

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
28th SEPTEMBER 2006

Proposal for the Introduction of a Choice Based Lettings Scheme for the Allocation of Properties from the Housing Register

OPEN	
COMMUNITY STRATEGY THEME	Improved Health and Wellbeing
CORPORATE PLAN THEME:	Enabling Community Wellbeing
KEY PRIORITY:	Housing and Independent Living
CABINET MEMBER:	Councillor Anne Hingley
RESPONSIBLE OFFICER:	Head of Planning, Health and Environment
CONTACT OFFICER:	Gordon Wilkes, Principal Housing Officer - Ext 2561 Gordon.Wilkes@wyreforestdc.gov.uk
APPENDICES	Appendix 1 - Draft Bid submission to the Department of Communities & Local Government for funding to develop a sub-regional Choice Based Lettings scheme for the West Midlands South Housing Market Area Partnership

1. PURPOSE OF REPORT

- 1.1 To provide Members with a full appreciation of the history and context of Choice Based Lettings Schemes and to seek their approval for the development of a Choice Based Lettings Scheme Model for the allocation of properties from the Housing Register.

2. RECOMMENDATION

The Cabinet is asked to **DECIDE:**

- 2.1 **A SHMAP bid to the Department of Communities and Local Government for grant funding to develop a sub-regional Choice Based Lettings Scheme and the principle of working to develop a Choice Based Lettings Model, as detailed in this report be supported.**

3. BACKGROUND

- 3.1 In April 2001, Government provided funding to support 27 local authority-led pilots, which aimed to find out the effectiveness of a new approach to lettings, Choice Based Lettings (CBL), where properties were advertised and those in need of a home were invited to bid for what was on offer.
- 3.2 When the evaluation of the pilots was completed in May 2004, it brought to light a number of outcomes:
 1. The number of households registered for social housing had increased in almost all the pilot areas.
 2. Customer feedback showed that those in search of housing regarded CBL as far more open and transparent.
 3. Most customers felt that the additional effort of actively bidding for properties was worthwhile, given the benefits of the new approach.
 4. CBL systems could ensure vulnerable groups do not become marginalised.
 5. Landlords saw improvements in void periods and refusal rates.
- 3.3 Since the pilot phase, Government commitment to CBL has strengthened. Targets have been published for all local authorities to have CBL systems by 2010.

The Basics of a CBL Scheme

- 3.4 There is no one model of CBL, but there are aspects which most models share:
 1. Schemes include all types of homes, cover the whole of a landlord's stock, and include transfers as well as new applicants.
 2. Properties are advertised in a variety of ways, to ensure an inclusive approach.
 3. Advertisements contain photographs of properties and have meaningful information: location, rent, neighbourhood facilities.
 4. There are simple rules for bidding which are clearly explained.
 5. There are various ways to bid: for example, post, telephone, text messaging or website. Customer feedback is used to establish the best method for different groups.
 6. Published feedback is clear and transparent, showing how the successful bidder met the property criteria.

4. KEY ISSUES

- 4.1 CBL provides a positive response to a number of key agendas. It helps to make services more responsive and efficient, by moving resources from making allocations to the point of service delivery, helping customers to express their choice.

- 4.2 CBL has the potential to support cross- district working. The Department for Communities and Local Government is providing £4 million over three years to support the development of regional and sub-regional CBL schemes.
- 4.3 “Homes for All”, The Government’s 5-year housing plan, set out the Government’s plans for taking forward its CBL policy. It also made clear that the Government is keen that CBL systems should operate sub-regionally or regionally, recognising that housing markets do not follow local authority boundaries.
- 4.4 Funding is available this year to develop such schemes by means of a bidding process. Bids are invited by 29th September 2006.
- 4.5 Local Authorities are encouraged to take a partnership approach which brings together all stakeholders in the scheme area to develop and deliver choice-based approaches which in particular involves Registered Social Landlords in putting together bids.
- 4.6 The West Midlands South Housing Market Area Partnership (SHMAP) is currently working to develop a bid the draft of which is attached as *Appendix 1*, entitled “West Midlands South Housing Market Area Partnership Bid submission for funding to develop a sub-regional CBL scheme September 2006”. Wyre Forest District Council and Wyre Forest Community Housing who operate the housing register/ waiting list on behalf of the Council, have been part of a project steering group led by Wychavon District Council on behalf of the SHMAP to develop this bid. The Council’s Housing Strategy action plan, in common with other districts, makes reference to an options appraisal of CBL and the contribution to the work of this group has meant that events have taken forward this approach rapidly over a short space of time.
- 4.7 If the bid is successful, it will enable the constituent local authorities to work to implement a sub-regional CBL scheme during 2007/08 at a subsidised cost as the bid will be for 60% of the costs with the partners contributing the remaining 40% of the costs.
- 4.8 Within the South Housing Market Area (which is made up of the Worcestershire local authorities plus Warwick District Council and Stratford District Council), only two local authorities have already implemented CHL schemes. Warwick D C implemented a scheme in November 2005 and Wychavon in May 2006.
- 4.9 A CBL event was held in June 2006, widely attended by the constituent local authorities, partner RSL’s and a national CBL advisor from DCLG. This set the foundation for the bid and the Project Steering Group made up of the constituent local authorities and partner RSL’s has agreed a set of guiding principles to inform the bid as follows:
1. Keep it simple and accessible
 2. Retain local branding of partners
 3. Ensure local flexibility.

4. Provide for cross tenure needs encompassing a housing options approach
 5. Ensure it is cost efficient
 6. Ensure it provides good reporting facilities.
- 4.10 The proposal of the Project Steering Group is for the sub-regional CBL scheme to be modelled on the recently implemented Wychavon scheme. It is proposed that all local authorities link into a common register, use a common banding system, use the same format for the website and any newsletter. This approach will result in a simpler, more transparent system for customers and significant cost savings against developing individual local authority CBL schemes. Building on an existing scheme means that a significant amount of the preparation, policy documents etc are already in place.
- 4.11 This approach enables a high degree of flexibility for partners in terms of:
1. Arrangements for who registers the applications, sets up the adverts, undertakes the lettings process etc.
 2. The way in which the website for each local authority area is set up and the way the local newsletter looks within a common format overall. This will enable partners to have their local branding and influence.
 3. Being able to apply local lettings criteria, match for adapted properties, undertake management moves via the eligibility criteria which are applied to the advertising.
 4. As the Wychavon banding is based on less priority for applicants with no local connection to an individual district, this will keep lettings to people with no connection to a low level.
 5. A priority award will be given to statutory homeless applicants for the local authority where they have been accepted. There will be flexibility in how this priority award is managed by individual local authorities. If a statutory homeless applicant wants to apply to another local authority then they can but only based on the normal rules so if they have no local connection they will be lowly placed.
- 4.12 A consultation event is to be held on 11th September 2006 at the Civic Centre, Pershore to launch the bid proposal to Members from each local authority and representatives from the partner RSL's boards.
- 4.13 If the bid is successful a further report will be brought forward to Cabinet and Council giving full details of the CBL scheme and any financial implications.

5. FINANCIAL IMPLICATIONS

- 5.1 The financial implications of the sub-regional bid are contained within the bid document which is attached as appendix 1 entitled "West Midlands Housing Market

Area Partnership Bid submission for funding to develop a sub-regional CBL scheme September 2006”.

- 5.2 The details of the costs will be influenced by a number of factors yet to be finalised including the number of partner local authorities to the bid and the exact requirements within each district. There are possible financial implications to the Council’s contract with Community Housing Group.
- 5.3 Additional resources may be required through the 2007/08 budget setting process to support a CBL scheme in Wyre Forest.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 There are no legal implications arising from this report. The final CBL model will require Council approval as it has important policy implications for the Council’s Housing Waiting List Policy.

7. RISK MANAGEMENT

- 7.1 There are no risk management issues arising from this report, other than the risk of failing to meet the Government’s timescale for implementing CBL by 2010.

8. CONCLUSION

- 8.1 The proposed bid to contribute to developing a sub-regional CBL scheme requires the approval of the Cabinet and the final CBL scheme will require the approval of the Council.
- 8.2 The Council is required to adopt a CBL model by 2010 and the development of a sub-regional approach is favoured to take advantage of the benefits this can bring in terms of cost sharing and added value through shared expertise. The Project Steering Group has made good progress in developing an implementation plan for a sub-regional scheme for CBL within the context of a shared vision for delivering a housing options approach. Members are recommended to support the further development of the process by adopting the shared vision and support a bid to the DCLG for grant funding.

9. CONSULTEES

- 9.1 Wyre Forest Homelessness Forum
- 9.2 Wyre Forest Community Safety Partnership
- 9.3 Wyre Forest Local Strategic Partnership

10. BACKGROUND PAPERS

- 10.1 Housing Strategy Action Plan for 2004-2007.

5.9.06