

**CHOICE BASED LETTINGS – MEMORANDUM OF UNDERSTANDING
(Report by the Head of Housing Services)**

1. PURPOSE OF REPORT

- 1.1 To request authority to sign a Memorandum of Understanding relating to the Cambridge Choice Based Lettings (CBL) scheme.

2. INTRODUCTION AND BACKGROUND INFORMATION

- 2.1 Cabinet received a report on 19 October 2006 on the progress made and implications of the Cambridge sub regional CBL scheme and gave authorisation for officers to progress with the project. That report highlighted the need for a partnership agreement between the councils involved with establishing the CBL scheme to 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.
- 2.2 The partnership agreement, or Memorandum of Understanding as it has been termed, has been produced by an independent solicitor with the final draft being approved by the Legal Departments of each of the councils. Each council is now required to sign and seal the agreement.

3. IMPLICATIONS

- 3.1 The Memorandum of Understanding includes the following clauses:
- 3.2 **Liabilities:** This requires each partner to contribute to any costs, expenses or losses incurred in connection with any approved contract. These are likely to be costs that will be incurred as part of the procurement of a new IT system to perform the CBL functions. 60% of these costs will be met through the grant funding received from central government. The remaining 40% are being met by the partners. This was originally estimated at £17,225 per partner. Those councils that have transferred their housing stock agreed to equally split this cost with the stock transfer housing association. The council and the Luminus Group have already paid these costs.
- 3.3 Additional costs may come from the procurement of an integrated system that performs the Housing Register and homelessness functions as well as the CBL processes. This is the preferred option for most partners rather than integrating several back office systems with a new CBL system. This will incur further capital costs. This has previously been highlighted in an approved MTP bid to deliver a fully integrated common Housing Register System. £44k of this bid remains to be released. A request to release funds will be made once the total cost has been identified through the tender process.
- 3.4 **Withdrawal and termination:** The memorandum contains a break clause that allows each partner to withdraw from the agreement.
- 3.5 **Governance and decision making structures:** A project board has been established to drive the project forward, monitor progress of the project plan and

make key decisions as required. Each partner has representation on the board and the council is represented by the Head of Housing Services.

4. CONCLUSIONS

- 4.1 Good progress is being made with delivery of the project plan to implement the Cambridge sub regional CBL scheme. The purpose of the Memorandum of Understanding is to formalise the roles and responsibilities of the partners and agree the level of collaboration expected to successfully deliver the project.
- 4.2 Each council is required to sign and seal the agreement and so formal approval is required from Cabinet to enter into this agreement.

5. RECOMMENDATION

- 5.1 That Cabinet gives approval for the Director of Central Services to sign and place the council's seal on the Memorandum of Understanding.

BACKGROUND INFORMATION

Cambridge Sub Regional CBL Scheme – Cabinet report 19/10/06

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