

BROMSGROVE DISTRICT COUNCIL

CABINET

2ND DECEMBER 2009

**'HOME CHOICE PLUS' - CHOICE BASED LETTINGS SCHEME -
PROGRESS AND DEVELOPMENT REPORT**

Responsible Portfolio Holder	Councillor Peter Whittaker
Responsible Head of Service	David Hammond
Key Decision - Yes	

1. SUMMARY

- 1.1 On the 7th October 2008 Bromsgrove District Council in partnership with BDHT introduced the 'Home Choice Plus', Choice Based Lettings scheme for the allocation of social housing across the District.
- 1.2 This report provides Members with an update upon the successful operation of the Choice Based Lettings Scheme over the last 12 months. The report was presented to the Overview Board on the 23rd November 2009 to allow any further suggestions to be recommended. Members are asked to give approval for the Strategic Housing Manager to investigate options for developing a charging mechanism for Registered Social Landlords (RSLs) who are advertising their dwellings through the Scheme.
- 1.3 It is proposed that any monies received through a charging mechanism be used towards funding the ongoing IT supplier costs and management of Home Choice Plus. The recommendation asks for delegated authority to be granted to the Portfolio Holder for Strategic Housing and Head of Planning and Environment in consultation with The Strategic Housing Manager and the Section 151 Officer to agree the scale of charges for Registered Social Landlords with special arrangements being agreed for BDHT reflecting their status as the Council's Principal Preferred Partner and an existing partial funder of the scheme.

2. RECOMMENDATION

- 2.1 Members are asked to note the successful operation of the Home Choice Plus scheme which has raised awareness of the Housing Register reflected by an increase of 14% in the number of housing applicants registered since implementation.

- 2.2 That approval be given in principle for the Council to introduce a charging mechanism for Registered Social Landlords who make use of the scheme.
- 2.3 That delegated authority is given to the Portfolio Holder for Strategic Housing and the Head of Planning and Environment in consultation with the Sect 151 Officer and Strategic Housing Manager to agree the final charges for all Registered Social Landlords on the basis of separate arrangements being negotiated with BDHT to reflect their role as LSVT organisation and partial funder of the CBL Scheme.

3. BACKGROUND

- 3.1 Communities and Local Government (CLG) set a target for all local authorities to introduce a Choice Based Lettings Scheme by 2010. The Housing Corporation's (now Homes and Communities Agency) Regulatory Code says that housing associations must seek to offer a choice of home, whilst giving reasonable preference to those in priority need. Bromsgrove District Council joined with other local authorities across the South Housing Market Area, (with the exception of Redditch and Warwick who were at that time in the process of implementing their own schemes) in order to develop a sub regional choice based lettings scheme. On the 7th October 2009 Home Choice Plus had been in operation locally for 12 months providing applicants for social housing with an opportunity to express an interest in RSL properties that become available in the Bromsgrove District and in participating neighbouring authorities. The scheme provides applicants with transparency regarding their individual priority ranking on the shortlist for a particular vacant property along with an understanding of the total number of applicants also expressing an interest in it.

The benefits of the sub regional scheme are that applicants only need to complete one application form to be considered across the participating local authority areas. The participating local authorities use one common allocations policy and there are a number of ways for applicants to access the scheme either by telephone, website, digi TV or newsletter. For housing associations participating in this sub regional scheme it means that the allocations policy is consistent, the opportunities for tenant mobility are increased, tenancies are more sustainable and previously difficult to let properties are let more easily, thus reducing void costs and rent loss.

- 3.2 During September 2009 the Strategic Housing Team carried out a postal survey to a sample size of 500 Home Choice Plus applicants to gather information about whether the scheme was meeting the Council's expectation of providing a more easy to understand and transparent way of allocating social housing. From the 107 applicants who returned their survey forms:
 - 91% found the Home Choice Plus application form easy to complete.

- 69% understood how priority was awarded using a combination of both banding and waiting time.
- 90% agreed that people with a local connection to Bromsgrove should receive a degree of priority (as is the case with the scheme).
- 50% of respondents had so far placed bids, this appears to be because many people indicated that they were not yet ready to move or that a suitable property had not become available;
- 33% stated that they needed help to bid on properties and;
- 20 applicants gave their name and address and asked for help to access the scheme.
- 82% stated that the Housing Options Service was either fairly good or very good.
- 12% said that they needed to move into Bromsgrove to take up employment / training opportunities.

The names and addresses of respondents requesting help to access the scheme have been forwarded to the Housing Options Team for assistance. Further is also planned to publicise the number and types of properties becoming available, the demand for these properties and ways to access Home Choice Plus through the Together Bromsgrove magazine.

3.3 Having interrogated the reporting system of the scheme the following key findings are:

- (i) The number of applicants registered for social housing (including transfer applications) has increased from 2,300 prior to implementation to 2,672 as at 23rd September 2009:

Household Breakdown

The following table shows a breakdown of housing applicants registered by household type across the districts served by Home Choice Plus. The highest numbers of applicants are families and single applicants.

Household Type	Bromsgrove	Malvern Hills	Stratford-on-Avon	Worcester City	Wychavon	Wyre Forest	Total
Couple	223	262	321	306	521	325	1958
Family	925	780	1222	1488	1625	1290	7330
Other	80	34	99	44	126	20	403
Pensioner DLA	684	327	870	295	774	853	3803
Single	760	612	855	1225	1504	951	5907
Total	2672	2015	3368	3358	4551	3439	19403

The tables below show the number of properties that have been advertised in Bromsgrove District through Home Choice Plus since 7th October 2008. This indicates a high turnover of flats many of which may be for older people, but comparatively small numbers of houses for families which are the largest group registered on the list.

Properties Advertised

Bedsit	Bungalow	Flat	House	Maisonette	Total
18	43	361	91	4	517

Homelessness Acceptances

The Home Choice Plus allocations policy has been framed to encourage those in housing need to access housing through the housing register rather than presenting as homeless. Early indications are that this has been successful as homelessness acceptances are continuing to reduce.

Dec 07	Mar 08	Jun 08	Total
22	13	23	58
Dec 08	Mar 09	Jun 09	
15	12	11	38

4. FINANCIAL IMPLICATIONS

- 4.1 The implementation of Home Choice Plus was funded primarily by the Council and CLG grant with additional support and contributions being received from BDHT in terms of staff time and a commitment to meeting a 25% proportion of the ongoing revenue costs of running the scheme:

One Off Initial Implementation Cost

BDC contribution	£18,673.93
CLG contribution	£21,225.30
Total implementation cost	£39,899.23

Revenue Costs 09/10

BDC contribution	£7055.25
BDHT	£2351.75
Total Revenue Cost	£9407.00

- 4.2 Since its implementation many RSLs no longer hold their own waiting lists and have benefited by no longer having to provide staff time to manage this element of social housing allocations.
- 4.3 During the implementation process the issue of potentially charging was discussed with RSL partners who expressed a desire for a consistent approach across the sub region.

- 4.4 One neighbouring authority has implemented a charging mechanism from April 2009 set at £40 per advert. Other Choice Based lettings scheme providers are in the process of considering charging between £40.00 and £60.00 per advert or offering an option of an annual membership fee. The benefit of an annual membership fee would be that an RSL would be more encouraged to make use of the scheme and this would seem an appropriate approach for higher stock holding RSLs such as the LSVT organisations who have received the various Councils' housing stock. However, most other RSLs operating in the Districts only have relatively small numbers of housing stock and therefore a charge per advert might be a more attractive option for them.
- 4.5 The recommendations in this report ask that approval be given in principle for the Council to introduce a charging mechanism for Registered Social Landlords who make use of the scheme. Members are asked to give delegated authority for the level of charges and detail as to how they are to be applied to be negotiated and finalised by the Portfolio Holder For Strategic Housing relevant officers.
- 4.6 It is important to recognise that it would be appropriate to negotiate a separate arrangement with BDHT to reflect both the existing level of financial and staff resources that they contribute to the running of the scheme and also the fact that 75% of their lettings are nomination rights to the Council under which BDC itself is responsible for providing them with nominated tenants (although BDHT carry out this task for BDC under an SLA).
- 4.7 Of the anticipated 350 properties let per annum approximately 40 of these would belong to other RSL's and would generate an income of £2,000 at £50.00 per advert. If an additional membership fee based upon 50% of running costs was negotiated with BDHT it would be possible to achieve an income of £7,000 per annum (70%) towards the annual cost of running the Choice Based Lettings Scheme.

5. LEGAL IMPLICATIONS

- 5.1 The Home Choice Plus Allocations Policy and its Equalities Impact Assessment are due to be reviewed on a countywide basis 12 months after implementation to ensure legal compliance taking into account the:
- The new statutory code of guidance on social housing allocations for local authorities in England,
 - The results of the satisfaction survey and
 - Other recent changes in legislation.

6. COUNCIL OBJECTIVES

- 6.1 Sense of Community – Home Choice Plus helps to promote more sustainable communities through offering housing applicants more choice in where they live and making the allocations process more transparent. Applicants can see the demand for properties - some houses receive more than 80 bids - and as a consequence the successful applicant is more likely to value their home.

Improvement – the satisfaction survey has identified an opportunity to improve the scheme by raising awareness of alternative ways to access the scheme and the availability of support to help applicants place bids.

Regeneration - Home Choice Plus helps the authority to make best use of the existing stock through matching people with disabilities to adapted properties and giving priority to those who are under occupying their homes to downsize.

7. RISK MANAGEMENT

- 7.1 The main risks associated with the details included in this report are:

- Not maximising an opportunity for the scheme to become self funded and thereby saving money for the local authority.
- RSL partners failing to make use of the scheme due to charging being implemented.

- 7.2 Currently the risk identified in 7.1 is not addressed by any risk register and will be added to the risk register as follows:

Risk Register: Planning and Environment

Key Objective Ref No: 2

Key Objective: Effective, efficient and legally compliant housing service.

Failure to implement charging for CBL usage could result in pressure on Council revenue budget. Implementation of charging could result in reduced usage of the scheme by partner RSLs.

8. CUSTOMER IMPLICATIONS

- 8.1 The Satisfaction Survey has identified that some people are unaware of the range of ways to access Home Choice Plus and it is our intention to publicise these through Together Bromsgrove. A number of applicants have requested support regarding accessing the scheme and their contact details have been passed to the Housing Options Team at BDHT.

- 8.2 If we impose a charging system it is possible that some RSLs will be deterred from using the scheme and will therefore lead to fewer

properties being made available to applicants from the housing register. However, the risk of this is very low as most RSLs with stock in the District do not hold waiting lists for Bromsgrove and are required to allocate their properties to people in housing need.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

- 9.1 National research on Choice Based Lettings has shown that the choice based lettings relieves rather than exacerbates ethnic segregation. It also offers an opportunity to make better use of properties with disabled adaptations by giving preference to applicants with disabilities that require that level of adaptation in order to meet their mobility needs.
- 9.2 During 2008/9, out of 278 new lettings, 5 properties were let to BME groups equating to 1.8%.
During the first quarter of 2009/10 out of the 113 new lettings 4 lettings were to BME groups = 3.54%.
- 9.3 A review of the Equalities Impact Assessment is due to be carried out in conjunction with the Allocations Policy Review December 2009, however, in the meantime the Strategic Housing Team is planning additional publicity through Together Bromsgrove to raise awareness of the variety of methods of accessing home choice plus.

10. VALUE FOR MONEY IMPLICATIONS

- 10.1 The process of implementing a charging mechanism will take into account the arrangements that are emerging across the partner organisations. One neighbouring authority has agreed not to charge their LSVT RSL resulting in an expectation from that LSVT that Choice Based Lettings will be provided free of charge. Two other LSVT RSLs are contributing 50% towards the running costs. BDHT are currently contributing 25% towards the running costs of CBL across the Bromsgrove District.
- 10.2 A review of the BDHT Service Level Agreement for the Housing Register and Nomination services they provide to the Council is being undertaken in partnership with BDHT to highlight any savings or additional workload that has resulted as a consequence of implementing Home Choice Plus which was introduced in accordance with Government policy to implement Choice Based Lettings by 2010.

11. OTHER IMPLICATIONS

Procurement Issues
None

Personnel Implications
Monitoring adverts and resourcing the production of purchase orders and invoices
Governance/Performance Management
None
Community Safety including Section 17 of Crime and Disorder Act 1998
None
Policy
Yes
Environmental
None

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	Yes
Chief Executive	Yes
Executive Director - Partnerships and Projects	<u>Yes</u>
Executive Director - Services	<u>Yes</u>
Assistant Chief Executive	<u>Yes</u>
Head of Service	<u>Yes</u>
Head of Financial Services	<u>Yes</u>
Head of Legal, Equalities & Democratic Services	<u>Yes</u>
Head of Organisational Development & HR	<u>Yes</u>
Corporate Procurement Team	<u>Yes</u>

13. WARDS AFFECTED

All wards

14. APPENDICES

None

15. BACKGROUND PAPERS

None

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