

Notice of Non-Key Executive Decision

Subject Heading:	Housing Quality Network (HQN) Agreement
Decision Maker:	Paul Walker – Interim Director of Housing & Property
Cabinet Member:	Councillor Robert Whitton – Cabinet Member for Regeneration
ELT Lead:	Neil Stubbings - Strategic Director of Place
Report Author and contact details:	Katri Wilson, Assistant Director Housing Operations 01708 434581 Katri.wilson@Havering.gov.uk
Policy context:	This proposal is to extend the current agreement with HQN for 12 months, to allow continued support and external audit services to meet the Regulator of Social Housing Consumer Standards compliance requirements.
Financial summary:	This proposed extension has a value £98,000 and will be funded from The Housing Revenue Account (HRA) and has been budgeted for.
Relevant Overview & Scrutiny Sub Committee:	Place Overview & Scrutiny Sub Committee.
Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non key Decision.

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well

Place - A great place to live, work and enjoy **X**

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAILS OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The Interim Director of Housing & Property is recommended to approve a 12-month extension to the agreement with HQN, as set out below.

HQN Consultancy Services

HQN consultancy support assists Havering Housing Services in meeting and progressing improvement actions within the Housing Improvement Plan. Following a self-assessment and mock inspection undertaken by HQN, 192 improvement actions were identified. HQN's support is helping to ensure the necessary improvements are delivered by strengthening assurance, compliance and service delivery in line with:

- Consumer Standards
- Housing legislation and regulatory expectations
- The Housing Ombudsman Complaint Handling Code
- Governance and assurance requirements

Internal resources are currently stretched, and the service would benefit from HQN's specialist knowledge and expertise to progress improvement actions that cannot currently be delivered in-house. Over the past 12 months, Havering Housing Services has worked with HQN's external consultancy team to identify, progress and complete actions within the Housing Service Improvement Plan.

The remaining work will focus on strengthening assurance, supporting delivery, improving oversight and ensuring that outstanding actions are progressed in a coordinated and timely manner, including:

- Reviewing outstanding service improvement actions, priorities and risks
- Supporting the implementation of good practice with managers and service leads
- Providing governance reports and assurance updates
- Supporting evidence gathering and compliance monitoring

Non-key Executive Decision

- Providing operational problem-solving support to address delivery barriers.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 of the Council's Constitution

Scheme 3.3.3

Powers common to all Strategic Directors

4. Contract powers

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).

The above powers are the subject of a sub-delegation from the Strategic Director of Place to the Interim Director of Housing and Property, as notified to the Monitoring Officer on 3 April 2024.

STATEMENT OF THE REASONS FOR THE DECISION

Background

HQN provides extensive expertise in compliance with the Regulator of Social Housing Consumer Standards, alongside specialist knowledge across housing management, asset management, housing finance, governance, leasehold management, policy and strategy, income collection, tenancy sustainment, private rented sector housing, resident engagement, neighbourhood management and building safety.

HQN has access to a wide network of associates who are recognised experts in their respective fields. HQN is a well-regarded organisation with a proven commitment to the social housing sector and a strong track record of supporting service improvement. This report seeks approval to extend the agreement with HQN in recognition of the valuable assurance and improvement services it provides to Havering Council Housing Services.

Performance

Havering Housing Services has worked with HQN over the past 12 months. During this period, HQN has supported the production of a self-assessment against the Consumer Standards, which informed the Havering Housing Improvement Plan. HQN also undertook a mock inspection of Havering Housing Services, providing valuable insight and learning to support service development. In addition, HQN has carried out external validation of housing data and key performance indicators, which is a requirement of the Regulator of Social Housing Consumer Standards.

Non-key Executive Decision

HQN's involvement has played an important role in strengthening the Council's preparedness for inspection by the Regulator of Social Housing.

The Havering Housing Improvement Plan is a living document and as such new actions have been added over the last 2 years to pick up on new legislative and regulatory requirements. In a sense it can never be completed because there will always be new improvements to make. Continued HQN support is required to progress this work. Further development of the evidence files is also needed to provide even more assurance, and two additional external audits are scheduled to be completed with HQN's support.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1: Do not renew the agreement

This option would involve ending the agreement with HQN and their consultancy support. While this would deliver immediate savings to the Council, it has been rejected due to the negative impact on the Housing services compliance with the Regulator of Social Housing Consumer Standards. The withdrawal of support would lead to increased non-compliance with the Consumer Standards and possibility of achieving a C3 rating in the inspection.

Option 2: Recommission the service through a competitive procurement process

This option would open the provision to the market to identify alternative providers. While this could encourage competition and value for money, it has been rejected at this stage due to the relatively low value of the contract, short length of the contract and lack of similar providers in the market. Further considerations are risk of service disruption, loss of established local knowledge, and the time required to undertake a full procurement process along with its costing.

PRE-DECISION CONSULTATION

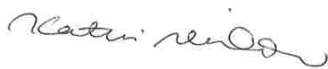
None.

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

Name: Katri Wilson

Designation: Assistant Director of Housing Operations

Signature:



Date: 22.07.2026

Part B - Assessment of implications and risks

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

No Human Resources implications.

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 s.1 power are engaged by this decision.

The value of the current contract and the proposed extension fall below the threshold under the Procurement Act 2023, to carry out a procurement exercise, however, must comply with the Council's Contract Procedure Rules. The extension is considered a direct award and therefore requires a waiver from the Contract Procedure Rules and falls within the exception under 37.2.2.3 as follows - 37.2.2.3 "available only from one supplier in the UK – for example, specialist niche consultants or supplies".

FINANCIAL IMPLICATIONS AND RISKS

This NKED seeks to continue the support provided by HQN in anticipation of the upcoming inspection by the Regulator of Social Housing and is £98k in 2025/26. The budget for the ongoing consultancy support sits within Supported Housing (A29137) and is sufficient at £120k. Significant risks to the outcome of an inspection on the HRA, for which the Regulator has yet to visit in the current round of inspections. The HRA would be at risk of a lower inspection rating without the support and guidance of the HQN, who are uniquely placed as experts in the field.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

An EHIA (Equality and Health Impact Assessment) has not been completed and is not required for this decision.

The Council seeks to ensure equality, inclusion, and dignity for all.
There are no equalities and social inclusion implications and risks associated with this decision.

Non-key Executive Decision

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

None directly arising from this decision.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Havering Council is committed to protecting and promoting the health and wellbeing of residents. There are no direct health and wellbeing implications arising from the recommended decision to implement a 12-month extension of the contract held with HQN for provision of specialist consultancy support.

Housing affordability, quality and safety are key determinants of population health and wellbeing - the specialist services to be provided by HQN will support efforts to improve these issues for Havering residents living in social housing across the borough.

BACKGROUND PAPERS

None.

APPENDICES

None.

Non-key Executive Decision

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 Housing & Property

Date: 6th August 2026

Lodging this notice

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

For use by Committee Administration

This notice was lodged with me on _____

Signed _____