



CIVICA

3-minute guide to Managed Services in Housing



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1 What are managed services?

A managed service is a contracting arrangement whereby, on behalf of the customer, an external service provider manages and operates either individual IT systems or whole business processes, together with key elements of the associated IT infrastructure. The service provider takes responsibility for managing the processes or systems to guaranteed levels. This is not the same as rolling activities into an all-encompassing outsource.

2 So it's an alternative way to deliver technology?

Yes and no. Whilst a managed service offers an effective technology platform, it is not just about an IT solution but rather a business solution. It's about ensuring that critical public services are available and achieving value for money.

For example, the London Borough of Hounslow contracted Civica to provide a managed debt recovery service in order to reduce the backlog of debt from road traffic contraventions.

3 Can managed services deliver cost savings?

Cost reduction is the primary feature of a managed service when considering total cost of ownership (TCO). TCO includes costs related to management, recruitment and training, data centre environment, set-up, maintenance and back-up support.

A managed service represents a predictable cost. It replaces unpredictable or fixed costs with a monthly charge or a fee based on usage. It replaces the need for up front capital expenditure on hardware and software.

Many managed service contracts include provision for technology refresh at intervals, with the responsibility to keep technology up-to-date resting with the service provider, in which case the need to introduce new technology does not result in unexpected expense. Civica is able to achieve economies of scale by using the same team of experts and cost-effective infrastructure to deliver a quality service to multiple organisations.



4 How can managed services help housing organisations?

Housing organisations and their partners are under increased pressure to address needs and transform service delivery by reaching out with more accessible and appropriate services which encourage progress and independence. The aim of a managed service is to enable housing organisations to focus on managing core functions rather than the day-to-day running of supporting processes and systems. By passing this responsibility on to a specialist, organisations can concentrate on their priorities, assured that a trusted partner is helping to deliver continuous service quality at a predictable cost.

As the potential of IT to deliver better public services and greater efficiency increases, so does the complexity of managing it. Organisations often feel overwhelmed by the need to update business processes, to consolidate back-office systems and integrate these with front-office, e-services or mobile solutions, and to deliver responsive joined-up services. This is compounded by resource and scalability constraints and the risk of technology becoming obsolete. Rather than buying hardware and software, authorities are increasingly looking to external service providers who can pass on best practices gleaned from deep experience and who have the resources and capacity to support service delivery now and in the future.

5 Aren't managed services just for those with poor in-house IT?

Not at all. The model of working recognises that the business need is best served when the housing organisation and service provider focus on what they are individually best at. Running supporting processes, including IT, is not a core function of providing social housing, but it is the core competence of a company such as Civica. Using a managed service is often a sign of an effective in-house department, which is focused on improving service provision.

A managed service can help overcome resource and performance issues. But it will not fix existing poor business processes. It is simply a management tool that integrates people, processes and technology in the search for better performance and reduced risk.



6 Are there examples of managed services working effectively in the public sector?

Railway Housing Association and Benefit Fund – The Railway Housing Association and Benefit Fund originally approached Civica in 2003 to replace aging equipment and manage a UNIX operating system at minimum cost. Today, Civica not only provide the Association’s Housing Management system, but a fully hosted solution for their servers across housing, finance, office administration and additional central services. This enables users across five sites to access the system using intelligent terminals and ultimately eliminates the requirement for day-to-day PC based management. Overall the solution has enabled the Association to save money in terms of both premises and resources and maintain tighter control of their quarterly budget with fixed quarterly payments.

London Borough of Haringey – Civica is delivering a 10-year managed service to help Haringey Council’s award winning parking team to improve performance while handling ever-growing volumes, including 200,000 penalty notices, 13,000 permits and 60,000 items of correspondence a year.

London Borough of Wandsworth - Civica has provided an automated 24-hour, 365 days a year self-service telephone payment service to a number of customers on a shared risk/shared reward basis, including the London Borough of Wandsworth. The service has enabled Wandsworth to cope with a growing volume of calls, without the need for additional investment in terms of technology or staff.

City of Lincoln Council – Civica is delivering a long-term managed service agreement at City of Lincoln Council to implement a set of application solutions for revenues, benefits, environmental health and ICT departments. Under the contract Civica administers and updates applications software and operates the computing and network infrastructure to meet guaranteed availability levels.

M&M Sports - Civica has helped online retailer M&M Sports to successfully handle fast growing sales with a hosted website solution. The Civica solution is fully integrated with M&M’s ordering system to control stock replenishment and orders in progress.

WRVS - Civica is providing nationwide IT services for WRVS in order to deliver access to critical information and instructions for 600 locations. Providing hosted infrastructure, central hardware operations and helpdesk support, the service enables faster operational updates and provides 24 hour access to information all year round, helping to reduce costs and give WRVS greater flexibility.



7 What's an SLA?

An SLA (Service Level Agreement) is the backbone of the managed service, defining the minimum service standard to be delivered and ensuring full accountability of the provider for achieving it. SLAs need to be measurable and enforceable, albeit with the flexibility to take account of change. They must balance business requirement and cost and relate to IT-based processes, not as traditionally to the technical performance of hardware.

8 Is this a kind of partnership?

Successful managed services demand a long-term relationship between customer and supplier, with short-term contracts unlikely to deliver maximum benefit. Trust, cooperation and flexibility are among the essential ingredients, as is customer confidence about the supplier's financial stability, past track record and future prospects. Partnership implies that both parties play to their own strengths but at the same time understand each others needs.

9 Are managed services always appropriate?

Certain functions stand to gain more from managed services than others. Front line services and core income and expenditure departments are particularly appropriate because any loss of service represents a direct impact on the delivery of key public services or on the treasury. For high volume areas, or organisations with distributed sites and resources, the efficiency and consistency gains from managed services can be particularly significant. And, with the challenge of data protection combined with the advent of the Freedom of Information Act, managed services can ease information access and security across all departments and provide a foundation for business continuity.



10 Why should I consider Civica as a managed service provider?

Civica is one of the UK's most experienced providers of consulting, software and services to the public sector. The company combines the people, processes and infrastructure necessary to deliver effective solutions and sustained service levels. Services range from infrastructure management, including networks, servers and websites, through specialised IT-based solutions such as tax and benefits processing, to business functions. Civica has extensive experience in the provision of managed services, from the delivery ahead of schedule of a national managed libraries service across more than 340 schools in Singapore to the resilient e-commerce infrastructure for the UK's largest sports mail order company.

Civica is one of the UK's most experienced providers of consulting, software and managed services, with particular focus on the public sector and regulated markets. The group works with more than 1,800 organisations in local government, social housing, criminal justice, education, defence and healthcare, including 94% of the UK's local authorities and more than 200 social housing organisations.

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