

REPORT TO: Executive Board

DATE: 16 January 2020

REPORTING OFFICER: Strategic Director, People

PORTFOLIO: Physical Environment

SUBJECT: Request for waiver for the allocation of a contract to Halton Housing Trust

WARD: Borough wide

1.0 PURPOSE OF REPORT

1.1 This is a request for a waiver of Procurement Standing Orders to allow the continuation of a contract with Halton Housing Trust to deliver, on behalf of the Borough Council, the management of the housing register and housing allocations process.

2.0 RECOMMENDATION: That Executive Board

- 1) **note the contents of this report; and**
- 2) **consider giving approval to the recommendation in paragraph 3.3.3 that the contract with Halton Housing Trust should be extended for a further twelve months without going through the procurement process, in pursuance of Procurement Standing Order 1.14.4 (non-emergency procedures – exceeding a value threshold of £100,000), seeking to waive parts 2 and/ or 3 of Procurement Standing Orders.**

3.0 SUPPORTING INFORMATION

3.1 Context:

3.1.1 As part of the voluntary stock transfer process in 2007, Halton Borough Council opted to transfer its entire housing stock to Halton Housing Trust (HHT), which was commissioned to manage the housing register and deliver the allocations process on behalf of the local authority.

3.1.2 In 2012, following agreement by the executive Board the previous year, a new Choice Based Lettings scheme – Property Pool Plus – went live in Halton. This is a sub-regional IT management scheme, which operates across the five local authorities of Halton, Liverpool, Sefton, Knowsley and Wirral. Housing providers advertise their vacancies through Property Pool Plus, and people seeking access to properties can then apply to be considered for an advertised property. This was described in the 2011 Housing Allocations Policy, and has been subsequently updated

following the introduction of the Homelessness Reduction Act, which introduced a number of changes.

3.1.3 Since then, the Liverpool City Region has commissioned an independent review of the way in which the PPP process is managed and administered across the sub-region, which is funded directly by the Combined Authority, to ensure it incorporates the Housing First Programme; the review is due to report back in Spring 2020. At the moment there is little consistency across the sub-region as to how the access to the PPP is managed; some Authorities, like Halton, have contracted out to an external provider (HHT), whilst others retain the management of the process within their own Authority. The aim of the review, therefore, is to consider whether there is a more cost-effective approach which could deliver the same, or improved, outcomes for people who use the service.

3.1.4 This review will have considerable implications for the way in which the lettings process is managed in each Authority. Although there is as yet no final conclusion to the Review, the early indications are that there will be three recommendations for consideration:

- No change
- Each local authority to draw back the management of the housing lettings process into their own council
- Development of a sub-regional “hub”, which manages all the process on behalf of each local authority.

3.2 **The Contract with Halton Housing Trust:**

3.2.1 The contract with HHT to deliver the Choice-based lettings process currently stands at an annual cost of £119,634. For this, HHT undertake the following processes:

- Registration of all applications for housing
- Assessment of priority need and allocation to a Priority Banding
- Undertaking of health assessments for all people who are applying for accommodation on health grounds
- Advertising property vacancies on Property Pool Plus
- Shortlisting and allocation of properties
- Management of all customer queries and complaints

3.2.2 As an indication of the volume of work that HHT have undertaken on our behalf, in 2018/ 19 they received 3617 applications for accommodation, with 886 people being provided with accommodation. Of these, almost two-thirds (575 in total) were provided with HHT accommodation; the rest were allocated places in a number of different housing associations.

3.3 Conclusions and recommendations:

- 3.3.1 The arrangement with HHT to deliver the Choice-Based lettings process on behalf of the council has been in place for some years now, and has largely worked well. There are well established processes to identify those at priority need, and the use of Property Pool Plus has allowed the development of an efficient and transparent process for allocation of properties according to need. As with every complex system, there have been difficulties but these have in general been quickly resolved.
- 3.3.2 During the course of the contract, there has been increasing emphasis from Central Government on identifying those at most risk of becoming homeless, and where possible preventing this from happening. The Homelessness Reduction Act 2017 was a response to this, and has led to significant changes in the ways in which housing need is identified and prioritised. There have been increasing pressures on overall housing stock, both nationally and locally.
- 3.3.3 For these reasons, the Review of the sub-regional processes for allocation of accommodation through the Property Pool Plus system is timely. The Review should identify where efficiencies can be made, and may involve changes in the ways the services are commissioned and delivered. On that basis, it is very likely that a decision on the future process to manage the housing allocations process can be made by the middle of the summer 2020, and it is therefore appropriate to consider extending the contract with Halton Housing Trust for another year. If this were to go out to tender at this stage, there would be considerable uncertainty about the future delivery of the service, which would not be attractive to potential bidders for the contract.
- 3.3.4 Unfortunately, the contract with Halton Housing Trust will have expired by the time of this Executive Board meeting. The Chief Executive has therefore used his discretion under the Procurement Standing Order 1.14.2 to authorise the extension to the existing contract for seventeen days, to cover the period from 31st December 2019 to 16th January 2020. This was subsequently ratified by the Chair of the Executive Board.

4.0 POLICY IMPLICATIONS

- 4.1 There will be no immediate policy implications from the direct contract award for Halton Housing to continue to deliver the scheme administration on behalf of the Local Authority.

5.0 FINANCIAL IMPLICATIONS

- 5.1 As indicated earlier, the current contract value is £119,634; the recommendation is that this is awarded for a one year period only. There is likely to be a small cost of living increase each year, so this would make the total contract value around £123,000 annually.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton Borough Council

None at present

6.2 Employment, Learning and Skills in Halton

None at present

6.3 A Healthy Halton

None at present

6.4 A Safer Halton

None at present

7.0 RISK ANALYSIS

7.1 None at present

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None at present

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
PPP Housing Allocations Policy.	Runcorn Town Hall	Principal Manager Homelessness