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| <b>Board/Committee:</b> | Extraordinary Housing Board  |
| <b>Date of meeting:</b> | 25 August 2022   |
| <b>Title:</b>           | Procurement of Locata HPA2 support module for the Housing Needs and Advice service |
| <b>Author:</b>          | Head of Housing  |
| <b>Status:</b>          | For Decision   |

## **Purpose**

To seek the Board's approval to waive the requirements within the Council's Contract Procedure Rules for the procurement of a module to provide system support, updates and enhancements to the Housing Needs and Advice case management system, Locata.

## **Recommendation**

That the Board approves the procurement of the Locata HPA2 support module for a two year period with the option to extend for a further two years in increments of one year.

### **1.0 Background**

- 1.1** The introduction of the Homelessness Reduction Act 2017 (HRA) placed new legal duties on local housing authorities and amended the existing homelessness legislation set out in the Housing Act 1996.
- 1.2** The HRA (enacted in April 2018) places prevention at the heart of homelessness service delivery and has introduced new duties on local housing authorities to intervene earlier and work to prevent and relieve individuals' homelessness, whether or not they are in priority need.
- 1.3** These duties include an enhanced prevention duty extending the period a household is treated as threatened with homelessness from 28 days to 56 days, meaning local housing authorities are required to work with people to prevent homelessness at an earlier stage; and a new duty for those who are already homeless so that local housing authorities will support households for 56 days to relieve their homelessness by helping them to secure accommodation.
- 1.4** The HRA also introduced the duty to refer. This placed a new duty on other public agencies to refer people who they believe to be homeless or threatened with homelessness to local housing authorities. This duty to refer aims to ensure services work together effectively to ensure people's housing needs are considered when they come into contact with public bodies, intervening at the earliest opportunity to prevent homelessness.
- 1.5** With the introduction of the HRA, the government also introduced new data reporting requirements for local housing authorities through the new

Homelessness Case Level Information Classification (H-CLIC) reporting system. H-CLIC is a case-level data collection system which replaces the older P1E data collection method.

**1.6** The move to H-CLIC and case specific information has meant more meaningful data is available to central government, local authorities and their partners to better understand the needs of homeless households, improve policy-making and evaluate the effectiveness of interventions.

## **2.0 Report**

**2.1** All local authorities received an equal share of £3m funding to support IT upgrades or otherwise support the transition from P1E to H-CLIC. This equated to £9202 per local authority.

**2.2** The council's existing software provider, Capita, was unable to capture homelessness data in the required format to meet the government's new reporting requirements following the introduction of the HRA, and had no plans at that time to introduce new modules to coincide with the change in reporting methodology.

**2.3** After reviewing the market, the council entered into a contract with Locata Housing Services Ltd in 2018 for a two year term with the further option to renew annually for up to two years, to develop a bespoke case management system that would fully meet the requirements of the HRA, including H-CLIC exporting and reporting, and provide ongoing system support, updates and enhancements.

**2.4** Whilst Capita has now developed its own module in response to the HRA requirements, this is not a tried and tested product. The purchase of any new software would involve extensive testing to determine its effectiveness, at a cost to the Council, including the transfer of existing data and the retraining of staff to use the new system.

**2.5** Current pressures on the Housing Needs and Advice service, in addition to the new duties of the HRA, include the additional work following Covid-19 and the Everyone In initiative, as well as the increasing demand from dealing with the Afghan and Ukrainian refugee situation. Therefore, this is not an ideal time to consider changing essential software systems.

**2.6** Locata software is embedded and working well to provide the information we need. A four year contract will allow sufficient time for other software solutions to be fully tried and tested, with the Council being in a better position to fully review the market in three years' time, taking advantage of any significant advances made to competitive software.

**2.7** The contract now needs to be renewed for a further two years plus the further option to renew annually for up to two years, at a cost of £8,000 plus VAT per annum.

The total contract value for a four year term is £32,000 plus VAT, therefore Board approval is required to make a direct award, in accordance with the council's contract procedure rules.

- 2.8** The new contract is offered with no increase to current costs, and these will be met by the council's Homelessness Prevention Grant.

### **3.0 Risk Assessment**

- 3.1** The Locata system is required on a daily basis to manage all homelessness casework. As well as provide reports on homelessness statistics, the system holds data on active and closed homeless cases. Ongoing system support is essential to ensure continued service delivery and compliance with the requirements of the HRA.

- 3.2** Capita does not provide a comparable system, therefore Locata remains the council's preferred option for homelessness case management and reporting.

- 3.3** The contract will be kept under review with the council comparing the existing system and costs against those of other suppliers as new systems are developed to ensure continued value for money.

- 3.4** The reported data provides a local and national picture of homelessness, and supports grant funding applications. Not being able to provide H-CLIC data will negatively impact on future grants, and funding bids to support new interventions and initiatives.

- 3.5** The costs for the Locata software are well under Threshold levels for open market competition so there is no risk of a procurement challenge against a direct award.

### **4.0 Conclusion**

- 4.1** Locata provides an essential homelessness case management and reporting system, ensuring the council can report on all statutory homelessness assessments in accordance with the requirements of the HRA. The data is used to understand the level of homelessness both locally and nationally, inform policy-making, support grant funding and bids for new interventions.

- 4.2** The contract needs to be renewed for a further term to ensure the system remains supported and benefits from any updates and enhancements.

- 4.3** The Board is therefore asked to approve the renewal of the contract by direct award as detailed in section 2.7 of the report.

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| <b>Financial Services comments:</b> | Contained within the report  |
| <b>Legal Services comments:</b>     | Contained within the report  |
| <b>Equality and Diversity:</b>      | None   |
| <b>Climate Change implications:</b> | No implications; no IIA required since no procurement of material goods, or policies or services that would influence relevant behaviours, are proposed. |
| <b>Crime and Disorder:</b>          | N/A  |
| <b>Corporate Plan:</b>              | The Locata software will ensure services are delivered effectively and efficiently.  |
| <b>Risk Assessment:</b>             | Contained within the report  |
| <b>Background Papers:</b>           | None   |
| <b>Appendices:</b>                  | None   |
| <b>Report Author/Lead Officer:</b>  | Julie Smith  |