

SOUTH HOLLAND DISTRICT COUNCIL

REPORT TO : CABINET – 05 SEPTEMBER 2006

BY : HOUSING MANAGER

SUBJECT : CHOICE BASED LETTINGS

PURPOSE : To advise on a Choice Based Lettings Scheme.

It is anticipated that this report will result in the Cabinet making a non-key decision. The decision will be subject to call-in.

1.0 BACKGROUND

- 1.1 The 5 year housing plan, Homes for All – published in January 2005 – sets out the Government's plans for taking forward its Choice Based Lettings (CBL) policy. The Government wants to build on the existing Department for Communities and Local Government (DCLG) CBL target – for all local authorities to have adopted choice by 2010 - by extending choice based lettings to cover, not only local authority and housing association properties, but also low cost home ownership options and properties for rent from private landlords.
- 1.2 The Government wants to see CBL schemes developing initially on a regional and or sub-regional basis and believes that such schemes, that involve a partnership of local authorities, registered social landlords and working together with private landlords wherever possible is the best way to achieve this.
- 1.3 The Government believes that there are a number of benefits from larger, cross-local authority, schemes:
- they enable partners to share ICT and advertising costs
 - for RSL's they cut the costs of being involved in several different schemes
 - they enable greater regional mobility
 - they break down artificial boundaries and recognize existing housing and labour markets
 - they bring together a large pool of available housing, giving home-seekers more choice and to ease localized problems of high demand.

2.0 PARTNERSHIP & FUNDING OPPORTUNITY

- 2.1 There is currently an opportunity to make an application for funding through the (Regional Challenge Fund) (DCLG) this funding is intended to support

those social landlords successful in their applications to create sub-regional and or regional CBL schemes. The last date for the bid submission is the 29 September 2006.

2.2 We have already entered into dialogue with other local authorities and RSL's within the County, as to the feasibility of setting up a sub-regional CBL scheme. So far we have received expressions of interest and support from the following authorities and organisations:-

- Lincoln City Council
- North Kesteven District Council
- Boston Borough Council
- East Lindsay District Council
- West Lindsay District Council
- New Linx Housing Trust
- Acis Group Ltd
- South Kesteven District Council, (note that SKDC are going through a period of significant change and whilst they support the bid they are not able to commit fully at this stage)

2.4 The Regional Challenge fund will not fully fund just any scheme and it is clear from the bidding guidance that they will not entertain a stand-alone system. The bid requires some match-funding as DCLG will only contribute up to 60% of the costs for the development of a CBL scheme, usually up to £100,000 per scheme. 40% of that amount must be supported by the partners. The type of development costs which DCLG is prepared to contribute towards is as follows:

- Commissioning ICT
- Project management
- Staff training
- Consultation and dissemination.

2.5 Research suggests that estimated funding from the partners for this type of scheme is likely to be in the region of between £20000 and £25000. It is worth mentioning that a charge will be levied upon any future partners wishing to join the sub-regional scheme and if progressed this will reduce this Council's overall financial commitment in the future.

2.6 There are no guarantees that we will be successful this year and indications from government office suggest that bids that were unsuccessful in year one are more likely to succeed in the second round of bidding, when they are more able to demonstrate that they meet all of the governments criteria. If this is the case and we are not successful in 2006/2007 we will have to develop a more robust bid submission for 2007/2008. However, early

indications are favourable following my discussions with Robin Newby from DCLG.

3.0 LEGAL IMPLICATIONS

3.1 The Homelessness Act 2002 - which revises the legislation governing the allocation of social housing by local authorities - includes a provision to facilitate the introduction of "advertising schemes". The Homelessness 2002 Act also requires authorities to include a statement in their allocation scheme about their position on offering choice to applicants. The revised Code of Guidance on Allocations, which accompanies the new legislation, clearly states the Government's view that allocation policies should provide for choice wherever possible.

3.2 More importantly whilst there is currently no legal requirement to implement a CBL scheme it is almost certain that this will become a firm Government requirement, therefore it would not be a realistic alternative to ignore the Government's agenda on CBL.

4.0 ALTERNATIVE OPTIONS

4.1 Ignore it - We could decide not to implement a CBL, but this is likely to become a firm Government requirement and would therefore not be a realistic alternative for consideration.

4.2 Wait - The target date for implementation is 2010. However, to wait will mean that we would miss out on the opportunity to obtain financial support from this bidding round and the next.

5.0 REASONS FOR RECOMMENDATIONS

5.1 What is fundamental to the success of the bid submission is that we can demonstrate support from the elected members, partners and stakeholders. We already have in-principle support from our partners, members and committee boards.

5.2 If we choose to ignore the Governments agenda on CBL, it is almost certain to be imposed upon us in the future.

5.3 South Holland can exploit opportunities by taking the lead on this project.

5.4 We stand to gain financial help in establishing a scheme, which is likely to become mandatory in the future.

6.0 RECOMMENDATIONS

6.1 That Cabinet is recommended to give their support for the bid submission.

6.2 That Cabinet support our lead in developing the scheme

6.3 Following the outcome of the bid submission which is due to be announced in November; that a more detailed report and project brief be provided for Cabinet to consider in more detail.

Background Papers : None

Local Government (Access to Information) Act 1985

Please contact Kim Warren, the Housing Manager, if you want more information about this report or the background papers.

You can contact her:

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