

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

TO: Leader and Cabinet
AUTHOR: Development Services Director

14 April 2005

LETTINGS POLICY REVIEW

Purpose

1. To consider a project framework including a Member level Advisory Group and proposed timescale for the undertaking of a Lettings Policy Review in 2005.

2. **Effect on Corporate Objectives**

| | |
|------------------------------|--|
| Quality, Accessible Services | The Council's Lettings Policy will determine which households in housing need can be assisted within available resources and thereby contribute to the balance and sustainability of existing and new communities. |
| Village Life | |
| Sustainability | |
| Partnership | The Council is committed to working in partnership with Cambridge City Council in delivering planned new settlements. Joint working on lettings policies will enhance our abilities to create sustainable communities. |

Background

3. There are a number of pressures which support the need for a review of the existing Lettings Policy which include local issues as well as national policy imperatives.
4. In the Housing Green Paper of April 2000 'Quality and Choice: A Decent Home for All' the Government put forward its proposals for reforms to lettings policies to give tenants in social housing real choice over the house they live in.
5. The Green Paper included a fund to support a number of pilot schemes to enable the further development of alternative approaches to lettings in line with choice based principles. The available funding was allocated in 2001 to 27 successful bids and an evaluation of these pilots was commissioned by the Office of the Deputy Prime Minister (ODPM) in 2003. A final report detailing the findings of this evaluation research undertaken by Bristol and Cambridge Universities was published in May 2004.
6. The Government has previously set national target that all local authorities will be operating a Choice Based Lettings (CBL) scheme as soon as possible. This target has been endorsed by the recent ODPM five year plan published on 24 January 2005.
7. The Homelessness Act of 2002 has laid the foundation for a wider introduction of CBL schemes. However, long awaited guidance originally due to be made available in Summer 2004 was published in February 2005 and this will provide a framework for local authorities in considering available options within the CBL approach.

8. The revised Comprehensive Performance Assessment (CPA) framework will include Key Lines of Enquiry (KLOE's) and one of these will focus on Allocations and Lettings.
9. The Council has included a commitment in the 2004 Performance Plan: Moving Forward to carry out a review of the existing Lettings Policy by March 2005.
10. In addition Cambridge City Council have recently commenced a review of their own Lettings Policy and it would , therefore, be useful if the two Council's could co-ordinate their reviews and agree, wherever possible, some commonality of policies/systems.
11. The benefits of more joined up policies would be derived on joint developments eg Northstowe and Cambridge Fringe where we have agreed to work in partnership on the delivery of affordable housing. Also it should be noted that the Government is encouraging joint/sub-regional approaches to CBL in their guidance.
12. In addition local issues in relation to lettings policies include:
 - to ensure that the existing housing stock is used effectively to meet identified housing needs
 - minimise voids and thereby reduce costs associated with changes of tenancy
 - reduce further average relet periods and maximise rental income. It should be noted that the Government are proposing to reintroduce average relet times as a BVPI from 2005/06
 - securing permanent housing for homeless households as soon as possible and thereby contribute to meeting national targets in relation to use of temporary accommodation eg not to use B&B for families except in emergencies. This will also help to reduce costs of temporary accommodation which fall on the General Fund.

Considerations

13. There are a number of projects currently ongoing that have affected the ability of the Council to undertake a Lettings Policy Review within the timescale outlined in the 2004 version of the Performance Plan. This is because the resource requirements for these projects in terms of staffing have been the same in many cases particularly from within Shire Homes eg Options Appraisal, Windmill Estate, Sheltered Housing Review.
14. However, for the reasons given in the background to this report it is considered important that this work is now timetabled to commence as soon as possible.
15. The terms of reference for the proposed Advisory Group will be to offer advice as to how to achieve the following objectives for the review:
 - to make best use of both the existing and new affordable housing in terms of meeting the housing needs of the district/sub-region
 - to offer appropriate housing choices to those in housing need
 - to contribute to maintaining sustainable communities within existing villages and the creation of balanced communities in the major new developments
16. It is suggested that the following areas be included in the scoping of the review:

- an evaluation of the current Lettings Policy in respect of the Council's own housing stock and nominations to Registered Social Landlords
- the allocation of properties adapted for or suitable for adaptation for people with physical or other disabilities
- the letting of properties to young people under the age of 18
- the Equity Share Register
- Choice-based Lettings(CBL)
- information and monitoring requirements
- the Housing Register review mechanism
- voids and average relet periods
- organisational and staffing issues
- mobility schemes eg mutual exchanges, HEMS
- to compare approaches to the letting of affordable housing between LA and RSL housing providers in the Cambridge Sub-region
- ICT issues
- Audit Commission Key Lines of Enquiry (KLOE) No 7 Allocations and lettings

17. It is recommended that a Member level Advisory Group oversee this key piece of work and that representation include the Housing Portfolio Holder and up to 6 other Members, ideally with representatives from all groups, and appropriate staff as follows:

Head of Housing Strategic Services
 Head of Shire Homes
 Housing Manager
 Systems Manager
 Housing Advice and Homelessness Manager

18. The Advisory Group will need to be serviced by a core officer group comprising the named Officers above and any additional Officers from within the following teams as appropriate to facilitate discussion and develop a new /amended policy:

Neighbourhood Management
 Community Services
 Housing Advice
 Customer Services

It is suggested that this Advisory Group also includes external representation from relevant agencies such as Cambridge City Council.
 In preparation for this project it will be essential that key personnel are involved in regional events that have been organised by the ODPM on Choice-Based Lettings as detailed in paragraph 35 under the consultations section of this report.

19. A focus group of Registered Social Landlords will also be set up to inform the development of a policy framework since the Council will make nominations to RSL properties using its adopted Lettings Policy.
20. To date we have agreed with the RSLs who own/manage affordable housing in South Cambridgeshire the introduction of a common application form which is shared between all parties to enable applicants to apply for housing to all providers through completion of a single application form.
21. It is also hoped that through participation in the review some, if not all, RSLs will be able to buy in to the process so that we can move towards a Common Lettings Policy.

In particular if a CBL approach should be the preferred outcome of the review we could then move towards a one system approach to all affordable housing allocations within the combined districts.

22. It is suggested that the review commence in April/May 2005 as this would enable the project framework to be finalised taking into account the ODPM. Whilst this would put this Council 3-4 months behind Cambridge City Council they have allowed a nine month period for their review process and, therefore, it should be possible to finish the reviews within a similar timescale especially as Officers are already closely liaising on this area of work.
23. However, due to these time constraints the work in relation to the review will need to be completed by September 2005. Should any major changes of policy be recommended, given Government requirements specified in the guidance issued in conjunction with the Homelessness Act, a draft new policy would be subject to a 12 week consultation period.
24. Both during and following the consultation period the ICT implications of any major change of policy eg move to CBL and associated organisational, staffing and financial implications will need to be addressed in more detail. This means that any new policy could not realistically be introduced until April 2006.

Financial Implications

25. The review process itself should not have any financial implications for the Council. However, any major change in policy would require formal consultation with all interested parties and could have cost implications of around £1-2k.
26. Any changes made to the current policy could have more significant financial implications especially in relation to ICT development/staffing/organisational structures although the extent of these will be dependent on whether a CBL approach is preferred or not. The costs of any recommended new policy option(s) will be costed as part of the review process and can feed into a revised medium term financial strategy and spending proposals/savings for future years if the review is completed on schedule in September 2005.

Legal Implications

27. None associated with the review process although it should be noted that any policy changes will need to take into account current legislative requirements in relation to allocations as set out in the Housing Act 1996 as amended by the Homelessness Act 2002.

Staffing Implications

28. The review process will require significant input from staff within Shire Homes as well as Housing Strategic Services. Other staff within the Council will need to be consulted to ensure any revised Lettings Policy reflects corporate objectives. However, the review should not require additional staffing resources.
29. The review outcome could have an impact on future staffing levels within Shire Homes particularly if CBL is the preferred option.

Risk Management Implications

30. If the review is not conducted within the suggested timeframe an opportunity will be missed to co-ordinate reviews with Cambridge City Council. This could limit our ability to agree common policies or at least common policy principles. If policies are not consistent this could affect the successful delivery of sustainable communities on shared major developments in and around Cambridge.
31. Further, failure to align Letting's Policies and/or adopt a more CBL approach is likely to require the Council to undertake a further review before the 2010 deadline for CBL to be rolled out nationally. The expected government guidance on CBL is likely to have joint and/or sub-regional policies as a key theme.

Consultations

32. Through the review process the Council will need to undertake consultation with external partners including RSL's and Cambridge City Council and other Local Authorities in the Cambridge Sub-region as well internal consultation with key stakeholders eg staff within Shire Homes.
33. Once an amended policy has been drafted there will need to be at least a 12 week consultation period with key stakeholders before any revised policy could be agreed for implementation. This requirement has been set out in the guidance accompanying the Homelessness Act 2002 provisions in relation to Allocations.
34. In addition the Council will be required to ensure within a reasonable time that those likely to be affected by the change have the effect of any proposed alterations to the Lettings Scheme brought to their attention – this would include all 3,800+ applicants currently registered for housing.
35. The ODPM has invited senior local authority representatives to attend regional events to promote Choice Based Lettings and the following will be attending the Cambridge event on 21st April on behalf of this Council:

Housing Portfolio Holder
Housing and Environmental Services Director
Head of Shire Homes
Head of Housing Strategic Services

Conclusions/Summary

36. There are a number of external and internal drivers for a review of the Council's Lettings Policy. A review had been scheduled for 2004/05 but has been deferred due to other pressures.
37. The objectives for and the scoping of the review will be as set out in paragraph's 15 and 16 of this report.
38. It is suggested that the planned review be carried out in accordance with the timetable set out in following table:

| Review Stage | | Target Dates |
|--------------|--|------------------------------|
| 1 | Commencement | April/May to September 2005 |
| 2 | Draft new policy | October 2005 |
| 3 | Include any spending proposals/savings in Medium Term Financial Strategy | September 2005 |
| 4 | Consultation | October 2005 to January 2006 |
| 5 | Include implementation requirements in Shire Homes Service Plans | January/February 2006 |
| 6 | Recommendations to Cabinet | February/March 2006 |
| 7 | Implementation | *From April 2006 onwards |

* Timetable for implementation to be agreed as part of the recommendations of the Advisory Group eg if a CBL is preferred implementation could require a much longer lead-in time.

39. A Member-led Advisory Group comprising the Housing Portfolio Holder and up to 6 other Members and relevant Officers should be set up to oversee the project which will be supported by a core officer group with representation from external partner agencies eg Cambridge City Council. An RSL forum should also be convened to engage all affordable housing providers in the process and enable further steps to be made towards a Common Lettings Policy.

Recommendations

40. It is recommended that Cabinet,
- (a) note the report.
 - (b) that the aims and scoping of the review be agreed as outlined in paragraph's 15 and 16 of this report.
 - (c) that an Advisory Group be set up to oversee the project with membership to include the Housing Portfolio Holder and up to 6 other Members, ideally with representation from all political groups.

Background Papers: the following background papers were used in the preparation of this report:

Housing Green Paper 'Quality and Choice: A Decent Home for All - *ODPM April 2000*
Homes for All: A Five Year Plan - *ODPM 24 January 2005*
Moving Forward: Performance Plan 2004
Allocation of Accommodation: Code of guidance for local housing authorities - *ODPM November 2002*
No 7: Allocations and lettings Key Lines of Enquiry - *Audit Commission July 2004*

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