

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

5109

Author:

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Department:

Growth and City Development

Contact:

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Subject:

One year Support and Enterprise License contract for NEC Housing system.

Total Value:

£358,048 (Type: Revenue)

Decision Being Taken:

1.
To approve the spend of up to £ 358,048 on the direct award of a call-off contract to NEC Software Solutions UK Ltd for 12 months from 01.04.2024 under the CCS (Crown Commercial Services) Vertical Applications Solutions framework agreement RM6259 - Lot 3 (Environment and Planning).
2.
To delegate authority to the Corporate Director of Growth and City Development to award and enter into the proposed call off contract.
3.
To note Spend Control Board approval ref 7448 has been obtained for the above purposes.

Reasons for the Decision(s) *The NEC Housing system is the central, strategic system used within NCC Housing Services and holds the information for all tenants, tenancies, property assets, property repairs and tenant communications.*

The current contracts with NEC for the license and support for this system expires on 31st March 2024. If nothing is done, NCC will not be able to be use this system after this date which would severely impact the Operational ability of all areas of Housing Services. The current cover is provided by six separate contracts, entered into at various points between 2019 and 2023. Each one of these covers separate modules of the NEC Housing system.

A one-year contract has been negotiated with NEC which provides cover to 31st March 2025. It is recommended that this extension is secured before the termination of the current contract. This will allow for the existing system to continue to support the needs of the Service Area. Additionally, during the year that this contract covers, a review of the system against the business requirements in Housing Services will be carried out, and benchmarked with the solutions provided from other system providers. This will allow a further contract to be entered into. The budget is available from the NCC Housing Revenue Account (HRA), and this system supports Housing Services.

Other Options Considered: **Not renewing the contract is not an option due to the need to be able to have an operational system to support the business needs of Housing Services. Although one of the existing contracts (which covers support) is permitted to be extended in its own right (as it is a five year contract with the option to extend for up to a further 2 years), progressing down this route would not cover aspects from the other contracts, hence the desire to have everything under one contract from the framework.**

Background Papers: **N/A**

Published Works: **N/A**

Affected Wards: **Citywide**

Colleague / Councillor Interests: **None**

Any Information Exempt from publication:

Yes

Exempt Information:

Description of what is exempt:

Financial Breakdown

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The public interest in maintaining the exemption outweighs the public interest in disclosing the information because it contains details negotiated specifically for Nottingham City Council and disclosure of these details may lead to less favourable terms in future negotiations.

Documents exempt from publication:

NECHousingContractExtension_March2024_v3.docx

Consultations:

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

No crime and disorder implications have been identified

Equality:

EIA not required. Reasons: EIA not required. Reasons: No change to policy or procedure

Social Value Considerations:

Value not above EU threshold

Any implications affecting IT:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:	28/03/2024
Advice Sought:	Legal, Finance, Procurement, IT, Other: David Worthington(david.worthington@nottinghamcity.gov.uk)
Legal Advice:	Please see the attached note. Advice provided by Richard Bines (Solicitor) on 20/03/2024.
	Advice documents: Legal Comments - direct award of a contract under the CCS Framework RM6259.docx
Finance Advice:	<p>The recommendation is to approve a one-year extension to the current contract with NEC (formerly Northgate) to provide the strategic housing management system. This is a key management system which provides essential information in respect of tenants, repairs, rents and service charges.</p> <p>During the extension period a full review will be undertaken to assess the future statutory and regulatory information required by tenants and the Regulator of Social Housing. It is envisaged that once the review is complete and alternative systems evaluated a new long-term contract will be entered into with the successful provider.</p> <p>The revenue cost of maintaining the housing management system including licence fees and technical support is financed from the HRA. There is currently sufficient budgetary provision in the HRA to meet the full cost of the one-year extension.</p> <p>Finance comments provided by David Worthington HRA Accountant - 14 March 2024 Advice provided by Nancy Barnard (Governance Manager) on 20/03/2024.</p>
Procurement Advice:	<p>Procurement of a new NEC Housing contract will be done so via a complaint route to market calling-off the CCS VAS Framework (RM6259) via direct award. Direct award is permissible under the Framework as long as the organisations requirements can be met against the offer on the e-Marketplace and best value can be demonstrated. Entering into a new 1-year contract with NEC is the most economic and efficient option to maintain BAU and not have the costs incurred by change. It is also in keeping with the CPRs. Procurement will undertake all the necessary steps to ensure the process is followed compliantly and due diligence is undertaken on the preferred supplier. I have no procurement concerns.</p> <p>Going forward it is the intention to develop a strategy on how to secure a longer term contract from April 2025. Advice provided by Louise Dobson (Lead Procurement Officer) A on 20/03/2024.</p>
Other Advice:	Comments provided above

IT Advice:

The IT Service support the proposal made in this delegated decision.

The NEC Housing system is an established product using known technologies and running on a supported technical platform. Continuing with the operation of the existing system does not incur the cost and risk of change and maintains a stable system to support service delivery.

Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 11/03/2024.

Signatures

Jay Hayes (Portfolio Holder for Housing)
SIGNED and Dated: 21/03/2024
Sajeeda Rose (Corporate Director of Growth & City Development)
SIGNED and Dated: 21/03/2024