

	<b>Officer Key Decision</b>
	<b>Report to the Corporate Director of Housing and Resident Services</b>
	<b>Lead Cabinet Member for Housing</b>
<b>Authority to Award Contract for the Procurement and Management of Temporary Accommodation Housing Association Leasing Scheme</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key Decision
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part exempt– Appendix 2 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)"
<b>List of Appendices:</b>	Appendix 1 – Evaluation Grid Appendix 2 – Social Value Commitments (exempt) Appendix 3 – Equality Impact Assessment
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Laurence Coaker Director – Housing Needs & Support Laurence.Coaker@brent.gov.uk

## 1.0 Executive Summary

- 1.1 This report requests approval to award contract in respect of the Procurement and Management of Temporary Accommodation in support of the Council's Housing Association Leasing Scheme (HALS) as required by Contract Standing Orders 88 and 89.
- 1.2 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)

That the Corporate Director Residents and Housing Services:

- 2.1 Approves the award of the contract for the Procurement and Management of Temporary Accommodation in support of the Council's Housing Association

Leasing Scheme (HALS) to Notting Hill Genesis Housing Association in the approximate sum of £6.6M over 5 years, based on 500 properties at £51 nomination fee per property per week. for an acquisition and management term of 3 years, with an option to extend for up to 2 years, and a further management term of 3 years following expiry of the acquisition and management term.

### **3.0 Detail**

#### **3.1 Contribution to Borough Plan Priorities & Strategic Context**

- (a) The proposal within this report aligns with one of the Council's ambitions to provide safe, secure and decent housing for residents as set out under Strategic Priority 1 'Prosperity and Stability' of the Borough Plan, including addressing rough sleeping by working with partners across the Borough. Other strategies relevant to achieving this strategic priority include the Council's Homelessness and Rough Sleeper Strategy 2020-2025.
- (b) A summary of the relevant priorities and outcomes within the Borough Plan as well as any other key corporate strategic policies (if not covered above), and how the report relates to these. The link to Council policies can be found here:

<https://www.brent.gov.uk/the-council-and-democracy/strategies-priorities-and-policies>

#### **4.1 Background**

- 4.1.1 The Council has a statutory duty to provide suitable temporary accommodation to homeless persons who are eligible and in priority need under homelessness legislation. The duty to provide temporary accommodation (TA) usually comes to an end by arranging an offer of either social housing or private rented sector (PRS) housing to end the main homeless duty.
- 4.1.2 There is currently an acute shortage of affordable private rented sector accommodation across London which has been falling due to a highly inflated rental market where landlords are able to secure and charge higher rents. This has impacted Brent's ability to gain access to private rented properties in Brent and outside of Brent for discharge of the Council's statutory homeless duties.
- 4.1.3 The Council is having to meet its statutory duty to provide Emergency TA at an exponentially increasing cost and with a high-level of reliance on emergency accommodation.
- 4.1.4 With demand from homeless households increasing and the supply of affordable accommodation decreasing, the pressure to retain and acquire good quality and affordable TA has also increased. The Housing Needs & Support service, working with Housing Supply and Partnerships have a plan to reduce the need for Emergency / Temporary Accommodation by delivering 5000 affordable homes in the borough by 2028. However, there will always be a need for some good quality Temporary Accommodation, and while this will be in the medium term be delivered through council provision, there continues to

be a need for Temporary Accommodation and the procurement of properties by the contractor will help retain the existing stock of HALS units and stop families having to go into Emergency Accommodation.

- 4.1.5 The current service will be maintained as a result, and no major changes are being proposed to the service. The minimum property standards and furniture standards specified by the Council will be maintained and the contractor has to provide a high-quality housing management service. The scope of services include a full property management service to include property acquisition, viewings and lettings processes, tenancy management, property inspections, administering decants, void periods and property handbacks and performance management. Performance is monitored through performance indicators and regular contract monitoring meetings.

## **The Tender Process**

- 4.2.1 The new contract will be let using the Council's contract terms and conditions for acquisition and management term of 3 years, with an option to extend for up to 2 years, and a further management term of 3 years following expiry of the acquisition and management term period.
- 4.2.2 The Council advertised the opportunity on the Find a Tender service, the London Tenders Portal and Contracts Finder on 21 February 2025 inviting expressions of interest which elicited 8 interests. Contractors were provided with the tender documents, including the contained the specification and details of the tender approach and were invited to complete a selection questionnaire using the Council's Electronic Tendering Facility.
- 4.2.3 Shortlisting was carried out on the basis of the contractors' quality, social value and pricing proposals and the requirement that only Registered Provider (i.e the organisation registered with the Regulator of Social Housing) are qualify to submit a tender. Only one of the potential tenderers (being a Registered Provider) out of the eight that completed the selection questionnaire qualified to submit and the other seven were excluded from submitting a tender.
- 4.2.4 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would have regard to the following:

<b>Criteria</b>	<b>Weighting</b>	<b>Question Weighting</b>
<b>Quality, made up of:</b>	<b>50%</b>	
Procurement proposals		45%
Repairs & maintenance		25%
Complaints & management		15%
Safeguarding		5%
Workforce		5%
Equalities		5%
<b>Social Value</b>	<b>10%</b>	
Best Start on Life		3%

Thriving Communities		3.5%
Prosperity and Stability		3.5%
<b>Price</b>	<b>40%</b>	
<b>Total</b>	<b>100%</b>	

### **Evaluation process**

- 4.2.5 The tender evaluation was carried out by a panel of officers from Housing Needs and moderated by Procurement.
- 4.2.6 All tenders had to be submitted electronically no later than 11 April 2025 and already mentioned, only one valid tender was received. Each member of the evaluation panel read the tender and carried out an initial evaluation of how well they considered each of the award criteria was addressed in the tender.
- 4.2.7 The panel met on 17 June 2025 for a moderation and the submission was marked by the whole panel against the award criteria to reach a consensus score.
- 4.2.8 The tender received was of good quality therefore despite the lack of comparison tenders, Officers recommend the award of the contract to Notting Hill Genesis.
- 4.2.9 The contract will commence on 1 August 2025 subject to approval of the recommendation to award and the Council's observation of the requirements of the call-in period noted in paragraph 7.3 below.

### **5.0 Stakeholder and ward member consultation and engagement**

- 5.1 The Cabinet Member for Housing has been kept up to date with the progress of the procurement and contract.

### **6.0 Financial Considerations**

- 6.1 The current HALS contract cost the council £1.1m in 2024/25 for approx. 500 properties. The spend for this contract is absorbed within the Housing Needs Budget.
- 6.2 In line with TA subsidy rules, the weekly rent is calculated using the 2024 Local Housing Allowance (LHA) for the size of the property, which is collected by the RP. The cost to the council is the management fee.
- 6.3 The cost of the management fee will increase from £34 to £51 per week per unit. An amount of £1.4m has been set aside for inflationary pressures arising from an increase of TA provider costs within the Medium-Term Financial Strategy.
- 6.4 The Council still owes the main rehousing duty to all households living in these properties. If the properties are handed back to the owners, the Council will have a statutory duty to find alternative accommodation for them, this will most

likely result in a move to emergency B&B or hotel annex accommodation. Based on the current portfolio, which has one household per property, this would result in approximately £7.5m per annum additional cost to the council.

- 6.5 Any increase in stock will prevent the council having to use poorer quality, more expensive nightly paid temporary accommodation. It is estimated that an additional 60 units will be added to the current portfolio per year, resulting in a £897k cost avoidance per year.

## **7.0 Legal Considerations**

- 7.1 The Council is under a duty to provide accommodation to persons in housing need (people who are homeless or at risk of homelessness) under Part VII of the Housing Act 1996 (as amended by the Homelessness Act 2002, the Localism Act 2011) and subsequent legislations and guidance.
- 7.2 The value of this contract over its lifetime is in excess of the threshold for Schedule 3 Services under the Public Contracts Regulations 2015 (PCR 2015) and the procurement and award of the contract is therefore governed by the PCR 2015. As detailed in Section 4, a procurement process in compliance with the PCR 2015 has been conducted.
- 7.3 The award is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the Contract is valued at more than £5 million. Part 3 of the Council's Constitution state that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract. However, in the February 2025 Cabinet report, Cabinet delegated authority to the Corporate Director, Partnerships Housing and Resident Services, in consultation with the Cabinet Member for Housing, to award the Contract once the procurement has been concluded.
- 7.4 It is expected that a mandatory minimum 10 calendar day standstill period will be observed prior to entering into the Contract in accordance with the PCR 2015.

## **8.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 8.1 Pursuant to s149 Equality Act 2010 (the "Public Sector Equality Duty"), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,
- 8.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender

reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 8.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 8.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 8.5 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications. The Equality Impact Assessment report is attached as Appendix 3 to this report.

## **9.0 Climate Change and Environmental Considerations**

- 9.1 The Council's Sustainable Procurement Policy formed part of the procurement documents, and climate change and environment was one of the Social Value KPIs on the measures listed under the Cleaner, Greener Brent theme in the Social Value Pro Forma.

## **10.0 Human Resources/Property Considerations (if appropriate)**

- 10.1 The service will be provided by external contractors and there are no implications for Council staff arising from the procurement or the property implications

## **11.0 Communication Considerations**

- 11.1 The Cabinet Member for Housing has been kept up to date with the progress of the procurement and consulted as part of the drafting of this report. Relevant ward members will also aware be made aware of the progress in delivery of the contract, if requested.

### **Related documents:**

Authority to Tender Report, Cabinet, 10<sup>th</sup> February 2025

### **Report sign off:**

*Tom Cattermole*  
Corporate Director Residents and Housing Services