

**WYRE FOREST DISTRICT COUNCIL**

**CABINET MEETING**

**28th June 2007**

**Introduction of a Choice Based Lettings Scheme for the allocation of properties from the Housing Register**

<b>OPEN</b>	
<b>COMMUNITY STRATEGY THEME</b>	Improved Health and Wellbeing
<b>CORPORATE PLAN THEME:</b>	Enabling Community Wellbeing
<b>KEY PRIORITY:</b>	Housing
<b>CABINET MEMBER:</b>	Councillor Mrs. A.T. Hingley
<b>RESPONSIBLE OFFICER:</b>	Head of Planning Health and Environment
<b>CONTACT OFFICER:</b>	Tim Rice, Housing Services Manager - Ext 2560 Tim.Rice@wyreforestdc.gov.uk
<b>APPENDICES</b>	Appendix 1 – Proposed Sub Regional Choice Based Lettings Scheme Banding Model.

**1. PURPOSE OF REPORT**

- 1.1 To set out the current position and proposed actions with regard to the introduction of a Choice Based Lettings (CBL) scheme in Wyre Forest and to seek approval for its implementation.

**2. RECOMMENDATION**

The Cabinet is asked to recommend to Council:

- 2.1 That the proposed South Housing Market Area Sub-Regional Choice Based Lettings Scheme as set out in this report is agreed as the new system for the allocation of social housing from the Council's Housing Register.
- 2.2 That delegated authority be granted to the Head of Planning, Health and Environment in consultation with the Cabinet Member for Housing, Health and Rural Affairs to finalise and agree the Wyre Forest CBL Scheme to enable its implementation by December 2007.

**3. BACKGROUND**

- 3.1 On 28<sup>th</sup> September 2006 Cabinet gave approval to support a bid to the Department of Communities and Local Government to obtain grant funding to support the development of a sub regional CBL Scheme and gave approval to the principal of introducing a Choice Based Lettings Model. CBL is a Government led method of allocating social housing and is designed to replace the conventional points based housing waiting list approach. The aim of this new approach is to seek to offer applicants for social housing more choice and control over where they live with the objective of contributing to the sustainable communities agenda.
- 3.2 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.
- 3.3 When the evaluation of the pilots was completed in May 2004, it brought to light a number of outcomes which included positive feedback from applicants on the schemes operation, that people could have more influence over where they lived and landlords saw improvements in void levels and property refusal rates.
- 3.4 Since the pilot phase, Government commitment to CBL has strengthened. Targets have been published for all Local Authorities to have CBL systems by 2010

#### **4. KEY ISSUES**

- 4.1 CBL provides a positive response to a number of key agendas including empowering the customer and community sustainability. It helps to make services more responsive and efficient, by moving resources from administration and making allocations, to the point of service delivery, and helping customers to express their choice.
- 4.2 “Homes for All”, The Government’s 5-year housing plan, set out the Government’s approach to 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. In January 2007 DCLG published “Allocation of Accommodation: Choice Based Lettings Code of Guidance for Local Housing Authorities Consultation” providing further guidance within the legislative framework about the factors which should be taken into account in framing a CBL Model. This 48 page document can be viewed by accessing the link at 8.2 of this report and is the basis upon which the sub regional scheme has now been developed.
- 4.3 Government funding was available this year to develop such schemes. Bids were invited to DCLG by 29<sup>th</sup> September 2006. Local Authorities were 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 joining in the process.

- 4.4 The West Midlands South Housing Market Area Partnership (SHMAP), which is made up of the Worcestershire Local Authorities plus Warwick District Council and Stratford District Council, agreed to develop a bid which was attached as an *Appendix to the report to Cabinet on 28th September 2006* 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.
- 4.5 In December 2006 the Partnership were notified by the DCLG that the bid had been successful. We have received a Government grant for 60% of the costs, with the partners contributing the remaining 40% of the costs. The total grant awarded is £207,892 and was based upon the estimated scheme costs at that time.
- 4.6 Within the South Housing Market Area only 2 Local Authorities have already implemented CBL schemes. Warwick District Council implemented a scheme in November 2005 and Wychavon in May 2006. Redditch Borough Council will be introducing a scheme shortly.
- 4.7 A number of CBL briefings have been provided to LA's by the Government and a series of more local meetings have taken place. This commenced with a CBL event held at Wychavon Civic Centre in June 2006, widely attended by the constituent Local Authorities, partner Registered Social Landlords and a national CBL advisor from DCLG. This set the foundation for the bid and the Project Steering Group made up of the local authorities and partner Registered Local Landlords 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
- 4.8 The proposal of the Project Steering Group was 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 CBL 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. A sub regional CBL scheme will also provide a consistency in the home seeking process across Authority boundaries, but enable some flexibility to reflect local circumstances.

- 4.9 A further consultation event was held on 11<sup>th</sup> 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.

### **The Basics of a CBL Scheme**

- 4.10 Applicants will register onto the CBL common housing register following completion of a simple housing application. Applicants will then apply for / express an interest in vacant properties that are advertised by RSL's. This is known as bidding. Applicants are required to bid for each and every vacant property they wish to be considered for within the timescale the property is to be advertised. Applicants who have bid are prioritised based upon their housing need priority and length of time on the housing register. 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 landlords 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 and details on whether a property has disabled adaptations;
  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 has been used to establish the best method for different groups;
  6. Published feedback is provided that is clear and transparent, showing how the successful bidder met the property criteria, although in a form not to disclose the individual's identity.

### **The Current Housing Register Points System**

- 4.11 The Council's current allocations policy is based on a points system whereby an applicants housing need is reflected by the number of points awarded. Applicants are advised of their points and are then placed on the housing register with no real indication of the likelihood of them being offered a suitable property in their area of choice within a set timescale. The shortage of the supply of social housing means applicants can be waiting years for a property to become available. The scheme is intended to empower those in housing need to understand the supply and demand issues for social housing in Wyre Forest and to have access to a range of housing options beyond social housing that could meet their needs. It is further intended that through the scheme stronger connections with the private rented sector will be developed to further increase the housing options available to applicants.

### **The Proposed Wyre Forest CBL System**

- 4.12 Under the proposed CBL scheme there will continue to be an open registration process. Applicants housing needs will be considered using a banding system, replacing the points system to reflect their priority in the scheme. The proposed Bandings and Eligibility Criteria are provided as Appendix 1. Band 1 will be awarded to those applicants in the greatest housing need. Within each Band extra weighting may be awarded to reflect those in multiple housing needs who have been waiting the longest. The applicant in the highest band with the longest time registered will

therefore be in the best position when expressing an interest in a property advertised for which they are eligible.

- 4.13 The scheme will be separated into six bands addressing those applicants with and those without a local connection separately. This will ensure that those applicants with a housing need and a local connection will receive priority over those in housing need without a local connection. This is in recognition that the South Housing Market Area sub region demonstrates high housing needs and a shortage in the supply of affordable housing.
- 4.14 A Priority Card is awarded to applicants accepted as homeless for a three month period affording them the highest priority within the scheme for a limited period of time, with the option to extend this period should there be good cause. This would for instance be in a circumstance where there has been a lack of suitable vacant properties coming forward to be advertised within the scheme. Those applicants accepted as homeless are expected to start expressing an interest in properties by bidding within a two week period. Should this not happen, WFCH, as the Council's Agent, may start making bids on their behalf ensuring statutory duties are fulfilled at the appropriate time.
- 4.15 The scheme will advertise vacant social rented (Housing Association) properties providing the potential applicants with clear, basic eligibility criteria, indicating which categories of applicants qualify to bid, for instance, if a property may only be advertised for a tenant transfer. Advertisements will be published on the Council's website and across a wide range of community access points including the Hub, shops and WFCH offices. The advertisement will include a property photograph, key details of the property and eligibility criteria similar to an estate agency approach. This information is key to enabling applicants to make informed choices about their housing options and when to consider expressing an interest in a property.
- 4.16 Following the verification of an application by the Council at the bid stage, the selected applicant will be invited to view the property before a final offer is made. Applicants will not be suspended on the register if they decide the property is not right for them. A further key feature to inform those registered, will be to provide non-personalised details of each letting with the following week's advertisement, developing an understanding of an applicant's chances and enabling applicants to be realistic about which options they pursue. In this way applicants will know if there bid stands a realistic chance of being successful.

### **Helping Vulnerable Applicants**

- 4.17 The CBL Project Group recognises this is a key issue. Additional arrangements will be put in place to ensure that vulnerable people are able to access the scheme including providing housing advice, advocacy, home visits, addressing first language issues and help to register onto the scheme. All these arrangements will seek the support of the existing network of agencies that have vulnerable people as their client group. The needs of all diversity groups will be considered and people with physical or mental impairments who may have difficulty in registering and bidding will have access to assistance to enable them to do so effectively. Voluntary organisations and the caring professions will be briefed to raise awareness of the schemes policy and procedures. Communication networks are seen as very important to ensuring that all the needs of vulnerable applicants and potential applicants are met. Local stakeholders are being invited to a CBL event on 18<sup>th</sup> June 2007 to raise awareness of the CBL Model

proposals, how it works elsewhere and to consult with special emphasis placed on this particular theme. Participant organisations will also be invited to contribute how they believe they may assist in the local provision of this service to their service users and potential service users.

- 4.18 It is intended that the scheme will assist homeless applicants by offering more options for people, reducing the use of temporary accommodation and allowing better matching of properties to applicants.
- 4.19 Where specially adapted properties become vacant, the scheme will seek to ensure they are matched with people, whose housing need is for this type of property, increasing the opportunities available for applicants with a disability. This will also help reduce the pressure on the DFG budget.
- 4.20 An internal appeals procedure will be in place, as it is at the present time, should an applicant feel the operation of the schemes decision process has been unfair.
- 4.21 The operation of similar schemes has in most cases started to demonstrate by research that the introduction of CBL has been followed by improved tenancy sustainment. This is considered to be a result of improved tenant satisfaction with the lettings outcome and a contribution to community sustainability.
- 4.22 To date the following work has been undertaken:
- Publicity of the success of the sub regional bid with a press release in January 2007
  - Engagement of all relevant partners
  - Obtaining authority to proceed via the local political processes
  - Drafting the Partnership Agreement for the CBL scheme
  - Agreeing the procurement route and compliance with financial regulations
  - Agreeing that the project management role will be undertaken and organised by Wychavon District Council
  - Negotiating a price for the IT software
- 4.23 This has taken a significant amount of officer and partner time with the Project Group meeting on a fortnightly basis. It is planned that partners will shortly be in a position to order the IT software and then a clear project plan and timescales can be agreed to enable this work to proceed.
- 4.24 It is expected that the partners to the sub regional scheme will continue to meet 2/3 times a year or as necessary following implementation to further develop / enhance the sub regional CBL scheme. This joint working should lead to longer term cost efficiencies. In addition, further work will be carried out locally by the Council and WFCH to firm up the policy and the practical arrangements for introducing CBL in December 2007. This will include visits to other Local Authorities to consider lessons learnt from implementation and how they have addressed issues such as ensuring that vulnerable applicants are applying and bidding.
- 4.25 A detailed policy document setting out how the scheme will work in practice is under development and will need to be agreed before the scheme is implemented. There are a ranged of practical issues to be finalised and agreed by the partnership and locally. This will be an entirely new way of working and will require revisions to the

contract arrangements with WFCH on how they operate the Council's service, and this will be a further report to Cabinet in due course. Staff roles will change with less time spent on administration and more community based work to support individuals and provide more targeted advice on peoples housing options.

- 4.26 CBL will not increase the supply of affordable lettings and the Council's wider role of ensuring that more affordable housing is contracted will be critical in meeting the future housing needs of the local community.

## **5. FINANCIAL IMPLICATIONS**

- 5.1 The financial implications of the sub-regional bid were contained within the bid document which was attached as Appendix 1 to the Cabinet report on 28<sup>th</sup> 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 scheme and the exact requirements within each District. There are possible financial implications to the Council's contract with WFCH, which will be reviewed in light of the introduction of CBL.

## **6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 The CBL scheme will change the legal and policy framework for the allocation of social housing in the District. In formulating the final policy and procedures the Council will have to take full account of the final Code of Guidance when it is finalised (see Background Papers at 10 below).

## **7. RISK MANAGEMENT**

- 7.1 The risks that are associated with a significant change in policy and operations will be minimised by a shared approach with other Local Authority partners using a tried and tested scheme currently being operated by Wychavon District Council.
- 7.2 The Council is required to have a Choice Based Lettings Scheme in place by 2010, failure to do so would cause significant operational problems and it is therefore appropriate to join in the sub regional scheme at this point.
- 7.3 The Council will have to re-negotiate the contract with the Community Housing Group who already administer the Council's housing waiting list function, the contract for which expires at the end of March 2008. The basis for the re-negotiation will be for the Community Housing Group to take on the Choice Based Lettings function in place of the existing waiting list process at nil additional cost, however, until negotiations are under way there is an element of risk associated with this process and potential costs.

## **8. CONCLUSION**

- 8.1 The proposed sub-regional CBL scheme will require the approval of Full Council on 18<sup>th</sup> July 2007 as this is a major change in policy. It is hoped that the first partner Local Authorities will “Go Live” by December 2007.
- 8.2 The Council is required by the Government to adopt a CBL model by 2010 and the development of a sub-regional approach was 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.
- 8.3 The DCLG is committed to ensuring that social housing customers have more choice and control over where they live. CBL is seen as the delivery mechanism for this and developed across local authority boundaries, bringing together all social landlords in an area to offer the widest possible housing choice for applicants and landlords.

## **9. CONSULTEES**

- 9.1 Wyre Forest Homelessness Forum (The Choice Based Lettings Event 18<sup>th</sup> June 2007)
- 9.2 There has been broad consultation and awareness raising with a number of organisations and further consultation will be carried out as the scheme is developed.

## **10. BACKGROUND PAPERS**

- 10.1 Housing Strategy Action Plan for 2004 -2007.
- 10.2 Allocation of Accommodation: Choice Based Lettings Code of Guidance for Local Authorities – Consultation (DCLG January 2007)  
[http://www.communities.gov.uk/pub/571/AllocationofAccommodationChoiceBasedLettingsCodeofGuidanceforLocalHousingAuthors\\_id1505571.pdf](http://www.communities.gov.uk/pub/571/AllocationofAccommodationChoiceBasedLettingsCodeofGuidanceforLocalHousingAuthors_id1505571.pdf)

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## APPENDIX 1

### PROPOSED SUB-REGIONAL CHOICE BASED LETTINGS BANDING MODEL

<p><b>Priority Card (Time limit of 3 months)</b> This relates to statutory homeless cases. Applicants are prioritised in registration date order. All applicants interviewed / visited.</p>
<p><b>Band 1 (Time Limit of 6 months)</b> This includes applicants with a local connection who have higher priority housing needs. Applicants are prioritised in registration date order. All applicants interviewed / visited.</p>
<p><b>Band 2 (Time Limit of 12 months)</b> This includes applicants with a local connection who have lower priority housing needs. Applicants are prioritised in registration date order. All applicants interviewed / visited.</p>
<p><b>Band 3 (Time Limit of 6 months)</b> This includes applicants with no local connection who have higher priority housing needs. Applicants are prioritised in registration date order. All applicants interviewed.</p>
<p><b>Band 4 (Time Limit of 12 months)</b> This includes applicants with no local connection who have lower priority housing needs. Applicants are prioritised in registration date order. All applicants interviewed.</p>
<p><b>Band 5 (No time limit applied)</b> This includes applicants with a local connection with no qualifying housing need. Applicants are prioritised in registration date order. No interviews / visits unless requested or prior to allocation.</p>
<p><b>Band 6 (No time limit applied)</b> This includes applicants with no local connection with no qualifying housing need. Applicants are ordered in registration date order. No interviews / visits unless requested or prior to allocation.</p>

## **ELIGIBILITY CRITERIA**

The detail of the eligibility criteria for the different bands is set out below;

### **Priority Card – (granted for 3 months but can be extended at WFCH’s discretion)**

- The Housing Needs team at WFCH has investigated your case and accepted that you are homeless and that Wyre Forest District Council has a statutory duty to help you.

Priority will be awarded to assist applicants in crisis i.e. statutorily homeless to be re-housed.

### **Band 1 – (granted for 6 months – needs to be reapplied for)**

You have a local connection to Wyre Forest District and:

- You are homeless and you normally live in the Wyre Forest District, even where there is no statutory duty for re-housing. This excludes people who are intentionally homeless.
- You have been given a Notice to Quit or a Repossession Order through no fault of your own.
- You have a severe medical problem that is directly affected by your current home which would be immediately improved by moving.
- Wyre Forest District Council’s Private Sector Housing Team has declared that your home is unfit to live in.

### **Band 2 – (granted for 12 months – needs to be reapplied for)**

You have a local connection to Wyre Forest District and:

- The Housing Needs team at WFCH has investigated your case and accepted that you are in priority need but are intentionally homeless.
- Your home in the Wyre Forest District is overcrowded, and the Council’s Private Sector Team has confirmed this.
- Social need for housing in exceptional circumstances – only given at the discretion of the panel.
- You are suffering harassment / domestic violence which has been confirmed by the Housing Needs team.
- You have a child under 10 and live in a flat that is not on the ground floor.

### **Band 3 – (granted for 6 months – needs to be reapplied for)**

You have no local connection to Wyre Forest District and:

- You are homeless and you normally live in the Wyre Forest District, even where there is no statutory duty for re-housing. This excludes people who intentionally homeless.
- You have been given a Notice to Quit or a Repossession Order through no fault of your own.
- You have a severe medical problem that is directly affected by your current home which would be immediately improved by moving.
- Wyre Forest District Council’s Private Sector Team has declared that your home is unfit to live in.

#### **Band 4 – (granted for 12 months – needs to reapplied for)**

You have no local connection to Wyre Forest District and:

- The Housing Needs team at WFCH have investigated your case and accepted that you are in priority need but intentionally homeless.
- Your home is overcrowded, and the Council's Private Sector Team has confirmed this.
- Social need for housing in exceptional circumstances – only given at the discretion of the panel.
- You are suffering harassment / domestic violence which has been confirmed by the Housing Needs Team.
- You have a child under 10 and live in a flat that is not on the ground floor.

#### **Band 5**

You have a local connection to Wyre Forest District and you are:

- Not eligible for Band 1 or 2 due to your housing circumstances.

#### **Band 6**

You have no local connection to Wyre Forest District and you are:

- Not eligible for Band 3 or 4 due to your housing circumstances

#### **Local Connection as Defined by the Housing Act 1996 Section 199**

1. A person has a local connection with the district of a local housing authority if he has a connection with it:
  - a) because he is, or in the past was, normally resident there, and that residence is or was of his own choice,
  - b) because he is employed there
  - c) because of family associations, or
  - d) because of special circumstances.
2. A person is not employed in a district if he is serving in the regular armed forces of the Crown.
3. Residence in a district is not of a person's own choice if –
  - a) he becomes a resident there because he, or a person who might reasonably be expected to reside with him, is serving in the regular armed forces of the Crown, or
  - b) he, or a person who might reasonably be expected to reside with him, becomes resident there because his is detained under the authority of an Act of Parliament.