

	Officer Key Decision
	Report to the Strategic Director of Community Wellbeing
AUTHORITY TO AWARD A CONTRACT FOR THE PROCUREMENT AND MANAGEMENT OF TEMPORARY ACCOMMODATION FOR HOUSING - THE HOUSING ASSOCIATION LEASING SCHEME (HALS)	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
No. of Appendices:	2 Appendix 1 – exempt Appendix 2 – evaluation scores
Background Papers¹:	
Contact Officer(s): (Name, Title, Contact Details)	Laurence Coaker Head of Service – Housing Needs 020 8937 2788 Laurence.Coaker@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the approval to award a contract for the provision of the procurement and management of temporary accommodation for housing – The Housing Association Leasing Scheme (HALS).
- 1.2 This report requests authority to award a contract as required by Contract Standing Order 88. This report summarises the process undertaken in tendering this contract and, following the completion of

the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s)

2.1 That the Strategic Director of Community Wellbeing, in consultation with the Lead Member for Housing and Welfare Reform, approves the award of the Contract for the Procurement and Management of Temporary Accommodation for the London Borough of Brent Housing Association Leasing Scheme (HALS) to Notting Hill Genesis for an initial acquisition and management period of three (3) years with an option to extend for up to a further two (2) years and a further management period of three (3) years following expiry of the acquisition and management term.

3.0 Detail

3.1 The Council has a statutory duty to provide suitable temporary accommodation to homeless persons who are eligible and have a priority need for accommodation under part VII of the Housing Act 1996 (as amended by the Homelessness Act 2002 and the Localism Act 2011). The Housing Association Leasing Scheme (HALS) is used to provide temporary accommodation for homeless families.

3.2 The Council previously had contracts with three Registered Providers, namely Notting Hill Genesis, Network Homes and Shepherds Bush Housing for this service. The acquisition and management phase of these contracts expired on the 31st of January 2020. The contracts with Notting Hill Genesis and Shepherd's Bush Housing will continue in the management phase until 31st January 2023. The Council entered into a transfer agreement with Network Homes on the 6th of July 2020. The transfer agreement will bring the Network Homes HALS contract to an end.

3.3 The Report requesting approval to tender this Contract went to Cabinet on the 20 April 2020, where the following was agreed:

- To approve inviting tenders for Procurement and Management of Temporary Accommodation in support of the Council's Housing Association Leasing Scheme (HALS) on the basis of the pre-tender considerations as set out in paragraph no 3.25 of the report.
- To approve officers evaluating the tenders referred to in (1) above on the basis of the evaluation criteria set out in paragraph no 3.25 of the report.
- To delegate authority to the Strategic Director of Community Wellbeing, in consultation with the Lead Member for Housing and Welfare Reform,

to award contracts for Procurement and Management of Temporary Accommodation for an acquisition and management term of 3 years, with an option to extend for up to a further 2 years, and a further management term of 3 years following expiry of the acquisition and management term.

The Tender Process

- 3.4 The requirement was advertised in the Official Journal of the European Union (OJEU) and the London Tenders Portal on 1 May 2020 and was tendered using the Open Tender procedure. All tenders had to be submitted electronically via the London Tenders Portal no later than 10 June 2020 at midday. A list of the tenderers is in Appendix 1.
- 3.5 The Form of Tender, Non-Collusion Statement and Selection Questionnaire were checked to see if they were sufficiently uploaded and the declarations completed. It was a condition of this contract that tenderers must be registered with the Regulator of Social Housing. This section was evaluated on a pass/fail basis and all tenderers who passed were taken forward to the evaluation of tenders. Only two of the tenderers (tenderers 4 and 6) passed. Tenderer 4 had submitted a late tender via the portal nevertheless the evaluation panel did proceed to evaluate the tender.
- 3.6 At tender evaluation stage, the panel evaluated the tenders against the following weighting/criteria: 50% Quality/Technical – delivery of the service, 10% Social Value and 40% Price.
- 3.7 The tendering instructions also stated that only bidders achieving a quality threshold score of 60% or more would proceed to the next stage of the evaluation – i.e. the Social Value and Commercial sections. Bidders not meeting this threshold would be excluded from the process.

The Evaluation Process

- 3.8 The quality/technical and social value questions were scored by a panel of officers from Community Wellbeing. They read the tenders and scored each question using the evaluation criteria below:

Technical / Quality	Area weighting	Overall weighting
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Technical / Quality	Area weighting	Overall weighting
Q1 Procurement of Properties: A demonstrated ability to provide a full property management service covering property acquisition, managing viewings and lettings processes, tenancy management, property inspections, administering decants, void periods and property handbacks. Demonstration of value for money in the delivery of high quality services	50%	The Quality Method Statements were evaluated out of 100 and then given an overall weighting of 50%
Q2 Repairs and Maintenance: A demonstrated commitment to the operation of a quality assurance policy in all aspects of service delivery and ability to ensure that properties are repaired and maintained to the specification.	25%	
Q3 Complaints and Management: A demonstrated ability to deal with tenancy management issues and complaints.	15%	
Q4 Anti-Social Behaviour: A demonstrated ability to deal with anti-social behaviour	5%	
Q5 Equalities: A demonstrated ability to identify and respond to changing priorities with due regard to the diversity and varying needs of the community	5%	
Total for Quality/Technical (only bidders achieving a quality threshold score of 60% or more will proceed to the next stage of the evaluation)	100%	

- 3.9 The quality/technical and social value scores were then moderated at a meeting with Procurement.
- 3.10 A breakdown of the moderated quality/technical scores of this evaluation is attached in Appendix 2.
- 3.11 Only one (1) bidder, Notting Hill Genesis achieved the quality threshold score of 60% and could proceed to the next stage of the evaluation.
- 3.12 The next stage of the evaluation was to review the Social Value submission to ensure that the submission included a satisfactory response to the Council's Social Value requirements. In this case, Notting Hill Genesis provided a good response including evidence of social value in terms of access to employment, training and support to

Brent residents.

- 3.13 Finally, the pricing was reviewed. In line with temporary accommodation subsidy rules, the weekly rent is calculated using 90% of the January 2011 Local Housing Allowance (LHA) for the size of the property plus an element for management costs. The Council pays a weekly tendered nomination fee for each property which was the pricing element of this ITT.
- 3.14 As Notting Hill Genesis was the only compliant tender that met the quality threshold and has provided a good response to social value officers recommend award of a contract to Notting Hill Genesis.
- 3.15 The nomination fee for Notting Hill Genesis is shown in Appendix 1 and this is an increase of £24 per week per property. This still represents value for money to the Council when compared to the costs of keeping clients in expensive bed and breakfast accommodation. It also allows clients to stay in Brent in good quality managed accommodation.
- 3.16 The contract will commence on 1 August 2020, subject to the 10-calendar day mandatory standstill period notification issued to all tenderers and additional debriefing of unsuccessful tenderers as required by the EU Regulations.

4.0 Financial Implications

- 4.1 This is a High Value Contracts and Cabinet has delegated the award of the contract to the Strategic Director of Community Wellbeing, in consultation with the Lead Member for Housing and Welfare Reform.
- 4.2 The cost of this contract will be funded from the existing Housing General Fund budget.
- 4.3 Rents for these properties are based on the 2011 Local Housing Allowance rates at 90%.

5.0 Legal Implications

- 5.1 The estimated value of this contract over its lifetime is in excess of the EU threshold for Services and the award of the contract is therefore governed by the Public Contracts Regulations 2015 (the "EU Regulations"). The award is subject to the Council's own Standing Orders in respect of High Value contracts and Financial Regulations.
- 5.2 The Council must observe the EU Regulations relating to the observation of a mandatory minimum 10-calendar day standstill period before the contract can be awarded. Therefore once approval has

been granted, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the EU Regulations. As soon as possible after the standstill period ends, the successful tenderer will be issued with a letter of acceptance and the contract can commence.

6.0 Equality Implications

6.1 The proposals in this report have been subject to screening and officers believe that there are no equality implications. The EIA was originally submitted with the Authority to Invite Tenders in the Cabinet Report.

7.0 Consultation with Ward Members and Stakeholders

7.1 N/A

8.0 Human Resources/Property Implications (if appropriate)

8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.

9.0 Public Services (Social Value) Act 2012

9.1 10% of the overall evaluation criteria was allocated to Social Value. The recommended bidder commits to pay London Living Wage. The social value commitments made by the preferred bidder were across employment & training, benefits and debt advice.

Relevant documents:

- Cabinet Report: Authority to Tender Contract for Procurement and Management of Temporary Accommodation for Housing Association Leasing Scheme 20 April 2020

Report sign off:

Phil Porter
Strategic Director of Community Wellbeing