

**HOUSING STEERING GROUP  
TUESDAY, 21 FEBRUARY 2006  
(7.00 - 9.10 pm)**

Present: **Members of the Steering Group**

Independent Chairman

David Osborn

Tenant/Leaseholder Representatives

Jacki Brundish, Linda Coyle, George Kidd, Peter Maguire (substitute for Richard Ireland)

Borough Councillors

Dale Birch, Shelagh Pile, Bob Wade, Alan Ward

Staff Representatives

Henry Bone, Robert Clarke, Elise Stocker

Trade Unions Representative

Simon Sellick

Apologies for absence were received from Richard Ireland, Anne Shillcock and Cliff Thompson

**14. MINUTES: 12 JANUARY 2006**

The Minutes of the meeting held on 12 January 2006 were approved as a correct record, subject to the addition of Shelagh Pile to the list of those present.

**15. COTTSWAY HOMES**

The Steering Group welcomed Mary Johnson and Derek Millard from Cottsway Homes, a local transfer housing association operating in West Oxfordshire, who described their experience of the transfer of the housing stock to a new housing association.

The transfer had been prompted by a financial crisis where the District Council would have needed to increase rents by 37%. Tenants and councillors worked together to find other ways of funding the council housing. A Tenants' Friend was selected by the tenants panel to give impartial advice. A steering group had been formed in 1999. The first meeting had 315 tenants present, which reduced to an average of 30-35 per meeting, two or three times a week. The steering group set up sub committees on special issues, visited other transfer associations and put together a 78 page Offer Document which was negotiated line by line with the Council by the steering group. An information video was provided to every household to explain the offer document and the transfer proposals.

A Shadow Board including tenant reps and councillors was elected and held its first meeting in April 2000. The ballot of tenants was held later that year. A turnout of 3,750 tenants (72.2%) voted: 2,467 were in favour of transfer (65.8%) and 1,280 against (34.2%). The formal transfer took place on 26 March 2001.

The Offer Document was treated as the 'bible' for the Cottsway Housing service. It set out a programme of improvements for the first five years, all of which had now been fulfilled.

In answer to further questions the following points were noted:

- Post-transfer rents had been held at inflation + 1%. Rents were historically very low in West Oxfordshire so they had been given until 2016 for the rents to reach convergence under the Government's rent restructuring programme. There had been increases of 3.5% annually for the last few years. This year's increase was capped at 6%.
- The offer document is a legally binding document and delivery of the programme was monitored closely by the Council, the tenants and the Housing Corporation.
- The 120 Leaseholders' leases had not been altered by the transfer. Their service charges had increased to reflect the improved level of service they were receiving. A consultation group had been established for leaseholders.
- All housing and repairs staff had been transferred to Cottsway under TUPE regulations, apart from the four who remained with the Council to operate the common waiting list and strategic housing functions. There had been no redundancies. On the contrary, additional staff had been employed to deal with the larger programme of improvements and repairs. Staff had negotiated new contracts through their staff association. A better and more consistent pay and reward structure had been introduced. All staff had negotiated pay rises, better and more consistent working conditions and car parking spaces. Nobody had been less than satisfied with these arrangements. The staff were not union members, although they would be welcome to join a union if they wished.
- Cottsway had paid £50.9m for the 3,600 homes (it was pointed out that this level of receipt for the Council would not have been achievable in the current market, where funders were indicating an average price of £3,000 per dwelling).
- Cottsway had developed 87 new affordable homes in the last two years, with another 400 proposed.
- Improvements had been delivered for all homes, including refurbishment and refitting, new external doors and cladding and replacement double-glazed windows and creation of 352 new car parking spaces.
- Cottsway was on target to meet the Decent Homes Standard early (by 2007). It was now creating its own 'Cottsway Standard' in consultation with tenants and an improvement programme for the next five years. This included upgrades of all sheltered accommodation, building of new dwellings, community facilities such as village halls and youth work provision.
- Cottsway was the largest of 17 RSLs operating in West Oxfordshire and planned to get its housing numbers up towards 6,000, through development and acquisitions, to ensure its longer-term viability. It had been asked to provide management support for one small RSL and to share skilled workers with a sheltered scheme.

- In conclusion, the Cottsway team's experience had been extremely positive and this was due in large part to the Council's decision to involve tenants fully from the outset.

The Chairman, on behalf of the Steering Group, thanked Mary Johnson and Derek Millard for their attendance and participation.

## 16. **QUESTIONS TO SIMON MARTIN FROM THE TENANT PARTICIPATION AND ADVISORY SERVICE**

The Steering Group welcomed Simon Martin from TPAS, who had been invited to answer questions on tenant representation on housing associations and through the transfer process. It was acknowledged that Bracknell Forest had not yet reached a decision to ballot for transfer and the advice and comments provided were given in that context.

There were several points and questions the Council and Tenants would need to be aware of and plan for:

- (i) rumours and misinformation would begin to circulate among tenants and staff unless the Council and tenant bodies were clear about the process they were taking and this was communicated clearly to all stakeholders.
- (ii) The Shadow Board would not be allowed to include staff so the Council would need to consider how it would involve and engage staff.
- (iii) Tenants representatives needed to be clear and understand each proposed decision before it was taken.
- (iv) In deciding what type of housing association to propose for a transfer, it would be necessary to show that other options had been considered.
- (v) The size of the Board would need to be considered. It was usually either 12 or 15. Would tenants be the largest group on the Board or would there be equal numbers of councillors and independent persons? The time-commitment involved in serving on the Board would be very heavy and this was a consideration when deciding how many busy councillors and tenants' representatives to appoint.
- (vi) How would Tenant Members of the Board be recruited? Open invitation, election or selection? How would it impact on the tenant participation processes if the most active tenant representatives all joined the Board?
- (vii) How will leaseholders be involved in the process? Most authorities test the opinion of leaseholders in parallel with the tenant ballot, even though they are not formally balloted.
- (viii) The timetable should be realistic and achievable. It was not worth rushing ahead without all stakeholders being engaged in the process.
- (ix) Board Members would receive help, advice and training to take up their new responsibilities.
- (x) The corporate image of the new association would need to be considered early on, including appointing a chief executive and director of finance

- (xi) The Council would need to consider and give clear commitments on how the capital receipt would be spent.

Simon Martin answered questions from the Steering Group and the salient points were:

- It was often an advantage to have one of the tenant members as Chair of the shadow Board. This demonstrated that tenants were in control of the process.
- Independent members would be selected to complement the skills and experience of the other Board Members. The tenant and councillor representatives together would select the independent members, which had to comprise one third of the total membership. All Board members would serve for a fixed term, which would be renewable and phased to ensure continuity.
- Housing associations normally have charitable status –for VAT purposes.
- Issues such as housing benefits and the waiting list would remain a function of the Borough Council, which would retain sufficient staff to manage those aspects. Other housing staff would transfer to the housing association.
- The Government normally made an annual announcement of the transfer programme when any authorities could bid to be considered. Once a place on the transfer programme was confirmed the process normally took about two years to complete, with no more than one year between the ballot and the transfer. The Government had not yet announced when it would be inviting bids for the next programme.
- The Council would not have to go out to tender to sell the homes – that arrangement would only apply where a council was setting up an Arms Length Management Organisation, which option had already been disregarded as it was not a viable option for Bracknell Forest.

The Steering Group thanked Simon Martin for his contribution.

## 17. **FEEDBACK FROM VISIT TO CHELMER HOUSING PARTNERSHIP**

The Steering Group considered the views of those who had been able to attend the recent visit to Chelmer Housing Partnership in Chelmsford.

The Partnership had a stock of 6,700 homes, for which it had paid the council £80m. It had been able to invest £58m in the homes, £48m in the first three and a half years.

Tenant representatives at Chelmer had all been happy with their increased level of involvement. A newsletter was written for tenants by the tenants. They had explained that it was very hard and time-consuming work but also very rewarding to see the benefits of tenant democracy and community leadership, which made a difference to the area. They had established a 'chelmer fund' of £250,000 for supporting community projects that benefited their area.

The messages from staff were that they had been fully consulted throughout the process, structures and framework agreements had been put in place giving guarantees on terms and conditions and job security through the process. All trade unions were recognised by the new association.

The sheltered scheme had seen a doubling of its decoration budget. The garden maintenance budget had also been doubled leading to significant environmental improvements. Sheltered units all had internet connections. They ran a community bus service and employed their own occupational therapist because they could afford it, unlike the Council.

400 street representatives had been appointed as first point of contact for any snags or problems that needed to be resolved.

Tenants had received a 5 year rent guarantee of increases at RPI+1.5%. Security had been improved. Staff teams were addressing quality of life and anti-social behaviour. The Decent Homes Standard had been exceeded in the first three years and homes now enjoyed a higher standard of maintenance.

It was noted that Chelmsford had used door-knocking as a way of engaging tenants in the process and had employed people to carry out this work. This was something to be considered in Bracknell Forest. Additional resource would be particularly necessary if the Council agreed to go to a ballot on an offer document.

The leaseholders at Chelmer had recently been re-integrated with the main tenants' forum. All leasehold bed-sits had been converted into one bedroom flats, which was greeted as a positive move by all concerned.

Finally it was noted that Chelmer had increased its staffing by 30 since being established, to deliver the enhanced levels of service and maintenance which could now be afforded.

#### 18. **INITIAL FEEDBACK FROM THE GRANGE HOTEL EVENT**

The Steering Group discussed the outcomes of the tenant consultation event held at the Grange Hotel on 25 January. A complete list of the questions and responses were being prepared as a write-up of the event. A great number of questions had arisen from the discussion groups and the post-it board. The report would focus on providing responses to all the issues raised.

Members also made the following comments on the event

- Putting too many discussion groups together in the main hall had been problematic as it was difficult to hear what was being said
- The impression had been given that the council had already made up its mind and was pushing towards a foregone conclusion
- There was not enough information on RSLs – the event had explained what a housing association does but not what one **is**.
- It would be helpful to provide a video for all households to explain the process if the Council went to the next phase of consultation

It was noted that officers were looking into the possibility of arranging a slightly smaller event in the near future, probably in the day-time and targeting a different group of tenants.

#### 19. **INITIAL FEEDBACK FROM HOUSING SOUNDING BOARD**

The Steering group received initial feedback on the recent telephone survey of Housing Sounding Board members. They noted that this was the most engaged

group of tenants and therefore the views were not necessarily representative of all tenants. The highlights included:

- 88% had heard of the Decent Homes Standard
- 86% recalled the test of opinion in 2005 and 89% of those had completed that questionnaire – but 47% did not know or were unsure of the outcome
- 52% said they know nothing about housing associations
- the main concerns about housing associations were: rent increases (30%), repairs not being done (23%) and preferring the Council as landlord (20%)

At the moment, the views on transfer were:

- Stay with the Council – 34.9%
- Transfer to a Housing Association 32.8%
- Don't know 32.3%

It was interesting to note that tenants made different decisions when they received additional information and explanation. The results gave an indication of how much more work was needed to enable people to make an informed choice.

It was stressed that the information given to tenants should make it clear that £9m of their rents, i.e. 50p of every pound, was going straight to the Government for redistribution to other areas. This was money a housing association would not have to hand over and would use on Bracknell forest homes.

## 20. **HOUSING SOUNDING BOARD REPRESENTATIVES ON THE HOUSING STEERING GROUP**

A letter to all members of the Housing Sounding Board had provided 38 people who were interested in serving on the Steering Group. Officers had discussed with tenant representatives and it was proposed that all 38 would be sent papers for Steering group meetings. For each meeting two names would be drawn from the hat to give a seat on the Steering Group for that meeting.

The Steering group agreed to proceed in this way.

## 21. **VISIT TO PEERLESS (SURREY HEATH) HOUSING ASSOCIATION**

The Chief Executive of Peerless had offered to host a Steering Group visit to see its work in Camberley, including the sheltered scheme. Further details would be circulated to members as soon as possible.

## 22. **ITEMS FOR NEXT MEETING**

Steering Group members were invited to pass any suggestions for future items to Peter Driver.

## 23. **DATES OF FUTURE MEETINGS**

23 March 2006, 7.00pm  
18 April 2006, 7.00pm

Further dates would be circulated to agree a programme at the next meeting.

**CHAIRMAN**