

Wards Affected:

All Wards

ITEM 18**CABINET****12 OCTOBER 2015****CHOICE BASED LETTINGS – NEXT STEPS**

Responsible Cabinet Member: Councillor O'Neill (Cabinet member for Housing and Regeneration)

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Executive Summary:

On 14 September 2015 Cabinet accepted in full the recommendations of the Housing Allocations Scheme Task and Finish Group (HASTFG) and requested that a report be brought to the October meeting of the Cabinet setting out the necessary steps to the introduction of "Choice Based Lettings".

This report considers the findings of the HASTFG; considers the current arrangements for letting properties; describes key differences to the proposed new scheme; and sets out what needs to be done to introduce an alternative model and the timeframe for doing that.

1. Recommendation(s)

- 1.1 That Officers be instructed to investigate a Choice Based Lettings system and the implications of its introduction
- 1.2 That a further report be brought to Cabinet in December 2015 to authorise consulting on proposals with a view to implementing a new scheme in March 2016.

2. Issues

- 2.1 Housing, both locally and nationally, is in short supply and demand is increasing. As a consequence the number of families in temporary accommodation is increasing. The HASTFG pointed out that the only solution to this is to increase the supply of permanent housing, recognising that this will take time to deliver.
- 2.2 However, in the meantime, the HASTFG advised that changing the current allocations scheme in the way Cabinet proposed in January 2015 would eventually lead to council housing stock being used so much for temporary accommodation that there would be insufficient left for permanent tenancies.
- 2.3 MKC "needs" based allocations scheme
Milton Keynes Council introduced its Housing Options and Allocations Scheme in 2007 with the intention of creating more transparency about availability and entitlement. The Waiting List was removed so that applicants' expectations could be better managed. However, although there is no longer

something called a “waiting list” there are many households waiting for a move to more suitable housing.

2.4 The current allocation scheme ensures the next available property is allocated to the customer in “need” who has waited longest. “Need” is assessed on preference groups. Homeless households; people occupying unsatisfactory housing conditions; people who need to move on welfare grounds; people who need to move to a particular locality; people with an urgent housing need.

2.5 “Choice” based allocations scheme

Choice-based Lettings (CBL) allows applicants to bid (apply) for any home to which they are matched (e.g. a single person would not be eligible for a three-bedroom house). The successful bidder is the one with the highest priority under the scheme. The local authority provides feedback that helps applicants to assess their chances of success in subsequent “bids”.

2.6 CBL is intended to offer choice and make the letting procedure more transparent to the customer. It was intended to “replace the points-based allocation system with a lettings service that people wanting a home or a move could understand”.

2.7 Available homes could be advertised and all registered home-seekers can ‘bid’ for the homes advertised. Consideration will be given to how this can be achieved. Potentially an online property magazine could list details including a photograph of the property, its location and the size of household that the home is suitable for.

3. **Options**

3.1 Do nothing

The work carried out by the HASTFG and the recommendations made to and accepted by Cabinet has determined that “do nothing” is not an option.

3.2 Evaluate CBL

Carry out an evaluation of allocation schemes, including CBL. This is the preferred option. It is estimated that the evaluation can be reported back to Cabinet in December with proposals for consultation and implementation.

4. **Implications**

4.1 **Policy**

The key policy issues to consider are the relationship between the tenancy strategy, allocations policy and individual housing providers’ tenancy policies. The Localism Act created a statutory requirement for all local authorities to develop a tenancy strategy which must include high level objectives that registered providers in a particular area are to have ‘regard to’ when considering their own tenancy policies. Local authorities must develop their allocation policy in conjunction with the tenancy strategy. This joined up approach is necessary to ensure an integrated and effective approach to housing options within a locality.

4.2 Resources and Risk

The resource required to carry out the evaluation will be found from within existing structures. Proposals for Cabinet to consider in December will need to include project start-up costs; project management; ICT procurement and implementation; training; advertising; and training.

In addition the proposals may require consideration of externalisation of the service or a shared service arrangement with other LAs. There is a risk that the implementation of CBL will not deliver the Medium Term Financial Plan savings that were anticipated from changes to existing Allocations Scheme.

Y	Capital	Y	Revenue	N	Accommodation
Y	IT	Y	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

It is not expected to impact upon the policy

4.4 Legal

- (a) The Housing Act 1996 Parts VI & VII
- (b) The Equalities Act 2010
- (c) The Localism Act 2011
- (d) Consultation with all Key Partners, Groups & Stakeholders

4.5 Other Implications

Y	Equalities/Diversity	Y	Sustainability	Y	Human Rights
Y	E-Government	Y	Stakeholders	Y	Crime and Disorder