

APPENDIX b - CHOICE BASED LETTING EVALUATION SUMMARY

This evaluation was undertaken to determine, through the examination of available evidence, if Aberdeen City Council's Choice Based Letting scheme:

- was implemented effectively and as intended;
- is achieving its anticipated outcomes;
- represents value for money; and
- if the scheme should continue and, if so, what potential improvements might be made.

WHAT DID WE LEARN ABOUT THE IMPLEMENTATION?

The system was carefully monitored when first launched to identify any unintended consequences of the new system. As a result:

- an upgrade was undertaken in August 2023 to move all transfer and waiting list applicants to have all areas and house types on their application to reduce the number of failed bids; and
- to add properties on the cycle up until 5pm on a Thursday rather than properties only being added up until 12 noon on a Tuesday to prevent void properties from having to be held for up to 7 days before they could be placed on a cycle.

When developing CBL it was anticipated that all mainstream void properties would be advertised on the platform. The need to provide housing for 500 households fleeing conflict and prioritisation of those living in RAAC affected homes was not anticipated. As a result of these significant changes to our context, not all properties have been advertised on the system as initially planned and this is likely to have impacted on the strength of evaluative evidence available for review.

HAS THE SYSTEM ACHIEVED ITS STATED OUTCOMES?

Reduction in refusals: The introduction of CBL has not yet produced a 30% reduction in refusal rates as initially thought. However, the rate of refusals from offers generated through applicant placed bids is 8% lower than auto bid offers. Increasing the number of applicants on the Urgent Housing list making bids, rather than having auto bid applied, would likely decrease the number of refusals further. The journey time for those bidding on the system is 26 days shorter than for those who have auto bid applied. There is early evidence that giving applicants greater control through CBL is helping reduce the number of refusals.

Void rent loss reduction: The introduction of CBL has not produced a reduction in void rent loss in part because of the various factors that can influence this measure. Aberdeen City Council has experienced a growing trend against this indicator, however there has been a slight reduction in the average number of offers generated per void, and this might be a more appropriate measure for on-going evaluation of CBL. There is an increase in lets of 2-bedroom properties to single applicant households since the introduction of CBL which is positive, as we have an oversupply of this stock and this will continue to be promoted where it is financially sustainable for an applicant.

Tenancy sustainment: There has been no significant change in overall tenancy sustainment rates since the introduction of CBL. However, data suggests that those who place bids on properties compared to those applicants who have auto bid applied are more likely to stay within a tenancy (only 3.1% terminated their home compared to 6.5% of those where auto bid is applied). When considering rent arrears, the percentage of rent loss is lower for those who bid for properties compared to those where auto bid is applied (11% in those who secured a property by bidding compared to 21% of those where auto bid was applied). The value of rent arrears is almost £200 lower for those who bid for properties in addition the number of cases escalating towards court action is higher amongst auto bid placed applicants suggesting a need to increase the level of support offered to this group.

Accessibility: Applicants who engage with CBL generally find it easy to navigate. 69% of staff who completed the CBL staff survey felt that the introduction of the CBL platform was an improvement when compared to the previous process.

DOES THE SYSTEM REPRESENT VALUE FOR MONEY?

The direct costs of CBL are relatively low. A spend to save cannot be directly evidenced at this time given the changed circumstances, however there is potential for this impact to be realised over a longer period of time.

SHOULD THE SCHEME CONTINUE AND ARE ANY IMPROVEMENT REQUIRED?

CBL was presented as an opportunity to improve measures that are impacted by a number of wide-ranging factors. Since its implementation we have had unexpected demands which have shifted our initial planned operating context, with approximately 900 properties being routed away from the standard allocation approach to be allocated to people fleeing conflict in Ukraine and tenants impacted by the discovery of RAAC within their home.

It is clear from this initial evaluation that CBL has not significantly improved void rent loss rates, tenancy sustainment or refusal rates when looking at city wide data, however the evaluation has highlighted clear differences in outcomes for those who directly bid for properties compared to those who have auto bid applied. There are indications that those who directly engage with the bidding process are less likely to refuse properties, are more likely to sustain their tenancies and also have lower levels of rent arrears.

Officers will proactively respond to the findings of this initial evaluation and test means of engaging a higher proportion of applicants in the bidding process. An evaluation framework has been developed to support on-going evaluation. The on-going monitoring of the system and testing of change ideas in this space will help to increase our understanding of the fuller potential of this system.

Choice Based Letting On-going Evaluation

Context	Outputs		Outcomes - Impact			
	Activities	Outputs	Baseline Sept 24	April 2025	Oct 2025	Apr 2026
<p>Tenants who engage with Choice Based Lettings are more likely to accept an offer and sustain their tenancy than those applicants on auto bid.</p> <p>Those on the urgent list who place their own bids have a shorter journey time than those where auto bid is applied.</p> <p>CBL provides a greater level of transparency regarding available properties than the previous system.</p> <p>There are still a number of applicants with housing need who have not placed bids on properties.</p> <p>All properties included in CBL attract bids.</p>	<p>Test different approaches to ensuring appropriate support is in place to support vulnerable applicants/groups to place bids (Improvement Projects).</p> <p>Texting/Email notifications for those on the Urgent list to encourage bidding when new properties are added.</p> <p>Amplify transparency by providing annual summary/statement to active Housing Online users and promotion of CBL system.</p> <p>Targeted communication for those on the waiting/transfer list with a housing need who have not yet placed a bid.</p>	<p>Increased applicant placed bids, increasing applicant autonomy and choice.</p> <p>Reduced refusal rates.</p> <p>Reduced withdrawal rates.</p> <p>Less time in unsuitable accommodation.</p> <p>Reduced abandonments.</p> <p>Increased number of applicants with a housing need placing bids on properties available on CBL.</p>	<p>% range of applicant placed bids by people on the Urgent List (highest – 33.6% and lowest – 9.1%)</p> <p>Refusal rate on all CBL offers – 28.74% (applicant bid 24.96% and auto-bid 33.38%)</p> <p>Homeless Journey time 140.8 days</p> <p>Termination rates for applicant placed bid – 3.1% compared to 6.5% for tenancies created following auto bid.</p> <p>Abandonments – 70 in year to date (up to 30/9) - of these 10 had been rehoused following an CBL auto bid offer, the other 60 were rehoused pre CBL.</p> <p>Percentage of Live Applicants on waiting or transfer list with no bid on CBL – 65%</p>			