

Cabinet – 21 October 2009

Choice based lettings scheme

Portfolio: Councillor Andrew, Deputy Leader and Regeneration

Service: Housing Strategy and Partnerships

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary of report

- 1.1 The council's role in social housing allocation is to give people confidence that housing is allocated fairly within the borough. The council with its Housing Association partners have a responsibility to residents to create a simple process for housing allocation, whilst ensuring housing needs are taken into account and choice is given.
- 1.2 This report considers the introduction of a single choice based letting allocation process across the existing 15 Housing Associations operating in the borough.

2. Recommendations

That cabinet approve

- 2.1 The establishment of a borough wide choice based letting (CBL) scheme and the development of a Black Country and Birmingham scheme.
- 2.2 A bid to the Communities and Local Government (CLG) to finance development of a Choice Based Lettings scheme.
- 2.3 A recommendation that Cabinet approve the Councils Housing Allocation Statement (**Appendix A**).

3. Background information

- 3.1 Walsall Housing Group operate a Choice based letting scheme within the borough and 71% of social housing applicants are housed through this method. Choice Based Letting means that available properties are advertised to allow prospective tenants to choose whether to express an interest in renting them (to 'bid' for them).

- 3.2 The remaining 14 Housing Associations that operate in the borough have a variety of methods to allocate housing which causes confusion for the borough residents. If a member of the public wants a Housing Association tenancy, they would under the current system have to apply individually to each separate association.
- 3.3 Each association has its own scheme for assessing what priority should be given to the application. Each association also makes an assessment of each application which is basically the same but requires the person to provide the same information in each case.
- 3.4 Work had been on-going for many months with the Housing Associations operating in the borough to try and find a better system, so that at the very least; one application would enable access to all vacancies.
- 3.5 The Government is keen to see regional and sub regional CBL systems as existing local administrative boundaries do not necessarily reflect housing and labour markets. There is a need for allocation and lettings systems to take account of this and facilitate increased mobility across boundaries.
- 3.6 The Government are actively encouraging regional or sub regional bids from local authorities and other social housing providers for specific funding to develop CBL. They have invited joint bids from social housing providers to develop regional and sub regional schemes. Contact has been made with Sandwell, Birmingham and Wolverhampton council's to investigate future mechanisms which would allow greater flexibility for people wishing to move across local authority boundaries.
- 3.7 Within Walsall all partners have been instrumental in developing a borough wide CBL model via the Home Action Group (A partnership intended to pool resources and expertise in a bid to prevent homelessness in the borough). The Home Action group includes whg, WATMOS, Accord, BCHA, Bromford, Caldmore, Heantun and Mercian. Many of the association's involved in the process work in other local authority areas that operate CBL and their experience will be important in delivering the Walsall model. Agreement has been reached within the Home Action group that Walsall Council will be the lead local authority to submit the bid to the CLG, however this cannot be done without first obtaining member approval.
- 3.8 CLG has provided support via the "Fund for the development of regional and choice based lettings schemes" and has provided £7 million over five years (2005/2010) to support the developments of such strategies across England. Funding is available through a bidding process, and the deadline for submissions is October 2009 which is believed to be the final bidding round.

- 3.9 Guidance issued in 2005/6 offered funding for the first year development with the expectation that the remaining costs being met by the bidding. This financial contribution and/or officer time will be met within existing budgets.
- 3.10 The Homes and Communities Agency is supporting housing associations to participate in CBL to assist local authorities in tackling homelessness. Involvement in the development of sub regional CBL will assist housing associations to achieve this.
- 3.11 The proposed development of the sub regional CBL scheme will include a strong element of supported housing to ensure social inclusion for the most vulnerable within the community. The Walsall Adapted Housing Service has provided a key model of successful multi agency working and the economies that can be gained from such joined up working.
- 3.12 The Home Action Group has recognised that a successful bid and subsequent work stream would require the employment of a project manager dedicated to the development and implementation of a sub regional model. Whg have committed £10,000 to supporting this initial work along side a £5,000 commitment from the Council to advertise the new scheme.
- 3.13 Each organisation is seeking political/board endorsement to participate in the development of the bid and sub regional CBL. It is envisaged that any agency not fully engaging in the development will maintain a strategic involvement to ensure partnership working and access to the development at a later date if appropriate/relevant.
- 3.14 Walsall Housing Group have recently carried out a fundamental service review of their own CBL's scheme based on the guidance from their Equality Impact assessment and the learning from this exercise will be included in the development of a joint CBL scheme for the borough. This will ensure the process of applying for housing is much more customer focused and to ensure that resources are being allocated to those customers in the most effective way at a time of very high demand.
- 3.15 Should the CBL bid be successful, a further report will be presented to Cabinet. This report will detail the full implementation plans, the allocation policy and identify financial implications.
- 3.16 The introduction of a sub regional CBL scheme will promote community cohesion and create sustainable communities. Giving people a choice and a stake in where they live will lead to:
' More satisfied tenants, who stay longer, pay the rent and look after their homes.'
This in turn will ensure more stable, viable and inclusive communities.①

4. Resource considerations

The cost of administering allocation currently with each housing association and this will not change with this scheme. The Home Action partnership are expecting to see efficiencies via a pooling of resources. The CBL scheme will ensure that accommodation is still available for local resident, via local connection but will enable residents on the borders of the borough to have a more flexible method of being re-housed.

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4.1 Financial:

The Council and Home Action partnership will be approaching Communities and Local Government for funding to support the set up of the scheme. The funding is a means of developing a CBL product for the partnership. Without this funding the timescale for getting a borough wide scheme in place would be extended passed the government deadline.

Each association will be supporting the funding of this system by redirecting resources currently used in housing allocation to this single system. The initial cost are in the development of a single system of allocation once that is completed current individual housing association costs will be directed to this new scheme.

The council will become involved in the advertising of this new allocation method on completion which will be undertaken by a variety of press release and documentation which is envisaged would cost no more than 5,000 within one financial year.

4.2 Legal:

The scheme will be developed in line with the Government policy that wants both local authorities and housing associations across the country to introduce choice-based lettings by 2010.

If successful in the bid to government the council and the Home Action Group are not required to have a formal constitution. The funds would be administered by the council working in partnership with Housing Associations.

4.3 Staffing:

- 1.1 The Home Action Group has recognised that a successful bid and subsequent work stream would require the employment of a project manager dedicated to the development and implementation of a borough wide and sub regional scheme. Whg who have an existing choice based letting scheme have provided a project manager because of their experience of developing a choice based system. The council's Strategic Housing service would support the scheme within its current staffing levels.

5. Citizen impact

Walsall Council is a stock transfer authority and has been working for some time to develop a Choice Based Lettings scheme with all local housing associations, including the stock-transfer association. We see such a scheme providing the advantages of the Choice Based route, but also creating a 'Common Housing Register' so that people seeking housing in the borough have only to use the one system.

Involvement in the borough wide or sub-regional system should provide the following benefits to users:

- ability to bid for properties in other areas,
- only having to complete a single application form to do this,
- only having to look in one place to see what properties are available to them,
- a common bidding procedure.

6. Community safety

Choice based letting is seen as an essential part of building 'sustainable communities'. If people have asked to be allocated a particular property and are then allocated it, the anticipation is that they will remain there and help to create a settled community.

The council's anti social behaviour working group of the Neighbourhood Scrutiny and Performance Panel, recommended to council that a single mechanism of housing be created to ensure that those evicted of anti social behaviour were prevented from accessing accommodation in the same area. This cross party working group proposal was supported by cabinet on the 6th July 2009.

7. Environmental impact

None

8. Performance and risk management issues

8.1 Risk:

The main risk identified at this stage is centred on not bidding for the CLG funds to progress with this approach. Local authorities are required to have CBL by 2010 and the Government is pushing the sub regional agenda forward. Further risk analysis will need to be carried out in line with project management procedure whatever route is agreed to comply with the 2010 target.

8.2 Performance management:

Once a choice based letting system is introduced, the system will be closely monitored and as part of the conditions attached to government funding, there will be a formal evaluation. It is anticipated that formal reports to cabinet members about the way the scheme operates will be made.

9. Equality implications

The review of the current choice based letting scheme has shown that people from the minority communities are as well represented in allocations under this system as they were with the previous points systems. Attention has been drawn to what has happened with respect to people with disabilities and the ongoing work of the Walsall Adapted Housing Service in partnership with the voluntary sector has supported people with a disability into accommodation in the private and public sector.

10. Consultation

10.1 Specific consultation has taken place around this topic:

- Senior Housing Managers were invited to attend a presentation given by Alison Vennings the CLG advisor on CBL on 12th March 2009 highlighting the benefits of sub regional CBL, which included shared operational costs. Attendees included Chief Executives, Directors and Senior Managers. The presentation was well received and partnership agencies demonstrated a high degree of interest in the development of the initiative.
- Walsall Housing Group has worked in partnership with the Council to support this initiative.
- Accord, WATMOS, BCHA, Bromford, Caldmore, Heantun and Mercian have worked in partnership with the Council to develop and investigate the feasibility of this initiative.
- Regeneration Scrutiny Panel have taken part in a discussing about a borough wide scheme and offered their support to the scheme as a mechanism of creating sustainable communities and supporting work on anti social behaviour.

Background papers

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Tim Johnson
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2 October 2009



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12 October 2009

Allocations Statement

Walsall Council

ALLOCATION STATEMENT

1. Introduction

The aim of the Allocations Statement is to ensure that:

- a) Homes are allocated fairly to meet priority housing needs whilst creating sustainable communities where turnover is low and where people can live in safety and peace.
- b) Housing Associations offer homes to a wide range of customers recognising that it is important that homes are available to all people in the communities in which we work.

Walsall Council and its housing partners are committed to working towards valuing equality and diversity and our lettings processes will take due account of all legislation, including the Sex Discrimination Act 1975, Disabilities Discrimination Act 1995, the Race Discrimination Act 1976, and the Race Relations Code of Practice in Rented Housing.

We are committed to monitoring the operation of allocations to ensure that it does not adversely impact on or discriminate against specific groups in the community. To this end, partners will participate in the national common recording system for lettings (CORE), including keeping records of ethnicity.

2. Walsall Choice Based Lettings (CBL) Partnership

Walsall Housing Partnership CBL partnership was formed in 2008 as a mechanism to bid for funding from the Government to develop and implement a CBL scheme which spans the borough.

3. Objectives of the scheme

- To meet the legal requirements for the allocation of social housing as set out in the Housing Act (1996) and Homelessness Act (2002) ensuring that those with the greatest housing needs have those needs met more quickly.
- To let homes in a fair and transparent way through empowering applicants and supporting them to make informed choices about where they want to live.
- To provide improved services for vulnerable people who may find it difficult to apply for housing and offer continuing assistance to them in maintaining a successful tenancy.
- To improve local, regional and national mobility and to encourage balanced and sustainable communities.
- To make efficient use of the social housing stock in meeting housing needs.
- To assist local authorities in preventing and reducing homelessness.

In line with the Governments objectives as outlined within their “Fair and Flexible” draft statutory guidance we seek to adopted the following objectives within the statement of intent for Walsall Council.

“We believe it is right that social housing – which brings with it the dual benefits of security of tenure and sub-market rents – should continue to provide a stable basis for those who are likely to have more difficulty finding for themselves in the private market.

For this reason, we remain of the view that overall priority for social housing should go to those in greatest housing need. Those who should be given a head start for social housing are defined by the current statutory reasonable preference categories as set out in s.167(2) of the 1996 Act. These were rationalised in the Homelessness Act 2002 (and further refined by the Housing Act 2004) to ensure that they are squarely based on housing need. The reasonable preference categories are:

- (a) people who are homeless (within the meaning of Part 7 of the 1996 Act); this includes people who are intentionally homeless, and those who do not have a priority need for accommodation
- (b) people who are owed a duty by any local authority under s.190(2), s.193(2) or s.195(2) of the 1996 Act (or under s.65(2) or s.68(2) of the Housing Act 1985) or who are occupying accommodation secured by any local authority under s.192(3)
- (c) people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
- (d) people who need to move on medical or welfare grounds, including grounds relating to a disability, and
- (e) people who need to move to a particular locality in the district of the local authority, where failure to meet that need would cause hardship (to themselves or to others).”