

Report to: Executive
Date: 24 February 2009
Report of: Executive Member for Housing
Subject: Progress with the County Wide Choice Based Lettings Scheme
Ward: All

1.0 Purpose of Report

1.1 The purpose of the report is to update Executive on progress with the implementation of Choice Based Lettings (CBL) across County Durham and to request amendments to the Council's existing housing allocations policy operated by East Durham Homes.

2.0 Consultation

2.1 In preparing the report I have consulted with East Durham Homes (EDH), existing EDH tenants, current applicants on the Council's Housing List, Registered Social Landlords, County Durham Housing Authorities and the Council's Monitoring Officer.

3.0 Background

Easington CBL Scheme

3.1 In June 2006 the Council agreed to move towards the introduction of a CBL Scheme, as part of a County Wide approach in line with Government's target for all authorities to introduce CBL by 2010. Choice Based Lettings is defined within the Government's Code of Guidance 2008 as 'A lettings policy which incorporates an advertising scheme'.

3.2 In December 2007 the Council agreed to adopt CBL for housing allocations in this District as a pathfinder for the development of the County Wide Scheme. As part of that report it was recommended that members would receive a further report following implementation in April 2008. This report provides information as to how the scheme within Easington is working.

County Wide CBL Scheme

3.4 Choice Based Lettings is planned to be introduced across County Durham in the summer of 2009 and will be known as 'Durham Key Options'. The scheme has been developed utilising Government Funding and contributions from partner organisations from the CBL Partnership Board. The Partnership Board and a Focus Group have been meeting regularly to implement the project through a performance management framework.

3.5 A budget of £305,000 was established, to be used for the commissioning of the IT package (Abitas) and the appointment of a Project Manager to support Durham Key Options across the County. The remainder of the budget has been profiled for a

project communication strategy including consultation events and advertising of the scheme.

3.6 The aim of the project is to introduce one 'housing register' and lettings policy for County Durham and to implement Durham Key Options Choice Based Lettings Scheme by the summer of 2009.

3.7 The Local Government Restructure Housing Work stream, Place Programme Board and the Joint Implementation Team have agreed that a Common Housing Lettings Policy as a 'must have' and therefore business critical for the new Authority. The Housing Work stream considered the draft lettings policy on 22nd October the Place Programme Board approved a report on 5th November, Joint Implementation Team on 12th November and then on to Cabinet for final approval on 4th December 2008.

4.0 Details of the Lettings Policy for County Durham

4.1 The policy for County Durham has been developed around the Easington model although it is anticipated that some further amendments and improvements may still be required prior to its implementation. The key areas of this lettings policy are included within this section.

Assessment of Housing Need

4.2 The Government's CBL Code of Guidance for Local Authorities 2008 recommends the use of a banding system to categorise the housing need of applicants and award priority to those people with the greatest need. The lettings policy for County Durham therefore incorporates this approach to reflect housing need within the housing allocation framework and will include six allocation bands.

Applicants who have a history of anti social behaviour or rent arrears

4.3 Those applicants who have a history of anti social behaviour or have rent arrears will have a reduced priority within the allocation system. This will be until such time that Durham Key Options is satisfied that their behaviour has improved. Their application will then be reassessed and the applicant will be placed into the appropriate priority band according to their housing need.

Allocation Quotas/Targets

4.4 A quota/ target system will be used for the allocation of properties across County Durham. This ensures the majority of properties are allocated to those in greatest housing need, but also a smaller proportion of properties are allocated to those applicants with lower level needs in the lower bands. This is in line with the Easington model, although the actual quota/target levels are subject to review and change to accommodate local housing needs, demand and supply.

Assessment of Medical Need

4.5 In consultation with Occupational Therapists, a new medical framework for assessing applicants with a medical need has been produced and is included within this report as Appendix 1. Applicants who need to move from their current home to alleviate a medical condition will be assessed in line with the revised framework. This will

therefore replace the 'points' system currently included in Easington's allocation policy as it adopts a more comprehensive approach to assessing applicants applying for housing because of a medical condition. This amendment is in line with the revised Code of Guidance.

5.0 Operation of the Choice Based Lettings Scheme in Easington

5.1 This section outlines details of how the CBL scheme has been working in Easington from April 2008 to January 2009.

5.2 Easington's policy includes five allocation bands A to E (with A being the highest priority and E the lowest.) The five tables provided in Appendix 2 to this report illustrate general information on properties advertised, the number of bids received from applicants, refusal rates, the ages of people who are making bids and the bidding methods used.

5.3 In total 504 properties were allocated between April 2008 and January 2009 being advertised a total of 809 times (some properties were advertised more than once) with 12,504 bids placed. The most popular method of bidding is via the website, there are some notable results for older people which warrant further analysis. The figures suggest that people with lower priority (Bands D and E) are still actively bidding but the scarcity of properties is resulting in high 'bids per allocation' rating of (45-70) highlighting the undersupply of available social rented housing in the District.

5.4 Customer feedback

Feedback regarding the scheme has generally been positive and more detailed customer satisfaction work is currently being carried out to assist with further service improvements.

5.5 Equality Impact Assessment

East Durham Homes continuously collate data relating to the six strands of the Equality Impact Assessment framework to help shape and improve services.

A Vulnerable Persons Officer has been appointed and is currently contacting those applicants who are not placing bids to determine if they have any support needs to help use the system. The officer has initially targeted those applicants aged over 75 years and applicants with an ethnic minority background.

5.4 Monitoring has highlighted that CBL has contributed to a reduction in long-term void properties. The number of lettable voids has reduced by 52 over the past two years and is currently 83. Re-let times have continued to improve and the introduction of CBL has seen further improvement with an average re-let time of 18.3 days as at the end of the 3rd quarter of this year.

6.0 Proposed Changes to Easington's Housing Allocation Policy

6.1 In advance of the introduction of the County Wide Policy in the summer, it is proposed to make some minor amendments to Easington's existing allocations policy. This aims to improve the current CBL scheme and assist with the Audit Commission Inspection of EDH in June 2009. This section provides details of the proposed amendments which are in line with the County Lettings Policy

6.2 *Quotas/Targets*

A quota-based system is in operation as mentioned at 4.4. In practise this means that applicants in Band A are considered for all properties, following this, percentages are then applied to determine which band will then be considered for the property. The current percentages included within Easington's policy are:

Group B	' Multiple Housing Need'	40% of allocations.
Group C	' General Housing Need'	35% of allocations
Group D	' Other Housing Need'	25% of allocations

The Government's CBL Code of Guidance for Local Authorities 2008 advises that quotas should not be rigid and should allow sufficient flexibility within the CBL scheme. The code promotes the use of quota targets and suggests that these are continuously reviewed and amended to ensure properties are being allocated to those people in most need.

The County scheme has adopted the use of quota targets and broad percentages will be set and will be reviewed regularly. It is recommended that Easington's scheme be changed to reflect this detail.

Allocation of Bungalows

6.3 Generally bungalows are allocated to applicants in bands A to C who have been awarded points for medical reasons. However, as a quota based system is in operation there could be rare occasions when applicants placed in band D who are not awarded points are eligible to bid for a bungalow. The current policy does not reflect this and therefore the wording needs to be amended.

Local Lettings Policies

6.4 The current policy includes a statement which allows for local lettings policies to be implemented. This aims to ensure good housing management, to make best use of housing stock and to consider local circumstances. For transparency purposes, the statement needs to be clearer to include how and who makes decisions in relation to Local Lettings Policies. It is proposed to change this section in line with the County Lettings Policy. This will mean that Local lettings Policies are agreed in consultation with the Head of Neighbourhood Services (EDH) and the Council's Head of Housing and are reviewed on an annual basis. Details of the local letting policies will be published on Durham Key Options website and will be available on request.

6.5 *Band A ' High Priority Need'*

There are three categories of applicants within this band and these include applicants who need to move because;

- they are living in a regeneration area
- they have an urgent medical condition and their current accommodation is not suitable
- they are under occupying a large property which can be allocated easily

These three categories will remain in the County Policy but the policy confirms who receives priority within Band A. Applicants living in regeneration areas will be considered first, then urgent medical followed by those applicants who are under occupying. It is proposed to amend Easington's existing policy to reflect this.

Those properties freed up as they are under occupied will be advertised to applicants within bands A to C, to ensure that that the property is let to applicants who have a reasonable preference in line with statutory guidance.

6.6 *Addition to Band D 'Other Housing Need'.*

Band D of the allocation policy 'Other Housing Need' includes applicants who do not fall within the statutory priority groups but who still have some form of housing need. Feedback from staff and customers on the operation of the current policy has highlighted that an addition is required within band D to assist with the prevention of homelessness. For example, to include applicants whose landlord has asked them to leave the property and their circumstances at that time fall outside of the homelessness legislation.

6.7 *Armed Forces*

The statutory priority groups do not cover people leaving the armed forces; however, some people leaving the armed forces will receive priority in line with homelessness legislation. For those people who are not covered by homelessness legislation, Easington's policy awards priority by placing them in Band C along with the statutory priority groups. However, the Government's Code of Guidance published in August 2008 states that '***an allocation scheme must not include within the same band, people with reasonable preference and people who do not have reasonable preference***'. It is proposed to amend the policy in line with this which will mean that people leaving the armed forces who are not covered by homelessness legislation will be placed in Band D.

7.0 **Implications**

7.1 Financial

There are no direct financial costs resulting from the report, as the overall CBL project will be delivered from existing budgets. There are no costs associated with the recommended changes to the existing policy.

7.2 Legal

The Council's monitoring officer has been consulted on the development of the CBL Scheme as well as the specialist legal advice provided through the CBL Partnership Board.

7.3 Policy

Durham Key Options letting policy will be used as the policy for Housing Allocations for the new Unitary Authority with effect from summer 2009. In the meantime, the proposed amendments will update the District Council's existing Allocations Policy.

7.4 Local Government Review

The need for a Common Lettings Policy delivered through a Choice Based Letting Scheme has been approved and developed through the Local Government Review framework as a 'must have'. Durham County Council approved the Lettings Policy for Durham Key Options CBL Scheme on the 4th of December 2008.

7.5 Risk

Durham Key Options has been developed through a project management framework including a risk assessment in order to minimise the risks. Therefore actions to minimise the risks have been implemented.

7.6 Communications

Resident and stakeholder consultation plans have been developed to ensure full and meaningful engagement has taken place at all the key stages of production of Durham Key Options.

8.0 Corporate Implications

8.1 Corporate Plan and Implications

There are no direct Corporate Implications as a result of this report.

9.0 Recommendations

Members are requested to approve the changes to the Councils Housing Allocation Policy as set out in paragraphs 6.2 to 6.7 of the report with effect from 1 April 2009 and note the progress with the countywide scheme Durham Key Options.

Background Papers

The following papers and documents have been referred to:

1. District of Easington Housing Allocation Policy April 2008.
2. Communities and Local Government Allocation of Accommodation: Choice Based Lettings August 2008.
3. Durham County Council Lettings Policy 2008.

MEDICAL FRAMEWORK

Applicants are awarded medical priority to reduce the detrimental effect of current housing on the health of the applicant or a member of their household. The priority will only be awarded where rehousing will alleviate this detrimental effect.

Medical Criteria

Urgent Medical Priority

- The applicant (or member of the household) cannot be discharged from hospital because of the unsuitability of their current home
- The applicant (or member of the household) does not have access to toilet and/or bathing facilities

- The applicant (or member of the household) cannot manage the stairs in the current property, resulting in sleeping in a downstairs room, which is unsuitable because it has a gas appliance
- The current home cannot be adapted to enable the applicant or member of the household to access the property safely, provide wheelchair mobility within the home, or to receive the necessary care and support
- The current home has a severe detrimental effect on the mental health of the applicant (or member of the household). Evidence would need to be provided by a consultant psychiatrist or appropriate health professional
- Features of, or the condition of the current home has a severe detrimental effect on the physical health of the applicant (or member of the household). Evidence would need to be provided by a health professional

Severe detrimental effect = hospitalised and cannot be regulated by medication.

High Medical Priority

- The applicant (or member of the household) has significant difficulty managing the stairs in their current property (even with adaptations) resulting in difficulty accessing toilet and/or bathing facilities
- The applicant (or member of the household) cannot manage the stairs in their current property, resulting in sleeping in an unsuitable downstairs room
- The current home has a significant detrimental effect on the mental health of the applicant (or member of the household). Evidence would need to be provided by a consultant psychiatrist
- Features of, or the condition of, the current home has a significant detrimental effect on the physical health of the applicant (or member of the household). Evidence would need to be provided by a health professional
- The applicant is currently living in suitable accommodation but needs to move nearer relative/friends in order to receive care/support, and this care/support will enable them to continue to live independently and failure to do so may result in an applicant going into care.

Medical Priority

- The applicant (or member of the household) has difficulty managing the stairs in their current property (even with adaptations) resulting in difficulty accessing toilet facilities
- The applicant (or member of their household) has difficulty using bathing facilities in their current home which cannot be adapted to overcome the problem
- The current home has a detrimental effect on the mental health of the applicant (or member of the household). Evidence would need to be provided by a mental health professional

- Features of or the condition of the current home has detrimental effect on the physical health of the applicant (or member of their household). Evidence would need to be provided by a health professional.
- The applicant has difficulty managing the upkeep of their current property and does not have other members of the household who are able to assist
- The applicant is currently living in suitable accommodation but needs to move nearer to relatives/friends in order to receive support to alleviate the effects of their medical condition

Table 1: Property Allocations

Properties advertised by Allocation Band / Quota Target System	
Preference to be given to applicants in groups A & B	252 Properties
Preference to be given to applicants in groups A & C	196 Properties
Preference to be given to applicants in groups A & D	138 Properties
Preference to be given to applicants in groups A to E (including nominations to Registered Social Landlords)	112 Properties
Adapted Properties (e.g. Preference will be given to applicants who require a flat floor shower, with medical points then 60+)	95 Properties
Direct Let for example management moves	16 Properties
Total Properties Advertised Note: Some properties included in this figure may have been advertised more than once	809
Total Bids Received	12504
Average Bids Per Property	15

Table 2: Bids Received

Bids by Allocation Band and Let by Allocation Band					
	A	B	C	D	E
Bids Received	110	842	5370	4764	1418
Let by Allocation Band	28	62	290	105	19
Average Bids per property let	4	13	18	45	75

Table 3: Property Offer Refusals

Refusals					
	A	B	C	D	E
Number of refusals by band = 395	19	45	215	90	26
Most Common Refusal Reasons					
Band A - Dislike Area					
Band B - Dislike Area					
Band C - Dislike Area/Property too small/ Change of Circumstances					
Band D - Dislike Area					
Band E - Dislike Area/ Property too small					

Note: applicants can refuse more than one property.

Table 4: Summary of Methods of Bidding

Method of Bidding	Total	%
Call Centre and Customer Outlets	2225	17.8
Cti(phone automated service)	1065	8.5
Web	9201	73.5
Sms (text message)	13	0.2
Total	12504	100

Table 5: Age Profile of Bidders and Methods of Bidding

Methods of bidding by Age of Applicant Group		
Age of Applicant Group	Source	Total
16 - 17	Call Centre and Customer Outlets	24
	Cti(phone automated service)	6
	Web	169
		199
18-24	Call Centre and Customer Outlets	555
	Cti(phone automated service)	163
	Web	3186
	SMS(text message)	3
		3907
25-34	Call Centre and Customer Outlets	423
	Cti(phone automated service)	179
	SMS(text message)	4
	Web	2030
	2636	
45-54	Call Centre and Customer Outlets	658
	Cti(phone automated service)	299
	Web	2822
	SMS(text message)	6
	3785	
55-64	Call Centre and Customer Outlets	240
	Cti(phone automated service)	225
	Web	532
	997	
65-75	Call Centre and Customer Outlets	248
	Cti(phone automated service)	144
	Web	341
	733	
Over 75	Call Centre and Customer Outlets	77
	Cti(phone automated service)	49
	Web	121
	247	
	Overall Total	12504

