

## INVITATION TO QUOTE

### Housing Management Strategy and Housing Management Services Procurement Strategy for Homes for Lambeth

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#### 1. Introduction

The London Borough of Lambeth (the Council) is seeking to appoint a specialist adviser (or advisers) to work with the Council and its current advisers to develop the Council's housing management strategy and housing management services procurement strategy for its programme of estate regeneration and housing delivery to be delivered by Homes for Lambeth.

Lambeth Council has an ambition to deliver significant volumes of new housing that meets the current and future need of Lambeth's residents (and which will add significantly to the availability of new homes at council rent levels as well as making more homes available for rent at other price points). These ambitions cannot be effectively realised through conventional approaches alone.

The Council is therefore undertaking more direct delivery routes of new housing within the Borough. As part of this strategy, Cabinet (12 October 2015) approved a process to form and mobilise a new special purpose vehicle (to be called Homes for Lambeth), which will be a company wholly owned by the Council. Homes for Lambeth will be the parent company to a number of specialised subsidiary companies, which will collectively take on the remit to deliver new homes across a range of tenures in Lambeth, on land that is primarily owned by the Council.

In parallel with this decision, the Council has commenced an estate regeneration programme (including six estates) and a small sites housing delivery programme. The entire programme will see some 3,000 to 4,000 new homes constructed in Lambeth over the next 10 years. The first new homes are expected to become occupied in the Spring of 2018. Development Management teams have been procured to progress three of the six estates within the estate regeneration programme; masterplanning will commence on these estates in the Autumn of 2016. Other architects and design teams are directly involved on other projects.

A business plan is being crafted for Homes for Lambeth at this time and a workstream to register a sub-company housing association with the HCA is also in process.

A further defining element of the Council's strategic aims for housing management is its commitment to working closely with and supporting residents throughout the estates regeneration process:

- The Council has developed a set of Key Guarantees for both tenants and homeowners to set out how it will work with them through the process of estate regeneration. The Council is currently updating these with residents.
- The opportunity is being examined for Homes for Lambeth to convene and support new Tenants' Consultative Committees on each development it delivers. These bodies would be consulted on major Homes for Lambeth decisions and would also play a key role in scrutinising the housing and estates services provided to them on their estates, to help ensure that these services best meet their needs.

The Council now needs assistance to develop:

- Homes for Lambeth's future housing management strategy, taking into account the different tenures that will be provided by Homes for Lambeth through its subsidiaries – social/affordable rent, market rent, shared ownership and any leasehold relating to market sale properties:
  - Set out what approaches are available to Homes for Lambeth, which meet the different regulatory and statutory requirements for management of these tenures
  - Set out how Homes for Lambeth subsidiaries would work with a third party (or possibly several parties, which could potentially include the Council's own Housing Management Services, or subsets thereof) in order to deliver the services that support delivery of the strategy
  - Review existing Lambeth Council policies and identify where these can be adopted for Homes for Lambeth and where these would require adaptation
  - Comment on and input into the emerging strategies for resident engagement and participation in shaping and scrutinising the services they receive
  - Identify what other policies would be required
  - Identify initial KPIs, based on industry benchmarks
  - Provide advice on what IT systems would be required to support the Homes for Lambeth's management of its stock
  - What should client management / interface look like from Homes for Lambeth's perspective
  - Provide advice on what elements of Lambeth Council's current Housing Management service could support Homes for Lambeth
  - Produce some initial process maps and identify what procedures would need to be implemented by Homes for Lambeth – this should include a clear pathway that delegates, aligns and segregates responsibilities between the Council and Homes for Lambeth throughout the key stages of delivering estates regeneration
  - Identify key risks to delivery of the strategy, taking particular account of Homes for Lambeth's operating context and programme, plus mitigations
  - Set out deliverable key milestones and monitoring timescales
  - Provide the development team with evidenced benchmark information on future operating overheads, service charges and estate management costs to inform the financial modelling of development projects
  - Examine and comment on opportunities to share risk and reward through the approach to requirement for the in management of different tenures (e.g. introducing

performance related incentives and penalties to the providers of management service to homes for private rent).

- Homes for Lambeth's procurement strategy for housing management services:
  - Market testing to explore interest from housing management services providers
  - Advise on the key objectives for a procurement process for the future management services
  - Identify the optimum procurement route
  - Set out deliverable key milestones and monitoring timescales
  - Set out key negotiation points that need to be considered in negotiating with a future housing management services provider

An initial high level options appraisal paper would need to be produced for mid-October 2016, setting out the principal options and the the strategic pros and cons of each.

The Council will propose a range of key internal and external stakeholders that must be consulted as part of this exercise. Internal stakeholders will include (but will not be limited to) Officers in the Housing & Regeneration, Housing Management and Accommodation Services teams.

This work needs to be completed over the next 6 months.

The Council is open to tenders from consortia, but will only enter into contract with a single lead organization. The Council anticipates that this commission is worth around £80,000.

If you would like to express an interest in this project, please contact Julian Hart ([jhart@lambeth.gov.uk](mailto:jhart@lambeth.gov.uk)).

## 2. Context

The Council currently manages a housing stock of some 31,000 through its Housing Revenue Account. There are therefore significant resources within the Council focused on managing housing. Consideration needs to be given on the relationship between existing housing management services and the future management of Homes for Lambeth homes.

Housing Management services currently provided in Lambeth broadly fall under the following categories at present, which are not grouped under one umbrella, but fit within the following five headings and these are normally used to summarise "housing management":

1. Tenancy management
2. Estate management
3. Property and asset management
4. Customer and after sales service
5. Resident involvement and participation

The specific services include:

- Complaints, after sales, party wall, alterations, transfers
- Void management and letting
- Tenancy enforcement
- Dealing with ASB
- Estate services (grounds maintenance and cleaning)
- Resident participation
- Repairs and planned maintenance
- Asset management
- Major works
- Provision and Maintenance of building services e.g. lifts, boilers, electricity
- Leaseholder service including s20, service charge accounting, billing and collection: assignments
- RTB
- Income collection
- Rent setting and rent accounting
- Recharges
- Community development
- Garage, sheds and parking
- Health and safety
- Dealing with litter and refuse

### 3. Evaluation Criteria

Responses to this invitation to quote will be assessed on the basis of the information within quotes according to the following criteria: 40% price and 60% quality and technical.

#### Price

Quantitative bids will be scored on the basis that the cheapest fixed price will be awarded the full 40 percentage points and the other bid prices awarded a score that reflected their proportional difference to the cheapest score, as follows:

- the Lowest price (A) will be awarded 40 points; and
- other bids (B, C, D etc) will be scored on the basis of the following formula  $(A/B) \times 100$  with this score (X) converted to a score out of 40  $(40 \times X/100)$ .

#### Quality

Qualitative responses should not exceed 5 pages of A4 and should provide answers to the following questions:

No.	Requirements	Score
1	A methodology statement outlining; - your company approach and ethos; - your understanding of the brief and how you would deliver the services requested	15%
2	Set out your track record on providing advice on housing management strategy	20%
3	Set out your experience in implementing new housing management systems for councils/housing associations/private companies	20%
4	Explain what else you would bring to this brief to help Lambeth ensure that its future built housing will be high quality and energy efficient	5%
Total		60%

Based on initial scoring of submitted documentation, up to three tenderers will be invited to interview.

#### 4. References

Please provide two references detailing:

- Project undertaken
- Client contact number and e-mail address

#### 5. Form of Contract

It is proposed to use Lambeth Standard Contract Terms.

#### 6. Timetable

Publicise Request for Quotation	15 <sup>th</sup> July 2016
Deadline for Returns	1 <sup>st</sup> August 2016 (by 12 noon)
Interviews	w/c 1 <sup>st</sup> August 2016
Start of Contract	w/c 15 <sup>th</sup> August 2016
Contract Completion	January 2017

#### 7. Where to send quote

Please send quote by email to Julian Hart ([jhart@lambeth.gov.uk](mailto:jhart@lambeth.gov.uk)) by noon on Monday 1<sup>st</sup> August 2016.

#### Supplier Declaration

After you have completed this form, please read the statements below and agree to the following statements:

- I have read and understood Lambeth's procurement guidance for suppliers, "Selling to the Council"
- I accept the Terms and Conditions indicated on this form
- If I am selected to provide the above services and/or supplies this form and the information on it will form part of my contract with the London Borough of Lambeth
- If I am selected to provide the above services and/or supplies I will complete the Council's Supplier Self Certification form. Failure to complete this form will result in my quotation not being accepted
- Lambeth is under no obligation to accept the final results of the quotation competition or the lowest price for any particular item submitted by a supplier
- Non-delivery of services or products will result in non-payment by the Council
- False representation could result in de-selection from any competition or termination of contract
- It is a criminal offence to give or offer any gift or consideration whatsoever as an inducement or reward to any servant of a public body. I understand that any such action will empower the Council to cancel any contract or commission currently in force and may result in my exclusion from future work.

- Lambeth has the right to use this information for the prevention and detection of fraud
- If you understand and agree to these statements please check the box below. By checking the box you also certify that the information you have supplied is accurate to the best of your knowledge, has been prepared by your firm with the absence of collusion and that you accept the conditions and undertakings in this form. If you do not check the box you will not be able to work with the London Borough of Lambeth:

Yes