

Choice Based Letting (CBL)

Whilst Choice Based Lettings has been recognised as an improvement in the allocation of social housing, existing evidence has acknowledged that there are problems with the system and its treatment of vulnerable groups.

This briefing is designed to provide a critical perspective of the Choice Based Lettings system from the vantage point of vulnerable groups, and suggest possible improvements that could be made to make their experiences better and help CBL systems produce better outcomes for tenants.

Key points

- Choice-based lettings (CBL) are common across the UK and provide prospective tenants of social landlords with greater choice in where they chose to live.
- Choices can be constrained for vulnerable applicants (e.g. homeless people) especially if they have priority status.
- Lack of knowledge and misinformed guidance from practitioners can negatively impact applicants' experiences of the CBL system.
- Recommendations for the short term are the development of clearer guidelines to maximise the efficiency and satisfaction of CBL.
- In the long term recommendations include the development of rigorous training for CBL advisors, and a review of what 'realistic bidding' means to practitioners and applicants.

What is Choice Based Lettings (CBL)?

CBL was developed from the Delft model implemented in the Netherlands. The transparency of the Delft model was seen attractive to UK policy makers in comparison to the traditional housing allocation systems used in the UK that were deemed to be too complex.

CBL is implemented differently by different local authorities and housing associations across the UK (see Box 1 for a description of implementation Edinburgh). Despite different implementation, it is centred around providing choice to tenants, with them bidding on available homes, and tenants being ranked according to need criteria set by the local authority or housing provider reflecting housing legislation and statutory responsibilities.

Applicants are required to bid realistically in order for their bids to be registered. For priority status holders, such as homeless individuals, this is considered to be bids on properties that are more likely to be attained quickly or within the time that they are allowed to have priority status. If unrealistic bidding is deemed to take place, then priority status can be revoked.

Introduction:

This briefing is targeted to policy makers and housing practitioners working within a CBL allocation system. The briefing consolidates the available evidence on CBL and provides recommendations based upon this. This review particularly focuses on homeless applicants, as specific concerns have been raised about this group in light of UK welfare reforms and the range of realistic housing choices available to them.

The challenge of delivering CBL:

While the evidence shows CBL works well for many tenants, there is evidence that in specific ways it presents challenges for vulnerable applicants, especially in the operation of priority status

Conditions on priority status lead to bidders needing to get housing as quickly as possible:

This leads to those who are homeless with priority status needing to bid "realistically". In this case realistic bidding is bidding on a tenancy that can be secured as soon as possible, often for the lowest demand properties. For homeless applicants, bidding unrealistically on properties that cannot be attained quickly, or refusing an offered property, can lead to priority status being removed. This limits the choice of tenants to lower demand housing, conflicting with the initial aims of CBL. Dudleston and Harkins (2007) also noted that fears of having their priority status revoked meant applicants were resigned to the belief they would have to accept a property they deemed unsuitable or undesirable.

Lack of coherent guidelines lead to contradictory Advice from service providers:

Dudleston and Harkins (2007) reported a lack of coherent guidelines as affecting bidder's experiences of CBL. If a bidder who has priority status is found to have been bidding unrealistically, even as a result of misinformation, their priority status can then be revoked, resulting in significant negative consequences for the applicant.

Priority status can hinder applicants getting preferred properties:

Shelter (2005) advised some homeless applicants that they were better not to claim priority status. This was in cases where someone was considered to be homeless due to living in unsuitable accommodation – e.g. as a result of relationship breakdown – but had lived there for a long time prior to this, as their time spent in that accommodation would give them more points to bid. Therefore, they might be offered better accommodation than if they had claimed priority status, as they would not have to bid for low demand housing or risk having their priority status revoked.

The Scottish Government reported that from April 2015 to March 2016, Scottish local authorities received a total of 34,662 homelessness applications.

According to the Scottish Government in March 2016 there were 142,500 people on the Housing Register waiting to be housed.

Concerns homelessness could rise: Fitzpatrick et al (2015) reported that due to current changes to the welfare system by the UK government, there are fears that homelessness and social deprivation in Scotland could rise. This coupled with legislative changes in Scotland that have widened the homelessness safety net, means more pressures could be placed on CBL systems in coming years. There could be a greater number of vulnerable people using CBL systems and they might not be equipped or ready to deal with this.



Recommendations

The evidence suggests that in the **short term**, the following changes would make CBL systems more accessible for vulnerable people and produce better outcomes.

More coherent guidelines for CBL advisors and applicants:

The most obvious short-term solution to improving the CBL would be to provide more coherent guidelines around CBL procedures for both CBL advisors and applicants. Whilst CBL is implemented differently depending on the local authority, each local authority and housing association that implements a CBL policy could provide standardised guidelines online and on paper that are easily available to advisers and applicants within that local authority.

This could help prevent confusion at ground level that can lead to applicants with priority status having negative experiences. This can also lead to applicants entitled to priority status having more understanding as to what this entails – e.g. likelihood of receiving low demand housing. From this they can then make an informed decision whether to claim priority status or not depending on their existing circumstances.

Over the **longer term**, operators of CBL systems may wish to consider:

Evaluate the interpretations of realistic bidding:

A critical evaluation of 'realistic bidding' and what this means to both practitioners and applicants needs to be conducted to understand more fully the impacts of this, and the use of discretion by housing officers in judging the "realism" of bids.

More training for practitioners:

More training for frontline workers who work with the CBL system is required. For hostel workers and housing officers, training is conducted at the discretion of the organisation in which they work for. Consequently training is frequently 'on the job', and so more standardised training on CBL is required so clients can be correctly advised.

Case Study - James

James has presented himself at his local authority and been deemed unintentionally homeless. He is placed in temporary hostel accommodation for one year. Within this period it is expected that he will gain a house through the CBL system. He has been allocated a housing officer, who will guide him through the system. He does not have frequent meetings with them, as they have a large case load. Instead, James has to rely on hostel staff for advice, however, they are unsure about the intricacies of the CBL system, as they have never been formally trained in it.

James knows that he needs to bid realistically and he has silver priority status, but the meaning of these terms was not explained to him. Due to the busy schedules of staff he does not have much help or advice in selecting properties. Whenever he asks people for advice (e.g. hostel staff, housing officers, and fellow residents) the advice that he gets is often contradictory which confuses him further. Because of his lack of computer literacy, he needs to rely on hostel workers doing his weekly bids, but they also struggle with the system, and sometimes the bids are not processed on time.

Months later he receives an offer of accommodation in an area of the city in which he does not wish to stay. It is remote, and far away from his family and friends. However, worried in case he loses his priority status by refusing, he accepts the property.

Box 1: Choice-Based Lettings in Edinburgh

Edinburgh Council is partnered with 16 social housing landlord to form the EdIndex Partnership. They list available properties through Edinburgh's Choice Based Letting Scheme called EH Your Key to Choice

Members accrue waiting time after registering with EdIndex, and this waiting time is calculated differently whether the applicant is classed as a Mover or a Starter.

Starter's waiting time are accrued from the moment their EdIndex form is registered. Mover's waiting times are backdated from when they moved into their current residence.

Priority status is awarded depending upon the needs of the applicant and is time limited or monitored for proper use:

Gold – Property does not meet the needs and cannot be changed to meet the needs of the applicant

Gold (urgent) - Awarded in cases where, for example, it allows hospital discharge, or prevents long term admissions to hospitals and care homes as part of a wider care/support plan. Is rarely awarded.

Silver – Awarded to variety of reasons e.g homeless, overcrowding, demolition or regeneration of current home. For homeless applicants it is assessed on a regular basis to ensure that the holder is using it reasonably e.g. making bids with a high chance of resulting in rehousing. Broadly time limits apply to applicants who have silver status due to demolition or regeneration.

Waiting time – length of time in last property and time accrued whilst bidding – depending on Starter or Mover status.

The scheme has been operating well since 2003, although with welfare reform, increased homelessness, cuts to local authority budgets, and housing supply challenges, the system is under strain. In England, some local authorities are considering ending CBL schemes – York City Council is considering closing its scheme due to the administrative cost; Rotherham Council is considering ending its scheme due to the challenges of letting homes in low-demand areas.

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