

**Bid to the ODPM's Choice Based Lettings Regional Fund
by the
Herts & Essex Housing Options Consortium**

PART A – CORE INFORMATION

1. Lead Authority and Contact Name for Grant Funding

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2. Rationale and Background to the Formation of the Consortium

All the partners of the Consortium operate within the London Commuter Belt Sub-Region (which comprises all the local authorities in Hertfordshire and five Essex authorities). The Sub-Regional Housing Group's latest Housing Strategy incorporates an Action Plan, within which there is a key action to explore the scope for collaborative working on Choice Based Lettings (CBL) within the Sub-Region. As a result, meetings have been held - and investigative surveys undertaken - across the Sub-Region over the past six months to explore this scope. As a result, and encouraged by the availability of the ODPM's funding, the Essex and Hertfordshire local authorities in the East of the Sub-Region have worked hard, within a short timescale, to form the Herts and Essex Housing Options Consortium, agree a common approach to the development of a Joint CBL Scheme, and formulate and submit this bid.

The Consortium shares the Government's view that such an approach will achieve the greatest choice and flexibility in meeting our customers' housing needs, and that there are a number of benefits from larger, cross-local authority, schemes, which are articulated within this Bid. In particular, they enable greater regional mobility and help to break down artificial boundaries. For RSLs, they cut the costs of being involved in several different schemes.

3. Partners of the Consortium and Bid

The six local authority partners within the Consortium are listed below and comprise all of the local authorities in the eastern part of the London Commuter Belt Sub-Region (i.e on the Herts and Essex border), with the exception of Harlow DC, which has already introduced a CBL Scheme:

Brentwood BC	Chelmsford BC	Epping Forest DC
Broxbourne BC	East Herts DC	Uttlesford DC

The 25 RSL members of the Consortium listed below all currently have nomination arrangements with one or more of the local authority partners. It should be noted that two local authorities within the Consortium (East Herts and Chelmsford) have transferred the whole of their housing stock, and a third (Broxbourne) are currently at an advanced stage. The numbers in brackets refer to the number of local authority Consortium partners with whom the RSL has existing nomination arrangements and (*) denotes a stock transfer RSL (or proposed) within the Consortium's area

Aldwyck	Brentwood	Broxbourne(*)	Chelmer (*)	Circle Anglia(*)
Colne	East Thames	Estuary	Flagship	Guinness
Hastoe	Hereward	London & Quadrant	Metropolitan	Moat
Paradigm	Riversmead	Rural HT	Sanctuary	Shaftesbury
Springboard	Stadium	Swan	Warden	William Sutton

Most of the RSL Partners already have extensive experience of operating CBL Schemes in other local authority areas.

The agreed organisational structure of the Consortium is attached as an Appendix.

4. Regional and Sub-Regional Strategic Context

One of the objectives of the Regional Housing Strategy for the East of England is to provide mixed communities and widen choice. The Strategy states that the Regional Housing Delivery Group will support the development of CBL through the sub-regions by providing information exchange on good practice and links to regional representative agencies for vulnerable groups.

The Sub-Regional Housing Strategy has an objective of achieving social inclusion, and to ensure access and choice to housing. Section 2 above refers to the inclusion of collaborative working on CBL within the Sub-Regional Strategy's Action Plan.

5. Amount of Landlords' Stock to be Included Within the Scheme

Each of the local authority landlords within the Consortium have committed to the provision of 100% of their stock to the Scheme, with the exception of some individual vacancies which, for various reasons, need to be taken out of the CBL process. The RSL Partners have committed to provide all of their stock to the Scheme, where local authorities have nomination rights. In many cases, RSLs will also provide other vacancies, where nominations do not apply. Furthermore, the RSLs have agreed to look to expand provision to all vacancies. In the first instance, for a short trial period, each landlord may only allocate a proportion of vacancies to the Scheme, to test the Scheme's operation.

6. Approval for the Scheme by Members, Support of Partners and Consultation with Statutory and Community Organisations

It is confirmed that the appropriate elected members and/or committees of each of the Consortium's local authorities have given their full, formal, support to their council being both a member of the Consortium and to the Consortium's bid.

Furthermore, each of the RSL partners have been fully involved with the formation of the Consortium and the development and submission of this Bid, and have expressed their commitment in writing.

Some consultation has already been undertaken with partner organisations on the proposed approach. However, should the Bid be successful, the Consortium will undertake detailed consultation on the proposed operation of the Scheme before implementation, including the following:

- Customers (tenants and housing applicants), through focus groups and existing Newsletters
- District-wide tenant and leaseholder federations/fora (where they exist)
- Councils for voluntary services
- Disability advocate groups
- BME community groups
- Citizens Advice Bureaux
- Essex and Hertfordshire Supporting People Teams
- Parish and town councils

A Briefing Paper will be produced by the Consortium, explaining how CBL works and the proposals for the Scheme's operation, which will be sent (or in some cases a summary will be provided) to the above groups - together with any other groups that become aware of the process and express an interest in being provided with further information – and invited to provide any comments on the proposed approach.

The Consortium will be contacting the Essex and Hertfordshire Race Equality Councils to discuss issues relating to BME communities. It should be noted that there are no Tenant Management Organisations within the Consortium's area.

7. Sharing Good Practice

If the Consortium's bid is successful, we recognise that not only will it be one of the first to receive funding from the ODPM's CBL Regional Fund, it will also be one of the first where a number of local authorities and RSLs within a housing sub-region have come together in a formal way to work collaboratively on CBL outside London and large metropolitan areas.

Therefore, the Consortium would be keen to share any good practice we develop with GO-East, the ODPM, other local authorities and RSLs – particularly those interested in bidding for funding in Round 2. The Consortium will also assist the Regional Housing Delivery Group with its information exchange on good practice, referred to in Section 4 above.

PART B - THE CONSORTIUM'S COLLABORATIVE APPROACH TO CHOICE BASED LETTINGS

8. Key Objectives of the Consortium and Joint CBL Scheme

The Consortium's key objectives for the CBL Scheme are as follows:

- To work collaboratively amongst local authority and RSL partners
- To jointly commission an existing CBL Agency to operate the Joint CBL scheme on behalf of all the partners
- To consult other partners and interested organisations on the operation of the Scheme
- To increase efficiency, through the minimising of implementation and ongoing costs
- To increase opportunities for cross-border mobility and nomination arrangements
- To maximise the number of vacant properties that are let through the scheme
- To maximise choice, accessibility and ease of operation for customers
- To ensure that vulnerable and homeless people, and those who do not have English as their first language, are not excluded and are able to obtain full benefits from the Scheme
- To adopt a holistic "housing options" approach to customers
- To explore the opportunities for extending the Scheme to private sector landlords
- To share good practice on joint working with other local authorities and RSLs

9. Approach to the Operation of the Scheme – Use of an Existing CBL Agency

Following the successful establishment of other joint approaches to the operation of CBL Schemes – mainly by the London boroughs - a number of "CBL Agencies" have been formed, usually by the local authorities involved. These CBL Agencies are now very experienced at managing the entire process, including producing, printing and distributing the periodic vacancy magazine, telephony, information technology and the electronic and manual receipt of the bids from customers. At the end of each "bidding" cycle, the Agency returns a summary of the "bids" to each authority, who then prioritises offers made to the successful customer based on their own Allocations Scheme. The Agency also provides regular and detailed statistical information to the local authority on bids.

There are lots of benefits to the Consortium and our customers in contracting with an existing CBL Agency to provide the Consortium's CBL Scheme, as opposed to setting up our own joint operation from scratch, and the Consortium will therefore contract with an existing CBL Agency to operate its CBL Scheme, on the Consortium's own terms, through a competitive tendering process. This approach will: substantially reduce IT complexities and costs; benefit from the Agency's experience; save significant officer time in implementation; reduce significantly the implementation period; and benefit immediately from the range of customer bidding mechanisms, thereby increasing the choice for customers in the way they can bid (see Section 10 below). These existing agencies have also produced their "User Guides", translated into a range of other languages, to increase their accessibility.

For these reasons, the Consortium has adopted this approach. However, it is emphasised that the CBL Agency will operate the Consortium's Joint CBL Scheme as a "stand-alone" operation, to the Consortium's own requirements, and not as an extension to their existing scheme(s).

The other benefit of this approach is that, because the systems have already been well tested, the Consortium intends to commence the operation of the CBL scheme in a number, probably all, of the local authority areas from the outset. This will also enable the benefits of collaborative working to be obtained straight away, without a pilot being undertaken in one area - which would have high operational costs for the pilot authority. It should be noted, however, that because some of the partner local authorities want to first move from a points system to a banding system for their Allocations Scheme, it may take longer to the launch date than if the Scheme commenced with just one authority. However, the overall period to full implementation will be the same as if a pilot had first been undertaken.

10. Project Management – Appointment of CBL Consultant

Implementation of any CBL Scheme is complex, but a Joint CBL Scheme amongst 6 local authorities and their landlords brings significant additional challenges. However with expertise, combined with good project management, it also offers many opportunities for time and cost savings, through avoiding duplication of effort.

For this reason, if the bid is successful, the Consortium will appoint an experienced consultant, specialising in the implementation and operation of CBL schemes, to project manage the implementation and to co-ordinate the activities of the Consortium's Partners. This will include: the production of the Joint CBL Agency Specification; undertaking the Agency tendering; co-ordination and provision of evaluation advice; undertaking of contract negotiations; liaison with the CBL Agency on implementation; co-ordination of Partners; project-management of CBL implementation for each Partner (jointly and individually); and liaison/negotiation with existing Housing IT providers on requirements and costs of modules and interfaces.

11. Offering Choice to Customers

One of the benefits gained from the size and experience of an existing CBL Agency, is that customers will be able to use, immediately, a variety of electronic/interactive and other ways to receive information on vacancies across the Consortium's area (*since the website, magazine and other media will provide details of vacancies arising in each local authority to all customers registered across the Consortium's area*). Customers will also be able to bid for individual properties, from launch, using these electronic/interactive ways, which include:

- One interactive website, providing information on all vacancies within the Consortium's area, (including photos, details of location, type, rent, service charge, council tax band and landlord of the available accommodation) and enabling customers to "bid" on-line.
- Interactive kiosks located at key locations within the Consortium's area, giving access to the website to obtain information and to bid
- Publication of a periodic magazine (weekly or fortnightly), providing the same information as the website, and providing vouchers for customers to return by post or by hand
- The ability to submit "bids" by post, telephone, text messages and email or Internet – all interactive and utilising automatic call management.
- The ability to subscribe to receive the periodic magazine by post, which will be of particular benefit to customers in rural locations
- A facility for customers to "automatically bid" for vacancies that arise within particular areas, which will be of particular benefit to older and other vulnerable people

Furthermore, over time, customers will be able to increase their likelihood of success by bidding for vacancies for which they are more likely to be chosen. This will be achieved through the results of

the “bidding” on each property advertised being published on the website and in the next magazine, setting out the number of “bids” received on each property, as well as the Band and registration date, or points level, of the successful customer. This will help customers to see how long the successful customer has been waiting, compared to them.

Since all homeless applicants must be registered on their local authority’s Housing Register by law, they will also be able to bid under the CBL Scheme, through their housing application.

12. Increasing Mobility and Cross-Border Movement

At the end of the “bidding” cycle, each local authority will analyse the “bids” received for their area and offer each property, following a prioritisation and selection process in accordance with their own Allocation Scheme. Generally, the property would be offered to the customer who had “bid” for the vacancy and was either in the highest band, and who has been registered the longest (for those authorities using banding systems) or had the most points (for those using points schemes).

Customers from any of the partner local authority areas will be able to register with any other partner local authority, and bid for vacancies in that District.

Through the website and periodic magazine, other important information on housing options will be provided, including details of mobility schemes, particularly the all-embracing, MoveUK scheme.

Quite uniquely, two of the partners (East Herts and Uttlesford DCs) currently share nomination rights for a proportion of vacant properties that arise in their area – through the Stansted Area Housing Partnership – with each authority receiving a set percentage of nominations. The Joint CBL Scheme will therefore increase further the choice given to their customers.

Once the scheme is in operation, the Consortium will explore the possibility of devising a common application form, enabling customers to only have to complete one form to register with the local authorities of their choice.

13. Low Cost Home Ownership (LCHO) Shared Ownership and Key Worker Schemes

The Consortium will include vacancies that occur for shared ownership and other LCHO opportunities, including key worker housing, within the Joint CBL Scheme. For all customers bidding for such properties, nominations to RSLs will be prioritised in accordance with the Allocations Schemes. RSLs will then offer properties in accordance with the priority given, provided that customers are able to meet the required income criteria.

In respect of key worker housing, the Consortium will work closely with the two Zone Agents for Essex and Hertfordshire (Moat and Aldwyck), both of whom are RSL Partners of the Consortium, in order to maximise the capture of demand for key worker housing, not only from areas covered by the Consortium, but for the whole of the Sub-Region.

14. Private Sector Landlords

Should this bid be successful, the Consortium’s Project Plan includes provision for inviting private sector landlords to provide details of market-rented vacancies to the Scheme, for which customers for social housing can apply - via the appropriate local authority. RSL Partners offering market rented properties will also advertise vacancies through the Joint CBL Scheme.

15. The Housing Options Approach

By implementing a Joint CBL Scheme – and giving greater choice and empowerment to customers - the local authority partners will be able to adopt more of a “housing options” approach to the provision

of social housing. Indeed, on implementation, a number of local authority officers across the Consortium's area will be re-designated "Housing Option Advisors to reflect their increased advisory role and the demise of their "allocation officers' " role. In addition to focussed advice, including advice on "bidding strategies", the Scheme will:

- Promote a wider range of housing options (e.g. shared ownership, LCHO, private rented and mobility) – See Sections 11, 12 and 13 above)
- Through the website and magazine, provide information on other related housing services (e.g. care and repair schemes, DFGs and disabled adaptations)
- Increase the marketing of, and give prominence to, the small numbers of difficult to let properties, and encourage customers with low priority to apply.

PART C - COSTINGS AND EXTENT OF ODPM FUNDING

The costings for the implementation of the Joint CBL Scheme (excluding the Partners' officer time and ongoing costs), and the required ODPM funding, are as follows:

Item	Cost	ODPM Grant
Project Management: 160 days CBL Consultancy (@ £450 p/d) to provide the project management services set out in Section 10	£72,000	£43,000
ICT : (a) Purchase of additional Housing IT modules/ interfaces, purchase of internal ICT staff support time, purchase and commissioning of 12 internet kiosks across Consortium's area (b) CBL consultant – See Section 10 (10 days)	£63,000	£43,000
Information and Publications: (a)(CBL Consultant) Produce consultation material for partner organisations, undertake consultation, disseminate outcomes (b)(CBL Agency) - including creation of website, leaflets, promotional material, posters, Scheme Guide, bidding vouchers	£20,000	£10,000
Training: (CBL Agency) Operational - for LA and RSL staff. Awareness - for partner organisations	£5,000	-
Totals	£160,000	£96,000

The costs not funded by the ODPM will be funded equally between the 6 local authorities, for which they are making capital and revenue budget provision in the forthcoming budget cycle.

It is estimated that the ongoing fee to the CBL Agency by each local authority will be reduced by around 40% as a result of operating as a Consortium.

PART D - OUTLINE PROJECT TIMETABLE

	Start	End
Outcome of ODPM Bid	-	Nov 2005
Appointment of CBL Consultant	Jan 2006	Feb 2006
Produce Joint Specification	Mar 2006	May 2006
Consult Partner Organisations on CBL Scheme	May 2006	Jun 2006
Tender/Appoint CBL Agency	July 2006	Aug 2006
CBL Scheme Implementation/Preparation	Sept 2006	Mar 2007
Publicise to private landlords and invite to join CBL Scheme	Oct 2006	Mar 2007
Joint CBL Scheme Commences	-	Mar 2007

Herts and Essex Housing Options Consortium

Organisational Structure

Herts & Essex Housing Options Consortium	
Membership	All LA and RSL organisation members
Purpose	Overarching body comprising all organisations
Meeting Frequency	Annually

Member Strategy Group		
Membership	One councillor from each LA	
Advised by	1 officer from each LA + 2 RSL reps ^(*)	
Purpose	To give a member lead to the direction of the Consortium and to monitor progress with the Joint CBL Scheme	
Meeting Frequency	During implementation	As required
	After implementation	Six-monthly

Operational Group		
Membership	1 officer from each LA + 2 RSL reps ^(*)	
Purpose	To manage all operational issues relating to the Joint CBL Scheme	
Meeting Frequency	During implementation	As required
	After implementation	Quarterly

(*) = RSL reps selected by representatives of all the RSL members of the Consortium