

**CAMBRIDGE SUB REGION CHOICE BASED LETTINGS SCHEME
(Report by the Head of Housing Services)**

1. PURPOSE OF REPORT

- 1.1 To inform Cabinet of the progress and implications of the sub regional Choice Based Lettings (CBL) project and request authority to negotiate a partnership agreement for the scheme.

2. INTRODUCTION AND BACKGROUND INFORMATION

- 2.1 The Government announced through the ODPM publication *Sustainable Communities: Homes For All – A five year plan* its intention to introduce Choice Based Lettings throughout the country by 2010. Last year the Government announced a bid round for funds to assist with the costs of setting up regional or sub regional CBL schemes. This Council, in partnership with the six other councils in the Cambridge sub region, successfully bid for £181,000 to assist with establishing a scheme covering the whole of the sub region.
- 2.2 A Project Board has since been established and a Project Manager appointed, funded through the government grant. Officers are actively participating in the Project Board and sub groups have been created to progress the different parts of the project plan. A partnership agreement now needs to be negotiated. Once the agreement has been drafted and each partner's liabilities made clear, Cabinet approval will be sought to enter into the final agreement. This is likely to be at the end 2006 or beginning of 2007.

3. IMPLICATIONS

IT Implications

- 3.1 Cabinet previously approved an MTP bid for £53,000 to procure a new Common Housing Register IT system. That project was delayed in light of the government announcements on the introduction of CBL. The CBL IT system that the sub regional partnership will procure will provide a Common Housing Register for the sub region and therefore fulfil the requirements of our original project. Cabinet approved the release of £9,000 of this bid during the current financial year as our contribution towards the initial estimated costs of establishing the CBL scheme, including contributions towards a CBL IT system.
- 3.2 The final cost of the IT system procured will depend upon the tendering and procurement process planned for mid-2007. It is hoped that it will be possible to procure a system that provides unified Register and homelessness functions as well as administering the CBL scheme. This will then replace the several systems that are currently used to administer these processes. It is likely that additional capital funding above the £9,000 already released will be required to provide such a

system and a further Cabinet report will be provided once these costs are known in full.

- 3.3 The existing MTP bid also includes an estimated annual revenue cost of £5,000 towards the annual IT maintenance contract. Again, the actual cost will only become clearer after the tendering process.

Policy Implications

- 3.4 A sub regional CBL scheme will mean adopting an overarching Register policy so that there is consistency across the sub region as to who can apply for housing, how households are prioritised and how the CBL process works. This policy will allow for certain local policies to remain, to deal with specific housing circumstances within parts of the sub region and protect any local lettings policies that may currently be in place. As each Council is required to formally adopt and publish its lettings policy this new sub regional policy will go through each partner's approval process for formal adoption.

Advertising Costs

- 3.5 The main costs associated with running a CBL system are those incurred in the advertising process. Advertising will be through a variety of media, potentially including the local press or the production of a weekly or fortnightly sub regional pamphlet. As an example of advertising costs, Peterborough City Council, with a total social rented housing stock that is slightly larger than Huntingdonshire's, has implemented CBL and estimates it spends £30,000 per annum on advertising in the local press. The sub regional partnership would jointly negotiate advertising rates with the local press groups or through the joint production of a pamphlet for the sub region.
- 3.6 It is anticipated that advertising costs will be met by a combination of selling advertising space, contributions from those housing associations benefiting from the scheme and existing budgets.

Staffing Resources

- 3.7 CBL totally changes how social rented properties are let. Currently an applicant's choice is purely down to which areas of the district they wish to be considered for and if they have a high enough priority they will be offered an empty property in one of those areas. Under the CBL scheme applicants will be able to see which properties are available. Applicants will be able to 'bid' for a property of their choice. The property will then be let to the highest priority applicant bidding for the property. Many of the current processes to do with administering the Register will remain. However, the advertising and bid short listing processes will be additional work. It is anticipated that this new work area will be matched by a reduction in the current short listing and nomination processes.
- 3.8 The introduction of CBL will require a reassessment of all applications on the Register to accord with the new policy and priority system. This is a large administrative exercise that will have to be completed in the second half of 2007. In order to complete this exercise in the required timescale it is estimated that an additional temporary administrative assistant will be required.

Partnership Agreement

- 3.9 The sub regional CBL scheme requires that a partnership agreement be agreed between all parties. This agreement will establish the partnering principles for the project and set out the roles and responsibilities of the partners and their financial liabilities whilst implementing the scheme. The agreement will also include a break clause to allow partners to withdraw from the agreement. A further report will be made to Cabinet once this agreement has been negotiated to seek approval to enter into the agreement.

4. CONCLUSIONS

- 4.1 Government has indicated that the introduction of CBL by 2010 will become a statutory obligation in the near future compelling the Council to introduce such a scheme. Continuing to be a full and active party in this sub regional partnership allows the Council to benefit from any efficiencies that may be achieved, for example through joint procurement of an IT system. It also reinforces Huntingdonshire's partnership approach to the Cambridge sub region and will ensure that we meet the deadline of implementing CBL by the target date of 2010.

5. RECOMMENDATIONS

- 5.1 That Cabinet:
- a) note the progress on the introduction of a Choice Based Lettings Scheme for the Cambridge sub region; and
 - b) authorise officers to negotiate a Choice Based Lettings partnership agreement.

BACKGROUND INFORMATION

Sustainable Communities: Homes For All – A Strategy for Choice Based Lettings (ODPM).

Cambridge Sub Region Choice Based Lettings Cabinet report – 13 October 2005.

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