

Quasi-marketising access to social housing in Britain: assessing the distributional impacts

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Abstract Since 2000 growing numbers of British social landlords have emulated their Dutch counterparts by introducing a ‘quasi-market’ approach to letting vacant properties. Known in Britain as choice-based lettings (CBL), the new approach aspires to treat people seeking social housing as consumers and to encourage consumerist behaviour. This is consistent with a wider drive for UK welfare state reforms emphasizing ‘customer choice’. As in other policy areas (e.g., education and health) the widening of service-user choice in this area has given rise to concerns that a more market-like system could be to the detriment of already disadvantaged groups. In the CBL case, particular concerns have been expressed about the possible consequences for formerly homeless households. It has also been suggested that, in shifting responsibility for decisions on matching properties and people from landlords to house-seekers themselves, CBL might exacerbate ethnic segregation. Drawing on a government-commissioned study focusing on early CBL schemes in England and Scotland, this paper examines these hypotheses in the light of empirical evidence. The analysis finds no indication that formerly homeless households tend to be disadvantaged under CBL in terms of area popularity or property quality. And, in general, the system appears to produce a more spatially dispersed—rather than a more concentrated—pattern of lettings to ethnic minority households.

Keywords Housing policy · Housing choice · Public service reform · Residential mobility · Ethnic segregation · Housing management · Social housing

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1 Introduction

Since 2000 growing numbers of British social landlords have radically reformed their management of tenancy changes. In place of an essentially producer-led 'administrative' approach, many local authorities (LAs) and housing associations (HAs) have adopted a quasi-market system known in Britain as 'choice-based lettings' (CBL). Unlike the paternalistic and landlord-controlled approach traditionally used to allocate social housing in Britain, CBL requires the active participation of house-seekers within a framework designed to encourage consumerist behaviour. Whilst CBL can be seen as an aspect of a wider drive towards 'consumerisation of public services', the policy raises specific questions as to its social impacts.

Whilst it has been enthusiastically embraced by many British social landlords, the CBL concept was originally developed in the Netherlands where it has been known as the 'supply model' (Kullberg 1997, 2002). From its conception in Delft in the late 1980s, the new approach swept across Dutch social housing to become the dominant approach to lettings by the turn of the millennium, adopted by more than 80 per cent of municipalities (Van Kempen and Idamir 2003, p 258).

Drawing on recently-completed research for Central Government, this paper reports on the emerging effects of CBL in Britain as regards distributional outcomes. It addresses two specific concerns. Firstly, that a more market-like system is liable to disadvantage households with more serious and urgent housing needs, consequentially exacerbating neighbourhood polarisation. And, second, that promoting consumer choice in this area risks compounding ethnic segregation, potentially undermining social cohesion in multi-racial cities. Whilst previous research has examined consumer responses to CBL in the Dutch context (Kullberg 2002) there has been little published work on lettings outcomes in terms of their spatial or distributional effects.

The paper is structured in two main sections. We begin the first section by setting housing allocations policies within the broader context of UK public service reform. The aim here is partly to review the drivers of such change and partly to outline the main similarities and contrasts between promotion of consumer choice in housing and in other key policy areas. Next we briefly discuss the history and role of social housing in Britain, and explain how vacant properties have traditionally been allocated to new tenants within this system. Finally in this introductory part of the paper we briefly explain the mechanics of the CBL model and outline some of the hypotheses, which have been advanced as regards its likely distributional impacts. The main body of the paper then follows. First, we look at the effects of CBL for formerly homeless households assessed by LAs as owed a statutory rehousing duty. We then move on to examine the evidence on CBL and ethnic segregation. Finally, in our conclusion we reflect on the empirical findings and their broader significance.

2 Choice in housing within the broader context of public service reform

Promoting choice has been at the heart of UK government programmes for re-shaping public services since the 1970s (Hughes 2004). A key driving force underpinning this agenda is public choice theory (Niskanen 1971) and its critique of public bodies as ‘inefficient, producer-driven monopolies that are prone to empire building’ (Mullins and Murie 2006, p 220). Choice between competing suppliers is an essential aspect of the ‘market discipline’ seen as essential to ensure efficient and appropriately designed service provision. Under the policy reforms of the 1990s ‘choice’ mechanisms established for this purpose often involved choices by purchasing agencies rather than by individual service consumers. Examples would include General Practitioner (GP) fund-holders acting on behalf of their patients to purchase hospital services (Mahon et al. 1994; Mays and Dixon 1998) and compulsory competitive tendering (CCT) of local government services such as housing management (Harries and Vincent-Jones 2001).

Under the Blair administration, however, public service reform has involved a specific emphasis on re-defining service-users as ‘consumers’ able to exercise individual choices within this context. The process has attracted greatest attention in health and education where policymakers have sought to establish frameworks encouraging patients and parents to choose between competing service suppliers (Ferlie et al. 2006). In line with public choice theory, the aim is to promote responsiveness among service providers (hospitals or schools). In health there is a premise that increasing patient choice will discipline the Trust bodies, which provide services to reduce patient waiting times. ‘Patients who have waited too long, by national standards, can go elsewhere for treatment; taking the financial flows attached to their care’ (Perri 6 2004, p 21). Similarly, in education, ‘popular’ schools gain additional funding to the extent that they can accommodate additional pupils. ‘Unpopular’ schools subject to falling rolls lose income, ultimately placing them at risk of closure.

Whilst they include market mechanisms, the frameworks being created here are distinct from ‘true markets’ in important respects. Crucially, consumer purchasing power is not expressed in financial terms: services are not provided to the aspiring consumer prepared to pay the highest price. Hence, service charges are administratively determined rather than being set by the operation of market forces. Such systems are therefore best described as ‘quasi-markets’ (Le Grand and Bartlett 1993; Bartlett et al. 1998).

Apart from its ‘public choice theory’ rationale ‘choice in public services’ has proved an attractive New Labour slogan central to the drive to ‘modernise’ the welfare state. Making it possible for individual citizens to exercise individual service-user choices is also in tune with consumerism as ‘the defining spirit of contemporary Britain’ (Bramley et al. 2004, p 207). Aspects of this, according to Bramley et al., include ‘the greater role of and belief in markets’, the decline of ‘deference’, the emphasis on quality and the fascination with

lifestyle and fashion such that 'shopping has become the favourite leisure pursuit' (p 207).

The mechanics of choice-based lettings are described in more detail later. At this point it is only necessary to note that CBL's central feature is enabling people seeking social housing to view information detailing 'available-to-let' vacancies and to 'express interest' (or 'bid') for favoured properties. In common with the 'consumer choice' mechanisms in health and education, therefore, CBL encourages people seeking access to a service (in this case, a social landlord tenancy) to select from a range of possible options. Through a system which records 'bids' for properties it becomes possible to build up a databank to facilitate consumer preference analysis. Only in the very long term, however, might such analysis help to influence future service provision by encouraging providers to prioritise the construction of popular forms of housing in popular areas. So, whilst sharing some 'quasi-market' features with consumer choice reforms in health and education, CBL cannot be justified primarily according to the public choice theory rationale that—by enabling consumers to choose between competing suppliers—it enables them to shape services.

Whilst described by the Audit Commission as a form of 'choice without competition', CBL has an economic rationale in its potential for bringing 'more flexibility and better personalisation for users... help(ing) to match limited supply to demand better' (Audit Commission 2006, p 5). More broadly, CBL fits with the notion that the traditional paternalistic approach to housing allocations has become anachronistic in a society dominated by the consumerist ethic. It is also consistent with the communitarian theme of New Labour social policy and its emphasis on responsabilisation (Clarke 2005; Somerville 2005). Empowering consumers, it is argued, is an essential part of tackling the welfare dependency encouraged by systems which treat service-users as passive recipients.

The combination of consumer choice and supplier competition in health and education raises concerns about the impact of these systems for the institutions involved. Consequently, they have tended to provoke vocal opposition both from the professions involved and from workforce trades unions. Given its nature as 'choice without competition', CBL does not give rise to such anxieties.

However, controversy around consumer choice in health and education also revolves partly around concerns about equity impacts. In health, for example, there is a concern that extended choice may lead towards 'polarisation between an over-subscribed sub-sector of "good" hospitals able to choose patients and attract the best staff and an under-subscribed sub-sector providing a "safety net"' (Perri 6 2004, p 25). The phenomenon where the 'best performing' institutions exploit their ability to 'cream skim' already advantaged service-users causes particular unease in the education sphere. Faith and specialist schools, in particular, are seen as having a licence to select effectively by ability. Hence 'in effect, rather than suppliers (schools) competing for consumers' (parents') custom, we have a situation where parents

are competing against each other for an inadequate supply of ‘desirable’ places in a pecking order of schools...’ (Rogers 2004, p 17). One result, at least in theory, could be to further polarise the quality of school provision.

Not entirely dissimilar concerns about equity and polarisation are also raised in the CBL case. These are explained in more detail below.

3 Social housing and tenant selection

3.1 Social housing in Britain

Social housing—dwellings owned and managed by local authorities (LAs) and not-for-profit housing associations (HAs)—accounts for around a fifth of Britain’s housing. The past few years have seen rates of new construction at historically low levels—10 to 15 thousand dwellings per annum being built by housing associations in England 2000/2001–2004/2005. And, with demolitions and sales to sitting tenants running at annual rates of 60–80 thousand dwellings over the same period, the combined LA/HA sector has been shrinking at 1–2 per cent per year over this period (Wilcox 2005).¹ Whilst much of the existing social rented stock was constructed to house better-off working class families, the sector has increasingly adopted a ‘safety net’ role of catering mainly for those unable to afford home ownership (Stephens et al. 2003). In this respect, of course, social housing is quite different from health and education, which remain (more-or-less) ‘universal’ services catering for the entire population.

A related observation is that—in contrast to the ‘unitary markets’ for rented housing seen in continental European countries such as the Netherlands and Sweden—Britain is characterised as a ‘dual market’ in these terms. This refers to Kemeny’s characterisation of British social housing as a residualised sector, segregated from the mainstream market rather than (as in, for example, the Netherlands) involving not-for-profit landlords competing for customers directly with their for-profit counterparts (Kemeny 1995). The contrasting nature of housing systems in Britain and the Netherlands raises questions about the appropriateness of ‘policy transfer’ in the case of CBL (Sheail 2005, p 5). Similarly, whilst some of the findings below with respect to CBL in Britain may be relevant to the operation of ostensibly similar lettings systems in the Netherlands, simple read-across cannot be assumed.

Social housing in Britain is provided at below-market prices. Rents are fixed administratively rather than by supply and demand. In the selection of tenants landlords have limited autonomy within a complex framework of statute, caselaw and regulation. In particular, they are obliged to the impartial implementation of published rules governing the assignment of housing

¹ However, with rising public expenditure on social housing construction and rapidly falling sales to sitting tenants, gains to and losses from the sector are expected to be closely matched in 2006/2007.

priority. Under these rules an applicant's assigned priority (their place in the queue or ranking) must, by law, reflect their 'housing needs'. This phrase refers to the urgency of an applicant's need for rehousing and the (in)adequacy of their existing housing circumstances. In addition, local authorities are legally obliged to rehouse certain categories of homeless households—or to ensure that this is done by another social landlord.

The UK's homelessness legislation, which dates from 1977, can be seen as conferring important housing rights. Since rights are connected with citizenship, this could be defined as a citizenship-based policy (Mullins and Murie 2006). The relevance of this point here is the argument that there is a contradiction between individual choice (consumerism) as the basis for reforming public services and the agenda for citizenship and cohesion (Jordan 2005).

3.2 Traditional approaches to housing allocation

Traditional approaches to social housing allocation in Britain have involved what is essentially an 'administrative' rationing process. People seeking tenancies ('house-seekers') register on a landlord's 'waiting list' and are invited at this stage to indicate their housing preferences—e.g., on property type and area. The applicant is also required to provide often extensive detail on their current housing and personal circumstances to inform their 'housing needs assessment'. Each 'needs factor' is generally represented by a 'points value' so that the applicant's priority is determined by their cumulative points score in relation to the points scores of other registered applicants (Pawson et al. 2001). The Dutch 'distribution model' of lettings, dominant until the early 1990s, operated in a similar way (Haffner & Hoekstra 2006). Mechanisms of this kind have been previously described as exemplifying 'urban managerialism' where key actors such as local authority staff play a vital role as 'street level bureaucrats' (Pinch 1985).

Allocating vacant properties under this system involves a staff member in matching the details of the available-to-let dwelling with those of highly ranked house-seekers. The staff member therefore has to interpret each relevant house-seeker's recorded preferences and also to assume that these remain valid (despite having been specified some time previously). The selected applicant—who may have been awaiting a tenancy offer for a prolonged period—is presented with a simple choice of whether to accept or reject the offer of a property considered appropriate by the staff member.

Tenancy offer refusal can be problematic. For a statutory homeless household (see above) this is likely to mean the surrender of high priority status. Having made a 'reasonable offer' the local authority discharges its legal duty to secure accommodation. For other applicants tenancy offer refusal presents twin dilemmas: there can be no certainty on the length of wait for a subsequent offer; or whether any such offer will involve a property any more acceptable than that initially refused. To compound the situation, some social landlords penalise anyone refusing tenancy offers (whether homeless or not) by suspending their application for a set period (Mullins and Pawson 2005).

3.3 The CBL model

Choice-based lettings originated in the Netherlands (where it is known as the 'supply model'). CBL spread throughout Dutch social housing during the 1990s (Kullberg 1997, 2002). This process has been described as the replacement of the traditional 'distribution model' based only on need with a system involving 'choice within a needs framework' (Haffner and Hoekstra 2006, p 443). As noted above, CBL involves 'opening up' lettings systems by advertising of available-to-let vacancies. In matching house-seekers and vacancies the onus switches from the landlord to house-seekers themselves. Hence, there is a transfer of power from officials to service-users—albeit one which is limited by landlords' continuing role in setting 'the rules of the game' (Marsh 2004). In this respect CBL also chimes with a broader New Labour commitment to 'transforming citizens from passive recipients of state assistance into active, self-sustaining individuals' (Clarke 2005, p 448). Another important CBL principle is that lettings outcomes are published. This is both in the interests of accountability and indicating to other house-seekers the level of priority required to secure a property of a given type in a given place (Brown et al. 2000).

The application of CBL in Britain was given substantial impetus by the English Housing Green Paper of 2000 (DETR and DoH 2000). This backed CBL as empowering housing applicants by enabling them to play a direct role in selecting their future home. Ministers responsible for housing in England also saw the CBL approach as potentially beneficial in helping to facilitate greater 'ownership' of letting decisions among housing applicants themselves; thereby enhancing tenants' commitment to their home and neighbourhood. Also, as will be clear from the preceding section, CBL fitted closely with the wider New Labour themes of consumerist modernisation of public services. To encourage CBL take-up Ministers launched a £13M pilot programme which drew bids from a quarter of all English local authorities, with 27 schemes being selected as funded pilots for the 2001–2003 period (Marsh et al. 2004).

Subsequently, a target was set for CBL to be introduced in all local authorities in England by 2010. By July 2005 some 29 per cent of English landlord local authorities² reported having introduced CBL. In most of these areas (22 per cent of all landlord LAs) CBL had been introduced on a 'comprehensive' basis (i.e., applicable to more than 75 per cent of all lettings). Annual statistical returns also showed that most landlord local authorities which had not yet introduced CBL as at July 2005 had 'plans' to do so (Pawson et al. 2006). CBL has also been taken up by significant numbers of social landlords in both Scotland and Wales where there has been little or no ministerial encouragement for this (Pawson 2002).

² That is, local authorities retaining their housing stock rather than having transferred ownership to a housing association.

Attributes of CBL seen as particularly important by its adherents are transparency and legitimacy. Part of this is about available-to-let properties being openly advertised—in contrast with the essentially secretive traditional allocations process. It also has implications for the rules governing house-seeker prioritisation or ranking. Ideally, these will be (a) simple enough to be comprehensible for the layperson, and (b) configured to reflect public conceptions of ‘fairness’. This latter point refers mainly to the perception that approaches based on queuing command greater respect among house-seekers and tenants than those largely based on assessed need (Pawson 2002). On this basis, most British social landlords introducing CBL have at the same time attempted to simplify their prioritisation criteria and to integrate a larger element of ‘waiting time priority’ alongside ‘needs-based priority’. Importantly, however, national legislation requiring social landlords to prioritise house-seekers substantially according to the seriousness and/or urgency of their housing need remain unchanged (Pawson 2002; Latham 2005). Similarly—though on a more limited scale—Dutch CBL systems typically encompass a concept of ‘urgent needs’ which accords overriding priority to households such as those facing homelessness due to demolition or urban renewal.

Partly on the basis that UK social landlords have attempted to develop CBL systems, which re-balance housing need and waiting time, concerns have been voiced that the model might be detrimental to the interests of already disadvantaged applicants. This could come about either by reducing such households’ chances of being rehoused or by increasing the likelihood of their being accommodated in a less desirable area. This connects with the rich literature on the equity impacts of housing allocations systems which drew attention to the sifting effects of 1980s allocations policies and practices channeling the most disadvantaged (or ‘least respectable’) households into the least desirable properties and areas (see, for example, Henderson and Karn 1985; Phillips 1986). To an extent, such anxieties also echo those expressed in relation to the equity impacts of recent initiatives to extend choice in health and education (see above).

In the CBL case many of these anxieties have focused on doubts as to whether the system may disadvantage households with a statutory right to rehousing on grounds of homelessness—see above (e.g., Scottish Executive Homelessness Task Force 2002, para 48). Concerns have been expressed that, under the rules established by social landlords introducing CBL, ‘homeless applicants have less choice, and are forced to bid more often or more quickly for properties than other applicants’ (Grannum 2005, p 2). As a result, it is argued, CBL ‘is likely to result in increasing concentrations of previously homeless households in low-demand areas’ (p 2). Hence, ‘there is a high risk that CBL will lead to polarisation and segregation of communities and socio-economic groups’ (Mullins and Rowlands 2004, p 34).

The Mullins and Rowlands comment cited above also alludes to concerns that CBL might exacerbate ethnic segregation and, hence, undermine community cohesion. Sensitivity to this issue has been heightened by riots in

Bradford, Burnley and Oldham in 2001 and by the perception that such inter-racial strife is associated with spatial segregation of communities along ethnic lines. An official investigation into the disturbances suggested that enhancing housing choices for ethnic minority households risked exacerbating this situation (Home Office 2003). Conveying a similar implication, a subsequent Parliamentary report asserted the need for local authorities to ‘create strategies to mitigate or reverse the tendency for [choice-based lettings] to lead to greater [ethnic] segregation’ (House of Commons Select Committee on ODPM 2004, para 18).

The contention that CBL might result in more ethnically segregated settlement patterns suggests that the ‘unconstrained choices’ of ethnic minority households would tend to be more geographically specific to areas of existing minority community settlement than the applicant—vacancy matching decisions made by social landlord staff under traditional allocations systems. As noted by Van Kempen and Idamir (2003), the ‘distribution model’ offers more opportunities for steering households towards certain neighbourhoods and dwellings. Perhaps ironically, a major argument in favour of CBL introduction in the Dutch context was as a means of ‘opening up’ allocations systems to counter previously widespread institutional discrimination against ethnic minority households by social landlords (Kullberg 2002; Aalbers 2002).

4 CBL impact for statutory homeless households

4.1 Methodology

The following analysis draws on a study which focused on 13 case study CBL schemes—11 in England and two in Scotland (see Map 1). Eligibility for case study selection depended on the scheme having been in operation for at least 18 months at the start of the research in 2004. For further details of the case study schemes and the rationale for their selection see Pawson et al. (2006). More particularly, the analysis is focused on homes in six areas considered by the social landlords concerned as encompassing a well-defined popularity hierarchy of estates and neighbourhoods (and where ‘before’ and ‘after’ statistical data was available). In practice, these involved cities in the Midlands and the North of England (Bolton, Bradford, Leeds, Nottingham and Sheffield) as well as Edinburgh. The analysis involved lettings data covering the period immediately prior to, and following, the introduction of CBL. In the main, the data was provided by the case study landlords themselves. We also drew on housing association lettings data centrally collected under the Housing Corporation’s CORE system.³

³ The Housing Corporation’s CORE system records a range of information about every letting made by housing associations in England. This includes the characteristics of the household accommodated, their previous housing circumstances and the features and location of the property let. See: www.core.ac.uk



Map 1 Case study areas

With respect to the five areas listed above we classified lettings pre- and post-CBL according to estate popularity to facilitate an analysis of the distribution of lets in the most popular and least popular areas. In the main, this classification was achieved with reference to CBL bidding patterns. Hence, areas where each advertised vacancy attracted a relatively large number of bids were classed as ‘high demand’, whereas those where fewer bids were typically forthcoming were defined as ‘low demand’. Where the lettings analysis relied on CORE data each record was classed in relation to area popularity by matching its postcode against the postcodes of areas identified from bidding data as ‘high demand’, ‘medium demand’ or ‘low demand’.

The analysis differentiates between statutory homeless households, waiting list applicants and transfer applicants. The first two groups are ‘new tenants’ in the sense that they are gaining a tenancy in social housing for the first time. The third group are existing tenants moving within the housing stock (e.g., to relieve overcrowding).

In seeking to identify the impacts of CBL on housing outcomes we have used only two points of measurement—the years immediately preceding and immediately following the introduction of the new system. Instances where the two years selected were not consecutive reflect situations where CBL was introduced in a phased manner over a period of time.

Ideally, one might place such figures within the context of trends over a longer run of years before and after the policy change in question. In practice, however, the relatively recent introduction of CBL in most of the case study LAs means that there was little or no scope for collection of data relating to the period subsequent to ‘CBL year 1’. Practical obstacles in collecting *pre-CBL* data were in most instances difficult enough to overcome even where only figures for *the most recent pre-CBL year* were required.

4.2 Analysis

Table 1 compares the distribution of Leeds Council lettings pre- and post-CBL. Leeds is examined first because the data provided by Leeds Council

Table 1 Leeds MBC lettings before and after the introduction of choice-based lettings: breakdown by rehousing group and area popularity

Year	Rehousing group	Low demand	Medium demand	High demand	Total
2002/2003 (Pre-CBL)	Waiting list (%)	40	45	15	100
	Homeless (%)	31	43	26	100
	Transfers (%)	33	43	24	100
	All (%)	36	43	20	100
2005/2006 (Post-CBL)	Waiting list (%)	43	41	16	100
	Homeless (%)	32	40	28	100
	Transfers (%)	32	45	23	100
	All (%)	37	42	21	100

Source: Leeds MBC

here was closer to our specification than was true for the other case study landlords. In overall terms, the pattern appears to have changed little in 2005/2006 as compared with 2002/2003. Waiting list applicants continued to be somewhat more likely than other groups to be housed in low demand areas and less likely to be accommodated in high demand neighbourhoods. Similarly, for statutory homeless households there was apparently little change in the pattern of lettings outcomes. Under CBL, as previously, they were somewhat *less likely* than the norm to be housed in low demand areas and rather more likely to be accommodated in high demand neighbourhoods.

The definition of 'low demand' as used here is, perhaps, relatively broad in that it encompasses just over a third of all Council lettings in each of the years examined. With this in mind we narrowed the scope of 'low demand' to focus specifically on a smaller number of areas at the very bottom of the demand hierarchy as defined by the average number of bids. The areas identified as 'very low demand' encompassed 6–8 per cent of lettings in 2002/2003 and 2005/2006. Prior to CBL (in 2002/2003) homeless households were slightly over-represented among those rehoused in these areas (seven per cent of lets to this group as against six per cent of lets across all rehousing groups). In 2005/2006, however, homeless households were under-represented among lets in these areas—five per cent of homeless lets were in the 'very low demand' neighbourhoods as against eight per cent of lettings across all rehousing groups. If anything, therefore, CBL in Leeds appears to have enhanced the housing prospects of statutory homeless households.

Focusing specifically on statutory homeless households and their propensity to be rehoused in low demand areas, Table 2 incorporates the 'before and after' comparisons for Leeds (as already presented above) alongside comparable figures for lettings in Bolton, Bradford, Edinburgh, Nottingham and Sheffield. In Bolton (LA), for example, 35 per cent of homeless households were accommodated in low demand areas prior to CBL, as compared with 34 per cent of all households. Hence, homeless households were slightly more likely than other groups to be rehoused in such areas. Post-CBL, the proportion of homeless households rehoused in such areas was slightly below that for all households. Hence, the 'index score' for the Bolton (LA) row is less than 1. This indicates that homeless households are relatively less likely to be rehoused in low demand areas under CBL than was previously the case.

Similarly, in Leeds prior to CBL 31 per cent of homeless lets were in low demand neighbourhoods, whereas 36 per cent of all lets involved dwellings in such areas (as already shown in Table 1). Under CBL the respective figures were 32 per cent and 37 per cent. In relation to the norm for all lettings, therefore, the propensity for homeless households to be rehoused in low demand areas was 0.86 both before and after the introduction of the new system. Hence, the Table 2 'index score' for Leeds (ratio (ii) divided by ratio (i)) equates to 1.00. This indicates that CBL has made no difference to the likelihood of statutory homeless households being rehoused in low demand areas.

Table 2 Propensity for statutory homeless households to be rehoused in *low* demand areas

	Pre-CBL			Post-CBL			Index score—ratio (ii)/ratio (i)
	Homeless Col A (%)	All Col B (%)	Ratio (i) (col A/col B)	Homeless Col C (%)	All Col D (%)	Ratio (ii) (Col C/col D)	
Bolton (HA)	32	21	1.52	3	20	0.15	0.10
Bolton (LA)	35	34	1.03	29	31	0.94	0.91
Bradford (HA)	28	27	1.04	22	27	0.81	0.79
Edinburgh (LA)	49	45	1.09	45	42	1.07	0.98
Leeds (LA)	31	36	0.86	32	37	0.86	1.00
Nottingham (HA)	0	23	0.00	13	12	1.08	NA
Sheffield (LA)	22	28	0.79	19	23	0.83	1.05

Sources: Bolton MBC, City of Edinburgh Council, Leeds MBC, Sheffield MBC, CORE

Notes:

1. HA = housing association; LA = local authority
2. Bradford HA figures exclude Bradford Community Housing Trust because of the absence of comparable pre-CBL data for this landlord
3. Because specific figures for homeless households were unavailable, figures for Edinburgh compare *all new tenants* with *all lettings*
4. Where the index score is >1 homeless households were relatively more likely to be rehoused in low demand areas under CBL than previously. The areas where this was *not* so (i.e., homeless households ‘did better’ under CBL) are denoted by shaded rows

Only in Sheffield was there a very slight increase in the relative propensity of homeless households to be rehoused in low demand areas under the CBL regime as reflected by Sheffield’s Table 2 ‘index score’ of 1.05.

Table 3 looks at the other side of the coin from Table 2: the extent to which the introduction of CBL has impacted on the probability of statutory homeless households being rehoused in ‘high demand’ areas. Here, an index score *exceeding* 1.00 indicates that homeless households were more likely to be rehoused in high demand areas under CBL than was previously the case. It can be seen that this was true in all six instances presented here.

The analyses summarised in Tables 2 and 3 provide no support for the contention that CBL is liable to disadvantage statutory homeless households to the extent that they will be increasingly concentrated in low demand areas. On the contrary, the propensity of homeless households to be accommodated in low demand areas tended to be lower under CBL and their propensity to be housed in high demand areas was typically higher. These outcomes reflect the ways that the landlords concerned have configured their rules on applicant priority under CBL—a subject discussed in more detail in Pawson et al. (2006).

Whilst there does not appear to be any evidence that statutory homeless households are disadvantaged by CBL in relation to area popularity, it is possible that they might be rehoused in less popular dwellings *within* neighbourhoods.

The simplest way of analysing this issue is to look at the proportion of homeless households in flats as opposed to houses. Analysis of CBL bids

Table 3 Propensity for statutory homeless households to be rehoused in *high* demand areas

	Pre-CBL			Post-CBL			Index score—ratio (ii)/ratio (i)
	Homeless Col A (%)	All Col B (%)	Ratio (i) (col A/col B)	Homeless Col C (%)	All Col D (%)	Ratio (ii) (Col C/col D)	
Leeds (LA)	26	20	1.30	28	21	1.33	1.03
Bolton (LA)	17	19	0.89	18	20	0.90	1.01
Bolton (HA)	21	37	0.57	43	36	1.19	2.10
Edinburgh (LA)	8	10	0.80	11	13	0.85	1.06
Nottingham (HA)	25	26	0.96	35	34	1.03	1.07
Sheffield (LA)	50	43	1.16	51	43	1.19	1.02

Sources: Bolton MBC, City of Edinburgh Council, Leeds MBC, Sheffield MBC, CORE

Notes:

1. HA = housing association; LA = local authority
2. Because specific figures for homeless households were unavailable, figures for Edinburgh compare *lets to all new tenants* with *all lettings*
3. Where the index score is >1 homeless households were relatively more likely to be rehoused in high demand areas under CBL than previously. The areas where this was so (i.e., homeless households ‘did better’ under CBL) are denoted by shaded rows

confirms the established wisdom that flats tend to be less popular than houses. In Leeds, for example, the average number of bids for houses advertised in 2004/2005 was 70 whilst the comparable figure for low rise flats was 37 and for multi-storey flats, 26.

Table 4 summarises the ‘before and after’ CBL figures with respect to the propensity of statutory homeless households to be rehoused in flats. Overall there is a mixed picture. In Leeds, for example, prior to CBL 18 per cent of homeless households were rehoused in multi-storey flats—close to the overall average across all rehousing groups (19 per cent). Post-CBL, however, the chances of a homeless households being rehoused in a multi-storey flat had fallen significantly—now only 10 per cent of this group were being accommodated in such dwellings as compared with 19 per cent of all tenants rehoused. Hence, the ‘index score’ for Leeds is 0.56 indicating ‘improved prospects’ for this group. In Nottingham, by contrast, the propensity to be rehoused in a flat increased for homeless households under CBL—hence, the ‘index score’ here was 1.76. On balance, there does not appear to be any clear trend with respect to the impact of CBL on the prospects of statutory homeless households being rehoused in flats.

5 CBL and ethnic segregation

5.1 Background and scope

The central aim of the following analysis is to address the question: ‘Has CBL resulted in increased ethnic segregation?’ Again the analysis relates to a sub-

Table 4 Propensity for statutory homeless households to be rehoused in flats

	Pre-CBL			Post-CBL			Index score (ratio (ii)/ ratio (i))
	Homeless Col A (%)	All Col B (%)	Ratio (i) col A/col B	Homeless Col C (%)	All Col D (%)	Ratio (ii) col A/col B	
Leeds (LA)	18	19	0.95	10	19	0.53	0.56
Bolton (LA)	29	41	0.71	22	35	0.63	0.89
Bolton (HA)	32	37	0.86	33	45	0.73	0.85
Herefordshire (HA)	25	35	0.71	27	28	0.96	1.35
Nottingham (HA)	25	36	0.69	39	32	1.22	1.76
Sheffield (LA)	33	35	0.94	28	36	0.78	0.82
Newham (HA)	79	68	1.16	80	70	1.14	0.98
Locata (HA)	66	74	0.89	89	84	1.06	1.19
Berwickshire (HA)	33	46	0.72	48	49	0.98	1.37

Sources: Bolton MBC, Leeds MBC, Sheffield MBC, CORE, SCORE—Managed by Communities Scotland, the SCORE system is the counterpart of CORE (see above) as operated for housing association lettings in Scotland. See: <http://www.scoreonline.org.uk/>

Notes:

1. Figures for Leeds relate to multi-storey flats
2. ‘Locata’ refers to a CBL scheme jointly established by five West London boroughs.
3. Where the index score is >1 homeless households were relatively more likely to be rehoused in flats under CBL than before. Hence, shaded rows represent case study areas where statutory homeless households tended to ‘do better’ under CBL than previously—see text

set of the 13 case study areas on which the overall study was based; that is, those case study areas containing ethnic minority communities of a significant size. These involved largely urban local authorities in England: Bolton, Bradford, Harrow/West London, Leeds, Newham, Nottingham and Sheffield.⁴ It is worth bearing in mind that existing research evidence shows that Bolton, Bradford and Sheffield are among the most ethnically segregated cities in England (Parkinson et al. 2006, Table 5.3).

Most of the following analysis focuses on whether CBL has affected the spatial pattern of lettings to different ethnic groups. A related issue is whether CBL has had any *quantitative impact* in relation to lettings to different ethnic groups. For example, if CBL had been seen as a means of tackling racially discriminatory ‘gatekeeping’ behaviour on the part of social landlord staff such an effect might be expected. Evidence on this is examined in detail elsewhere (see Pawson et al. 2006). In summary, this shows that by and large, social landlords having introduced CBL have seen a rising proportion of their properties being let to ethnic minority households. The most consistent trends have been the growing representation of Afro-Caribbean and ‘Other’

⁴ The largely rural case studies—Berwickshire, East Cornwall, Herefordshire—are omitted from the analysis since ethnic minority households account for only very small percentages of households in these areas. Edinburgh is also omitted from the analysis on this basis. And whilst Harrow and Sutton contain significant proportions of ethnic minority households these authorities are excluded from all or most of the following analyses because the authorities were unable to provide us with lettings data spanning the introduction of CBL.

households. Bradford stood out from other case study areas in that the post-2000 ethnic minority increase here involved a near doubling in the proportion of Asian households being accommodated in social housing. Elsewhere, the picture was mixed with no overall rise in the share of lets to ethnic minority households being recorded by Leeds or Sheffield Councils.

In considering these findings it is also important to bear in mind that lettings to ethnic minority households have been on the increase across the *entire social housing sector* since 2000. This could be due to a cohort effect related to differences in the age structures of ethnic minority and white populations. Or it could reflect the impact of growing non-white immigration into the country. However, the main point for our purposes is that there is no strong evidence of CBL having had an independent impact on the share of social landlord lets to ethnic minority households. In any case, claims of ethnic minority households being systematically excluded from British social housing by direct discrimination have been little heard since the 1980s when a series of critical reports led to major anti-discriminatory reforms (see Mullins and Pawson 2005). Hence, there is no reason to expect that CBL—by weakening the power of managers—would have made the sector more accessible to non-white house-seekers.

5.2 Analytical framework

This section draws on data from two main sources: case study landlords and the 2001 Census. The geographical framework for the analysis is the housing management districts or administrative units as recognised by the case study landlords. Typically, these encompassed 1,000–2,000 landlord dwellings. An analysis of census data forms the backdrop for the investigation of lettings and ethnic segregation in each relevant case study area. By digitising the boundaries of landlords' housing management areal units census data was configured according to these boundaries. The data was then broken down for each of these management areas to show the ethnic origin of household heads of social renting households resident in these areas in 2001. In this way housing management areas were ranked in each case study locality, with respect to the percentage of social renting households in each (aggregated) ethnic minority group, and with respect to all ethnic minority groups combined.

The outputs from this analysis were used to set in context the ethnic distribution of lettings pre- and post-CBL in terms of whether the area concerned was (in 2001) 'high', 'medium' or 'low' with respect to the representation of the relevant group in that area. In defining 'high', 'medium' and 'low' the percentage of the relevant group across *all management areas* was (arbitrarily) adopted as our main benchmark.

Management areas where the relevant group accounted for more than twice this proportion were classed as 'high', with areas where the group in question accounted for between half the landlord-wide average and twice the landlord-wide average were classed as 'medium'. Areas classed as 'low' were those

Table 5 Ethnic breakdown of social renting households in Bolton MBC in 2001 according to Bolton MBC housing management Areas

Housing management area	White	Afro-Caribbean	Asian	Other	Total	Total ethnic minority		Ethnic minority representation
						No	% of total	
Lower Deane	644	9	116	9	778	134	17.2	High
Great Lever	1,328	37	175	16	1,556	228	14.7	High
Higher Deane	1,316	26	125	6	1,473	157	10.7	Med
Brownlow Way	1,366	37	98	11	1,512	146	9.7	Med
Blackburn Road	1,170	31	75	4	1,280	110	8.6	Med
North Brightmet	936	10	8	12	966	30	3.1	Low
Chorley Old Road	467	3	4	7	481	14	2.9	Low
Farnworth West	948	14	8	5	975	27	2.8	Low
Horwich	1,013	14	11	3	1,041	28	2.7	Low
South Brightmet	1,154	18	5	6	1,183	29	2.5	Low
Farnworth East	1,305	13	15	4	1,337	32	2.4	Low
Tonge Moor	1,216	11	1	6	1,234	18	1.5	Low
Kearsley & Little Lever	929	2	2	5	938	9	1.0	Low
Westhoughton	733	2	0	0	735	2	0.3	Low
All areas	14,525	227	643	94	15,489	964	6.2	N/A

Source: 2001 Census

where the relevant ethnic group accounted for less than half the landlord-wide proportion of households in 2001.

Table 5 exemplifies the approach described above. Across the whole of Bolton ethnic minority social renters accounted for 6.2 per cent of all social renters in 2001. In Lower Deane and Great Lever they represented more than twice the authority-wide percentage and, hence, these areas were classed as having a 'high' proportion of ethnic minority social renting households. In Higher Deane, Brownlow Way and Blackburn Road ethnic minority social renters accounted for between half and double the authority-wide proportion. Hence, these areas were classed as 'medium' in this respect.

The approach described above worked well in relation to LA areas where the spatial distribution of ethnic minority households is very uneven. In terms of the case study areas included in this analysis (see above) there is a strong distinction between those in the Midlands and the North, on the one hand, and two of the three London boroughs, on the other. Unlike the other LA areas examined here, Newham and Harrow contain relatively large ethnic minority populations, fairly evenly spread across LA areas (see Table 6). Again, this is consistent with the analysis presented in the recent 'State of the Cities' report (Parkinson et al. 2006). In Newham, for example, ethnic minority households accounted for 47 per cent of all social renters enumerated by the 2001 Census with the corresponding proportion lying between 30 and 60 per cent in all of Newham's 17 housing management areas. Likewise, interviews with social landlord staff demonstrated that areal segregation of ethnic minority com-

Table 6 Case study LAs where ethnic minority households accounted for >5% of all social renters in 2001: Extent of spatial concentration of ethnic minority settlement

Local authority	Ethnic minority households as % of all social renters		Name of 'highest score' housing management area
	Authority-wide	In 'highest score' management area	
Bolton	6	18	Lower Deane
Bradford	11	39	Manningham
Harrow	29	35	Sudbury Hill
Leeds	6	59	Harehills & Chapeltown
Newham	47	60	Carpenters
Nottingham	14	40	Forest Fields
Sheffield	5	21	Area K
Sutton	7	16	Sutton North

Source: Census 2001

Note: 'Ethnic minority' defined as all ethnic groups other than 'White UK' or equivalent (e.g., 'White British' or 'White European')

munities was not considered to be an issue of concern in the London case studies.

5.3 Analytical findings

Table 7 summarises our findings on pre- and post-CBL lettings patterns with respect to ethnic minority households. There is no evidence to support claims that the choice-based lettings approach is liable to foster increased ethnic segregation. In none of the six case study areas covered here has this occurred. The general trend has been towards limited ethnic minority diffusion into 'non-traditional areas'. As a social landlord staff member asserted in the pilot programme evaluation, '...some BME groups are moving to areas previously not considered. This reflects availability being different from exact aspirations, a feeling that certain areas ... are no longer "white" and also must be seen as a side-effect of differing communities moving into new areas due to rising housing costs and also former asylum-seekers remaining in areas where previous [NASS] tenancies were' (Marsh et al. 2004, para 13.47).

The observed pattern of change is consistent with the typically longer distance moves being made by ethnic minority households under CBL in Bolton and Leeds (Pawson et al. 2006). It may suggest that—whilst 'change in distance moved' data was available for only a few case studies—similar trends have occurred more widely. That is, typical distances moved by ethnic minority households (as well as by white households) have increased under the new system. The possible reasons for this are discussed later in the paper.

It is also notable from the more detailed analysis reported elsewhere that increased ethnic minority representation has been evident in lettings in areas classed as 'low' as well as 'medium' in relation to the incidence of ethnic minority settlement in 2001. These results suggest that CBL may help to

Table 7 Changes in the spatial distribution of lettings to ethnic minority households following the introduction of CBL^a

Case study area	% of ethnic minority lettings in areas of 'high concentration' ^b		
	Pre-CBL	CBL	Difference
(a) All ethnic minorities			
Bolton	48	40	-8
Bradford	70	65	-5
Leeds	47	27	-20
Newham ^c	39	30	-9
Nottingham	35	35	0
Sheffield	32	31	-1
(b) Afro-Caribbean households			
Case study area	% of Afro-Caribbean lettings in areas of 'high concentration' ^b		
	Pre-CBL	CBL	Difference
Bolton	Numbers too small		
Bradford	53	57	+4
Leeds	56	32	-24
Newham ^c	35	28	-7
Nottingham	Numbers too small		
Sheffield	36	36	0
(c) Asian households			
Case study area	% of Asian lettings in areas of 'high concentration' ^b		
	Pre-CBL	CBL	Difference
Bolton	67	60	-7
Bradford	79	59	-20
Leeds	50	30	-20
Newham ^c	44	45	+1
Nottingham	Numbers too small		
Sheffield	32	31	-1

Sources: Case study landlords and CORE (Nottingham Community HA)

^a The 'pre-CBL' and 'CBL' years vary from case study area to case study area. This is because the introduction of CBL is a substantially bottom-up process rather than a national programme. Hence, the appropriate years differ from place to place. For full details see Pawson et al. (2006)

^b Classification groups housing management administrative areas in terms of the representation of ethnic minority tenants in 2001: 'high' = areas where EM tenants accounted for more than twice the LA-wide proportion

^c Note that these figures relate to the three housing management administrative areas accounting for the greatest numbers of lettings to ethnic minority/Afro-Caribbean/Asian households in 2000/2001, rather than to areas classed as 'high concentration' in relation to census data—see text for explanation

perpetuate the general trend of gradual ethnic minority residential dispersion identified in other recent research with respect to the decade to 2001 (Parkinson et al. 2006, para 5.8.14).

The findings for individual case study areas are shown graphically in Figs. 1–5. In most of these there is a general trend in favour of a more geographically dispersed pattern of lettings under CBL than was previously

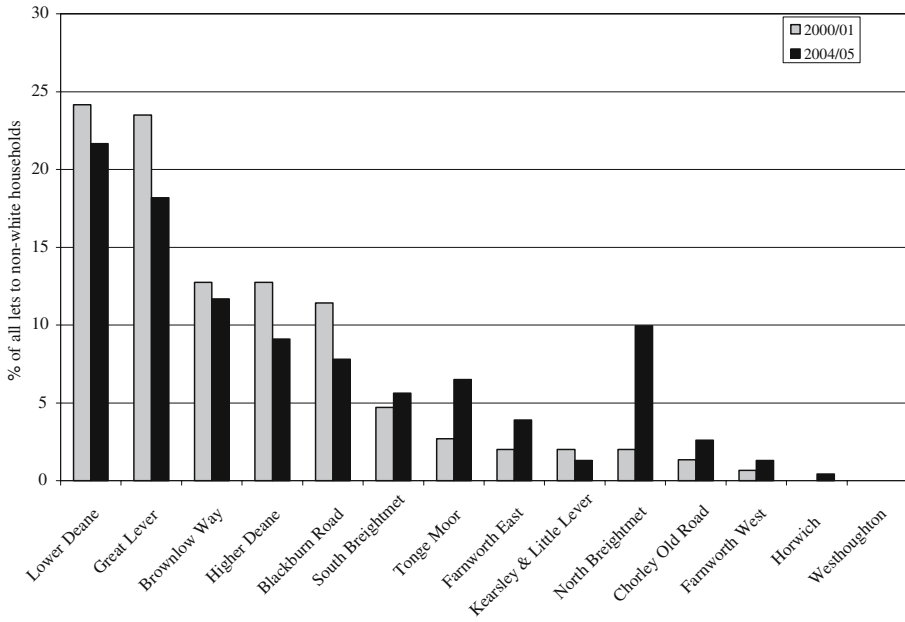


Fig. 1 Distribution of Bolton Council Lettings to Ethnic Minority Households, 2000/2001 (pre-CBL) and 2004/2005 (post-CBL). *Source:* Bolton MBC

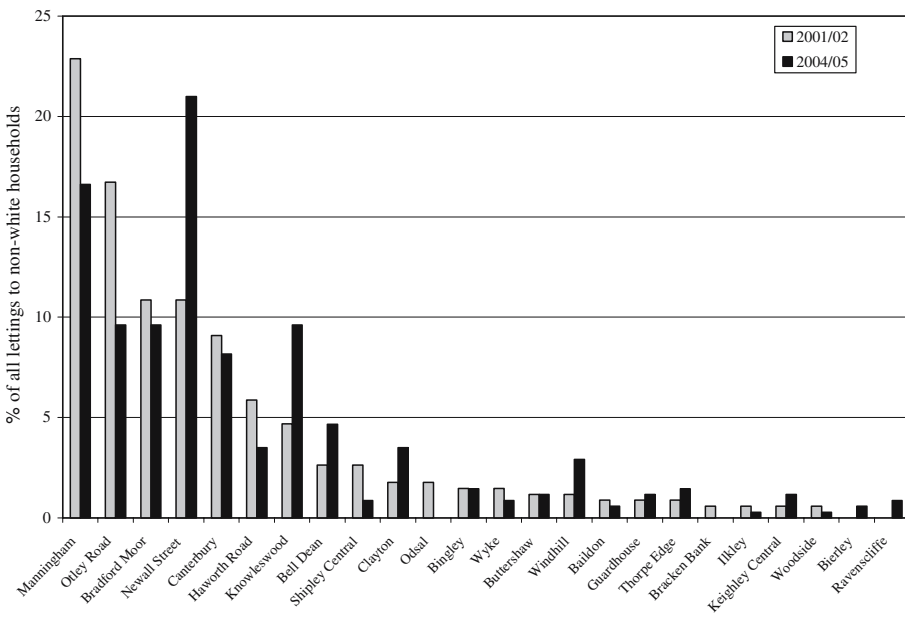


Fig. 2 Distribution of Bradford Council/Bradford Community Housing Trust Lettings to Ethnic Minority Households, 2001/2002 (pre-CBL) and 2004/2005 (post-CBL). *Source:* Bradford Community Housing Trust. *Note:* Bradford Community Housing Trust took on ownership of Bradford Council housing stock in 2002

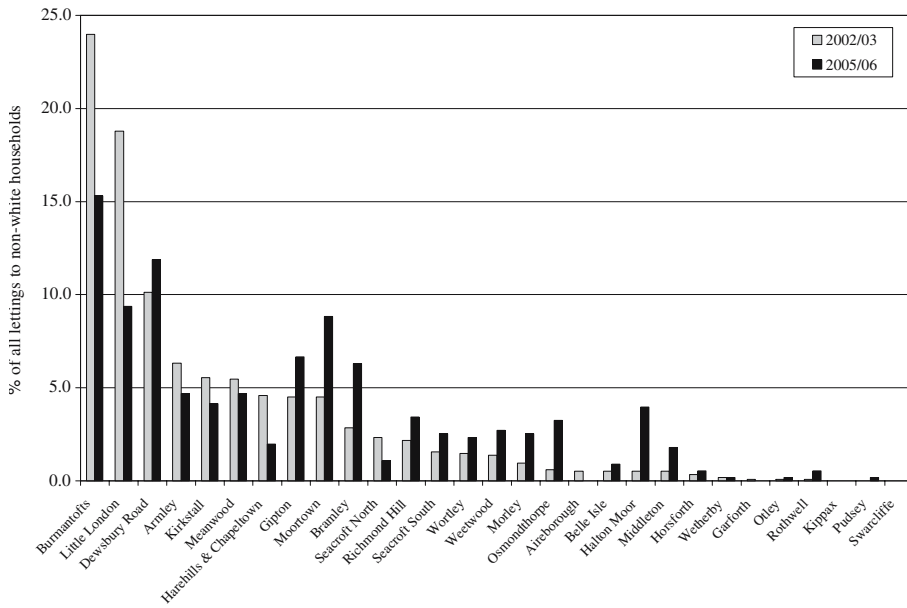


Fig. 3 Distribution of Leeds Council Lettings to Ethnic Minority Households, 2002/2003 (pre-CBL) and 2005/06 (post-CBL). *Source:* Leeds MBC

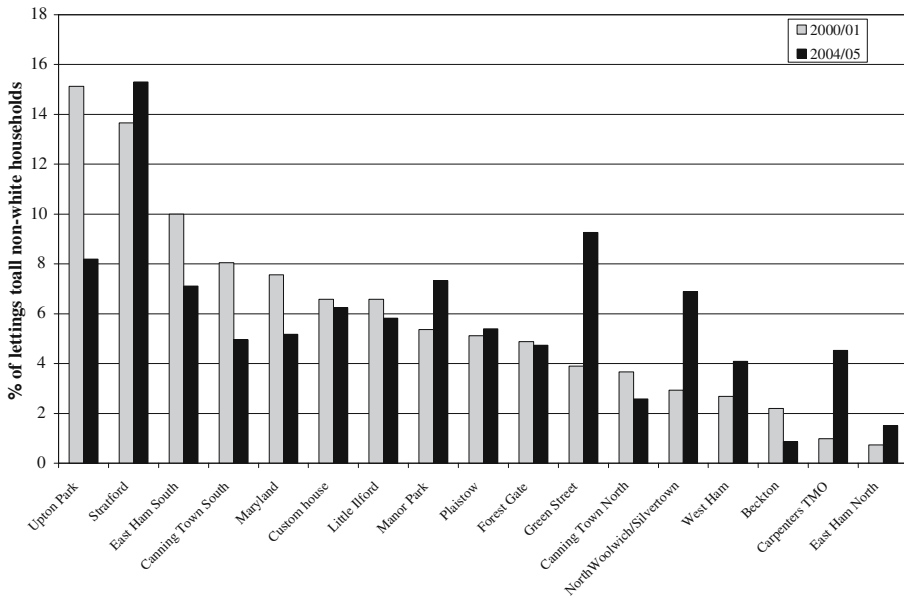


Fig. 4 Distribution of Newham Council Lettings to Ethnic Minority Households, 2000/2001 (pre-CBL) and 2004/2005 (post-CBL). *Source:* Newham LBC

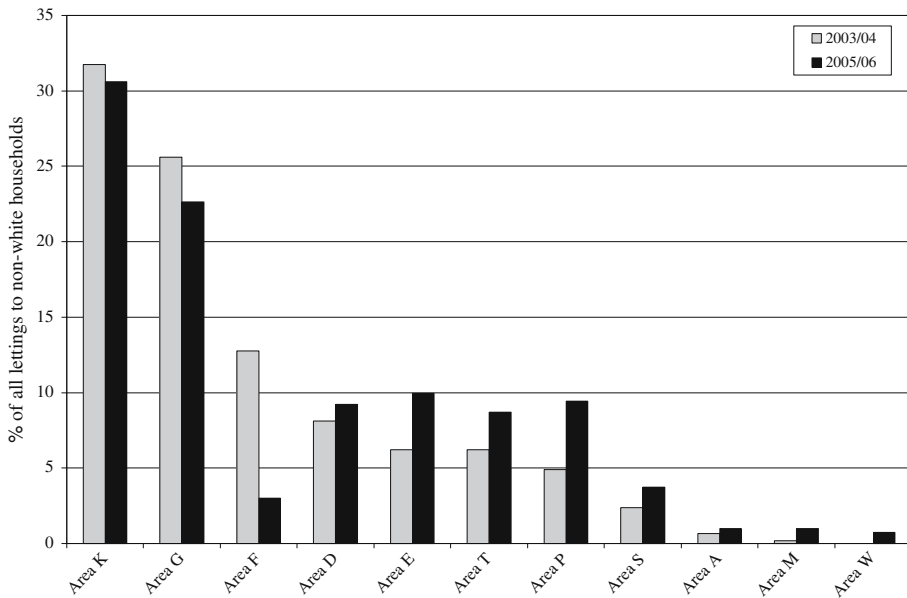


Fig. 5 Distribution of Sheffield Council Lettings to Ethnic Minority Households, 2003/2004 (pre-CBL) and 2005/2006 (post-CBL)

apparent. In each case, the graphics compare the distribution of ethnic minority lettings across housing management districts prior to and after CBL launch. In Bolton, for example, the proportion of total ethnic minority lettings in Higher Deane and Great Lever fell from 24 per cent and 23 per cent before CBL to 22 per cent and 18 per cent afterwards. The pattern of increased spatial diffusion is most marked for Leeds and least apparent for Sheffield. Sheffield differs from the other case study landlords discussed above in that its housing management administrative areas were very large (averaging 3,700 dwellings). This may to some extent ‘blunt’ our analysis of patterns of ethnic minority settlement.

The pattern of change in Bradford shown in Fig. 2 is also somewhat at variance with that seen elsewhere. The pattern is quite mixed with two areas—Newall Road and Knowleswood—experiencing a significant proportionate increase in ethnic minority lets. Social landlord staff believed this could reflect a change in the mix of ethnic minority households being housed, with a growing proportion accounted for by former asylum-seekers from groups previously unrepresented among the new tenant cohort. Unfortunately, because of changes in the landlord’s standard ethnic classification this could not be substantiated.

Looking separately at Afro-Caribbean and Asian households, Tables 7b and c show a somewhat mixed picture. However, whilst there have been some exceptions the strongest changes have been in favour of deconcentration for both Afro-Caribbean and Asian groups.

In the British context CBL appears to result in a typically somewhat more dispersed rather a more concentrated pattern of lettings to ethnic minority households than was the case under the previous 'administrative' approach to lettings. On the face of it this contrasts with research evidence from the Netherlands where a comparison of municipalities using 'distribution' and 'supply' models found that 'the effects in terms of spatial concentration are the same' (Van Kempen and Idamir 2003, p 266). In this respect, however, the Dutch study was somewhat more broad brush than our analysis. And in any case, the research reported here did not suggest that CBL eliminated ethnic clustering; only that this was generally somewhat less marked than under traditional allocations systems. Whether the impacts of quasi-market mechanisms on ethnic minority residential outcomes differ in Britain and the Netherlands therefore remains open to question.

More importantly, how can the post-CBL tendency towards less concentrated ethnic minority settlement as found in Britain be explained? One possibility is that the racial mix of ethnic minority households settling in social housing has changed under CBL (either because of, or in spite of, the new system). In our view, however, the answer is more likely to be of a managerial kind. Traditional approaches to allocations incentivise housing staff to offer people properties they think will be accepted (Pawson and Mullins 2003). Tenancy offer refusals incur landlord costs (lost rent, more administrative time) and must be minimised. Therefore there is a tendency for staff to 'play safe' when matching ethnic minority households to vacant properties. This means such households are unlikely to be offered tenancies outside areas considered to be traditional for the group concerned. On this reading of the evidence, an appreciable proportion of ethnic minority applicants will in practice bid for and accept tenancies in areas where staff would not risk making a tenancy offer. Part of this is about CBL leading to better informed consumers irrespective of their ethnic origin.

Geographically concentrated settlement patterns of ethnic minority communities have historically been explained with respect to both 'positive' and 'negative' factors. The positive being that many people from minority groups prefer to live in close proximity to cultural amenities and to others with shared cultural values. The negative being a concern that living in areas largely peopled by White British households would place ethnic minority households at greater risk of hostility and racial harassment. It is, of course, possible that where the introduction of CBL initially appears to facilitate ethnic deconcentration, this will be a short lived impact, as some of the households moving into 'non-traditional areas' are exposed to racial harassment. With this in mind it is interesting to note the findings, reported in more detail by Pawson et al. (2006), that in some case study LAs where ethnic minority settlement has become less concentrated the groups concerned have also been recorded as exhibiting improved tenancy sustainment. It could be that a different picture holds true for that relatively small fraction of ethnic minority households moving into 'non-traditional areas'. However, more focused research would be required to address this issue.

6 Conclusion

Choice-based lettings is appropriately seen as aspiring to introduce quasi-market mechanisms into social housing. As adopted in Britain the model represents a case of policy transfer from the Netherlands where it was first conceived. In Britain, however, the legal scope for incorporating market-style processes in this context is considerably more constrained than in the Netherlands. As a New Labour initiative, CBL is in tune with the wider drive to introduce consumer choice in public services. In the terms used by Clarke (2005) service-users are activated, empowered and responsabilised as a result. In contrast with counterpart 'consumerist' reforms in health and education, however, CBL involves 'choice without competition' and, as such, has generated less adverse comment. The distinct status of social housing as a non-universal service is also important in differentiating reforms in this sphere from those in areas such as health and education.

Nevertheless, as in the drive to consumerise users of hospitals and schools, CBL has given rise to concerns about social polarisation and community fragmentation, which could, in theory, result from replacing an administratively driven process with a market mechanism. In particular, there have been worries that CBL would disadvantage homeless households and lead to increased ethnic segregation. Statistical evidence, however, suggests that neither of these concerns is being realised.

Rather than being increasingly concentrated in unpopular neighbourhoods under CBL, it appears that statutory homeless households may be slightly less likely to be rehoused in 'low demand' areas than was previously the case. In any event, the patterns of aggregate outcomes under CBL appear relatively similar to those recorded previously in this respect. Few CBL landlords were motivated to switch to CBL as a means of altering the prospects of different rehousing groups (Pawson et al. 2006). Some consciously sought to replicate the patterns previously produced (Marsh 2004). The results of our analysis are probably best seen as demonstrating landlords' ability to set the 'rules of the game' to achieve desired outcomes in these terms.

Likewise, opening up allocations systems to promote greater customer choice seems to be resulting in increased ethnic diffusion rather than compounding ethnic segregation. In this sense, CBL may be seen as a 'policy success', particularly within the context of a dominant narrative stressing the negative aspects of ethnic concentration and implying that this pattern is largely explained by pathological 'self-segregating' tendencies on the part of certain minority groups (Phillips 2006; Burgers and Van der Lugt 2006). As Phillips observes, such arguments tend to downplay the positive attributes of 'ethnic clustering' and the social capital embedded within areas of concentrated minority ethnic settlement. In any case, as Phillips also points out, such arguments call for further research on the link between residential segregation and inter-ethnic mixing in spheres such as employment, education and social pursuits.

It should, of course, be acknowledged that these analyses are based on data from only a limited number of case study areas. It is possible that they do not reflect experiences of all British social landlords having made the switch to CBL. It is even less certain that the findings are directly relevant to the operation of marketised lettings systems in other countries—particularly those such as the Netherlands characterised by a unitary rather than a dual housing market in Kemeny's terms.

Equally, our analyses encompass only certain aspects of CBL's distributional consequences. A particular concern is that a system emphasizing proactive engagement rather than passive participation may benefit more able applicants whilst damaging the prospects of groups with specific disadvantages such as learning difficulties or lack of literacy. Many landlords adopting CBL have implemented a range of measures to assist those requiring extra help (Pawson et al. 2006). Nevertheless, it is difficult to be sure whether these are sufficient to address the problem. The absence of baseline data quantifying the fortunes of such groups under traditional allocations systems would make any empirical assessment of CBL's impact here very challenging.

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