

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

7 January 2008

Report of the Director of Health and Housing

Part 1- Public

Matters for Information

1 KENT CHOICE BASED LETTINGS SCHEME

Summary

The Government requires local authorities to introduce Choice Based Lettings (CBL) for the allocation of affordable housing by 2010. The Council is a member of the 'Kent Choice Based Lettings Partnership'. The Partnership has shortlisted a number of CBL IT providers and a Partnership Agreement is currently being finalised for endorsement. It is envisaged this Council would proceed with the scheme in 2009 subject to satisfaction on terms and conditions.

1.1 Background

- 1.1.1 In October 2006, approval was granted for the Council to join the Kent Choice Based Lettings Partnership. This report seeks to update Members on the progress of the scheme. For further details on how the proposed scheme will work please refer to **[Annex 1]**
- 1.1.2 Although the project made a slow start, good progress has been made in recent months finalising the partnership agreement and the service specification through the project board, of which this Council is a member.
- 1.1.3 The process of procuring a service provider is underway. On 28 June 2007 an advert was placed in the Official Journal of the European Union, inviting expressions of interest. In line with the guidelines of Procurement by Restrictive Procedure, respondents had 37 days to express an interest. Letters inviting expressions of interest were sent to all interested parties, with a pre-qualification questionnaire. 18 responses were received and from this a shortlist of four potential suppliers was produced.
- 1.1.4 The shortlisted companies were Civica, Scout, Abritas and Locata. From this list, after a two stage evaluation process, two companies have been chosen to present their service/product to the Evaluation Panel at Ashford Borough Council Offices on 19 December 2007.

- 1.1.5 Currently, Thanet District Council is carrying the majority of the risk associated with the Kent CBL Scheme. The Partnership Agreement once signed will allow Thanet to reduce their individual liability. The project board is therefore seeking to understand each partner's readiness to sign the Partnership Agreement. This is timetabled to go ahead in January 2008. However, a number of the partners have expressed concern that they may not be ready to sign up in January.
- 1.1.6 Once the preferred supplier is appointed the project board will discuss with them whether the timetable can be adhered to without the contract being signed. The project board are aware that the date for signing the contracts and subsequently the implementation dates may therefore have to be pushed back.
- 1.1.7 The agreement itself is in its final stages of drafting and is with Devonshires solicitors, awaiting the comments on behalf of the RSLs. The draft agreement is also due to go to the Kent Secretaries Group for consideration on behalf of the local authorities in the New Year.
- 1.1.8 Once the preferred provider has been appointed and the contracts have been signed, the intention is to phase the scheme in over a three year period that ensures that the 2010 date is achieved in line with government requirements. The first phase is anticipated to go live in April 2008, comprising Thanet District Council, Ashford District Council and Canterbury City Council. This is dependent on the contracts having been agreed and signed by this date.
- 1.1.9 The project board is finalising which authorities will go live in phases two, three and four.

1.2 Tonbridge and Malling Perspective

- 1.2.1 Members have made clear their reservations about CBL many of which are shared by officers. Notwithstanding these, the Government will expect the Council to be operating CBL by 2010. Members may recall that Russet Homes were also sceptical about the benefits of CBL. I can report however that Russet Homes are now fully committed to joining the Kent CBL Partnership.
- 1.2.2 Despite the pressure on the Council to join the Kent scheme Members should be assured that we will only do so if the terms and conditions are right for this authority and its residents. At this stage subject to satisfaction on terms, we could not consider going forward with the scheme until after the new in house service delivery arrangements for homelessness and housing register have bedded in. In taking CBL forward it will be essential to work in concert with Russet Homes. Therefore, given the transfer of services back to the Council it is not envisaged CBL would be operable in the borough before 2009.

1.3 Next Steps

- 1.3.1 Once we are clearer on the workings of the scheme and their implications it will be necessary to seek Member approval to the draft Partnership Agreement committing the Council to participation in the Kent Choice Based Lettings Partnership.

1.4 Legal Implications

- 1.4.1 There is a requirement for all local authorities to have a choice based lettings system in place by 2010. The provision of choice based lettings meets provisions contained in the Homelessness Act 2002 which requires local authorities to offer choice to those in housing need.
- 1.4.2 A Partnership Agreement is being developed to ensure that all of the organisations involved in the scheme meet their respective commitments. The Partnership Agreement will be verified by the Kent Secretaries Group on behalf of the Local Authorities and by Devonshires on behalf of the RSL partners. The agreement needs to be signed by all parties before the contract can be entered in to with the preferred supplier as it provides an indemnity to Thanet DC.

1.5 Financial and Value for Money Considerations

- 1.5.1 The Council has set aside a budget of £10,000 to cover its share of the project development phase. Future financial implications of adopting the scheme will be reported to the Board once known.

1.6 Risk Assessment

- 1.6.1 Failure to progress choice based lettings would impact on the Council's Audit Commission rating, where choice in the allocation of housing is identified as a key line of enquiry.
- 1.6.2 Failure to join the Kent Partnership CBL scheme would leave the Council with very limited and expensive opportunities to implement CBL by 2010.
- 1.6.3 Further discussions on the proposed workings of a Kent CBL scheme with Russet Homes is essential if the envisaged benefits of CBL are to be realised.

Background papers:

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Nil

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