

Committee: COMMUNITY

Agenda Item

Date: 8 June 2006

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Title: Choice Based Lettings

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Summary

This report updates Members on the progress made with the Choice Based Lettings Consortium Bid.

Recommended

That the Committee notes the position regarding the Choice Based Lettings scheme consortium bid in the District and authorises officers to work with consultants on the implementation of the scheme and report back to a future meeting of the Committee.

Background Papers

The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

1. Sustainable Communities: Homes for All, A Strategy for Choice Based Lettings. ODPM
2. Fund for the development of regional and sub regional choice based lettings scheme. ODPM
3. Harlow Choice Based Lettings Policy. Harlow Council.
4. Introducing Choice Based Lettings, S Clarke (attached)
5. Health and Housing Report September 8th 2005.

Impact

Communication/Consultation	There will need to be communication with the other LA's involved and report back to Committee for a final policy decision.
Community Safety	None

Equalities	None at present. There would need to be safeguards for minority groups to ensure they can access the service.
Finance	Some ongoing funding will be required.
Human Rights	None
Legal Implications	Investigate scheme and its legal implications
Ward-specific impacts	Across District
Workforce/Workplace	Role of housing team will have impact

Situation

1. It is Government policy that all stock owning social housing landlords should have a Choice Based Lettings Policy in place by 2010. It should however be noted that Go East, following a recent enquiry stated that "Choice Based Lettings schemes are not currently a statutory requirement for all local authorities. However, it should be noted that Part 6 of the Housing Act 1996 as amended by the Homelessness Act 2002 states that 'authorities must include a statement in their allocations scheme about the position on offering choice to applicants or the ability to express preferences and includes a provision to facilitate the introduction of advertising schemes'. Clearly ODPM are keen that authorities offer choice and implement Choice Based Lettings schemes by the above date"
2. Choice Based Lettings is a new government approach to the letting of social housing. It aims to make lettings arrangements more transparent and to make it easier for tenants and residents to apply for housing with the Council or with Registered Social Landlords (Housing Associations). Pilot schemes have introduced 'advertising' models for letting homes, which allow applicants to play a greater role in the allocation process. Many authorities have also combined this with steps to increase applicants' awareness of a range of possible solutions to their housing problems.
3. A report was presented to the former Health and Housing Committee in September 2005 because the ODPM were providing £4 million over three years to support the development of regional and sub regional choice based letting schemes. The Government document "Homes for All", also makes clear that the Government is keen that choice based lettings systems should operate sub regionally or regionally and therefore invited bids over a three year period.
4. At the September 2005 meeting the Committee agreed that Uttlesford should be part of a sub regional bid on the understanding that any final decision on such a

scheme would finally be made by the Committee. Accordingly a bid was finalised at Officer level with Epping Forest District Council, Brentwood Borough Council, Broxbourne District Council, East Herts District Council and Chelmsford Borough Council (Herts and Essex Housing Options Consortium) to look at the feasibility of a sub regional choice based lettings scheme. The purpose of this would, if successful and acceptable to the Council, lead to high savings on the set up costs and advertising of this Government initiative. Each Local Authority would still do all of their own allocations and the partnership working would be around a joint computer system in each Local Authority office and a joint magazine/website, advertising the properties that are available across the area.

5. This bid was successful and the partnership was awarded £96,000 to implement choice based lettings within the 6 Local Authority areas. However it is part of the award that a Choice Based Lettings Scheme has to be established, hence the need for this report to the Committee.
6. The funding it appears, will help with set up costs, the computer system needed and a project officer who would help implement the scheme in each Authority area. This will enable Uttlesford DC to move forward with Choice Based Lettings earlier than originally thought possible and well ahead of the Government target and without the short term strain on staff resources.
7. At this stage there are some Officer concerns about a scheme like this and how it would impact on a rural area such as Uttlesford. Currently the void rate for General Needs accommodation is under three weeks and the Governments scheme could result in it being higher. Applicants locally are given choice under the Councils current policy. There is also a need for ensuring that minority groups for the less advantaged within the area are protected. However widening the customer base for the Council's hard to let sheltered housing could be helpful. Accordingly the Council will have to balance the standards of the current Council policy on allocations against a choice based letting approach which is clearly what the government requires of all stock owning Councils.
8. A way forward would be for work to commence, with the help of the Consortium paid consultant, on implementing a scheme but before any irrevocable decision is made a further report would be submitted to Committee. Officers will discuss with the Committee the benefits of Choice Based Lettings in Uttlesford, the ongoing costs and obviously the computer implications. There is a significant possibility that should the Council not proceed there could be a cost of repaying the consultants fees (estimated £16,000) and that this issue may need to be addressed again before 2010.
9. The views of the Tenant Forum will be verbally reported to the Committee.

Targets

10. What we are trying to achieve is to continue working in partnership with the Herts and Essex Housing Options Consortium to meet the Governments requirement of a choice based lettings scheme by 2010 but to also balance this with existing Council policy.

Options

11. There are 3 potential options.
12. They are:
 - a) Move forward with the Partnership and review the Council's policy when the implications are clear which could result in a financial cost to the Council.
 - b) Move forward now with the Partnership and implement Choice Based Lettings and therefore achieve the Government requirement ahead of the target date.
 - c) Withdraw from the scheme and review the situation between now and 2010 depending on statutory requirements.

Pay-Offs/Penalties

13. If the Council proceeds with this Partnership, then choice based lettings will be implemented during 2007/08 ahead of the Government timescale of 2010 and with significant project savings.
14. If we do not go ahead with the Partnership, then the other Authorities in the sub region will continue to do so and we will lose the opportunity for sub regional working, the funding opportunity and the reduction in costs.

Risk Analysis

15. The following have been assessed as the potential risks associated with this issue.

Risk	Likelihood	Impact	Mitigating Actions
The scheme is implemented but	Medium	Medium	Although CBL schemes already

increases void turn around times and staffing costs increase.			in place have experienced longer void turn around times it is hoped that this will improve when the scheme is fully operational
Uttlesford pull out of the sub regional bid	Medium	High	UDC would have to fund the total costs of the project if it becomes statutory.
Council could be accused of not embracing regional/sub regional agenda			Could impact on CPA review score.
Tenants are not satisfied with a choice based lettings scheme	Medium	High	Could mean reverting back to the traditional methods of allocating properties.

Topic: Introducing Choice Based Lettings
June 2006

What is Choice Based Lettings?

Choice Based Lettings is a new approach to letting homes which aims to make lettings arrangements more transparent and to make it easier for tenants and residents to apply for housing with the Council or with Registered Social Landlords (Housing Associations).

Pilot schemes have introduced 'advertising' models for letting homes, which allow applicants to play a greater role in the process of selecting their home.

Why is Choice Based Lettings important?

Introducing Choice Based Lettings is regarded by the government as important as it provides a significant focus on Customer Services.

It is regarded as a method of listening and responding to customers, working with partners and improving communication using technology to improve customer services,

The Government is keen to see a move away from traditional systems for allocating homes to those which place greater emphasis on the themes of choice, responsibility and a more active role for applicants in the allocations process.

Choice Based Lettings is also seen by the Government as a way of encouraging sustainable tenancies and building more settled and stable communities. It is suggested that tenants are more likely to meet their tenancy obligations, maintain the property in a good condition, and remain in situ for longer if they have been involved in a Choice Based Lettings Scheme.

What benefits can it bring to our customers?

Choice Based Lettings has been tested in a number of Councils. Although demand for housing is likely to remain high in a number of cases, Choice Based Lettings may bring many benefits to tenants and residents including:

- **The chance to decide for which properties to apply**
- **Better quality information**
- **Increasing awareness of other housing options.**
- **Clear and transparent criteria to decide who is eligible for housing**
- **Support for vulnerable groups**
- **Better communication**

Why work sub regionally?

After discussions with a Choice Based Lettings provider, it seems that working in partnership would lead to high savings on the set up costs and advertising of this initiative. Each Local Authority would still do all of their own allocations and the partnership working would be around a joint computer system in each Local Authority office and a joint magazine/website etc to advertise the properties.

The funding will help with set up costs, the computer system needed and a project officer who would implement the scheme in each Authority area. This would enable Uttlesford DC to move forward with Choice Based Lettings earlier than originally thought possible and without the strain on staff resources.