

**Committee:** COMMUNITY COMMITTEE

**Agenda Item**

**Date:** September 14, 2006

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**Title:** CHOICE BASED LETTINGS

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Item for decision

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### Summary

1. This report requires the Committee to make a policy decision regarding Choice Based Lettings (CBL).

### Recommendations

2. That the Council does not, at this time, proceed with the implementation of a Choice Based Lettings scheme.

### 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.

- Reports and relevant papers to Health & Housing Committee September 2005
- Community Committee June 2006

### Impact

Communication/Consultation	The views of the Tenant Forum will be reported to the Committee.
Community Safety	None
Equalities	Possible issues regarding ethnic minorities and some disadvantaged people not fully accessing CBL process.
Finance	Likely extra costs to run service – further assessments to be made.
Human Rights	Possible issues regarding ethnic minorities and some disadvantaged people not fully able to access CBL process.
Legal Implications	To be assessed.
Ward-specific impacts	All wards.

Workforce/Workplace	Role of Housing allocations will change.
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## Situation

5. The Committee has received two previous reports on this issue. In September 2005 the then Health & Housing Committee agreed that the Council should be part of a sub-regional bid to try and access funding for the implementation of a scheme. At the last meeting of this Committee it was reported that the bid, covering 6 District Councils, had been successful and authority was given to officers to work with consultants about the details of introducing a CBL scheme.
6. In both cases, it was agreed that a further report would be presented to the Committee in order for a policy decision to be made as to whether or not to proceed with a scheme.
7. It was expected that a report would therefore be presented later in the corporate year. Unfortunately, the timetable has changed, due to the need to appoint consultants to oversee implementation. This needs to be done very soon in order for the funds available to be accessed by the consortium. Accordingly, the Committee is now required to make a decision as to whether it wishes to proceed with a CBL scheme. It should be noted that the money available to pay the consultants is specific funding from the Government and is not allocated to any specific Council budget.
8. It is Government policy that all social housing providers should be part of a CBL scheme by 2010. It is not currently a statutory requirement but this could change depending on progress across the country.
9. The Government is of the view that by introducing a CBL scheme this will improve the allocation process and allow applicants for housing more choice regarding their future tenancies which in turn will result in the tenant being more committed to the management of their home.
10. Appended (Appendix 1) to this report is an updated draft document which outlines the broad principles of such a CBL scheme.
11. Although there are many positives to the introduction of such a scheme, I have to report to Committee that I am concerned about a number of significant issues which still need to be fully thought through nationally and then locally before a scheme is adopted. The issues include:
  - (a) The Council is likely, in the longer term to incur higher costs for the provision of the service. The impact is unclear at this stage but a minimum of an extra £15,000 per year is likely.
  - (b) The publication of a newsletter every 2 weeks which is likely to be across the 6 districts, advertising vacancies, could be regarded as bureaucratic and expensive and against the principles of

sustainability. It could result in demand from non-resident people in Uttlesford to increase impacting on local applicants in need.

- (c) The void rate for general need vacancies could increase due to the above process.
  - (d) Applicants could fail, for a number of reasons, to register a bid because of social problems within the household (illness, holiday etc).
  - (e) There could be issues relating to ethnic minority or disadvantaged people missing out on a bid and assuming a friend or carer will do this on their behalf is not sound.
12. Currently the Council allocates vacancies based on a housing need points scheme taking into account the parishes requested by applicants. I accept that there will need to be a review of the Council's scheme over the next 2/3 years to endeavour to improve choice especially for some client groups but I feel that, at this time, the downside of adopting a new CBL scheme outweighs the advantages.
13. Until there is clarity on the points raised it is, I feel, inappropriate for the Council to commit to such a fundamental change in its allocation process. It is important to note that other than some sheltered housing vacancies, the demand for all Council general needs accommodation is extremely high from either homeless families or highly pointed applicants. Allocations are normally made taking into account areas where an application has indicated they would like to be housed.

### **Targets**

14. What I am trying to do is to improve service delivery to housing applicants.

### **Options**

15. There are 2 options:
- (a) Take no further action at the present time to implement a sub regional CBL scheme. However this will require a review of procedures over the next couple of years with the possible introduction of an Uttlesford scheme in due course.
  - (b) Proceed with the Herts & Essex Consortium and introduce a CBL scheme in 2007 in accordance with the Government's wishes.

### **Pay-Offs/Penalties**

16. If the Council proceeds with the CBL proposal the Council will be ahead of what the Government wishes.

17. If we do not, as recommended, the Council will need to be able to justify its position. This will basically be that the current processes are currently satisfactory but will be gradually reviewed.

### Risk Analysis

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

Risk	Likelihood	Impact	Mitigating Actions
The scheme becomes statutory	MEDIUM	MEDIUM	Council will have to implement a scheme as required.
Loss of Consortium funding	High	Medium	The Council will have to set a budget but this would be specific to UDC needs.

### **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 applicants to apply for housing with the Council or with Registered Social Landlords (Housing Associations).

The scheme is based on a principle of 'advertising' models for letting homes, which allow applicants to play a greater role or 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 significant focus on involving applicants in choice.

It is a method of listening and responding to customers, working with partners and improving communication using technology.

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

Choice Based Lettings is seen by the Government as a way of encouraging sustainable tenancies and building more settled and stable communities. It is felt 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 may, according to the Government, bring some benefits to tenants and residents including:

- The chance to decide for which properties to apply
- Improved property information
- Awareness of other housing options
- Knowledge of criteria to decide who is eligible for housing
- Support for vulnerable groups
- Different ways of communication