

Llywodraeth Cynulliad Cymru
Welsh Assembly Government

A Review of Welsh Social Landlords' Approaches to Increasing Choice in Letting Accommodation

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INTRODUCTION

1. The scope of the project

The Assembly Government commissioned this project to provide a review of lettings systems currently in use by social housing landlords in Wales, which are either choice-based or in which choice is an important component part.

The aims of the project were:

- To provide the Assembly Government with an evaluation of how well Choice Based Letting (CBL) pilot schemes operating in Wales are achieving their intended outcomes.
- To use these findings to draw out good practice in relation to CBL schemes, suitable for use by the Assembly Government.

This report covers both of the project aims.

The objectives of the project are to evaluate:

- The housing market context within which each scheme is operating
- The ‘design’ of each scheme, including eligibility, advertising, bidding and selection.
- How schemes balance choice with need, including the interests of people with urgent needs, minority groups, and the vulnerable.
- The extent to which schemes comply with the law and with the ‘Code of Guidance for Local Authorities on the Allocation of Housing and Homelessness’ and the ‘Regulatory Code for Housing Associations Registered in Wales’.
- Whether the schemes have achieved their stated objectives
- An analysis of the factors which have determined the success or failure of the scheme.

2. The background to the project

Recent years have seen an increasing emphasis in public services on moving away from a paternalistic distribution of scarce resources in which professionals and ‘experts’ decide upon whom is to get what, towards the empowerment of the consumers of public services to make informed choices about the services which they require.

In social housing, this has created an interest in how the letting of social housing can be more focussed on the needs and aspirations of individual households, and how these might be expressed more effectively in the lettings process.

In Wales, the National Housing Strategy¹ sets out the view of the Welsh Assembly Government on social housing lettings in these terms:

‘An essential element of this aim is the promotion of a customer-centred approach to the allocation of social housing that:

- maximises genuine choice;
- creates settled communities; and
- ensures that a publicly funded resource remains accessible to those who need social housing.’

The Strategy does not prescribe any particular method of letting property, but sets out clear objectives which lettings policies and practices should meet.

However, it is important to bear in mind that whichever approach to lettings is adopted, the number of properties available remains the same. Increasing the ability of applicants to exercise informed choice does not create a single extra letting.

For almost all types of property, in almost all locations, there are more applicants than properties. Social landlords must develop criteria for selecting the most appropriate applicant, or for rationing the availability of property.

In doing so, social landlords themselves must make choices. These choices are limited by the statutory and regulatory framework for allocating property, but there are a number of areas in which social landlords must decide whether or not they wish to exercise their own choice in their selection of applicants.

This report aims to set out the issues which social landlords will need to take into account in considering how they can best enable applicants to exercise an informed choice in applying for a new home.

¹ *Better Homes for People in Wales: a National Housing Strategy*, The National Assembly for Wales, 2001: the relevant section is set out in Appendix 1

3. The research project: methodology

The project had three elements:

1. Telephone interviews

An initial interview survey was carried out with all local authorities, and with housing associations with a stock of over 150 units, to establish the extent to which existing allocation policies allowed applicants to exercise choice in lettings.

The Topic Guide for these interviews is attached at Appendix 2.

2. Face to face semi structured interviews

These were held with each of the social landlords operating a lettings scheme with a significant element of choice. As part of this phase, printed material was collected from each landlord, including details of the scheme, application forms, typical advertisements, and bidding forms. The websites of each scheme were also examined, and schemes assessed for the quality and clarity of information provided.

3. Qualitative interviews

These were held with a sample of 30 applicants and carried out by the specialist market research organisation, BMRB

In order to understand the reaction of customers to the introduction of CBL schemes, qualitative interviews with a range of customers were carried out by BMRB.

A total of 30 customers were interviewed, ten from each of three schemes. The three schemes were chosen because each had a different approach. Neath Port Talbot have a housing need points based scheme, Vale of Glamorgan have a banding scheme, and Charter housing association operate a date order scheme with a priority card.

Each of the ten interviews for each landlord was split between customers who had bid successfully, customers who had bid but who had been unsuccessful or refused an offer, and customers who were not actively engaged in bidding.

Because of the small numbers of customers in each group, the 30 interviews cannot be regarded as a statistical sample of all customers of CBL schemes.

Nevertheless, the 30 households interviewed for the project covered a very wide range of household types, from a 17 year old woman rehoused from a hostel and safe house (who was appreciative of the support which she received), to a refugee with limited English (who had been signed up to the scheme but who had not understood anything about it), to a 70 year old man and his partner (who were using the internet to view properties).

The age ranges of the interviewees were:

1	<18
5	18-24
11	25-34
7	35-44
3	45/54
2	55-64
1	>65

Among the interviewees, there were 13 single parents (including one male), 3 couples with dependent children, 3 couples whose children had grown up, and 11 single people (6 men and 5 women), some of whom were widowed, divorced or separated. Four were physically disabled, one had learning difficulties, at least one had mental health problems, and several received support from social workers and other agencies.

The quotations in this report of customers' views are taken from the transcripts of these interviews.

4. Notes

1. The word 'applicant' is used throughout the report for people who are applying to a social landlord (local authority or housing association) for a new home, whether the person is already a tenant of the social landlord and is seeking a transfer to a more suitable property, or is applying as homeless, or is applying through the 'waiting list'.
2. The word 'offer' has been used to denote both the offer of a property by a social landlord to an applicant, or the offer by an applicant for a property (usually by 'bidding' in a CBL scheme).
3. The views of applicants are quoted verbatim from the transcripts of interviews of a sample of applicants carried out by BMRB.

CHAPTER 1

LETTINGS: THE STATUTORY AND REGULATORY BACKGROUND

This chapter sets out the basic statutory and regulatory framework within which local authorities and housing associations let their homes. The chapter attempts to set these out briefly, and in as plain a language as is possible in the circumstances. Therefore, the chapter does not purport to be a legally authoritative statement.

The chapter discusses:

- The statutory requirements which all local authority allocation policies must meet;
- The extent to which a ‘local connection’ may be taken into account in allocation policies; and
- The provisions for the exclusion, or suspension, of any applicant from consideration or preference.

Lettings by local authorities are governed by the Housing Act 1996, which was amended by the Homelessness Act 2002. In addition, the Welsh Assembly Government has issued a Code of Guidance² to local authorities, which they are obliged to take into account in carrying out their functions. The relevant requirements of the legislation are summarised in the Annex to this chapter.

Lettings by housing associations are not directly governed by legislation, but the amended 1996 Act states that: ‘Where a local housing authority so request, a registered social landlord shall co-operate to such extent as is reasonable in the circumstances in offering accommodation to people with priority on the authority’s housing register.’

The Welsh Assembly Government has issued a Regulatory Code³ for housing associations, setting out the key expectations which all housing associations must fulfil, including the letting of their homes, and has also issued for consultation draft Regulatory Guidance on nominations by local authorities to housing associations⁴, and on housing associations restricting access to applicants due to their unacceptable behaviour⁵.

² Code of Guidance for Local Authorities on Allocation of Accommodation and Homelessness, Welsh Assembly Government, 2003

³ Regulatory Code for Housing Associations Registered in Wales, Welsh Assembly Government, 2006

⁴ Local Authority nominations to tenancies with registered Housing Associations, Welsh Assembly Government, 2005

⁵ Access to Housing and Unacceptable Behaviour, Welsh Assembly Government, 2005

However, the legislation governing lettings and the administration of homelessness is complex, and the Public Services Ombudsman for Wales expressed concern in early 2006 that ‘ a significant number of county and county borough councils in Wales have yet to adopt housing allocations policies which fully comply with the law and which take appropriate account of the relevant statutory guidance’, and issued a Special Report containing a number of recommendations to improve compliance.⁶ The Assembly Government also undertook a review of local authority allocation schemes and issued its findings in March 2007⁷.

The statutory requirements for local authority allocation policies

The amended Housing Act 1996 contains a number of key points:

1. A local authority must have an allocations scheme for determining priorities in letting accommodation.
2. A local authority may only make allocations that are in accordance with its allocations scheme.
3. Allocations include nominations to housing associations: a local authority may only make nominations that are in accordance with its allocation scheme.
4. Local authorities must give reasonable preference to applicants falling within one, or more, of five defined categories (the ‘reasonable preference’ categories).
5. Local authorities may also have a system for determining priorities within the ‘reasonable preference’ categories, and this may include:
 - the income or savings of the applicant
 - any local connection between the applicant and the county
 - any behaviour of the applicant, or their household, which affects their suitability to be a tenant.

(The 1996 Act also, somewhat curiously, abolishes any requirement for a local authority to maintain a register of housing applicants. Since it is difficult to imagine any effective administrative procedure that could operate without such a register, this Report assumes that all social landlords will, in practice, continue to maintain a register, or ‘waiting list’, of applicants.)

⁶ Housing Allocations and Homelessness: A Special Report by the Local Government Ombudsman for Wales, Public Services Ombudsman for Wales, February 2006

⁷ Review of Local Authority Allocation Schemes (2006), Welsh Assembly Government and Shelter Cymru, 2007

‘Reasonable’ preference does not imply ‘overriding’ preference: case law suggests that the local authority may give a higher priority to other groups in the interest of the efficient management of its stock. The transfer of tenants for decanting purposes, or for underoccupation, would be typical examples where priority might be given ahead of applicants in the reasonable preference categories.

‘Reasonable preference’ is not defined in the Act, and it is for each local authority to determine this by, for example, relating preference to conditions in the local housing market, and the extent to which it is possible to meet the needs of those entitled to ‘reasonable preference’.

However, it is clear that giving ‘reasonable preference’ must be related to the availability of resources, and may not necessarily give equal results for different households. An overcrowded family, requiring a home with four or more bedrooms, may wait for a long time before a suitable dwelling becomes vacant. At the same time, social landlords may be letting ‘difficult to let’ properties, such as bedsitting rooms which have shared facilities in sheltered housing schemes, to applicants who have no reasonable preference whatever.

The Code of Guidance points out that there is no requirement to give equal weight to each of the reasonable preference categories, and that it is for housing authorities to decide how they wish to reflect these categories in their allocation scheme, provided that the scheme gives, overall, reasonable preference to all applicants in all the reasonable preference categories.

The local authority therefore has a wide discretion in designing its allocation scheme, providing that the provisions of the Act are met.

The regulatory framework for housing association allocation policies

While the only statutory requirement for housing associations in letting property is that they should, when requested by a local housing authority, ‘co-operate to such extent as is reasonable in the circumstances in offering accommodation to people with priority on the authority's housing register’, housing associations are subject to the regulatory framework established by the Assembly in its Regulatory Code for Housing Associations Registered in Wales, published in 2006.

This sets out four key expectations which the Assembly expects housing associations to fulfil in letting housing. These are:

1. Associations should ensure that people in housing need are aware of and have access to the association’s housing.
2. Associations should work in partnership with relevant local authorities on the allocation of housing.

3. Associations should have a fair selection policy and seek to achieve a balance in housing allocation between:
 - The needs and preferences of applicants and transferees;
 - The need to maximise social inclusion
 - The need to build stable communities; and
 - The need to make best use of a publicly funded resource.
4. Associations should let properties quickly and efficiently.

The Regulatory Code also sets out how associations are expected to fulfil these key requirements

Local connections

While anyone has the right to register with any local authority for housing, local authorities are entitled to give preference to people with a local connection, when deciding between applicants with a similar degree of housing need. The existence of a local connection, however, cannot give an applicant in lower housing need preference ahead of an applicant with greater housing need but without a local connection.

In the case of homelessness, there is a statutory definition of local connection. Local authorities may choose to use this definition for letting property more generally, or they may choose to develop other criteria based upon local housing conditions. In rural areas in particular, a shortage of social housing and strong locational preferences will often result in the local authority adopting both more stringent criteria for defining local connection, and rules to be applied in letting housing.

Pembrokeshire have adopted a clear set of rules to define local connection, which are set out in the leaflet for applicants which explains the Choice Homes scheme:

Can I still join the scheme if I am currently living outside of Pembrokeshire?

Customers living outside of the county can still apply to join the scheme and will be considered using the same priority bands as current residents. But due to the high demand for properties in Pembrokeshire, additional priority will be given to customers of the same priority banding who meet the following criteria.

- Customers who have lived continuously in Pembrokeshire for 12 months prior to making an application
- Customers who need to move to a specific area of Pembrokeshire to provide or receive essential support.
- Returning forces personnel with a family connection to Pembrokeshire or guaranteed permanent employment prior to discharge.

- Customers escaping domestic violence
- Customers released from prison who were resident in Pembrokeshire for 12 months immediately prior to detention
- Customers who have to move to Pembrokeshire to take up key positions, which contribute to the provision and expansion of certain industries, e.g. agriculture and public services, for which there is a shortage of local people with the necessary skills (subject to confirmation from Economic Development) and for whom social housing is the only option

It is important to note that any applicant, from anywhere in the country, who is in a 'reasonable preference' category has to be given reasonable preference ahead of any local applicant who does not fall into one of the reasonable preference categories. The Pembrokeshire scheme meets this requirement.

Therefore, in the Pembrokeshire scheme, the prioritisation of applicants at the bidding stage works as follows:

All customers who apply, and meet the criteria, for a particular property will be 'matched' according to their housing need. Priority status holders will be matched first, gold band second, silver band next and bronze band last. Customers with a local connection to Pembrokeshire will be shortlisted first within each band. If more than one household is matched in any group or 'band', then the date the application was registered will decide who has priority.

In addition, in rural areas, Pembrokeshire will advertise a proportion of properties labelled to indicate that preference will be given to applicants with a local connection.

What does it mean when properties are advertised giving a 'preference' to customers with a local connection?

Where there are a limited number of properties, a percentage of homes will be advertised giving preference to those with a need to live in a particular community where failure would cause hardship. This does not mean that customers without a connection cannot apply, but when short-listing we will first look at customers who have a strong link to that particular area. This will help to sustain our communities. We will still look at suitability before making an offer and will only make an offer if the property suits the needs of the applicant, i.e. we would not offer a single person a family sized house even if they were the only one with a local connection who applied.

Restricting access to housing on behavioural grounds

The amended 1996 Act requires local authorities to accept, and consider, applications for housing from any person⁸.

However, having registered an applicant, a local authority is entitled to suspend the applicant from any allocation, or to give them a lower priority in allocation, if the various conditions specified in the amended 1996 Act are met.

There appear to be four situations in which a local authority can take the behaviour of prospective tenants (and that of members of their household) into account in its allocations scheme. These are:

- To decide that an applicant is ineligible for any allocation of accommodation. (S160A (7))
- To decide that an applicant does not deserve to be given any preference (irrespective of whether their circumstances would otherwise entitle them to reasonable preference). (S167 (2C))
- To decide that an applicant should be given lower priority than other applicants within the reasonable preference categories. (S167 (2A(b)))
- To decide that an applicant who does not fall within a reasonable preference category should be given lower priority than other applicants. (S167 (6))

In the first two cases, the behaviour must have been of a type which would entitle the local authority to a possession order. The test is not the behaviour, but whether a court would grant a possession order. A warning letter, or a Notice of Seeking Possession, would presumably not be sufficient in these cases.

However, there is also a difference in the test which is to be applied in each of the first two cases.

In the first case, deciding that an applicant is ineligible for any allocation of accommodation, the local authority must decide that:

‘he, or a member of his household, has been guilty of unacceptable behaviour serious enough to make him unsuitable to be a tenant of the authority; and in the circumstances at the time his application is considered, he is unsuitable to be a tenant of the authority by reason of that behaviour.’

The test to be applied is that the current, or former, behaviour would have been sufficient to entitle the local authority to a possession order, and that at the time that the application is considered, the applicant is still considered to be unsuitable to be a tenant.

⁸ Local authorities may not, however, allocate housing to certain ineligible groups of people, primarily subject to various forms of immigration control.

In the second case, deciding that an applicant does not deserve to be given any preference, the local authority must decide that:

‘he, or a member of his household, has been guilty of unacceptable behaviour serious enough to make him unsuitable to be a tenant of the authority; and in the circumstances at the time his case is considered, he deserves by reason of that behaviour not to be treated as a member of a group of people who are to be given preference.’

The test to be applied is that the current, or former, behaviour would have been sufficient to entitle the local authority to a possession order, and that at the time that the application is considered, the applicant is still considered not to deserve to be treated as a member of a group of people who are to be given preference.

However, it seems clear that the objectionable behaviour must be of a lesser, or less serious, degree than that of the first case. In the first case, the behaviour must be sufficiently serious as to make the applicant ineligible for any allocation: in the second case, the behaviour must only be sufficiently serious for the applicant not to be treated as deserving any preference over other applicants in the reasonable preference categories. In the first case, the applicant is ineligible for any allocation, while in the second case the applicant remains eligible for an allocation, but without any preference over others.

It would appear that neither case could apply to an existing tenant whom the landlord is not actively seeking to evict. In such cases, reasonable preference must be given, but the behaviour of the tenant can be taken into account in determining the relative priority of the case in relation to others to whom reasonable preference must be given.

In the third case, there is no such restriction, and a wider range of less offensive behaviour may be taken into account in determining priorities among applicants to whom reasonable preference must be given.

Similarly, in the fourth case, that of applicants who do not fall within a reasonable preference category, the local authority may determine its own policy on the extent to which behaviour may be taken into account in determining priorities, having regard to the advice given in Assembly guidance.

Summary of key points and conclusions

Local authorities are required by the Housing Act 1996 to have an allocations policy, and may only let property (or nominate an applicant to a housing association) in accordance with their allocations policy.

Housing associations are required by the Housing Act 1996 ‘to co-operate to such extent as is reasonable in the circumstances in offering accommodation to people with priority on the authority's housing register’, when requested to do so by a local authority, and are required by the Assembly’s Regulatory Code to fulfil defined key expectations in letting houses.

The Assembly’s intention is that both local authorities and housing associations should operate allocations policies that result in a ‘level playing field’ for applicants.

Current legislation requires local authorities to accept applications for rehousing from any person, wherever they may be living. ‘Waiting lists’ cannot be restricted to people with a local connection, although there is a statutory definition of ‘local connection’ in the context of homelessness duties.

Local authorities must also give ‘reasonable preference’ in their allocation policies to applicants in five defined categories of need, and additional preference needs to be given to applicants falling into more than one ‘reasonable preference’ category, or who have urgent housing needs.

Local authorities may also adopt criteria for determining priorities between competing applicants within the reasonable preference categories, and these may include:

- the financial resources available to a person to meet his housing costs;
- any local connection which exists between a person and the authority's district.
- any behaviour of a person (or of a member of his household) which affects his suitability to be a tenant;

The effect is that a local connection cannot give an applicant in lower housing need preference ahead of an applicant with greater housing need but without a local connection.

Local authorities and housing associations cannot operate ‘blanket bans’ on individual applicants, or on categories of applicants, to deny them access to housing as a result of their behaviour. Social landlords must treat each application on its own merits, within the terms of the Assembly’s guidance.

Annexe: key provisions of the Housing Act 1996 (as amended by the Homelessness Act 2002) for allocation policies

This section attempts to summarise, in as plain language as is possible in the circumstances, the relevant provisions of the Housing Act 1996, after its amendment by the Homelessness Act 2002.

- 1.1. Every local authority must have an allocations scheme for determining priorities, and the procedure to be followed (including the people by whom decisions are to be taken), in allocating accommodation.
- 1.2. A local authority allocates housing accommodation when they nominate someone to be an assured tenant of housing accommodation owned by a registered social landlord. (S159 (2) (c) HA 1996)
- 1.3. 'A local housing authority shall not allocate housing accommodation except in accordance with their allocation scheme.' (S167 (8) HA 1996)
- 1.4. Every person has a right to apply to the local housing authority for an allocation of housing accommodation (S.166.1 (a) HA 1996), and the local authority has a duty to consider every application made in accordance with the allocation scheme (S166.3 HA 1996), although the local authority may not allocate accommodation to certain categories of people from abroad (S106A (3) & (5) HA 1996) or to people whom the local authority has determined are ineligible for an allocation by virtue of their behaviour (S106A (7) HA 1996). This latter category is discussed in more detail below.
- 1.5. In determining priorities, the local authority must frame its allocation scheme to secure that reasonable preference is given to applicants in five categories:
 1. homeless people (within the meaning of Part 7 of the 1996 Act)
 2. people who are owed a duty by any local housing authority under any of the following sections of the 1996 Act:
 - 190(2) eligible for assistance, homeless, in priority need and intentionally homeless
 - 193(2) eligible for assistance, homeless, in priority need and not intentionally homeless
 - 195(2) (or the equivalent sections in the Housing Act 1985) eligible for assistance, threatened with homelessness, in priority need and not intentionally homeless
 - 192(3) (as inserted by section 5 of the Homelessness Act 2002) eligible for assistance, homeless, not in priority need and not intentionally homeless, and occupying accommodation secured at the authority's discretion
 3. people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
 4. people with a need to move on medical or welfare grounds
 5. people who need to move to a particular locality in the district to avoid hardship to themselves or to others.

- 1.6. The allocations scheme may also be framed to give additional preference to people with urgent housing needs within these categories, and case law appears to have established that applicants with needs in more than one of the above categories should be given additional preference.
- 1.7. However, the local authority is not required to give any preference to an applicant if the local authority is satisfied that:
- he, or a member of his household, has been guilty of unacceptable behaviour serious enough to make him unsuitable to be a tenant of the authority; and
 - in the circumstances at the time his case is considered, he deserves by reason of that behaviour not to be treated as a member of a group of people who are to be given preference.
- 1.8. However, the behaviour has to have been of a type which would entitle the local authority to a possession order under section 84 of the Housing Act 1985 (excluding ground 8, which deals with decanting).
- 1.9. The allocations scheme may also have a system for determining priorities within the reasonable preference categories, and such a system may include:
- the financial resources available to a person to meet his housing costs;
 - any behaviour of a person (or of a member of his household) which affects his suitability to be a tenant;
 - any local connection which exists between a person and the authority's district.
- 1.10. Subject to the allocation scheme giving reasonable preference to the defined categories, the scheme may also define categories of people (whether or not they fall within a reasonable preference category) who are eligible for allocation to particular accommodation, or may allow for individual preference or choice of accommodation rather than 'allocation' by officers.
- 1.11. Subject to the provisions of the Housing Act 1996, and to any regulations made under them by the Secretary of State, the local authority may decide on what principles the allocation scheme is to be framed. (S167 (6) HA 1996).

CHAPTER 2

LETTINGS: CURRENT PRESSURES AND CHOICE IN LETTINGS

Social housing landlords, whether local authorities or housing associations, do not operate their lettings policies in a vacuum. They are subject both to a range of duties and obligations, and to uncontrollable swings in the resources available to meet housing needs and aspirations.

Local authorities have a statutory duty to secure settled accommodation for those who are homeless and in priority need. Local authorities also have a statutory duty to give 'reasonable preference' to defined categories of people, one of which is the priority homeless, in letting accommodation. In addition to meeting defined need, local authorities must also attempt to meet the desires and aspirations of applicants and existing tenants to improve their housing circumstances.

While housing associations do not have the same statutory duties, they are required, by the Housing Act 1996, to assist local authorities in meeting their obligations to people in priority need, and face similar pressures in balancing housing need and aspiration, in line with the key expectations of the Regulatory Code.

These conflicting demands are not easy to reconcile. The pressures which local authorities and housing associations experience are also subject to wide fluctuations over short periods of time. Only ten years ago, in 1997/98, local authorities in Wales made over 15,000 lettings to new tenants, less than 6% of which were to the priority homeless. Three years ago, in 2004/05, the number of lettings to new tenants had fallen by nearly a third to just over 11,000, but 30% of these were allocated to the priority homeless. At the same time, waiting lists have risen, and fewer transfers have become available for existing tenants.

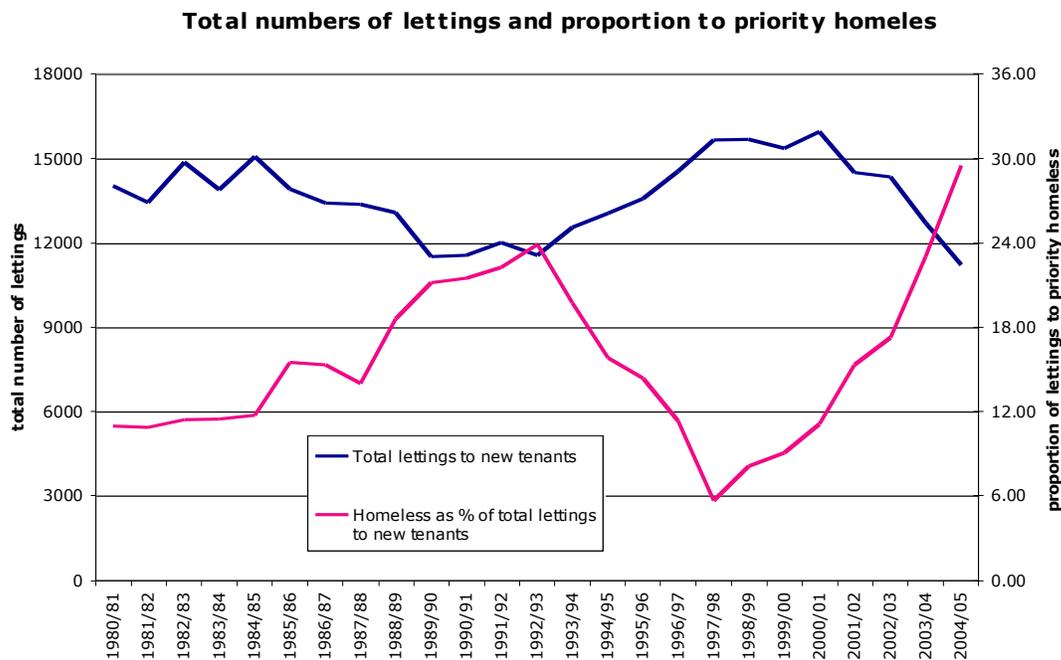
The housing situation has moved from the position in the mid to late 1990s, when an apparent 'surplus' of social housing began to emerge, with symptoms ranging from increasing numbers of 'difficult to let' properties, to whole areas of 'low demand' and to the evidence of demand such as waiting lists shrinking in relation to the annual number of vacancies, to a situation in the mid to late 2000s, of shrinking numbers of vacancies, growing demand from both waiting lists and homelessness, and the virtual disappearance of 'low demand' areas.

While social landlords must operate within the appropriate statutory and regulatory framework, they must also respond to rapidly changing housing market conditions.

The extent of change in the supply of lettings, and in the demand for them, is often not appreciated. Key changes for local authorities in Wales over the past twenty years have included:

- Lettings to new tenants fell from 15,045 in 1984/85 to 11,543 in 1992/93 (a fall of 25%), but then rose to 15,639 in 1997/98 (a rise of 35%), before falling again to 11,196 in 2004/05 (a fall of 29%).
- Over the same period, lettings to the homeless (the most acute form of demand) rose from 1,766 in 1984/85 (and 12% of new lettings) to a peak of 2,754 in 1992/93 (and 24% of new lettings), then falling to an all time low of 880 in 1997/97 (and 6% of new lettings) before rising again to 3,299 by 2004/05 (and 29% of new lettings).

The extent of these changes, and the speed with which they occur, is shown in the chart below:



The chart also shows clearly that the peaks in demand occur at the same time as the low points in the numbers of lettings available. The demand for social housing is at its highest when the supply of lettings is at its lowest.

Over the same timescale, waiting lists show a similar pattern of fluctuations. Waiting list numbers are not collected in Wales, but in England the total numbers on local authority waiting lists fell by 18% between 1992/93 and 1997/98, before rising again by 40% to 2004/05.

Tenant mobility also fluctuates, but in the opposite way: again, data are not collected in Wales, but in England the number of tenants transferring, as a proportion of all lettings,

rose by 22% between 1992/93 and 1997/98, before falling again by 35% to 2004/05. As the supply of net lettings to new tenants increases, so does the number of transfers, but as the number of net lettings falls, it becomes harder to maintain the same numbers of transfers.

This fluctuation in the proportion of all lettings allocated to transfers illustrates the practical pressures on lettings in social housing. The number of transfers achieved has no impact on the total number of net lettings. Every transfer of an existing tenant into a void property creates in turn a new void property for reletting. Nevertheless, it is clear that social landlords find it difficult, if not impossible, to maintain the number of transfers achieved in periods of increasing demand pressure, which would require an increase in the proportion of all lettings allocated to transfers. Increasing demand from homelessness and the waiting list requires an immediate response: increasing the number of transfers achieved, however desirable, results in apparent delays in reletting void properties to those in immediate need. In the case of homelessness, there is an added pressure to avoid the use, or minimise any stay, in temporary accommodation.

In practice, the decline in the number of transfers available as demand increases leads to growing dissatisfaction among existing tenants, and this is often reflected in growing casework pressure from elected councillors.

Nevertheless, there are significant differences between social landlords in the proportion of all lettings allocated to transfers. At one extreme, some landlords only achieve one transfer for every ten net voids, or roughly 10% of all lettings, while at the other extreme, some landlords achieve one transfer for almost every net void, or 50% of all lettings.

Fluctuations in supply and demand for social housing therefore result in increases, or decreases, in the choice available to applicants to improve their housing conditions.

Changes in homelessness demand

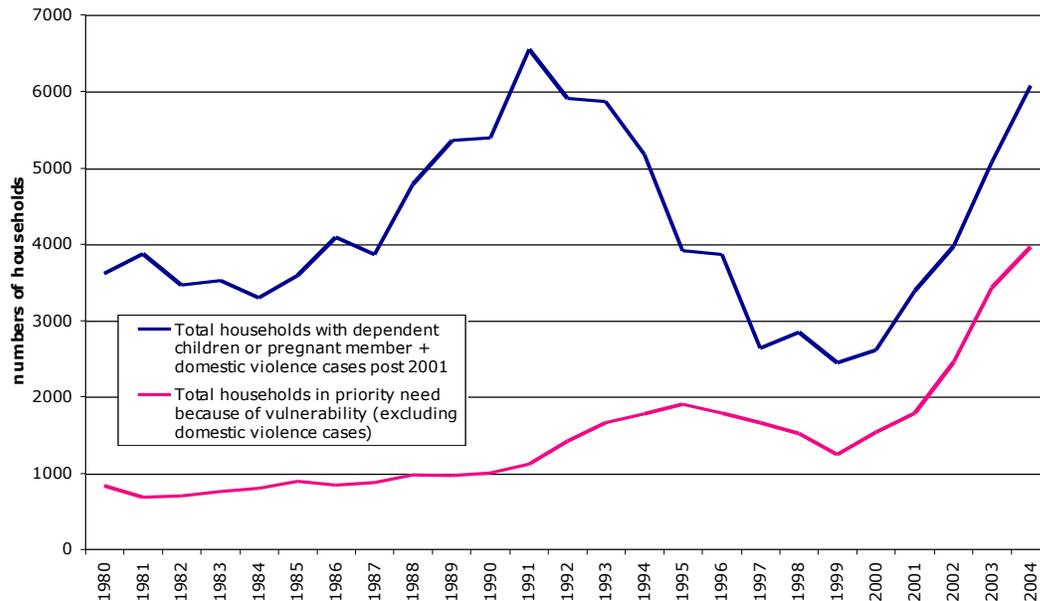
Not only does demand fluctuate in overall numbers, but also in the types of household requiring rehousing, and these changes affect social landlords' ability to respond to changing demands and needs.

The types of households among the priority homeless have changed very significantly over time, and the chart below shows the priority homeless divided into two broad groups.

- The first group are households with dependent children, or with a pregnant household member, or suffering from domestic violence. The vast majority of this group are likely to require family accommodation.
- The second group are households in priority need by reason of other forms of vulnerability. The vast majority of this group are likely to require one bedroom accommodation.

Since much of the one bedroom stock is designated for the elderly, this limits the ability of social landlords to respond to increasing demand for one bedroom accommodation.

Priority homeless acceptances by reason for priority (main groupings)



The chart shows that the demand from the first group reached its peak of 6,543 households in 1991, at the peak of the house price boom of that time. The number of households in this group then more than halved to 2,450 in 1999, before more than doubling to 6,075 in 2004, again in parallel with the rise in house prices.

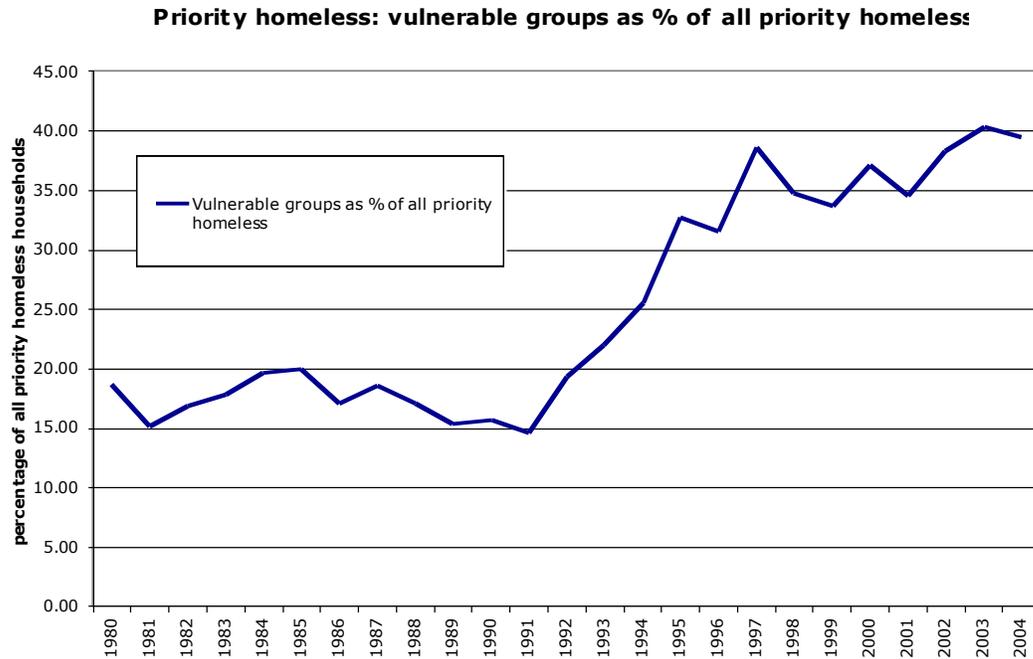
Demand from the second group rose only slowly from 1980, reaching 1,121 by 1991, before rising to 1,903 by 1995 and falling back to 1,245 by 1999. Since then, this group has more than trebled in numbers, reaching 3,965 in 2004.

However, the second group rose very sharply as a proportion of all priority homeless households between 1991 and 1995, as shown in the chart below.

Between 1980 and 1992, vulnerable households were an average of 17% of all priority homeless households. After the steep rise that occurred between 1992 and 1995, vulnerable households averaged 35% of all priority homeless between 1995 and 2001.

After 2001, and the revision to the priority need categories, vulnerable households have been an average of 39% of all priority homeless households.

While the numbers of vulnerable households have risen sharply since 2001, so have the numbers of households in the ‘family’ group. The result is that the proportion of vulnerable households has only risen by about 4% since 2001.



Implications for lettings policies

The variations in demand, from both homelessness and the waiting list, and in supply resulting from turnover in the social housing stock, suggest that allocation policies should be constructed on a ‘worst case’ scenario. A policy which is robust enough to deal with the coincidence of the peaks of demand from homelessness with the simultaneous trough in net lettings is also likely to be robust enough to deal with any trough in homelessness and any simultaneous peak in turnover and net lettings, which would allow a greater number of transfers and a greater proportion of net lettings to applicants from the ‘waiting list’.

Many social landlords operate an annual ‘lettings plan’ to guide allocations throughout the year. A lettings plan might, for instance, have a target to maintain a certain proportion of transfers to new lettings, or to maintain a certain proportion of lettings to the homeless, or to applicants in employment. Lettings plans need to take into account the variation from year to year in turnover, and hence in the number of net voids that become available for reletting. Some targets in a lettings plan, such as a target for transfers, are probably best expressed as a percentage of net voids, so that the actual numbers achieved will vary with the variations in the rate of turnover. Other targets, such as the number of priority homeless rehoused, may need to be numeric, to reflect changes in demand, and will therefore vary as a percentage of net lettings.

In the late 1990s, many social landlords in Wales were experiencing increasing problems of low demand, reflected in an increasing proportion of properties becoming difficult to let (and in some cases becoming impossible to let), with associated problems of rent loss and property deterioration.

Applicants with measurable housing need became reluctant to accept offers of relatively undesirable property, and in many cases allocations staff had to offer properties again and again, to lower and lower pointed cases, before an acceptance could be achieved. In many cases, property in low demand areas could only be let on a 'first come, first served' basis.

In these circumstances, opening up access to social housing, by the open advertising of property, appeared to be a viable option. Where effective surpluses of property had appeared, there was also a shift away from a 'rationing' approach to allocating social housing through measures of housing need towards the cruder, but simpler, queueing system of date order or waiting time.

The change in demand for social housing that has occurred in the past few years has had a significant impact on the design of CBL schemes. These have moved away from schemes based on date order, with only a Priority Card to recognise specific housing need, to introduce (or re-introduce) housing need measures.

Examples include:

- Charter HA, operating the first choice based lettings scheme in Wales, have moved from a date order system to a four band system for applicants.
- Newport CCC have moved from a three band system to one with five bands, introducing Platinum and Platinum Plus bands above the Gold, Silver and Bronze Bands.
- Swansea CCC currently operate a pilot using date order with a Priority Card: the Council has decided to extend the scheme city wide, but using housing need points.

Among the eleven social landlords with a CBL scheme covering the whole of their stock, only United Welsh HA retain a date order system.

An alternative reaction to the increasing demand for social housing was that of Glamorgan and Gwent HA (now Linc-Cymru), which reverted to a 'traditional' allocation scheme when it became possible to let less desirable properties without incurring the costs of open advertising of vacancies.

Summary of key points and conclusions

Local authorities and housing associations must not only meet the various statutory and regulatory requirements in letting houses, but their lettings policies must also be robust enough to respond to rapidly changing patterns of demand. They also need to have a process for regularly reviewing the impact of the policy on meeting local strategic objectives.

Only ten years ago, in 1997/98, local authorities in Wales made over 15,000 lettings to new tenants, of which only 880, or less than 6%, of which were to the priority homeless. Three years ago, in 2004/05, the number of lettings to new tenants had fallen by nearly a third to just over 11,000, but nearly 3,300, or 30%, of these were allocated to the priority homeless. At the same time, waiting lists have risen, and fewer transfers have become available for existing tenants.

The evidence shows that there is a cycle in social housing, in which the peaks in demand occur at the same time as the low points in the numbers of lettings available. The demand for social housing is at its highest when the supply of lettings is at its lowest.

Not only has there been a very significant increase in the demand for social housing, especially seen in the rise in the numbers of lettings to homeless households, but there has also been a noticeable shift in the types of households requiring rehousing. There has been a significant increase in the numbers of households that are not only homeless, but vulnerable, at first in the period between 1992 and 1995, and then from 1999 onwards.

While the numbers of vulnerable households have risen sharply since 2001, so have the numbers of households in the 'family' group. The result is that the proportion of vulnerable households has only risen by about 4% since 2001.

In the late 1990s, many social landlords in Wales were experiencing increasing problems of low demand, reflected in an increasing proportion of properties becoming difficult to let (and in some cases becoming impossible to let), with associated problems of rent loss and property deterioration. In these circumstances, opening up access to social housing, by the open advertising of property, appeared to be a viable option. Where effective surpluses of property had appeared, there was also a shift away from a 'rationing' approach to allocating social housing through measures of housing need towards the cruder, but simpler, queueing system of date order or waiting time.

The change in demand for social housing that has occurred in the past few years has had a significant impact on the design of CBL schemes. These have moved away from schemes based on date order, with only a Priority Card to recognise specific housing need, to introduce (or re-introduce) measures of housing need.

Among the eleven social landlords with a CBL scheme covering the whole of their stock, only one, United Welsh HA, now retains a date order system.

CHAPTER 3

CHOICE BASED LETTINGS SCHEMES IN WALES: A REVIEW

There are now eleven CBL schemes in Wales which cover the whole stock of the main landlord, or (in the case of Swansea CCC) where a decision has been taken to extend the scheme to the whole stock. In seven of these, the local authority is the principal, or only, partner. Two of the schemes have been developed by housing associations (Charter HA and United Welsh HA) for their own stock, and in the third case Newydd HA, a partner in the HOMES4U scheme in the Vale of Glamorgan, has developed a scheme for the remainder of its stock.

In the eleventh case, that of Pembrokeshire HA, the housing association is effectively letting all its properties as a partner in the choice based scheme in Pembrokeshire.

An increasing number of housing associations are now partners in local authority led CBL schemes in Pembrokeshire, the Vale of Glamorgan and Torfaen.

This chapter reviews the key features of each scheme in turn, in order to give an overview of the range of schemes currently in operation. The chapter concludes by looking at a number of other experiments with choice, or feasibility studies, which have been undertaken in recent years.

For ease of reference, website addresses⁹ are given for each scheme.

1. Charter HA

Website: <http://www.charterbychoice.co.uk/public/default.aspx>

Charter HA was the first social landlord in Wales to introduce a CBL scheme. The original scheme design ranked bidding applicants in date order. A Priority Card was used for urgent cases, but the Priority Card did not override other bids on the most desirable 20% of properties.

The scheme proved successful and increasing demand, resulting in longer waiting lists, led Charter to redesign the scheme in 2006 to use housing need bands.

⁹ Correct at March 2007

Scheme design

The scheme is split into three groups. Applicants (as distinct from nominations or transfers) are banded into four bands as follows:

Urgent Priority

- Applicants with mobility issues, very overcrowded and in unfit property. Customers will retain urgent priority for 13 weeks after which their circumstances will be reviewed

High Priority

- Applicants overcrowded, in temporary accommodation, needing to give or receive support, fleeing violence, living in a boat, car, tent, shed etc, have to leave a private tenancy, key workers.

Medium Priority

- Applicants who are private tenants, living with family/friends, living in a static caravan. in tied accommodation.

Low Priority

- Tenants of another council, tenants of another housing association and owner occupiers.

Existing Charter tenants are banded into three bands, as follows:

Urgent Priority

- Customers who have been awarded priority on management grounds – usually violence, hate crime/harassment or discrimination. Also for people who are under-occupying or are overcrowded by at least 2 beds

Gold Service Members

Non Gold service Members

- Membership of Gold Service is completely free. Even if you have arrears you can still qualify by keeping up an easy and affordable repayment plan which we can tailor to your individual circumstance.

(Gold Service is the reward scheme for tenants operated by Charter HA.)

Local authority nominations are allocated to a separate Nominations Band, and allocated separately.

Vulnerability

Applicants can register by completing an application form, either on paper or online, or by telephone.

Scheme leaflets have the phrase “If you need this information in your own language or information on any of our other services please contact us and we will be happy to help.” in Welsh, Chinese, Arabic, Somali and Urdu.

In addition to the standard advertising methods, Charter also supply applicants with a support worker or a disability with flyers free of charge, and can arrange for their system to make automatic bids on behalf of applicants if necessary.

Advertising

Properties are advertised on a 7 day cycle, on the scheme website, by a telephone Property Line, in a wide range of locations such as libraries, council and housing association offices, community centres and houses, and by flyer (a nominal charge is made to cover costs of postage).

The advertisement indicates whether a property is available to transfers, general applicants, or to local authority nominations.

Bidding, shortlisting and letting

Applicants can make up to four bids in each cycle. Applicants may refuse two properties, but a third refusal will result in the applicant having to re-apply, and thereby receiving a new registration date within their band.

Successful applicants (other than existing social tenants) will be offered a Starter Tenancy, converting to an Assured Tenancy after twelve months.

Feedback

Feedback is available showing the property address, the band and date of registration of the successful applicant, and the number of bids received on each property.

2. Merthyr Tydfil CBC

Website:

<http://www.merthyr.gov.uk/Home/Local+Services/Housing+Services/Choice+Based+Lettings/default.htm>

The scheme (Tai Dewis, or Housing Choice) was introduced in September 2006.

Scheme design

The scheme is based on housing need bands, described as follows on the scheme website:

Emergency Card

- You have multiple gold band needs and require moving as a matter of urgency (additional preference)
- You have an emergency need to move which has been determined by the Rehousing Social Circumstances Panel

Priority (Gold Band)

- You are statutorily homeless and there is a duty to re-house you
- You are statutorily overcrowded or your property has been determined as unsatisfactory or unfit by an Environmental Health Officer
- You have been awarded medical or social priority

Urgent (Silver Band)

- You are overcrowded by at least one bedroom
- You are a family with children under 10 living in a first floor flat or above
- You need to move closer to a relative to either provide or receive essential support to assist with day-to-day living
- You have official 'access' to children who are living with a former partner
- You fall within the scope of our move-on strategy
- You are living with family or friends and are sharing facilities
- You are not living with your spouse/partner and children but you want to live with them
- You are a key worker and have been offered a full-time job in the County Borough
- You have experienced a relationship breakdown and you want to live separately from your spouse/partner
- You are prepared to trade down your property from a three bedroom or larger family home to a one or two bedroom flat or bungalow
- You have minor medical needs that affect your ability to occupy your current home
- You are undergoing extensive building works to your property which has been grant funded, and you require temporary accommodation for a limited period

All other groups (Bronze)

- Your home is currently of the right size to meet your needs

Emergency and Gold Band cases are reviewed every 13 weeks, 'to ensure that they still remain a priority for rehousing'.

Vulnerability

Applicants with medical conditions must complete a Health and Support Needs form.

Cases assessed as serious are placed in the Gold band. Applicants experiencing harassment need to provide independent evidence from the South Wales Police. This evidence is then considered by a Rehousing Circumstances Panel, which decides whether any priority should be awarded.

Advertising

Properties are advertised on a fortnightly cycle on the scheme website and by leaflets available at local offices. Applicants from outside the County Borough are charged a small subscription to cover postage costs.

Property labelling gives basic details of the accommodation and rent, with few restrictions other than for accommodation for people aged over 55. Properties are also labelled for each band: a typical advertisement might contain three properties for Gold band, ten for Silver band and two for Bronze band.

Bidding, shortlisting and letting

Applicants may make three bids in each cycle, by Freephone or by text messaging, by coupon (blank coupons are supplied with the registration pack), or by eForm on the website.

Feedback

Feedback on previous lettings is available in the property advertisements, giving the band of the successful applicant, their date of registration, and the number of bids for the property.

3. Neath Port Talbot

Website: <http://www.neath-porttalbot.gov.uk/homesbychoice/index.cfm>

The scheme is operated by Neath Port Talbot CBC, without any partners.

Scheme design

The scheme is a 'traditional' housing needs points scheme, although the Council was consulting on an updated revision of the points scheme in early 2007.

Vulnerability

The general scheme information leaflet is available in Welsh, large print, Braille, and on tape or computer disk, although the Application Form is only available in Welsh in addition to English.

The Application Form asks for brief details of any medical condition (a separate Medical Assessment Form is then required) or social factors (a separate Social Assessment Form is then required). Social factors are defined as:

Briefly, this section concerns applicants who, for example: need to give or receive support from relatives or friends for specific reasons; need to end or move away from unpleasant associations which affect an applicant or his/her family; need children to live near a special school or facility; environmental problems i.e. noise, pollution, harassment. **SUPPORTING EVIDENCE WILL BE REQUIRED** (e.g. Confirmation from Social Services, Education Department, Police or any other organisation.)

The Application Form also asks for details of any Police caution, pending court proceedings, or unspent court conviction, of whatever type, against the applicant or any member of their household.

Advertising

Properties are advertised on a monthly cycle.

All available vacancies are advertised. Homes By Choice advertisements are sent by post each month to registered Homes By Choice Scheme members. Advertisements are also placed at the Pontardawe One Stop Shop, Neath and Port Talbot Civic Centres, local Post Offices and G.P. surgeries, public libraries, community centres, all Local Authority owned public buildings within the locality and some local shops and businesses. Available vacant homes are also advertised on the Council's website.

Bidding, shortlisting and letting

Applicants may make five bids per month. Bids can be made by coupon, posted or delivered to housing area offices, or by email or through the website. Telephone bids are not accepted.

Shortlisting is in points order, with date of registration used if two bids have the same number of points.

Successful applicants may refuse up to three offers of properties. After three refusals, an applicant may be suspended from further bidding for three, six or nine months, at the decision of the Head of Housing Services.

Feedback

Feedback is given in the monthly advertisements, showing the number of bids received for each property and the points level, in bands, of the successful applicant.

4. Newport CBC

Website:

http://www.newport.gov.uk/_dc/index.cfm?fuseaction=housing.council&contentid=CON T092925

Newport CBC ran a pilot CBL scheme from November 2004, covering roughly one third of the city. The scheme proved successful, and the Council has extended the scheme to whole city from early 2007. The scheme covers Council homes only.

Scheme design

The pilot scheme was based on three housing need bands, with Band 1 having priority status, but the citywide scheme has now adopted a five housing need band structure.

The five bands are:

Platinum Plus: exceptional circumstances

Platinum: applicants with more than 2 Gold Band needs, homeless with more than 16 weeks in TA, decants, 'bed blocking' cases and disabled applicants

Gold: applicants with additional preference, statutory overcrowding, priority homeless, medical and hardship cases

Silver: other reasonable preference not included in Gold Band

Bronze: no reasonable preference

Applicants placed in the Platinum or Platinum Plus bands have additional priority for six weeks, while applicants placed in the Gold Band have additional priority for eight weeks.

Vulnerability

The property advertisements use a number of symbols to give key information such as number of bedrooms, adapted property, or 'no pets'.

Advertising

In the pilot scheme, advertising leaflets were mailed to all applicants, but in order to save costs, the citywide scheme will be advertised in local newspapers, at local offices, on the website and by email.

The property advertisements give basic property information, but also give a definition of the household types considered eligible for the particular property. Typical examples are:

2 bed first floor flat. Approx: £56.22 per week
Suitable for: Pregnant single person, parent with overnight access, couple, single person age 60+ or parent/s with 1-2 children

1 bed ground floor flat with 1 or 2 steps. Approx:£51.85 per week
Suitable for: Single person, pregnant single person or couple. Preference to age 60+ & medical (approved for ground floor).

Bidding, shortlisting and letting

Bidding is by coupon attached to each advertisement.

Applicants in the Platinum Plus, Platinum or Gold bands are shortlisted in the order of the date that additional priority was awarded. Applicants in the Silver and Bronze bands are shortlisted in order of the date that they were registered on the Council's Housing Register.

Applicants may refuse two offers before their application is deferred for a twelve month period.

Feedback

Feedback is given in each advertisement, covering both properties let from the previous advert, and any earlier lettings not previously reported. The feedback gives the band of the successful applicant, their date of registration, and the number of bids received for each property.

5. Newydd HA

Website: http://www.cadarn.co.uk/vhc_site/index.htm

Newydd HA (a member of the Cadarn Group) is a partner in HOMES4U, the scheme managed by Vale of Glamorgan CC, and following the success of HOMES4U has introduced a similar scheme covering the remainder of its stock in the Valleys. This is mainly located in Rhondda Cynon Taf, with some 68 units in Neath Port Talbot. The scheme was introduced in April 2006 for an initial twelve month period, to be followed by a review.

Scheme design

The scheme uses housing need bands, with a priority card. The housing need bands are as follows:

Priority Card

- You have been accepted as statutorily homeless by the Council
- You have more than one gold priority need

Gold Band: Priority Housing Groups

- You have been accepted as Priority Homeless by the Council and have been awarded a Priority Card.
- You are statutorily overcrowded or live in accommodation which has been deemed unfit for human habitation.
- You have been assessed by the Valleys Home Choice Lettings panel and have been awarded a medical priority.
- You are a Newydd tenant and under-occupy your current home.
- You have the right to succeed to a Newydd tenancy following the death of an existing tenant, but you are required to move to a more suitable property.
- You are residing in a supported housing project and are ready to move on to independent accommodation. (This will require proof from the support provider).
- You are taking over childcare arrangements for a child/children that are in the care of Rhondda Cynon Taff CBC and your existing accommodation is not suitable for the newly formed household.
- You are a current tenant of the Association and need to transfer under an approved re-designation or regeneration programme.
- You have been awarded a priority for re-housing by the Valleys Home Choice Lettings Panel on welfare or social grounds.

Silver Band: Urgent Housing Groups

- You are lodging with friends and family and sharing facilities in your current home.
- You do not live with your family (spouse/partner/children) and you want them to live with you.
- You have a child under 10 and live in a flat above ground floor (without a lift).
- Your relationship with your spouse/partner has broken down and you want to live separately.
- You are overcrowded by at least one bedroom in your current accommodation.
- You are a key worker and have been offered a full-time job in Rhondda Cynon Taff and need accommodation under a recognised key worker scheme.

Bronze Band: All Other Groups

- You are a tenant of a Council or housing association and have sufficient sized accommodation for your needs.
- You are an owner occupier or live in a private rented home which has the right facilities and is of sufficient size to meet your needs.

- All other applicants not included in any of the Priority Band Groups.

Local authority nominations are awarded Gold card status, and if statutorily homeless, a Priority Card. Nominations are then able to bid for the property of their choice.

Vulnerability

The Application Form for the scheme contains questions on medical condition and support needs. These are then substantiated by further detail on a separate medical and support questionnaire.

The advertisement leaflets are mailed to a range of support agencies, and to the Housing advice Centre in Rhondda Cynon Taf.

Advertising

At present, the property advertisement is mailed direct to applicants on the waiting list who want a property in the Valleys. Newydd intend to develop the website to include property advertising in the future.

Bidding, shortlisting and letting

Applicants may bid for as many properties as they wish by telephone or email. Coupons are not used. There is no penalty for refusing an offer, but there had only been two refusals in the first twelve months of operation.

6. Pembrokeshire

Website: <http://www.choicehomespembrokeshire.org/>

Pembrokeshire CC initially ran a pilot CBL scheme, in conjunction with Pembrokeshire HA, covering 10% of the lettings of both landlords.

The pilot proved successful, and was extended in 2006 to cover 100% of the stock of Pembrokeshire CC and Pembrokeshire HA, and the stock in Pembrokeshire owned by CT Dewi Sant and CT Cantref.

Scheme design

The scheme is based on housing need bands, described as follows on the scheme website:

- Bronze band
- Silver band
- Gold band

- **Priority status**

The assessment is made only on the basis of the information you provide on your application form. Within each 'band' you will be placed in date order, as to when your application was received.

Bronze band - customers who want to move because of personal preference, rather than because they have a pressing financial, welfare or medical need.

Silver band - customers who have some need to move but who can generally manage within their current homes, such as customers in private rented accommodation or with a medical condition that would be alleviated by moving.

Gold band - customers for whom moving is essential, such as homeless customers or those lacking basic amenities.

Priority status - priority status will be given to some customers. This will give them preference over bronze, silver and gold band customers. Priority status will only be given to customers with a local connection to Pembrokeshire and where they meet the following criteria: where a statutory homelessness duty is identified; Customers referred by social services due to leaving care, move on accommodation or supported housing, customers unable to return home after leaving hospital due to their medical condition or displaced agricultural workers (under the Rent Agriculture Act 1976). A time limit applies.

For priority card holders in temporary accommodation in B&B, the priority card is backdated by 6 months.

The scheme aims to issue priority cards to some 16 and 17 year olds and to forces, prison or hospital discharges at least 28 days prior to homelessness or discharge.

Vulnerability

The application form has questions concerning disability, medical condition, support from other agencies and whether help is required in bidding for properties.

Training sessions are held with housing staff, Social Services and voluntary sector groups including Shelter and Mind.

The scheme is advertised on Pembrokeshire Radio, the local community radio, which is regarded as the most appropriate way to contact people with poor literacy.

Advertising

All properties are included in the scheme, including sheltered housing and housing adapted for the disabled. Occasional properties may be let directly, such as decants or specifically adapted properties.

Properties are advertised on the scheme website, and on the Pembrokeshire HA website, in housing partner offices (including Pembrokeshire County Council customer service centres/area offices) and in the Western Telegraph newspaper. The Western Telegraph gives county wide coverage, and a favourable advertising rate has been agreed to reflect the community importance of the scheme.

Bidding, shortlisting and letting

All applicants may make three bids in each cycle. Priority card holders in temporary accommodation, including B&B, must bid within 3 advertising cycles, before being made 1 'discharge of duty' offer, while 'sofa surfers' must bid within 6 cycles before being made 2 'discharge of duty' offers.

Bids can be made via the website, or by coupon.

Shortlisting is carried out according to the following criteria:

All customers who apply, and meet the criteria, for a particular property will be 'matched' according to their housing need. Priority status holders will be matched first, gold band second, silver band next and bronze band last. Customers with a local connection to Pembrokeshire will be shortlisted first within each band. If more than one household is matched in any group or 'band', then the date the application was registered will decide who has priority.

Applicant details (including any rent arrears) are checked at the shortlisting stage.

Bids from priority card holders will not override bids from other applicants if more than 100 bids are received on a particular property.

The successful applicant is then offered the property, and if the property is accepted, a formal offer and sign up takes place.

Feedback

Pembrokeshire CC does not provide feedback on the scheme website, but Pembrokeshire HA provides feedback on bidding outcomes on its website for its own properties.

7. Swansea CCC

Website: <http://www.swansea.gov.uk/index.cfm?articleid=6305>

Swansea CCC has operated a pilot CBL scheme in the Eastside Housing Area of the city, covering about 1300 properties, or about 8% of the council's housing stock, since February 2002.

The scheme has proved successful, and the Council has taken a decision to expand the scheme citywide, but this has been postponed until the outcome of the proposed stock transfer is known.

Scheme design

The pilot scheme is a date order scheme, with a Priority Card, although the proposed citywide scheme is intended to use the Council's housing need points scheme.

Vulnerability

The scheme guidance leaflet offers the option of providing information in alternative formats such as large print, Braille, on disc or in another language.

Advertisement leaflets can be sent to c/o addresses, or to support workers, if required.

Advertising

Properties are advertised weekly, in a leaflet mailed to applicants who have expressed an interest in Eastside, on the website and at housing area offices. The brochure is only mailed out to an applicant if that issue contains properties for which they are eligible.

Bidding, shortlisting and letting

Applicants may bid for up to two properties in each advertisement. Bidding can be by coupon, returned either by Freepost or by hand to a housing area office, by telephone, or by email.

Shortlisting is by date order within Priority Card applicants, if any, and then by date order among other applicants. The successful applicant is then invited to an interview at the Eastside District Housing Office, where verification and eligibility checks are made, and arrangements made to view and sign for the property.

Applicants may refuse an offered property without penalty.

Feedback

Feedback on previous lettings is given in the advertising leaflet, showing the type of property (3 bed, etc), the street in which the property is located, the number of bids received, the date of registration of the successful bidder, and whether the successful bidder was a tenant or applicant.

8. Torfaen

Website: <http://www.torfaen.gov.uk/en/living/index.php/mid=1558~sect=>

The scheme is operated by Torfaen CBC in conjunction with Eastern Valleys HA and Gwerin HA.

Scheme design

The scheme is best classified as a two band scheme. Lettings are divided 50:50 between Priority Card holders and date order applicants. This effectively creates a two band scheme, with date order discriminating between competing applicants within each band. Priority cards are essentially issued to all applicants within the 'reasonable preference' categories, and under occupiers in high demand areas who are prepared to move to a property with two fewer bedrooms.

The scheme is described on the website in the following terms:

Properties are let in date of registration order, except in cases where a priority card has been used. These properties are clearly indicated on the Homefinder Property Brochure. A priority card is issued for the following reasons:

- Homeless – you are currently homeless or likely to become homeless within the next twenty eight days;
- Medical/Disability – your present accommodation severely affects your state of health and your quality of life will be greatly improved by moving to more suitable accommodation;
- Disrepair – your present property is facing demolition, a compulsory purchase order or a closing order;
- Overcrowding – your current home is too small for you/your families needs. This will be assessed via statutory guidelines as described within the 1985 Housing Act
- Vulnerable – you need to move due to harassment/domestic violence/abuse.

Priority cards are valid for eight weeks, during which time priority card holders must bid for properties restricted to the location and type of accommodation to which they are entitled.

Vulnerability

The scheme Registration Form lists the Priority Card categories (adding underoccupation as a category) and invites applicants 'affected by any of these' to give a further brief description. Further assessments are then carried out by housing staff.

Applicants can opt to have the Homefinder advertisement leaflet sent to them by post.

Advertising

Properties are advertised on a fortnightly cycle, on the website and in leaflet form.

Properties are grouped by landlord, and labelled to indicate whether preference will be given to Priority Card holders or to General Homefinders. Properties adapted for the disabled, and sheltered housing, are grouped separately, and are only available to applicants requiring that form of accommodation. Age limits are not specified in the advertisements for sheltered housing.

Bidding, shortlisting and letting

Applicants can make up to four bids by coupon, returnable by post or by hand to 'ballot boxes' in housing offices.

Shortlisting is by date order in both Priority Card and General Homefinder categories.

Feedback

Feedback is not given on the property leaflets.

9. United Welsh HA

Website: <http://www.uwha.co.uk/Homes/homes.html>

Apart from Charter HA, United Welsh HA is the only other housing association to operate its own 'stand alone' choice based lettings scheme.

Scheme design

The scheme design is a date order scheme, with a Priority Card.

Priority Cards are issued in the following circumstances:

- To people who have been nominated to us by a local authority as unintentionally homeless and in priority need
- To people with severe mobility problems whose current housing makes this worse
- To those needing to move away from a violent situation
- To people needing police protection who are referred to us by the police
- In exceptional circumstances – for example when one of our tenants needs to move out while we carry out essential repairs to their home

Priority Cards automatically expire after three months, and holders must use the card to bid for the first home advertised which matches their needs. If this is not done, the card is cancelled.

Vulnerability

Scheme literature advises that:

We are able to provide information in other formats including large print, audio tape or an alternative language. Please contact United Welsh for further assistance – Tel: 029 20858100 or E-mail: tellmemore@uwha.co.uk

The United Welsh website contains a link to Language Line, although only on one page (<http://www.uwha.co.uk/Homes/homes.html>)

The Application Form contains a page of questions dealing with support needs and support received.

Advertising

Properties are advertised on a fortnightly cycle. The property advertisements give basic details of the property. The details also indicate, for each property, whether preference will be given to a transfer, or to a council nomination, or to the general waiting list.

Bidding, shortlisting and letting

Applicants may make up to two bids in each cycle, by telephone, email, visit or by posting a coupon.

Shortlisting is by date order, including date order between bids from Priority Card holders, following verification checks.

Feedback

Each advertisement includes a feedback section showing the number of applications received for each home advertised and the registration date of the successful applicant.

10. Vale of Glamorgan

Website: <http://www.valeofglamorgan.gov.uk/living/housing/homes4u.aspx>

The scheme is operated by Vale of Glamorgan CC in conjunction with Newydd HA and Wales and West HA.

Scheme design

The scheme is based on housing need bands and an Emergency Card.

Gold Band: Priority Housing Groups

- You have been accepted as statutorily homeless by the Council - **Priority Card**.
- You are either statutorily overcrowded or live in private rented accommodation that has been declared as unfit for human habitation as determined by an Environmental Health Officer.
- You have been assessed by the HOMES4U Lettings Panel and awarded a medical priority for rehousing.
- You are a tenant of the Council or Newydd and under-occupy your current accommodation.
- You are a tenant of the Council or Newydd Housing Association and must transfer under an approved re-designation or regeneration programme.

Silver Band: Urgent Housing Groups

- You are lodging with friends and family and sharing facilities in your current home.
- You do not live with your family (spouse/partner and children) and want to live with them.
- You are a Key Worker who has been offered a full-time job in the Vale of Glamorgan and need accommodation.
- You have a child under 10 and live in a flat above ground floor level (without a lift).
- You need to move closer to give or receive essential support/care services to assist you/your family with day-to-day living.
- Your relationship with your spouse/partner has broken down and you want to live separately.
- You are overcrowded by at least one bedroom in your current accommodation.

Bronze Band: All Other Groups

- You are a tenant of the Council or housing association and have sufficient sized accommodation to meet your needs.
- You are an owner occupier or live in a private rented home which has the right facilities and is of sufficient size to meet your needs.
- All other applicants not included in any of the Priority Band Groups.

HOMES4U Emergency Card

- Where a HOMES4U member with multiple Gold Band priorities needs to move as a

matter of urgency, then the HOMES4U Lettings Panel will be able to issue an Emergency Card.

- Emergency Cards will run for a period of 26 weeks and will be restricted to only those cases that require **immediate rehousing**.
- Emergency Cardholders will over-ride all other applicants when bidding for housing.
- At the end of the 26 weeks the emergency card, as with Gold band membership, will be reviewed to ensure only those who remain a priority for rehousing continue to be given priority.

Vulnerability

The Application Form lists the main ‘reasonable preference’ categories, and other circumstances such as separated or separating households, and asks the applicant to supply additional details.

Applicants with a medical condition must complete a separate medical questionnaire, while applicants experiencing harassment must produce written evidence from an independent body such as the police or Council.

Advertising

Properties are advertised on a fortnightly cycle, in three local newspapers, by leaflet available at Council or Newydd and partner voluntary sector agencies offices, by telephoning the HOMES4U hotline, or on the scheme website.

Advertisements indicate the landlord of the property, basic property details and any occupancy restrictions such as minimum age or ‘no pets’.

Bidding, shortlisting and letting

Applicants may make as many bids as they wish each fortnight, by coupon, telephone or email, stating an order of preference if bidding for more than one property.

Feedback

Feedback is given in the fortnightly advertisement showing previous lettings, the number of bids received, the band of the successful applicant and their date of registration.

Choice Based Lettings schemes with limited coverage

Clwyd Alyn HA (a member of the Pennaf Group) operates a choice based lettings scheme covering some 300 flats in West Rhyl. West Rhyl Ward is the most deprived ward in

Wales, and serious problems of lettability, high turnover (30-40% per annum) and social problems were being experienced.

The scheme began as a pilot in 2003, using a simple date order system, and proved successful in letting property and reducing turnover and social difficulties. The scheme has continued, but now using a housing needs points system.

Other experiments with Choice Based Lettings

One housing association which previously operated a CBL scheme, Glamorgan and Gwent (now Linc-Cymru), subsequently decided to revert to a traditional allocations approach. The association had introduced a CBL partly as a response to low demand in the remoter valleys. The association had previously used a mailout to all registered members to advertise vacancies. Following the rise in demand for social housing over the recent past, the Board took the view that this expenditure could be cut by reverting to a traditional allocation scheme, without leading to a rise in refusal rates.

One other housing association, North Wales, had commissioned a feasibility study for increasing choice in lettings in 2002/03¹⁰, but decided not to proceed. Again, the relative costs of advertising across a widely dispersed area, but one in which customers' locational preferences were very marked, were felt to be disproportionate.

The lettings scheme operated by Merthyr Tydfil HA

In addition to the schemes reviewed above, Merthyr Tydfil Housing Association (MTHA), operates a lettings scheme which has some of the features of a CBL scheme. The key features of the scheme are described below.

MTHA changed its allocation scheme in 2001 from a points based scheme to one "based on the principle of 'Choice'". MTHA is a small housing association, with a stock of just under 1,000 homes, and lets about 125 properties each year. Instead of the former points scheme, the Board of Management of the association now set categories and targets for its allocation scheme each year. In 2004/05, these were:

Categories:	Percentage of lettings
Local authority nominations	50
MTHA Housing Register	25

¹⁰ Choice in Lettings Study, Dr. T. Brown, Centre for Comparative Housing Research, De Montfort University, North Wales Housing Association, 2003

Transfer requests from MTHA tenants	14
Supported Housing	10
HOMES nominations	1
Other	1

Targets:

People who are homeless (nominations)	5
People from ethnic minority groups	1
People requiring support accommodation and move on	10
People who are working	20
People who are unemployed	40
People who are sick or disabled	15
People who need to give or receive support	15

(Neither the Categories nor the Targets sum to 100)

All vacant properties are advertised weekly in the Merthyr Express and in the association's office. The purpose of advertising appears to be to raise awareness of the association, and to encourage potential customers to register on the waiting list. This has clearly been successful, with the waiting list expanding from 300 to 900 since the scheme was introduced.

Each vacant property is allocated to a Category and Target in order to meet the lettings plan. A shortlist of the five applicants in that Category and Target group with the earliest registration dates is generated by computer, and the five are then invited to view the property. If more than one of the five is interested, the property is offered to the one with the earliest registration date. In certain circumstances, where the applicant has urgent housing or related needs, a 'wild card' is issued, which gives that applicant priority over all other applicants. In 2004/05, 9 'wild cards' were issued, and 5 'wild card' holders were rehoused.

The scheme is an amalgam of some of the principles of choice (all applicants can see which properties have become available for letting) with those of a traditional allocation scheme (properties are only offered to a pre-determined shortlist). There is no process of bidding (except where more than one member of the shortlist is interested), and applicants cannot select the properties in which they wish to express interest (they can only accept or refuse properties for which they have been shortlisted).

The generation of a shortlist of five, to whom the vacancy is offered simultaneously, appears to offer greater choice to the landlord: the chances that one out of the five will accept shortens the offer period and therefore reduces the void period.

Summary of key points and conclusions

The Table below summarises the key features of each scheme, based on the publicity information available for each scheme. Other services maybe available, but individual applicants would have to enquire in person in order to find out.

		Charter HA	Merthy Tydfil CBC	Neath Port Talbot CBC	Newport CBC	Newydd HA	Pembrokeshire CC	Pembrokeshire HA	Swansea CCC	Torfaen CBC	United Welsh HA	Vale of Glamorgan
Scheme design												
	Housing need points			●								
	Housing need bands	●	●		●	●	●	●		●		●
	Waiting time							●			●	
Vulnerability												
	Self identification of need	●	●	●	●	●	●	●	●	●	●	●
	Information to support worker	●				●						
	Information in:											
	Range of languages	●	●	●		●	●		●	●	●	●
	Large point	●			●			●	●		●	●
	Braille							●				
	Tape / disc							●			●	
	Use of symbols				●							
Advertising												
	Brochure	●	●	●		●			●	●	●	●
	Newspaper				●		●	●				●
	Website	●	●	●	●		●	●	●	●	●	●
	Telephone	●										●
	Radio						●					
Bidding												
	Visit to office	●	●	●		●			●	●	●	●
	Telephone	●	●			●		●	●		●	●
	Coupon		●	●	●		●	●	●	●	●	●
	email					●		●			●	●
	Text message		●									
	Website	●	●	●			●	●				

It should be noted that in many cases that under 'range of languages', the only language offered other than English is Welsh.

CHAPTER 4

THE DESIGN OF CHOICE BASED LETTINGS SCHEMES

No social landlord is in a situation in which there is an excess of property available for any potential customer, and no landlord possesses a stock of homes of equal attractiveness or in equally desirable locations. There is always likely to be competition between applicants for the more desirable property in the more desirable locations. In these circumstances, every landlord needs to select a mechanism for deciding which applicant to prioritise.

Local authorities have a statutory duty to secure accommodation for the homeless, and in letting property, whether in their own stock or by nomination to a housing association, and they must have an allocations policy that gives reasonable preference to the homeless and to the other defined categories of housing need.

Housing associations do not have the same statutory duties, but those in receipt of public funds are expected to follow the guidance on allocations and nominations issued by the Assembly Government.¹¹

The principles of scheme design in Choice Based Lettings

Four basic approaches to prioritising between competing claims have evolved. These are:

1. Housing need points
2. Housing need 'Bands'
3. Date order
4. Social priority

All the CBL schemes in Wales have chosen one of the first three of the four approaches.

Very few CBL schemes in the UK have used the social characteristics of potential tenants as a deciding factor. The only scheme to use this approach on any scale is that operated by Sunderland Housing Group (the LSVT housing association established by Sunderland Council in England). In this scheme, all applicants in the 'reasonable preference' categories, including the homeless, and decants, are rehoused by a traditional offer and

¹¹ Local Authority Nominations/Referrals to Tenancies with Registered Social Landlords Circular TC 1/98, Welsh Assembly Government, nd.
Regulatory Code for Housing Associations Registered in Wales, Welsh Assembly Government, 2006

allocation approach. The remaining applicants (about 50% of all lettings) are registered as members of the CBL scheme, which operates by date order. Any applicant can apply for 'Excellent Customer Status', awarded following a home inspection, for a 12 month clear rent account, no reported anti-social or criminal behaviour, and a good standard of housekeeping. Any bid from an applicant with Excellent Customer Status will then override a bid from an applicant without the status. Although only 15% of applicants had applied for Excellent Customer Status, nearly 50% of lettings went to bidders with Excellent Customer Status.

It is also worth noting that in the Netherlands, where the original model of choice based lettings was developed in Delft, a common approach to deciding between competing claims is to offer the property to the oldest bidder. No scheme in the UK has adopted age as an acceptable criteria for choosing between applicants: a clear indication that different judgements exist in different societies about the social acceptability of criteria.

The effect of changes in demand for social house on scheme design

Chapter 3 discussed the rapid change that has taken place in the demand for social housing in Wales over the last five or six years, and the impact that this has had on the use and design of CBL schemes. All except one scheme (United Welsh HA) now employ housing need measures, whether housing need points or bands, as the basic 'rationing' mechanism for prioritising applicants.

Even the Torfaen scheme, apparently a date order with Priority Card scheme, should probably be classified as a two band scheme. In the Torfaen scheme, lettings are divided 50:50 between Priority Card holders and date order applicants. This effectively creates a two band scheme, with date order discriminating between competing applicants within each band. Priority cards are essentially issued to all applicants within the 'reasonable preference' categories, and under occupiers in high demand areas who are prepared to move to a property with two fewer bedrooms.

Torfaen also operate a policy of advancing the date of registration for certain categories of applicant. For example, an applicant who is homeless but not in priority need will have their date of registration advanced by 28 days; one who is intentionally homeless, locally connected and in priority need will have their date of registration advanced by 14 days; while applicants qualifying for more than one priority category (e.g. homeless and with a medical priority) will have their date of registration advanced by 7 days from the date of the priority card.

Advancing the date of registration in this manner is a fairly widespread practice, but it must be questionable as to whether this results in an entirely transparent set of rules, or results.

The use of Priority Cards

Whichever of the four basic ‘designs’ is adopted, the interests of applicants with a need for urgent rehousing, such as the homeless, are often dealt with by means of a time limited ‘priority card’, the use of which overrides any other competing interest for the same property.

The time limited nature of the priority card is designed to reflect the need for urgent rehousing: if the applicant fails to bid for a suitable property during that time, then the priority card is withdrawn. In the case of homeless applicants, this would normally result in a single ‘discharge of duty’ offer being made. In the case of other priority card holders, this would usually result in the card holder reverting to their previous housing need points, or band, or date order. If no suitable property has become available during the time limited period, for which the priority card holder could reasonably have been expected to bid, it is normal practice to extend the period.

The different CBL schemes use a wide range of time limits for priority cards, varying between 8 and 26 weeks. Neath Port Talbot operates a housing needs points scheme, and the highest levels of points are awarded to similar categories of applicant as those who would receive a priority card in other schemes. The Neath Port Talbot scheme does not impose any time limit on the higher pointed categories. The Vale of Glamorgan scheme uses priority cards to recognise multiple needs requiring urgent rehousing, but interestingly then has the longest time period, 26 weeks, in which the priority card can be used.

Prioritisation of applicants and allocation of desirable vacancies

In the three main designs of scheme, applicants with the highest housing need points, or in the highest band, or who have waited the longest, are able to bid successfully for the most desirable properties. Those with low need, or who have only recently registered, must generally be prepared to accept less desirable properties.

This situation is usually accepted as a rough form of social justice, but there is no very obvious relationship between experiencing housing need, however acute, and being able to access the most desirable property available.

This issue is most visible in the use of priority cards, with their ability to override bids from other applicants. A number of CBL schemes have attempted to address this by limiting the override element of the priority card to less desirable properties only.

For example, in the original Pembrokeshire pilot, priority cards could only be used to override other bids if less than 15 competing bids had been received for a property, and could only be used on a designated 10% of the housing association vacancies in the scheme.

Charter HA has a system whereby priority cards are only valid for use in one designated area (of the applicant’s choice), and the card will only override other bids below a pre-determined threshold. If there are more bids for a property than the threshold, then the priority card override does not apply. The intention is that priority cards should not override other bids on the most desirable 20% of vacancies.

Priority card areas are widely drawn, and bid thresholds are set at different levels for each area, reflecting the relative demand for property.

Priority Card area	Bid threshold
Newport East	120
Newport West	120
Newport Central	120
Torfaen	85
Caerphilly	60
Monmouthshire East	40
Monmouthshire West	60
Monmouthshire South	70

Bid thresholds are obviously set to reflect the volume of bidding being experienced by a scheme, and by a judgement as to a socially acceptable threshold point.

The idea of the ‘threshold’ number of bids, above which a Priority Card cannot be used, proved difficult for some applicants to understand. One applicant commented that:

Q: You said you didn’t understand the system, when you started bidding, what is your understanding about the system, how it works, what happens, can you explain that to me?

A: You put in for it and then that night you come in, we’d put in for it and it was in that post that night and we didn’t understand how come like the 120 bids you are to have in this area, we would be outside the bids and we were more or less straight in first. We didn’t know how that calculated, a bit confusing for us to understand it and when they were saying “no, you’re not successful this time”, because we had a priority card as well and if this priority card went over 120 bids, it’s no good to you anyway.

Q: You mentioned priority card, how did you find out about the priority card and who qualifies for it?

A: Because they said we were vulnerable and we needs to move quite quickly, John who’s our Independent Living Skills Manager, told us to have this priority card....He told me about the card and he said “if we put the card in, we could use it to get the points”, but if we went over 120, it would be no good and some of it went over 120. We used it on this house and we were successful. (Couple, 35-44, learning difficulties, transferring)

Applicants' views of scheme design and prioritisation

The interviews with applicants covered one each of the three main types of scheme: housing need points (Neath Port Talbot), housing need bands (Vale of Glamorgan) and date order with Priority Card (Charter HA^{*}).

In general, applicants had grasped the essentials of the scheme with which they were registered, but their degree of understanding of the scheme varied widely.

For one applicant, the process had been straightforward:

Q: So tell me a bit about the scheme and how it works?

A: Well they just put you on, you can either go on bronze, silver or gold. For a while I was on bronze when I was living with my mum, but every time I bid I never got a house so I was on bronze for a while.....and then, well my mum wrote a letter to say that she wanted me out the house and all that. So they put me in, so I went homeless, in the hostel, so they had to, I went on gold then....and on gold you're more priority people and they put me on gold. (Single parent, 18-24, previously living with mother, now in hostel)

Other applicants had a clear grasp of the essential points of the scheme:

Q: So it goes on waiting time and also these priorities?

A: Yes. Say if two people bid and one was gold and the other bronze, the bronze would have been on there longer but the gold would still have got it because it was more of a priority. (Single female, 17, rehoused from safe house)

* The interviews were carried out prior to Charter HA's move to the use of housing need bands (see Chapter 3)

Summary of key points and conclusions

No social landlord is in a situation in which there is an excess of property available for any potential customer, and no landlord possesses a stock of homes of equal attractiveness or in equally desirable locations. There is always likely to be competition between applicants for the more desirable property in the more desirable locations. In these circumstances, every landlord needs to select a mechanism for deciding which applicant to prioritise. Prioritisation schemes have three rather different functions to fulfil. These are:

1. Local authorities and housing associations must fulfil their statutory and regulatory requirements to rehouse people in housing need, and some system for prioritising different degrees of housing need is required.
2. The demand for social housing exceeds supply, and some system for rationing a scarce resource is required.
3. Within any social landlord's stock, some properties are more desirable than others, whether in physical quality or location, and some method of allocating better, or poorer, quality properties is required.

The third of these functions seldom features explicitly in lettings schemes. Generally, those in the greatest housing need, or those who have waited the longest, will get the most desirable properties. The increased transparency of CBL schemes reveals that low pointed or 'bronze band' applicants are often only able to access difficult to let bedsits in sheltered housing.

Four basic approaches to prioritising between competing claims have evolved in CBL schemes in the UK. These are:

1. Housing need points
2. Housing need 'Bands'
3. Date order
4. Social priority

All the CBL schemes in Wales have chosen one of the first three of the four approaches. One scheme in England gives members of its 'Excellent Customer' scheme priority over other applicants, but this approach has not been used by landlords in Wales who operate similar 'reward' schemes, such as Charter HA's 'Gold Customer' or United Welsh HA's '5 star' schemes.

Priority Cards, which override other competing bids, are sometimes restricted in their applicability in order to prevent the most desirable properties being let exclusively to Priority Card holders.

From the interviews with applicants, most appeared to grasp the essential features of the different schemes, although very few had any detailed understanding of how priorities were determined.

CHAPTER 5

INFORMED CHOICE: INFORMATION AND UNDERSTANDING

Enabling applicants to exercise an informed choice through improving the quality of information

At present, few social landlords are able to give applicants information of a quality which would assist the applicant in deciding whether, and how, to pursue an application for social housing.

In the private market, properties are widely advertised in estate agents' windows, in the newspapers, and on websites. Photographs of the property are standard, as are detailed descriptions of the property itself and its location. Price, of course, is universal. Potential renters or buyers can readily work out which sizes of property, and in which areas, they could afford, and can decide on their own compromise to balance their budget against their aspirations.

In the social housing sector, this type of information is rarely available. As long as prices are set at below market levels, and show relatively small variations between different locations (and even between different sizes of property), they are likely to have little influence on applicants' decisions.

In the private sector, buyers or renters may have a practical choice between a one bedroom flat in a more expensive location against a two bedroom house in a cheaper one. In the social housing sector, applicants are likely to be eligible for only one type of property: applicants will be eligible for two bedroom accommodation, or for one bedroom, or for homes designated for the elderly, and cannot 'trade-off' size against location against cost in the same way as in the private sector.

As a result, social housing applicants are likely to be primarily interested in the likely supply of future vacancies (for which they are eligible) in particular localities, and the likely level of housing need points, or bands, or waiting time, that they will need in order to have a reasonable chance of obtaining a property in their preferred location(s).

Three social landlords, Pembrokeshire CC, Pembrokeshire HA and United Welsh HA have produced maps, showing the numbers of properties which they own in different towns and villages.

The Pembrokeshire CC map can be downloaded as a pdf file from:

http://www.choicehomespembrokeshire.org/content.asp?nav=7&parent_directory_id=4&positioning_article_id=&language=&sortkey=

The Pembrokeshire HA map can be viewed at:

http://www.pembs-ha.co.uk/applicants/housing_stock.asp

The United Welsh map can be viewed at:

<http://www.uwha.co.uk/About/about.html>

In the case of Pembrokeshire CC, following the loss of property through the Right to Buy, the map shows that there are sizeable villages in which there are now only two council houses. Given normal longevity, there is likely to be only one letting in every twenty five years in such a village.

Similarly, Pembrokeshire HA has literally only one or two properties in nine of the villages and towns in which the association has stock, and applicants can also expect that a letting might occur once in a generation in these villages.

Information of this type is easily produced by any social landlord, and gives a clear picture to applicants of the likelihood that a vacancy may occur in any particular area.

This type of information could equally easily be developed to produce maps showing the numbers of properties in each area by basic types (such as, designated for the elderly, other one bedroom accommodation, family accommodation).

The information could then be further extended to show the average number of lettings that has occurred over past three or five years in each area (many smaller villages may have had no properties become available for some years).

This could then be further developed, depending upon the availability of records, to show the average level of housing need points, or bands, or waiting time, that has been required for applicants to be let property in different locations.

All of this information could be produced from the records which should be held by any social landlord operating a 'traditional' allocation scheme.

This information is of obvious importance in enabling applicants to exercise an informed choice about their choice of preferred areas, and about the realistic likelihood of their being made an offer of accommodation within a reasonable period of time. Applicants would also then be better placed to decide whether they had a more realistic prospect of renting in the private rented sector, or even of house purchase, than of being offered a social housing tenancy, and may then decide to pursue other housing options.

Enabling applicants to exercise an informed choice: simplifying the information available to applicants

It is a frequent criticism of housing needs based points schemes (whether or not they give additional points for waiting time) that the schemes can be over complex, and difficult to understand, but that the results are difficult for applicants to comprehend, and in particular to understand why one applicant has received more, or less, points than another. Such systems are prone to ‘points chasing’, as applicants seek to improve their position relative to that of other applicants.

There are no completely ‘objective’ methods of giving points for different degrees of housing need: one scheme may give a greater weighting to overcrowding, while another may give a greater weighting to medical factors. These are necessarily decisions which require judgements on setting priorities, dependent upon the relative weight that the housing provider and the regulator choose to place on different types or degrees of need. Clear criteria and detailed guidance can minimise subjectivity in the application of the points scheme to individual circumstances.

One approach to simplifying the results of housing need measures has been the adoption of housing need bands. In such schemes, applicants are placed in one of three, or sometimes four, bands according to their relative degree of housing need. A points system could be still be used, with points between x and y leading to the applicant being allocated to the appropriate band. Once allocated to a band, such schemes usually rank applicants from the same band by waiting time.

It seems clear that the simplicity of the ‘gold, silver and bronze’ approach of adopting three bands of housing need, with waiting time by date order within each band, (the scheme adopted by an increasing number of landlords) is clearly understandable to applicants.

One applicant summed up this approach succinctly:

‘Gold is for people who are in hostels or in overcrowded house. Silver for looking for somewhere or are going to be homeless. Bronze is if you're living with your mum with no children and looking for a house.’ (Single mother 18-24, Vale of Glamorgan)

Whether three bands are in practice sufficient may be questionable, and in areas, or periods, of high demand it may be necessary to introduce a finer differentiation between applicants by adopting an additional band. Luckily, the music industry has already popularised the idea of a value above gold, with the ‘platinum’ CD, and this is the approach adopted by Newport CBC in extending the CBL scheme to the whole borough.

Enabling applicants to exercise an informed choice: improving applicants' understanding of the lettings process

All local authorities are required¹² to publish a summary of their allocation scheme and provide a copy of the summary free of charge to any member of the public who asks for one. They must also make the allocation scheme itself available 'for inspection at their principal office' and to provide a copy, 'on payment of a reasonable fee', to any member of the public who asks for one.

Housing associations are required to publicise, as far as possible, their allocation and letting policies.¹³

However, it is clear from interviews with both successful and unsuccessful applicants, that applicants' understanding of how applications are prioritised, and the criteria by which offers are made to one applicant rather than to another, can often be both limited and confused.

The extent to which customers understood the basic operation of lettings schemes varied widely. Some appeared to have a clear, if slightly confused, understanding:

'It's just a bidding system, gold, silver and bronze. They place advertisements in the local paper and that and they post them in the post. So you go down or you phone up and you place a bid and then they give you a number and gold is for people who are homeless and all those types of people who are on drugs and things like that... Silver is for somebody who is overcrowded I think then bronze is for somebody who's already allocated a home. So you just phone them up, place your bid for the house you want to bid for and they tally it all up and in the end and then whoever is priority over whom and whoever's been on the scheme the longest gets the house' (Lone mother 25-34, 6 year old daughter, Vale of Glamorgan)

While others only had a tenuous grasp of how the system worked:

'Used to be on a waiting list, been and asked to find out where is on waiting list. Now been told that it's all on computer and they can't tell you. So got to wait now until they send a letter saying there's a house for him. 'Before you could go up and ask for a house like, you can't now, you've just got to write it on the paper when they send you a form, a booklet with all the houses in, and we've got a bid for the houses like'. But thinks he can't bid because he doesn't have enough points. It's impossible to get information out of them they just say 'fill that in and wait for it'. Not sure if he's eligible for 2 bedrooms, although been told that it's easier to get two beds than one. But is bidding on two bedrooms.' (Single male 35-44, registered disabled, Neath Port Talbot)

¹² By S168 of the Housing Act 1996

¹³ Regulatory Code for Housing Associations Registered in Wales, Welsh Assembly Government, 2006

Some customers, despite being successful bidders, expressed general ignorance of the workings of the scheme:

‘Had to fight to get this really. Doesn't understand who gets priority, how do they choose out of the 10 people who bid on a place? Don't understand.’ (Single woman 45-54, Vale of Glamorgan)

Enabling applicants to exercise an informed choice: improving the transparency of the lettings process

One result of the extent of confusion and misunderstanding of the basic operation of lettings schemes is that a number of applicants draw the conclusion that the obscurity of the scheme must somehow conceal some form of fraud or malpractice. This perception is not confined to Wales: the most recent evaluation of CBL schemes in England found a similar reaction among disappointed applicants.¹⁴

This was a recurring theme in interviews, and although no evidence was offered to substantiate such allegations, their existence demonstrates the degree of alienation and powerlessness felt by some customers when dealing with officialdom and bureaucracy.

Typical comments included:

‘She said that one of her friends that she'd met got a place because she knew someone that was in Homes for You'. I suppose you're always going to get someone somewhere that fiddles papers, doing something wrong’ (Single female 17, rehoused from hostel and safe house, Vale of Glamorgan)

or:

‘Thinks it's who you know not what you know. Example of someone who's mother knows lots of important people who have put in a good word for her to have her house. He doesn't know any important people so it isn't fair.’ (Single male 25-34, living with mother and disabled sister, Neath Port Talbot)

A frequent weakness in the administration of CBL schemes has been the provision of late and incomplete feedback information on lettings outcomes. The lack of timely and complete feedback is only likely to fuel similar suspicions that the lettings process is less than transparent.

The provision of feedback information is discussed further below in Chapter 9.

¹⁴ Pawson H. et al *Monitoring the Longer Term Impacts of Choice Based Lettings*, Communities and Local Government 2006, para 5.75

Summary of key points and conclusions

Enabling applicants to exercise an informed choice in solving their housing problems is the central feature of any CBL scheme.

Many of the issues involved, of course, apply to ‘traditional’ allocation schemes just as much as they do to CBL schemes. Improving applicants’ understanding of their housing options, and enabling them to make informed decisions are essential features of any lettings system, and help to reduce refusal rates, increase tenant satisfaction and reduce consequential turnover.

A typical example of an improvement in the quality of information available to applicants, which would be of practical benefit to any applicant, whether in a ‘traditional’ allocation scheme or a CBL scheme, is the production of a map showing the location and numbers of properties owned by a social landlord. Such information, which could be developed to show patterns of lettings by bedsize of property, enables applicants to make informed judgements about their choice of preferred areas, and about the realistic likelihood of their being made an offer of accommodation within a reasonable period of time.

One approach to simplifying the measurement of housing need, which can be complex to operate, and difficult to understand for the applicant, has been the introduction of banding systems. This approach is gaining widespread acceptance, and is commended in the recent English Consultation Paper *Allocation of Accommodation: Choice Based Lettings: Code of Guidance for Local Housing Authorities*¹⁵, which suggests that at least four bands are likely to be needed to comply with the legislation.

The interviews with applicants showed a wide range in people’s understanding of how the schemes actually worked. Some could give a reasonably clear account, others were frankly baffled, while others somewhat aggressively expressed almost complete ignorance. While improving understanding through clearer documentation is an important goal, it is unlikely to satisfy the minority of applicants whose relationship with ‘the bureaucracy’ is confrontational.

As a result of the difficulties experienced by many applicants in gaining a clear understanding of how lettings schemes worked, a number of applicants drew the conclusion that the obscurity of the scheme must somehow conceal some form of fraud or malpractice. This perception is not confined to Wales: the most recent evaluation of CBL schemes in England found a similar reaction among disappointed applicants.

¹⁵ *Allocation of Accommodation: Choice Based Lettings: Code of Guidance for Local Housing Authorities*, a Consultation Draft, Communities and Local Government, 2007.

CHAPTER 6

VULNERABLE APPLICANTS AND CHOICE

There can be little doubt that a CBL scheme will place greater demands upon applicants than a 'traditional' allocations scheme. The need to obtain, and examine, advertising material on a regular basis, to decide on the relative attractiveness of properties (and the likelihood of securing one), to place bids, and to consider the feedback on the bidding outcomes, all require a greater degree of active involvement than the passive waiting implicit in 'traditional' allocation schemes.

Nevertheless, it is important to consider whether particular groups of applicants may be disadvantaged by this need for active involvement. It would be both wrong, and patronising, to assume that whole classes of applicants for social housing are in some way incapable of active participation in choosing where they wish to live, or of being unable to understand basic information, or to act upon it in a rational manner.

It may also be the case that the ability to exercise choice at all may be unfamiliar to applicants in their dealings with the bureaucracy of the welfare state. This unfamiliarity may itself cause difficulties around perceptions of the genuineness and transparency of the choice on offer. One applicant, on seeing the literature for a CBL scheme, had a strong reaction:

I've got to admit, my immediate thing was oh my god, what's all this glossy rubbish now, Homes 4 You, it sounds, my god this is ridiculous, what is this Homes 4 You you know, all this jargon, you know, and its all like, its almost like they were trying to, the adverts are like estate agents adverts. Yes, its like oh my god, what is this, you know, are we playing shops now or what? I don't know, I'm just very, I come across, I don't know, I just thought Homes 4 You, what is this thing, you know. Its quite a serious thing where you live and you know, when you're poor please don't tell me I've got a choice because the reality is I don't have a choice, don't make me feel like I've got a choice, because I know I haven't. (Single parent, 35-44, suffering from ME, 2 children, seeking transfer nearer to children's school)

Vulnerability and choice

In considering whether a choice based lettings scheme may in some way actually create, or exacerbate, vulnerability, a relevant analogy may be that of shopping for food. Very few people are literally incapable of shopping for themselves. Some may struggle with the mental arithmetic required in handling money, while others may 'choose' an

unhealthy or inadequate diet, but the vast majority of people can cope adequately with the demands of choosing and buying food. Similarly, only a small proportion of otherwise vulnerable applicants will be incapable of making sensible, or rational, choices of housing.

However, this suggests that there are some key vulnerabilities which should be taken into account in extending choice in lettings. These are:

- The ability to understand written material (either through literacy or language difficulties)
- The ability to comprehend the basic requirements of the scheme and to exercise informed choice

Both problems apply equally, of course, to 'traditional' allocation schemes: applicants must be able to fill in an application form (or have the opportunity to ask someone for help), and must be able to accept or refuse an offer of accommodation.

The difference between a 'traditional' allocation scheme and a choice based scheme is in the quantity, and frequency, of material to be understood, and the need for proactive engagement, rather than the quality of the material.

Enabling vulnerable people to apply

The CBL schemes in Wales employ a wide range of methods for enabling people who may be vulnerable for a wide range of reasons to apply for and engage with their schemes.

These methods include:

- Making information available in a variety of languages, or offering access to Language Line, and alternative formats (such as large print, Braille, or on audio tape or disk).
- One scheme, Pembrokeshire, is advertised on local radio, which the scheme considers to be the best method of communicating with people with poor literacy.
- Providing regular training sessions for support workers, including social services, Shelter Cymru, Mind and other voluntary sector agencies.
- Mailing scheme information and advertising material to housebound applicants, c/o addresses, and to support workers.
- Using symbols on advertisements to convey key information visually (such a picture of a bed, with the number of bedrooms superimposed, a wheelchair to indicate that the property is adapted, or a picture of a dog, crossed out, to indicate 'no pets'.

However, no single scheme offers the full range of methods, and no scheme has a consistent approach to advertising the existence of its chosen methods. These may be advertised on one leaflet, or webpage, but will then often be omitted from others.

Choice based schemes must also exercise care not to create vulnerability where none previously existed.

Applicants receiving support

Where applicants are likely to require support in order to enable them to engage actively with the lettings system, this will require the active engagement of the support service, whether this comes from a friend or relative, a housing officer, a social services worker, a probation officer or a voluntary sector worker. Social landlords need to provide material for support workers which enables them to understand the key features of the scheme, and their own potential role in supporting applicants to engage with the scheme. Again, many support workers may be unfamiliar with the recent introduction of choice in social housing lettings.

Where applicants were receiving support, this appeared to be working effectively. One applicant put it simply:

Q: Did you find the system easy to use?

A: Yes but I did have help off my Social all the way through it, like some people aren't as fortunate to have the help. But then again maybe their parents, I don't know. (Single parent, 18-24, ex heroin addict)

One successful applicant clearly felt that she had been supported throughout the process:

Q: About the whole scheme, have you received any follow-up or support that's helped you to stay here or?

A: Before I left the safe house, when they told me I had the flat, I had a week before I could move in, the period between getting the flat and actually moving in was a week. That was good because it gave me chance to come in and decorate it and stuff like that. With that week, someone came round from some supporting agency, filling in ... support when I left the safe house. I received an ... care worker and supported housing and ... housing. So I've got two lots of support, which comes in very handy.

Q: Is that enough? is there anything else that you..

A: Well they give me that leeway of being independent but the fact if I needed help all I'd have to do is make one phone call and they would help me. They're very good with helping with housing benefit and issues with getting stuff backdated, like ... and stuff like that. They're really good, helped me with that. Taff Housing is more of a, sort of like to do with this place, helping me get up onto my feet with the flat. My leaving care worker is more the emotional side, but she is there for me if I needed help with housing benefit and things like that.

Q: Does anyone come round on a regular basis to..

A: They both do, I have an appointment weekly with the both of them. One comes round on a Tuesday and one comes round on a Thursday, so they do it weekly. ... has told me that I can go back to the safe house with letters and stuff like that if I don't understand them or if I've got forms to fill in that I can't do. I can always take it back to them and they'll help me. (Single female, 17, rehoused from safe house)

While another applicant, with learning difficulties, was receiving advice on which properties to bid for, and which areas might be suitable:

Q: So how did you find out about it in the first place?

A: Because we have Charter staff looking after us, they said "it's in the Argus, buy the Argus once a fortnight and see the properties in there, have a look at them to see where they are and what they are and then you put in for the bid", and staff helped us do that.

Q: So did you have like a dedicated staff in the office, did you have a support worker?

A: Yes, they come to the house, the evening staff here and morning staff.

Q: But the Charter Housing, do you have someone who takes care of your paperwork, your case?

A: Yes, yes. (Couple, 45-54, learning disability, tenants transferring)

The same couple were being given additional help by housing staff making bids on their behalf, although this occasionally led to failures in communication:

Q: So who was putting in the bids, the office?

A: The office, yeah.

Q: So why did they not choose the priority card?

A: I don't know, because I asked them about it and they said it wasn't suitable, what we were going for.

Q: But weren't you the ones making ...?

A: Making the decisions, well what they said to me was when there's a house on the flat, it was in Maes Glas which is quite a rough area, John (Independent Living Skills manager) said "the thing is there are a lot of teenagers with a lot of problems, which we've had some people living where they are with the team and they've had problems, so if they're having problems, you would have problems, major", so that's why sometimes he never used it.

And when the applicant had accepted the property, they clearly felt that they had received the appropriate help with organising removals, Housing Benefit, and general form filling:

Q: Did you receive any support when you got this house, support from the housing officer or any staff to move?

A: Oh yes. They got the removal men organised for me, I had to pay him eventually and then it was about seven staff helped us to move, I didn't have to do anything, packing it all week ...

Q: Any other support you would have wanted?

A: No, I think we had quite a lot of support, moving and organising things like that.

Applicants needing support

Among the applicants interviewed for this project, those who were receiving support appeared to have been successful in being rehoused. However, there was a further group of applicants who were finding it difficult to engage successfully with the schemes, and who appeared to be in need of some form of low level support. Applicants who appeared to have mild learning disabilities, or a debilitating illness such as ME, or to be suffering from depression, clearly appeared to be experiencing some difficulty in coping with the level of active engagement required by choice based lettings.

One applicant, who appeared to have a mild learning disability, had received some help from staff at the housing office in filling in the bidding form correctly:

Q: What's the difference between the categories?

A: Category 3 is just ... room, kitchen and bedroom, category 3 and 4 means living room, dining room and a kitchen. So it's hard to work them out, because some people just get... like my father had problems reading and writing, so when it comes to putting them in I give them to my wife and she'll do them. Because she's good like that. But as for my father it's difficult for him. On the form it ask you the address and reference number, and some people get them through the reference numbers as ... reference number ... you go by that or do you go by the numbers on the page?

Q: So what's that number you were pointing to?

A: You got the water rates and the gas. You've got another one up here then, 3 bedroom, the address, but in ... you got things like people just looking and wondering is that the serial number or is this one it. ... a lot, we had it all wrong last time and they had to ... show me which way to do it ... he said, ... fetch them up and I'll do it for you he said. (Couple, 35-44, 2 children)

In the scheme's Property Classification Schedule, Category 3 properties and Category 4 properties are defined as:

Category 3	3 Bedroom Accommodation reserved for: <ul style="list-style-type: none">• Single parent plus children of different sex, or same sex where one child is over 9 years of age• Couple and children of different sex, or same sex where one child is over 9 years of age• 3 single and separate adults (each occupying one bedroom and sharing facilities) (child to include a confirmed pregnancy)
Category 4	4 Bedroom Accommodation reserved for adult/couple with 4 or more children/dependants.

Given the complexity, and ambiguity, of these definitions, it is perhaps not surprising that the applicant was evidently confused.

Another applicant was suffering from depression following divorce, and in the process of selling her home. She had applied to a scheme, and had been classified in the silver band, but would become threatened with homelessness within 28 days when the property was sold, and would then be reclassified at that point as gold band:

Q: The different bands are based on what, the need or?

A: Yes, the requirements and if you're on gold then its high priority. Silver, I suppose because I've got a roof over my head at the moment, it is not a high priority, that's why I'm on silver. When the house is sold they're supposed ... I should be rehoused within 28 days. I don't know. Like I said there's not a lot of contact between us. I haven't heard anything. I do up there, I don't go out so I haven't had much to do with them either. It's going to be left until the point where I've got to move out.

Q: Is there a chance that you will be re-classified from silver to gold or not? how does that work?

A: If this comes off, I do get a buyer for it, then my points will go up because I'll be homeless then. So ... I don't understand it, when I did first go I wasn't really taking things in, I was really ill then. Apparently they've got to rehouse me within 28 days ... or the council. I wasn't really taking things in ... people were filling forms in for me and doing everything for me basically. That was a long time ago.

However, the applicant was clearly unable to engage with the effort of finding herself another home:

Q: Do you get the newspaper with the properties in here?

A: No.

Q: I understand there's some sort of free.....

A: No, I get nothing.

Q: You haven't received anything, a letter or anything?

A: No.

Q: Have you even been tempted to look at the properties when you went in, for example to the office or?

A: I only ever went in there the once. ... the only time I go out I'll get a taxi up and a taxi back, so I haven't been in there since. To me they were off-putting and I was feeling insecure at the time anyway so that didn't help. (Single parent, 35-44, 2 children, divorced owner occupier, forced sale)

Social landlords need to consider the level of assistance that might be appropriate in cases such as these. Resource constraints will limit the ability of landlords to provide detailed personal support to all potentially vulnerable applicants.

The most practical approach for social landlords to adopt might be to offer applicants a more explicit choice between actively participating in the choice based element of the scheme, or opting for a 'traditional', or passive, relationship in which the landlord would select and offer a property as a direct let.

This appeared to be the preferred choice of one of the applicants referred to above. He was registered with both a CBL scheme that used housing need points (Neath Port Talbot) and with CT Dewi Sant, which also has a points scheme. The applicant, who was obviously struggling with the bidding process, and required assistance, appeared to see little benefit from bidding for properties, and commented that:

Q: And when you get, when you've got enough points and they offer you one, is it just one house you get offered?

A: Yes just the one they offer you. if it's not to your liking or not where you want to be, then you can refuse and they'll offer you another one if there is one available coming up. So the thing is they, it's like the council used to be. Go down for your housing application and wait till you gain points or whatever and you go on a point's scheme. And it's ... the same way as the council used to work before they started on this bidding lark.

Q: How do you see the two systems together, which would you say was the best of them?

A: Dewi Sant I'd say was better. Because simple fact is, when you're going by points and whether or not you're at top of the list or whatever, they just go by the points itself. Say you put in for a 3 bedroom house, you've got a certain amount of points for it, like if someone else had put in for that house and they got 75 points, you've got 77 points then you'll get offered it first because you've got higher pointage. (Couple, 35-44, 2 children)

Summary of key points and conclusions

There can be little doubt that a CBL scheme will place greater demands upon applicants than a ‘traditional’ allocations scheme. The need to obtain, and examine, advertising material on a regular basis, to decide on the relative attractiveness of properties (and the likelihood of securing one), to place bids, and to consider the feedback on the bidding outcomes, all require a greater degree of active involvement than the passive waiting implicit in ‘traditional’ allocation schemes.

Nevertheless, it would be both wrong, and patronising, to assume that whole classes of applicants for social housing are in some way incapable of active participation in choosing where they wish to live, or of being unable to understand basic information, or to act upon it in a rational manner.

The difference between a ‘traditional’ allocation scheme and a choice based scheme is in the quantity, and frequency, of material to be understood, rather than the quality.

The CBL schemes in Wales employ a wide range of methods for enabling people who may be vulnerable for a wide range of reasons to apply for and engage with their schemes. However, no single scheme offered the full range of methods, and no scheme had a consistent approach to advertising the existence of its chosen methods.

Where applicants are likely to require support in order to enable them to engage actively with the lettings system, this will require the active engagement of the support service, whether this comes from a friend or relative, a housing officer, a social services worker, a probation officer or a voluntary sector worker. Social landlords need to provide material for support workers which enables them to understand the key features of the scheme, and their own potential role in supporting applicants to engage with the scheme. Where applicants were receiving support, this appeared to be working effectively.

However, there was a further group of applicants who were finding it difficult to engage successfully with the schemes, and who appeared to be in need of some form of low level support. Applicants who had mild learning disabilities, or a debilitating illness such as ME, or to be suffering from depression, clearly appeared to be experiencing some difficulty in coping with the level of active engagement required by choice based lettings.

Social landlords need to consider the level of assistance that might be appropriate in cases such as these, given the constraints upon resources. The most practical approach for social landlords to adopt might be to offer applicants a more explicit choice between actively participating in the choice based element of the scheme, or opting for a ‘traditional’, or passive, relationship in which the landlord would select and offer a property as a direct let.

CHAPTER 7

ADVERTISING AND LABELLING VACANCIES

Advertising vacancies

One of the key features of CBL schemes is the advertising of available vacancies to applicants.

The advertising cycle

The advertising cycle selected will necessarily be a balance between the number of properties that become available for reletting on average each week, the need to minimise rent loss from void periods, and the costs of administration and advertising.

Most of the schemes have adopted a fortnightly cycle as the best balance between practical administration and the control of void rent loss, although two schemes (Charter and the Swansea pilot scheme) operate a weekly advertising cycle.

The longest advertising cycle operated is the monthly cycle in Neath Port Talbot, where the monthly advertising brochure carries some 90 property adverts. This obviously gives a broad range of properties in each advert for customers to view, and reduces the annual cost of printing and mailing (estimated at £60k in 2004/05).

However, a monthly cycle almost certainly builds into the system an absolute minimum void period of 7 weeks (four weeks to inspect void, prepare advert, print and mail, one week for return of bids, one week for processing, notification of shortlist, offer to successful bidder, viewing, acceptance and sign up, and one week to tenancy commencement).

In the case of Neath Port Talbot, management action had reduced void losses from some £2.5m. in 1996/97 to some £0.5m. in 2004/05, so the continuing costs of maintaining the monthly cycle were felt to be relatively small.

Interestingly, the impact of the CBL scheme on void turnaround times was clearly visible to tenants. The mother of one applicant commented in the interview that:

A: But it's quicker this way because the houses not empty for so long and the council are having the revenue inso it's is quicker and it's betterLike I said the houses are going quicker, I mean we've seen houses up here, people have gone out and by the time they do repairs and then they go on the list and then it's five weeks, six weeks, been

empty for three months before they're gone. Now this house hadn't long been empty and it's gone. I think it's quicker.

However, a monthly advertising cycle is unlikely to be financially viable for landlords with shorter void turnaround times.

The length of the cycle had caused problems in Pembrokeshire, during the pilot phase of the CBL scheme. The small scale of the pilot (10% of the stock, at random across the whole county) necessitated a monthly mailing to the pilot customers. However, for Pembrokeshire HA this had caused an unacceptable lengthening of void periods. The association received the stipulated four weeks notice for the majority of its relets, while its stock was in relatively good condition, requiring little repair work. The association's target was to relet 80% of its properties within one week of becoming void, and this clearly could not be achieved with a monthly advertising cycle. When the scheme was extended to the whole housing stock, a fortnightly cycle became viable, thus reducing the void rent loss in each cycle.

Where notice is given by the vacating tenant, it is necessary to decide a policy on when the property is to be advertised. Most schemes start the void process, and therefore the advertising cycle, when notice is received. Where a tenant has given notice following a bereavement, it is normal practice to delay the appearance of the advert until the end of the notice period. Newport include a strapline in their brochure reading:

Please be aware that many of these properties are tenanted so please do not attempt to contact our tenants

The start of the advertising cycle also needs to be related to the date on which the property is expected to be 'ready to let', with pre tenancy checks and repairs complete. Ideally, the advertising, bidding, shortlisting and offer will be taking place between the time that the outgoing tenant gives notice and the date on which the repaired property is passed as 'ready to let', although this is difficult to achieve in practice. Where relationships and performance with the maintenance function had been poor, as in the case of Vale of Glamorgan, it was felt necessary to delay the advertising cycle until the property was known to be 'ready to let', and this inevitably added to the void rent loss.

Advertising and property 'labelling'

Property labelling, in other words the description of the property details in the advertisement, together with any restrictions on occupancy, is one of the key elements in any choice based lettings scheme.

Property labelling has three functions:

1. To provide a factual description of the essential features of the property, such as the number of bedrooms, the type of heating, the floor level for flats, etc.

2. To provide information on any general condition of letting, e.g. 'no pets'
3. To prescribe, or limit, the types of applicant, and their household, who may bid for a property.

It is the third of these functions that is central to the way in which choice based lettings schemes operate.

In a CBL scheme, the labelling of the property determines the eligibility of the applicant. All applicants are made aware of these requirements through the property advert, and those applicants who meet the criteria are then free to express interest if they wish.

Determining the type of household considered eligible for any property should follow from the landlord's allocations policy. In many cases, this will be straightforward (for example, a landlord may have a general policy of not housing families with young children in high rise blocks). In other cases, eligibility will be influenced by the extent of demand for particular property types in the local housing market.

A bedsitting room in a sheltered housing scheme will certainly be advertised for a single, elderly person, but how elderly will depend upon local demand. In many cases, it will be necessary to reduce any age restriction to 55 or 50 in order to attract sufficient interest. In cases of particularly low local demand, it may be necessary to market vacancies to applicants from outside the area (prior to introducing CBL, Neath Port Talbot had marketed low demand sheltered housing on the edge of the Brecon Beacons to applicants from the Midlands and Brighton: the initiative was successful, but had proved controversial with elected Members).

The proportions of different bedsizes of properties becoming available for reletting by local authorities have been distorted by the effects of the Right to Buy. Since sales of council homes to sitting tenants have been overwhelmingly of family housing, the proportion of 1 bedroom accommodation owned by local authorities has risen from 15% of the stock in 1981 to 25% of the stock today. Since 1 bedroom accommodation also has a higher rate of turnover than family accommodation, 1 bedroom accommodation is now some 40% of all relets, compared with only 25% twenty five years ago.

In addition, the proportion of available properties that were designated for the elderly often results in there being little property available for younger single people,

A: It is like some sort of bidding system and they send you a pack every month, it's like they show you a list of properties that come up in the ... area and ... Talbot way and they say what sort of people would be suitable to live in it, but every time I've had a pack all I see is, you've got to be forty plus, fifty plus to live there, it is more suitable for an older person. In theory it is brilliant, but I mean for me it wasn't much help for me because I am twenty six and everything that I seemed to look at on the list, just seemed to be forty plus. I would be too young to qualify to live in that place or, I mean I haven't got a family. (Single woman, 26, in low paid work, private renting)

However, naturally enough, a disabled couple in their fifties were more than happy with the principle of restricting access in this way:

A: So why we liked it, because there's only a lady living next door. On her own, and then all that patch of the garden 'til you come to the other side, is all ours, and then the neighbour's over there, so it's quiet, and there's an elderly couple, and a gentleman on his own, so it's totally quiet here, and this now is going to be kept for people like us, over 55, or you're disabled, that's one good thing about it.....but they've gone and put now a youngster there, they're going to put him up there now with his bloody ghetto blaster, you know, I can't see why the council are doing that, I know it's gone on a points system and he's bid for it, but they should have said "hang on, there's all old people living up there now, and they're disabled", you know, they shouldn't have put that one down I don't think. (Couple, 55+, medical history, transferring)

This perception that the lack of supply of suitable property was being affected by the proportion of properties that were designated for older people was also shared by applicants with children, with one applicant commenting that:

A: Yes I have, (looked at) many properties. There seems to be lots for people over 55 who, you know obviously pensioners and so on, there doesn't seem to be a lot for single people or even families, you know my daughter and myself. (Single parent, 35-44, living with mother following relationship breakdown)

Local housing market conditions will also influence the extent to which landlords are able to accept underoccupation of properties on reletting. For example, the policy on occupancy in the Vale of Glamorgan defines acceptable occupancy levels for 2 and 3 bedroom properties as:

All singles, couples and any parent or couple with 1 child are eligible for 2 bed flats or maisonettes, while any parent or couple with 1 child is also eligible for a 2 bed house or 3 bed flat, maisonette or house.

In line with this policy, a typical property advert reads:

*2 bed ground floor flat in 3 storey block in Barry
Suitable for single person, couple or family*

Clearly, the local housing market has not been under significant pressure if a single person is eligible for a 2 bedroom flat, and a single parent with one child is eligible for a 3 bedroom house.

As a result of much of the one bedroom stock owned by social landlords being designated for the elderly, it was in practice easier for younger single people to obtain two bedroom accommodation. This was clearly seen as baffling and anomalous by applicants:

Q: And how many bedrooms do you have?

A: Two.

Q: Do you need two?

A: No, I told the Council that. I put in for a one bedroom, but they said it's harder to get a one bedroom than it is to get a two, which I'm a single guy like and you'd think they'd... give me a single and put a mother and a daughter or a mother and a... you know baby or something in here like, you know. To give them something like that, wouldn't it, it makes more sense, instead of a putting a mother and a kid in a three bedroom house like. (Single male, 35, in receipt of DLA, seeking to move nearer to elderly mother)

Property labelling and social policy objectives

Social landlords may wish to promote a variety of broader social policy objectives through their policies for letting property. These objectives are usually focussed upon particular areas or estates, and typically might include policies focussed on current social policy concerns such as:

- **Mixed communities**

Social landlords may wish to introduce policies in certain areas to promote a wider social 'mix' than would result from the normal pattern of lettings in that area. An example of this might be to avoid overconcentrations of unemployed households, by allocating a proportion of lettings to applicants currently in employment.

- **Community cohesion**

Social landlords may wish to introduce policies in certain areas to promote community 'cohesion'. Typically, this may be considered desirable in areas suffering from high turnover, or where long standing family ties exist, such as in rural villages. An example of this might be restricting access to applicants with some form of defined 'local connection' to the estate, neighbourhood or village.

- **Community conflict**

Social landlords may wish to introduce policies in letting accommodation which are designed to reduce the possibility of community conflict. Typical examples of such policies might include:

- Reducing child densities on certain estates, by deliberately under-occupying larger family properties.
- Policies to allocate properties to young single people, typically under 25, in areas where conflict with elderly residents is less likely to occur.
- Policies to disperse households with disruptive behaviours, typically resulting from drug or alcohol abuse.

In instituting such policies, social landlords need to ensure that the effects of the policies do not inadvertently create unlawful discrimination, and that the cumulative effect of such policies does not prevent them giving 'reasonable preference' to the prescribed categories of applicants.

The use of specific criteria by the landlord to restrict the type of applicant eligible for any particular letting needs to be an integral part of the lettings policy. The existence of these types of criteria also needs to be included in any publicly available summary of the scheme.

In a 'traditional' allocation scheme, it is unlikely that individual applicants will be aware of the existence of many of these criteria. Applicants who are below 50 years of age will simply not be offered any vacancy in schemes designated for the over 50s. Applicants with more than two children may simply not be offered any vacancy occurring on an estate where the landlord is attempting to reduce child densities. Unemployed applicants may simply not be offered any vacancies on estates where the landlord is attempting to increase the proportion of tenants in work. And so on. The only one of these criteria likely to be revealed to applicants in general might be any prohibition on keeping pets in flats.

One of the advantages of the open advertising necessary in Choice Based Lettings schemes is that criteria specific to the individual property being advertised are stated openly in the advert text. This enables applicants to see clearly which properties they might be eligible to offer for.

Q: You said that there was information about the properties, was there enough information about the individual properties for you to make a decision on whether you wanted to bid for something?

A: In the paper all they say, like show a picture of the house and then it just says 2 bedrooms, gas central heating, double glazing, and that would be it. Then it would say like how much it will be. I think it says that, I haven't seen them for a while because I haven't been bidding on anything. (Single parent, 18-24, living with mother)

Summary of key points and conclusions

One of the key features of CBL schemes is the advertising of available vacancies to applicants.

The advertising cycle selected will necessarily be a balance between the number of properties that become available for reletting on average each week, the need to minimise rent loss from void periods, and the costs of administration and advertising.

Most schemes have adopted a fortnightly cycle as the best balance between practical administration and the control of void rent loss, although two schemes (Charter and the Swansea pilot scheme) operate a weekly advertising cycle, and one (Neath Port Talbot) has a monthly cycle.

The advertising cycle imposes a fixed discipline upon the void process, and experience suggests that for landlords with above average void turnround times, this can improve the turnround time significantly. However, landlords with below average turnround times can find that the fixed timescale imposed by advertising cycle can actually increase void periods, a problem encountered by some housing associations.

Property labelling, in other words the description of the property details in the advertisement, together with any restrictions on occupancy, is one of the key elements in any choice based lettings scheme. Property labelling has three functions:

4. To provide a factual description of the essential features of the property, such as the number of bedrooms, the type of heating, the floor level for flats, etc.
5. To provide information on any general condition of letting, e.g. 'no pets'
6. To prescribe, or limit, the types of applicant, and their household, who may bid for a property.

In a CBL scheme, the labelling of the property determines the eligibility of the applicant.

Determining the type of household considered eligible for any property should follow from the landlord's allocations policy. Social landlords may wish to promote a variety of broader social policy objectives through their policies for letting property. In instituting such policies, social landlords need to ensure that the effects of the policies do not inadvertently create unlawful discrimination, and that the cumulative effect of such policies does not prevent them giving 'reasonable preference' to the prescribed categories of applicants.

The use of specific criteria by the landlord to restrict the type of applicant eligible for any particular letting needs to be an integral part of the lettings policy. The existence of these types of criteria also needs to be included in any publicly available summary of the scheme. All applicants are made aware of these requirements through the property advert, and those applicants who meet the criteria are then free to express interest if they wish.

CHAPTER 8

BIDDING, SHORTLISTING AND LETTING

Bidding

Between them, CBL schemes in Wales employ the full range of methods by which applicants can place bids for the properties of their choice. No one scheme offers all available methods, but most offer a range of methods. Only one scheme, Torfaen, limits bidding to only one method, in that instance the use of a paper coupon, returned by post or by visit to area housing offices or customer care centres.

Q: The actual process itself of bidding, I mean did you find that fairly easy to do, or did you get any help with it?

A: Well its quite, I suppose they deliberately made it easy for you because they've said you can do it by phone, letter, email, come down in person and they give you a deadline and you've got a week. So in that respect the process is easy. (Single parent, 35-44, 2 children, seeking transfer nearer to children's school)

The range of available methods is:

- Paper coupon, returned by personal visit or post (some schemes use Freepost)
- Telephone (some schemes use Freephone)
- Text messaging
- email
- eForm on website
- Direct bidding on website

The choice of bidding methods will depend upon the size of the scheme, the resources available to set up and administer more than one method of bidding, and the experience of the landlord in the effectiveness of particular methods. Notably, Neath Port Talbot do not allow bids to be made by telephone, in order to avoid subsequent disputes about whether telephone calls had been made or whether records of bids had been lost.

None of the applicant interviews mentioned the cost of buying a local newspaper to view advertisements, or the cost of postage or telephone calls, as a concern or deterrent. This suggests that landlords should review the actual useage of Freepost or Freephone to ensure that these services represent value for money.

It is obvious that the technology of personal communication has been transformed over the very recent past, with the rapidly increasing accessibility of the internet, and the

spread of mobile telephones. The use of mobile phones, particularly with ‘pay as you go’ tariffs, has meant that many people who have no fixed address and who are ‘sofa surfing’ can now access information by phone or text message in a way which would have been difficult until recently.

The range, and availability, of possible ways of communicating has changed so rapidly from even five years ago, when many CBL schemes were initially being designed or set up, that schemes will require updating and reinvestment in order to make the best use of the available technology.

It is, of course, important to retain ‘traditional’ methods for the decreasing number of applicants who are either unfamiliar with, or do not have access to, mobile phones or the internet.

Visiting the office

It is clear from the applicant interviews that for many people the ability to visit an office, and speak to a member of staff, was important. One applicant commented that:

“I think personally speaking to somebody about it in town, and explaining, because if they’re writing notes down, they’re not likely to chuck it away because they’ve filled it in, it’s not like the computer, it’s can just be ignored can’t it?” (Male, 18-24, 2 children)

While a young applicant in the Vale of Glamorgan explained that:

“I went down there. I find it a lot easier talking to someone face to face than I do over the phone. It sounds silly because most people prefer it the other way round. So I went down and basically all I had to do was, there was a special Homes For You room that you could make a bid in. You’d go in and make out a, a board up on the wall with all the properties and you take your card and reference number down there with you, you’d write your details on a piece of paper, then you’d write what properties you wanted to bid for, sign it, date it, fold it up and stick it in, they have like a little letterbox type thing in the office. You’d stick it in there and at the end of the week they would stop all bids and go through them and pick the properties.” (Single woman, 17, rehoused from safe house)

While for other, perhaps vulnerable, applicants, personal contact seemed a surer way of finding things out:

Q: You take it in rather than send it, why is that?

A: Well, I’m not very good at filling forms in and I like to have them... Also the fact is I’m not... ‘Cos it say’s brochure I just feel like they know more properties. Some of them don’t even know where the properties are. Some of them do, that’s why I go in there. (Single male, 25-34, with Key Worker)

Among applicants who visited offices, and talked to staff, views differed widely on the attitude and helpfulness of the staff. Some were very positive:

Q: Did they give you much help and advice in the beginning about how the scheme worked and what you needed to do and so forth?

A: Yes. If you've got any troubles or anything you just have to phone them up or go down there or whatever and talk to them, they're very helpful. They treat you nice, they're all right. You go in if you've any problems or whatever.....

But other applicants, visiting the same office, had a quite different reaction:

Q: Tell me how you feel about what happened and how it works.

A: It's a good scheme but I don't like going into the council because the people there, the workers, they're not very helpful or polite, they just treat you like another, like they judge people, like if they're on the council list, they judge you because of who, if you get a council house they judge you by it. They judge you to be like a no-mark and you're no good. I go to work, its not like I sit at home all day and do nothing. But that's how they see people who are on benefits or going for a council house. They're just there to get what they can out of the council but some people are not like that, they genuinely need somewhere to live.

Q: is there something specific that they said or did that made you feel that way?

A: Just their manner when you go in there, they just, they're just rude and abrupt to you and not very nice.

Using the internet

Applicants who used the internet for bidding found the process simple and straightforward. One applicant explained the process in these terms:

Q: What is your understanding of the system?

A: Quite well because I do it online.

Q: Explain it to me, how does it work?

A: I think it's every fortnight a selection of houses come up on the computer and you look through them, see which ones you think are suitable for yourself and you can make a bid on them, and then you actually bid for the house, it's like a score, like how far away you are, like your position, so usually every time I bid, I'm like 32, or quite far, like down, and then I don't hear anything, each time then, you just carry on bidding.

Q: How did you find out about how the system works, operates?

A: It tells you on there, yeah, it's brilliant. (Single parent, 1 child, living with mother, registered with four providers)

Other applicants had access to the internet through their work, and used the internet to place bids as a matter of convenience:

I go online, my job is the internet, I can access this site any time of day I'm in work, like today is Thursday, the bids are out this week, I'm in there first thing in the morning when I get to work at 7.30am, before I open up anything, I'm in there and I will put four bids in. I can get to it before anyone gets a newspaper in their hand, I can be bidding but it doesn't matter, if I bid at 12.01 on a Thursday night, I've done it, I've been in position one on all four properties, by the time the two weeks are up, I'm going down the list. It's not who's quickest, it's not like a competition. (Single male, 45-54, 2 children with access, looking for 2 bed)

Applicants who had access to the internet, whether at home or at work, clearly expected to be able to use the internet to conduct the whole process, and were frustrated by schemes, and their websites, which were not sufficiently developed to permit online bidding. One applicant, suffering from depression following a divorce, would clearly have preferred the convenience, privacy and relative anonymity of the internet:

Q: What other advice and support would you have liked during this period, which is a difficult one, obviously?

A: I mentioned is there any way I could use the internet to open up their website and be able to bid on houses and they said no, you've got to come in to bid.

Q: Do you have access to the internet?

A: Yes.

Q: I thought it was available on the internet?

A: I was told you can't bid over the internet, which to me is pointless of having a website if you can't use it.

Q: So they said you had to come in and bid?

A: Yes.

Q: Was that another barrier to bidding?

A: Yes.

Shortlisting

Applicant perspectives on shortlisting were naturally affected by the extent of applicants' understandings of the detailed operation of the various schemes. Some clearly liked the basic scheme, and the existence of choice, even if they had an incorrect understanding of how the priorities were set in shortlisting:

Q: Let's talk about what you do like first (about the scheme).

A: You can pick where you want to go, that's about it. You can pick where you want to go and, I don't know. It feels like you're choosing your home, not them. You tell them where you want to go, not them. Obviously it's down to them, if you put in for 5 properties, they've still got the choice of which one you get. But I mean you are choosing the areas that you want to go to. (Single parent, 4 children, council, looking for transfer to 4bed)

Other applicants had a reasonably clear view of how shortlisting decisions might be made, even if rather idiosyncratically expressed:

A: This is what I said to you earlier, they haven't got the manpower to do that but I'm sure they look at it as an individual bid for each property, they go to the property, "how many bids have we got for this, 105, we can throw 50 out and throw that one out, who have we got left?" and then they go that way, "right, who's now got a priority card?", you know, "who's loopy?", whatever! They also cross over with the council as well you see, that's the other bit I can't understand, I have heard they will get council properties and rent them out through themselves. (Single male, 45-54, 2 children with access, looking for 2 bed)

While other applicants were apparently quite baffled by the whole process of shortlisting and prioritisation:

Q: Yes, and how do you actually make a bid, what do you actually do?

A: You fold your bidding form up, I actually give it my Social Worker to give up, but you fold it up, you take it either to the First Stop Shop in Pontardawe, or Neath or Talbot, and there's a box in them and you place it in the box.

Q: Okay, and what happens after that then?

A: I haven't got a clue. (Single parent, 18-24)

As discussed in Chapter 4, most applicants had a reasonably clear understanding of the basic principles of the schemes, and there would be little practical benefit to an applicant in attempting to understand the administrative procedures involved in the shortlisting and offer process. Applicants were able to choose properties, and place bids for them, without needing any detailed understanding of the schemes beyond their basic principles.

Offers and refusals

Traditional allocation schemes constantly experience significant refusal rates when properties are offered to applicants. Refusals are administratively time consuming and result in longer void periods, together leading to higher costs and lost rent income. For poorer quality or less desirable property, it may be necessary to make repeated offers before an applicant can be found who is willing to accept the offer.

In practice, good allocations staff, who know both the properties and the applicants, will reduce the number of refusals by bypassing applicants known, or thought, to be likely to refuse the offer of a particular property, and 'going down the list' to offer the property to lower pointed cases more likely to accept a property regarded as undesirable by higher pointed applicants. The offer of properties in this way to lower pointed or more recent applicants, although effective in reducing void periods, is entirely untransparent to applicants, and inevitably leads to accusations of favouritism or corruption.

From the landlord's point of view, one of the main advantages of a CBL scheme is that the bidding process generates a shortlist of interested applicants for almost every property. If the first offer is refused, the property can immediately be offered to another applicant known to be sufficiently interested to have made a bid.

However, the experience of CBL schemes in operation has shown that although applicants had specifically chosen the properties on which they were making bids, that did not prevent them from refusing the offer of a property if they were successful.

Given the existence of choice, many applicants were 'playing the market' and placing multiple bids 'just to see what might turn up'. For some applicants, with poor prospects of rehousing, placing multiple bids was a conscious strategy designed to maximise their chances of 'striking it lucky'. For other applicants, particularly those with no pressing or immediate need for rehousing, multiple bidding gave the genuine luxury of choice: applicants in this position could refuse properties until a more attractive one was offered. For applicants with good prospects of rehousing, the possibility existed that they would be placed at the top of the shortlist for more than one property from the same advertisement.

A: I bid for about 3 properties and got a choice of 2. So I was really lucky.....I came top of the list for two properties, this one and one over by..... which is also in Barry. This looked the better out of both of them. Given the choice of flats, it was, I had to decide on the spot there and then, which flat I wanted, which was, I was like.... (Single woman, 17, rehoused from safe house)

CBL schemes have adopted a number of approaches to striking an appropriate balance between allowing applicants to refuse offers and ensuring that properties are let expeditiously. These are:

- Where the scheme employs a Priority Card, holders are expected to accept the first offer of a property for which they have bid: refusal will usually result in the loss of the Priority Card.
- For other applicants, all schemes allow applicants to refuse offers. In some cases (Pembrokeshire and Vale of Glamorgan), there is no limit to the number of refusals that applicants may make.
- In other schemes, applicants may make a limited number of refusals, varying between 2 and 5 depending upon the rules of the individual scheme, before any sanction is applied. Two kinds of sanction are used:

either the applicant is 'deferred' for a fixed period, during which they cannot make bids;

or the applicant has to re-register, thus resetting their date of registration. (The latter approach is only relevant in schemes in which date order, or date of registration, play a significant role in determining priorities.)

In some cases, the condition of the property was sufficient reason for the applicant to refuse an offer, despite the existence of a decorations allowance:

Q: Do you remember anything specific that they said to you when you went in or when you turned down....

A: Well when I turned the house down the lady said well we'll give you paintbrushes and free paint to paint it, but it was disgusting. There was graffiti in the kitchen, the back door was all smashed in, it was just a right mess.

Q: So that wasn't enough to....

A: No, I didn't want to live there anyway. (Single parent, 25-34, previously living with mother, now private renting)

Although the applicant was clearly unhappy that the refusal had led to the loss of priority status:

Then they really, the last straw came when she said we're moving you down to silver now, because I did write a letter to the council saying I didn't think it was fair that they were moving me down a band because I'd already been on the list for a year and a half.

Although for successful applicants, the condition of the property might be less significant:

Q: and condition of property?

A: It was, I've seen a lot worse properties than this one. There was nothing major to be done. There was a hole in the ceiling in the bedroom and that was filled just as I, the day I moved in. The paintwork wasn't that good but the council provided me with 6 really big tins of paint for the whole property. (Single woman, 17, rehoused from safe house)

Where applicants had been made offers, many felt under pressure to make 'on the spot' decisions as to whether or not to accept the offer. In some cases, the existence of other shortlisted applicants was used by housing staff to press applicants for a decision:

The day they said we'd have key and we came up, I said "there's no gate there", when I pointed it out, he said "if you're going to find little things like that, there's somebody on the next list, we'll offer the property to them", I said "I'm not turning it down, I'm just pointing out that there should be a gate there", I wrote then and asked the council, so they had to come and put a gate there. (Couple, 55+, with medical history, transferring)

While for other applicants, the necessity of making a decision weighed upon them:

Q: It's important isn't it?

A: Well that's it, you know, the last time, this other house, I sat there for a little while speaking to people and it seemed all right, but then I went up the following day and it wasn't very nice. The day before I was supposed to go and look at the house I had a look and I said no. I was in a right state, I felt so ill, there was so much pressure.

Q: Pressure?

A: Pressure on like shall I take it or shant I. The area wasn't that nice. I mean they're brand new houses and they're putting people with drug related backgrounds and all, it just spoils it. (Single parent, 4 children, council, looking for transfer to 4bed)

Although the same applicant did not feel that the pressure came from the housing staff themselves:

Q: So how quickly did they phone you when you got this other place?

A: On the Friday. I was just picking the baby up from school, about half past 4, they phoned me. It was quite quick.

Q: Did you have to make a decision by a certain time?

A: No.

Q: So no pressure?

A: No, no pressure at all. She said go and have, are you sure you don't want to have a look at it and then tell me and I said no, I don't even want to look. There's just no point, just let someone else have it. (Single parent, 4 children, council, looking for transfer to 4bed)

For more vulnerable applicants, the need to move quickly, and the operation of the Housing Benefit rules, could be confusing:

I was very annoyed in a way because we had the house on the Wednesday and we had to move by the following Wednesday, so we had a week to move and then we were going on holidays on the Friday, I said to them, "would you mind if we moved after our holiday" which was only a week and no, they said we couldn't pay for two properties, so we moved into this one on the Wednesday and then we went on holiday on the Friday, but our last flat was empty for seven weeks, so we didn't need to rush and try to do things, I found I was unwell with it. (Couple, 35-44, learning difficulties, transferring)

Letting

Unsurprisingly, for the successful applicants, their feelings were very positive:

Q: how do you feel, having been successful and got a property from a choice of 2?

A: I was over the moon. I tried to keep my cool over the phone, but I was like, yes! I've got a flat, everything's fine. (Single woman, 17, rehoused from safe house)

Summary of key points and conclusions

Between them, CBL schemes in Wales employ the full range of methods by which applicants can place bids for the properties of their choice. No one scheme offers all available methods, but most offer a range of methods.

The choice of bidding methods will depend upon the size of the scheme, the resources available to set up and administer more than one method of bidding, and the experience of the landlord in the effectiveness of particular methods.

It is obvious that the technology of personal communication has been transformed over the very recent past, with the rapidly increasing accessibility of the internet, and the spread of mobile telephones. The use of mobile phones, particularly with 'pay as you go' tariffs, has meant that many people who have no fixed address and who are 'sofa surfing' can now access information by phone or text message in a way which would have been difficult until recently.

It is, of course, important to retain 'traditional' methods for the decreasing number of applicants who are either unfamiliar with, or do not have access to, mobile phones or the internet.

The interviews with applicants showed that while applicants were prepared to use the post to return coupons, many in practice preferred to visit an office. Sometimes this was to ensure that the bid had been delivered, while for others it was simply a matter of convenience. Some applicants clearly felt the need for the advice and assistance, and felt that this was best obtained face to face.

The use of the internet is clearly spreading rapidly, and many applicants had access to the internet either at home or at work, and felt confident in using the internet to find information and make bids. For some, the anonymity of the internet was a positive attraction. Schemes which had a 'passive' website, on which information or properties could only be viewed, but which could not be used to make bids, were criticised by applicants as backward and failing to make use of the potential of the internet.

The existence of choice does not eliminate the refusal of offers. Many applicants make multiple bids, and are willing to wait until a preferred property is offered. Most schemes that use a Priority Card require a holder to accept the first suitable property for which they bid successfully. For other applicants, all schemes allow a number of refusals, although only two allow an unlimited number.

CHAPTER 9

FEEDBACK ON LETTINGS OUTCOMES

One of the most criticised aspects of ‘traditional’ allocation schemes is their lack of transparency, and the uncertainty which this creates for applicants.

Because information is not made available to applicants on the outcome of allocations, applicants cannot see whether their level of housing need points is sufficient for them to have a realistic expectation of an offer in an area of their choice. Because traditional allocation schemes do not publicise the outcome of allocations, applicants are usually dependent upon officer advice as to which areas might produce an earlier offer of rehousing.

This uncertainty creates not only the well known problem of ‘points chasing’ by applicants, in order to improve their overall prospects, but also the need for frequent contact with allocations officers to check on the progress of an application, on ‘how far up the list’ the applicant may be, and how long they might have to wait before receiving an offer.

A fundamental element in the design of CBL schemes has been the provision of feedback to applicants on the outcome of lettings. This normally takes the form of a listing of all properties let from a particular advertisement, the number of bids received against each property, and the housing need band and date of registration of the successful applicant, or their level of housing need points, as appropriate. (Housing needs points schemes in which it is public knowledge that a certain number of points identifies the nature of the housing need, such as a fixed number of points allocated to homeless applicants, usually use points bands in order to avoid identifying the housing circumstances of individual applicants.)

In any choice based scheme, a small proportion of properties will be let by direct allocation, usually for emergency cases (fire, flood, etc.) or for specific cases such as police witness protection schemes. In the interests of transparency, it is good practice to list such properties as ‘direct lets’, without further detail.

However, it has been a recurring feature of CBL schemes that feedback has been in general late and patchy in coverage. There is a lack of a direct incentive for landlords to supply timely feedback, not least because only unsuccessful applicants have a direct interest in feedback. Landlords’ primary aim is to let vacant property as expeditiously as possible, while successful applicants have little interest in receiving feedback.

This is not a problem confined to Wales. The two national evaluations of CBL schemes in England both identified feedback as an area of weakness. The most recent evaluation commented that:

“Lack of feedback on bids was associated with despondency when people had been unsuccessful in bidding over a period of time. For some people lack of success coupled with lack of feedback led to periods when they stopped bidding. People felt they would be more likely to keep trying if they were being encouraged by feedback on how to improve their chances of success.”¹⁶

Customers’ views on the feedback supplied by schemes was very varied.

Some ignored the feedback, concentrating on their own choices. One customer, in the gold band:

‘Wouldn't make compromise, would have just kept bidding for the right area, was prepared to wait.’ and ‘Didn't look at feedback, wasn't interested’ (Single mother 18-24, Vale of Glamorgan)

Some applicants clearly understood the information supplied in the feedback, which had enabled them to understand how the scheme operated, and to assess their own chances of successful rehousing:

Q: But do they give any feedback, do they publish anything in the paper about who gets what property or how many bids there were?

A: Yes. With the newspaper, they're spread out over the page and then in the corner, they've got like a bit of writing at the bottom telling you what's what. Then in the corner there's like lists of properties from the last lot out and the reference numbers, when they started bidding, these are the people who got their cards, like there were people in when I was bidding from 2003. I was looking at that and thinking I'm not going to get a flat inside this year. But they were like on silver and bronze, there was no one that far back on gold as far as I could see. (Single woman, 17, rehoused from safe house)

Although the same applicant also felt that the major improvement that could be made to the scheme was to give more feedback:

Q: What would you say was the most important thing to change about the scheme?

A: More feedback please.

Q: This is while you're bidding?

A: Yes. How far up the list and stuff like that. You've got like more hope, you know that you're getting closer each week, even though you know you are, that bit of paper to say you are reassures you just that little bit more.

Q: Would this be something on a piece of paper that comes through the post or would it be a telephone call or face to face, what would be the best way to communicate the feedback?

¹⁶ Pawson H. et al *Monitoring the Longer Term Impacts of Choice Based Lettings*, Communities and Local Government 2006

A: Phone or post, or just some way of telling you that, every couple of months, you're this far from getting a place, you've been on the registration, you started this date, you should be getting a flat soon, if you carry on bidding.

This was a common reaction. Unsuccessful bidders were not particularly interested in looking at the feedback information given in advertisements. Most would have preferred personalised feedback, listing their own bids and the reasons why these had not been successful. Most applicants interviewed appeared to accept that people in greater housing need, or who had waited longer, had a legitimate priority for rehousing, but would have liked to have this confirmed with regard to their own bids.

Some applicants recognised that the provision of individual feedback had resource implications:

Q: The actual process itself of bidding, I mean did you find that fairly easy to do, or did you get any help with it?

A: Well its quite, I suppose they deliberately made it easy for you because they've said you can do it by phone, letter, email, come down in person and they give you a deadline and you've got a week. So in that respect the process is easy. It's a little bit, I don't know because you know if you don't hear by Thursday tea-time on the deadline day you haven't got the house. I suppose they have to do it that way because they couldn't possibly have the time or money to inform everyone that bids that they haven't been successful. (Single parent, female, 35-44, seeking transfer)

Some customers clearly understood the information supplied in the feedback, which had enabled them to understand how the scheme operated, and to assess their own chances of successful rehousing:

'Saw what position they were in when they placed bids. Number seemed to get lower (so getting nearer the top) each time. Made her more optimistic about getting the property. Don't get feedback on unsuccessful bids. Would like a letter every now and then to say whether you're position is changing that it's getting more likely or something like that. You'd know where you stood, how long you'd be waiting 'it was just like a never ending thing'. But this information wouldn't have influenced her bidding, just nice to know.'

(Couple 25-34, 2 children, Charter)

Some customers felt that feedback information was inadequate. Customers clearly felt that the information published was out of date and did not provide full coverage:

A: I don't trust the feedback either because I've personally noticed properties that I thought, I'll apply for that, and I've been waiting for feedback on one particular property for something like 6 months and its like, I wonder who did get that house then. You know, it's just all over the place.

Q: Was it never published?

A: Not so far, no, I'm still waiting and I'll probably be waiting for years for that feedback on that property. (Single parent, female, 35-44, seeking transfer)

A consistent theme among customers using the internet to view properties and make bids was the lack of any confirmation that a bid had been received. Despite the convenience of using the internet, applicants clearly felt uncertainty as to whether their bids had actually arrived, and would have welcomed an automated reply confirming receipt of their bid:

‘Haven't had any emails or anything to say whether I was unsuccessful. Not a terrible thing not getting feedback, not realistic as would be so many people. Would like an email saying thank you for registering to confirm that you are on the list.’ (Single woman 25-34, Charter)

Finally, one applicant summed up a common reaction succinctly:

Q: What do you like about the new system?

A: They've done it online, so it's a lot easier access, easy access for people, and it gives you choice, I think that's it, yeah.

Q: What is it that you dislike?

A: There's not information on feedback, and it doesn't tell you about confirmation that you've bid, you just bid and you don't hear nothing (Single parent 19-24, Charter)

Summary of key points and conclusions

One of the most criticised aspects of ‘traditional’ allocation schemes is their lack of transparency, and the uncertainty which this creates for applicants.

This uncertainty creates not only the well known problem of ‘points chasing’ by applicants, in order to improve their overall prospects, but also the need for frequent contact with allocations officers to check on the progress of an application, on ‘how far up the list’ the applicant may be, and how long they might have to wait before receiving an offer.

A fundamental element in the design of CBL schemes has been the provision of feedback to applicants on the outcome of lettings. This normally takes the form of a listing of all properties let from a particular advertisement, the number of bids received against each property, and the housing need band and date of registration of the successful applicant, or their level of housing need points, as appropriate, with appropriate safeguards to avoid identifying the circumstances of any individual.

However, it has been a recurring feature of CBL schemes that feedback has been in general late and patchy in coverage. There is a lack of a direct incentive for landlords to supply timely feedback, not least because only unsuccessful applicants have a direct interest in feedback. Landlords’ primary aim is to let vacant property as expeditiously as possible, while successful applicants have little interest in receiving feedback.

This is not a problem confined to Wales. The two national evaluations of CBL schemes in England both also identified feedback as an area of weakness.

Among applicants, there was a wide range of reactions to feedback. Some ignored it entirely, concentrating on bidding solely for the properties which they were prepared to accept. Some applicants clearly understood the information supplied in the feedback, which had enabled them to understand how the scheme operated, and to assess their own chances of successful rehousing. Others found feedback to be useful, particularly where they could see that their chances of success were improving (this appeared to be particularly true where applicants in a banding scheme could see date order progress within their band). Unsuccessful bidders were not particularly interested in looking at the feedback information given in advertisements. Most would have preferred personalised feedback, listing their own bids and the reasons why these had not been successful, although some recognised that personalised feedback would have resource implications.

A consistent theme among customers using the internet to view properties and make bids was the lack of any confirmation that a bid had been received. Despite the convenience of using the internet, applicants clearly felt uncertainty as to whether their bids had actually arrived, and would have welcomed an automated reply confirming receipt of their bid.

CHAPTER 10

SUMMARY AND CONCLUSIONS

By the end of 2006/07, Choice Based Lettings had become an increasingly significant feature of the social housing sector in Wales. Eleven¹⁷ local authorities and housing associations were letting the whole of their stock through Choice Based Lettings schemes, and an increasing number of housing associations had become partners in local authority led CBL schemes.

Choice Based Lettings schemes began to be introduced in the late 1990s, in very different housing market conditions than those that exist in 2007/08. In the six years from 1999 to 2005, the price of the average house in the bottom quarter of the market in Wales rose by 135%: but average gross earnings only rose by 27%. As a result, the pressure on the social housing sector has increased sharply. Turnover has slowed, producing fewer relets, a higher proportion of lettings are now going to the homeless, and the proportion of vulnerable people among the homeless has risen significantly.

As a result, the design of CBL schemes has also changed, increasingly moving from time waiting to housing need as the main means of ‘rationing’ the increasingly scarce resource of social housing lettings. Only one of the eleven CBL schemes now relies solely on time waiting.

Scheme design: balancing housing need and local connection

In designing housing letting schemes, local authorities are constrained by the complex requirements of current legislation. Although housing associations are not constrained in the same way, it is the policy of the Assembly that applicants for social housing should have a similar opportunity to access both the local authority and housing association sectors.

Broadly, current legislation requires local authorities to accept applications from anyone wishing to apply (wherever they may come from¹⁸), and to give ‘reasonable preference’ in letting accommodation to applicants falling into one or more of five prescribed categories (the ‘reasonable preference categories’).

¹⁷ Including Swansea CCC, where the local authority had decided to extend the pilot CBL scheme citywide.

¹⁸ With certain limited exceptions: see Chapter 1 for a more detailed account.

Local authorities may only use the existence of any local connection to distinguish between applicants with a similar degree of housing need. However, ‘reasonable preference’ does not mean ‘overriding preference’. Local authorities may restrict the availability of lettings in certain areas (typically in rural villages) to applicants with some form of local connection, providing that within the local authority’s lettings as a whole, reasonable preference is given to applicants in the prescribed categories.

Local authorities that have revised their allocations policies to take account of the Homelessness Act 2002 will generally have adopted policies that comply with these requirements, although the Public Service Ombudsman has expressed concern that a number of local authorities have not yet revised their policies.

It should be noted that local authorities may only nominate applicants to housing associations in accordance with their allocations policy.

The allocation of social housing has a central role to play in the strategic planning of housing. As well as meeting legal requirements and responding to the needs and preferences of applicants, local authorities need to design their policies to meet strategic objectives, including for instance reducing under-occupation and enabling move-on from temporary accommodation. Housing associations are required to co-operate fully with authorities in meeting these objectives through their own policies, and joint planning of allocation policies and practices will be necessary if this is to be achieved.

Improving information: enabling applicants to make informed choices

A key feature of CBL schemes is the improvement in the quality of information given to applicants, thereby increasing their ability to make informed choices about their prospects of rehousing.

A number of landlords have produced maps, showing the number of properties which they own in each area, town or village. Such information is of obvious benefit to applicants, who can see which areas they would have to choose in order to have a reasonable prospect of rehousing. The opposite is also true: applicants can see easily the areas where there are no longer any properties, or where only one or two are left in a village. Supplied with the appropriate information, applicants can make up their own minds on whether they are prepared to compromise the area of their choice in order to increase their likelihood of rehousing.

All CBL schemes operate by advertising vacant properties to applicants, who can then choose to bid for properties in which they are interested. Most schemes advertise all vacant properties to all applicants, but some only supply details of vacant properties for which the applicant is eligible.

Open advertising has the advantage of transparency. This can have a number of results:

- Advertising all vacancies can reduce the suspicion that certain properties are allocated outside the ‘rules’ of the scheme.
- Enabling applicants to bid for properties for which they are not strictly eligible can reveal hidden demand for previously low demand properties: it is common for young single people to bid for bedsits advertised in sheltered housing, showing that demand does exist, even if from a different client group.
- Advertising all vacancies can also show just how few vacancies are actually available: applicants can get a much more realistic picture of their likelihood of rehousing.
- In some cases¹⁹, the realisation of just how few vacancies are available in social housing has increased general public support for increasing the provision of affordable housing.

Most CBL schemes employ an increasingly wide range of media to advertise properties and to enable bids to be made. Access to the internet is spreading rapidly among applicants for social housing, and many clearly found this the most convenient means of searching for properties and bidding. At the same time, other applicants clearly favoured a personal visit to the landlord’s offices, in some cases valuing the reassurance that their bid had actually been received, and in others valuing the face to face contact and advice that the office could provide.

It seems clear that landlords need to consider the widest range of media that can produce results with economy.

Enabling vulnerable applicants to exercise choice

Compared to ‘traditional’ allocation schemes, choice based lettings schemes clearly require an active participation by individual applicants. Rather than waiting for an offer to be made, and then having to decide whether to accept or refuse, an applicant in a CBL scheme must actively examine property advertisements, choose desirable properties, place bids and, if unsuccessful, consider feedback.

While CBL schemes do require a degree of active participation on the part of applicants, this might be regarded as no more than the practical steps which anyone seeking a home, in whatever tenure, would have to undertake. Some advocates of choice have portrayed this contrast as one between an ‘active citizenship’ model and a model of passivity and welfare dependency.

While CBL schemes require a more active participation, it would be patronising, to assume that whole classes of applicants for social housing are in some way incapable of active participation in choosing their own home. While groups of the population, such as the elderly, or the disabled, might be regarded as being vulnerable within the housing

¹⁹ This has been noted particularly in rural areas in England

market as a whole, this does not mean that elderly or disabled people are less able to exercise an informed choice about where they wish to live.

In practice, rather than reviewing support systems from scratch, landlords have built upon their existing arrangements for vulnerable applicants, providing information and training for support workers, and providing a range of media to enable applicants to access information. However, no single scheme offers the full range of methods, and no scheme has a consistent approach to advertising the existence of its chosen methods. It is likely that over time a consensus will emerge as to the most effective methods of enabling participation by vulnerable applicants, and landlords need to monitor the accessibility of their scheme to vulnerable applicants. Landlords also need to ensure that refresher training is made available, particularly to respond to staff turnover in support organisations.

Where applicants were receiving support, this appeared to be working well. However, applicants whose situation did not require formal support, but who had mild learning difficulties, or were suffering from conditions such as ME or depression, appeared to find difficulty in engaging with the schemes.

One of the functions of social housing is to make provision for the significant number of applicants who have difficulty in sustaining proactive engagement with services. These applicants will need accessible services which they are able to obtain help with using, and landlords will need to include this in service planning.

An important element in CBL schemes is to allow bids to be made by proxy on behalf of applicants. In some cases, this may amount to no more than accepting bids made by one family member while another is on holiday, but proxy bids may also be made on behalf of vulnerable applicants, either by other family members or by designated support workers. In some cases, if no other formal support is available, it may be appropriate for a member of the landlord's staff to make proxy bids on behalf of a vulnerable applicant. In cases where an applicant may not be able to exercise a rational choice, it may be appropriate for the landlord to select a suitable property, and make a direct offer, in the 'traditional' manner.

Feedback: enabling applicants to modify choices

One of the key pieces of information which applicants need in order to exercise an informed choice in applying for a home is feedback on the outcome of previous bids.

Applicants are obviously interested in questions such as:

- 'What level of points (or bands) is needed to have a good chance of a property in this area?'
- 'How close am I to getting the sort of property that I prefer, or in an area that I prefer?'

- ‘If I looked for a different sort of property (such as a flat rather than house), or if I were willing to look in a different area, would my chances of rehousing improve?’

Feedback giving details of the outcome of previous advertisements is the simplest way in which applicants can build up a picture of the local social housing ‘market’, and of their chances of being rehoused within a reasonable period of time.

Given that there is a shortage of social housing, with demand far exceeding supply in most areas, the answer to this question for applicants with low housing need is likely to be depressing. The simplicity of ‘banding’ schemes often makes it only too clear that applicants in the lowest, or Bronze, band are only likely to be rehoused if they are eligible for, and willing to accept, undesirable property such as sheltered bedsits.

For applicants in this position, the provision of appropriate housing advice on available housing options in the private sector is likely to provide the only viable route to rehousing.

However, the quality and timeliness of feedback appears to be one of the weakest elements in most CBL schemes. Often feedback is incomplete, with feedback on the lettings outcome for some properties being either delayed for many weeks or omitted altogether. These delays and gaps are not only frustrating for applicants, but also contribute to creating a suspicion that certain properties are not being let in accordance with the rules.

Feedback appears to be the area which requires the greatest improvement in CBL schemes.

APPENDIX 1

LETTINGS: THE POLICY CONTEXT

The National Housing Strategy²⁰ sets out the view of Welsh Assembly Government on social housing lettings in these terms:

‘We believe that social housing works most successfully if people are housed where they wish to live. We therefore wish to optimise choice for applicants, and to have lettings systems that respond to applicants’ preferences as well as needs. We expect publicly funded housing resources to be focused on meeting its objective of making high quality social housing readily available for those who cannot afford to buy.

Applicants are too often not treated as customers. The process of how tenants are chosen is often complex and difficult to understand. Systems may not be clearly explained, and applicants may not be given adequate information on the housing options available, nor have sufficient account taken of their own housing preferences.

It is our aim to see social housing provided within mixed, settled communities that are socially inclusive. This will involve minimising barriers to social housing, developing fair allocations policies which take account of local housing needs and conditions and the monitoring of lettings outcomes to gain an understanding of winners and losers.

An essential element of this aim is the promotion of a customer-centred approach to the allocation of social housing that:

- maximises genuine choice;
- creates settled communities; and
- ensures that a publicly funded resource remains accessible to those who need social housing.’

The Code of Guidance on Allocations and Homelessness²¹ develops this customer oriented focus:

‘The Assembly Government however, would encourage social landlords to adopt the term ‘letting’ in place of ‘allocation’, wherever appropriate, in their guidance

²⁰ Better Homes for People in Wales: a National Housing Strategy, The National Assembly for Wales, 2001

²¹ Code of Guidance for Local Authorities on Allocation of Accommodation and Homelessness, Welsh Assembly Government, 2003

for housing applicants. It is the Assembly Government's view that social landlords should treat recipients of allocation services as customers rather than recipients of welfare. This shift to a more customer-centred approach is reflected in the development of the choice agenda. The normalisation of the processes by which social housing customers secure accommodation is reflected in the more commonly used term 'letting'.

The Code of Guidance expands on the broad principles outlined in the National Housing Strategy, emphasizing the broader strategic and social policy framework for allocations:

'Local housing authorities and RSLs are often collectively referred to as 'social landlords'. They are distinguished from other landlords by having the principal objective of meeting housing need. Within this context, it is the Assembly Government's aim to see social housing provided within mixed, settled communities that are socially inclusive. The guidance contained in this Code provides a framework within which this aim can be pursued.

The Assembly Government believes that allocation schemes can play an important role in broader sustainability and inclusion agendas. For example, consideration of the contribution that allocations can make to meeting the objectives set out in a housing authority's homelessness strategy. It recognises however, that allocation schemes alone cannot address major social problems and that schemes will need to form part of an integrated range of measures and initiatives to address problems at the local level.'

and the relationship between allocations policies and the wider Local Housing Strategy:

'The Local Housing Strategy should also provide the overarching strategic framework for a number of more detailed issue specific housing sub-strategies and policies including, for example:

- (i) a lettings plan, which estimates supply and demand for different types of dwelling, analyses how demand can be met and sets general objectives and priorities;
- (ii) formal or informal arrangements with RSLs and other providers of housing in the area to meet the objectives in the lettings plan;
- (iii) arrangements for the provision of advice and assistance for those wishing to make housing applications; and
- (iv) a local or regional Black and Minority Ethnic (BME) Housing Strategy which should set out how housing organisations will promote race equality in housing, for example outlining how they will address the housing requirements and needs of their BME communities.

APPENDIX 2

TELEPHONE INTERVIEW WITH SENIOR HOUSING NEEDS/LETTINGS/ALLOCATIONS STAFF

TOPIC GUIDE

1. Lettings/allocation policy

- 1.1. Has there been a review of the allocations policy following the Homelessness Act 2002?
- 1.2. Is there a document which sets out the allocations policy? Can a copy be supplied?
- 1.3. What type of allocations scheme is operated:
 - 1.3.1. 'traditional' officer led allocation and offer?
 - 1.3.2. choice based lettings?
 - 1.3.3. other? (e.g. 'local lettings' policies)
 - 1.3.4. a combination?

2. Statistics

- 2.1. How many households are there registered on the 'waiting list' @ 31 Dec 2004?
- 2.2. What is the breakdown of these by household type (e.g. single person, childless couple, family with dependent children, multi-adult, etc.)
- 2.3. Are homeless acceptances also automatically registered on the 'waiting list' and included in the total above?
- 2.4. How many homeless priority need acceptances were there in 2003/04 and 2004/05 (to 31 Dec)?
- 2.5. What is the breakdown of these by household type (e.g. single person, childless couple, family with dependent children, multi-adult, etc.)
- 2.6. How many non priority homeless acceptances were there in 2003/04 and 2004/05 (to 31 Dec)?
- 2.7. What is the breakdown of these by household type (e.g. single person, childless couple, family with dependent children, multi-adult, etc.)
- 2.8. How many lettings were made by you as landlord in 2003/04 and 2004/05 (to 31Dec)?
- 2.9. What was the breakdown of these by bedsize of property (bedsit, 1bed, 2bed, 3bed etc.)?
- 2.10. Of the total number of lettings in 2003/04 and 2004/5 (to 31 Dec), how many were to priority homeless?

- 2.11. What was the breakdown of these by bedsize of property (bedsit, 1bed, 2bed, 3bed etc.)?
- 2.12. (For local authorities) How many nominations to housing associations were taken up in 2003/04 and 2004/05 (to 31 Dec)?
- 2.13. What was the breakdown of these by bedsize of property (bedsit, 1bed, 2bed, 3bed etc.)?
- 2.14. (For housing associations) How many nominations from local authorities were rehoused in 2003/04 and 2004/05 (to 31 Dec)?
- 2.15. What was the breakdown of these by bedsize of property (bedsit, 1bed, 2bed, 3bed etc.)?

3. The allocations policy

3.1. How are rehousing priorities determined:

- 3.1.1. by housing need points?
- 3.1.2. by housing need 'bands'?
- 3.1.3. by waiting time?
- 3.1.4. by some other means (e.g. 'Gold Star' customers, etc)
- 3.1.5. by a combination?

3.2. How many choices (or refusals of offers) can be made by:

- 3.2.1. homeless applicants?
- 3.2.2. other applicants?
- 3.2.3. transfers?

3.3. Do you operate any other lettings schemes which offer choice, such as:

- 3.3.1. 'first come, first served' schemes for difficult to let properties?
- 3.3.2. area based local lettings schemes?
- 3.3.3. 'sons and daughters' schemes?
- 3.3.4. young singles schemes?

4. 'Choice Based Lettings' schemes

- 4.1. If your organisation does not operate a Choice Based Lettings scheme, is there any plan to introduce one?
- 4.2. If 'YES', roughly when might it start?
- 4.3. If 'NO', has the idea been considered, and rejected, and on what grounds?