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Housing Management System Suppliers 2005 - 2008

The Competition Commission

13 January 2009

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1 Introduction

1.1 Background

1.1.1 The Competition Commission is currently investigating the proposed acquisition of IBS Open Systems plc by Capita plc, both are currently leading suppliers of Housing Management software to the UK social housing sector.

1.2 The Requirements

1.2.1 The Competition Commission is seeking data to include:

- Annual wins of new customers by name for the major housing management systems for the period 2005-2008
- All social housing landlords over 2,500 units by name and the housing management systems in use by them in 2008 and previously
- Names of social housing landlords who have switched systems during the period 2005 – 2008 and the details of the systems concerned
- Summary tables of the above data

1.3 Tribal Consulting

1.3.1 Tribal Consulting is one of the leading suppliers of consultancy services to social housing landlords in the UK. Tribal has worked with a number of social housing landlords to procure new housing management software and has also worked with Housemark, the social housing benchmarking club, to produce annual statistics on the systems in use within the sector.

1.3.2 Tribal has used data collected for these two purposes to provide the data requested by the Competition Commission. This has been subject to further verification prior to supply.

1.4 The Data

1.4.1 Within this document, Tribal has provided data from two sources. The first of these is Tribal's own base data. This is a record of the current supplier for each social landlord (site). Where a site is replacing the existing Housing Management System this is the replacement rather than the outgoing system. The full table of base data can be found in Appendix A.

1.4.2 The second set of data is that supplied to Tribal by suppliers for completion of the annual Housemark report, written by Tribal. This data, in the format in which it is supplied by the Suppliers can be found in Appendix C.

1.4.3 Additionally for this report, the suppliers have provided details of their new wins since 2005. This data can be found in Appendix B.

1.4.4 The data held in the Appendices is summarised in Section 3.

1.5 Terminology

1.5.1 The report relates to the supply of Housing Management software to Social Landlords, RSLs, ALMOs and LAs.

1.5.2 An RSL is a Registered Social Landlord, since January 2009 this term has been replaced in England by the term Registered Provider (RP) following the abolition of the Housing Corporation and English Partnerships and the creation of the Tenant Services Agency and Communities England. For the purposes of this report the common term RSL is retained.

1.5.3 An LA is a Local Authority and an ALMO is an Arms Length Management Organisation – a management company owned by a Local Authority and established to manage social housing stock on behalf of the Local Authority.

2 Data Definitions

2.1 Adherence to data definitions

2.1.1 It should be noted that these data definitions apply only to the Tribal supplied data. Data supplied to Tribal by Suppliers does not necessarily comply with these definitions.

2.2 Periods

2.2.1 Data has been supplied in Calendar years (Jan – Dec).

2.3 Suppliers

2.3.1 The leading suppliers to the upper end of the market included within this report are:

- Aareon UK
- Capita
- Civica
- IBS
- MIS
- Northgate
- Orchard

2.3.2 Other suppliers at the lower end of the market have been ignored, except for those supplying social housing landlords of more than 2,500 units. These systems are all more basic than those supplied by the identified suppliers and are limited in the extent of functionality provided. As such they rarely compete for the same business as the identified suppliers. These suppliers include:

- CHICS
- Kypera
- Omniledger
- Paloma
- SDM

2.3.3 Additionally there are further suppliers with only one or two customers including Miracle and Reidmark.

2.3.4 All suppliers other than those identified in 2.2.1 are grouped as ‘Others’ within the data.

2.3.5 Where landlords use bespoke software, this has been identified as such.

2.4 Systems

2.4.1 The systems supplied by the suppliers are as follows:

Figure 1 Systems by Suppliers

Suppliers	Systems
Aareon	Simdell
	QLx
Capita	Academy Housing
Civica	Aurora
	CTX
	In House
	Saffron
	Universal Housing
IBS	Open Housing
MIS	Active H
	HAMIS
Northgate	iWorld
	Anite Housing
Orchard	ArcHouse Plus

2.5 Customers

2.5.1 All customers are identified by name and type (RSL, LA, ALMO). Unit sizes are given based upon 2008 data in the case of English and Scottish RSLs and 2006 data in the case of Local Authorities, ALMOs, Welsh RSLs and larger Groups.

2.5.2 For Housing Association Groups, customers are identified as separate contracts. So where a Group has more than one instance of the same system, each instance will be counted as a separate customer. Where a Group has a single instance of a single system it will count as a single customer.

2.5.3 Customers identified by name will be those with over 2,500 units.

2.6 The market under consideration

2.6.1 The market for Housing Management systems is split with a separate set of suppliers serving those with fewer than 2,500 units than those serving the larger organisations. This reflects the less complex requirements of smaller organisations and the need for cheaper and simpler systems.

2.6.2 Some of the leading suppliers do have customers in this bracket – this in part reflects historic activity when customers were generally smaller and suppliers were still establishing themselves.

2.6.3 Occasionally one of the smaller suppliers will have a larger customer – this again reflects historic activity where a customer has grown or a supplier has attempted to establish itself at the higher end of the market.

2.6.4 At the lower end of the market, some of the leading suppliers (in particular Anite and Capita) have Local Authority customers with no stock using the Housing Needs part of the system only. These may skew the figures indicating that a supplier has a reasonable base at the lower end of the market. However not all of the leading suppliers offer a Needs only system.

2.6.5 The Housing Needs market is itself restricted as it applies only to Local Authorities whose stock has been transferred. Many of these Local Authorities have grouped together to form Sub-regional Choice Based Lettings schemes and have procured software at the Sub-regional level to meet these needs. This market is not included within this report.

2.7 Installed systems

2.7.1 These will include any installed systems, even where only part of the system is used. Where a Local Authority uses a system as a Needs only system this will be indicated by a zero stock count.

2.7.2 Data is only shown for Housing Management systems – it does not include other software used by Social Housing Landlords, including Finance, Contractor, Asset Management, CRM, EDM.

3 Summary data

3.1 Suppliers Count

Figure 2 Supplier Customer numbers by year

Housing stock management software suppliers by size of managed stock and year.

Count of contracts

		Housing units managed in 2006				All large contracts in 2006	Housing units managed in 2007				All large contracts in 2007	Housing units managed in 2008				All large contracts in 2008
Supplier		**2,500-4,999**	**5000-9,999**	**10,000-19,999**	**20,000+**		**2,500-4,999**	**5000-9,999**	**10,000-19,999**	**20,000+**		**2,500-4,999**	**5000-9,999**	**10,000-19,999**	**20,000+**	
Northgate, of which	Northgate	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
	Anite	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]					[✂]
Capita		[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
IBS		[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Orchard		[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Civica		[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Aareon		[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
MIS		[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Other supplier		[✂]	[✂]	[✂]		[✂]	[✂]				[✂]	[✂]				**8**
Total		**191**	**185**	**106**	**75**	**557**	**185**	**177**	**115**	**75**	**552**	**183**	**197**	**103**	**63**	**546**

NB

Please note that figures are those supplied by suppliers for the Housemark/Tribal Survey and are not validated. Some differences may be explained by mergers and different ways of counting customers by the suppliers (the suppliers do not operate to commonly agreed data definitions).

3.2 Supplier Share 2008

3.2.1 The following figures are based on Tribal's base data in Appendix A.

Figure 3 Supplier Customer numbers by units of managed stock

	Below 2,500	2,500-4,999	5000-9,999	10,000-19,999	20,000+	All
Northgate	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Anite	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Capita	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
IBS	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Orchard	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Civica	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Aareon	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
MIS	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
In-house	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Unknown	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Other	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Total	**88**	**168**	**180**	**107**	**67**	**610**

3.3 Changes in Suppliers

Figure 4 Changes in Suppliers/Systems

	Supplier in 2006										
Supplier in 2008	**Northgate**	**Anite**	**Capita**	**IBS**	**Orchard**	**Civica**	**Aareon**	**MIS**	**Bespoke**	**Other supplier**	**All Changes**
Northgate	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Anite	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Capita	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
IBS	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Orchard	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Civica	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Aareon	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
MIS	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Other supplier	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]	[✂]
Total	**2**	**0**	**1**	**1**	**4**	**12**	**7**	**3**	**9**	**10**	**49**

3.3.1 Includes all switches affecting the leading suppliers regardless of size of customer, but excludes deals where the supplier has retained a customer following tender or novation of licences.

Appendix A – Tribal Base Data

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Appendix B – New Wins Tables

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Appendix C – Customer Counts by Supplier 2006 – 2008

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