

Select Committee on the Environment – 31st October 2005

Report of the Director of Adult, Community and Housing Services

Project Plan : Choice Based Lettings

Purpose of Report

1. The purpose of this report is to advise Committee of the proposed Project Plan for implementing Choice Based Lettings (CBL)

Background

2. The concept of Choice Based Lettings was introduced in the 2001 Green Paper “Quality & Choice: A Decent Home For All”. The Office of the Deputy Prime Minister sponsored a number of pilot schemes between 2001 and 2003, which were subject to external evaluation. The results were positive, and ODPM set a target that 25% of local housing authorities should introduce CBL by 2005, and 100% by 2010.
3. The Select Committee on the Environment has received several reports on the Lettings Policy and the CBL process. In September 2005, Cabinet resolved to develop a Choice Based Lettings Scheme, and to appoint a project manager to oversee the process.
4. The Project Plan is as follows:

Scope

5. The project will replace the current practice of officers “allocating” empty homes to housing applicants, with one where the details of vacant properties are publicised and homeseekers are able to “bid” for them. As required in law, priority for vacancies will continue to be given to those with the greatest degree of housing need.

Constraints

6. The primary purpose of the project is to make the lettings process more accessible and transparent. In itself it will not increase the supply of vacant Council homes, or change the balance between supply and demand in terms of area and property preferences. However, Registered Social Landlords and Private Landlords will be invited to include their vacancies in our scheme, thereby extending the number and range of properties available to our service users.

7. Pilot projects have identified that start up costs, particularly IT, and ongoing advertising costs, may be off-putting. They have also identified that void turnaround times may be slightly increased in the very short term, but are at least equally likely to decrease once the new system is bedded in. Provision has been made within existing HRA budgets for project management, ITC solutions and advertising. As the project develops, it will be evaluated and if necessary modified, to ensure that it is cost effective.
8. Another concern is to ensure that service users who are homeless are not disadvantaged, and that provision is made to support service users who through age, disability, language or other barrier may otherwise find the new system difficult to use. The project will address these issues from the outset.

Business Case

9. To a certain extent, the project is dictated by Government policy, and the question is one of “how” rather than “why”. The opportunity to attain upper quartile status by implementing CBL by 2005 has already been missed, and only median performance is now available to us.
10. The majority of Council housing in Dudley, demand is well in excess of supply. The benefits of CBL in this case are to
 - Display details of all available properties (so that service users can see, in many cases, how few vacancies there really are)
 - Enable all potential tenants to express a positive interest in a specific property, rather than a general interest in that area and property type (reducing a refusal rate which in Dudley typically runs at around 50%, even though offers are only made within the preferences that have been expressed)
 - Feed back information on successful bids in such a way as to preserve individual confidentiality, but enable service users to adjust their future bidding to improve their chances of success (by looking at different areas or property types which would meet their needs)
11. For the minority of estates or property types experiencing lower demand, CBL has a strong record in other authorities of attracting new customers who may not previously have considered Council housing, and improving sustainability simply because tenants have chosen their home rather than taken it on as a matter of last resort.

Projected Outcomes

12. The project will be designed to deliver
 - Improved customer satisfaction with lettings processes and outcomes
 - Improved relationships between staff and customers
 - Turnaround times at or below current levels
 - Overall void numbers at or below current levels
 - More demand for properties currently less popular
 - (Over time) reduced demand for properties/areas in chronically short supply
 - More accurate information on housing needs and preferences
 - New joint working opportunities with RSLs, Private Landlords and neighbouring authorities
 - More support for vulnerable and excluded customers than is available through the existing traditional system

Risks

13. The Project Plan is required to assess risks and propose mitigating actions

Risk	Impact	Probability	Required Action	Owner
Increased void turnaround time	Rent loss	Medium to high	Efficient business process	Project Manager
Negative impact on homeless applicants	Failure to meet statutory duties	Medium to high	Ensure appropriate access & degree of priority	Project Manager/ Homelessness Manager
Negative impact on vulnerable applicants	Indirect discrimination	Medium	Ensure availability & deployment of well informed support	Project Manager/Lettings Officers
Excessive cost	Detrimental to HRA & Decent Homes	Medium	Effective business planning & cost control	Project Manager/Area Housing Manager Brierley Hill
Unpopular with customers/other stakeholders	Reduced satisfaction	Low	Effective process, positively marketed	Project Manager/ Marketing Team

Project Control and Communication Plan

14. The Project Sponsor is Sian Evans, Area Housing Manager with portfolio for Lettings.
15. A Project Manager will be appointed and will co-ordinate the Project Team.
16. The following is the proposed methodology for progressing CBLs and involving this Select Committee and Cabinet. It should also be recognised that the Cabinet Member for Housing will also receive continuous briefings on the subject.

Task	Purpose	Responsibility	Progress
To be determined			
Appoint Project Manager	To lead development	S Evans	
Research Options	Report to Committee January 2006	S Evans/ Project Manager	
Cost up preferred option(s)	Report to Committee June 2006	Project Manager	
Prepare detailed implementation plan	Report to Cabinet September 2006	Project Manager	
Establish Pilot Scheme	Test proposals from January to June 2007	Project Manager	
Evaluate	Report to Committee July 2007	Project Manager	
Roll out with comprehensive marketing scheme to customers	Full implementation by January 2008	Project Manager	

17. The Select Committee on the Environment will receive reports in January 2006 on the researched options that could be introduced into Dudley. Preferred costed option(s) would be reported back in June 2006 with the outcomes reported to Cabinet in September 2006. Assuming endorsement a pilot would be established with this Committee undertaking evaluation in July 2007.

Finance

18. The project evaluation will be undertaken using existing resources.
19. Financing of CBLs will be fully explored in the evaluation process.

Law

20. The concept of Choice Based Lettings was introduced in the 2001 Green Paper "Quality & Choice: A Decent Home For All". The Office of the Deputy Prime Minister sponsored a number of pilot schemes between 2001 and 2003, which were subject to external evaluation. The results were positive, and ODPM set a target that 25% of local housing authorities should introduce CBL by 2005, and 100% by 2010.

Equality Impact

21. This report in itself has no impact on the Council's policies on Equal Opportunities. The introduction of CBLs however, will impact potentially on vulnerable people and due regard will be given to this in the evaluation process.

Recommendation

22. Members note the contents of the report.
23. Approve the methodology for progressing CBLs as shown in Sections 16 and 17 of the report.



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