

CHOICE BASED LETTINGS SCHEMES IN ENGLAND	
ISSUE	<ul style="list-style-type: none"> The motivations behind the United Kingdom (UK) Government's decision to use a Choice Based Lettings (CBL) scheme to allocate social housing
KEY POINTS	<ul style="list-style-type: none"> CBL provides a simple and easy to use housing allocation system. This allows staff to dedicate time to providing support to vulnerable people during the bidding process, rather than spending their time administering a complex process. CBL offers the applicant choice, which increases the likelihood that an applicant will be living somewhere they can settle and enjoy. It is believed that this is the key to creating communities that are 'stable, viable and inclusive'.

Introduction

In 2001 the UK Government launched a Choice Based Lettings scheme. This scheme was designed to provide a transparent and fair process for the allocation of social housing. Since its launch, a number of pilot schemes were set up to evaluate the benefits of using this type of scheme. This report briefly outlines the fundamental aspects of a Choice Based Lettings scheme and highlights the motivations behind the UK Government's decision to implement such schemes. Finally the report draws out the main points from the relevant research and the evaluation of the pilot schemes, and provides concluding comments on the scheme.

What is a Choice Based Lettings scheme?

A Choice Based Lettings (CBL) scheme gives applicants the opportunity to bid for properties which are most appropriate for their needs. A CBL scheme works by Local Authorities and Registered Social Landlords (RSLs) advertising housing to potential applicants via local newspapers, newsletters or on a website. The system then identifies the successful bidder, which is the applicant who has the highest priority. In this case priority is based on the applicant who has the most critical needs.

This process is designed to be as fair as possible as it gives all applicants an equal opportunity to view available properties that meet their needs, and therefore it does not give discretion to Local Authorities¹. However, Local Authority staff are still required to provide advice and feedback to applicants².

Motivations behind the UK Government's decision to have implemented CBL by 2010

The priority within the UK government's housing policy is to persuade Local Authorities to execute a Choice Based Lettings scheme. They argue that CBL is beneficial as it is based on the idea of choice. The UK Government believe that if an applicant is allocated the property they have chosen, rather than being housed where the local housing authority wants them to go, then it is more likely that the applicant will be living somewhere they can settle and enjoy. This has a positive effect on communities, and it is believed that this is the key to creating communities that are 'stable, viable and inclusive'³.

There are clearly benefits of using a CBL scheme. Firstly, CBL provides a simple and easy to use housing allocation system. This allows staff to dedicate time to providing support to vulnerable people during the bidding process, rather than spending their time administering a complex process. However, one of the most important benefits of CBL is that it offers the applicant control of the allocation process. Again reinforcing the point made above, providing more choice to the applicant can in turn improve satisfaction and lead to more stable communities⁴.

Findings

Pilot schemes consisting of 27 local authorities were conducted from April 2001 until end-March 2003 in order to examine the impact CBL had in these areas. The evaluation of the schemes found that CBL was

¹ Shelter England (2009)

² Department for Communities and Local Government (2006)

³ Department for Communities and Local Government (2006)

⁴ Overview and Scrutiny Committee (2009)

very successful in achieving a simpler and more open system. This research also found that CBL was, by and large, welcomed by users and that Local Authorities were enthusiastic about it. CBL has generated a renewed interest in social housing, with more people applying for properties⁵.

In some areas CBL has opened up social housing to groups who have been traditionally under-represented, for example, working households and black and ethnic minorities⁶. A case study in Bolton (UK) showed that there had been a small increase in the proportion of ethnic minority CBL bidders over an 18 month period⁷. Research also found that CBL has been good for areas in the North of the country historically showing low demand for social housing. Since using CBL, low demand areas have been able to let properties previously considered unpopular⁸. This can be attributed to the fact that in some circumstances, through using CBL, applicants can view cross-borough housing vacancies. This is confirmed by research in East Cornwall (UK), showing that 17.5% of lets had been made to 'cross-borough' applicants in the first year of the joint scheme⁹.

Conclusion

To conclude, this report has shown that the UK Government's main motivations for introducing the CBL scheme have been (i) based on the ideology of allowing the applicant far more choice when bidding for social housing, which is thought to lead to more stable communities, and (ii) due to the fact that the scheme is simple and easy to use, so is less of a burden on Local Authorities time. Research has suggested that there are many benefits from using the scheme and also has shown that this process of housing allocation has been received positively by both the applicants and Housing Associations.

⁵ Department for Communities and Local Government (2006)

⁶ Department for Communities and Local Government (2006)

⁷ Pawson et al. 2006

⁸ Department for Communities and Local Government (2006)

⁹ Pawson et al. (2006)

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