

Committee Community & Housing

Agenda Item

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Title: **HERTS AND ESSEX HOUSING OPTIONS
CONSORTIUM – THE WAY FORWARD**

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Item for decision

1. Summary

Officers from the authorities within the Herts and Essex Housing Options Consortium (HEHOC) have had discussions on possible ways to enhance the current HomeOption, Choice Based Lettings Scheme. This report sets out options on the way forward on cross-boundary allocations and possible enhancements to the current scheme. Officers from all six authorities have now agreed to seek the views of their members on these possible options and report back at a future Consortium meeting.

2. Recommendations

- A. That the Community and Housing Committee considers the four models in this report and selects its preferred model which officers will then take back to the Consortium partners. Any final decisions will have to be agreed by all partners before any changes to the current system could be implemented.
- B. That the Committee notes the possible enhancements to the Choice Based Lettings Scheme

3. Background Papers

- Allocation of Accommodation: Choice Based Lettings – Code of Guidance for Local Housing Authorities – Available on line at www.communities.gov.uk website
- Audit Commission Inspection Final Report - June 2008
- Fair and Flexible: Statutory Guidance on Social Housing Allocations for Local Authorities in England. Available on line at www.communities.gov.uk website
- Sub Regional Housing Strategy

Impact

4.

Communication/Consultation	Consultation is currently being undertaken as part of the allocations policy review. Consultation with tenants forum
Community Safety	n/a
Equalities	Any policy change will be subject to an equality impact assessment
Finance	Cost of changing housing systems as required already in budget
Health and Safety	n/a
Human Rights/Legal Implications	Any policy changes need to comply with relevant housing legislation and codes of guidance
Sustainability	n/a
Ward-specific impacts	All wards
Workforce/Workplace	Work will be carried out using existing resources

Situation

5. Uttlesford is part of the Herts and Essex Consortium (HEHOC) which was set up in 2005, to develop a joint Choice Based Lettings Scheme (CBL). The five other local authority partners within the Consortium are listed below and comprise all the local authorities in the eastern part of the London Commuter Belt Sub-Region (i.e. on the Herts and Essex border), with the exception of Harlow District Council, which independently operates its own CBL Scheme:

- Brentwood Borough Council
- Broxbourne Borough Council
- Chelmsford Borough Council
- East Herts District Council
- Epping Forest District Council

6. The Audit Commission when it last inspected the Council's Strategic Housing Service felt that an opportunity had been missed when setting up the HomeOption scheme within the CBL consortium and that cross boundary 'bidding' and one point of access would have provided people with real choice.

Cross-Boundary Allocations Schemes

7. One of the objectives of the Regional Housing Strategy for the East of England is to provide mixed communities and widen choice. The Sub-Regional Housing Strategy has an objective of achieving social inclusion, and to ensure access and choice to housing and the inclusion of collaborative working on CBL within the Sub-Regional Strategy's Action Plan.
8. Since all authorities have implemented CBL, it is an expectation of the Communities and Local Government (CLG), through their Special Advisor in this area, to move towards cross-boundary allocations. One of the key objectives of HEHOC, which was included in the Consortium's successful bid for Government grant, was to work collaboratively amongst local authority and Registered Social Landlord (RSL) partners to increase opportunities for cross-border mobility and nomination arrangements and to explore the opportunities to extend the scheme to private sector landlords.
9. Although customers from any of the partner local authority areas will be able to register with any other partner local authority, and bid for vacancies in that area, there is currently no formal provision for any cross-boundary working.
10. The Government's statutory guidance "Fair and Flexible" on social housing allocations for local authorities in England refers to cross-boundary working in its document. Some examples of this are as follows:
 - Greater Mobility – *"could develop arrangements with other authorities or RSLs to make a proportion of their lettings available for cross-boundary nominations" (Page 14 paragraph 29).*
 - Local Lettings Policies – *"Attracting essential workers into the district by giving them priority for a small number of properties" (Page 29 paragraph 86).*
 - Local Lettings Policies – *"Where a number of local authorities have agreed a common allocations policy or common prioritisation criteria as part of a sub-regional CBL scheme, local lettings policies can be useful as a means of incorporating local priorities" (Page 29 paragraph 88).*
 - The agency Locata Housing Services (LHS) is the largest Choice Based Lettings agency in the UK, which administers the HEHOC HomeOption Choice Based Lettings Scheme. LHS advises that a number of the Consortia they administer operate some form of cross-boundary working. The allocations policies used are based around one of the following four models:

Possible new Models

11. Model One – Retention of Own Allocations Scheme

- This is the model currently used by HEHOC with each authority retaining their own Allocations Schemes with no cross-boundary working. Under Choice Based Lettings, all applicants will be able to view available

properties across all six local authority areas either in the free-sheet or on the website. As housing applicants can join any housing register throughout the country, they are able to express an interest in any property they are eligible for advertised in the free-sheet, as long as they are registered with the authority that has the vacancy. However, as applicants only have priority in terms of local connection in their own area, they obviously have much lower priority for properties advertised by their neighbouring authorities which limits mobility.

12. **Model Two – Retention of Own Allocations Scheme with an Over-arching Sub-regional Policy**

- Under this model, although each authority would retain its own allocations scheme locally, prior to any expressions of interest being registered, around 5 - 10% of vacant properties selected randomly, will be extracted by LHS from each HEHOC member authority for cross-boundary “bidding”. These vacancies, during each two-weekly cycle, would be allocated under a separate over-arching sub regional allocations policy. Priorities under the over-arching policy would need to be agreed, but should not include applicants being placed in the lowest bands for not having local connection. Banding priority would be predominantly based upon need, with those applicants who do not have local connection having less priority within each band. If all Consortium members’ policies were similar, with for example all members having a banding scheme, this would result in a reduced free-sheet as less information on individual schemes would need to be published, which would reduce costs. As explained in paragraph 2, of the Sub-Regional Housing Strategy there is an objective of achieving social inclusion, and to ensure access and choice to housing and the inclusion of collaborative working on CBL within the Sub-Regional Strategy’s Action Plan. This model would meet with this objective.

13. **Model Three – Voluntary Sub-regional Policy for Difficult to Let Properties**

- With this model, all HEHOC members would pool all difficult to let properties and advertise them as being available to all applicants across the partner authorities, provided applicants are registered with the authority where the vacancy exists. Although it could be argued that this would demonstrate partnership working, in reality it would not increase the chances of an applicant outside of an authority’s area as they would be already placed in a lower band (or have less points) due not having local connection. It would therefore be recommended that, if this model was agreed, priority should be based upon an over-arching banding policy across the Consortium for difficult to let properties, based upon the applicant’s need only, with local connection and time on the list being disregarded.

14. **Model Four – Common Assessment Policy**

- Under a common assessment policy, all HEHOC members would allocate accommodation across all areas under one Allocations Scheme. In order to make this work, all partners would need to work to either a banding or points based system. If a banding system was agreed, then local connection could give greater priority within each band rather than applicants being placed in the lowest band for this reason. As explained in the Sub-Regional Housing Strategy there is an objective of achieving social inclusion, and to ensure access and choice to housing and the inclusion of collaborative working on CBL within the Sub-Regional Strategy's Action Plan.
- An example of this type of scheme is The Gateway HOME CHOICE scheme recently adopted by authorities within the Greater Haven Gateway. It has 7 member authorities with one application form, one banding assessment policy and the ability for applicants to express interest across borders. It still allows for some local lettings policies and by monitoring inward and outward migration to adjust the lettings availability on some properties.
- Other regional models include one in Derbyshire, which again has authorities with joint allocation policies and banding assessment policies which allow applicants to make one application to enable them to bid on properties within the region. However the scheme allows for the member authorities to allocate first to those with a local connection, secondly to those with a regional connection and only then to those with no connection.

Potential HomeOption Scheme Enhancements

15. Common Housing Application form & On-line Registration

- When HEHOC submitted their successful bid for Government grant to assist with the setting up of the scheme it was confirmed that, once the scheme is in operation, the Consortium would explore the possibility of devising a common housing application form, enabling customers to only have to complete one form to register with the local authorities of their choice by using a tick box method. LHS are able to offer applicants the facility to register on-line and complete a single housing application form and manage housing registers for each partner authority. In addition, each applicant would be asked to select which authority they would wish to manage their application. The common form could include all the information required by different Local Authorities for them to prioritise in accordance with their Allocations Schemes. The main benefit to Local Authorities is that staff would not have to input data themselves since LHS would automatically populate the system.

16. Inclusion of Private Sector & Shared Ownership Accommodation

- All partners in the Consortium would be able to advertise both private sector and shared ownership accommodation with a charge being made to landlords.

17. Consultation Module

- LHS is able to provide a consultation module added to the system which enables Consortium members to seek the views of their customers on the service provided.

18. Consideration to having a consistent approach to local connection rules

- Different authorities in the Consortium appear to have different rules for local connection. Consideration could given to a more consistent approach in terms of eligibility including:
 - Time living in the area
 - Working in the area
 - Family members living in the area
 - The need for support from family or friends living in the area
 - The need to provide support to family members living in the area

Conclusion

19. One of the clauses in the Consortium's Memorandum of Understanding is that it is the intention of HEHOC that individual housing allocations schemes shall remain the sole responsibility of the individual authorities in which they operate and those responsibilities for amendments remain the responsibility of the individual member authorities.
20. The six HEHOC authorities are therefore asking their Members to consider the different model options in this report and agree which model they would like their officers to take forward with the partner authorities.
21. If Uttlesford Members were to wish to take the lead on moving forward on the option as detailed in model 4, the model most in line with Audit Commission comments and Government guidance, it would still require the agreement of all members of the Consortium before any changes could be made. Officers, however, once Members' views are clear and on the record will be able work within the Consortium on achieving Uttlesford's preferences.

Risk Analysis

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

Risk	Likelihood	Impact	Mitigating actions
Work to address weaknesses in allocation scheme identified by the Audit Commission does not progress	1	3 Failure by the Council to address the weaknesses set out in the audit commission report would be highlighted as failure within the Community Housing Service in the re-inspection next year	Work with members and tenants to address weaknesses identified in the audit commission report

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.