- Requests approval for WLDC to exit the existing Central Lincolnshire Housing Allocations partnership (Lincs Homefinder) and;
- Progress the procurement of a new IT system as a single organisation
- Requests approval of the revised Housing Allocations Policy

RECOMMENDATION(S):

Members of Prosperous Communities Committee are asked to approve the following recommendations:

1. Approval for WLDC to exit the existing Central Lincolnshire Housing Allocations partnership (Lincs Homefinder) and;
2. Progress the procurement of a new IT system as a single organisation. (The approval

for release of the capital budget was approved by CP&R on 21 September 2017)

3. Approval of the revised Housing Allocations Policy, with delegated authority given to the Chief Operating Officer in consultation with the Chair of Prosperous Communities Committee to make minor changes to the policy as a result of consultation

IMPLICATIONS

Legal: Without an effective IT system, officers are unable to manage the Council's:

- Housing register including the assessment of housing need and allocation of housing
- Statutory homelessness function
- Homelessness prevention duties
- Temporary accommodation duties

The current IT system is ineffective, unstable and not for purpose. The Homelessness Reduction Act (2017) is due to be implemented by Local Authorities from 3rd April 2018.

The Act brings with it significant new duties. The current IT system is unable to fulfil these requirements.

Financial: FIN/107/18

There are no implications in relation to the Strategy and Allocations Policy however, it is necessary to procure a replacement IT system to meet the requirements of the Home Choices Service. On 21 September 2017 Corporate Policy & Resources Committee approved a capital budget and expenditure to enable the procurement of a replacement housing register and homelessness IT system, funded from the Business Improvement Earmarked Reserve.

The ongoing costs of system maintenance and support will be contained within existing budgets.

The target implementation date is March 2018.

Staffing: Project management requirements will be met through both the existing service and resource agreed by CP&R. A service matter expert has been identified from within the Home Choices service to oversee the operational delivery of this programme of work.

Equality and Diversity including Human Rights: None arising from this report

Risk Assessment: Key risks of not replacing the IT system and procuring an alternative system as a single organisation are:

- Legal – unable to fulfil legal and statutory requirements
- Service delivery
- Staff wellbeing
- Customer needs will not be met
- Performance management will not be managed
- Unable to complete robust and complex Government returns in respect of homelessness prevention
- Financial – service performance will be directly linked to future homelessness prevention performance. The absence of a fit for purpose system creates a significant risk
- Unable to provide assurance that WLDC requirements could be met and sufficient due diligence is in place to progress a partnership offer from the existing ‘Lincs Homefinder’ partnership
- Unable to fulfil WLDC’s digital and customer centric ambitions or enable the level of customer service and system integration to which we aspire as part of the existing partnership arrangement
- An offer from the existing partnership (with a specific and preferred IT provider identified by CoLC and NKDC) to share an IT system does not deliver any financial benefits

The current system issues and risks are set out in the Corporate Risk Register. This risk has been assessed as high.

An audit of the existing system and partnership was carried out in 2016 and received limited assurance. It has not been possible to complete the system specific audit recommendations despite a significant amount of work to try to do so.

Climate Related Risks and Opportunities: Not applicable

Title and Location of any Background Papers used in the preparation of this report:

Link: [Minutes of CP&R Committee 21/9/17](#)

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in

Yes

No

x

consultation with chairman)

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Background

1.1 As part of its Home Choices Service the Council delivers the following functions:

- Housing Register and Housing Allocations – using a Choice Based Letting Model
- Homelessness Prevention
- Statutory Homelessness Duty
- Statutory Temporary Accommodation Duty

1.2 As at September 2017 the Council has 880 households on its Housing Register. During 2016/17 there were 1779 new approaches to the service with 672 housing register applications completed and 405 households accessing social housing directly from the Housing Register during this period. The Council prevented 369 households from becoming homeless during 2016/17.

1.3 With the introduction of the Homelessness Reduction Act (HRA) 2017 demand is expected to increase considerably and the Council is placing significant emphasis on preventing and relieving homelessness

1.4 Since 2013, the Home Choices Service has operated an IT system through a shared partnership system provided by Civica. The current partnership comprises City of Lincoln Council, North Kesteven District Council, West Lindsey District Council and Acis Group Limited.

2 IT System and Central Lincolnshire Partnership

2.1 Due to ongoing concerns and challenges in respect of the stability and effectiveness of the existing IT system and the partnership arrangements, the Home Choices Services requested an audit of the IT system and partnership in 2016. This was completed in April 2016, and received limited assurance.

2.1.1 The audit validated the concerns raised by the service and made a number of recommendations. Significant steps have been taken to make improvements in line with the audit recommendations, however despite best efforts, the IT system and partnership arrangements are still not fit for purpose and are creating significant risks for West Lindsey District Council.

2.1.2 A follow up audit has been carried out within which these concerns were further expressed and the Council's limited ability to facilitate change without a new system and significant changes to the partnership were acknowledged.

2.2 The poor stability and function of the existing system has created low staff morale, unnecessary duplication of work, costs that have not achieved the changes and efficiencies expected (including a £10,000 financial contribution to a failed system upgrade in 2016), customer complaints and reputational risks and difficulties in

managing and reporting on performance.

2.2.1 This risk is further exacerbated due to a significant change to the homelessness legislation (introduction of the Homelessness Reduction Act 2017) which places significant new duties on Local Authorities in respect of preventing and relieving homelessness. **The current IT system is not able to deliver these requirements.**

2.3 Both City of Lincoln Council and North Kesteven District Council have taken the decision to enter into a contract with a software company called Abritas (a company recently acquired by the current software provider, Civica) through a direct award.

2.4 As members of the current partnership, West Lindsey District Council has been asked to pay 1/3 of these costs. However, officers have expressed significant concern about this and specifically, that we cannot assure members of the following key requirements:

- It has been developed through a genuine partnership approach, taking account of each partners requirements and demonstrating the value to each partner and assurance that the proposals could fulfil those expectations
- The costs are clear, demonstrate value for money and genuinely reflect the requirements of each member within the partnership
- It has been acquired through appropriate procurement processes
- The relationship management with the software provider is robust and effective

2.5 WLDC's Director of Resources has been actively engaged in ongoing discussions with the existing partnership. A satisfactory solution that meets our aspirations and requirements whilst also addressing the risk concerns has not been reached.

2.6 It is also important to place this situation within the context of WLDC's aspirations in respect of 'Customer First' and Digital Transformation. This cannot be readily achieved within the existing partnership arrangements. Both NKDC and CoLC are aware of this position.

2.7 Through ongoing dialogue with WLDC, Acis Group have taken the decision to step away from the partnership, instead allowing for a specific partnership agreement to be developed between WLDC and Acis Group in respect of nominations and allocations.

2.8 Officers from WLDC Housing and IT teams have worked closely to develop a set of requirements for a new IT system, leading to the development of a clear system specification. This has been supported by the Councils Customer First Lead to ensure alignment with the Customer First programme.

2.9 The new provision requirements include:

- *Housing Register Advice, Homelessness Prevention, and use of Temporary Accommodation and be a Housing Assessment Tool for the Council's residents.*
- *The system will enable the Councils full compliance with its obligations through its Housing Allocations Policy.*
- *The system will be compliant with the relevant Housing and Homelessness Legislation and specifically, fulfil; the new requirements set out in the Homelessness Reduction Act 2017 (HRA 2017).*
- *It should have built in capability to provide Management Information in the form of data and reports for internal use and to ensure robust and timely completion of relevant Government Returns.*
- *Supply of this system, its user training, its successful launch and ongoing support*

2.10 Officers have carried out soft market testing to understand the market and alternative options available to us and the costs associated with an alternative system. This guided the request for capital monies in a report to Corporate Policy and Resources Committee on 21 September 2017.

2.11 Officers have worked closely with Procurement Lincolnshire in respect of the options available to us to procure an alternative system.

2.12 Officers are recommending to members of Prosperous Communities Committee that West Lindsey District Council exits the current partnership and pursues the procurement of an alternative IT system to allow for successful transition and implementation by March 2018.

2.13 A transition plan has been developed and will be delivered by the service.

2.14 Project Governance will be provided as part of the relevant Programme Board

2.15 The move to a new, fit for purpose IT system is reflected within the Councils proposed Housing Strategy.

3 Housing Allocations Policy

3.1 The Council is required to have a Housing Allocations Policy (Housing Act 1996, as amended by the Homelessness Act 2012 and Localism Act 2011).

3.2 It sets out the framework within which the council operates in the assessment of housing need on the common housing register and the letting of social rented properties within the District.

3.3 The main objectives of the Policy are to:

- Provide a fair, open and accountable framework in which everyone has equality of access when seeking an affordable home
- Prevent homelessness and reduce the use of temporary accommodation
- Assist applicants in the greatest housing needs, whilst ensuring the best use of limited housing resources and that balanced and stable communities are maintained
- Ensure quality and accessible advice and assistance about the scheme is freely available, to ensure applicant understand and can participate
- Take account of the relevant legislation and statutory guidance
- Have due regard to the Lincolnshire Homelessness strategy

3.4 The Council currently operates a shared policy with the other Lincs Homefinder members.

3.4.1 The policy has been reviewed and amended to incorporate key legislative changes and to reflect the proposal to seek approval to operate as a single partner from 3rd April 2018.

3.5 The draft Housing Allocations Policy is attached at **Appendix A**.

3.6 The revisions to the policy have been reviewed by Lincs legal to ensure it is legally compliant. As a result of the legal advice a minor amendment has been made.

3.7 All policy changes are detailed within **Appendix B**.

3.8 A six week consultation period on the revised policy is required. Subject to approval by Prosperous Communities Committee, the consultation period will begin on 6th December, supported by a communications plan. WLDC's Communications Team is actively working with the service.

3.8.1 Delegated authority to the Chief Operating Officer in consultation with the Chair of Prosperous Communities Committee to make minor changes to the policy as a result of consultation is requested.

3.8.2 Officers do not anticipate any significant changes to the policy as a result of consultation. This is due to the legal approval and alignment with the Housing Act, and also because the policy review itself does not create any significant changes to the way in which the Council operates this function. The exception to this is the exit from the existing partnership arrangements, however this will be managed through an effective communications plan.

3.8.3 Any significant issues arising from the consultation will be discussed with the Chair of Prosperous Communities Committee to seek advice on the need to bring a further report to Committee.

End of Report

Appendices
Appendix A: WLDC Housing Allocations Policy 2017 (Draft)
Appendix B: Policy Changes