

**To: The Housing Scrutiny Panel**

**Date: 10/12/15**

**Report of: Allocations Manager**

**Title of the Report: Choice-Based Lettings Update**

## Summary and Recommendations

**Purpose of report:** To provide an update on Choice-Based Lettings and future changes being considered

**Policy Framework:** Meeting Housing Needs

**Recommendation(s):** Note the changes being considered to Choice-Based Lettings cycles

## Appendices

*Appendix I: A summary of Housing Need Priority Bands*

*Appendix II: Lettings & Nominations 1/4/15 to 31/10/15*

*Appendix III: A breakdown of the number of bids received during each Choice-Based Lettings cycle for the last 3 months*

*Appendix IV: Oxford Register for Affordable Housing lettings targets*

1.	<p>The Council's Allocations Scheme sets out the policy used to prioritise those in housing need on the Oxford Register for Affordable Housing (ORAH) for offers of housing. The current scheme was approved by the Council and came into effect on 12/12/13. The Allocations Scheme seeks to balance local needs and aspirations with current legislation, guidance and best practice as well as local housing conditions. The Allocations Scheme and a shorter summary are both available on the Council's website.</p>
2.	<p>The Allocations Scheme uses Choice-Based Lettings (CBL) to advertise the limited amount of properties becoming available each year in Oxford. For those who are eligible and qualify for inclusion on the Oxford Register for Affordable Housing (ORAH) CBL increases the choice available to most housing applicants (with some restrictions such as those on the Homeless List living in temporary accommodation provided by the Council) but it cannot increase the number of properties becoming available each year.</p>
3.	<p>When new properties are built or existing properties become available to re-let they are advertised in a lettings cycle (currently every fortnight). Housing applicants included on the housing register can then bid on up to 3 suitable properties during each letting lettings cycle and they are placed on a shortlist for the property. After the lettings cycle closes a final shortlist is created listing all the housing applicants who have bid (applied) for the property by priority order taking into account:</p> <ul style="list-style-type: none"> <li>• Housing Need Priority Band (a summary of the Housing Need Priority Bands is shown in <b>Appendix I</b>)</li> <li>• Housing Need Priority Band Start Date</li> <li>• Any other preferences on the advert – for example, preference to the General Register List, Transfer List or Homeless List if the property has been advertised with priority to applicant's to one of these lists. Or if a property is on the ground floor and/or has adaptations suitable for a person with a disability priority will be given to those assessed as requiring this type of accommodation</li> </ul>
4.	<p>Where a housing applicant bids for a property and shortlists for a potential offer of housing, checks are made by the Allocations Team to determine whether the applicant should be considered for an offer of housing or not.</p> <p>These checks include:</p> <ul style="list-style-type: none"> <li>• Eligibility for housing</li> <li>• Housing Need Priority Band/Reason</li> <li>• Household details</li> <li>• Registration Date/Priority Band Start Date</li> <li>• The size of property they are eligible for</li> </ul>

	<ul style="list-style-type: none"> <li>• Tenancy issues and whether they are suitable for an offer or can only be considered for certain properties or whether they need support and if so whether it is place</li> <li>• The property is considered suitable for their housing requirements or could be adapted if required</li> </ul> <p>If the housing applicant's details are correct and they are considered suitable for an offer and the property is considered suitable for their housing requirements they will only then be made an offer. Before this is done they will be contacted where possible to discuss the property details and location to double check they are definitely interested in the property to avoid wasting time if they state they are no longer interested in the property.</p> <p>Customers who confirm they are interested in a property are sent a written offer and are then contacted to arrange a viewing once the property is ready so that they can make a final decision about whether they wish to accept or refuse the offer.</p>
5.	<p><b>Offers &amp; Refusals</b></p> <p>The Allocations Team made 428 offers of housing from 1/4 to 31/10/15, 364 offers were accepted and 64 were refused. The Allocations Team seeks to minimise the number of refused offers balanced with ensuring those in housing need are given the opportunity to view properties and move to more suitable accommodation where possible. Where a housing applicant is made an offer and refuses with good reason – for example if after viewing the property it is found not to be suitable for their housing requirements because of their health needs they are not penalised and can continue to bid for future properties. Furthermore, Council Tenants seeking to downsize are encouraged to bid and are not penalised if after they view a property they decided to refuse an offer, in order to maximise the number of family properties becoming available to re-let to larger families in housing need.</p> <p>If a housing applicant is offered a property and refuses without good reason a penalty may be applied. Unreasonable refusals delay other applicants in housing need moving into a property, cost the Council and other landlords in lost staff time and can result in the landlord losing rental income from having longer void periods. If a housing applicant's reason for refusing is considered reasonable by the Allocations Team they will be able to continue to bid.</p> <p>If a homeless applicant refuses a suitable offer without good reason the Council will no longer have a duty to accommodate them and ask them to leave their temporary accommodation and to resolve their housing situation themselves. If the applicant does not move out the Council will take action to take possession of the property.</p>

Applicants on the General Register or Transfer Lists who are considered to have unreasonably refused two suitable offers of accommodation within the last 12 months will be suspended from bidding for 12 months. With the exception of tenants on the Transfer List occupying a property suitable for a family and seeking to downsize to a smaller property. Other exceptions may also be made on a case by case basis by the Allocations Manager.

**Appendix II** shows a breakdown of family and non-family properties let from 1/4 to 31/10/15.

**6. Choice-Based Lettings Cycles.**

CBL lettings cycles currently start fortnightly and last for 13 days. They start on a Tuesday and end 13 days later on a Monday. The last 3 months of lettings cycles are show below.

<b>Start of Lettings Cycle</b>	<b>End of Lettings Cycle</b>
12/8	24/8/15
26/8	7/9/15
9/9	21/9/15
23/9	5/10/15
7/10	19/10/15
21/10	2/11/15
4/11	16/11/15

7.

**Bidding**

A housing applicant can bid for up to 3 properties during a lettings cycle. An applicant can only bid for properties they are eligible to apply for. If an applicant is not eligible for a property they will not be able to bid for it.

**Appendix III** shows a breakdown of the bids received during each lettings cycle for the last 3 months. The information from **Appendix III** has been summarised in the table below. This shows that on average 79% of the bids made are completed within the first 7 days of the lettings cycle and only 21% of bids are made in the last 6 days.

Lettings Cycle	Total Bids During the first 7 days	Total Bids during the Last 6 days
<b>12/8 to 24/8/15</b>	79%	21%
<b>26/8 to 7/9/15</b>	77%	23%
<b>9/9 to 21/9/15</b>	80%	20%
<b>23/9 to 5/10/15</b>	77%	23%
<b>7/10 to 19/10/15</b>	80%	20%
<b>21/10 to 2/11/15</b>	78%	22%
<b>4/11 to 16/11/15</b>	81%	19%
<b>Average Percentage of Bids</b>	<b>79%</b>	<b>21%</b>

8.

**The Housing Register**

There are currently over 3000 households on the Housing Register. The table below shows a breakdown of the housing register by Housing Need Band and List.

Housing Need Priority Band	Housing List			Total
	Transfer	General Register	Homeless	
<b>Band 1</b>	45	1		<b>46</b>
<b>Band 2</b>	184	54		<b>238</b>
<b>Band 3</b>	289	343	89	<b>721</b>
<b>Band 4</b>	42	91		<b>133</b>
<b>Band 5</b>	384	1609		<b>1993</b>
<b>Total</b>	<b>944</b>	<b>2098</b>	<b>89</b>	<b>3131</b>

The vast majority of housing applicants are in Housing Need Priority Band 5 and are considered to be in low or no housing need so their chances of

	<p>successfully bidding for a property are extremely low (with the exception of some older applicants applying for low demand sheltered accommodation). Housing applicants in Band 5 are advised when they register they have little chance of receiving an offer of housing and should consider other housing options too.</p>
9.	<p><b>Methods of Bidding</b></p> <p>All housing applicants are sent a “User guide to bidding” when they are included on the Housing Register. The guide provides information about how CBL works and advice on how to apply for properties. The guide is also available from Council Offices and on the Council website <a href="http://www.oxford.gov.uk">www.oxford.gov.uk</a>.</p> <p>Housing applicants can bid by:</p> <ul style="list-style-type: none"> <li>• The CBL website; <a href="http://www.oxfordcitycbl.org.uk">www.oxfordcitycbl.org.uk</a></li> <li>• Phone</li> </ul> <p>The vast majority of housing applicants bid using the website and only a very small number bid by phone (and it is likely this method will no longer be used in the future). Customers in housing need without access to the internet and unable to come into local offices can be assisted with bidding to help them avoid missing out. For example, customers who are older or with a disability can receive assistance from the Housing Needs Team, their Tenancy Management Officer, Accommodation &amp; Sustainment Officer, Support Worker or staff in St Aldate’s or Templar’s Square Offices with bidding. A CBL newsletter called “Direction Home” listing all of the properties becoming available is also circulated to Local Offices during each CBL cycle. Currently, around 50 newsletters are posted during each lettings cycle to those identified as vulnerable and who are unable to come into a local office.</p>
10.	<p><b>Non-Bidders</b></p> <p>Housing applicants in high housing need (Bands 1 or 2), older applicants and those identified as having a disability are helped where possible by the Allocations Team with bidding when suitable properties become available. The team also contact those in lower bands (Bands 3 or 4) if suitable properties become available and it appears likely that if a bid is placed they may shortlist for an offer.</p>

11. The table below lists the number of housing applicants in Bands 1 to 4 on the housing register who have never bid for a property.

Housing Need Priority Band	Housing List		
	General Register	Transfer	Total
<b>Band 1</b>		27	<b>27</b>
<b>Band 2</b>	3	55	<b>58</b>
<b>Band 3</b>	27	33	<b>65</b>
<b>Band 4</b>	16		<b>21</b>
<b>Total</b>	<b>46</b>	<b>115</b>	<b>171</b>

The Housing Applicants in Band 1 & 2 on the Transfer List are under-occupying tenants who have stated that they may wish to move in the future but are not ready to move at this time or are waiting for a property to become available in a very specific location. A member of the Allocations Team has a specialist role in contacting such applicants and helping them to bid. From 1/4/15 to date 30 tenants have been helped to move to smaller more suitable properties and their former homes have been re-let to larger families in housing need.

The 3 housing applicants in Band 2 on the General Register either require very large properties that become available extremely rarely or will only consider moving to very specific areas where properties become available extremely rarely.

The Allocations Team will continue to monitor the non-bidders and contact those who are not bidding if and when potentially suitable properties become available.

12. **The Oxford Register for Affordable Housing (ORAH) Partnership**

The Oxford Register for Affordable Housing (ORAH) is a partnership between the Council and most Registered Providers of social housing with properties in Oxford. The ORAH partnership agreement includes lettings targets that the Allocations Team work to. These targets are now out of date and along with the proposed changes to the CBL cycles they are currently being reviewed with our partners. The current targets are listed in Appendix IV. Performance against these targets is reported to the ORAH partnership board bi-annually. The Allocations Team seeks to balance making offers within target against aiming to only allocate properties to housing applicants where they are suitable for an offer and the property is suitable for their housing requirements. Where an offer is made outside of the lettings target it is normally because further information or checks are required to ensure the housing applicant is suitable for an offer. The majority of offers have no impact on void re-let times and it is

	rare for a delay in an offer have a significant impact on re-let times.
13.	<p><b>Proposed Change to CBL Cycles</b></p> <p>The Council is under increasing pressure to minimise the loss of any rental income to the Housing Revenue Account when properties become vacant. The Registered Providers within the ORAH partnership also seek to minimise the loss of rental income. One of the recommendations of a review of the voids process undertaken by the staff involved was that consideration should be given to reducing the length of lettings cycle. The ORAH partners also support this approach.</p> <p>Analysis of bidding activity shows that almost 80% of applicants bid during the first week of the lettings cycle and only around 20% bid during the last week. So it is proposed that lettings cycles are changed in the future so that properties are only advertised for 7 days (instead of 13 days as currently). As part of this process all housing applicants will be written to notifying them of the change and the 20% who tend to bid later in the lettings cycle will need to bid during the first week. Please note many Local Authorities already use weekly lettings cycles including our former Sub-Regional Partners in Oxfordshire: Vale of the White Horse, South Oxfordshire District Council &amp; Cherwell District Council.</p> <p>Following the proposed change housing applicants bidding activity will continue to be monitored and assistance will be provided with bidding to those in housing need unable to bid for properties themselves. The Allocations Team will continue to send “Direction Home” newsletters to vulnerable customers.</p> <p>The ORAH partner Registered Providers will be requested to pay a charge for advertising properties in the future to cover the additional cost of printing and issuing newsletters more frequently.</p> <p>The Allocations Team will be able to focus more on assisting non-bidders because they will have a more balanced workload with offers spread over 52 lettings cycles instead of 26 lettings cycles as currently.</p>
14.	<p>Implementation of the Proposed Changes to CBL lettings cycles</p> <p>It is proposed:</p> <ul style="list-style-type: none"> <li>• The Head of Housing authorises a change to weekly CBL lettings in early 2016</li> <li>• All housing applicants and support providers are written to notifying them of the change before it takes place</li> <li>• Housing applicants in housing need continue to receive assistance with bidding</li> </ul>



	<ul style="list-style-type: none"><li>• Regular monitoring takes place to ensure housing applicants in housing need, particularly the elderly or vulnerable are bidding for suitable properties advertised as becoming available</li></ul>
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