

EXECUTIVE MEMBER: Councillor Clements
LEAD OFFICER: Fergus Mc Morrow
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Summary and Recommendation:

This report describes the Council’s duty to determine and publish a housing allocations policy and outlines the principles of a Choice Based Lettings System (CBLs).

That the Executive be recommended to agree in principle only at this stage to support a Cumbrian bid to DCLG for funding to develop a sub-regional CBLs, subject to the conditions in paragraph 4.4 below.

1 INTRODUCTION

- 1.1 Under the Housing Act, 1996, as amended by the Homelessness Act, 2002, every local housing authority must have a housing allocations policy. This applies to authorities that have transferred their stock to registered social landlords as well as to those who retained it. The scheme must by law include a statement of the authority’s policy on offering service users a choice of housing or the opportunity to express their preferences about housing that might be offered to them.
- 1.2 Government also set a target for all authorities to operate CBLs by 2010 and funded 27 pilot schemes from 2001 to 2003. The published evaluation of these systems contained substantial experience and lessons learned in setting up, implementing and managing them.
- 1.3 The government’s strategy for choice based lettings was taken further in “Sustainable Communities: Homes for All,” a 5 year plan from the Office of the Deputy Prime Minister, published in January 2005. This widened the target to include all social rented homes (including housing association stock), shared ownership schemes, other low cost ownership options and the private rented sector. Government also expressed a preference for the development of sub-regional schemes.
- 1.4 In bringing this report before the Panel your officers are seeking to align the Council’s statutory duty of publishing its allocations policy with the government’s target for all authorities to adopt CBLs by 2010.

- 1.5 Following the success of the pilots referred to in paragraph 1.2 the government announced a series of bidding rounds for funding CBLS, particularly sub-regional models. Government will fund up to 60% of the set-up costs of a scheme up to a maximum of £100,000 to successful bidders. It was earlier thought that the final bidding round was in October 2007 but there is another bid deadline of 10 October 2008.
- 1.6 Sequentially, the Council must first adopt a statutory housing allocations policy before it can develop the operational means of delivering its policy on choice through CBLS. The Council is statutorily obliged to consult every registered social landlord with whom we have nomination arrangements before publishing the policy.

2 NEXT STEPS

- 2.1 The Council's approved action plan following the Audit Commission's inspection report recommendations includes as action 1(e) a review of allocations scheme and housing register. Consultant Andy Gale has been commissioned to work on this with a target date of 31 October 2008. It is at an advanced stage and will be reported to the next meeting of the Panel.
- 2.2 The action plan also includes as action 2(a) the establishment of a joint task group with Copeland Homes to deal with nomination arrangements, affordable housing opportunities and the development of CBLS. This is currently two months behind schedule but a meeting with Copeland Homes is arranged for 15 September 2008 when momentum will be restored.
- 2.3 If this report's recommendation is accepted progress with a funding bid for a sub-regional CBLS will proceed but under any circumstances the Council's allocation policy must be adopted before any CBLS goes live.

3 MAIN PRINCIPLES OF CHOICE BASED SYSTEMS

- 3.1 CBLS transform the lettings process by making it transparent. Landlords advertise vacancies and invite customers to bid for them. This is accompanied by bidding guidance, advice, assistance and information. Advertising vacancies and inviting bids do not make CBLS free-for-all. On the contrary, statute law still requires authorities to adopt allocation policies with prescribed priority systems that select those in the greatest need. Existing statutory duties to people who are homeless or otherwise living in unsatisfactory conditions and have a local connection with Copeland would remain in force.
- 3.2 A fundamental issue is how to ensure that the most vulnerable and marginalized people are able to access the advertised vacancies and bid for the homes they need and prefer. Published evaluations of the pilots and subsequent schemes demonstrate that the advertising is very extensive and that statutory and voluntary social care agencies inform and assist people to bid. Your officers will not recommend a model unless it provides inclusive opportunities for hard-to-reach groups including, to take just one example, older or disabled people with impaired vision or hearing.
- 3.3 The outstanding feature is that customers take the initiative in bidding instead of relying on the landlord's initiative. This encourages active responsibility instead of passive dependence on local authorities and social landlords. CBLS enable newly selected tenants to live in homes that they chose for themselves. They are likely to feel much more positive about a local authority or landlord who let them control one of the most important decisions they will take in their lives – where to live. CBLS might make tenancies last longer because residents may wish to remain in homes that they chose rather than had to accept from a landlord or local authority who thought it new best. So choice based models may encourage the emergence of sustainable neighbourhoods.
- 3.4 The experience of CBLS models show the importance of reviewing landlords' vacancy management processes before adopting a choice based system. Some landlords have improved their relet times and found that bidders come forward for properties that were formerly in low demand. Others have experienced a deterioration in the time taken to relet voids. Landlords who keep a tight control of works needed to achieve their lettings standard, and who fit that into their advertising timescales, will give themselves the best chance of reletting properties efficiently.

4 COPELAND-SPECIFIC & SUB-REGIONAL CONSIDERATIONS

- 4.1 Currently, all Cumbrian local authorities have expressed interest in a sub-regional scheme but Allerdale is unable to commit funding and Barrow will not be in a position to join in the near future. All others have expressed “in principle” support, subject always to the bidding outcome. The following housing associations have also expressed support providing that the bid to DCLG is successful: Carlisle; Eden; South Lakes Housing (this is an arms length management company); Home Group; Derwent & Solway.
- 4.2 Government hopes to see CBLS developing on a regional or sub-regional basis involving partnerships of local authorities, housing associations and private landlords. However, this has to be balanced against the clear evidence from housing needs surveys that the vast majority of intending movers only wish to move a few miles within the district where they presently live. The desire for wider mobility in social housing usually arises from the need to move closer to work or to family members in order to give or receive care and support.
- 4.3 If Copeland remained outside of the bid at this stage we would have no influence on the detailed operational features of the emerging scheme and our only option would be to “take it or leave it” after it had been designed. If, on the other hand, we are involved at an early stage we will have the opportunity to influence its design and ensure that it meets the needs of our service users, especially those who are homeless or live in otherwise unsatisfactory conditions and have local connections with the Borough.
- 4.4 It is recommended that the conditions for Copeland’s participation in a Cumbrian sub-regional CBLS are that:
- the funding bid to DCLG should succeed:
 - the Council’s financial contribution should be proportionate:
 - the scheme should be viable in terms of the number of participating organizations and their stock:
 - for the letting of homes in Copeland the scheme allows adequate weight to be given to bidders in significant housing need with local connections in the Borough’s area.
 - no service users should be excluded other than those to whom statutory exclusions apply.

5 FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)

5.1 The financial implications as at 12 August 2008 were that the Council would have to fund a one-off payment of £10,000 towards start-up costs in 2010/11. It should be noted that the model is still in development and any cost variations will be reported in time for the final decision on participation to be made.

6. IMPACT ON CORPORATE PLAN

6.1 This report and recommendations are in accordance with the Council's action plan following the Audit Commission's inspection report. The inspectors made specific reference to a sub-regional choice based lettings scheme in paragraph 49 on page 23 of their report

List of Appendices - none

List of Background Documents:

List of Consultees:

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	Will promote sustainable neighbourhoods
Impact on Rural Proofing	The scheme would be extended to rural communities
Health and Safety Implications	None
Impact on Equality and Diversity Issues	Advertising will be accessible to disadvantaged and minority groups
Children and Young Persons Implications	None
Human Rights Act Implications	none
Monitoring Officer comments	none
S. 151 Officer comments	none

Is this a Key Decision? Yes/No