

REPORT TO EXECUTIVE			
PORTFOLIO AREA: HEALTH & WELL-BEING			
Date of Meeting:	11 th March 2002		
Public			
Key Decision:	Yes	Recorded in Forward Plan:	Yes
Inside Policy Framework			

Title: THE LSVT 'OFFER' DOCUMENT AND PROCESS

Report of: DIRECTOR OF HOUSING & CITY TREASURER

Report reference: H. 022/02

Summary:

This report outlines the proposed content of the 'offer' to tenants and explains the formal consultation requirements for Carlisle City Council.

Recommendations:

The Health & Well Being Portfolio Holder recommends to the Executive:

- The content of the attached draft offer document as the basis to proceed with the consultative process together with the attendant timetable of events;
- The production of a newsletter summarising the draft offer for circulation to all tenants;
- The referral of reports H.18,20,21 and 22/02 from today's agenda to Community Overview and Scrutiny for comment;
- That the final version of the offer be approved by the Executive at its meeting on 15th April 2002.

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4th March 2002

022/2002

The 'Offer' Document and Process

1. Introduction

1. The formal consultation requirements for housing stock transfer are set out in section 106 of and schedule 3A to the Housing Act 1985. There are two formal stages to meet these requirements.
2. Firstly, Carlisle City Council must serve a notice on all of its secure tenants and introductory tenants which sets out:
 - The details of the transfer proposal, including the identity of the prospective new landlord;
 - The likely consequences of the transfer proposal for tenants; and
 - The effect the transfer would have on the Right to Buy.
1. This 'Stage 1 Notice' is usually referred to as the 'formal consultation' or 'offer document' and is the subject of this report. As this is a consultation document, the City Council is obliged to request the views of its tenants and allow a 'reasonable period' for tenants to return their views. DTLR guidance suggests that at least 28 days should be allowed for comments to be returned to the City Council.
2. Carlisle City Council must consider any representations made within the 28 day period and may wish to alter the transfer proposals as a result of any comments made. If the City Council does propose to change the terms of the offer after the Stage 1 consultation, the revised terms must be set out in the 'Stage 2 Notice'.
3. The Stage 2 Notice is another written notice to all secure and introductory tenants which:
 - Tells tenants if there have been any changes to the offer as a result of the Stage 1 consultation;
 - Says that tenants can send any objections they have direct to the Secretary of State within 28 days; and
 - Draws attention to the fact that the Secretary of State will not give his/her consent to a transfer if it appears that the majority of tenants are opposed to the transfer.
1. Normally, the ballot would start after the Stage 2 notice is issued and the 28 days in which objections can be made to the Secretary of State runs concurrently with the ballot. In Carlisle, the timetable for the formal consultation looks like this:

Stage 1 notice issued to tenants 03.05.02 to 07.05.02

Stage 1 consultation period 08.05.02 to 11.06.02

Council consider responses to Stage 1 notice 12.06.02 to 18.06.02

Stage 2 notice issued 04.07.02 to 10.07.02

Stage 2 period 11.07.02 to 07.08.02

Ballot 18.07.02 to 07.08.02

2. The following sections of this report outline the basis of Carlisle City Council's proposal to tenants.

1. What is in the Stage 1 Offer Document?

1. The document is divided into the following 11 main sections:
 1. **An introduction:** Which explains what the document is all about, explains how the document has been prepared and the consultation arrangements;
 2. **The key benefits of transfer:** Which outlines the reasons for proposing the transfer. What the options were and what they key benefits of transfer are;
 3. **About Carlisle Housing Association:** Which explains that Carlisle HA would be a subsidiary of the Riverside Group, the registration arrangements, board membership and its aims and objectives.
 4. **Key promises/benefit – repairs and maintenance:** Which explains the stock investment proposals and how repairs and maintenance would be carried out if the transfer were to go ahead.
 5. **Key promise/benefits – rents:** Which explains rent convergence and how rents and service charges would be collected;
 6. **Key promise/benefits – housing services:** Which covers service provision i.e. housing management, allocations, elderly services etc.;
 7. **Key promise/benefit – tenants rights:** Which looks at tenants rights after transfer;
 8. **Key promise/benefit – tenant involvement:** Which looks at how Carlisle HA would continue to take tenants views into account;
 9. **Key promise/benefit – quality of life and regeneration:** Which looks at Carlisle HA's approach to regeneration and demolition on Carlisle housing estates;
 10. **Accountability:** Which explains how Carlisle HA would be monitored and highlights Carlisle City Council's continuing role.
 11. **The next steps:** Which explains to tenants what the Council must do in terms of consultation and the arrangements for the ballot.
2. A first draft of the proposed offer document is attached for consideration. This will be subject to some further changes as the result of:

- Technical amendments arising from comments by the Council's legal advisers and any direction from the Community Housing Task Force and DTLR who must approve the content;
 - Enhanced detail as further work progresses on the underlying policies and information that support the offer;
 - In response to any comments received from tenants arising out of the newsletter summary which will be distributed;
 - As a result of any input from the overview & scrutiny process.
1. While the substance of the offer is unlikely to change substantively from its current form a further report outlining any changes will be brought to the Housing Consultative Group and the Executive in April 2002 for approval of the final version.
 2. The following sections are intended as a short summary of the key points of the offer. The detail of which is contained in the document and is supported by the policy statements covered in report H021/02 elsewhere on this agenda.
 3. This short summary will form the basis of the newsletter to tenants (to be circulated at the end of March 2002) which will set out what is included within the draft offer so far and seek views. This newsletter does not form part of the formal consultative process but offers a further opportunity to keep tenants informed and have an additional chance to comment upon and influence the content of the formal process.

1. Carlisle Housing Association

1. The key points from this section are:
 1. That Carlisle HA would be a newly formed RSL and part of the Riverside Group;
 2. It would be an Industrial and Provident Society with charitable rules (see report H020/02 elsewhere on this agenda);
 3. It would be run by a voluntary board of management which would have 12 members (4 tenants/leaseholder places, 4 independent places and 4 council nominees). In addition, there is provision within the rules for a number of co-opted members who maybe employees of the Riverside Group or its subsidiaries;
 4. It would employ staff from Carlisle City Council who are subject to 'TUPE' plus some other staff who may be transferred by agreement;
 5. It would be monitored and regulated by the Housing Corporation; and
 6. Carlisle City Council would continue to have an influence in the operation of the RSL through Board Membership, its shareholding status and through the transfer agreement.

2. Repairs & Maintenance

1. The key points contained within this section are summarised in sections 4 and 5 of report H.021/02 elsewhere on today's agenda.

3. Rents and Other Charges

1. The key points contained within this section are summarised in section 3 of report H.021/02 elsewhere on today's agenda.

4. Housing Services

1. The key points from this section are:
 1. That Carlisle HA would seek to maximise tenant involvement in decision making;
 2. That the approach to neighbourhood management would be tailored to specific circumstances;
 3. That Carlisle HA would have at least 3 office bases in the Carlisle area – the exact location of which would be subject to local consultation following transfer;
 4. That Carlisle HA would adopt the Housing Corporation's Performance Standards and produce an Annual Report for all tenants to report its performance against these standards;
 5. That Carlisle HA would continue to work with Tenant & Resident Groups, the police and other agencies to deal with anti-social and criminal activity on estates and to improve estate care and maintenance.
 6. That Carlisle HA would continue to provide Careline, Housing Visitor and Sheltered Housing services and the garden maintenance scheme for elderly and other vulnerable groups of tenants; and
 7. That Carlisle HA would move away from Carlisle City Council's existing points-based allocation system to a more flexible, area-specific and choice-based approach. Section 2 of report H.021/02 elsewhere on today's agenda contains more detail on this.

5. Tenants' Rights

1. If the transfer goes ahead then all secure and introductory tenants of Carlisle City Council would become assured tenants of Carlisle HA. As assured tenants the rights enjoyed as secure tenants instead of being statutory rights, would become rights in part protected by statute, but in part protected by a contract (the tenancy agreement).
2. In practice this means that all tenants' existing rights would be protected, apart from two – the right to manage and the right of rents to mortgage.
3. In effect, tenants would retain the following rights:
 - The right to security of tenure;
 - The right to buy with discount (plus the right to acquire);
 - The right to exchange;
 - The right of succession (the ability to pass on the tenancy);
 - The right to sublet or take in lodgers;
 - The right to repair;
 - The right to carry out improvements and receive compensation;
 - The right of assignment (the right to pass the tenancy to someone else in certain circumstances);
 - The right not to have the tenancy agreement changed (except for rent and service charges) without individual consent.

1. Tenant Involvement

1. The key points are contained within section 8 of report H.021/02 elsewhere on today's agenda.

2. Quality of Life/Regeneration

1. This section looks at Carlisle HA's commitments on regeneration, the key points which are:
 1. That Carlisle HA would commit £400,000 per year (inflation-linked), each year for 30 years to spend on community investment projects. This is in addition to the spending proposals on stock investment;
 2. That Carlisle HA would draw up neighbourhood plans for 18 neighbourhoods in Carlisle. These plans would be based on priorities which have been identified with people living in these neighbourhoods; and
 3. As part of its stock investment programme and community investment programme Carlisle HA would seek to provide employment opportunities for local people through agreements with contractors.

3. Options

1. As explained above the offer has been evolved in consultation with Riverside Group officers, the Shadow Board of CHA, and the Council's tenant representatives and advisors.
2. The content of the offer - while largely based on information provided by CHA - is a matter for the City Council to formulate and determine, and is subject to ultimate approval by the DTLR.
3. While both the format and content of offer documentation is fairly heavily prescribed by DTLR guidance, the Council still needs to satisfy itself that the final offer documentation is comprehensive, clear, sustainable and deliverable and consistent with the Council's housing objectives in pursuing stock transfer.

4. Consultation

1. To Date: The offer has been developed over a number of months and follows extensive discussions with the Tenants' Advisory Group (TAG), Carlisle & Rural Tenants' Federation (C&RTF), PEP (North), individual tenants' and residents' groups and the Shadow Board of CHA.
2. Proposed: The draft offer will be summarised in a newsletter format and sent to all tenants for information and comment. Subject to these and any views coming forward from the overview & scrutiny process, a final offer will then be prepared on which tenants will be formally consulted ('Stage 1').

There will then be a further and final opportunity for the City Council to consider views on the content of the offer ('Stage 2') before proceeding to the ballot.

The ballot represents the final and decisive stage of the consultative process.

5. Staffing/Resource Comments

1. Not applicable.

6. City Treasurer Comments

1. Included within the body of the report.

7. Legal Comments

1. The draft and final documents are subject to scrutiny and approval by the City Council's legal advisers Wright Hassall.

8. Corporate Comments

1. The offer documentation has been the subject of review at the LSVT corporate officers' group involving the Town Clerk & Chief Executive, City Solicitor & Secretary, City Treasurer, Director of housing plus supporting officers and professional advisors.

9. Risk Management Assessment

1. Risk could conceivably arise in two distinct ways:

1. Defective Document

Risk

If the offer documentation was subsequently shown to be defective in some way [factual errors, misleading statements, unauthorised text] this could either jeopardise the transfer process itself, the management capabilities of the RSL, or compromise the future City Council/RSL partnership - depending on precisely when the matter arose.

Management

The format and content of offer documentation is subject to extensive written guidance from the DTLR which the Council is following. The documentation is being developed in consultation with the City Council's professional advisors and will be subject to detailed scrutiny and approval by the Community Housing Task Force and DTLR.

2. Adverse/Unclear Proposals

Risk

When asked to comment/decide as part of the offer consultation process, tenants could judge the offer to be hard to understand and/or unfavourable to them and reflect this in the ballot turnout and/or ballot result.

In respect of the turnout aspect, the principal risk here arises if the offer documentation and/or process fail to engage tenants' interest or understanding.

In respect of the result aspect, while classified as a 'risk' for these purposes this is an entirely legitimate and possible outcome reflecting tenants' democratic right to reach their own conclusion on the offer and determine the future of the transfer proposal.

Management

To the extent that the final offer will have been evolved in consultation with the Council's tenant representatives and professional advisors and subject to three rounds of consultation (informal pre-Stage 1, formal Stage 1 and formal Stage 2) it should anticipate and reflect tenants' prime concerns.

To aid comprehension of what is a large and perhaps intimidating document, the City Council's expert communications advisors will be working with CHA on a variety of supporting arrangements to offer alternative methods of communicating the key messages. These will include a plain language summary, video, roadshows, information sessions, home visits, and freephone helpline.

1. Equality Issues

1. The offer has been drafted both to comply with all relevant current legislation on discrimination and equality and to encourage tenants to behave in a reasonable and non-discriminatory manner.

2. Environmental Implications

1. At a subsequent stage when the level of detail is further advanced, CHA will need to conduct environmental impact assessments of its works programmes and produce an 'Egan Compliance' plan for its construction activities.

3. Crime & Disorder Implications

1. As the potential major social landlord in the city post-transfer, CHA would be an important partner in the delivery of the City Council's crime and disorder strategy. Any current or future scrutiny of the evolution of the RSL's policies must therefore continue to take account of this fact.

4. Recommendations

1. The Health & Well Being Portfolio Holder recommends to the Executive:
 - The content of the attached draft offer document as the basis to proceed with the consultative process together with the attendant timetable of events;
 - The production of a newsletter summarising the draft offer for circulation to all tenants;
 - The referral of reports H.18,20,21 and 22/02 from today's agenda to Community Overview and Scrutiny for comment;
 - That the final version of the offer be approved by the Executive at its meeting on 15th April 2002.

1. Reasons for Recommendation

1. The draft offer document has been jointly developed between the City Council, its tenant representatives and professional advisors together with Riverside officers and the Shadow Board of CHA. As such it represents a comprehensive locally-driven proposal underpinned by extensive background work on key financial and policy issues to give a high degree of confidence that it amounts to a sustainable proposition on which tenants can fairly judge.

T Bramley D.Thomas

Director of Housing City Treasurer

Carlisle City Council

Consultation on the proposed transfer of Carlisle City Council's homes to Carlisle Housing Association (The Riverside Group)

The Choice Is Yours

1. Introduction

Carlisle City Council (the Council) is proposing to transfer the ownership and management of its housing stock, including your home, to Carlisle Housing Association (a newly established subsidiary of the Riverside Group). Information about Carlisle Housing Association and the Riverside Group is set out in section 3 of this document.

The housing transfer will only go ahead if the majority of tenants who vote in the ballot are in favour of the transfer to Carlisle Housing Association.

This document sets out the details of the Council's proposal to transfer its homes to Carlisle Housing Association. It contains information on:

- Why the council is proposing the transfer;
- What is on offer to you as a tenant;
- What the transfer means for you and your home;
- Who your new landlord would be if the transfer went ahead; and
- Where you can get more information.

This document is part of the Council's formal consultation process with you on the transfer proposal. We urge you to read all the information carefully and then let us know what you think about the proposal. At this stage we want to hear your views. The offer being made in this document is the result of initial consultation with tenants in the Carlisle area through the Tenants' Advisory Group, face-to-face interviews with tenants and Tenants' and Residents' Groups.

In July/August 2002 you will be asked to vote on the transfer in a secret postal ballot. This formal ballot would be conducted by an organisation called the Electoral Reform (Ballot Services) Limited, which is completely independent of the Council and Carlisle Housing Association.

If the majority of tenants voting, vote yes, then we plan that the transfer of the housing stock would take place at the beginning of December 2002. This will be subject to the consent of the Government. The Council will follow all the legal procedures as set out in the Housing Act 1985 and the Government guidelines issued by the Secretary of State. In deciding whether to give his consent to the transfer, the Secretary of State will want to see that consultation with tenants has been conducted in line with the legal requirements and Government guidelines, so that your interests are fully protected.

What you should do next

Your views are important to the outcome of this consultation exercise. We want to know what you think about the transfer proposal so that we can decide if we need to make any changes to the proposal and whether we should go on to the formal ballot of tenants.

Once you have had a chance to read this document please let us know your views. This document has been issued to set what is on offer and we want to hear your concerns and issues back on this. It is your right and we do want to hear from you. Please complete the card included with the document and return it to the Council. Postage is free so you don't need a stamp. **Remember you are not being asked to vote on the transfer proposal at this time – just to give us your comments and views.**

Independent advice

PEP (Priority Estates Project) was selected by the Tenants' Advisory Group to provide you with impartial advice about the proposal to transfer the Council's housing stock. If you are concerned about any aspect of the proposal and want independent advice you should contact them either in writing at (insert the details) or by telephoning them on their freephone number 0800 243082. This is linked to an ansaphone, but your call will be followed up within 2 hours. (Need to make clear whether this is at evenings/ weekends – check with Eileen).

Further information

Further information can be obtained by calling the Council's freephone number 01228 ?????????, or by calling the Riverside Project Team on 01228 815650 who will respond to your query on behalf of Carlisle Housing Association.

2 About the transfer proposal

Why is the Council proposing this transfer?

Carlisle City Council has always aimed to provide good quality, well managed and maintained housing at a reasonable rent. However, the Council is subject to tight financial controls set by Government. This means that we do not have enough of money to spend on Council homes and estates.

We estimate that we need to spend about £172 million over the next 30 years to bring Council homes up to a decent standard. Of this £50 million needs to be spent in the next 5 years to catch up with past under spending on improvements and repairs to the housing stock. The amount available to the Council under the current arrangements leaves a shortfall of £2 million each year. Also there are areas of Carlisle where the demand for Council homes has reduced and we are unable to let the properties in these areas. To improve these areas there is a need for further spending on estate improvements and community activities.

The Council employed housing and finance consultants HACAS Chapman Hendy in June 2000 to help it to look at the options for the future of its homes and how extra money could be invested into council homes and estates. After careful and detailed consideration of options available to it, including Arms Length Companies, Private Finance Initiatives and staying as we are, the Council has decided that Large Scale Voluntary Transfer is the best possible option for our tenants and the Council.

Because of the shortage of money many Councils have decided, after consultation with their tenants, to transfer their housing stock to not-for-profit Registered Social Landlords. More information on Registered Social Landlords, and on Carlisle Housing Association in particular, is found in section 3 of this document. These landlords do not work under the same financial restrictions as the Council. They can borrow money from private lenders to pay for repairs and improvements, which the Council is unable to do. The Government has recently published a White Paper which should, when it becomes law, give Councils greater freedom to borrow. However this is not an open-ended freedom and the Council has examined its implications and believes that it will not result in a sufficient change to the Council's ability to invest in its homes to bring them up to modern standards. We currently estimate that even with optimistic assumptions the Council may still be at least £25 million short of its investment requirements.

The Tenants' Advisory Group in Carlisle, alongside the Council, looked at the options with their independent adviser, PEP. They looked at the following:

- Staying as we are, the Private Finance Initiative and Arms Length Management Organisations (all of which involve no change of ownership and management);
- Stock transfer to an existing Registered Social Landlord, and stock transfer to a newly formed Registered Social Landlord.

The Tenants' Advisory Group with the Council agreed that tenants should be consulted about a proposal to transfer the ownership and management of their homes.

Why Carlisle Housing Association and the Riverside Group?

Once the decision had been taken to fully consider the proposal to transfer the Council's homes, it placed an advert in the housing press asking for expressions of interest in its stock. Formal bids were received from 7 organisations. Three of these made a bid for all of the Council's housing stock and these were evaluated against a set of criteria drawn up following consultation with tenants.

The bid from the Riverside Group was chosen after a long selection process, which involved tenants, Councillors, officers and staff representatives. It was felt that this bid offered the best way of meeting the needs of the Council and its tenants in terms of improvements to the housing stock and investment in Council estates.

Carlisle City Council agreed to work with the Riverside Group to set up a new Registered Social Landlord which would take over the ownership and management of Council homes if the majority of tenants who vote, vote yes in the ballot. This new Registered Social Landlord would be called Carlisle Housing Association and would be a subsidiary of the Riverside Group.

The key benefits of transfer

The Council believes that the key benefits of transfer would be:

- **A major programme of repairs and improvements** insert brief details (*See section 4 of this document*);
- **A rent guarantee** – insert details from rent section (*See section 5 of this document*);
- **A high quality housing management service** – run a minimum of 3 local offices, local lettings and improvements to existing sheltered housing projects (*See section 6 of this document*);
- **Direct involvement in the management of Carlisle Housing Association** through tenant/leaseholder membership of the Board of Management, tenant/resident shareholders and involvement in decision making about your homes and neighbourhoods (*See section 8 of this document*);
- **The protection of your rights as a tenant** – guaranteed through a contract, enforceable by law, between the Council and Carlisle Housing Association and a new Tenancy Agreement. (*The proposed new tenancy agreement that has been developed with the involvement of tenant representatives can be found as an appendix to this document.*)

- **Improvements in the quality of life on estates** through a £400,000 per year regeneration fund for community projects and activities (*See section 10 of this document*).

3 About Carlisle Housing Association and the Riverside Group

What type of organisation is Carlisle Housing Association?

Carlisle Housing Association Limited is a newly formed housing organisation with a local focus. It has been set up specifically to look after the houses in Carlisle if tenants vote in favour of the transfer proposal. It is a registered social landlord (RSL), which is more commonly known as a Housing Association.

Carlisle Housing Association would be part of The Riverside Group, which is a bigger umbrella organisation, which supports a number of RSL's. The Riverside Group is also an RSL. However, Carlisle Housing Association would own the housing stock being transferred.

Carlisle Housing Association is a housing association with charitable rules. It is registered as an Industrial and Provident Society, and must also be registered with the Government's housing regulator, the Housing Corporation, before transfer can take place. This means that it is:

- Run by a **voluntary** board of management, which includes tenants/leaseholders, independent members and Carlisle Council nominees.
- A '**not for profit**' organisation and no dividends would be paid out. Any surpluses made could only be spent on improvements to homes and services or repaying loans.
- **Regulated** by the Housing Corporation, a Government appointed body set up to supervise and regulate all registered social landlords.

What is the Riverside Group and how would Carlisle Housing Association fit in to the Riverside Group?

Riverside has its head office in Liverpool. It has been providing and managing social housing throughout the north west of England for the last 74 years. Riverside has recently formed a new group structure with a parent organisation acting as an umbrella for all parts of the group. Carlisle Housing Association would be one of the subsidiary organisations within the Riverside Group, which in total already manages more than 24,000 properties.

Any surpluses made by Carlisle Housing Association would be invested into local homes and services provided by Carlisle Housing Association. The Riverside Group would be the parent organisation of Carlisle Housing Association. It would bring valuable resources to Carlisle Housing Association in the shape of expertise, experience and support.

Being a housing association in its own right will give Carlisle Housing Association a large degree of independence and local control. The Riverside Group is committed to

giving Carlisle Housing Association as much independence as possible within the framework of a legal agreement between itself and the Group.

However, for business, legal and regulatory purposes the parent needs to have ultimate control over its subsidiaries (so they can function as a group). This means that The Riverside Group would have reserve powers to step in and exercise control over Carlisle Housing Association if necessary.

What are Carlisle Housing Association's aims?

Carlisle Housing Association's main purpose is to provide and manage affordable homes for people who need them.

Carlisle Housing Association has also adopted the following aims and objectives: -

- providing affordable quality homes and services
- building effective partnerships with tenants and leaseholders
- working with our committed staff to build the reputation of Carlisle Housing Association
- keeping our promises
- providing for the future needs of our communities
- constantly listening, reviewing and improving standards and performance

How would Carlisle Housing Association be run?

A Voluntary Board of skilled and experienced people would run Carlisle Housing Association. This will be initially through a Shadow Board until the new organisation is established and registered with the Housing Corporation. If the transfer takes place, the Board would have the overall responsibility for the day-to-day management of your homes.

The Board would have a total of four places reserved for Tenants and Leaseholders, four Independent Board Members and four Council Nominated Board Members (selected by Carlisle City Council).

How were the Shadow Board Members selected?

The Shadow Board vacancies were advertised (8 out of 12) through a leaflet drop to all Carlisle City Council tenants and leaseholders and an article in "Carlisle Housing Associations" newsletter, through an advert in The Cumberland newspaper; as well as information sessions that were held at Tullie House.

Prospective Board members were considered by an Assessment Panel, which included local people. The candidates were assessed against the skills and experiences required by the Housing Corporation.

Details of all the shadow Board Members are included in the Appendix (see pages x – with a brief description of their background.

Do Board Members get paid?

NO. There are no current proposals to pay members of the Carlisle Housing Association Board as very strict provisions apply to housing associations registered with The Housing Corporation. Board Members or close relatives would not be paid or receive a benefit from Carlisle Housing Association. However, Board Members could claim for out-of-pocket expenses actually incurred in carrying out Carlisle Housing Association's business. The City Council's representatives on the Board are also bound by this restriction.

How would Board Members be chosen in the future?

The current Shadow Board Members, subject to satisfactory performance in the meantime, would serve until the second Annual General Meeting (AGM) of Carlisle Housing Association, which would take place approximately 2 years after the transfer date.

At this point one third of the Board Members need to retire, and nominations for new Board Members need to be sought. Retiring Board Members can seek re-election, which, in the interests of continuity would be encouraged.

From the second AGM, Board Members would serve for a term of up to three years. At each AGM, the election of new Tenant and Independent Board members will be determined by membership of Carlisle Housing Association. The membership Carlisle Housing Association will include Board Members, The Riverside Group and up to two recognised members from each recognised Tenants/Residents representative body. Each member will be able to vote on the selection of new Board members.

Future nominations for tenant and leaseholder Board Members would come from tenants and leaseholders in the houses managed by Carlisle Housing Association. Independent Board Members would be chosen from the wider community for their skills and experience. Council Board Members would be nominated by Carlisle City Council. The two Riverside co-optees would be nominated by The Riverside Group.

Who would Carlisle Housing Association employ to provide the housing service?

Carlisle Housing Association would employ paid officers to run the housing service on a day to day basis from a minimum of three offices situated within Carlisle. The final number and location of these offices has still yet to be agreed.

By and large, they would be staff of the Council who currently provide the service in Carlisle now, so you would continue to deal with the people that you know. However,

some additional staff would also be appointed to complete the range of skills needed to run the new organisation.

Who would regulate and monitor Carlisle Housing Association?

The Housing Corporation is the Government body that regulates and monitors all Housing Associations. Carlisle Housing Association must register with the Housing Corporation as a Registered Social Landlord before transfer can take place.

In particular, the Housing Corporation:

- Set rules and standards which all Housing Associations must follow. These standards are set to ensure that tenants' rights are protected, services are of a high quality and that financial management is sound.
- Monitors the performance of Housing Associations to make sure these standards are met. If standards are not met, the Housing Corporation has wide powers to intervene.

Would there be an independent person we can complain to?

Council tenants have the right to have their complaints taken to the Local Government Ombudsman, who has powers to look into cases of mal-administration by local councils. Councils must take notice of any recommendations made, although they cannot be forced to implement them.

Tenants of Carlisle Housing Association would have the right to have their complaints taken to the Independent Housing Ombudsman (IHO), after going through Carlisle Housing Association's internal complaint procedure. The complaints procedure is referred to in this document on page x. The IHO scheme has been approved by the Secretary of State. All Housing Associations must belong to the scheme and are expected to comply with the Ombudsman's findings.

Would the City Council have any control over Carlisle Housing Association?

Carlisle Housing Association would be independent but before the transfer takes place Carlisle Housing Association would be required to enter into a legally binding contract with the City Council. This agreement would ensure that the promises made to tenants in this document would be kept. Carlisle City Council would monitor the performance of Carlisle Housing Association after the transfer.

Where would Carlisle Housing Association get the money to pay for the works it is promising to do?

Carlisle Housing Association would borrow any necessary funds to buy the homes from the City Council and carry out repairs and improvements, from reputable lenders such as banks and building societies. This loan would usually be taken out for a period of 25 to 30 years. Repayment of loans would be covered by the rental income of properties, which is allowed for in the 30 year Business Plan.

What financial safeguards would there be?

Carlisle Housing Association would have an independently verified Business Plan, which will be monitored by its Board and by the Riverside Group. As the parent The Riverside Group will regularly monitor Carlisle Housing Association financial performance, and will assist and intervene early if it began to run into difficulties. The Housing Corporation also monitors the financial position of housing associations and supervises any necessary action if problems arise. In recent times no housing association has gone bankrupt, as early warning signs have been acted upon to safeguard tenants and their homes.

No registered social landlord has ever gone bankrupt however, they have got into serious difficulties and been taken over by another RSL.

KEY POINTS

A new registered Social Landlord

Looking after homes in Carlisle

Run by a Board involving local tenants

Monitored by the Housing Corporation

4 Repairs and Maintenance

What's in it for tenants?

If the transfer goes ahead Carlisle Housing Association plans to spend an estimated £43 million on improvements and modernisation works in the first 5 years following transfer. Carlisle Housing Association has budgeted to spend a further £143 million over the next 25 years. This gives a total investment of £186 million over the full 30 years for the planned repairs and improvement programme. This is in addition to the funding available for general repairs and maintenance. This investment will bring homes up to modern standards and make them more comfortable and secure to live in.

There will be £3.2 million of investment dedicated to improve the sheltered housing accommodation and part of this funding will be used to convert the bed-sitters into self-contained flats. Also all fitted Careline communications within sheltered housing will be upgraded.

Carlisle Housing Association is committed to:

- Providing accommodation for tenants that is good quality;
- The future improvement of accommodation to ensure that this standard is continually achieved;
- Consulting with you about investment in your homes

How will Carlisle Housing Association know what needs doing?

The works will be based on:

- An independent condition survey of the Council's homes, which was carried out by a firm of specialist surveyors. This survey showed that the Council's homes are generally in a serviceable condition, but need repair and modernisation. It also showed that, over the next 30 years, money needs to be spent on replacing essential elements as they wear out or come to the end of their useful life, for example heating systems and roofs.

What improvements would be carried out?

A transfer to Carlisle HA would mean the immediate start of a major investment programme to tackle the backlog of repairs and modernisation to bring all homes up to a modern day standard.

If the transfer goes ahead, within the first 5 years Carlisle Housing Association would:

Central Heating

Install full central heating in more than 2000 homes that currently have no central heating, or where there is currently only a partial heating system fitted. Older central heating systems would be renewed or upgraded in over 4000 homes

Insulation

Install loft insulation to all homes to meet current building standards. This means to a thickness of 200mm (8").

New Kitchens

Replace over 2,500 kitchens using modern cupboards and work surfaces. A choice of colours for the units and worktops would be offered. Tiling would be replaced as necessary.

New Bathrooms

Install a new bath, wash handbasin and toilet in over 4,000 homes. Tiling would be replaced as necessary.

Rewiring

Rewire more than 900 homes to current standards.

Windows

Complete the double glazed window replacement programme, currently being undertaken by the Council, to ensure that all homes have a full double glazing system.

Doors

Fit new, secure front and back doors to over 2,000 homes. A choice of style would be provided.

Door Entry Systems

Install door entry phones to over 650 flats that currently do not have them.

External Environment

Improvements to the environment on estates – renewal of fences and gates, repairs to tarmac and concrete drives and repair of paths, will be carried out across the whole of Carlisle in the 30 years of the business plan.

Smoke Detectors

Install mains wired smoke detectors to over 3,000 homes.

Extractor Fans

Install extractor fans in the kitchens and bathrooms of over 4,500 homes.

Carlisle HA will consult with Tenant and Resident Groups on its improvement plans for each neighbourhood. You will be consulted on the proposed works to your home and given commitments on the work to be undertaken up to 2 years ahead.

Only contractors skilled in carrying out refurbishment works with tenants living in their homes will be used for these works.

Would these improvements be done if the transfer does not go ahead?

No. If the transfer does not go ahead, the City Council would continue to carry out its legal repairing obligations as a landlord. The City Council does not however, have the money to carry out the improvements and modernisation proposals in Carlisle as outlined in this document and does not expect to be able to do so in the foreseeable future.

A transfer to Carlisle Ha would mean the immediate start of this major investment programme.

Which of these improvement works would we expect you to pay for?

NONE OF THEM. There would be no extra charges for any of the improvements listed above.

What happens if I have modernised parts of my home myself?

You will continue to have the right to carry out improvements to your home. You may have made some of the improvements planned. As long as the work has been done safely and to a certain standard you can ask Carlisle Housing Association to leave the work untouched.

Carlisle Housing Association would not insist on replacing such improvements that have already been made if you did not want them to.

How would you make sure the work is done properly?

You have told us we should monitor work closely. Carlisle Housing Association will employ surveying staff to consult you and to supervise this work programme. A satisfaction survey of all tenants will be carried out following the improvements.

What happens if I have to move while works are carried out?

It is anticipated that very few tenants will have to move while the improvements to be carried out. The improvements will be carried out with minimum disruption and Carlisle Housing Association will work with a contractor who is sympathetic to your needs. In addition, Carlisle Housing Association will set up a number of temporary centres which will be open and available to tenants during the day while the work is being carried out to your home.

If the disruption is too great or if there would be health and safety risks, some people may have to move out for a short period of time. If this were necessary, Carlisle Housing Association will do everything possible to ensure that the temporary re-housing process is carried out as quickly as possible. All reasonable costs involved in moving would be paid in full, by Carlisle Housing Association.

Would there be any demolition?

The City Council has been demolishing properties in low demand – predominantly on the Raffles Estate - since 1999 and this programme is still continuing.

The City Council have recommended to Carlisle Housing Association that it too should expect to continue the Council's current strategy to demolish similar low demand property that has limited potential to provide suitable, acceptable accommodation in the future.

The City Council is expected to have done most of these demolitions by end of this year and the total numbers involved for Carlisle Housing Association are therefore expected to be comparatively small - less than 150 properties spread over the next five years.

The Council's policy of identifying unpopular properties without a long-term future throughout the Carlisle area would be continued by Carlisle Housing Association. Extensive consultation would be carried out with local tenants, leaseholders and the community to identify potential areas before any decisions were taken and Carlisle Housing Association's main priority throughout would be to make sure that any change led to an improved environment for local people.

On the Raffles Estate where most of the demolition has been going on for the last three years, the City Council, Carlisle Housing Association and a private developer would work together with tenants, leaseholders and residents to produce a 'master plan' for Raffles. The intention will be to build new homes for sale on the land made available from the previous demolitions on the estate. The new homes should attract new people to the Raffles Estate and help ensure that Raffles can once again become a popular place and have a more secure future.

As part of the Raffles master plan Carlisle Housing Association will also look at the possibilities for improving the environment, providing more off street parking and improve security.

Following consultation, should you find at some point in the future that you reside in one of the small number of homes that are proposed for demolition, then Carlisle Housing Association would discuss your re-housing requirements with you and make every effort to re-house you in a property suitable for you and in a location of your choice. Tenants who need to move will keep their existing legal rights if they are re-housed by Carlisle Housing Association. Wherever possible we will try to keep existing communities together as part of this process.

Depending on your requirements the properties available for re-housing could be:

- Within the Carlisle area and either have been or about to be improved and repaired.
- Owned by another Registered Social Landlord within Carlisle.
- Located outside the Carlisle area.

If you are required to move you would also be eligible for:

- A Home loss payment of £1,500 (less any outstanding rent arrears) subject to you having lived in your home for the preceding 12 months.

- Removal costs – the actual reasonable costs of moving property (on production of receipts), which includes reconnecting services, refitting carpets and curtains, etc.

What other work would be carried out?

Carlisle Housing Association believes that more should be done to support disabled people within the community and will aim to provide help to those requiring aids and adaptations to their homes.

Would we still have the right to do our own improvements?

YES. You would still be able to improve your home, with the permission of Carlisle Housing Association and any planning or other consents you may need. If you do improve your home within the law, you may be entitled to compensation if you move.

What about my day to day repairs, repairs to vacant properties and cyclical /planned maintenance?

Carlisle Housing Association would be responsible for all repairs that are currently the responsibility of the Council. You would not have to pay for any repairs that you do not pay for with the Council.

This would include carrying out catch up repairs that the Council has not been able to do. Catch up repairs are works that are identified as needing to be done now to bring homes up to a decent basic condition.

Carlisle HA would also provide a day to day responsive repairs service, which will improve on the Council's existing service and with clear time limits and performance targets.

A key aim is to provide an effective, good quality repair and maintenance service, which meets the obligations to tenants and leaseholders. Value for money is also a principal objective. In addition, Carlisle Housing Association would also spend money each year on 'cyclical' maintenance programmes including:

- External Painting
- Pre-painting repairs
- Servicing gas and other types of heating
- Servicing door entry systems and lifts
- Internal decoration of communal areas

'Cyclical' means the work would be done at more or less standard intervals.

How would I report repairs?

You would be able to report repairs in the same way as you do at present, e.g. .by:

- Telephoning a 24 hour Call Centre
- Writing to Carlisle Housing Association

- Calling into Carlisle Housing Association's office's
- Reporting your repair to your estate officer

After repairs have been completed, Carlisle Housing Association will aim to post inspect 3% of all repairs, all works carried out in empty houses and every repair that costs more than £250. These inspections will help to ensure that Carlisle Housing Association is providing a good quality repairs and maintenance service and obtaining value for money.

Appointments Service

Carlisle Housing Association will set up a system for appointments for urgent and routine repairs, so that they are carried out at a time convenient to the tenant /leaseholder, wherever it is possible to do so. Repair inspections will also be carried out using the appointment system. This would reduce "waiting time" to a minimum.

Failure to keep an appointment will entitle the tenant/leaseholder to claim compensation from Carlisle Housing Association.

Carlisle Housing Association has set target times for responding to requests for repairs. The target times depend on how urgently the work is needed and priorities will take account of the needs of older people, people with disabilities or mental health problems, illness or households with younger children.

In addition Carlisle Housing Association will treat as emergencies 'make safe' repairs to the homes of victims of harassment as defined under its Equal Opportunities and Harassment Policies.

An example of some of the repair categories and targets are set out in the table below:

URGENCY	TYPE OF REPAIR	TARGET TIMES
EMERGENCY	Repairs required to avoid an immediate danger to personal safety or health, or serious damage to the building, e.g. Gas leaks, serious electrical faults, structural danger, blocked drains and burst pipes.	Attended within 2 hours and completed within 12hours
URGENT	Work required avoiding substantial inconvenience to tenants or ongoing deterioration to the building. E.g. plumbing leaks, heating breakdown, roof leaks, re-glazing.	To be completed within 3 working days
ROUTINE	All other statutory reactive repairs. E.g. minor joinery works, minor gutter leaks,	To be completed within 10 working days

	adjustments to kitchen units.	
PROGRAMMED/CYCLICAL	Repairs that are part of a cyclical, planned or modernisation programme	Tenants will be informed in advance when these planned works are expected to be carried out.

Who would carry out day to day repairs and maintenance?

Carlisle Housing Association will contract the services of Carlisle City Council's DSO (Direct Service's Organisation), Carlisle Works, to undertake the majority of the responsive repairs and maintenance for the first 15 months following transfer. The DSO will continue to carry out the majority of the responsive repair work following its transfer to Carlisle Housing Association in April 2004. External Contractors will also be used as required.

Where external contractors are used for repairs, maintenance and improvement work, Carlisle Housing Association will ensure value for money and quality is provided. Carlisle Housing Association will embrace the principles of Best Value. Carlisle Housing Association is committed to using local contractors wherever it is possible to do so. It would continue and support the use of local labour.

Would I be able to comment on the repair service?

YES. Carlisle Housing Association will carry out regular Repairs Satisfaction Surveys to find out what tenants think about repairs carried out. By giving you the chance to say how well or badly the repairs service is running, Carlisle Housing Association will be able to check and further improve the service and deal with individual complaints. In addition reports on tenants'/leaseholders' feedback will be taken back to each tenant and residents association.

KEY POINTS

- Plans to spend around £43 million on repairing and improving homes in the first 5 years after transfer
- Plans to spend around £162m over the next 30 years
- Committed to providing an improved repairs service for tenants
- Continue the Council's plans to demolish a limited number of unpopular homes

5 Rents and Other Charges/What Is It Going to Cost?

New Government policy on rents

The Government has introduced a new policy which changes the way in which rents are set by Councils and Registered Social Landlords. Under this system the Government intends that within 10 years tenants will pay broadly the same rent for a property of a similar size, standard and location whether it is Council owned or owned by a Registered Social Landlord like Carlisle Housing Association. Using this system each property will have an individually calculated rent based upon a national formula which takes into account average local earnings, property values and the size of properties. This rent is called a target rent.

This new system has to be in place by 2011/12. Councils and Registered Social Landlords have to produce plans to reach this target rent. To protect tenants the Government has also set maximum increases to achieve these target rents.

Under the new system the target rent is calculated for each property. Existing rents have to be increased to reach the target rent in 2011/12. However during this target period, current Government policy prevents RSL's from increasing their rents by more than $RPI + 0.5\%$ per week in any one year

For Council's this limit is $RPI + 1\% + £2.00$ per week in any one year.

After 10 years, when this system is fully implemented, the rent for a particular home will be broadly the same whether it is owned by the Council or by Carlisle Housing Association.

Carlisle Housing Association's 5 year rent guarantee

Whilst rents will be set by the formula for the Council and Carlisle Housing Association, it is important for you to know that you are protected from dramatic rent rises. To achieve this Carlisle Housing Association has agreed a 5 year rent guarantee. Under this guarantee, your combined rent and service charge would not increase each year by more than inflation + 0.5% + £2.00. This would only happen if the majority of tenants who vote, vote yes in the ballot.

New tenants

New tenants of Carlisle Housing Association would pay the same rents and service charges as existing tenants.

Service charges

These are charges which the Council makes for certain services such as Housing Visitors or grass cutting on communal grassed areas around some flats. These are currently included as part of your general rent. From April 2003 the Council is required to separate these from your rent and show these charges separately. The Council has already written to you about these changes, which are a Government requirement, and not in any way linked to the transfer. Some of these charges have already been introduced by the Council, but it plans to finish introducing the others for example for garden maintenance and grass cutting by April 2003. These service charges will be set at a level which covers the actual cost of providing the service. As far as the Council is able to estimate, any increases would be in line with inflation.

Carlisle Housing Association, like all other Registered Social Landlords, would have to show any service charges separately from your rent. Carlisle Housing Association would:

- only charge you at the actual cost of the service received;
- send you a clear annual statement of the service charge; and
- give you back any underspent service charge through a service charge adjustment.

This is something which the Council would be doing from April 2003, if not before.

If you are currently claiming Housing Benefit, then unless your circumstances change, these charges would continue to be covered in your benefit payment.

Rent collection

If the transfer goes ahead you will be able to pay your rent in the following ways:

- cash payments at the Post Office using a swipe card;
- direct debit;
- standing order;
- at a Bank;
- by post, using a cheque; and
- cash payments at the Civic Centre for a period of 15 months after the transfer.

Carlisle Housing Association will send an annual rent statement to every tenant. Carlisle Housing Association would keep under review the ways that tenants pay rent, and may introduce new ways if these are more convenient.

Rent arrears

Carlisle Housing Association will rely on tenants paying their rent on time to continue to provide services. As a responsible social landlord it will adopt a firm, fair and

prompt approach to rent and service charge arrears. Every effort will be made to ensure that arrears are prevented. Tenants will be encouraged to contact the Association if they have difficulty in paying their rent. Advice and assistance will be readily available and Carlisle Housing Association will try to work out a sensible way to pay off arrears over a period of time.

As a final step, Carlisle Housing Association (like the Council) could take court action to end a tenancy or recover arrears. This will only be done under circumstances defined in the Tenancy Agreement.

If the transfer goes ahead then Carlisle Housing Association will be in a position to recover arrears from those tenants who were behind with their rent with the Council.

Council Tax

Council tax would still be payable to the Council. This would not change if the transfer goes ahead. The transfer would not affect your entitlement to Council Tax Benefit.

Water Charges

Housing Benefit

The transfer will not affect your entitlement to Housing Benefit. If the transfer takes place, applications will still be made to the Council and Housing Benefit payments made by the Council. Payment of Housing Benefit could, like now, be paid directly into your rent account with Carlisle Housing Association if you ask for it.

Supporting People

6 Housing Services

How would the transfer affect me on a day to day basis?

Standards you can expect from Carlisle Housing Association

Carlisle Housing Association will ensure that sufficient staff resources are dedicated to deliver a first class housing management service. The cornerstone of this will be to maximise tenant involvement in any decisions made. It is recognised that there are different issues to be addressed in each of the neighbourhoods in Carlisle, through tenant involvement a range of housing services will be tailored to meet those particular requirements.

Offices and staff

Carlisle Housing Association will at least 3 offices situated throughout the Carlisle area by April 2004. Initially staff will be based at the Civic Centre, but will move to these new offices when they are ready.

As yet the location of these offices has not been decided, but will be subject to local discussion with tenants and local people before any locations are decided upon.

Carlisle Housing Association will have the full range of skills to:

- Run effective offices
- Ensure the improvement programme runs smoothly
- Deliver a fast and effective housing service
- Develop community initiatives
- Control repairs and maintenance budgets effectively
- Initiate regeneration projects
- Co-ordinate the jobs and training programme linked into the regeneration work

By and large, the same staff will provide the service following transfer as before transfer. So you would continue to deal with the people you know.

A fresh approach will be adopted by Carlisle Housing Association in the delivery of future services, using new policies and procedures, which have been developed following discussions with the Tenants' Advisory Group and the Shadow Board.

Service Standards

In partnership with tenants, Carlisle Housing Association will regularly review the way in which it delivers services to make sure they continue to be:

- Tenant focused
- Caring and responsive

- Meeting the needs of the local community.

These service standards will be in line with the Housing Corporation's Performance Standards. For example standards would cover letting empty homes, repairs, re-housing tenants from the waiting list and the way in which tenants are dealt with by staff. These standards would be published, and would be used as a benchmark so that performance can be judged. The City Council would also monitor Carlisle Housing Association's performance on your behalf.

Each year Carlisle Housing Association would provide all tenants with a report on how well it is doing in meeting these standards. The standards will also be regularly reviewed by the tenant and resident groups in the area.

Tenancy Management

Carlisle Housing Association will have the resources to ensure that a high level of service is provided to all tenants, and in particular support in maintaining their tenancy is.

This would include:

- Help for older tenants such as help with gardening
- Information on how to get involved with tenants groups
- Ensure that tenancy agreements are honoured by both Carlisle Housing Association and tenants themselves

Dealing with anti-social behaviour

Need information

Management of empty properties

Need information

Crime and security

Carlisle Housing Association would work with the Police, the City Council and other agencies to tackle crime and improve safety in each of the neighbourhoods. It would build in enhanced security measures through the improvement works, such as secure lockable double glazed windows and a new secure external doors with locking systems approved by the police.

Estate care and maintenance

There are a range of issues and problems that appear small in themselves but can often cause problems for people living on estates. Carlisle Housing Association would

ensure that problems such as abandoned vehicles and neglected gardens are dealt with firmly and effectively with the relevant tenancy conditions being enforced.

Customer Care and information

Carlisle Housing Association is committed to providing good quality services, which represent value for money and that are delivered in a customer-friendly manner. In order to achieve this the following approach would be adopted:

- Putting things right when they go wrong
- Providing information in ways which can be understood by all tenants
- Treat all people fairly.

Specialist Services

Carlisle Housing Association will ensure the continuation of the high quality specialist services that Carlisle City Council already have in place. The Association seeks to maximise independent living, enabling older and vulnerable individuals and families in the community to benefit from appropriate care support, monitoring and response services as appropriate to their needs.

Carlisle Housing Association is committed to listening to the users of the specialist services in order to continually improve and seek to modernise existing services.

Carlisle Housing Association will:

- Work with statutory bodies and other organisations to provide joint responses to the needs of older people, and other vulnerable groups in greatest need.
- Review criteria for specialist services to ensure priority is given to those in greatest need and that limited resources are deployed efficiently and targeted effectively.
- Continue to develop Careline as a local, financially robust service, embracing technological advances to improve and expand the service for the benefit of all users. Careline is a 24 hours a day, 365 days a year support service that is provided to elderly and vulnerable residents. Carlisle Housing Association will review the business plan annually and submit regular reports (to be agreed by the Board) on service performance, financial performance, development and long term strategy.
- Ensure that the Housing Visitors Service is integrated with Careline, Sheltered Housing Services and care packages provided by others. Carlisle Housing Association will review current operations, identify performance measures so as to maximise its role and effectiveness in targeting those in greatest need.

- Greatly improve the quality of sheltered accommodation currently provided and introduce good practice to improve the day to day service standards, to ensure continuous service improvement.
- Work in partnership with others to ensure the continuation of the Carlisle Floating Support Scheme. This is a support service provided when required to individuals with specific needs.
- Continue to provide a garden maintenance scheme to older tenants living in its homes.
- Ensure that tenants, and in particular vulnerable tenants, receive the necessary level of support and benefits advice to encourage income maximisation by the use of specialist advisors.
- Appropriate design features will be included in any rehabilitation or improvement work carried out by Carlisle Housing Association where these are needed to meet individual requirements.
- Make financial provision for aids and adaptations for those where this need has been identified.

Allocation policy/lettings

Carlisle Housing Association will continue to operate the City Council's Allocations Policy until at least June 2003. During the intervening period Carlisle Housing Association will review current operations with the City Council and work towards the introduction of a new allocations and lettings policy. This would be through consultation with local people and through its Board and subject to the agreement of the Housing Corporation.

In addition Carlisle Housing Association would help the City Council to meet its statutory responsibilities for people who are homeless.

Starter Tenancies

These are similar to introductory tenancies which the Council uses. Starter tenancies will need the approval of the Housing Corporation before they can be introduced in Carlisle.

Rights of new tenants

Carlisle Housing Association would, subject to Housing Corporation approval, give new tenants, who move in after the transfer, temporary tenancies with fewer rights and less protection that you would have as a transferring tenant. If there have been no problems after 12 months, these tenant's would get most of the rights you have. However, they would have a different Right to Buy Scheme. These temporary tenancies are sometimes called probationary tenancies and the purpose of them is to ensure that new tenants settle well into the community and are willing to keep to the tenancy conditions. This is the same as the Council has done since 1st April 2002.

Home Contents Insurance Scheme

7 Tenants' rights

What about my rights after transfer?

Most Council tenants are secure tenants or (if you have recently been given a tenancy for the first time) introductory tenants. With Carlisle Housing Association you would become an assured tenant with protected rights.

The main difference between the tenancies is that as a secure or introductory tenant the rights you now enjoy are set down in law by acts of Parliament. As an assured tenant with Carlisle Housing Association, your rights would be covered partly by Acts of Parliament and partly by a contract (your tenancy agreement) between you and Carlisle Housing Association.

The assured tenancy with protected rights means that you would have similar legal protection as you have as a secure Council tenant and you will keep all except two of the rights you have now, plus you would gain some new rights. Your new tenancy agreement sets out your rights and how they would be protected (see booklet sent with this document) and would be a binding legal contract between you and Carlisle Housing Association. Carlisle Housing Association can never take these protected rights away or reduce them without your agreement.

The table (overleaf) compares the rights secure tenants have now with the Council with those that you would have with Carlisle Housing Association if the transfer goes ahead.

Introductory tenants have fewer rights than secure tenants. A detailed comparison of secure, introductory and assured tenants' rights is available from the Council.

If the transfer goes ahead, Carlisle Housing Association has agreed that it will give transferring introductory tenants the same rights as transferring secure tenants from the date of the transfer.

RIGHTS FOR TRANSFERRING SECURE TENANTS	WITH THE CITY COUNCIL	WITH CARLISLE HOUSING ASSOCIATION
The right to security of Tenure	Yes	Yes
The Right To Buy your home with discount	Yes	Yes
The Right of Succession (the ability to pass on your home)	Yes	Yes
The Right to Exchange	Yes	Yes
The Right to sublet and take in lodgers	Yes	Yes
The Right To Repair	Yes	Yes
The Right to carry out improvements and receive compensation	Yes	Yes
The Right to Information	Yes	Yes
The Right to Manage	Yes	No*
Rent to Mortgage	Yes	No
The Right of Assignment (the right to pass your tenancy to someone else in certain circumstances)	Yes	Yes
The Right not to have your Tenancy Agreement Changed (except for rent and service charges) without your individual consent)	No	Yes
The Right To Acquire (see page x)	No	Yes
A 5 year Rent Guarantee	No	Yes

* Tenant management options can still be pursued, as confirmed later in this document.

Are there any rights that I wouldn't keep?

Only two of your current rights would not be written into your new agreement – neither of them have them have an effect on the security of your tenancy.

Rent to Mortgage

This is a right to apply for a scheme called “rent to mortgage” – an alternative to the right to buy. No City Council tenant has ever taken up this right.

Right to Manage

This is the right to set up a TMO (tenant management organisation) to manage an estate. Although this right won't be in the new agreement, if tenant management of particular homes becomes a realistic option it could be undertaken subject to consent from Carlisle Housing Association, the Riverside Group and The Housing Corporation.

Carlisle Housing Association will fully support the SMART (St Michael's Association of Residents and Tenants) in becoming a TMO in Brampton, if their ballot is successful in the autumn of 2002.

How would my rights be protected?

If the transfer takes place, transferring tenants would be asked to sign a new tenancy agreement (see the booklet sent with this document). Transferring secure tenants and Introductory tenants will both have a similar form of tenancy agreement with similar protected rights. Once you and Carlisle Housing Association sign the tenancy agreement, your rights in the agreement cannot be changed without your permission. The only thing that can change, of course, is the weekly rent and service charge (subject to the rent guarantee set out in this document)

What is the Assured Tenants Charter?

As an assured tenant with a registered Social Landlord, you are covered by the Assured Tenants Charter. This document is produced by The Housing Corporation and tells you what your legal rights you have as an assured tenant and explains what you can expect from your landlord.

If you would like to see a copy of the Assured Tenants Charter, or you would like to see a more detailed comparison of your rights before and after transfer, you can contact Lesley Dixon at Carlisle City Council on TEL: 01228 817311.(?)

Would there still be a Right to Buy with a discount system?

If you have the **Right to Buy** your home with the City Council, you would continue to have the **preserved right to buy** with Carlisle Housing Association.

These schemes are similar and the price you would pay for your home would continue to be based on its market value, less your discount, and subject to the cost floor rules.

These rights remain with you even if you later move to another home which is owned by Carlisle Housing Association as long as it is not exempt from the Right to Buy.

Introductory tenants do not have a Right to Buy with the City Council but Carlisle Housing Association has agreed to give transferring introductory tenants to give a contractual Right to Buy (in the tenancy agreement). This gives the same rights to buy their home as the Preserved Right to Buy, subject to them having held a tenancy for the minimum 2 - year period.

Some homes are currently excluded from the Right to Buy, like retirement homes and sheltered accommodation, and this would continue to be the case with Carlisle Housing Association.

Future tenants would not have the Preserved Right to Buy but would have the Right to Acquire (see overleaf)

What happens with discounts?

Any discounts you have built up would transfer with you and would continue to increase while you are a tenant of Carlisle Housing Association up to a maximum amount which is currently £26,000 in the Carlisle area (this limit applies to the Right to Buy and the Preserved Right to Buy). If you move to another property you would take this discount with you.

What is the Cost Floor?

The cost floor is the minimum price that you could pay for your home even if your discount would take the price below this amount.

The cost floor is calculated for the Right to Buy and the Preserved Right to Buy.

Under the Right to Buy, the City Council can take into account costs incurred over the last 10 years before your application to buy. It takes into account the costs of building, buying, improving, repairing and maintaining your home where the costs are above £5,500.

Under the Preserved Right to Buy, Carlisle Housing Association would be able to take into account all costs incurred during the 15 years prior to the application to buy (starting at date of transfer) Carlisle Housing Association would be able to include a range of costs in the cost floor which include the cost of improvements, acquisitions

and repairs and maintenance works over £5,500 which would be carried out to tenants homes as set out in this document, even if these costs have not actually been incurred at the time of your application to buy.

Repairs where the costs exceed £5,500

What is the Right to Acquire?

New tenants of Carlisle Housing Association (as well as existing tenants transferring from the City Council) will be able to buy their home under the new **Right to Acquire** scheme as long as certain criteria are met. This scheme is based on a grant rather than a discount and is generally less generous than the Preserved Right to Buy Scheme. The grant for homes in the Carlisle area is £9,000. You cannot combine both the Right to Acquire and the Preserved Right to Buy.

Would I be able to pass on my home?

YES. Carlisle Housing Association's tenancy agreement (see separate booklet sent with this document) allows the same people to take over the tenancy (when a tenant dies) as under a City Council secure tenancy. As with the City Council, your home can only be passed on once (other than in exceptional circumstances).

Please note you would be counted as a successor if you were a joint tenant at transfer and later became a sole tenant.

Carlisle Housing Association has agreed with the City Council that in the tenancy agreement, which would issue to existing tenants following the transfer, it would ignore any previous successions to the tenancy with the City Council. This means that if the transfer goes ahead, all tenants would start again with a right of succession, even if they have already used their one right of succession when they were tenants with Carlisle City Council.

Would I be expected to move out of my home if it is under occupied?

NO. Carlisle Housing Association would not expect anyone to move out of their home because it is under occupied.

Would I still be able to transfer or exchange?

Carlisle Housing Association aims to meet the needs of its tenants and make the best use of its housing by assisting transfers and exchanges both within its stock and with other landlords.

Carlisle Housing Association would participate in H.O.M.E.S (The Housing Organisation Mobility and Exchange Scheme) and the HOMESWAP Scheme, which helps people to move to council or Registered Social Landlord, homes outside the area.

Introductory tenants of the City Council do not currently have a right to transfer or exchange.

Would I be able to sublet my home or take in lodgers?

YES. You would be able to take in lodgers. Carlisle Housing Association requires you to inform them if you do this. With Carlisle Housing Association's permission, you would also be able to sublet part of your home.

Will I still be able to claim Housing Benefit?

Your right to claim housing benefit will not change, you can still claim housing benefit after the transfer under the current rule.

Would Carlisle Housing Association have more rights to evict me?

Carlisle Housing Association intends to use one of the mandatory grounds for eviction available under the assured tenancy agreement, **ground 11**.

This means that if you are persistently late in paying rent

Whether or not any rent is in arrears on the date on which proceedings for possession are begun, you have persistently delayed paying rent, which has become lawfully due.

What if I have serious rent arrears on transfer?

Carlisle Housing Association will take on all current tenant arrears at the point of transfer. Tenants who have a current Notice to seek Possession, a Notice to Terminate, a court order for a Possession Order, a current Possession Order or a pending eviction date would only be issued with a new tenancy agreement if the Possession Order is discharged, the Notice to seek Possession or Notice to Terminate is withdrawn or expires or the court decides not to make a Possession Order. In the meantime, these tenants would become tenants of Carlisle Housing Association in the same way as the other tenants in the area.

They would be Assured Tenants and the terms of their tenancies would be as set down by the law together with the terms of their existing tenancy with the Council. Carlisle Housing Association would be able to enforce the Possession Orders that the Council have obtained and may also be able to obtain Possession Orders for tenancy breaches where the Council has served Notices before the transfer takes place.

Would I still have the right to have repairs carried out?

YES. This means that if Carlisle Housing Association or its contractors fail to carry out certain types of repairs within set time limits, you can require Carlisle Housing Association to appoint another contractor to do the repairs.

Would Carlisle Housing Association still have to consult me in the same way as the City Council?

YES. The Housing Corporation would require that Carlisle Housing Association consults with and provides information to all its tenants as if they were secure tenants. This is one of the terms of the tenancy agreement.

Would I be able to complain I was unhappy with something?

Carlisle Housing Association will introduce a complaint procedure to enable tenants to make complaints if they wish to. Complaints would be dealt with in a positive way and Carlisle Housing Association would aim to put any mistakes right as quickly as possible.

If you were still unhappy after exhausting Carlisle Housing Association's internal complaints procedures you would have the right to contact the Independent Housing Ombudsman who would fully investigate your complaint. Carlisle Housing Association made by the Independent Housing Ombudsman.

KEY POINTS

- **You would become an assured tenant protected rights**
- **You would continue to have a Preserved Right to Buy**
- **Your Security of tenure would be virtually identical**

8 How will tenants' views be taken into account

The Council has a strong tradition of encouraging tenant and leaseholder involvement in decision making about your homes and estates. Carlisle Housing Association would seek to continue the approach adopted by the Council in its' **Tenant Participation Compact** and to build on this through the links to **governance of the Association/ Board of Management** and in the adoption of a **Tenant Participation Charter**.

Governance of Carlisle Housing Association/ Tenants on the Board of Management

The Board of Management of Carlisle Housing Association would have 4 tenant/leaseholder places. Together with another 8 individuals the Board would be responsible for making all the decisions about how the organisation would work. These 4 tenant/ leaseholder Board Members would have equal rights as the other board members. In addition to this the Constitution of Carlisle Housing Association would allow other tenants from recognised Tenant and Resident Groups within the Carlisle area to become members of the Association. It is from this membership that future tenant/leaseholder Board members would be elected.

Tenant Participation Compact

The Tenant Participation Compact is a written agreement between the Council and tenants which sets out its commitment to work in partnership to improve housing services in Carlisle. It includes :

- Agreed standards for consultation and involvement;
- Options for involvement which are available for tenants;
- Rights and responsibilities of each of the parties to the agreement; and
- An action plan for extending the areas of decision making open to involvement of tenants.

Carlisle Housing Association Tenant Participation Charter

Carlisle Housing Association would work with you to set up a framework for involving tenants in decision making about your homes and estates. The starting point for this will be the Council's Tenant Participation Compact. Carlisle Housing Association is committed to improving the opportunities for involvement and will adopt a Tenant Participation Charter which will give you the following rights:

- The right to full information about issues which affect your tenancy and neighbourhood;
- The right to consultation and participation in all aspects of housing management;
- The right to choose the pace and level of participation;
- The right to influence the operation of Carlisle Housing Association;

- The right to form representative groups which Carlisle Housing Association would recognise and support;
- The right to independent resources;
- The right and opportunity to take part in training to build knowledge and skills;
- The right to equality of opportunity;
- The right to complain about any aspect of the service (more information on this is found in section 7 of this document);
- The right to independent advice and support.

Tenant and Resident Groups

Carlisle Housing Association will recognise and continue to support existing Tenant and Resident Groups and encourage new groups to develop. Support would include:

- An annual training budget which would cover costs of attendance and expenses;
- Joint training opportunities for tenants/leaseholders, staff and Board Members;
- Advice and assistance to new groups;
- Financial and practical support in the form of annual grants, special projects grants, access to printing and photocopying, staff support from the Regeneration Team for community development and tenant participation projects.

Carlisle and Rural Tenants Federation

Carlisle Housing Association will continue to support Carlisle and Rural Tenants Federation which is an independent organisation run by tenants and residents for the benefit of tenants and residents. This support would include financial help with administration and advice and assistance with promotion and training for the Federation.

The Tenants' Advisory Group

Carlisle Housing Association will continue the Tenant Advisory Group and seek to extend its' role as a wider forum for discussion about the future direction and activities of Carlisle Housing Association. It would continue to be open to all tenants, leaseholders and residents.

St. Martins' Association of Tenants and Residents (SMART)

Tenants and residents on the St. Martins' estate in Brampton are currently developing their own Tenant Management Organisation for the estate. A Tenant Management Organisation gives tenants and residents in an area more direct involvement in the management of their estate through a written agreement with the Council. Carlisle Housing Association would continue to support and work with SMART to develop this agreement.

Carlisle Housing Association would also consider requests from other tenants and residents who might wish to look at setting up a Tenant Management Organisation in their area.

Tenant Information

Carlisle Housing Association would ensure that you are kept fully informed about issues which affect their tenancies. Carlisle Housing Association would produce regular newsletters as well as an annual report on its performance against targets set, in consultation with tenants.

9 Key benefit/promise Quality of life and Regeneration

How Carlisle Housing Association will seek to improve your neighbourhood.

How could the stock transfer help with Regeneration?

The improvement and repair work that would be carried out by Carlisle Housing Association following stock transfer will make a significant contribution to the future regeneration of Carlisle. Action to deal with the problem of less popular, obsolete properties will help introduce more stability into these neighbourhoods. It will also provide opportunities for future development, which will improve housing choice.

The City Council realises that while housing improvements are vital to the successful future of the neighbourhoods in Carlisle, real and lasting regeneration must be based on more than just "bricks and mortar".

New, improved homes provided by Carlisle Housing Association following transfer must be part of neighbourhoods and communities where people want to live and where they can enjoy a good quality of life.

Carlisle Housing Association wants to make a real improvement to the quality of life for everyone living in the neighbourhoods and communities in which it works. The Riverside Group has a proven track record in the area of listening to local people and taking action about the things that build strong communities.

Carlisle Housing Association and The Riverside Group would work in partnership to make a real change.

How could Carlisle Housing Association contribute to renewing my neighbourhood?

Carlisle Housing Association has identified 18 neighbourhoods throughout Carlisle. A Neighbourhood Action Plan will be written for each of those 18 neighbourhoods, which can then be implemented if the transfer goes ahead.

To write these neighbourhood action plans we are going to need your help. So over the coming months The Riverside Group will be undertaking an extensive amount of consultation to find out what your priorities are for community regeneration in your neighbourhood. Community Investment will be based on priorities identified and budgets available.

These could include; -

- Improving parking provision
- Providing or improving play facilities for young children
- Installing security to homes
- Developing local job and training opportunities

So the transfer of the Council's housing stock in Carlisle to Carlisle Housing Association will not only provide access to funding for much needed repairs and improvements to your homes, it will also enable Carlisle Housing Association to make a big contribution to the wider regeneration of local communities within Carlisle.

How would Carlisle Housing Association help with local regeneration?

Carlisle Housing Association plans to invest £43 million in the first 5 years after transfer on repairs and improvements and the Business Plan is based on the investment of around £186 million over 30 years. This would provide a major boost for the regeneration of Carlisle.

Within the business plan £400,000 per year has been allocated each year to spend on community investment projects.

In addition Carlisle Housing Association will be able to make applications to Riverside's Community Investment Challenge Fund for additional funding for Community Investment Projects throughout Carlisle.

By working with other partners and agencies, Carlisle Housing Association would be able to make significant contribution to meeting the regeneration aims of the 18 neighbourhoods and communities.

Carlisle Housing Association wants everyone living in those 18 neighbourhoods to feel part of the community and to see those neighbourhoods as good place to live.

Carlisle Housing Association will work in partnership with tenants, leaseholders residents, voluntary and statutory agencies, community groups, businesses and other people committed Carlisle has a large number of groups working for the benefit of the community such as:

- TRAMP (Tenants, Residents Association Morton Park),
- BRATS (Belah Residents and Tenants)
- DRAG (Dowbreck Road Residents Association))
- Yewdale Tenants and Residents Group,
- PETRA (Peteril Bank Tenants and Residents Group),
- CURA (Currock Residents Association ,

- HARTL (Harraby Association Residents and Tenants Link)
 - Longtown Tenants Residents
 - Warwick Bridge.
- To improve each local neighbourhood
 - Work with others to bring additional resources to the area.
 - Produce regular newsletters telling people what is going on and about opportunities that come up
 - Play a full part in local events that are enjoyed by the community

Carlisle Housing Association acknowledges the activities of these organisations and would continue to work in partnership with them, as well as other local community groups and organisations.

To help facilitate the regeneration aims Carlisle Housing Association will have within its resources:

- Dedicated Community Investment Staff
- Staff experienced in compiling bids to raise funding for projects

What support would Carlisle Housing Association give for local employment and training initiatives?

It is essential for Carlisle that opportunities exist for employment and training of local people.

Carlisle Housing Association will therefore seek to: -

- Use the improvement work to provide employment opportunities for local people, through local labour agreements with contractors; the aim is to provide up to x apprenticeships for local people through the investment programme.
-

Carlisle Housing Association recognises that it needs to deliver much more than physical improvements to tenants homes. People want a safe place to live and enjoy a good quality of life. With this in mind it is essential that the new organisation continue to develop links with as many agencies as possible to deliver partnership approaches to the regeneration aims of Carlisle.

KEY POINTS

- **Investment to provide a major boost for the overall regeneration of Carlisle**

- Improvement programme to provide job and training opportunities for local people
- Working closely with tenants, leaseholders and residents to identify neighbourhood Priorities

10 Accountability – who monitors Carlisle Housing Association

At a local level Carlisle Housing Association will be accountable to a Board of Management made up of local people, one third of whom will be tenants. This Board has overall responsibility for the day to day management of your home. (Full details about the proposed Board of Management are in section 3 of this document.)

Carlisle City Council will continue to have a strong monitoring role through its right to nominate four representatives to the Board of Management. In addition, Carlisle Housing Association would enter into a legal agreement with the Council as part of the transfer proposal. The Council will be able to enforce the terms of that legal agreement through the Courts in the unlikely event of Carlisle Housing Association failing to deliver on its promises.

The Housing Corporation is the Government appointed body that regulates and monitors all Registered Social Landlords. If the proposed transfer goes ahead, Carlisle Housing Association will become a social landlord registered with the Housing Corporation. This registration has to happen before the transfer could take place.

The Housing Corporation

- Sets rules and standards which all Registered Social Landlords must follow. These are set to ensure that tenants' rights are protected, services are of a high quality and that the financial management is sound.
- Monitors the performance of Registered Social Landlords to make sure that these standards are met. If these standards are not met, then the Housing Corporation has wide powers to intervene.

Carlisle Housing Association will be bound by the terms of the **Housing Corporation's Performance Monitoring Standards** and the **Assured Tenants' Charter**. Copies of this, which sets out the principles and the minimum standards which Registered Social Landlords are expected to achieve. (Copies of this are available from Lesley Dixon, Housing Transfer Project Officer at the Council, Free Phone 817300).

In addition you would be able to complain to the Independent Housing Ombudsman scheme, to which all Registered Social Landlords must be part of, and to which all tenants who are dissatisfied with the service can complain. (More details of this scheme can be found in section 7 of this document.)

11 The next steps/what happens next

The Statutory Requirement

The Council must comply with the law when consulting its tenants. These statutory provisions are set out in Section 106A and Schedule 3A of the Housing Act 1985.

The Council and the Secretary of State for Transport, Local Government and the Regions must have regard to the views of the Council's Secure and Introductory Tenants and Leaseholders. The Council must serve a notice on Secure and Introductory Tenants informing you of:

- The full details of the transfer proposal, including the identity of the person to whom the disposal is to be made (in this case Carlisle Housing Association) ;
- The likely consequences of the disposal for tenants; and
- The effect that the transfer would have on the Right to Buy.

This document is the notice and contains information on these details, consequences and effects.

How the Council must comply with the statutory requirements

The effects of the provisions detailed above are as follows:

- The Council must serve a notice giving you the information listed above and informing you that by the 11th June 2002 you should let the Council have your views. This booklet is that notice.
- The comments that you and other tenants make must then be looked at by the Council;
- After looking at these comments , the Council then has to issue another notice called a Stage 2 Notice, telling you whether there have been any changes to the transfer proposal based upon your comments. It will also tell you whether or not the Council still intends to proceed with the transfer process.
This notice will also tell you that you can send any objections that you have directly to the Secretary of State.

The Ballot

Depending upon the results of this first stage consultation, it is the Council's intention to hold a ballot in July/ August 2002. The whole ballot will be carried out by an organisation called Electoral Reform (Ballot Services) Limited, which is completely independent of the Council and Carlisle Housing Association. The ballot will be conducted by post and it is likely that voting papers will be sent to you in late July 2002. Each Secure and Introductory Tenant will receive a voting paper and where there are two or more tenants, they will each have a vote. The Council will only seek

the Secretary of State's approval for the transfer to go ahead if the majority of tenants who vote, vote yes in the ballot.

The Timetable

Activity	Dates
Date for return of comments on this consultation document	11 th June 2002
Date for the Stage 2 notice to be issued	4 th July to 10 th July 2002 (Any objections to be sent to the Secretary of State within 28 days of the 10 th July.)
Ballot commences	Late July 2002
Ballot ends	21 days from Commencement
Ballot result	August 2002