1 Purpose of Report
1.1 The purpose of this report is to advise members on the proposed Choice Based Lettings (CBL) Scheme which will change the way by which social housing is allocated by the Borough Council of Wellingborough.

1.2 The proposals and recommendations within this report contributes to the Corporate aims and objectives relating to ensuring that the differing needs of local communities are listened to; enhancing the wellbeing of young people and the creation of efficiencies through innovation in service delivery

2 Executive Summary
The key issues to be considered within this report are whether the Council a) intends to implement a CBL Scheme in line with Government directives and b) intends to join with partners in Kettering, Corby and East Northamptonshire to form a Sub-regional Scheme.

3 Proposed Action
Members are requested to RESOLVE that:-

3.1 the Council develops and implements a Choice Based Lettings Scheme as part of an Enhanced Housing Options Service, which will act as the new mechanism by which social housing is allocated within the Borough.

3.2 the Council replaces the existing Orchard IT system used to administer the Homelessness service with new software designed to integrate with the Choice Based Lettings Scheme

3.3 the Council develops and implements a sub-regional Choice Based Lettings Scheme in partnership with Kettering Borough Council, Corby Borough Council and East Northamptonshire Council.

3.4 a working group be established to oversee the implementation of the scheme.

4 Background
4.1 The Government's housing policy places considerable emphasis on the themes of choice and responsibility. One element of this agenda is changing the mechanisms by which households' access social housing. Social housing has traditionally been let using bureaucratic allocation systems administered by housing officers. The Government office for Communities and Local
Government (CLG) believes that allocations policies for social housing should provide for applicants to be given more say and greater choice over the accommodation which they are allocated. Local authorities are required to deliver this change, while continuing to ensure that the primary purpose of social housing is to meet those in greatest housing need for social housing, for example statutory homeless, those living in overcrowded conditions or lacking suitable sanitary facilities.

4.2 CLG expects all 354 local authorities in England to have moved towards a choice based lettings scheme by 2010. This will mean an increasing number of people taking crucial housing decisions for the first time and perhaps also realising that they are unlikely to get a social home in the short term. Housing options advice has a crucial role to play in addressing urgent housing need, however, the service should not just be for people in the most acute need.

4.3 CBL forms part of the Enhanced Housing Options Approach being promoted by CLG. The Enhanced Housing Options Approach takes as its core values the principles of choice, empowerment, and excellent customer service. Housing often indicates other underlying issues such as lack of employment, training or skills, poor finance and debt management, appropriate advice and support for drug and alcohol misuse, mental health and physical health problems. In order to deliver sustainable solutions, housing options advice requires a holistic assessment of the wider causes of housing need and links to other types of advice and support in an effort to tackle the root causes of housing problems and homelessness. Without positive interventions, housing problems may worsen over time so there is a strong case for offering housing options advice to people before they reach crisis point.

5 Discussion
5.1 It must be recognised that there is very high demand for affordable housing in Wellingborough and that this demand cannot be fully met from the current social housing stock. Consequently our expectation is that only those applicants in greatest housing need will obtain social rented accommodation.

5.2 The proposed scheme is intended to be the single register for access to all social housing within the borough, whether it is social rented or shared ownership. It is proposed that within the first 18 months of the implementation of the scheme, in addition to social housing, applicants will also be able to access vacancies in the private rented sector, using accredited landlords, which are advertised via the scheme.

5.3 In addition to revised working practices and procedures to administer the CBL scheme it is proposed that a new IT system is purchased designed specifically to provide the required services to housing applicants and scheme managers.

5.4 The IT systems used to manage CBL is Internet based and allocations are achieved by advertising all social housing vacancies within the borough and inviting applicants to express an interest in which property they would prefer to live in, by registering a ‘bid’ for the property. Applicants can only bid for a property to which they are entitled (as prescribed by the allocations policy) and which is suitable for their household need. Housing will only be allocated
to applicants who bid for a specific property. Therefore, if an applicant does not bid for a property they will not be considered for its allocation. The successful applicant will normally be the applicant with the greatest housing need that has waited the longest.

5.5 Prior to submitting a bid for a property, applicants are able to view information on how many other applicants have already bid for the property, they are also informed as to what position they are currently ranked amongst the other bidding applicants, in terms of their housing need and waiting time. This enables them to identify the level of priority that they have within the allocation scheme and to develop an awareness of the availability of accommodation suitable to their needs within the borough. Applicants can therefore make an informed decision on their housing options by balancing their need for accommodation with the availability of properties. Bids can be placed or withdrawn throughout the bidding cycle, which we anticipate will be weekly.

5.6 In addition to the Government's requirement for authorities to introduce a Choice Based Lettings Scheme by 2010, it is positively encouraging authorities to develop a regional or sub-regional model, recognising that housing markets do not follow local authority boundaries. This model will allow applicants to bid for vacancies within the sub-regional area.

5.7 It is proposed that BCW form a sub-regional scheme with Kettering, Corby and East Northamptonshire Councils. The chart below illustrates the advantages and disadvantages of each option.

<table>
<thead>
<tr>
<th>OPTION</th>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
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<tbody>
<tr>
<td>Option one: BCW scheme</td>
<td>Working within Government guidelines and time scale. Improved customer services through greater choice and empowerment. Increased pride in and sustainability of local environment and communities. New high quality IT system independent of Wellingborough Homes currently shared systems.</td>
<td>No Government funding available. No discount from system provider. Failure to deliver Governments’ preferred model. The Council would bear the full cost estimated at £154,000.</td>
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<tr>
<td>Option two: Sub-regional scheme</td>
<td>In line with Governments’ preferred model. Availability of Government funding up to 60% of set up costs.</td>
<td>A percentage (yet to be agreed) of housing in the Borough could potentially be allocated to applicants within the sub-region.</td>
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5.8 In order for the Council to begin to develop an Enhanced Housing Options Service, it is proposed that in addition to the CBL scheme, the Council also introduces an IT system designed specifically for the management of Homelessness. This would replace the existing Orchard system currently shared with Wellingborough Homes which has proved to be unsatisfactory.

6 Legal Powers

6.1 In framing its allocations scheme to offer a choice of accommodation to applicants, the Council should ensure that it is compatible with obligations imposed on the authority by other existing legislation in addition to Parts VI and VII of the 1996 Housing Act, these would include:

- The Race Relations Act 1976 (in particular s.71)
- The Disability Discrimination Act (in particular s49a)
- The Human Rights Act 1998
- The Freedom of Information Act 2000 (in particular s.19) 1995

7 Financial and value for money implications

7.1 The project will require a capital outlay for the initial purchase and set up of systems currently estimated at £154,000. In addition there will be annual revenue costs related to licence fees and systems maintenance. Should the sub-regional option be accepted, the cost will be substantially less as there will be Government funding of up to 60% of the set up costs available, in addition to up to 50% discounts offered by the system provider.

8 Risk analysis and Implications

<table>
<thead>
<tr>
<th>Nature of risk</th>
<th>Consequences if realised</th>
<th>Likelihood of occurrence</th>
<th>Control measures</th>
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<tbody>
<tr>
<td>Failure to implement a Choice Based Lettings Scheme within Government deadline (2010)</td>
<td>Possible sanctions from Central Government. Definite negative effect on working relationship with Government Offices</td>
<td>Low</td>
<td>Successfully implement a Choice Based Lettings Scheme in line with Government directive and deadline 2010.</td>
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</table>
8.1 **Implications for Resources**
It is anticipated that the proposed scheme will be administered within the current employee level.

8.2 **Implications for Stronger and Safer Communities**
The scheme is considered to be an excellent way to promote sustainable tenancies and to build settled viable and inclusive communities. Research results indicate that tenants who have been offered a choice of accommodation are more likely to be satisfied with their home and remain in that home for a longer period. Satisfied tenants are more likely to meet their tenancy obligations and maintain the property in a good condition and take pride in their community and environment.

8.3 **Implications for Equalities**
The Council will ensure that the Allocations Policy and CBL Scheme is compatible with obligations imposed on the authority by other existing legislation as well as its own Equalities Impact Policy.

9 **Author and Contact Officer**
Sue Atkins – Housing Needs Manager

10 **Consultees**
Terry Wright – Corporate Director

11 **Background Papers**
Quotation from proposed system provider