

To: City Executive Board

Date: 12 November 2015

Report of: Head of Housing & Property

Title of Report: Furnished Tenancy Scheme

Summary and Recommendations

Purpose of report: To seek delegation to award a contract to deliver the Council's Furnished Tenancy Scheme.

Key decision: Yes

Executive lead member: Councillor Mike Rowley, Housing

Policy Framework: Housing Strategy.

Corporate Plan priority: meeting housing needs.

Recommendation: That the City Executive Board resolves to:

1. Delegate authority to the Executive Director Regeneration & Housing, in consultation with the Monitoring Officer and s151 Officer, to award the Furnished Tenancy Scheme contract to the supplier selected following completion of the EU-compliant open tender process described in this report, for the provision of household goods and furnishings to Council tenants.

Appendices

Appendix 1: Risk Register

Background

1. The Council manages a Furnished Tenancy Scheme which is available to most new Council tenants.
2. Tenants eligible for the scheme are given the choice of a furnished tenancy as an affordable option rather than having to purchase furnishings when first taking up the tenancy and this is funded by an addition to their weekly rent. By providing this service to new tenants this helps improve their quality of life; the sustainability of the tenancy

and the length of the tenancy. By doing so it reduces failed tenancies and repeat homelessness.

3. The current contract expires on 31 December 2015. In order to ensure the continuation of service, the Council will have to award the contract by 17 November. At the time of writing this report the tender process is still on-going, therefore it is necessary to seek delegated powers to award the contract.

Budget

4. The annual budget for the provision of this service is £331,240 per Annum which is recovered from rental income for the scheme, with the aim of this being budget neutral for the Housing Revenue Account.

Tender Process

5. An EU open tender process is being conducted using the South East Business Portal.
6. Representatives from Tenant Participation will be assisting the tender evaluation panel in analysing the product brochures and by attending supplier clarification meetings in an “observing” capacity.

Evaluation Criteria

7. The evaluation criteria was set at 70% Quality and 30% Price, with the Quality section questions seeking to examine how the tenderer will meet the service needs of the contract. The justification for having a higher quality weighting is reflective of the importance of the service required in terms furnishing properties quickly to meet the need of the tenants and avoiding potential additional costs from having to remaining in temporary accommodation for a longer period. Each question was weighted to reflect its importance and the Council’s standard 0-10 scoring mechanism was used.

Contract Rules Compliance and Financial Assessment

8. This is a call off contract. The Furnished Tenancy Team offers new Oxford City Council tenants the option of choosing items of furniture from a selected range of items, including carpets, furnishings, curtains and white goods dependent upon their property size.
9. These items are then purchased by the Council and supplied directly to the property. The tenant rents these items through an additional weekly charge in the rent for a minimum of five years.
10. A financial assessment will be carried out on the successful tenderer.

Financial Implications

11. The budget available for this contract is £331,240 per annum which equates to potential spend of £1,656,200 over the proposed five year term of the contract.
12. The furnished tenancy scheme allows for the recovery of the costs incurred, from the tenants over a period of time, which is designed to make the position cost neutral for the authority.

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Background papers: None

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