

Notice of Non-Key Executive Decision

Subject Heading:	Keystone Asset Management and Sava Intelligent Energy contract
Decision Maker:	Patrick Odling-Smee, Director of Living Well
Cabinet Member:	Councillor Paul Middleton, Cabinet Member for Digital, Transformation and Customer Services
ELT Lead:	Patrick Odling-Smee, Director of Living Well
Report Author and contact details:	Maria Biles, Housing Systems Manager
Policy context:	This contract supports Havering Council to meet its priorities set down in the Corporate Plan 2024-2027 for enabling a resident-focussed and resilient council.
Financial summary:	The total cost of Licence, Maintenance and Support of the Civica Keystone Asset Management and Sava Intelligent Energy modules for two years of £190,130 to be funded from existing budget. The contract will commence in contract commencing in April 2025.
Relevant Overview & Scrutiny Sub Committee:	Place
Is this decision exempt from being called-in?	<i>The decision will be exempt from call in as it is a Non key Decision</i>

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The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy X

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

For the reasons detailed in this report, the Director of Living Well is recommended to award the contract to Civica UK Ltd for Keystone Asset Management and Sava Intelligent Energy Software Licence (including Maintenance and support services) at the value of £190,130 for a two-year period commencing on April 1st 2025. Civica UK has provided software services for Asset Management for the London Borough (LB) of Havering housing stock since the implementation of the Open Housing management system in 2018.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

3.3.3 Scheme – Powers common to all Strategic Directors

4. Contracts

4. 2. To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions.)

STATEMENT OF THE REASONS FOR THE DECISION

The London Borough of Havering Housing Services is committed to delivering a high-quality service to all its residents. At the heart of its commitment is the quality of the housing provision, with an emphasis on the health and safety of its residents. It is essential that all responsible landlords are rigorous in ensuring that they meet the regulatory compliance standards for all housing stock.

In order to meet its rigorous standards for compliance, LB Havering housing services have procured long-standing contracts with Civica UK Ltd to manage the council stock. The Civica Keystone Asset Management system has been implemented to record and manage Compliance records for Electrical safety checks, annual gas inspections, asbestos surveys, fire risk assessments, legionella and lightning protection. In recent years, the Keystone database has been developed beyond recording the servicing cycles and compliance documentation, to processing the workflows for the servicing cycles and extracting the servicing dates to the contractors.

In addition, the Sava Intelligent Energy Standard has also been procured from Civica UK Ltd. This new module has the functionality to provide LB Havering with the energy performance of the entire housing stock and can provide detailed analysis for

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improvement planning for reducing energy and carbon in housing. Sava Intelligent Energy Standard has been used for analysis by the Asset management team since December 2022. The contract with Civica Keystone UK will incorporate the Sava Intelligent Energy module with the other Keystone Asset Management modules in to one single contract with the same renewal dates to ensure seamless provision of excellent housing compliance standards.

When Open Housing was implemented as the new housing management system in June 2018, the decision was made to retain Keystone Asset Management system as its application was deemed the market-leader at the time for asset management. As a result, Open Housing was implemented to integrate with the Keystone Asset Management System, and the two systems have worked side by side for seven years.

The rationale for consolidating the Asset Management and Sava Energy modules into a 2-year contract will ensure continuity for the housing services and Compliance to regulatory health and safety standards until the new housing management system is implemented.

OTHER OPTIONS CONSIDERED AND REJECTED

The other options considered were:

1. Not to make a contract for the Keystone Asset Management System.

The consequences of this would mean that the Housing Services would not have any automated, property asset software to support its asset management operations, and the service would return to a largely paper based, manual processes.

2. To commence a procurement process to replace Keystone.

A procurement process is already under way to replace Open Housing and Keystone, estimated completion Spring 2027. The requirements are for a single housing management system that replaces all existing systems. As a result, it is not financially viable to look for a short-term replacement for Keystone Asset Management when we are planning for the existing systems to be migrated in 2027 as part of the new housing management system implementation.

Civica Keystone has been developed over the years in line with new legislative and regulatory requirements for Compliance and Asset management. Further developments in the last three years to improve automation of servicing cycles to Contractors and import Compliance documentation has ensured that Compliance and servicing has become more efficient and business and resident-friendly. For example, the integration of tenant, property and servicing data from Open Housing or Keystone to Contractors' databases has enabled residents to reschedule and cancel servicing appointments and has reduced missed appointments.

The rationale for awarding the two year combined contract would be to ensure that the

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Council continues to provide this service without interruption. It would be expensive and counter-intuitive to consider procuring an alternative asset management supplier when the system we have is fit-for-purpose and the implementation of a new system at this stage would be costly both in terms of finance and resources without the assurance of the same quality of provision.

PRE-DECISION CONSULTATION

There has been engagement with the Director of Living Well, Asset Management Team and Housing Compliance Team.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Maria Biles

Designation: Housing Systems Manager

Signature: M.Biles

Date: 27th March 2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council requires appropriate software for management systems for its employees to carry out its functions. The Council is making a decision to make a contract for software for that purpose.

The Council has the power to make a contract for this software through section 111 of the Local Government Act 1972, which allows the Council to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions, or through its general power of competence in section 1 of the Localism Act 2011 to do anything an individual can do subject to certain limitations. None of the limitations apply to this decision.

The contract value is below the applicable public procurement threshold for services contracts stipulated in the Procurement Act 2023 (PA) of £214,904. Therefore, the contract will not be subject to the full PA regime.

For the reasons set out above, the Council can make the contract.

FINANCIAL IMPLICATIONS AND RISKS

This report is seeking approval from Strategic Director of Resources to award a two-year contract to Civica UK Ltd for the Keystone Asset Management and Sava Intelligent Energy Software Licence (including Maintenance and Support services), commencing on 1st April 2025. The total cost of the contract is £190,130.00 for the two-year period. The cost of the contract will be met from within existing revenue budget within the service.

The contract ensures continuity and integration of asset management and compliance services for LB Havering housing stock. It consolidates the Keystone Asset Management and Sava Intelligent Energy modules into a single agreement, streamlining processes and enhancing service delivery until the new housing management system is in place.

Civica UK Ltd.'s performance will be monitored through the Keystone Asset Management system, ensuring compliance with housing asset management standards. Customized workflows extract servicing data for electrical and gas safety, monitored internally and by third-party contractors.

An optional contract extension with Keystone provides flexibility in case of delays in procuring the new housing management system. While not approving the contract could save costs, it may cause disruption and impact operational efficiency. Approval is crucial to maintaining high standards in housing services and regulatory compliance.

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HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable human resources risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

- (i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this is not required.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are not equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

None

BACKGROUND PAPERS

None

APPENDICES

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed

A handwritten signature in black ink, reading "Patrick Odling-Smee". The signature is written in a cursive style with a trailing flourish.

Name: Patrick Odling-Smee

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 07/05/25

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

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