



GHA Homechoice Pathfinder: Interim Evaluation Summary

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Background

Glasgow Housing Association's Homechoice Pathfinder project was launched in March 2009. By advertising vacant properties and encouraging housing applicants to view and 'note interest' in these, Homechoice aims to greatly expand the scope for customer-choice in the lettings process. To road test the Homechoice model, the Pathfinder involves the system being trialled for a limited period in West Glasgow, an area encompassing 10 Local Housing Organisations (LHOs) and around a fifth of GHA's total housing stock. This report is an evaluation of the Pathfinder in its first three months of operation.

The Homechoice scheme is a new approach to allocating social housing via what is known as a choice-based lettings (CBL) approach. Under CBL the onus in matching properties and people passes from the landlord to applicants themselves, who note interest in properties which are advertised as available to let. This model is a radical departure from the established way of allocating social housing. The traditional approach involves housing staff selecting applicants from 'queues' formed by applicants pre-selecting (in their original housing application) preferred areas and types of property. The effective operation of a CBL-style system therefore calls for a major culture shift for both staff and customers.

As part of the new Homechoice system, GHA revised its Allocation Policy, moving from a traditional 'points' system to priority bands. These are:

- Priority A: Referrals from Glasgow City Council and applicants with multiple needs (e.g. overcrowded and medical need)
- Priority B: Those in housing need (e.g. medical problems, over-crowding, sub-standard property)
- All other applicants

To ensure that applicants in each group obtain a fair share of available properties, the Homechoice system uses an automated 'rota generator'. This determines the priority band to which each newly available property should be targeted (as published in the relevant advertisement). Ground floor, level access properties are advertised as suitable for people with mobility problems, who receive priority for these homes.

Some properties continue to be allocated through 'managed lets', where staff match applicants to suitable properties. Managed lets apply to a number of groups including:

- Sheltered housing,
- Property adapted to meet special needs,
- People being rehoused from clearance areas
- Management transfers (e.g. due to domestic abuse or harassment)
- Community care/care leavers and other referrals from GCC

Available properties are advertised in the 'Evening Times' on a Tuesday (in a supplement which also contains private property for sale or rent). Applicants can obtain free copies of the paper from local housing offices and a range of community

centres, including local libraries. Housebound applicants can request free delivery of the newspaper. GHA also has a Homechoice website, which provides full details of properties, including those which are 'immediately available'.

Notes of interest can be made through:

- The GHA homechoice website (24 hours a day)
- Telephone to the GHA Customer Service Centre (24 hours a day)
- In person at an LHO office (9-5 Monday to Friday)

Applicants using the Customer Service Centre or local housing office can use the telephone interpreting service or text-relay.

All customers registered for property in the west of city received a 'welcome pack' explaining the new system. This was also provided in a range of formats (large print, audio and Braille) and in other languages on request.

Local Housing Organisation staff had a series of training sessions prior to Homechoice inception. GHA also seconded a number of housing officers to act as Homechoice Support Officers (HSOs) to provide advice and support to both staff and applicants in the initial phase. Relevant staff of Glasgow City Council and local voluntary organisations were offered detailed briefings on the system.

Research methods

The evaluation was required to help GHA assess the extent to which the following key objectives were met in the project's initial phase:

- A satisfactory level of engagement with the system on the part of customers, particularly vulnerable customers (if necessary, with support)
- Functionality of IT systems and processes
- Effectiveness of business processes
- The impact on void management performance, refusal rates and lost rents
- The level of stakeholder and political buy-in.

A wide-ranging set of research methods were employed to address GHA's requirements. These included:

- Scrutiny of documents and web pages
- Staff interviews and focus groups
- Large scale surveys of housing applicants and tenants pre-Homechoice, Homechoice successful bidders and unsuccessful bidders
- In-depth interviews with 'vulnerable customers', including older people, minority ethnic home seekers and those potentially disadvantaged in other ways (e.g. due to learning difficulties or poor literacy).
- Interviews with wider stakeholders, including Glasgow Homeless Partnership and voluntary organisations.

- Statistical analysis of impacts on demand, performance and customer choices

Staff and external stakeholder perspectives

This part of the research consisted of interviews and focus group discussions involving a wide range of GHA staff, at both headquarters and LHO levels. Participants also included LHO committee chairs and other members, GCC homelessness staff and managers and voluntary organisation representatives.

Most participants welcomed choice-based lettings, in principle. There were a number of concerns about the operation of Homechoice in the early part of its pilot phase. In general, however, interviewees felt initial teething problems could be overcome, and thought that the new approach was an important reform of allocation processes.

A number of detailed issues were raised in relation to the Homechoice systems and procedures. Suggestions included:

- Changes to the allocations policy
- A reduction in the number of Notes of Interest an applicant may submit in each advertising cycle
- The installation of public access PCs or touchscreen terminals in LHO receptions
- Fine-tuning of the rota generator and other Homechoice software.

Interviewees felt that it was important that homeless households were incorporated within Homechoice. However, this had been made more complex as the Homechoice pilot had followed shortly after the introduction of new systems for processing Section 5 referrals, via a central GHA Housing Assessment Team. There was a perception that Homechoice benefits homeless households disproportionately, which led to concerns that there could be a greater incentive for people in housing need to 'take the homeless route'.

The GCC caseworkers consider that more than 90% of homeless referrals are capable of bidding via Homechoice. However, a significant proportion of homeless households have needed to be rehoused through managed lets. This is mainly because they have not secured an advertised home through submitting notes of interest. GHA staff are concerned that unless homeless households are strongly encouraged to become 'active bidders' there will be an accumulating backlog of cases that need to be resolved through the managed lets route. This, in turn, could reduce the proportion of vacancies available for advertising. As yet, however, it is too early to say whether this is a likely scenario.

There were widespread concerns about the impact of Homechoice on housing management performance, particularly among LHO Community Housing Managers (CHMs) and committee members. However, this is at variance with the statistical evidence (see below).

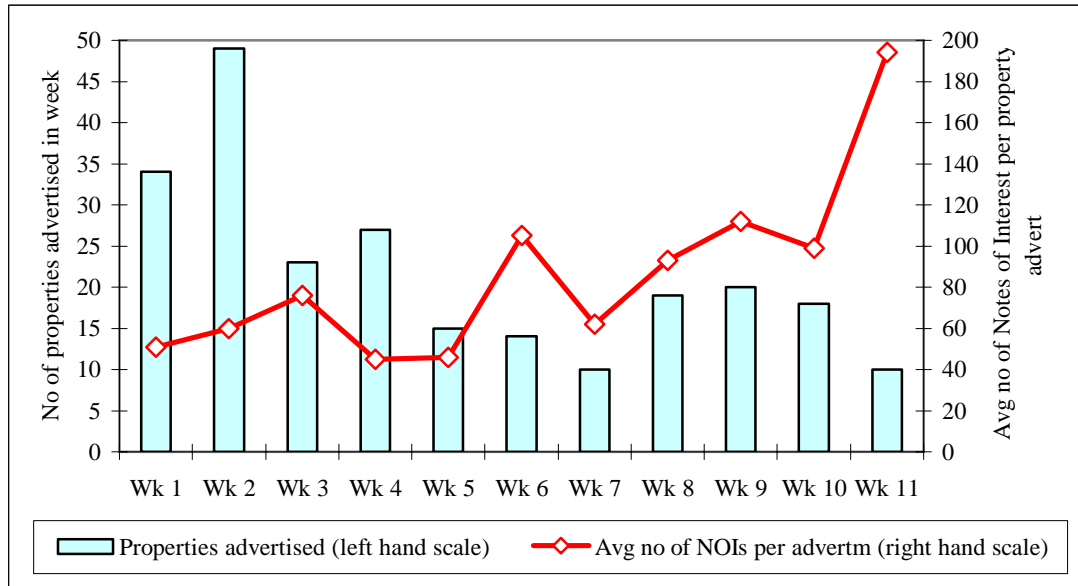
The voluntary sector interviewees did not have a clear understanding of Homechoice, or how it operated. They had a number of misconceptions about its operation, including a belief that it involved 'secret lists' and that GCC referrals could only submit Notes of Interest via their caseworker. All of this suggests a need for further and more intensive engagement about Homechoice between GHA and external stakeholders.

Statistical analysis of GHA housing management and performance data

The key findings emerging from this analysis were as follows:

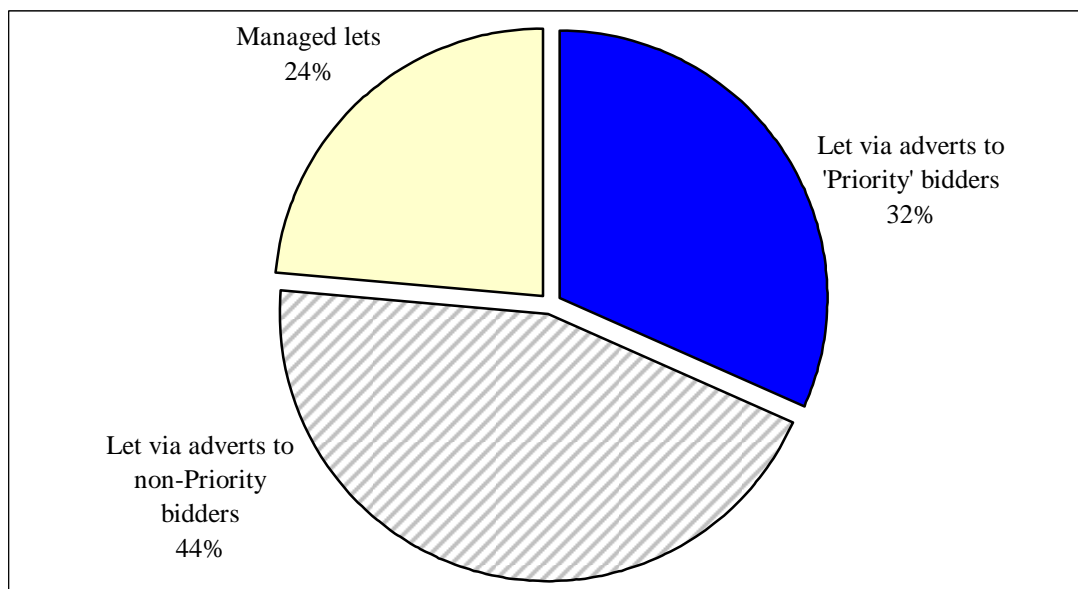
- In its first 11 weeks of operation, Homechoice attracted more than 18,000 notes of interest from some 2,400 applicants.

Figure 1 – Homechoice Pathfinder weeks 1-11: trend in adverts and NOIs



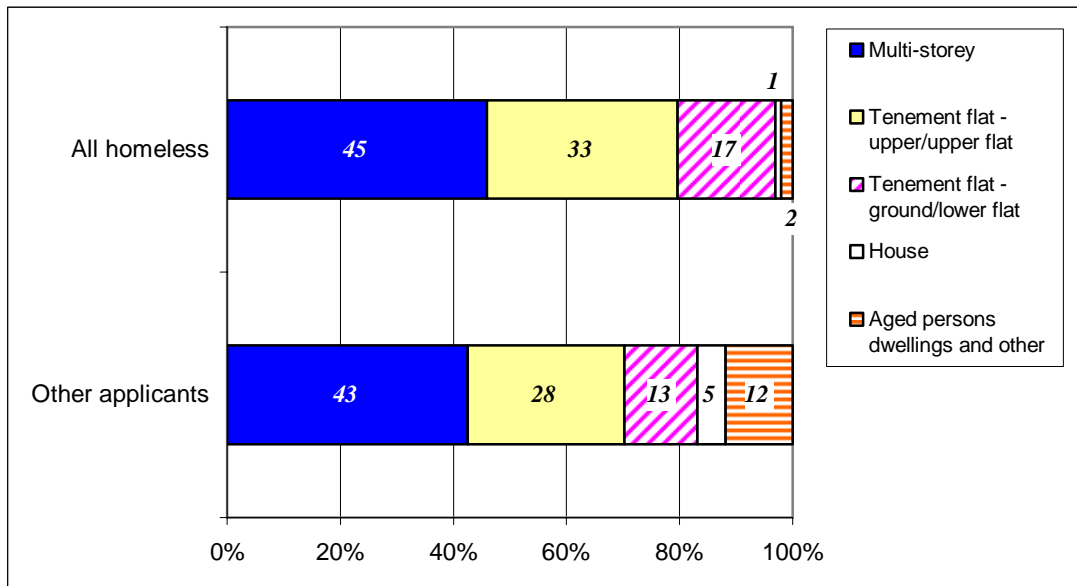
- Most applicants participating in Homechoice submit multiple NOIs each time they participate. On average almost two thirds of participants submit two or more NOIs each week, with a fifth of bidders expressing interest in four or more properties.
- Priority Band A applicants accounted for around 8% of those participating in the system in its first 11 weeks, with Band B applicants making up a further 24%. The ratio of bidders to lets was considerably higher for Band A than for other groups.

Figure 2 – Homechoice lets 1 April 2009-21 June 2009



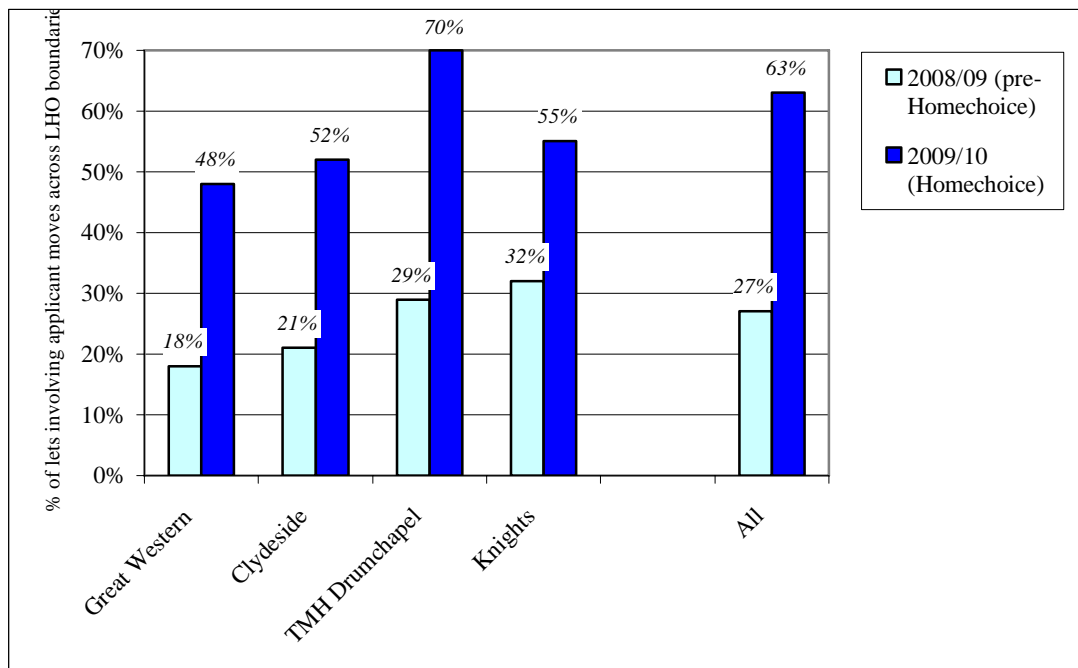
- Lets processed via the managed list since the start of Homechoice have accounted for 24% of all West LSS lets potentially eligible for inclusion under the system. Around 60% of properties let via advert have been to Priority applicants. Over time there has been a slight increase in the proportion of managed lets.
- Homechoice lets to homeless households have been split almost evenly between those achieved via advert and those via the managed list. The share of total lets going to homeless households rose to 43% in July – well above the comparable West LSS figure recorded in 2008/09 (31%).
- Under Homechoice, homeless households have been less likely to be housed in multi-storey flats and more likely to be rehoused in tenements than under the ‘old’ system in 2009/09. Waiting list applicants have a very similar pattern of lets, reflecting the fact that multi-storeys and tenements account for around 90% of properties let.

Figure 3 – Homechoice lets: applicant type by property type



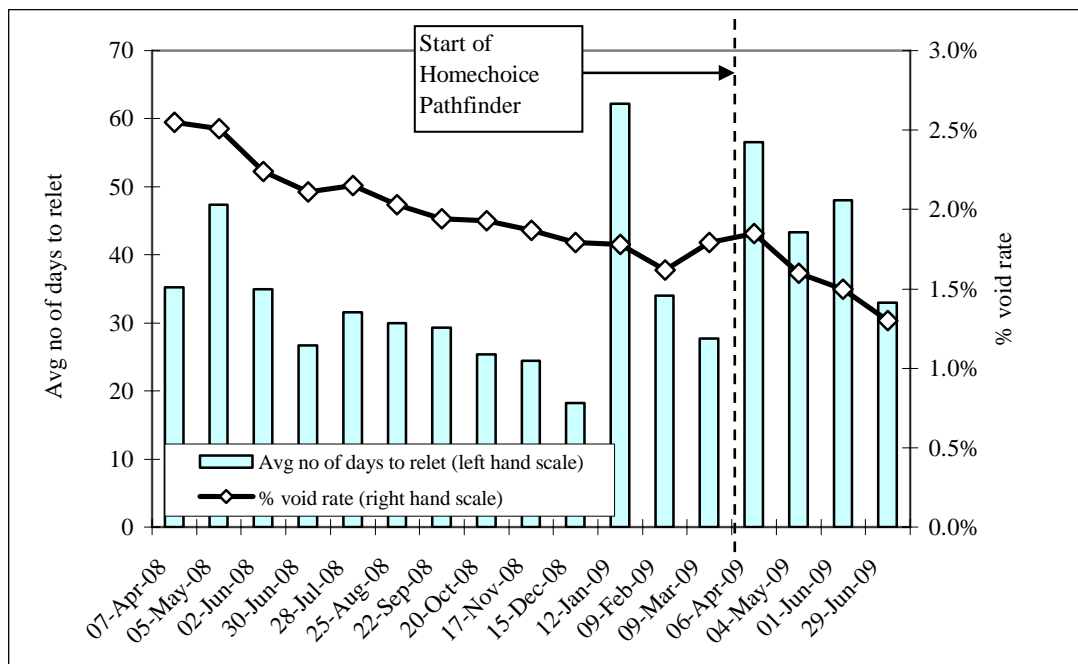
- Flats and houses account for only 10% of lets and a lower proportion were let to transfer applicants and higher proportions to homeless and waiting list applicants under Homechoice. The new allocations policy introduced with Homechoice also appears to have reduced the advantage previously enjoyed by long-established tenants seeking aspirational (rather than needs-related) moves.
- Homechoice appears to have had a marked impact on the geography of house moves. The proportion of West LSS lettings involving households moving across LHO boundaries in the first three months of the Homechoice pathfinder was well over double that under the old system in 2008/09 – an increase from 29% to 63%.

Figure 4 – Cross-LHO moves in 2008/09 and weeks 1-12 2009/10 compared



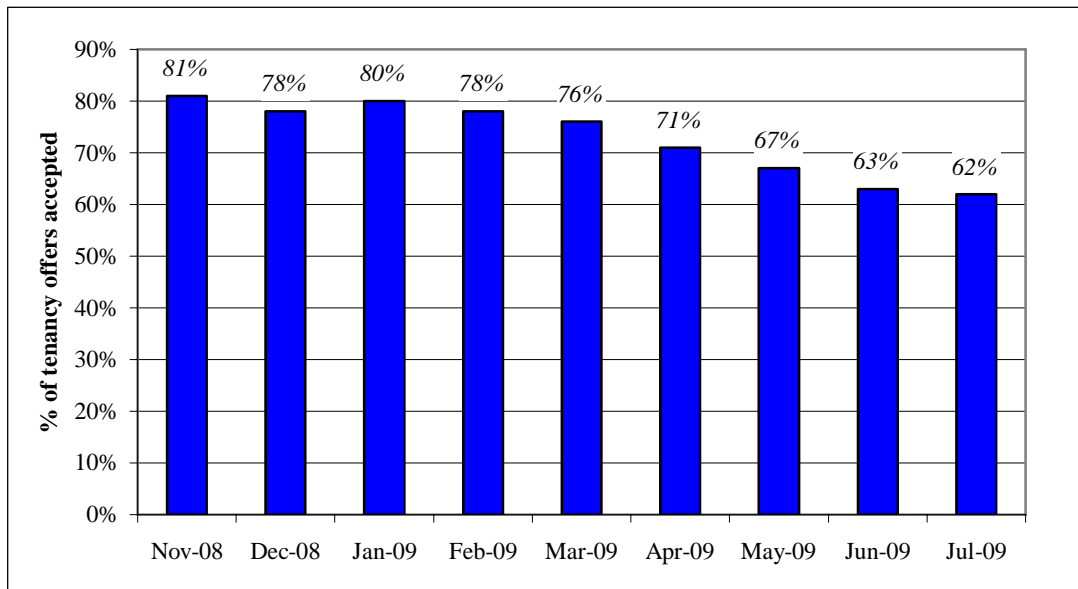
- While most 'cross-boundary' movers were General List applicants, such moves accounted for the majority of lettings involving both Priority A and Priority B households. Managed lets, by contrast, were mainly within-LHO moves.
- The overall impact of Homechoice on void management performance has been good. There was an initial increase in average re-let times, but the past three months have seen an improving trend. Some of the initial increase was because a number of very 'old voids' have been let through Homechoice.

Figure 5 – Void re-letting performance, West LSS, 2008/09 and start of 2009/10



- The *void rate* has been steadily reduced under Homechoice. By July it had fallen well below the target level for 2009/10. Even in the absence of further gains here, projected void rent losses could be cut by almost a fifth in a full year.
- Although the tenancy offer refusal rate has fallen slightly under Homechoice, it remains very high – limiting the extent to which void re-let times can be further improved. This may be associated with the incidence of multiple bidding.

Figure 6 – Tenancy offer refusal rate, West LSS - Nov 08-Jul 09



Homechoice customer survey findings

More than 250 people participated in three customer surveys targeted on:

- Homechoice customers gaining a tenancy
- Homechoice participants yet to be rehoused, and
- tenants rehoused under the pre-Homechoice allocations system in 2008/09.

The key findings were:

- The vast majority of those rehoused under Homechoice saw the new system as both understandable (95%) and fair (86%). In comparison, tenants rehoused under the 'old system' were somewhat lower at 81% viewing the system understandable and 70% considering it as fair
- The proportion of tenants rehoused under Homechoice and *strongly agreeing* that the system is understandable and fair was substantially higher than the comparable figures with respect to customers of the 'old system'.

Figure 7 – Applicants rehoused – reactions to statement: ‘Allocations system is easy to understand’

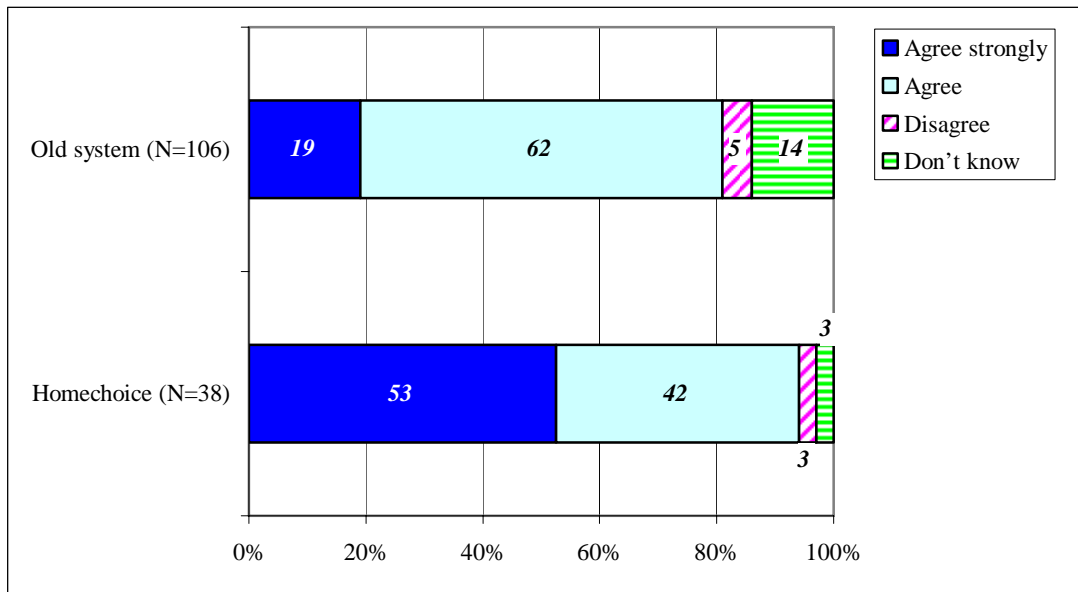
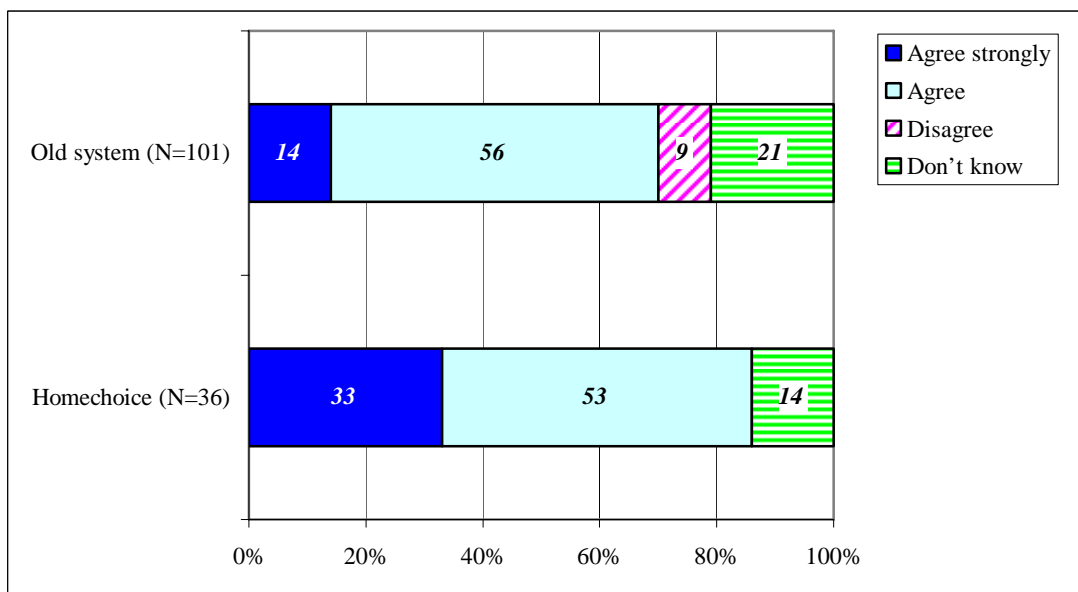
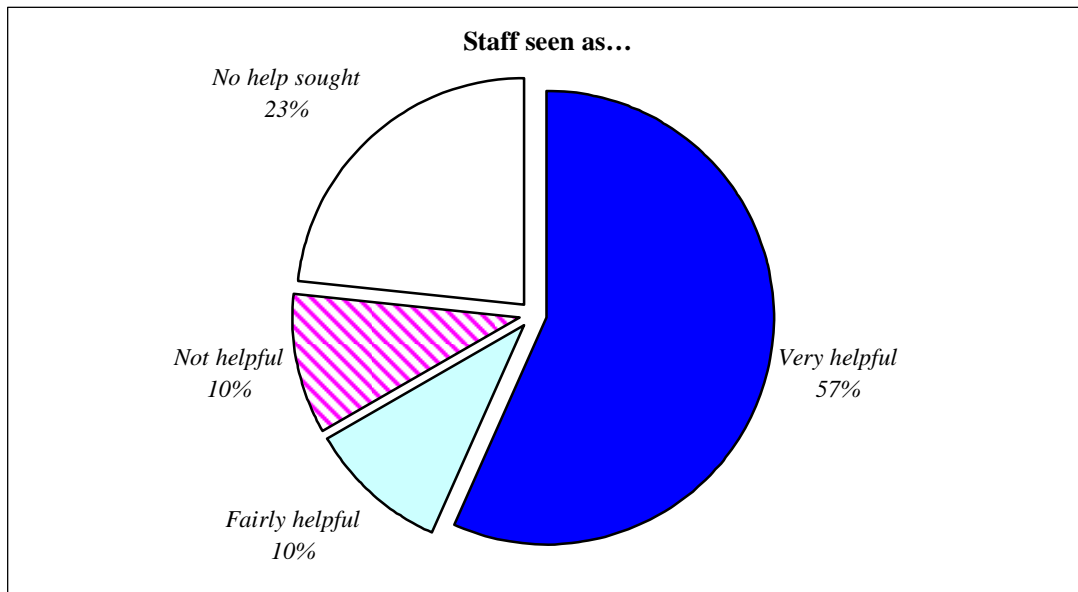


Figure 8 – Applicants rehoused – reactions to statement: ‘Allocations system is fair’



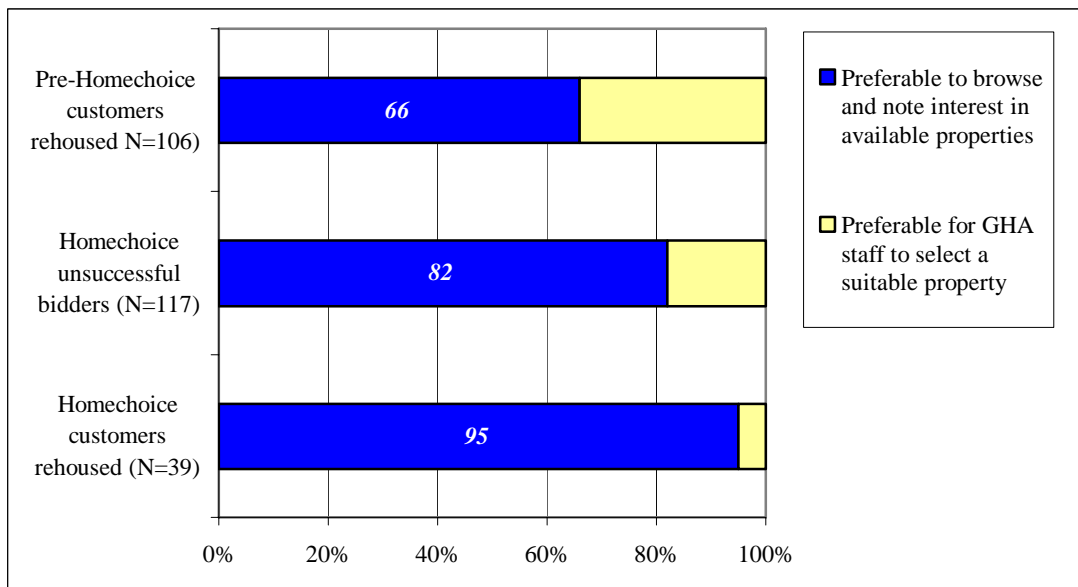
- Most of those who had seen Homechoice leaflets or looked at the website felt that they understood the information. Almost three quarters of people rehoused under the system and who had sought help from GHA staff in the process (73%) had found staff 'very helpful'.

Figure 9 – Applicants rehoused via Homechoice: Rating of GHA staff helpfulness



- Two thirds of those rehoused under the old system (66%) would have welcomed the opportunity to view properties available for letting. 95% of those rehoused under Homechoice welcomed the opportunity to see what properties are available. Almost all (97%) of those rehoused under Homechoice saw this as preferable to the old system.

Figure 10 – Views about the principle of property advertising



- The vast majority of Homechoice ‘unsuccessful bidders’ found the new system understandable (90%) and welcomed the opportunity to view and choose from available properties (82% of respondents). However, perhaps partly reflecting their lack of success in submitting notes of interest, a substantial proportion (43%) disagreed that the new system was ‘fair’.

- More than four fifths of Homechoice customers (82%) believed the process had given them least some choice. In comparison, only 64% of pre-Homechoice applicants felt that they had choices in the properties offered.

Figure 11 – ‘How much choice do you feel you had in picking your new home?’

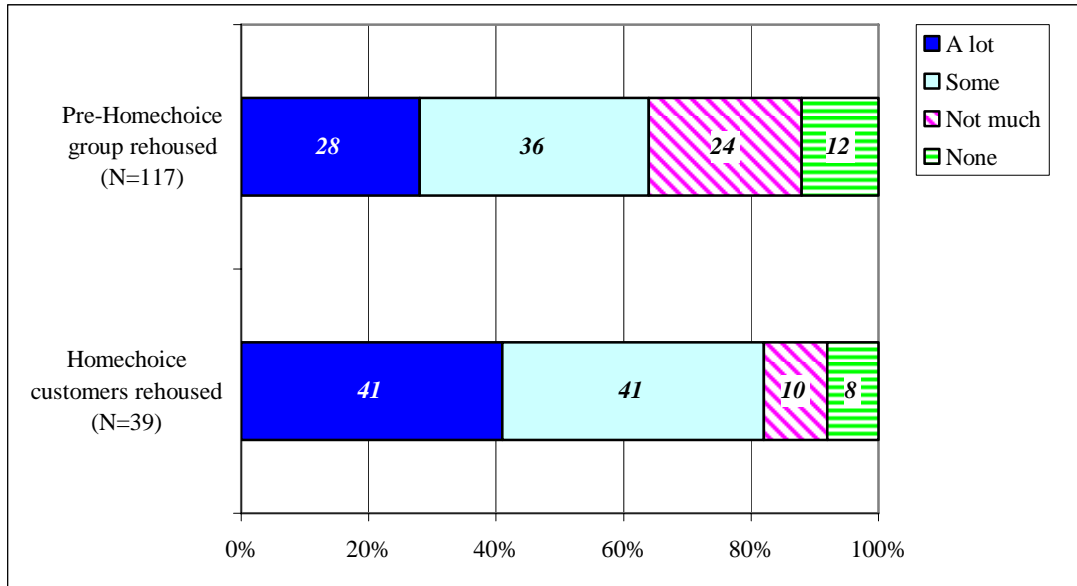
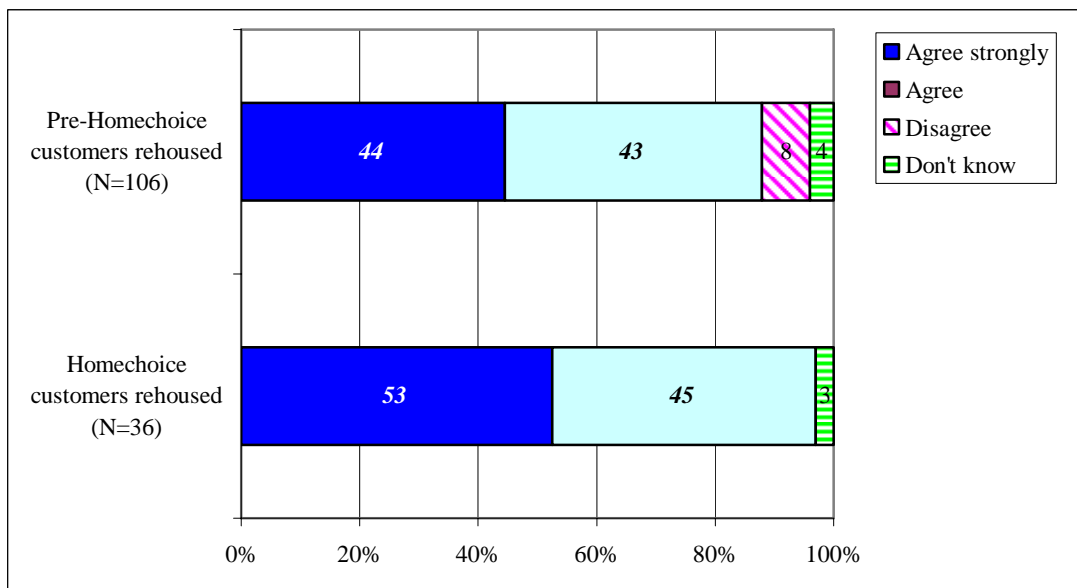


Figure 12 – Customer reactions to statement ‘I like my new home’



- The proportions of rehoused Homechoice customers who were enthusiastic about the property or the neighbourhood were markedly higher than under the ‘old system’.

Homechoice impact in relation to ‘vulnerable customers’

Most staff and key stakeholders appreciated that a choice-based lettings approach might disadvantage certain vulnerable home seekers. Consequently, GHA has made efforts to target people who could be affected in this way for special help.

However, there was scope for a more systematic approach to assisting vulnerable people. The Homechoice application form could be modified to assist in the

identification of people who might be in need of support to engage with the system. There is also a need to use the reporting capability of Homechoice information systems to analysis and identify 'non-bidders' who may be vulnerable and need support. This was not possible in the initial pilot phase.

The leaflets and web pages present information in plain English and have been designed with the needs of partially sighted people in mind. However, to address the needs of customers with limited literacy more effectively there is scope to consider enhancements such as the use of property advert symbols. Additional technical features as used to assist engagement by vulnerable customers in CBL systems operated elsewhere could also be considered.

Key findings from the in-depth interviews with vulnerable service users were as follows:

- The perceived fairness of the allocations system was central to how interviewees viewed GHA as a landlord
- Interviewees had only a limited understanding of the old, points-based system, though many believed this had been subject to bias and corruption
- The lack of transparency under the former points system fuelled suspicions that migrant groups and refugees were given preferential treatment
- Interviewees had liked being informed of their prospects (under points)
- While pre-Homechoice information was generally seen as 'easy to understand' some interviewees felt there was not enough information and publicity
- None of the interviewees recalled having been informed before the Pathfinder of why GHA was trialling Homechoice and any explanations given subsequently by GHA staff have been weak
- None of the interviewees understood how GHA selected from those noting interest; some believed that the system was a simple lottery.
- When asking GHA staff about Homechoice, interviewees reported often having received conflicting information
- Interviewees registered under both Homechoice and points were particularly confused about how properties were let
- Older interviewees tended to feel themselves disadvantaged by Homechoice, as did under-occupiers and tenants of tied housing
- None of the interviewees from minority ethnic groups were aware that GHA offers interpretation services
- Interviewees universally liked being able to see which properties were available. Critically, however, Homechoice was not seen as transparent

Homechoice may help bring about cultural change across the organisation – from a paternalistic to a more customer-focused approach.

Conclusions

As anticipated, the introduction of a radically reformed approach to lettings has proved a major challenge for both GHA and GCC staff directly involved with the project. Road-testing the new model on a limited scale has proved beneficial in bringing to light operational and policy issues which need to be addressed in any wider roll-out across the city. Similarly, given the scale of the change involved, it is to be expected that it will take some time before staff are entirely familiar with all aspects of the new system, and their roles in ensuring its effective operation.

Even in its relatively early stages, however, it seems clear that the new, more transparent process is welcomed by most service users and seen as a timely reform by most of the relevant staff. The finding that most customers have found GHA personnel 'very helpful' in addressing Homechoice-related queries must be seen as particularly encouraging.

Homechoice has impacted on the pattern of rehousing outcomes such that a greatly increased proportion of lettings in 2009/10 have involved moves across LHO boundaries. Any suggestion that choice-based lettings simply amounts to a new set of procedures to achieve the same outcomes as before appears firmly rebutted by these findings.

At the same time, the proportion of those rehoused under Homechoice who strongly identify with their new home and neighbourhood has increased markedly over the equivalent figures for those rehoused pre-Homechoice. This suggests promising longer-term implications for tenancy sustainment. While the extent of customer 'choice' is clearly constrained by available property, it is significant that those who were rehoused under Homechoice felt that they had more choice and that satisfaction with the lettings process was considerably higher under the new system than previously.

From a business perspective, the introduction of Homechoice – even via a Pathfinder model – has involved substantial start-up costs. It is, however, striking that the system has evoked demand for *every property* advertised. Homechoice has been very effective in matching supply with demand and the new system appears to have eradicated the phenomenon of properties lying empty for protracted periods simply for want of potential tenants. This looks set to enable the Pathfinder LHOs to outperform their 2009/10 void rent loss targets – providing a welcome financial pay-off for the project.

Reasonable void management performance has been achieved under Homechoice despite an ongoing rate of tenancy offer refusals. The implementation of certain policy and practice adjustments, provide scope to counter this problem. This would be expected to result in further improvement in void re-let times.

Substantial efforts have been made to ensure that the move to a system where greater onus is placed on the applicant will not disadvantage vulnerable groups. Nevertheless, much remains to be done in this area. It is important that proposed enhancements are implemented before a wider roll-out of Homechoice across Glasgow

There is also substantial scope for exploiting the potentially beneficial contribution of local voluntary agencies in advising and assisting members of their communities. Although efforts to inform such agencies about Homechoice were made prior to scheme launch, these efforts do not appear to have been very successful.

Although they generally see the system as easy to understand in terms of how to use it, many Homechoice service users remain very unclear about the priority system.

All of these issues present GHA with a major communication challenge in relation to its own staff, as well as LHO committee members, external agencies and service users.

Recommendations

- (i). Make use of an extension to the Pathfinder project to introduce 'fine-tuning' of system rules and procedures which could be beneficially incorporated within any subsequent city-wide roll-out.
- (ii). Review/refine rules on the use of managed lets for high priority, severely disadvantaged (non-homeless) applicants
- (iii). Aim to advertise properties as early as possible following receipt of notice of tenancy termination
- (iv). Seek to reduce the refusal rate through consideration of:
 - (a). internal photos of homes for let
 - (b). information about the local area - transport links etc
- (v). Reduce the number of Notes of Interest an applicant may submit in any advertising cycle from six to two
- (vi). Consider the scope for provision of public access PCs or possibly touch-screen facilities in LHO receptions
- (vii). Make a renewed effort to inform and involve voluntary organisations with respect to Homechoice
- (viii). Improve recording of Notes of Interest, to show which have been submitted online via LHOs, online by applicants from other locations, and those submitted by phone to the Customer Service Centre.
- (ix). Improve communication and counselling to help low priority applicants to consider other housing options. One vehicle for addressing this issue could be an annual offer of a 'housing options' interview for active bidders repeatedly unsuccessful in securing a tenancy offer.
- (x). Review and refine the Homechoice application form to assist in the collection of information about vulnerability (e.g. about literacy, language, sight impairment, learning difficulties).
- (xi). Systematically monitor the Homechoice applicant database to identify vulnerable home seekers failing to participate. Such applicants could be contacted with an offer of support or asked whether they would prefer their registration to be removed.
- (xii). Potential vulnerability indicators as captured via application forms could trigger pro-active contact by a GHA staff member to offer support in engaging with the system.

- (xiii). Information about Homechoice made available to the public via leaflets and web pages should be enhanced to improve its accessibility by:
 - (a). Use of symbols in property adverts in place of (or in addition to) text
 - (b). Use of Browsealoud and/or Typetalk to assist people with impaired sight or hearing
 - (c). Promoting availability of information on other languages.
- (xiv). Consideration should be given to the possibility of a listing of ready to let properties being made available to home seekers via an automated telephone service.
- (xv). Give much greater prominence to results (e.g. a hyperlink off the adverts page in Evening Times, published on LHO notice boards, via tenants newsletters etc). Inclusion in results of the successful applicant's date of registration/priority in results is critical.
- (xvi). GHA should also consider setting out both full details of recent lettings and data relating to lettings over a longer period. This would illustrate typical waiting times for priority and non-priority applicants being rehoused in certain types of property in specific areas.
- (xvii). To build staff/stakeholder buy-in and support for Homechoice, GHA should be much more forthright about the strengths of the system and the reasons why it was introduced.
- (xviii). If the scheme is rolled out city-wide, GHA will need to review and improve its promotional strategy.
- (xix). There should also be wider promotion of drop-ins and the availability of appointments to discuss Homechoice with housing staff.
- (xx). To encourage participation by Section 5 referrals GHA should pursue the idea for Homechoice Support Officers to attend afternoon drop-ins at social work offices to counsel both applicants and caseworkers.
- (xxi). Revisit/review specific aspects of the Homechoice allocation policy, including treatment of those in tied housing and tenants who are under-occupying larger property.