

REPORT OF THE HOUSING ALLOCATIONS SCRUTINY PANEL

Executive Summary

This report sets out the findings and recommendations of the Housing Allocations Scrutiny Panel.

The Panel looked into issues relating to the allocation of housing from the Council's own stock and Registered Providers (e.g. housing associations) to people on the housing waiting list. In particular the Panel focussed on the size of the waiting list, the concerns of people on the waiting list, the impact of the new system of Choice Based Lettings, in which people have to make bids on available properties, and where improvements could be made to current procedures.

There are over 3000 applicants on the waiting list and this number is growing. However the Panel concluded that there was no evidence that Council processes relating to Housing Allocations were causing the list to grow. The Panel heard evidence from a number of witnesses which suggested improvements that could be made to the Choice Based Lettings system, in particular to improve the information available to applicants and provide support to applicants who were vulnerable or in high or priority need.

The Panel made a total of 15 recommendations. These included ensuring that more and better pictures of available properties were provided, that the Council looks at ideas to support applicants, particularly vulnerable applicants, to make bids and providing ways to help families downsize and, therefore, make available larger properties for which there is high demand.

The Panel's report will be considered by the Scrutiny Management Board which will be asked to submit it to the Council's Cabinet.

1. Background

At its meeting on 15th June 2011, the Scrutiny Management Board resolved that a Scrutiny Panel be established to review the effectiveness of the Council's Housing Allocations Policy and that Councillor Harper-Davies be Chair of the Panel. On 27th July 2011, the Scrutiny Management Board resolved to amend the Scrutiny Review Scope document. The Panel's first meeting took place on 26th October 2011. The Panel concluded its business at its final meeting on 18th January 2013.

2. Panel Membership

Chair: Councillor Harper-Davies

Councillors Forrest, Seaton, Sharp, Smidowicz, M. Smith and Stork.

3. Terms of Reference and Reason for Scrutiny

The Panel's Terms of Reference, initially agreed by the Scrutiny Management Board on 15th June 2011, and then subsequently amended and clarified by the Scrutiny Management Board on 27th July 2011 were as follows:

- (i) Why is the waiting list growing?
- (ii) What are the concerns of those on the waiting list?
- (iii) The impact of Choice Based Lettings;
- (iv) Identify if there are any bottlenecks in the current policy and whether these can be addressed?

The Scope Document for the scrutiny review undertaken by the Panel is attached at **Appendix 1**. This sets out the above Terms of Reference and Reason for Scrutiny. The document outlines the position at the conclusion of the Panel's work and, therefore, includes additional stakeholders and resources identified by the Panel as its work progressed, notes added to assist the Panel and a summary of the progress made by the Panel which was reported to meetings of the Policy Scrutiny Group (as compared to the version agreed by the Scrutiny Management Board at its meeting on 27th July 2011).

4. Evidence, Stakeholders and Witnesses

The Panel received information from the following stakeholders and witnesses:

- The Bridge (Ms L. Smith) – 6th February 2012;
- East Midlands Housing Association (Ms V. Roberts and Ms S. Webster) – 19th March 2012;

- Friendship Care and Housing (Ms C. Edwards & Mr T. Jackson) – 19th March 2012;
- North West Leicestershire District Council (Housing Options Team Leader – Ms S. Stevenson) – 19th March 2012;
- Two new tenants – 1st October 2012.

A representative of the Citizens' Advice Bureau (CAB) had been invited to attend the Panel meeting on 6th February 2012; however, the CAB stated that they had not received many housing cases since the introduction of Choice Based Lettings (CBL) and considered that they would be unable to assist the Panel in a meaningful way with reviewing its implementation.

Members of the Panel attended a demonstration of the newly installed Charnwood Home Search kiosks located in Customer Services before the commencement of the Panel meeting on 14th December 2011. Three Panel members undertook a customer survey at the Home Search kiosks on 4th October 2012 and the Panel considered the responses received from the tenants interviewed at its meeting on 1st November 2012.

The Panel received information from Council officers as follows:

- Meeting 1 (26th October 2011) – Briefing on CBL from the Head of Housing and the Housing Needs Manager;
- Meeting 2 (14th December 2011) – Presentation on the Welfare Reform Bill/Benefit Cap and Universal Credit from the Head of Revenues and Benefits and Customer Services. Information on the Tenancy Agreement, viewing and signing up procedures from the Director of Operations (CNH) and the Income & Lettings Team Leader (CNH);
- Meeting 3 – (6th February 2012) – Information from the Housing Manger Support Officer on the effectiveness of the CBL scheme to date;
- Meeting 4 – (19th March 2012) – Assistance from the Head of Housing and the Housing Services Manager during discussions with outside representatives;
- Meeting 5 (6th August 2012) – Information from the Assistant Director of Housing (CNH) and the Director of Operations (CNH) on the four stages of the Inspection Process of Voids. An update on CBL from the Head of Housing and the Housing Services Manager and information from the Head of Housing on the QL Housing Management System;
- Meeting 6 (6th September 2012) – Information from the Head of Housing and the Housing Services Manager on the breakdown of CBL refusal data;
- Meeting 8 (1st November 2012) – Responses from the Head of Housing and the Housing Services Manager to questions submitted by Councillor Sharp.

Copies of the following documents were made available to the Panel as follows:

- Leicestershire Choice Based Lettings – Charnwood Homeseekers Guide;
- Charnwood Borough Council – CBL Allocations Policy;
- Charnwood Neighbourhood Housing – Fit to Let Standard;
- Charnwood Neighbourhood Housing – Fit to Let Standard – New Tenancy Check List;
- Equality Impact Assessment pro-forma – Leicestershire CBL scheme;
- CBL Property Inspection Form;
- Presentation on Housing/Council Tax Benefit – Welfare Reform Bill/Benefit Caps and Universal Credit.

Technical Support was provided to the Panel by:

David Harris – Head of Housing
Sharon Bignell – Housing Needs Manager
David Scruton – Housing Strategy & Support Manager
Clare Holford – Assistant Director of Housing (CNH)
Matthew Thomas – Director of Operations (CNH)
Michelle Thomas – Income & lettings Team Leader (CNH)
David Platts – Head of Revenues and Benefits and Customer Services

The Panel wishes to thank all stakeholders, witnesses and officers for the assistance provided with its work.

5. Summaries of Panel Meetings

Summaries of the work undertaken at each meeting of the Panel are set out in the “Progress of Panel Work” section of the Scope Document at **Appendix 1**.

Full details of the information provided by witnesses and the issues considered by the Panel are detailed in the notes of the Panel’s meetings listed in Background Papers section of this report, also attached at **Appendix 2**.

A copy of the statistical data submitted to the Panel is attached at **Appendix 3** (this will be the information submitted by officers in response to Cllr Sharp’s questions).

6. Equality Impact Assessment (EIA)

An EIA for the Choice Based Lettings project was completed by officers at Blaby District Council and covered the whole sub-region. The sub-region would be looking to refresh the EIA in the coming months.

7. Conclusions and Recommendations

Following its deliberations and having received considerable evidence to support its final views, including from witnesses and visits as listed in its report, the Panel came to the following conclusions:

Conclusions

Why is the Waiting List Growing?

1. The Panel noted that there were 3013 live applicants on the waiting list as at December 2012 which represented a 40% year on year increase.
2. From the evidence considered there was no suggestion that internal Council processes relating to Housing Allocations were causing the list to grow. The supply of housing was simply not meeting current demand causing a steady but significant rise in those on the waiting list.
3. Choice Based Lettings (CBL) process provided extensive data as to the demand that existed for the size and style of homes. For example an average of 33 bids was made for each three bed house that was advertised.

What are the concerns of those on the waiting list?

4. The evidence received from tenant witnesses and representatives from Charnwood Neighbourhood Housing (CNH) had highlighted weaknesses in the consistent delivery of the void process. Whilst not materially affecting the time taken to re-let a property, our current process provided a wide disparity in service provided with repairs not spotted/repared at the point of change over and/or contact with the new tenant not made.
5. The evidence received from witnesses representing tenants and from tenants surveyed had unanimously identified that the provision of a quality and relevant house picture was a key feature of the CBL process. However, the number of pictures currently provided fell well below the 80% target established and within that delivery there was a low quality threshold with pictures of 'similar' properties or of whole streets qualifying as provision even though they were of minimal use to the tenant bidding.
6. The evidence received from witnesses representing tenants and tenants surveyed had unanimously reported that CBL was not a user friendly system with many seeking help either at home through relatives and councillors or at the bidding booths through officers. The Panel appreciated that the Council had the benefit of the bidding booths, as it was the only one of the Districts which had a dedicated area available. In addition the language used both online and in the adverts was considered

to be Council jargon rather than customer friendly, a view tested and agreed with by the Panel. The adverts especially were seen as playing lip-service to the estate agent ethos they were supposed to represent, at best hindering choice and at worst restricting real choice.

7. The evidence from tenants surveyed had suggested that there was real confusion regarding properties advertised as ex sheltered accommodation. Properties that could and should appeal to prospective tenants were not attracting bids due to misunderstanding of what the property was and who could and should bid. The Panel noted officers' comments that a high proportion of sheltered bedsits were left vacant as people did not bid for them.
8. The evidence received from witnesses representing tenants and tenants surveyed had identified that the understanding of the banding process was not strong and thereby we were not effectively managing expectations of tenants on the waiting list.

Impact of Choice Based Lettings (CBL)

9. The evidence received from witnesses representing East Midlands Housing Association, Friendship Care and Housing, the Bridge and North-West Leicestershire District Council (NWLDC) who all stated that without a clear strategy to identify and proactively manage vulnerable tenants, CBL would not work effectively as their lifestyles prevented active and real engagement in such a system. The Panel identified the work of the Bridge in the management of vulnerable tenants and it welcomed suggestions made by the Bridge that the individual needs of all vulnerable tenants must be established and in responding to those needs home visits, regular telephone calls and agreed bidding on behalf of tenants would be options to consider in such a strategy.
10. The initial reporting of performance of CBL had highlighted real concerns as to how demand from Priority and High banded tenants was managed. CBL had four housing bands based on housing need ranked from the top band, Priority, then High, Medium and finally the Low band. All housing and transfer homeseekers had been assessed and placed in one of those bands. 63% of tenants currently registered in the High band had so far failed to bid at all, as had 30% of the Priority band tenants. In addition, a greater percentage of homes allocated had been to Low banded tenants rather than High banded tenants. 56% of our properties had been allocated to Medium and Low banded tenants when over 200 Priority and High banded tenants remained on the waiting list. Those were the tenants that had been identified as most in need of a property; however, they were not bidding for reasons unknown. It is the Panel's view that resources should be in place to help customers in High and Priority bands participate in CBL, with the possibility of introducing 'account management' for certain

customers whose needs the Panel recognise as significant but whose means of accessing and working with CBL are restrictive for whatever reason.

11. The Panel had evidenced excellent provision of data from CBL over a host of tenant interactions that had informed the Panel's discussions. However, this data had not been put into context by comparison with the six other local districts with whom Charnwood interacted on the CBL Steering Group. That failure might well be restricting officers understanding the consistency of Charnwood's performance relative to others using the same system and prevent identification of weaknesses in our process and/or best practice that could be shared across the Steering Group.

Identify if there are any bottlenecks in the current policy and whether these can be addressed

12. The evidence received from witnesses representing Registered Providers had highlighted that the information provided to them by our District Council counterparts was far better and more user friendly than that provided by Charnwood. This was due to the fact that Charnwood uniquely used a QL Housing Management system interface within its process. This system featured modules for the management of repairs, planned maintenance, decent homes, rent control and arrears, finance, tenancy management, housing waiting lists and allocations. Registered Providers had expressed concern that the use of the QL system could result in delays, failure to correctly manage vulnerable tenants, risks to their staff who visited sites with tenants and higher levels of rework. The Head of Housing had reported that the cost of dispensing with the QL system would be disproportionate and that was a position accepted by the Panel.
13. The evidence received from witnesses representing Registered Providers had highlighted that the communications between themselves and Charnwood was weaker than with the six other local Districts they were dealing with. They had cited failure to access staff over the phone, the lack of a contact point or direct dial facility, failure to provide early feedback on problems with advertising properties and delays with shortlisting.
14. The evidence received from a tenant placed in a lower band who wished to downsize but was bidding against other tenants from higher bands for housing. It was the Panel's view that there was clear evidence of a desperate shortage of larger family homes and to restrict the supply of such a home following a request for downsizing was harmful to the letting process.

Recommendations

Having come to the above conclusions, the Panel makes the following recommendations:

1. Scrutiny Management Board (SMB) be asked to consider the establishment of a Panel to look at the issue of supply of social housing to rent including but not exclusively the number and management of empty properties in the Borough including student accommodation, the effectiveness of Section 106 (S106) Contributions, particularly in respect of affordable housing provision and the barriers to affordable housing provision in the social landlord sector.

Reason – To understand why the demands for affordable housing was not being met and ensure actions were taken to alleviate the problem and ensure the most effective use of housing stock in the Borough.

2. A process should be established that provides bid information by property size, type and location and that this was evidenced in S106 discussions and to take into consideration while the Local Development Framework (LDF) is evolving the opportunity to encompass affordable housing as part of the process.

Reason – To ensure the appropriate type and size of properties were built in the future to meet demand.

3. The void process should be re-documented up to the point of the settling in visit and that key steps in the process be identified and measurements established so that transparency in our performance is apparent and weaknesses highlighted for action. Reporting to the Performance Scrutiny Panel should be in place until effective performance levels are established.

Reason – To improve service provision and ensure regular monitoring of the void process.

4. The importance of quality and relevant pictures as part of our advertising of properties should be accepted and actions put in place to raise the standard of pictures that are deemed acceptable and increase the volume used so that the 80% target level is regularly met. Reporting of progress against this target should be made to the Performance Scrutiny Panel until effective and consistent performance levels are established.

Reason – To ensure that appropriate and relevant information was available to prospective tenants and to ensure regular monitoring of procedures.

5. A simple step by step user guide should be prominently displayed by the bidding booths together with a promotion of a user help line to provide instant assistance to tenants bidding.

Reason – To provide additional assistance to prospective tenants during the bidding process.

6. A Marketing expert in the housing field should be contracted to assess the type and style of data provided to tenants through CBL and the adverts and asked to make recommendations that:
 - (i) can be made within the existing system/template constraints of CBL (quick wins);
 - (ii) can be made but require changes to CBL that can be costed and/or reviewed at the Steering Group to build consensus for change (Business cases required for change).

Reason – To seek advice from an independent expert to ensure that the most efficient and appropriate service was being provided.

7. Ex-sheltered properties should be advertised with a simple but low key explanation of it being an ex-sheltered property so that they are seen as primarily the one/two bed flats that they are and attract bids proportionate to similar properties.

Reason – To ensure that ex-sheltered properties were more effectively advertised.

8. Consideration should be given to introducing credit card style 'bidding cards' to be issued to tenants who register or who have registered onto CBL. The card can provide name, reference number and banding with an explanation of the band. The card could also promote the website and hotline for bidding. The Panel recognises the cost implication of such a scheme and would welcome a trial amongst Priority and High banded tenants in the first instance.

Reason – To provide relevant information to prospective tenants during the bidding process.

Impact of Choice Based Lettings (CBL)

9. A strategy should be introduced that identifies vulnerable groups and that the Council works with partners including The Bridge to establish a protocol/pathway for the vulnerable group of tenants identified.
10. That Charnwood provides a clear process for proactively managing vulnerable tenants' involvement in CBL to ensure they are served effectively by the CBL process. The possibility of establishing a system to

allow automatic bidding on behalf of vulnerable tenants who often struggled to understand that they needed to bid during each cycle should be considered. Effective measures and reporting should be established so that delivery can be reviewed by the Performance Scrutiny Panel until satisfaction in delivery levels is established.

Reasons – To ensure that vulnerable tenants were identified and provided with adequate support to participate fully in the CBL process and to ensure regular monitoring of procedures. To enable the exemplary working practices used by The Bridge to be adopted by the Council for its work with vulnerable groups.

11. Tenant engagement strategies should be introduced for each of the four bands so that the need to understand the needs of and proactively manage and support Priority and High bands is reflected. We also need to manage the expectation of lower banded tenants with minimum officer support.

Reason – To ensure that the percentage of people bidding in the highest two bands is increased and a greater percentage of homes are allocated to tenants from the Priority and High bandings.

12. An agreed data set should be agreed by the Steering Group to benchmark performance across the local districts represented on the Steering Group and that this data set be reported to the Performance Scrutiny Panel so that our relative performance may be assessed.

Reason – To provide a comparison between the local districts in CBL and to ensure regular monitoring of procedures.

13. That the real issues faced by Registered Providers should be recognised and that alternate processes be agreed and documented with Registered Providers to improve the flow of data between the two parties.

14. Officers should meet with each Registered Provider and agree a communication protocol that draws from their experience of more effective relations with other districts. This protocol should be mutually agreed and reflected in local working practices.

Reasons – To improve the efficiency and effectiveness of the service provided.

15. A process should be established for tenants wishing to downsize that fast tracks their application, outside of the CBL process if possible, so that the swap is proactively managed as speedily as possible and larger properties are placed into the CBL process as swiftly as can be.

Reason – To ensure that suitable larger properties were made available to families as quickly as possible.

8. Background Papers

- Scope Document (Appendix 1)
- Agenda Papers and Notes of Panel meetings available on the Council's website at:

http://www.charnwood.gov.uk/committees/housing_allocations_scrutiny_panel

Meeting 1 - 26th October 2011

Meeting 2 - 14th December 2011

Meeting 3 – 6th February 2012

Meeting 4 - 19th March 2012

Meeting 5 – 6th August 2012

Meeting 6 – 6th September 2012

Meeting 7 – 1st October 2012

Meeting 8 – 1st November 2012

Meeting 9 – 5th December 2012

Notes of above Panel meetings also attached (Appendix 2)

Informal Meeting – 17th December 2012

- Information considered by the Panel as detailed in Paragraph 5 of this report and available internally at:

http://info.charnwood.local/sites/Policy_Scrutiny_Group/Background%20Documents%20Housing%20Allocations%20Scrutiny/Forms/AllItems.aspx

- A copy of the statistical data submitted to the Panel (Appendix 3)