

Notice of Non-Key Executive Decision

Subject Heading:	Procurement of Mobyssoft Rent Sense
Decision Maker:	Paul Walker, Director of Housing & Property
Cabinet Member:	Cllr Paul McGeary, Cabinet Member for Housing
ELT Lead:	Neil Stubbings – Strategic Director of Place
Report Author and contact details:	Michael Lynch, Income Services Manager Michael.lynch@havering.gov.uk
Policy context:	Housing revenue account and capital programme. This proposal will agree to procure the Mobyssoft Rent Sense software to allow us to continue supporting residents in rent arrears and generating income for the Council.
Financial summary:	The total cost is approximately total – this can be accommodated from the Housing revenue account. Year 1: £71,233 Year 2: £96,233
Relevant Overview & Scrutiny Sub Committee:	Place Overview and Scrutiny Committee

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Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision
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The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well	X
Place – A great place to live, work and enjoy	X
Resources – Enabling a resident-focused and resilient Council	X

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Director of Housing & Property is recommended to agree to direct award a contract for rent arrears management software to Mobyssoft through the G Cloud14 Framework for The cost of the two-year contract is £167,466. This will be funded from the Housing Revenue Account.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 [Responsibility for Functions] of the Council's Constitution Section 3: Functions Delegated to Officers

Scheme 3.3.3

Powers common to all Strategic Directors

4. Contracts

4.2 To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3. This delegation shall include the ability to extend or vary a contract up to and including a value of £1,000,000 (provided that the extension is in line with the existing contractual provisions.)

Scheme 3.3.1 General Provisions

5. Sub-delegations

5.1 The Chief Officers may delegate any of the powers listed in this part to another Officer, in so far as is legally permissible. Such delegation will specify whether the Officer is permitted to make further sub-delegations. Any such delegation or sub-delegation must be:

(a) recorded in writing; and

(b) lodged with the Monitoring Officer who will keep a public record of all such delegations.

Any such delegation / sub-delegation will become valid only when these conditions are complied with

The Strategic Director for Place has sub-delegated his section 3 Power to award contracts to the Director for Housing & Property.

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STATEMENT OF THE REASONS FOR THE DECISION

Background

This report seeks the direct award of a two-year contract to Mobyssoft for the provision of its RentSense solution, procured through the G-Cloud 14 framework Lot 2. This recommendation is based on a recent search of the G-Cloud marketplace for solutions that meet our specific requirements for intelligent rent arrears management. The search returned a single result:

Mobyssoft RentSense.

A desktop evaluation has been undertaken, and the solution has been found to align with our immediate operational needs, offering efficiency improvements and enhanced arrears recovery capability.

The Council will purchase the following modules:

RentSense Standard

The Supplier will provide the Buyer with access to a web portal which will provide a prioritised list of rent arrears cases which require contact.

RentSense module – Performance Reporting

The Supplier will provide the Buyer with access to a defined set of reports created using derived data from the unique algorithms within the Rentsense software.

Rentsense module – Formers

The Supplier will provide “Former Tenant Arrears”, a module which allows for former tenants to be included in the RentSense caseload and monitored against a specially designed set of Former Tenant rules, allowing for consistent management of the current and former tenant arrears, but with the intelligent monitoring provided by RentSense.

It is important to note that this is a short-term contract, intended to bridge the gap while officers carry out a full market evaluation as part of the wider procurement of a new Housing Management System. That procurement process is currently underway, with implementation planned for 2026. This proposed contract with Mobyssoft will align with this timeline, ensuring continuity of service until the new system is in place.

This approach enables us to address current arrears challenges effectively while maintaining flexibility for future integration with the forthcoming housing management solution.

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Mobysoft's Rent Sense is a rent arrears management software designed to help social housing providers streamline their operations and reduce arrears. It uses predictive analytics to identify and prioritise rent arrears cases that require immediate attention.

Havering is currently working in partnership with Mobysoft, however this contract came to end at the close of the 2024/25 financial year. We would benefit from purchasing the Mobysoft package which includes former tenant arrears and performance reporting packages.

By providing clear insights and automating routine tasks, Rent Sense enables our officers to manage their caseloads more efficiently, ultimately improving collection rates and reducing both arrears and operational costs.

Since forming a partnership in 2020, the London Borough of Havering and Mobysoft have achieved significant success in managing housing arrears. This collaboration has led to a 67% reduction in caseload, compared to the previous Housing Management System, yielding £363,445 in staffing cost savings and contributing to arrears reduction.

Despite ongoing economic and environmental challenges, including eviction restrictions during the pandemic and increased financial pressures on tenants, arrears have continued to decrease. Year-on-year, arrears dropped by 1.22%, demonstrating the effectiveness of targeted interventions. Notably, of the 1,217 households in arrears as of March 2023, 653 households were no longer in arrears by March 2024.

Additionally, the negative impact of Universal Credit (UC) has been mitigated. Arrears related to UC claimants, as a percentage of the rent roll, reduced by 11.53%, despite a 13% increase in UC claimants. This trend is expected to continue as the full rollout of Universal Credit commenced in 24/25.

The Former Tenant Arrears (FTA) module in Mobysoft Rent Sense is designed to help housing providers efficiently manage and recover arrears from tenants who have vacated their properties. Using advanced analytics, the module identifies former tenants with outstanding debts and prioritises cases based on the likelihood of recovery. This automated approach reduces the administrative burden on officers, enabling them to focus on cases with the highest potential for resolution. The module also facilitates communication, tracks payment agreements, and improves overall debt recovery, increasing efficiency and success in recovering former tenant arrears.

At present, the London Borough of Havering has over £3,000,000 in outstanding non-statute barred former tenant debt. Historically, these debts had not been actively enforced. By leveraging the FTA module, the Council can take proactive steps to recover these arrears, potentially improving its financial performance and enabling reinvestment into housing services.

OTHER OPTIONS CONSIDERED AND REJECTED

1. Not Procuring a Rent Analytics Software

Choosing not to procure a rent analytics software would mean relying solely on the existing Housing Management System for arrears management or reverting to entirely manual processes. This would significantly increase the caseload and administrative burden on housing officers, leading to less efficient rent recovery. Additionally, the Council would not benefit from the predictive analytics capabilities that such software provides, potentially resulting in higher arrears over time.

The costs associated with additional staffing, manual monitoring, and the potential rise in arrears would likely outweigh any financial savings from not investing in the software. Since 2020, predictive analytics has contributed to £363,445 in staffing cost savings. Without an advanced rent analytics tool, the Council might face inefficiencies in arrears management, require additional staff, and experience a decline in rent collection performance, impacting both the General Fund and Housing Revenue Account.

2. Procuring a Different Rent Analytics Software

Procuring an alternative rent analytics software instead of Mobyssoft would require a thorough evaluation of market options, vendor capabilities, and integration compatibility with the Council's Housing Management System. Transitioning to a new provider could result in implementation delays, additional training costs, and a temporary drop in arrears recovery efficiency.

While a different software might offer similar or additional functionalities, there is a risk of lower accuracy or effectiveness compared to the proven performance of Mobyssoft. The procurement and implementation process could also incur significant upfront costs, and any delays in transitioning could lead to temporary inefficiencies in arrears management. Furthermore, the lack of a well-established track record in delivering savings and improving recovery rates would introduce uncertainty regarding financial and operational benefits.

3. Other Options Considered – Full Market Evaluation

A full market evaluation was considered as an alternative option to identify a suitable rent arrears management solution. However, this approach has been discounted at this stage for the following reasons:

Time constraints: Undertaking a full procurement exercise would significantly delay implementation, leaving the service without an effective arrears management tool in the interim, at a time when proactive intervention is critical to maintaining income levels.

Short-term nature of requirement: The proposed contract is intended as a temporary solution to support arrears management until the implementation of the new Housing Management System in 2026. A full market evaluation would

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not represent good value for money given the short-term duration and limited scope of this requirement.

G-Cloud marketplace findings: A search on the G-Cloud framework, which supports rapid and compliant procurement, returned only one supplier (Mobyssoft) that met our specific requirements. As such, a full evaluation is unlikely to yield alternative options that can be procured within the necessary timeframe and through compliant routes.

Given these factors, proceeding with a direct award via the G-Cloud framework represents the most efficient, proportionate, and pragmatic approach.

PRE-DECISION CONSULTATION

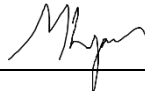
N/A

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Michael Lynch

Designation: Income Services Manager

Signature:



Date: 29.04.2025

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's Section 1 power are engaged by this decision

This report seeks authorisation to make a direct award to Mobyssoft via the G Cloud 14 Framework. The proposed value of this Contract is £167K. This is below the threshold for services in the Procurement Act 2023. However, any award must comply with the Council's Contracts Procedure Rules (CPR).

The framework has been set up in accordance with the Public Contracts Regulations 2015 and therefore is live and valid framework that is available for the Council to access and utilise in compliance with CPR 20.4.

For the reasons set out above, the Council may award the contract.

FINANCIAL IMPLICATIONS AND RISKS

The two-year contract will cost £167,466. This consists of £71,233 (Nov 2024 to Nov 2025) and £96,233 (Nov 2025 to Nov 2026). These are fixed prices and will be funded from the Housing Revenue Account.

The Year 2 cost includes an additional charge of £25,000, for the Former Tenant Arrears Module, which was offered for free in Year 1, on a trial basis.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not appear to give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Under Section 149(1) Equality Act 2010 a public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment. The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The recommendations made in this report do not give rise to any identifiable Environmental and Climate Change implications and risks.

Environmental and climate change requirements have been taken into account as part of the CCS tendering process. The service will require that the appointed supplier evidences their continued work on fighting climate change, tackling economic inequality and equal opportunity via robust contract management throughout the life of the contract.

BACKGROUND PAPERS

None.

APPENDICES

None.

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed

A handwritten signature in dark ink, appearing to read 'P Walker', is written over a light blue horizontal line.

Paul Walker
Interim Director of Housing & Property

Date: 3rd June 2025

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____