

**STOCKTON-ON-TEES BOROUGH COUNCIL**

**CABINET RECOMMENDATIONS**

**PROFORMA**

Cabinet Meeting .....15th March 2007

1. Title of Item/Report

Sub Regional Choice Based Lettings in the Tees Valley

2. Record of the Decision

Members considered a report relating to the proposed implementation of a sub regional Choice Based Lettings (CBL) scheme.

In January 2005, Office of the Deputy Prime Minister (ODPM) published Sustainable Communities: Homes for All, the Government's five year housing plan for England. This document set out the Government's plans for taking forward its CBL policy. The aim was to have in place a nationwide system of choice by 2010, by extending CBL to cover not only local authority and housing association properties, but also low cost home ownership options and properties for rent from private landlords.

The Tees Valley sub regional CBL partnership was convened in early 2006 following the announcement by the Department of Government & Local Communities, formally the ODPM that it had been successful in receiving Government funding (£105,000) to explore the possibility of developing a sub regional CBL scheme, with a positive view to implementation by 2008. The partnership is made up of representatives from Middlesbrough Council, Stockton Council, Redcar & Cleveland Council, Hartlepool Council, Darlington Council, Erimus Housing, Tristar Homes, Coast & Country Housing and Housing Hartlepool.

Since September 2006 our Housing & Community Safety Select Committee in their scrutiny role have been undertaking a piece of work to:

- respond to the national agenda for Choice Based Lettings and to look at the options for delivering such a policy in Stockton-on-Tees.
- assist with the development of a choice based lettings Policy in the Borough as part of the development of a sub-regional CBL Scheme.
- examine the opportunities offered by CBL and how they might apply locally.

The work of the Select Committee had fed into and helped shape this report.

As a result of the Government funding a Sub-Regional CBL Co-ordinator post for the Tees Valley was appointed to drive forward the process. A feasibility study, which considered the issues in developing a sub regional scheme was undertaken and completed by the sub regional CBL co-ordinator in November 2006 and discussed with the 5 Tees Valley local authorities.

The sub regional CBL proposal was at a stage where strategic and financial decisions needed to be made. This included the procurement of an ICT system and the revision of the existing allocations policy, with a view to introducing a Common Housing Register and a framework for a Common Allocation Policy, which allows for local lettings policies.

The framework for a Common Allocation Policy would include a method for determining which categories of applicants would be prioritised within the scheme in accordance with the reasonable preference groups as set out in Housing Act 1996. This would ensure a consistent and transparent approach to allocations across the sub region.

The Common Allocation Policy would also provide for local lettings policies that existed within the individual local authority boundaries. The local lettings policies would be clearly set out within the scheme and would be evidence based and justified with an explanation wherever possible to ensure transparency.

The framework for the Common Allocation Policy would be developed over a 3 month period and the draft document would be circulated to key stakeholders during the 12 week consultation period to ensure they had a reasonable opportunity to comment on the proposals.

It was anticipated that the final draft policy document would be presented to Members later in the year for full approval.

Members considered issues relating to the implementation of a Sub Regional Scheme:-

- Funding

In year 1, each of the 9 partners committed £5,000 (£45,000 in total) towards Government funding to explore the benefits of developing a sub regional scheme. To date, this funding has contributed to the co-ordinators' salary and expenses, admin, consultation, training and development. It is proposed that each partner contributes a further £23,152 in year 2 (07/08). This funding was built into the 07/08 Housing

Revenue Account. It was anticipated that Government funding and the additional contribution provided by the partners will cover the development and implementation costs in setting up the ICT system, together with any costs associated with training, development and consultation. A copy of the financial breakdown was provided to Members.

· Procuring ICT Software

Procuring ICT software that met the needs of each Organisation, would prove to be the greatest expense in setting up the sub regional CBL scheme. The estimated cost of setting up and implementing a sub regional CBL system would be approximately £120K depending upon the functionality. This cost would be divided between the number of partners committing to the scheme. Additional costs would be incurred in terms of running costs i.e. hosting of the site, system support etc...at a cost of approximately £6K p.a. per partner organisation. There could be other additional running costs incurred if the partnership decides to procure a system, which offers additional functionality in terms of telephony and SMS (0845/0800 numbers and text messaging) or if they want the supplier to provide the management and maintenance of the back office systems. In any event, the partnership can expect to pay in the region of £120K+ for a sub regional ICT solution.

Members should note that the cost of setting up a single CBL system would be in the region of £20K together with additional running costs of approximately £5K p.a.

After considerable discussion the partnership recommended a single common policy for allocating properties, which allowed for local variations, together with the development of a common housing register. The bid submission to the former ODPM indicated that the intention of the Tees Valley partnership was to develop a common policy and a common housing register.

RESOLVED that

1. the development of a Tees Valley Housing Register and an overarching Tees Valley Allocations Policy which, following consultation, will be reported back to Cabinet for detailed consideration be agreed
2. the Council enter into a formal tender process in conjunction with the Tees Valley Councils to select a preferred software supplier.
3. the initial financial resources required to implement a sub regional scheme by 2008 already built into the Housing Revenue Account

be noted.

4. that following the production of a draft Allocations Policy, a Members Seminar be held, prior to a further Cabinet Report being submitted.

3. Reasons for the Decision

To obtain commitment for Stockton to proceed with developing and partaking in a sub-regional CBL scheme in the Tees Valley.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillors Leonard and Nelson declared a personal, non prejudicial interest in this item as they were Members of the Tristar Management Board.

6. Details of any Dispensations

Not applicable.

7. Date and Time by which Call In must be executed

Midnight Friday 23rd March 2007

Proper Officer  
19 March 2007