
REPORT TO THE MEETING OF THE EXECUTIVE 28 JANUARY 2009**PORTFOLIO: COUNCIL TAX COLLECTION, BENEFITS AND STRATEGIC HOUSING FUNCTIONS****REPORT FROM HEAD OF COMMUNITY SERVICE****SUBJECT: CHOICE BASED LETTINGS****1 DECISION BEING RECOMMENDED**

- 1.1 As there is no agreement to a Sub Regional Choice Based Lettings Scheme, the decision being recommended is to implement a stand alone Choice Based Lettings (CBL) scheme. The purchase of a suitable IT system, subject to final approval by DCLG, to be approved by the Portfolio Holder for Council Tax Collection, Benefits and Strategic Housing Functions, following receipt of all quotations.

2 FORWARD PLAN REFERENCE No: 17/07**3 REASON/S FOR RECOMMENDATION**

- 3.1 Due to the lack of progress of a sub regional CBL scheme, and given the Government's deadline of April 2010, where all local authorities should have a CBL scheme in place, it is felt that the best way forward for the Council is to have its own CBL scheme.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 This section of the report provides an update on the current position regarding the implementation of a CBL scheme, including the options around a sub regional scheme, stand alone systems, DCLG funding etc.

The Community Services Committee Report dated 5 September 2006, set out the background to Choice Based Lettings and the Government's position regarding this new initiative. It also set out the proposal for a bid to be submitted to the DCLG, for funding for a Sub Regional Choice Based Lettings Scheme (Thames Gateway South Essex) which was agreed by Members.

- 4.2 Funding of £96,000, to assist with the development and implementation of a Sub Regional CBL Scheme was received from the DCLG, with the funding approved on the basis of a 60:40 match funding split, with a project leader being appointed to move the project forward. Since that time, the Council has worked with its Thames Gateway South Essex (TGSE) Sub Regional partners in looking at options for a Sub Regional CBL Scheme and the project leader undertook extensive research or work into the nature of available systems and the content of a sub regional allocations policy. However, progress on reaching a successful outcome has been slow, and to date, no scheme has been agreed as each Authority's approach has differed. Thurrock and

Basildon already have their own schemes, Southend-on-Sea will be implementing its own in February 2009, whereas Castle Point and Rochford are still at the options stage. If no Sub Regional scheme is implemented, then there may be a requirement for some of this funding to be repaid to DCLG, although this would probably only be in the region of £3,500. However, the TGSE Authorities are still exploring the possibilities of developing a scheme for cross-border nominations, whereby each Authority would be a certain number of properties into a “central pot” for allocation across the TGSE area.

4.3 **Option One - Join Southend-on-Sea Borough Council’s Choice Based Lettings Scheme**

Southend-on-Sea’s CBL scheme is supplied by Abritas, who is also the company which has been working with the TGSE in looking at developing a Sub Regional CBL scheme. Officers have not been able to view how the system works due to it currently being finalised prior to going live but have had sight of a service specification which sets out how it will operate.

4.4 **Indicative Costs**

Costs provided by Abritas were based on all five of the Sub Regional TGSE partners joining the scheme, each contributing £12,419 plus an annual fee of £2,900. Whilst these costs appear low, they are for a basic system and with all authorities operating a single sub regional allocations scheme. However, if all of the TGSE partners do not join, which appears to be the case, then the costs will increase significantly for the remaining local authorities and would not be as cost effective as implementing our own stand alone system. Costs of this option will also increase if Rochford keeps its own current points based allocations policy and a further condition of the cost is having one Sub Regional website for the scheme.

4.5 **Positives**

- Abritas has experience of developing CBL schemes.
- Meets the Government’s guidelines for Choice Based Lettings.
- Conforms to the Government’s thinking around sub regional partnership working.

4.6 **Negatives**

- A common Sub Regional allocations policy has not been agreed. Southend’s policy is based on Banding, whereas Rochford manages its own Allocations Policy and that of RHA, which are based on a points system, both which have recently been amended. Whilst there are merits of both of these systems, it would be very resource and time intensive to amend our own Allocations Policy, possibly requiring additional temporary staffing and RHA would not be in a position to change their policy. (Indeed the current points system works very well

and is understood by residents and therefore no obvious gain to change to a Banding system.

- Difficulty progressing a sub regional scheme within the given timescale.

4.7 **Option Two - Implement a stand alone CBL scheme**

The following is an outline of how in practice, the appropriate CBL scheme would operate.

- 4.8 Whilst Government guidelines say that consideration should be given to banding applicants into various categories ie homeless, medical need etc., retaining the Council's current allocations and points system would seem the most suitable option, as it works effectively and is easily understood by applicants.
- 4.9 When a property becomes available, the top 10/15, on the priority list (suitable to size/nature of the property) will be sent a bid letter, allowing them to make their bid, if they choose. In order to comply with DCLG guidance and to demonstrate openness of the scheme, properties would also need to be advertised generally, using a dedicated page linked to the Council's website and in Council receptions and libraries.
- 4.10 This system allows those with the greatest priority, to bid for a property suitable for their needs and avoids disappointing bidders who are unlikely to be successful. Bids can be made using a number of means, including telephone, submitting a paper bid and, if appropriate, on behalf of the client by their care worker or family member, provided they are nominated by the applicant.
- 4.11 Once the bidding period has closed, the Council will shortlist the eligible bidders and pass on the top applicants' details for a formal offer and accompanied viewing to the relevant Housing Association, with the results of all bids also being advertised on the pre-mentioned Council website, which is also part of the set guidelines.

4.12 **Specific CBL Schemes**

There are a number of companies in the market place that can provide Local Authorities with specific and tailored CBL software and Officers have been discussing with some of these companies, the specific detail and suitability of their particular products, including gathering purchase and maintenance cost information. The companies involved in these discussions so far have been Capita, Adelante and Abritas and detailed below is a summary of the various positives and negatives associated with their schemes.

Positives

- The systems fulfil the Council's requirements and meet the Government's guidance on CBL.
- The systems will not require any extra staffing resources to administer.

- The Council would be able to maintain its existing Allocation Policy and therefore, less disruption to the service and residents.
- The Council would have complete control of whichever system was implemented.

Negatives

- Rochford District Council will not be part of a Sub Regional CBL scheme, albeit the other Thames Gateway South Essex Authorities are also implementing their own systems.

5 RISK IMPLICATIONS

5.1 Reputational Risk

It is important to the Council that whatever scheme it utilises for administering its housing allocations ensures that there is a consistent approach incorporating fairness of assessment and opportunity to those residents on the register.

6 RESOURCE IMPLICATIONS

- 6.1 Budgetary provision has already been made of £20,000 plus £4,000 towards the annual maintenance costs of implementing a CBL scheme and from the information gathered so far from the above mentioned companies, the purchase of the most appropriate scheme could be met from this budget.
- 6.2 Officers will continue to gather exact prices from these companies, and in line with Council's financial procedures, will through the Portfolio Holder for Council Tax Collection, Benefits and Strategic Housing functions select the most appropriate and beneficial stand alone system.

7 LEGAL IMPLICATIONS

- 7.1 All Local Authorities are required to implement a Choice Based Lettings scheme by April 2010.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

SMT Lead Officer Signature: _____

Date: _____

Background Papers:-

None