

Report of: Community Housing Business Manager


To: Executive Board

Date: Monday 6th November 2006 **Item No:**

Title of Report : Contract with Oxford Social Lettings Agency




Summary and Recommendations



Purpose of report: The report seeks confirmation that the Council should enter into a new nomination agreement with the Oxford Social Lettings Agency, further to the report giving Major Project Approval and associated permissions for a new contract, first granted by Executive Board in June 2004.

Key decision: Yes

Portfolio Holder: Councillor Patrick Murray (Improving Housing)



Scrutiny Responsibility: Housing Scrutiny Committee

Ward(s) affected: All

Report Approved by



Portfolio Holder: Councillor Patrick Murray





Legal: Lindsay Cane


Finance: Dave Higgins




Strategic Director: Michael Lawrence & SMB



Policy Framework: Providing more Affordable Housing
Service Improvement
 Reducing Social Exclusion



Recommendation(s): That the Board confirm that the Council should now enter into an agreement with the Oxford Social Lettings Agency (comprising of Oxford Citizens Housing Association and Catalyst Communities Housing Association Ltd) for a term of three years, with an option to extend this for a period of up to two further years. Under this agreement, the Council will be provided with private rented, temporary accommodation with 100% nomination rights in which to accommodate statutory homeless clients.



Background

- 1 The Oxford Social Lettings Agency (OSLA) is a major supplier of temporary accommodation used by Oxford City Council in furtherance of its duties under the relevant Homelessness Legislation. In 2003/04, a review of the functioning of the Agency, and the status of its relationship with the Council was undertaken. The review concluded that the legal and regulatory basis of the Agency and its relationship with Oxford City Council was sound, but that the current nomination agreement was flawed in a number of ways, most particularly in that it was not strictly time limited, but had the potential to “roll-on” indefinitely.
2. In June 2004, the then Director of Housing Health and Communities presented a report to Executive Board seeking Major Project Approval and associated permissions to negotiate a new, time limited contract with the Agency. Issues concerning contract rules and European Union procurement were also addressed in that report. The Executive Board gave the following approvals and permissions at that time:
 - (a) Major Project Approval for the OSLA Nominations Scheme;
 - (b) A waiver of Contract Procedure Rule 9, under CPR 3.01(d) to allow the Council to enter into this arrangement without tendering the provision of the nomination rights, under the circumstances outlined in paragraphs 14 to 17 of this report;
 - (c) Delegated Authority to the Interim Legal and Democratic Services Business Manager (or his successor) to finalise and seal a new nominations agreement with the Oxford Citizens Housing Association and Ealing Family Housing Association for a period of 3 years, subject to the granting of consent under Section 25 of the Local Government Act 1988;
 - (d) Delegated Authority to the Strategic Director, Housing Health and Community to seek the Secretary of State’s consent under Section 25 of the Housing Act 1988 to provide financial assistance by way of grants (the nomination fee) for the purpose of the acquisition, improvement, maintenance or management of the nominated properties to the Oxford Citizens Housing Association and Ealing Family Housing Association.

New Agreement

3. Negotiation of a new agreement that is acceptable to all parties has proved extremely difficult and time consuming, but agreement has now been reached. It was felt by officers and the Portfolio Holder that sufficient time had lapsed to warrant a further report confirming that the Council should now enter into a new nomination agreement with OSLA.

4. Officers believe that the new contract meets the requirements noted by the previous review of the scheme, and offers good value for money in terms of nomination fees. The overall costs are expected to fall throughout the term of the contract and this has been planned for through the Council's budgeting process.
5. The number of properties supplied by the Agency is falling, as a result of our homelessness prevention work, and our need to meet the government target for a 50% reduction in the number of households in temporary accommodation by 2010. The timescale of the contract is therefore appropriate, allowing for review in the period leading up to the deadline for achieving the reduction target, and is sufficiently flexible to allow for reductions in the number of properties at a faster pace than we are currently predicting, should this become necessary.

Recommendations

6. That the Board confirm that the Council should now enter into a nominations agreement with the Oxford Social Lettings Agency (comprising of Oxford Citizens Housing Association and Catalyst Communities Housing Association Ltd) for a term of three years, with an option to extend this for a period of up to two further years.

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Background papers:

None

