

NOTTINGHAM CITY HOMES

HOUSING MANAGEMENT SERVICES COMMITTEE

REPORT OF THE HOUSING REGISTRATION AND ALLOCATIONS MANAGER

17 AUGUST 2010

UPDATE REPORT – ALLOCATIONS SERVICE

1 SUMMARY

- 1.1 The purpose of this report is to update members of the Housing Management Services Committee on:-the following Allocations projects:-
- Allocations Policy Review
 - CBL IT Re-implementation
 - Related Parties – (procedures and company standing orders)

2 RECOMMENDATIONS

It is recommended that the Housing Management Services Committee note the updates.

3 BACKGROUND

- 3.1 A report was presented to the Housing Management Services Committee in November 2009 with regard to the Allocation Policy Review and the Re-implementation of the Choice Based Lettings and Allocations IT systems
- 3.2 A further report was presented to Housing Management Services Committee in June 2010 updating on progress with the Allocations Policy review.
- 3.3 The report presented in June 2010 also advised Committee on issues which had arisen with regard to the Related Party Process.
- 3.4 Housing Service Management Committee approved amendments to the related party procedure as follows:
- The cessation of the practice of including non-housing Nottingham City Council employees and their relatives within the related party procedure
 - To include garage tenancies within the related party procedure
- 3.5 Housing Services Management Committee also agreed to recommend amendments to the Company standing orders to the Board as follows:-
- The officers delegated to approve offers to staff members be amended to Director and Assistant Director, Housing Services

- To include only Nottingham City Council staff who work in housing, i.e. housing strategy regeneration and Housing Aid

3.6 This report gives further updates on all three projects.

4.0 REPORT

4.1 Allocations Policy Review

4.1.1 On 13 July 2010 a meeting was held between Gill Moy, Director of Housing, Sue Lomax, Housing Registration and Allocations Manager, senior NCC officers and Councillors Collins and Chapman, Leader and Deputy Leader of the Council and Councillor Liversidge, Portfolio Holder for Housing. Officers from legal services were also in attendance.

4.1.2 The purpose of the meeting was to discuss and address concerns raised by the Elected members with regard to the proposed Allocations Policy, and to advise with regard to the amendments made to the policy in order to comply with the statutory requirements of the Housing Act 1996.

4.1.3 Subsequent to the meeting, agreement was given to proceed with the recommended amendments and to request formal approval at the next NCC Executive Board.

4.1.4 Councillor Liversidge will support the recommended amendments when NCC Executive Board meets on 21 September 2010. The draft policy is attached at Appendix 1.

4.1.5 Preparation for the new policy is now underway and subject to formal approval being received in September, it is envisaged that the policy will be effective from 31 January 2011.

4.2 CBL IT re-implementation

4.2.1 In January 2010, whilst continuing with improvements to the present CBL IT systems, concerns were raised with regard to the lack of development of the CBL module currently being provided by Northgate, at a time when other providers were developing their systems to be much more customer focused and efficient.

4.2.2 In addition concerns were raised about the ability of the Northgate CBL and Allocations IT to incorporate the rules of the proposed new Allocations Policy and to provide a quality, system which would address all the previously raised efficiency concerns.

4.2.3 The project board therefore commissioned market testing of other CBL IT system functionality and for a comparison to be made with the current Northgate system.

4.2.4 Results of the market testing and comparison identified that the

Northgate CBL system was currently not fit for both the present and future requirements of NCH:--

- It lacks many of the standard features within alternative products;
- Its architecture structure is very complex, making it time consuming to develop and maintain;
- It would take a considerable amount of time and cost to develop equivalent features and functionality found in other systems.

4.2.5 A recommendation was therefore made to the project board to carry out a full options appraisal of procuring an alternative CBL system using a Invitation to Tender approach.

4.2.6 Procurement of an alternative system was agreed, using the open tender approach rather than invitation to tender approach on the advice of the Director of Finance.

4.2.7 The procurement exercise has now been completed as a result of which a preferred supplier (Locata Housing Systems) has been selected. Contracts are currently being drawn up and will be signed within the next 2 weeks.

4.2.8 The new contract value is £222,193 (including 5 year support and maintenance costs).

4.2.9 Key benefits of the new IT system are:

- Improved customer service
 - quicker registration and improved visibility of applicants' registration details
 - easier bidding mechanisms for customers and improved visibility of bid progress
 - On-line renewals and change of circumstances
- Increased efficiency
 - fewer manual processes
 - quicker to use for data entry and retrieval
 - less checking because data is more reliable
 - better alignment of application form and system screens
 - reduction in number of incorrect bids and offers
 - reduction in void loss, void turnover time and rent loss.
- Improved ability to demonstrate fairness and transparency
 - easier to prove we are following the rules of the allocations policy
 - improved audit trails down to individual level
 - more automation to implement policy without staff having to choose between applicants
- Long Term Cost Benefits
 - When the system is fully integrated, the cashable costs benefits are estimated at approximately £112,000 p.a. and the non-cashable benefits at approximately £234,000 p.a.

4.2.10 Work is underway to prepare for the build of the new system. A high level project plan is attached at Appendix 2. The detailed project plan will

be drawn up at the initial project scoping meeting on 9 August. A target date for implementation has been set in line with the implementation of the revised Allocation Policy for 31 January 2010

4.3 Related Parties

4.3.1 The recommendations to amend the standing orders made by Housing Management Services Committee on 21 June 2010, were presented to and approved by NCH Board on 29 July 2010

4.3.2 NCC non-housing staff and their relatives are no longer included in the high level scrutiny process.

4.3.3 The related parties' procedures have been updated accordingly.

5 OTHER OPTIONS

5.1 This is an update report only.

6 FINANCIAL & RISK IMPLICATIONS

6.1 There is a financial risk to the Company if the policy is not approved in September, as the new IT system build is informed by the rules of the new policy as currently drafted. If the policy does not go ahead or is amended additional costs will be incurred.

6.2 Costs incurred as a result of the CBL re-implementation project will subsequently result in savings in the future, and therefore this is in line with the "invest to save" strategy.

6.3 NCH is negotiating with the City with regard to costs which will be incurred to implement the revised policy.

6.4 Approval of the recommendations with regard to related parties minimises additional void time and rent loss.

7 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES

7.1 The improvements to our service delivery, as a result of the Allocations policy review, will help us to achieve excellent services

7.2 Ensuring that the Allocations Service is fair and transparent and that no application is given an unfair advantage over another is paramount to the Company values.

8 VALUE FOR MONEY & EFFICIENCY ISSUES

8.1 The CBL re-implementation project will achieve cost and staffing resource efficiencies for the Allocations Service

8.1 The amendments to related parties procedures and standing orders will also achieve staffing resource efficiencies in addition to the savings in rent loss and void time.

9 EQUALITY & DIVERSITY IMPLICATIONS

9.1 The revised allocation policy is simpler to understand, open and transparent and the amendments have taken into account the diverse needs of our customers

9.2 The related party process must be in place in order to ensure that no applicant is given an unfair advantage to another applicant on the housing register.

10 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

10.1 Housing Services Management Services Committee report 17 November 2009, Item 8
Housing Services Management Services Committee report 21 June 2010 Item 11
NCH Company Standing Orders
Draft Allocations Policy

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