

Cabinet

Report Title	Integrated Housing Management System (IHMS) procurement - programme update
Date of Meeting	Wednesday, 11 March 2026
Report Author	Mike Jones, Monitoring Officer & Service Director - Governance Alan Lunt, Executive Director – Place
Lead Officer	Alan Lunt, Executive Director - Place
Lead Cabinet Member(s)	Cabinet Member for Housing & Planning
Why is this a key decision?	To be significant in terms of its effect on communities living or working in an area comprising two or more wards of the Borough.
Wards Affected	(All Wards);
Identify exempt information and exemption category	Open
Is the report urgent?	No
Reasons for urgency (only where applicable)	Not applicable
Appendices (if any)	Not applicable

1. Executive Summary

- 1.1 This report provides an update on arrangements regarding the procurement of the Integrated Housing Management System (IHMS), including the introduction of strengthened corporate governance and programme management arrangements through establishment of the IHMS Programme Board and continued application of organisational learning from the Oracle Fusion Programme. Authority is sought to allow the Executive Director – Place, following consultation with the Cabinet Member for Housing and the Service Director – Governance, to determine the most commercially and technically advantageous procurement route to market and delegate authority to procure and award a Strategic Implementation Partner (SIP) to support system design, integration assurance and implementation delivery. Any subsequent decision to award a contract to a provider(s) for an IHMS solution will be subject to completion of relevant assessments and a further decision of Cabinet as required.

2. Recommendations

For the reasons set out in the report, Cabinet is recommended to:-

- 2.1 Approve a variation to the December 2025 Cabinet decision to enable the Executive Director – Place, following consultation with the Cabinet Member for Housing & Planning and the Service Director – Governance, to determine the most commercially and technically advantageous procurement route to market in accordance with the Procurement Act 2023.
- 2.2 Delegate authority to the Executive Director – Place, in consultation with the Cabinet Member for Housing & Planning, the Executive Director – Finance & Transformation, the Service Director – Governance, and the Head of Procurement, to undertake a compliant procurement and award of a System Implementation Partner to provide technical design assurance, system integration support and programme oversight for IHMS.
- 2.3 Endorse the establishment of the IHMS Programme Board, co-chaired by the Executive Director – Place and Executive Director – Finance & Transformation, reporting into the Housing Transformation Board and acting as the principal governance forum for design assurance, risk management and programme oversight.
- 2.4 Delegate authority to the Executive Director – Place, in consultation with the Service Director – Governance, to take all actions necessary to give effect to the decisions set out in this report.

3. Proposals – Reasons for the recommendations

- 3.1 The December 2025 Cabinet decision authorised the commencement of a procurement based on a four-Lot model. Further assessment has identified that the complexity and corporate significance of the programme requires flexibility to adjust the procurement route and the introduction of a System Implementation Partner (SIP).
- 3.2 Following further review by the Service Director – Governance of the current procurement documentation, governance arrangements and technical requirements for an Integrated Housing Management System (IHMS), adjustments have been made to optimise successful delivery of the programme. These include adjustments to the procurement route to ensure architectural, design and governance foundations of the programme are optimised and delivered through a programme management approach aligned to PRINCE2 principles.
- 3.3 The IHMS programme represents a significant corporate system replacement crossing multiple statutory and operational boundaries. The Council requires a system with substantial integration, data migration and compliance features that cannot be reliably secured without early and expert design assurance. Accordingly, increase flexibility is required to optimise the most commercially and operationally efficient procurement route. This ensures any successful bidder(s) for the IHMS in whole are part align and integrate with the Council's existing technical and systems architecture.

- 3.4 The introduction of a Strategic Implementation Partner (SIP) is required to address the complexity of implementing a modern, integrated housing management platform. Comparable authorities procuring NEC Housing, Civica Cx or MRI Enterprise systems have used SIPs. This approach will ensure clarity on the common data model, integration principles, interoperability requirements or statutory scenario testing expectations.
- 3.5 The SIP will act as a technical authority for the programme, providing specialist expertise in system design, integration sequencing, interface specification, statutory workflow mapping and data migration planning. This mirrors learning from the Oracle Fusion Programme, where the presence of a well-defined design authority and technically credible external integration support was central to the successful delivery of a complex ERP transformation. The SIP will bring similar discipline to IHMS by establishing an agreed architectural baseline, advising on design principles, ensuring alignment across multiple supplier interactions, and supporting the Council in preparing a coherent and realistic total cost of ownership assessment.
- 3.6 The proposed delegations are intended to allow the procurement route to be determined at the point when the SIP has completed the architectural and design assurance work, ensuring that the route selected is tailored to the technical, commercial and operational requirements of IHMS. Procurement efficiency will be improved by enabling the Executive Director – Place, with appropriate consultation, to identify the most proportionate and effective route to market, whether that be refinement of the existing approach or adoption of an alternative framework or competitive route. This flexibility ensures that the procurement model supports commercial competition, reduces risk and maximises value for money.
- 3.7 The SIP will also support the programme in developing and maintaining the necessary documentation, including the integration architecture baseline, interface catalogue, statutory scenarios, testing and assurance frameworks and data migration strategy. Wider work will also be undertaken to ensure tender evaluation methodology allows for assessment of suppliers for the IHMS on their ability to deliver a coherent, integrated system either as a combined modular solution or modules capable of effective parallel operation and function. This will support the Council in securing a solution capable of meeting the regulatory and operational demands placed upon it.
- 3.8 Lastly, a new IHMS Programme Board has been established and strengthened to reflect IHMS as a corporate system. Its remit includes oversight of governance, design assurance, risk, data quality and supplier relationships throughout procurement, mobilisation and implementation.

4. Alternative Options Considered

- 4.1 The following alternative options have been considered –

- 4.1.1 **Option 1 – Proceed with the procurement approach agreed in December 2025 without variation.** This option does not provide adequate assurance of integrated system design and carries increased risk of fragmentation, delivery delay and non-compliance.

4.1.2 **Option 2 – Revisit the whole procurement model.** This option was considered but rejected as unnecessary; the recommended adjustments provide the required assurance while maintaining programme momentum.

5. Consultation

- 5.1 The Cabinet Member for Housing together with the Executive Director – Finance & Transformation, Executive Director – Place, Service Director – Governance, Head of ICT, Head of Procurement and Corporate Transformation Team have been consulted on the proposals. All are supportive of the revised delegations and the introduction of a SIP model.
- 5.2 Engagement has taken place with the Housing Transformation Board, which recognises IHMS as a core enabler of the Housing Improvement Programme and supports the enhanced governance.

6. Financial Implications

- 6.1 Indicative benchmarking from similar authorities procuring and implementing modern integrated housing systems (NEC Housing, Civica Cx, MRI Enterprise) shows SIP costs typically ranging between £750,000 and £1.5 million over the design, procurement, implementation and stabilisation period.
- 6.2 The SIP will be appointed on a fixed-price basis for the core scope of design and assurance, ensuring cost certainty and clear accountability. The SIP will also play a key role producing a total cost of ownership analysis for IHMS, enabling the Council to plan with greater accuracy and certainty.
- 6.3 A capital budget has been identified for the procurement of the integrated housing management system. Officers will explore opportunities to capitalise costs associated with the proposed SIP appointment to ensure costs are funded through the appropriate capital budget. If this not be possible to capitalise costs, a revenue budget pressure will result which will be funded from Housing Revenue Account (HRA) general reserves.

7. Legal and Governance Implications

- 7.1 The Procurement Act 2023 permits the Council to vary its procurement approach where necessary to ensure value for money and compliance. Delegated authority to vary the procurement route allows the Council to adopt the mechanism best aligned with the SIP's integration architecture and statutory requirements.
- 7.2 The SIP procurement will be undertaken through a compliant framework or competitive route in accordance with the Act and the Council's Constitution. The strengthened governance arrangements, including the IHMS Programme Board, ensure that statutory obligations, data compliance and risk management requirements are appropriately overseen.

8. Risks

8.1 Risks of proceeding without the recommended changes include:

- 8.1.1 fragmented system design;
- 8.1.2 increased integration failures;
- 8.1.3 procurement challenge;
- 8.1.4 financial exposure from unclear architecture; and
- 8.1.5 inability to meet statutory expectations under the Housing Regulation regime.

8.2 The proposals set out in this report mitigate these risks by providing design assurance, strengthened governance, and clearer accountability. The use and application of PRINCE2 programme management principles allied with learnings from the Oracle Fusion implementation programme are embedded in this approach.

9. **Equality and Diversity Implications (including the public sector equality duty)**

9.1 IHMS procurement and implementation will comply with equality duties. The SIP procurement has no direct equality implications. System design and implementation arrangements will ensure accessibility and equal treatment for tenants and applicants.

10. **Other Relevant Implications**

10.1 ICT, data governance, information security and organisational change implications arise from the proposals set out in this report. The SIP and IHMS Programme Board will oversee these impacts through effective programme and risk management arrangements.

11. **Background Documents**

11.1 Cabinet Report – Procurement of Integrated Housing Management System (IHMS), December 2025.

12. **How does this deliver the objectives of the Strategic Themes?**

12.1 This report will support the delivery of the following Strategic Themes:-

- **Growing up in Sandwell** - Supports effective management of housing for families, safeguarding compliance and supporting safe homes.
- **Living in Sandwell** - Improves housing services, ensures residents receive timely, accurate information and supports secure tenancies.
- **Healthy in Sandwell** - Strengthens data on housing conditions, damp, mould and safety, improving health outcomes.
- **Thriving Economy in Sandwell** - Provides modern systems supporting efficiency, financial control and improved workforce productivity.
- **One Council One Team Approach** - Creates a unified system, shared data model and cross-service integration aligned to the Council's operating model.

Relevance Check

Budget Reduction/Service Area: Place Directorate, Housing

Service Lead:

Date: 24 February 2026

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

N/A

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

N/A

Is a Customer Impact Assessment needed? No