

# AGENDA ITEM 3

## SPECIAL MEETING OF THE COMMUNITY & SOCIAL AFFAIRS COMMITTEE

19 MAY 2010

### REPORT OF THE HEAD OF SOCIAL & ECONOMIC DEVELOPMENT

#### SUB-REGIONAL CHOICE BASED LETTINGS POLICY

#### 1.0 PURPOSE OF THE REPORT

- 1.1 For Members to consider the proposal for Melton Borough Council to operate a Sub Regional Choice Based Lettings (CBL) Scheme which spans Leicestershire involving local authorities in the area and all registered landlords who have properties in the Leicestershire area
- 1.2 The Government has set a target for all local authorities and Registered Social Landlords to introduce CBL by 2010 and they believe the best way of doing this is by working together as a sub region or regional partnership.

#### 2.0 RECOMMENDATION

- 2.1 **Members to approve the introduction of a Choice Based Lettings Scheme in line with the recommendations from the Housing Options Task Group as set out in section 11.1;**
- 2.2 **Members approve the Project Mandate and Business Case for the introduction of the Choice Based lettings Scheme. (Appendix A and B)**

#### 3.0 KEY ISSUES

- 3.1. Choice Based Lettings is seen as a more open and transparent way of letting properties as applicants can actually see which properties are available and are invited to express their interest by placing a bid.
- 3.2. To enable Melton Borough Council implement choice based lettings, a partnership of local authorities and registered social landlords has been formed to develop and implement a sub regional choice based lettings scheme which spans Leicestershire. This partnership includes, Harborough District, Charnwood Borough Council, Blaby District Council, North West Leicestershire District Council and Oadby & Wigston District Council.

Rutland County Council were involved with this project but decided to withdraw their interest in the partnership due to the size of their housing register and the relatively few vacancies they have to offer, it was assessed, by RCC that the additional cost of running a CBL scheme would be disproportionate to the benefit.

All registered landlords who have properties in the Leicestershire area have been involved in the project. The aim is to have the system up and running by November 2010.

- 3.3 A project board consisting of representatives from all the above councils has been working closely together to plan the implementation of this project and the initial proposals and costs are contained in the following appendices:

Appendix 1 - background and information on the proposed sub regional choice based lettings scheme

Appendix 2 - details of proposed banding system to be adopted for the sub regional choice based lettings scheme

Appendix 3 – process for a choice based lettings scheme - allocation process and advertisement options

Appendix 4 – example of adverts distributed by Aribitas

Appendix 5 – CBL costings

#### 4.0 **POLICY AND CORPORATE IMPLICATIONS**

To meet key priorities:

- To improve housing services in Melton
- To meet the housing needs of vulnerable groups
- To support the delivery of the Sustainable Community Strategy
- To maximise the use of available resources
- To reduce the number of homeless applicants in temporary accommodation

#### 4.1 Melton's Sustainable Community Strategy.

- Reduce waiting times
- Reduce homelessness.
- Prevent homelessness
- Reduce void times

#### 5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

- 5.1 Government funding has been received to implement the project but financial contribution is needed from individual local authority related to the costs for the management of the housing register. Details of the initial costs and ongoing costs are set out in Appendix 5. On current projected costs the financial figures are:

Total cost of project £222,652

Grant from CLG £177,000

Melton costs

IT (Housing register) set up costs - £7,915

IT (CBL) set costs £15,267 (met from CLG grant)

The initial set up costs will be met from virements from existing budgets within the Head of Service's budgets.

On going running IT costs £6,897p.a.

Postage and printing £15,000 p.a.

5.2 The introduction of the CBL scheme will bring in new ways of working and to support some of the running costs there will be a review of the Housing Options Team, which has already been highlighted as a project for 2010/11. Additional income will also potentially be raised from Allocating Housing Association properties, for which Melton Borough Council will receive a fee.

**6.0 LEGAL IMPLICATIONS/POWERS**

6.1 No direct issues have been identified

**7.0 COMMUNITY SAFETY**

7.1 No direct issues have been identified

**8.0 EQUALITIES**

8.1 An initial Equalities Impact Assessment will be carried out to ensure that the CBL scheme does not directly or indirectly discriminate vulnerable individuals and families.

**9.0 RISKS**

A detailed risk register will be drawn up for this project.

**Probability**

Very High A				
High B				
Significant C				
Low D		2	3,4,5	
Very Low E			1	
Almost Impossible F				
	IV Negligible	III Marginal	II Critical	I Catastrophic

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Impact →

Risk No.	Description
1	Target set by government is not achieved.
2	Negative Attitude of tenants/applicants towards CBL
3	Vulnerable groups being disadvantaged
4	Costs for CBL is unaffordable
5	Sub-regional project board is not fully supported

## 10.0 CLIMATE CHANGE

10.1 There are no issues relating to climate change arising from this report

## 11.0 CONSULTATION

11.1 The Housing Options Task Group met on 16 April 2010 and the outcome is as follows:

- Approved the introduction of a Sub Regional Choice Based Lettings Scheme at Melton Borough
- Approved the Banding System as used by Market Harborough Allocation Policy
- Approved the CBL process and advertising of properties
- Approved the costing of the project

It was also agreed that, if approval for this scheme is given by the Community & Social Affairs Committee, a steering group should be set up to carry the CBL project forward with the current members of the task group taking this forward

Although the task group as a whole gave approval for this scheme, the representatives from TFEC raised the following concerns:

- The proposal for the scheme does not represent value for money given the current status of the Housing Revenue Account
- The introduction of a CBL scheme would not improve the void situation at Melton Borough Council given that Melton Borough Council cannot afford to maintain its housing stock

## 12.0 WARDS AFFECTED

12.1 All wards are affected.

Contact Officer: Martyn Bowen Citizen Well Being Manager

Date: 10 May 2010

Appendices	A	Project mandate
	B	Project Business Case
	1	CBL background Information
	2	Proposed Banding for Allocation Policy
	3	CBL process
	4	Draft Advert
	5	CBL costings