



Leicester
City Council

**WARDS AFFECTED
ALL WARDS**

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:
CABINET AGENDA
ADULTS AND HOUSING TASK GROUP
OVERVIEW & SCRUTINY MANAGEMENT BOARD (OSMB)
CABINET**

**26th NOVEMBER 2007
19th DECEMBER 2007
15th JANUARY 2008
21st JANUARY 2008**

“ADVERTISE AND BID” A NEW LETTING SCHEME FOR SOCIAL HOUSING

Report of the Corporate Director of Adults and Housing

1. Purpose of Report

The purpose of this report is to seek Cabinet agreement, in principle, to implement a new system for allocating Council houses and our nominations to Housing Associations. The new system is based on advertising our vacancies and allowing people on the Housing Register to bid for them. The proposal will require funding from the Housing Revenue Account.

2. Summary

A new system, usually known as “Choice Based Lettings” is the Governments preferred way for Councils to allocate their Council Housing Stock to new tenants. The Government has set a target for all Local Authorities to implement Choice Based Lettings by 2010.

This type of scheme for allocating social housing has been extensively evaluated by Government and has shown to increase resident satisfaction and understanding of the allocations process. The increased satisfaction is largely due to the greater choice (albeit constrained) applicants have over the home they are eventually allocated. Furthermore, this type of scheme is more transparent and applicants better understand the supply and demand for social housing in the area.

In recognition that applicants will still be constrained, by supply, in their overall choice of housing, the proposed scheme for Leicester is referred in the report as an “Advertise and Bid” Scheme. Members may wish to call the scheme by a “brand” name as some Councils do, eg, Nottingham’s “Homelink”. This can be agreed at a later stage.

Members will be asked to consider an “Advertise and Bid” scheme as a service development within the HRA 2008/09 onward budget.

The Adults and Housing Scrutiny Task Group, in the course of their work in reviewing the way housing allocations are made, have looked at Choice Based Lettings Schemes as an option. Their comments are:-

Recommendations

It is recommended that:

- I. Subject to budgetary provision Members agree the implementation of an advertised based lettings scheme for Leicester.
- II. The details for implementing the scheme are delegated to the Corporate Director of Adults and Housing in consultation with the Cabinet Lead for Housing and Community Safety.

4. Report

- 4.1 A report was presented to Cabinet in November 2005 outlining how Choice Based Lettings could work in Leicester and seeking support for the scheme in principal.

The proposed scheme was agreed in principle and was presented to each Tenant & Resident Community Association. The scheme received broad support.

Choice Based Lettings was not implemented due to other financial priorities.

- 4.2 The fundamental principle of “choice based lettings” is that housing applicants have a greater say over the home they are eventually allocated to occupy and housing applicants play a more active part in the lettings process. In Leicester’s current allocation scheme applicants wait to be made an offer of accommodation that a landlord feels is suitable for them. Choice based lettings places the onus on the home seeker to actively seek and bid for homes that are available.

To achieve this greater say housing applicants are able to decide which, if any, vacant homes to apply (bid) for. To assist this decision-making process landlords provide a range of information to housing applicants in a regular newsletter and/or on a website. This generally includes:

- Details of the property available for letting.
- Details of the neighbourhood where the property is located.
- Any ‘special features’ such as adaptations.
- Likely levels of demand for individual properties based on historical information of lettings for the property type and location.

- 4.3 Another key feature of choice based lettings is the process of feedback. This delivers a high degree of transparency to the system as applicants can see any advertised home that was let and why perhaps they themselves were not successful. This gives a sense of fairness to the system and goes some way to alleviate frustrations that can come from not knowing what is happening and not understanding why an applicant has not been allocated a home. Recent independent evaluations of choice based lettings have shown that housing applicants 'particularly value the transparency, openness and fairness' of choice based lettings.
- 4.4 Detailed evaluation of CBL, commissioned by the government, has shown this type of lettings system to be extremely popular with housing applicants.

The main reasons for popularity are:

- Transparency – Housing applicants understand why they are not successfully offered a property.
- Choice – Housing applicants have greater control over where and when they are housed.

Studies in the Netherlands (where CBL originated) show much higher satisfaction with the CBL process even though waiting times to be re-housed are not shorter.

Evidence suggests that because applicants can see the homes which are available across the whole City they may consider moving to areas they had not previously considered. Applicants can more easily weigh up the choice between a suitable home and their initial choice of area. This may help promote integration and community cohesion.

- 4.5 When CBL was first introduced there were concerns that vulnerable people may lose out because they did not have the skills or ability to actively bid for empty homes.

Extensive research has shown this is not the case as long as the Council pays special attention to the needs of these people and develops support mechanisms such as:

- The use of symbols on marketing literature.
- Enhanced housing options advice
- Proxy bidding from key support professionals.
- Training for key professionals
- Monitor housing application of vulnerable people and offer support as appropriate.

The Council would undertake a comprehensive equality impact assessment before implementing a change. The scheme would be designed to ensure no housing applicants are disadvantaged when applying for housing. Measures would be introduced to support vulnerable adults and those in high housing need. Appendices one to eleven outline the principles of a Leicester CBL scheme.

- 4.6 As part of the scheme the Council will seek to work in partnership with Registered Social Landlords and Private Sector Landlords. This has many benefits with the key ones being that it could lead to a common access point, to affordable rented

accommodation, operated by the Council. Also the partnership will lead to efficiencies ensuring the scheme is cost neutral in ongoing revenue.

4.7 The setting up of an advertisement and bid based scheme would require initial financial investment to manage the change over process and reconfigure and procure new technology. These costs would include:

- Developing advertising website & newspaper.
- Other technological upgrades to assist with bidding and managing the scheme.
- Publicising the handover of the scheme.

Implementation Activity	Anticipated Cost
Create Advertisement Based Lettings web site	£ 10,000
Setting up system for automated phone bidding	£ 50,000
Increase call capacity on call handling system	£ 10,000
IT Fees for setting up choice based lettings system	£ 30,000
Translation costs (advice leaflets)	£ 50,000
Marketing of scheme change over	£ 25,000
Contingency	£ 20,000
Total	£195,000

Until some of these elements are market tested it is not possible to be 100% accurate on costs. However, it is expected these are maximum costs. As a guide it is unlikely that implementation will be any lower than £150,000.

It is expected that the ongoing revenue costs of changing to and running the advertisement based lettings can be met through existing budgets. Advertising costs are expected to be £20,000 per year but these will be mitigated by:

- Working in partnership with Housing Associations and Private Landlords to share advertising costs. Several working in Leicester have confirmed positive interest. Last year Housing Associations let 902 general needs homes in the city.
- Encouraging and supporting access to the scheme by more cost effective and efficient electronic means.
- Reconfigured working identified in appendix one to ten.

Research since the original Cabinet report has shown that most choice based lettings schemes achieve high levels of electronic access to the service. This is achieved through:

- On-line kiosks at Council premises.
- At home internet access.
- Telephone access.

Schemes that are 3 years old are achieving electronic access of 80% plus (including telephone access).

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1 Financial Implications – Graham Troup

As detailed in the report, implementation costs are likely to be a maximum of £195,000. This cost will be a charge to the Housing Revenue Account (HRA) and will be included for Members' approval in the list of potential "Service Developments" in the 2008/09 HRA Budget report, to be presented to the January 2008 round of Committees. It is expected that ongoing annual costs such as advertising will be met from savings arising from the revised working methods, and that any remaining net cost will be met from existing HRA budgets.

5.2 Legal Implications – Joanna Bunting

The allocations scheme must be framed so as to give reasonable preference to certain categories of applicants (generally these are applicants with urgent housing needs). This issue is further addressed in the appendices to this report. Any Choice Based Lettings scheme must be monitored to ensure that there is no unintended distortion in respect of choice in terms of race equality. As stated in the report, an EIA is required.

6. Other Implications

OTHER IMPLICATIONS	YES/NO	Paragraph References within Supporting information
Equal Opportunities	Yes	4.4
Policy	Yes	4.1
Sustainable and Environmental	No	
Crime and Disorder	No	
Human Rights Act	No	
Elderly/People on Low Income	Yes	4.4

7. Background Papers – Local Government Act 1972

Report of Corporate Director of Housing to Cabinet – November 2005
Monitoring the longer term impact of Choice Based Lettings. DCLG 2006
Implementing and Developing Choice Based Lettings, A guide to Key Issues. ODPM 2005.
Housing Act 1996
Homelessness Act 2002
Sustainable Communities: Homes for All, ODPM 2005

8. Consultations

Tenant and Resident Associations (as part of the original 2005 report).
Adults and Housing Task Group
Cabinet member for Community Safety and Housing.

In working up details of the scheme officers will further consult with the identified stakeholders of the Housing Options Scheme and Landlord Services. Results of the consultation will be discussed with Cabinet Lead for Community Safety and Housing

9. Report Author

Ann Branson
Service Director (Housing Renewal, Options and Development)
Extn: 296802

David Taylor
Landlord Services Manager
Extn: 296806

Appendix 1

1. Operating and managing a Housing Register:

- 1.1 The legal requirements for a Local Authority to hold a Housing Register were removed in the Homelessness Act 2002 in order to facilitate CBL schemes. However there remains a legal requirement for Local Authorities to have a scheme for allocating homes and assessing the reasonable preference of applicants for these homes.
- 1.2 It would be impossible to assess applicants eligibility and need for housing after they have bid for a home, as there would be no way of determining who was the successful applicant for the home. Therefore in order to run a CBL scheme we must keep a housing register of people who have registered an interest in applying for homes, which are eligible and have had their housing need assessed.
- 1.3 In Leicester there are many housing registers: the main Council one which is used to offer Council homes and 50 % of all RSL homes plus individual ones for each RSL in the City, who each retain 50% of their own stock for their own register. It is possible to operate the CBL scheme with a common housing register however currently there is no agreement between Leicester City Council and the RSLs based in Leicester to have a common housing register. This could be a future development but will need careful negotiation with partners.

2. Proposed scheme for Leicester:

- 2.1 **The Council keeps a housing register, which will determine the eligibility and housing need of applicants before they bid for homes. Applicants must have a live housing register application with Leicester city Council in order to participate in bidding in the Advertise and Bid scheme.**

Appendix 2

1. Deciding the Priority order of applicants

1.1 Selection criteria determine the way in which applicants are prioritised under a CBL scheme. The approaches fall into three main categories:

- Points Systems
- Banding
- Priority Card System

1.2 Whatever selection criteria is used it must still meet the legislative requirements for allocating homes set out in the Housing Act 1996. Thus whilst giving applicants a choice in their accommodation we must continue to give reasonable preference to those with the most urgent housing need. This means that any applicants for advertised homes must have had their housing need assessed and identify those in greatest housing need, giving reasonable preference to those who fall within the prescriptive groups.

1.3 What this means in practice is that it would not be possible to use CBL scheme without still running a Housing Register in order to assess applicants needs before they apply for homes, thus when they apply those with the highest need receive more preference to receive the offer.

1.4 Points Systems

1.5 Points systems are often considered the fairest way in which to assess applicants housing need as they can cover a range of housing needs, make allowances for multiple housing needs in one household and fulfill all the legal requirements for our duties in assessing housing need. The wider the range of points available the fairer and easier it becomes to determine between competing households with different level of need. However when a range of points is available they can often be seen as over complex and difficult for applicants to understand.

1.6 Leicester currently uses a points scheme to determine reasonable preference with a wide range of points available. This scheme has been assessed as meeting the needs of our legal requirements and meeting equality outcomes.

2.0 Proposed scheme for Leicester:

2.1 The current points system is retained for assessing reasonable preference on the Housing Register.

Appendix 3

1. Identifying the void property:

- 1.1 The legal requirements relating to the ending of tenancies are unchanged by choice based lettings. The Council will be notified of forthcoming voids in exactly the same way as it does presently.
- 1.2 As well as the Council's own stock it will also market RSL properties that the authority has nomination rights for. This is where the Council houses an applicant from the Council's housing register into a RSL owned property. Choice Based Lettings could lead to a change in the way that the Council is notified of these empty RSL homes so that it can find an applicant for the RSL to offer the home to.
- 1.3 It is possible to operate the Choice Based Lettings scheme without changing the way in which RSLs notify the Council of available empty properties for nominating to. The Council would then input these properties onto the IT system for advertising.
- 1.4 The choice based lettings system the Council has purchased allows for RSLs to directly input their own vacant properties straight into the system for advert production. Taking this approach would deliver efficiency savings for the council, as it would remove the duplication of the RSL preparing and sending the information to the council only for the authority to then prepare and input the information into the system.

2. Proposed scheme for Leicester:

- 2.1 **The Council negotiates with RSLs that they input nomination properties directly into the choice based lettings IT system.**

Appendix 4

1. Labelling Marketed Properties

- 1.1 Property labelling is an important part of the marketing process and is used to describe the criteria, which are applied to adverts, in order for housing applicants to make an informed choice about which properties to choose to apply for.
- 1.2 The range of information that can be included in an advert is wide. However, the more information provided will lead to larger adverts and higher marketing costs. Therefore it is important to reach a good balance between providing reasonable amounts of information without impacting adversely on marketing costs.
- 1.3 A range of labelling symbols and colours will be used when producing the adverts. This had two main benefits.
- Symbols and colours will help vulnerable people understand the adverts – especially those with literacy issues or where their first language is not English.
 - Symbols and colours will ensure any adverts are kept to a manageable size thus keeping costs to a minimum.
- 1.4 It is recommended that the following labels are used to market vacant homes:
- Area of the city
 - Street name
 - Rent and service charge costs
 - Property type
 - Number of bedrooms
 - Occupancy criteria
 - Any special features i.e. adaptations
 - Any restrictions i.e. pet bans or age restriction.
 - Floor level and if a lift is available.
 - Amount of decorating allowance to be awarded.
 - Heating type
 - The number of points required on average to secure the property.
- 1.5 Most of these labeling criteria have already been set under the existing lettings process. Therefore it would not be necessary to change the eligibility criteria but it would be necessary to ensure each individual property criteria is made clear in any marketing exercise. This will be done automatically by the IT system that produces the adverts.

2.0 Proposed scheme for Leicester:

2.1 Subject to wider consultation the above approach is used.

Appendix 5

1. Marketing the Void Property

1.1 Introducing the marketing of empty homes would be a new process in the procedure for letting empty homes. Unlike the current process whereby a list of all applicants on the housing register who are eligible is produced, the marketing concept is that empty homes are marketed to housing register applicants who then actively express an interest in particular homes. The home is then matched to the applicant with the highest level of need who **expressed an interest in the property**. When deciding how to market empty homes a number of key issues need to be considered:

- Advertising of empty homes would be an additional activity.
- Methods of advertising properties need to be adequate so not to disadvantage vulnerable applicants. For example an applicant with low literacy skills may find it difficult to understand or respond to written marketing methods. However, it must be noted that current methods of offering properties are by writing. If carefully implemented choice based lettings offers an opportunity to improve the lettings service to vulnerable applicants.
- Different methods of advertising are likely to appeal to the needs of the diverse range of people registered for housing. More than one method of marketing properties will be required to ensure the widest range of people are aware of the empty homes available for letting. For example only a small % of applicants will have regular internet access so on-line marketing alone would be insufficient or advertising in council and commercial premises alone would disadvantage applicants who would find it difficult to get to these selected premises.
- When marketing properties it will be necessary to decide how to set the eligibility criteria and details about the property or 'labelling'

1.2 There are wide ranges of ways in which a newly void property can be marketed. Some common ways are:

- Mailings to all on the housing register.
- Mailings of specialised property types to eligible housing applicants on the housing register e.g. adapted homes.
- Leaflets.
- Online - web pages.
- Estate agent style window displays in Council owned premises e.g. Housing offices and libraries.
- Estate agent style window displays in commercial premises e.g. supermarkets etc.
- With statutory agencies such as Social Care and Health.
- Other agencies including the voluntary sector e.g. floating support services and other advice and support groups.

- Publications that are produced externally such as the Leicester Mercury or Metro newspapers in which adverts can be placed
- Internally produced publications such as the LINK magazine in which adverts can be placed
- Producing a dedicated free newspaper for advertising which is made available from council and other outlets.
- Dedicated housing advisors.
- Recorded telephone messages.
- Text messaging.

1.3 To implement all of the above ways of marketing would be cost prohibitive. Officers have contacted similar large Local Authorities and Arms Length Management Organisations to Leicester. In recent years in places such as Ealing and Newham there has been significant increases in access to the service through electronic means (home internet and kiosks in service points) – up to 66% or all housing applicants participating in the scheme. A further 20% access via the telephone – only a small residual number of people rely on paper based marketing.

2.0 Frequency of marketing:

- 2.1 The frequency and timescales for marketing properties is a critical issue because getting this wrong can significantly impact on the Councils performance indicators and its ability to maximise income to the Housing Revenue Account (HRA). It is estimated every day saved on the average re-let time for an empty property is worth £13,000 in extra income to the HRA.
- 2.2 The current allocations process is geared to minimising time lost during the lettings process. Within 4 days an empty home is matched to a person on the Councils housing register. In March 2005 the ODPM recognised that there was a concern the CBL could lead to a loss in efficiency in empty home re-let times. However, the ODPM is clear that discipline imposed by a strict advertising cycle should mean no loss in efficiency.
- 2.3 Leicester City Council has significantly improved efficiency in re-letting properties during the last 12 months and has reduced re-let times from an average of 49 days to 27 days. Early CBL allocation schemes adopted fortnightly advertising cycles – Harborough District Council was the first authority wide scheme and has average re-let times in excess of 60 days. The ODPM suggest that weekly marketing cycles can ensure that there are not delays.
- 2.4 A fortnightly cycle of advertising has the potential to add up to 7 days on the average re-let time costing the HRA an estimated £91,000 per annum.

2.5 There are implications of adopting a weekly cycle rather than fortnightly:

- The costs of marketing empty homes for letting will be more.
- The organisation and running of the marketing process will have to be tightly managed.

2.6 The table below outlines how similar authorities to Leicester City Council operate:

Housing Authority	Advertising cycle	Weekly number of Voids	Annual Cost of Newspaper advertising.	Most effective methods of marketing
Bradford	Fortnightly	77	20,000 pa	Internet & Local Newspaper
Camden	Weekly	30	67,000 pa	Internet & Local Newspaper
Bolton	Weekly	40	52,000 pa	Local Newspaper

Leicester City Council would on average have 40 empty properties to market each week in addition to this Housing Associations could have up to 20 properties a week. This would be sufficient to operate weekly cycles.

2.7 Initial investigations have shown newspaper advertising to be very expensive in Leicester compared to other areas of the Country. The main city newspaper has quoted between £400,000 and £500,000 per annum - up to 10 times the cost incurred by other similar authorities. Therefore it is likely that it will be more cost effective for the Council to produce its own weekly advertising newspaper.

2.8 The in house newspaper is estimated to cost £20,000 for 50 weeks per year including the distribution to 50 outlets. The newspaper would be made available at Leicester City Council service points including libraries, customer service points, housing options centre, housing offices and housing benefit office.

2.9 Advertising all homes on the Web page would mean that the information is available to any one with access to the Internet, which includes all customers using the Internet in libraries and statutory and voluntary agencies with Internet access. This means the information can be downloaded and printed for customers if a newspaper is unavailable, however it is important to have newspapers printed and available for customers to take without needing to ask staff.

2.10 Setting up and designing the web page would be met from existing resources but purchasing a new domain name would cost around £250.

2.11 The launch of a choice based lettings scheme will require additional methods of marketing and will have financial implications. It will be important to ensure that housing applicants are aware of any changes to the lettings process and that they understand how any new system operated. There will also be additional costs for marketing and preparing guidance in other languages and formats e.g. large print or Braille. The estimated cost of translating key documents is £50,000.

3.0 Proposed scheme for Leicester:

- 3.1 That void properties are advertised weekly on a dedicated web page and in a Leicester City Council newspaper, distributed to council service points.**
- 3.2 Further work is undertaken to find ways of generating income from the advertising newspaper.**
- 3.3 The council supports and encourages access to the scheme through electronic means (home internet, kiosks in council facilities and the telephone)**

Appendix 6

1.0 Receiving Bids

1.1 Once empty homes have been marketed housing register applicants 'bid' for homes they're interested in and where they met the eligibility criteria. As with marketing this is an additional process to the existing lettings procedure. There are a variety of ways in which applicants could 'bid' but the most common are highlighted below:

- By completing a 'bidding voucher' and posting it to the Housing Department.
- By completing a 'bidding voucher' and personally handing into a Housing Department service point such as a Neighbourhood Housing Office of the Housing Options Centre.
- By telephoning a dedicated 'bidding' phone line.
- By registering an interest on the Internet.

Other ways of bidding using newer technology such as text messaging are also being developed.

The experience of Bradford, Bolton, Southampton and Leicester Housing Association is that the most common ways of receiving bids is through the Internet, by telephone and completing bidding vouchers.

- 1.2 There would need to be some restriction placed on the number of bids submitted by an applicant each week. Allowing unlimited bidding will lead to some applicants placing blanket bids for all properties increasing administration costs of the system. The ethos of choice based lettings is helping housing applicants to be able to make informed choices about their preferences in where they live. Restricting the number of bids each week would encourage applicants to think realistically about their housing choices before making bids.
- 1.3 Housing applicants would be asked to place their bids in order of personal preference. So if an applicant makes 3 bids they would place them in preference of 1,2 and 3. If one or more of the bids were successful the applicant would be offered the highest preference property.
- 1.4 The bidding process would be time limited. Each applicant would have seven days to submit his or her bids. The cut off for bid submission is required so the next advertising cycle can commence and offers can be made on vacant properties.
- 1.5 Vulnerable people seeking a new home will receive assistance in bidding from support workers, other key workers and housing advisors. Relevant employees will receive comprehensive training prior to the commencement of a choice based lettings scheme.
- 1.6 Bolton advertises properties on a weekly basis and has a similar number of available homes each week to that of Leicester. Bolton receives 2000 bids each week.

- 1.7 As with marketing the way in which bids are received will determine the cost of the choice based lettings scheme. Receiving bids by telephone and online are the most accessible and cost effective way of facilitating the 'bidding' process. Southampton City Council operates an automated phone line for responding to property adverts. The phone line operates in a similar way to Leicester City Councils existing automated payment line. Introducing an automated phone line would require some development work with an ICT software supplier. At this stage the cost is unknown but would be in the region of £50,000.
- 1.8 It is believed however the automated phone line would be more efficient to run than staff taking bids over the phone. If the assumption that Leicester will receive a similar number of bids to Southampton and that it would take 5 minutes to process each bid the estimated staffing cost of staff receiving bids over the phone would be £100,000 per annum.
- 1.8 Facilitating online bidding through the choice based lettings website is already possible using the integrated system already purchased by the Housing Department.
- 1.9 Online access and courtesy phones in Council service points will be made available to facilitate bidding for those who do not have access to these mediums already. Housing applicants can be guided by trained staff on how to use these facilities.
- 2.0 Proposed scheme for Leicester:**
- 2.1 Bids are received by an automated telephone system and through the choice based lettings web page.**
- 2.2 Initially applicants are permitted to submit up to 3 bids per week. Officers will review and evaluate to adjust if necessary.**
- 2.3 Training is developed to assist key workers in support vulnerable applicants to make bids.**
- 2.4 Access by electronic means is supported and encouraged.**

Appendix 7

1.0 Offering void properties to bidding applicants

- 1.1 The process of making an offer to a housing register applicant would be largely unchanged under choice based lettings. As this report has highlighted the principle difference is the process of matching a suitable applicant to a property.
- 1.2 Once a property has been marketed and the deadline for responding passed a list of applicants who expressed an interest in a particular property is produced. This list will order the applicants in line with their assessed housing need i.e. points order. This principle of prioritisation is no different to the current lettings process.
- 1.3 It is proposed that the top three applicants are invited to view the property and the applicant with the highest level of points and wishes to accept the property is made the formal offer. In the unusual event none of the top three wishes to accept the property the process will continue down the shortlist until it is exhausted. If none of the bidding applicants wish to accept the property it would need to be advertised again. It is not anticipated this will happen very often if at all.
- 1.4 As with the current lettings process once receiving the offer of accommodation the applicant can choose to accept or decline the offer. In a 12-month period of the current lettings system from July 2004 to June 2005 1666 offers were declined (excluding nominations). The reasons for declining offers is outlined in the table below:

**Number of offers declined from July 2004
to June 2005**

Reasons for refusal	Grand total
Refused: area lacks facilities	36
Refused: changed mind on area	259
Refused: decided now only wants Hsg Ass	1
Refused: due to harassment on viewing	7
Refused: environment unsuitable	136
Refused: no longer wants housing	115
Refused: on access or mobility grounds	77
Refused: property aspects unsuitable	246
Refused: Prp Type not Req'd; Relaxed Elig	3
Refused: unknown reason (under invest)	68
Treated as refusal as no reply received	718
Total Council Offers refused	1666
RSL Offers refused	410

The most common reasons for declining an offer are 'no reply' or a change of mind on the area of choice. A further 410 nomination offers to housing associations were declined. It can be assumed that under CBL people would not have made bids for these properties.

1.3 If an offer is declined it leads to extra work being generated for the allocating officer:

- The offer will have to be removed on the IT system.
- If the reason for declining was 'no reply' or it was the second time a reasonable offer was made the applicants points will change and a letter sent out to inform them of this.
- The property will have to be offered again.

If the property is ready to let at the point of being declined this re-offering process extends the time the property is empty and increases the amount of void rental loss incurred by the authority. Extended re-let times also negatively impact on the Councils Best Value Performance Indicators.

1.6 The table below outlines the estimated cost of dealing with declined offers:

Cost of re-offering 2076 empty homes	£20,000
Cost of removing 2076 declined offers	£5,000
Cost of reducing priority of 650 applicants	£3,000
Cost of withdrawn offers	£2,000
Estimated Total	£30,000

Implementing choice based lettings works on the basis of applicants applying for properties where they prefer to live. This should significantly reduce the number of declined offers and subsequent reoffering saving up to £28,000 per year.

1.7 Following a successful offer the applicant signs a tenancy agreement and moves into their new home.

2.0 Proposed scheme for Leicester:

2.1 The offering process outlined above is adopted making an estimated £30,000 savings that can offset additional marketing and other costs.

Appendix 8

1.0 Lettings process feedback.

- 1.1 Once the matching and offering process had been successfully completed feedback on successful lettings is an important aspect of choice based lettings. It ensures that applicants and other stakeholders can see that the system is transparent and fair. Feedback is also an important part of the 'bidding' process as applicants need up-to-date information on recent lettings so they can make informed choices about which, if any, properties to bid for. For example, if an applicant had 200 points and they could see that properties in a certain area of the city consistently were let for 400+ points they would know that it was highly unlikely they would have a successful bid in that area.
- 1.2 Feedback on lettings is currently available through Accommodation Guides published quarterly. These give applicants a summary of the lettings information for council offers and housing association nomination for the previous 3 months and include figures on number of property types that were let, per area on the highest and lowest points levels they were let on.
- 1.3 These guides would be replaced in the CBL scheme and usually feedback of previous lets is advertised along with the current marketed properties. The cost of advertising feedback is included in the cost of the Leicester City Council newspaper. The officer responsible for labelling and marketing the properties would undertake preparing the feedback information. Information would be fed back two weeks after the property was originally advertised.
- 1.4 Most choice based lettings schemes feedback the following information:
 - Advert number of property
 - The property details.
 - The number of bids received for the property.
 - The number of points the property was let for.
- 1.5 Experience from other choice based lettings projects show that customer satisfaction is higher with this type of lettings process when compared to traditional methods. The feedback process leading to greater transparency and understanding of choice based lettings systems is a key contributor.

2.0 Proposed scheme for Leicester:

- 2.1 **Feedback is given on successful lets as outlined in paragraph 1.3 above.**

Appendix 9

1. Assisting Vulnerable Applicants

- 1.2 Any CBL scheme must be developed in a way, which takes into account the needs of vulnerable groups, including homeless households.
- 1.3 Evaluation of the CBL pilots shows that one of the weakest elements was the provision of support to vulnerable and excluded households. Many vulnerable people may have difficulties in participating in CBL schemes for a variety of reasons. There are a number of groups who are recognised as being vulnerable because they have acknowledged housing support and / or social care requirements such as older people, homeless households, people with learning difficulties, people with mental health problems, people with mobility problems and people suffering domestic violence
- 1.1 There are also however needs of groups who may have difficulty in participating in a CBL scheme including for example people with drug or alcohol problems, travellers or ex offenders.
- 1.2 From a CBL scheme perspective households may be excluded from participating if for example they are:
 - Unaware of information about the property/ neighbourhoods
 - Unable to make use of the bidding/ response mechanism to adverts
 - are lacking the support to exercise a choice and adopt a realistic home hunting strategy
- 1.3 Other inequalities may be created through a CBL system for example a reliance on paper based information may disadvantage people who have literacy problems and those who do not have English as their first language. Systems that predominately use ICT may exclude people who do not have access to the technology available.

All sections of the CBL scheme have been considered to ensure they meet the needs of vulnerable clients. Ways in which this can be done include:

- Advertising housing with support packages
- Individual feedback to vulnerable applicants on bidding
- Specific feedback on lettings of adapted or sheltered homes
- Info on number of adapted homes
- Policy on and resources for adapting homes
- Labelling properties with degree of adaptations
- Location of facilities/ health centres
- Reserving homes for certain applicant types
- Ensure preference given to those in greatest housing need
- Provide information and responses in a form that best suits vulnerable groups
- Help in making choices/ submitting responses
- Links to other housing and support options

- Pro active approach for targeting support on vulnerable household who are not responding to adverts

2.0 Proposed scheme for Leicester:

- 2.1 Housing Register, Housing Allocation and CBL scheme guidance is translated into appropriate community languages and available as a down load from the Web Site for customers or staff.**
- 2.2 Symbols are used wherever possible in labelling properties and in the Advertise and Bid scheme user guide and in advertising the home.**
- 2.3 Adapted properties and supported homes are specially advertised and restricted to eligible applicants.**
- 2.5 Bidding assistance is made available for vulnerable clients through training existing volunteers and statutory advice workers to assist applicants.**
- 2.6 Web site and bidding options available are as accessible to those with disabilities or other vulnerabilities.**
- 2.6 Monitoring of vulnerable applicants and those in highest housing need takes place week with the offer of extra support where appropriate.**

Appendix 10

1. Housing Options:

- 1.1 In Leicester the Housing Options Service deals with both the Housing Register and assisting vulnerable and homeless clients therefore they will be available to offer an advice and training service to other agencies on CBL scheme and assist vulnerable applicants they are working with in the CBL scheme.
- 1.2 It is advisable that other housing options should be described to people as part of the CBL scheme and these options should include options for both moving to another home and staying in current home perhaps through additional support, adaptations or home improvements.
- 1.3 These housing options will be available for advice sheets to assist applicants in other options rather than just bidding for a home, particularly when they may have made a number of unsuccessful bids and are looking into alternatives. Different housing options can be given out as part of the advertising process and on the Web site.
- 1.4 Other housing options include private rented properties which can be advertised on the CBL scheme as an additional option for clients, mutual exchanges for social housing tenants and low cost home ownership schemes in the district.

2. Proposed scheme for Leicester:

- 2.1 **The weekly newspaper and the web site will describe other housing options involving moving without an allocation and staying put: owner occupation, private rented, mutual exchanges, social rented, shared ownership, rent deposit guarantee schemes, home care, temporary accommodation, adapted housing and adaptations, tenancy support, housing register and home improvements.**