

<b>REPORT TO EXECUTIVE</b>			
<b>PORTFOLIO AREA: HEALTH &amp; WELL-BEING</b>			
<b>Date of Meeting:</b>	<b>15 April 2002</b>		
<b>Public</b>			
<b>Key Decision:</b>	<b>Yes</b>	<b>Recorded in Forward Plan:</b>	<b>Yes</b>
<b>Inside Policy Framework</b>			

**Title:** THE LSVT 'OFFER' DOCUMENT

**Report of:** DIRECTOR OF HOUSING & CITY TREASURER

**Report reference:** H.032/02

### Summary:

This report outlines the proposed content of the final 'offer' to tenants.

### Recommendations:

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

- The content of the attached final draft offer document as the basis to proceed with the formal consultative process, subject to any further amendments required by the CHTF/ DTLR or as a result of presentational enhancements.
- That the Health & Well Being Portfolio Holder in consultation with both the Director of Housing & City Treasurer be authorised to approve any final technical changes required as a consequence of these amendments/enhancements.

**Contact Officer:** T. Bramley

**Ext:** 7300

Director of Housing

8<sup>th</sup> April 2002

H.032/02

### The 'Offer' Document

#### **1. Information**

1. Report H022/2002 presented a draft Stage One offer notice. This report looks at how that document has evolved since and what is left to do.
2. Since the last meeting of the Executive the document has been re-considered by the HCG, the Council's advisors, Riverside's advisors, PEP and the TAG, and also by a special meeting of the Council's Community Overview and Scrutiny Committee.

It has also been forwarded to the Community Housing Task Force (CHTF), the Department of Transport, Local Government and the Regions (DTLR) and the Housing Corporation.

3. The attached draft (version 5) being presented to the Executive now combines wherever practical and appropriate the comments and revisions suggested by these various organisations or committees.
4. It is not the intention here to report on all of the many (hundreds of) changes made in response to comments received, only to draw attention to any substantive changes to the document since last reported. These are covered in the following sections.

#### **2. About Carlisle Housing Association**

1. This section has been significantly shortened on the advice of CHTF to remove more general information on RSLs and how they are regulated.

#### **3. Stock Investment**

1. This section has been completely redrafted. It compares investment needs within the stock to Carlisle Housing Association's spending proposals and that which the Council expects to be able to spend. It identifies for tenants the spending commitments of Carlisle Housing Association in terms of central heating, insulation, kitchen, bathrooms, rewiring, windows, doors and door entry systems, smoke detectors, extractor fans and fencing. In addition, spending commitments are given for estate and environmental improvements and sheltered housing provision.
2. The purpose of this amended section is to explain to tenants more clearly the type and extent of the work which Carlisle Housing Association is likely to carry out.
3. The Community Overview and Scrutiny Committee requested the following changes to this section:
  - The inclusion of criteria which highlight for tenants how Carlisle Housing Association would determine which properties would be included in works programmes.

- Some examples of the type of environmental works which would be carried out;
- A graphical representation of investment by Carlisle Housing Association and Carlisle City Council.

## **1. Rents and Other Charges**

1. This section has been amended to include more detail on the rent guarantee, which was not available for the last meeting. The rent guarantee still needs the formal approval of the CHTF and the DTLR which is awaited.
2. The Community Overview and Scrutiny Committee suggested changes to the paragraph on persistent rent arrears, and the amendment has been reflected in the revised draft.

## **2. Tenants' Rights**

1. The table in this section has been redrafted following comments from PEP and TAG.

## **3. Quality of Life and Regeneration**

1. This section has been rewritten to shorten it and include the section on demolition. Community Overview and Scrutiny have requested that the document is clearer that future demolition could take place on estates other than Raffles.

## **4. 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 CHTF/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.

## **5. Consultation**

1. To Date: The offer has been developed over a number of months and follows extensive discussions with the Housing Consultative Group, Tenants' Advisory Group (TAG), Carlisle & Rural Tenants' Federation (C&RTF), PEP (North), individual tenants' and residents' groups and the Shadow Board of CHA.

Proposed: The final draft document attached is unlikely to change in substance although some technical amendments may be needed following further DTLR/CHTF comments.

The Stage One period begins on the 8 May 2002, so this document needs

approval of the Council and the DTLR by mid April to enable Officers to have it printed and ready for circulation.

## **6. Staffing/Resource Comments**

1. Not applicable.

## **7. City Treasurer's Comments**

1. Included within the body of the report.

## **8. Legal Comments**

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

## **9. 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 and also at the Community Overview and Scrutiny Committee.

## **10. 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 has been 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:
  1. The content of the attached final draft offer document as the basis to proceed with the formal consultative process, subject to any further amendments required by the CHTF or DTLR or as a result of presentational enhancements.
  2. That the Health & Well Being Portfolio Holder in consultation with both the Director of Housing & City Treasurer be authorised to approve any final technical changes required as a consequence of these amendments/ enhancements.

## **5. 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 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 Limited (a newly established subsidiary of the Riverside Group). Information about Carlisle Housing Association Limited and the Riverside Group is set out in section 3 of this document.

**The housing transfer will only go ahead if a majority of tenants who vote in a formal ballot vote 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. Please do read all the information carefully and then let us have your views on the proposal. We want to know what you think. 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 2002 you will be asked to vote on the transfer in a confidential postal ballot. This formal ballot would be conducted by an organisation called the Electoral Reform (Ballot Services) Limited, which is completely independent of both the Council and Carlisle Housing Association.

If a majority of tenants who vote say yes, then the Council plan to transfer its housing stock at the beginning of December 2002. This will be subject to the consent of the Secretary of State for Transport, Local Government and the Regions. 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 your views on 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 out what is on offer and we want to hear your concerns and comments 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 all tenants 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 PEP (North), Church View, Felixkirk, Thirsk, North Yorkshire, YO4 2DJ or by telephoning them on their freephone number 0800 243082. This is linked to an answerphone, but your call will be followed up within 24 hours, except at weekends when it will be followed up during the next working day.

### **Further information**

Further information can be obtained by calling the Council's freephone number 0808 1430023, 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?**

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The 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 constraints set by Government. This means that it does not have enough money to spend on Council homes and estates.

The Council estimates that it needs to spend about £224 million over the next 30 years to bring Council homes up to a decent standard. Of this, £54 million needs to be spent in the next five years to catch up with previous under-spending on improvements and repairs to the housing stock. The amount available to the Council under the current arrangements leaves a shortfall of £13 million in the same five year period. Also, there are areas of Carlisle where the demand for Council homes has reduced and the Council is 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.

### **Why Large Scale Voluntary Transfer**



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, the Private Finance Initiative or staying as it is, the Council has decided that Large Scale Voluntary Transfer offers the best possible option for its tenants and for 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 controls 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.

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, or stock transfer to a newly formed Registered Social Landlord.

The Tenants' Advisory Group agreed with the Council that tenants must be consulted about a proposal to transfer the ownership and management of their homes to a Registered Social Landlord and this document is the first formal stage of that consultation.

### **Why Carlisle Housing Association and the Riverside Group?**

Once the decision had been taken to consider the proposal to transfer the homes, the Council placed an advert in the housing press asking for expressions of interest in its stock. Formal bids were received from seven 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.

The 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** - bringing £56 m of investment in the first five years (See section 4 of this document);
- **A rent guarantee** – under this guarantee your rent and service charge would increase by less than the Government maximum in the first five years (See section 5 of this document);
- **A high quality housing management service** – run from a minimum of 3 local offices, with 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);
- **Protected tenancy rights**– 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).

### **If the transfer does not go ahead**

If the transfer does not go ahead you would remain a tenant of the Council. The Council would try its best to deliver a good service but would not have the same amount of money as Carlisle Housing Association to carry out repairs and improvements. Nor would it be able to spend money on community investment projects to the same extent.

Rents would rise in line with Government policy (see section 5). Services are unlikely to improve, indeed the Council expects that the housing revenue account would have to make more savings in 2004/05. It is likely that these savings would have to be found from the repairs and maintenance budget.

### **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 would be a registered social landlord (RSL), which is more often known as a Housing Association.

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

Carlisle Housing Association would be 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.

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

The Riverside Group has its head office in Liverpool and has been providing and managing social housing for the last 74 years. The Riverside Group has recently formed a new group structure. Carlisle Housing Association would be one of the subsidiary organisations within The Riverside Group, which in total already manages more than 24,000 properties in Merseyside, the Midland and the North West.

Insert a diagram showing the group structure.

Carlisle Housing Association would have a large degree of independence and local control within the framework of a legal agreement between itself and the rest of the Group.

However, for business, legal and regulatory purposes the parent organisation, that is The Riverside Group, 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 its committed staff to build the reputation of Carlisle Housing Association
- keeping its promises
- providing for the future needs of its 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 would initially be 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 the Council).

Details of all the shadow Board Members are included in the Appendix.

### **Do Board Members get paid?**

**NO.** There are no current proposals to pay members of the Carlisle Housing Association Board as strict provisions apply to housing associations registered with The Housing Corporation. However, Board Members could claim for out-of-pocket

expenses actually incurred in carrying out Carlisle Housing Association's business. The 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 would to retire, and nominations for new Board Members would need to be sought. Retiring Board Members could 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 would be determined by the membership of Carlisle Housing Association. The membership of Carlisle Housing Association would include Board Members, The Riverside Group, the Council and up to two members from each recognised Tenants/Residents representative body. Each member would 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 homes 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 the Council.

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

Carlisle Housing Association would employ paid staff 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 to be agreed.

By and large, they would be Council staff who currently provide the service 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.

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

Carlisle Housing Association would be independent from the Council but before the

transfer takes place Carlisle Housing Association would enter into a legally binding contract with the the Council. This agreement would ensure that the promises made to tenants in this document would be kept. The 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 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 from the homes 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 would be monitored by its Board and by The Riverside Group. As the parent, The Riverside Group would regularly monitor Carlisle Housing Association's financial performance, and would 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. No registered social landlord has gone bankrupt, as early warning signs have been acted upon to safeguard tenants and their homes.

## **4 Improving Your Home**

Carlisle Housing Association is committed to:

- Providing accommodation that is of good quality
- The future improvement of accommodation to ensure that this standard is continually achieved
- Consulting with you about the proposed investment in your home

## **How does the Council know what needs doing?**

The Council has commissioned a stock condition survey of the condition of tenants' homes. This has shown what needs doing to the homes now and in the future and how much this is likely to cost. The Council also has a database of information on the homes it has have used to support the survey.

The Council has also consulted with tenants and others to help it to find out what needs doing. In particular, it consulted:

- The tenants by talking to tenants in their own homes
- The Tenants' Advisory Group (this is made up of tenant and leaseholders)
- The Housing Maintenance Team (this consists of senior managers responsible for the repair and improvement of houses for the Council)

The response provided a clear list of tenant priorities and has helped to influence the promises set out in this document and Carlisle Housing Association's business plan.

## **What works would Carlisle Housing Association do and how long would it take them?**

The independent survey has shown that the Council's stock needs significant investment over the coming years. In broad terms, the results are that a total of £224 million needs to be spent on the properties over the next 30 years to bring homes up to a modern standard. If the transfer goes ahead, Carlisle Housing Association plans to spend more than this, a total of £231 million over 30 years, with £56 million of this available to spend in the first five years. Carlisle Housing Association also plans to spend an additional £5.8 million on improving the environment on estates, making a total of £237million. The Council calculates it would have £13 million less to spend on these works over the first five-year period if the transfer does not go ahead.

Carlisle Housing Association plans to continue to run major works programmes beyond the first five years to meet the necessary investment required in the future.

## **Stock investment**

In addition to the £19.8 million it would be spending on day-to-day repairs and maintenance in the first five years following transfer, Carlisle Housing Association has £56 million, an average of around £7,800 per house, in its current Business Plan for works to your homes over the same period. Carlisle Housing Association plans to spend this money, subject to consultation with you as tenants, on improvements such

as those shown in the table below. Further survey work would be necessary to determine exactly which homes would benefit from these improvements.

Repairs and improvements with Carlisle Housing Association within the first five years after transfer:

### **Central Heating**

Full central heating would be installed in all homes that have no central heating, or where there is only a partial central heating system. Older central heating systems, which are at the end of their useful life, would be renewed or upgraded.

### **Insulation**

Loft insulation will would be installed to all homes to meet current building standards, i.e. insulation to a thickness of 200mm (8").

### **New Kitchens**

Modern kitchens would be fitted in over 2,500 homes. A choice of colours for the units and worktops would be offered. Tiling would be replaced as necessary.

### **New Bathrooms**

Installing a new bath, wash hand basin and toilet in over 4,000 homes would provide better bathrooms. Tiling would be replaced as necessary.

### **Rewiring**

All homes that have substandard wiring would be rewired to meet current standards.

### **Windows**

The double glazed window replacement programme, currently being undertaken by the Council, would be completed. This would ensure that all homes have full double-glazing.

### **Doors**

New, secure, front and back doors would be fitted to over 2,000 homes, with a choice of style available.

### **Door Entry Systems**

Door entry phones would be installed to over 650 flats that currently do not have them.



### **Smoke Detectors**

Mains wired smoke detectors would be installed to over 3,000 homes, ensuring that all homes have a smoke detection system.

### **Extractor Fans**

Extractor fans would be fitted in the kitchens and bathrooms of over 4,500 homes.

### **Boundaries**

Carlisle Housing Association would repair many damaged fences, gates, footpaths and driveways.

### **Estate and Environmental Improvements**

Parking facilities, play areas and landscaping all require more money to be spent them. Carlisle Housing Association recognises that the general environment on some estates has deteriorated and would invest money in improvements to reverse this decline.

So, in addition to the £56 million that Carlisle Housing Association plans to spend on the type of improvements shown in the above table, it has a further £1million in its Business Plan with which it intends to carry out environmental works, such as landscaping and lighting, in the first five years. This money would be targeted in specific areas in consultation with local communities. If money is to be spent in your area you and your neighbours will be involved in deciding how this money will be spent for the benefit of the area.

### **Would we have to have this work carried out?**

Carlisle Housing Association's central heating, kitchen and bathroom programmes mentioned above are optional. You can choose not to have them carried out. You would NOT be charged any extra on top of your rent for these improvements.

### **Increased Choice for tenants**

You would be given wider choice in the type and design of internal improvements offered, including the type/style of kitchen units and their layout. Carlisle Housing Association would 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.

### **Improvements to Sheltered Housing Schemes**

Carlisle Housing Association plans to carry out improvements to five of the seven

sheltered schemes in the City. The programme would ensure that all residents in sheltered schemes benefit from improvements giving them their own bathroom and a bedroom that is separate from the living room. Bungalows and flats connected to Careline do not fall within this improvement programme, but tenants of this type of property would benefit from the same repairs and improvements as other transferring tenants. Carlisle Housing Association would also invest in updating the Careline communications systems.

Residents of these sheltered schemes would be more involved in discussions about improvements to their homes and the communal areas.

### **Would we pay extra for these works?**

**No.** There would be no extra charges for any of the works listed above.

### **What happens if we have already modernised parts of our homes?**

If you have already installed a modern bathroom or kitchen, for example, Carlisle Housing Association would not insist on replacing it if you did not want it to.

### **How would Carlisle Housing Association make sure the work is properly done?**

Tenants have told the Council that it should monitor repair and improvement work more closely and Carlisle Housing Association plans to improve monitoring arrangements. Carlisle Housing Association would be able to employ surveying staff which would enable a much higher level of quality control at a local level. These staff would consult you and supervise all aspects of the work programme.

Tenant representatives would also be involved in commenting on specifications for major works as well as the selection of contractors and the monitoring of work carried out.

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

**Yes.** You would still be able to improve your home, with the appropriate permission from Carlisle Housing Association and any planning or other consent you may need. If you do improve your home within the law, this would not affect the level of rent you pay and you may be entitled to compensation if you end your tenancy.

### **What other work would be carried out?**

Carlisle Housing Association is committed to supporting disabled people within the community and plans to work with its partner agencies to provide help to those requiring aids and adaptations to their homes.

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

**No.** If the transfer does not go ahead, the Council would continue to carry out its legal repairing obligations as your landlord. However, the Council does not have the money to carry out all the improvements outlined in this document, and does not expect to be able to do in the foreseeable future.

## What about my day-to-day repairs?

Carlisle Housing Association plans to spend £19.8 million on repairs in the first five years following transfer. It would be responsible for all repairs that are currently the responsibility of the City Council. You would not have to pay for any repairs that you do not pay for with the Council.

Carlisle Housing Association would provide an effective, good-quality, day-to-day responsive repair service, which would improve on the Council's existing service with clear time limits and performance targets. Target times for repairs would be divided into three categories.

The repair categories and targets are set out in the table below:

URGENCY	TYPE OF REPAIR	TARGET TIMES
EMERGENCY	Any defect that puts the health and safety or security of the tenant, or a third party, at immediate risk. For example gas leaks, serious electrical faults, structural danger, blocked main drains and burst water main.	Attended within 2 hours and completed within 12hours
URGENT	Work required avoiding substantial inconvenience to tenants or ongoing deterioration to the	To be completed within 3 working days

	building. For Example minor plumbing leaks, heating breakdown, roof leaks, re- glazing.	
ROUTINE	Defects that can be deferred without serious discomfort, inconvenience or nuisance to the tenant or a third party. For example general joinery repairs, minor gutter leaks, repairs to kitchen units, minor plumbing repairs.	To be completed within 10 working days

The response times shown would replace the Council's current targets. In all cases the response times are faster than the Council's, and in respect of the Routine Repairs, considerably so (a 10 working day target compared with the Council's current 28-day target.)

Priority would be given to repairs for households with vulnerable people as appropriate to the circumstances. People with special needs because of disabilities, mental health problems, illness or age may require a quicker than usual response.

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

Carlisle Housing Association also plans carry out 'cyclical' maintenance programmes on a regular basis. 'Cyclical' means the work would be done at defined intervals.

The type of work carried out on this basis would include:

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

- Internal decoration of communal areas

## **How would we report repairs?**

You would be able to report repair problems in a similar way to the way you do at present. This is mainly by: -

- Telephoning (Freephone) the 24 hour Call Centre
- Writing to Carlisle Housing Association
- Calling into one of Carlisle Housing Association's offices
- Reporting your repair to your estate officer or housing officer
- By e-mail to Carlisle Housing Association's offices

## **Would we be able to make an appointment for the repair to be carried out?**

Carlisle Housing Association plans to offer appointments for urgent and routine repair jobs so that repairs could be carried out at a time convenient to you, wherever it is possible to do so.

## **Who would carry out day-to-day repairs and maintenance?**

Carlisle Housing Association would be responsible for providing the repair service to tenants. As part of the transfer arrangements, the Council staff and, at a slightly later date, the in-house building workforce, would also transfer to Carlisle Housing Association. The joining together of the housing and building teams would result in service improvements and efficiencies.

Much of the improvement work proposed in this document would be carried out by contractors. Tenants would be involved in the selection of contractors and in monitoring their performance.

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

**Yes.** This means that if Carlisle Housing Association or its contractors failed to carry out certain types of repairs within set time limits, you could require Carlisle Housing Association to appoint another contractor to do the repairs. Compensation is payable if the second contractor fails to do the repair in the timescale set down by legislation.

## **Would I be able to comment on the repair service?**

**Yes.** Carlisle Housing Association would carry out regular Repairs Satisfaction Surveys to find out what you think about the standard of the repairs service. Carlisle Housing Association would then be able to check and further improve the service and deal with individual complaints. Carlisle Housing Association would also report the feedback from residents to each Tenant's and Residents' Association and to the Board of Management who would ultimately responsible for ensuring that any problems were remedied..

## **5 Rents and Other Charges/What Would It 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. Existing rents have to be increased to reach the target rent by 2011/12.

The Council (if the transfer does not go ahead) and Carlisle Housing Association (if the transfer does go ahead) have to produce plans to reach this target rent. During this target period, current government policy requires RSLs and Councils to limit their rent increase to no more than inflation + 0.5% + £2.00 per week in any one year

After 2011/12, when the target period has ended, the limit for both Councils and RSLs is currently set at inflation + 0.5%. This means that the rent for a particular home will be almost the same whether it is owned by the Council or by Carlisle Housing Association.

### **Carlisle Housing Association's 5 year rent guarantee**

Whilst the Council and Carlisle Housing Association would need to take account of the

government's rent policy, 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 increase each year by less than the above Government maximum. This guarantee only applies if the transfer goes ahead.

The business plan for Carlisle Housing Association assumes that all rents will be within the guarantee. For example, if inflation is 2.5% each year, the total average rent and service charge per week for the average 1,2 and 3 bedrooomed houses would be as follows:

	<b>One bedroom house - weekly rent</b>	<b>Two bedroom house – weekly rent</b>	<b>Three bedroom house – weekly rent</b>
<b>Rent at transfer in December 2002</b>	<b>£42.26</b>	<b>£44.71</b>	<b>£46.09</b>
<b>Rent in April 2003</b>	<b>£44.26</b>	<b>£47.06</b>	<b>£48.65</b>
<b>Rent in April 2004</b>	<b>£46.35</b>	<b>£49.53</b>	<b>£51.34</b>
<b>Rent in April 2005</b>	<b>£48.54</b>	<b>£52.14</b>	<b>£54.19</b>
<b>Rent in April 2006</b>	<b>£50.84</b>	<b>£54.88</b>	<b>£57.19</b>
<b>Rent in April 2007</b>	<b>£53.25</b>	<b>£57.77</b>	<b>£60.36</b>

**Please note that the figures above are the predicted average rents to be charged by Carlisle Housing Association. Actual charges will vary from property to property.**

It is important to note that whilst rents would be almost the same whether your home is owned by the Council or by Carlisle Housing Association, Carlisle Housing Association would be able to invest £56m over the first 5 years after transfer. The Council would only be able to invest £44m in the same 5 year period. Carlisle Housing Association can guarantee this level of investment, because financial provision has been made in

its Business Plan.

## **New tenants**

New tenants of Carlisle Housing Association would pay the same rents and service charges as tenants who had transferred from the Council.

## **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 but 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 those 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.

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

- only charge you the actual cost of the services 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 also be doing from April 2003, if not before.



## **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;
- by post, using a cheque; and
- cash payments at the Civic Centre for a period of 15 months after the transfer.

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

## **Rent arrears**

Carlisle Housing Association would rely on tenants paying their rent on time to continue to provide services. As a responsible social landlord it would adopt a firm, fair and prompt approach to rent and service charge arrears. Every effort would be made to ensure that arrears are prevented. Tenants would be encouraged to contact Carlisle Housing Association if they have difficulty in paying their rent. Advice and assistance would be readily available and Carlisle Housing Association would 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 would only be done under circumstances defined in the Tenancy Agreement.

If the transfer goes ahead then Carlisle Housing Association would 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**

The proposed transfer would not affect the way you pay for your water charges.

## **Housing Benefit**

The transfer would not affect your entitlement to claim Housing Benefit. If the transfer takes place, applications would 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.

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### **6. Housing Services**

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

Carlisle Housing Association would ensure that sufficient staff resources are dedicated to deliver a first class housing management service. The cornerstone of this would 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 would be tailored to meet those particular requirements.

## **Offices and staff**

Carlisle Housing Association would have at least three offices sited in the Carlisle area by April 2004. Initially staff would be based at the Civic Centre, but would move to these new offices as soon as they are ready.

As yet the location of these offices have not been decided, but they would be subject

to discussion with local people before any locations are decided upon.

Carlisle Housing Association would 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

The same staff would by and large provide the service following transfer as before transfer, so you would continue to deal with the people you know.

Carlisle Housing Association would adopt a fresh approach to 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 would regularly review the way in which it delivers services to make sure they continue to :

- Meet the needs of tenantsResponsive to the needs of the communities in which Carlisle Housing Association would be working.

These service standards would 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 could be judged. The 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 would also be regularly reviewed by the tenant and resident groups in the area.

## **Tenancy Management**

Carlisle Housing Association would have the resources to ensure that a high level of

service is provided to all tenants, and in particular support to those who, because of their personal circumstances, may need more help.

This could include:

- Help for older tenants such as help with gardening or
- Information on how to get involved with tenants groups
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## **Dealing with anti-social behaviour**

Carlisle Housing Association recognises the problems a few anti-social people can cause for individual tenants and whole communities. It would take firm action to deal with tenants who fail to keep to the terms of their Tenancy Agreement. Carlisle Housing Association would want to maintain and build on the working relationships the Council currently has with the Police, Tenant and Resident Groups and other community groups.

## **Management of empty properties**

Carlisle Housing Association would adopt a lettings policy which meets the Housing Corporation's Performance Standards and would let its properties based upon housing need. However, emphasis would be on the creation of stable communities where people want to live. It would seek to develop local lettings schemes in consultation with tenants.

### **Crime and security**

Carlisle Housing Association would work with the Police, the 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 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 insignificant 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 by enforcing the relevant tenancy conditions.

## Specialist Services

Carlisle Housing Association would ensure the continuation of the high quality specialist services for the elderly, disabled and other vulnerable groups . Carlisle Housing 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 would be committed to listening to the users of these specialist services in order to continually improve and to modernise existing services.

Carlisle Housing Association would:

- Work with statutory bodies and other organisations, such as voluntary bodies 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, using the latest technology 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 would 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 Visitor Service is integrated with Careline, Sheltered Housing Services and care packages provided by others. Carlisle Housing Association would review current operations, identify performance measures so as to maximise its role and effectiveness in targeting those in greatest need.
- Improve the quality of sheltered accommodation currently provided (see section 4) 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 as required to individuals with specific needs.)
- Continue to provide a garden maintenance scheme to older tenants..

Ensure that tenants, and in particular vulnerable tenants, receive the necessary level of support and benefits advice to ensure the full take up of benefit

entitlement.

- Include appropriate design features would 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, subject to budgetary constraints, for those where this need has been identified.

## **Allocation policy/lettings**

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

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

### **New tenants and starter tenancies**

Carlisle Housing Association, subject to meeting the requirements of the Housing Corporation, would 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 tenants would get most of the rights you have. However, they would have a different Right to Buy Scheme (called the Right to Acquire). These temporary tenancies are sometimes called probationary tenancies or starter tenancies and their purpose 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 1<sup>st</sup> April 2002.

### **Home Contents Insurance Scheme**

Carlisle Housing Association would continue to offer a scheme which gives similar cover to that offered by the Council. If you choose to join the scheme the charge for this would be in addition to your rent.

## 7 Tenants' rights

### What about my rights after transfer?

Most Council tenants are secure tenants or (if they 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 that tenants 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 Act 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 would 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 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.

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

<b>RIGHTS FOR TRANSFERRING SECURE TENANTS</b>	<b>WITH THE CITY COUNCIL</b>	<b>WITH CARLISLE HOUSING ASSOCIATION</b>
<b>Security of Tenure</b>  The right to keep your home as long as you want it (except in exceptional circumstances).	<b>Yes</b>	<b>Yes</b>
<b>Tenancy Agreement</b>		<b>Yes</b>

The Right to be consulted about changes to your tenancy agreement	<b>Yes</b>	
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<b>RIGHTS FOR TRANSFERRING SECURE TENANTS</b>	<b>WITH THE CITY COUNCIL</b>	<b>WITH CARLISLE HOUSING ASSOCIATION</b>
<b>Rent</b> Rent guaranteed (see section 5) The right to appeal to an independent body if you think the rent is too high	<b>No</b>  No	<b>Yes</b> For first 5 years <b>Yes</b> After 5 years
<b>Right of Succession</b> The Right to pass on your tenancy to your joint tenant, partner or family member if you die	<b>Yes</b>	<b>Yes</b>
<b>Right To Buy your home or Right to acquire</b> The right to buy your home at a discounted price or to buy at a flat rate discount of £11,000	<b>Yes</b>	<b>Yes</b>
<b>Improvements</b> The Right to make improvements to your home and, in some cases, get compensation when you leave	<b>Yes</b>	<b>Yes</b>
<b>Repairs</b> The Right To get repairs done,	<b>Yes</b>	<b>Yes</b>



and the right to compensation if certain jobs are not done on time		
<b>Lodgers</b>		
<b>The Right to sublet and take in lodgers (with Carlisle Housing Association's permission)</b>	<b>Yes</b>	<b>Yes</b>
<b>Exchanging your home</b>		<b>Yes</b>
The right to exchange your home with another tenant as long as you meet certain conditions	<b>Yes</b>	
<b>Consultation &amp; information</b>		<b>Yes</b>
The right to information about the housing service and to be consulted on changes which affect you	<b>Yes</b>	
<b>RIGHTS FOR TRANSFERRING SECURE TENANTS</b>	<b>WITH THE COUNCIL</b>	<b>WITH CARLISLE HOUSING ASSOCIATION</b>
<b>Right of Assignment</b>		<b>Yes</b>
The right to pass your tenancy to someone else in certain circumstances( eg by court order in a divorce)	<b>Yes</b>	
<b>Right to Manage</b>		<b>No</b>
The right of a group of tenants to take over management of their homes in certain circumstances and if there is a vote in favour (See section 8)	<b>Yes</b>	
<b>Rent to Mortgage</b>		
An alternative right to buy ( never used by a Carlisle City Council	<b>Yes</b>	<b>No</b>

tenant)		
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### **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 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 would not be in the new agreement, if tenant management of particular homes were to become a realistic option it could still be undertaken subject to consent from Carlisle Housing Association, the Riverside Group and The Housing Corporation.

Carlisle Housing Association would fully support SMART (St Martin'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 would 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 could not be changed without your permission. The only thing that could 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 would be covered by the Assured Tenants Charter. This document is produced by The Housing Corporation and tells you what legal rights you would 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: 0808 1430023.

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

If you have the **Right to Buy** your home with the 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 Council but Carlisle Housing Association has agreed to give transferring introductory tenants a contractual Right to Buy (in the tenancy agreement). This would give them the same rights to buy their home as the Preserved Right to Buy, subject to them having held a tenancy for the minimum two-year period.

Some homes are currently excluded from the Right to Buy, such as 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 (currently £26,000 in the Carlisle area). This limit applies to both the Right to Buy and the Preserved Right to Buy. If you move to another eligible 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 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 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. It can also take account of the costs of carrying out catch up repairs 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.

### **What is the Right to Acquire?**

New tenants of Carlisle Housing Association (as well as existing tenants transferring from the Council) would 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 would not be able to 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) would allow the same people to take over the tenancy (when a tenant dies) as under a Council secure tenancy. As with the Council, your home would only be passed on once (other than in exceptional circumstances).

Carlisle Housing Association has agreed with the Council that in the transferring tenancy agreement, it would ignore any previous successions to the tenancy with the 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 the 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 would aim 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.

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

**Yes.** You would be able to take in lodgers. Carlisle Housing Association would require 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.

## **Would I still be able to claim Housing Benefit?**

**Yes.** Your right to claim housing benefit would not change, you would still claim housing benefit after the transfer under the current rule.

Would Carlisle Housing Association have more rights to evict me?

**Yes. Carlisle Housing Association intends to use one additional ground for eviction available under the assured tenancy agreement, ground 11. This means that Carlisle Housing Association could seek a court order against any tenant persistently late in paying rent.**

## **What if I have serious rent arrears on transfer?**

Carlisle Housing Association would intend to take on all current tenant arrears at the point of transfer and would pursue those tenants for these arrears. Tenants who are subject to a valid Notice of Possession or Possession Order at the point of transfer would not be issued with the new tenancy agreement. However, if a tenant subsequently clears all the arrears, or remedies the breach of tenancy, or if the Notice ends in some other way, the new tenancy agreement would then be issued and would take effect retrospectively from the date of transfer.

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

**Yes.** Carlisle Housing Association would consult with and provide information to all its tenants in the same way as the Council does for its secure tenants. This is one of the terms of the tenancy agreement.

## **Would I be able to complain if I was unhappy with something?**

Carlisle Housing Association would 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 completing Carlisle Housing Association's internal complaints procedures you would have the right to contact the Independent Housing Ombudsman who would fully investigate your complaint. All Registered Social Landlords must belong to the scheme and must comply with the Ombudsman's findings.

## 8. How would tenants' views be taken into account?

The Council has a strong tradition of encouraging tenant and leaseholder involvement in decision making about their 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 Carlisle Housing 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. These tenants/leaseholders, along with the other 8 individuals on 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 voting rights to 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 Carlisle Housing 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 would be the Council's Tenant Participation Compact. Carlisle Housing Association is committed to improving the opportunities for involvement and would adopt a Tenant Participation Charter which would 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 such as grants and training courses;
- 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 from Independent Tenant Advisors, such as PEP.

## **Tenant and Resident Groups**

Carlisle Housing Association would 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 would 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 would 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 Brompton 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 consider 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 your tenancies. Carlisle Housing Association would produce regular newsletters as well as an annual report on its performance against targets set, in consultation with tenants. More detailed information on how Carlisle Housing association would keep you informed can be found in Carlisle Housing Association's Tenant Participation Compact.

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## **9 Quality of life and Regeneration**

### **How could the stock transfer help with regeneration?**

The Council and Carlisle Housing Association recognise that while improvements are vital to the successful future of the neighbourhoods in Carlisle, real and lasting improvements must be based on more than just 'bricks and mortar'. The improvement and repair work that would be carried out by Carlisle Housing Association would make a significant contribution to the future regeneration of Carlisle. But action is also needed to deal with less popular properties, to regenerate estates and support community activities.

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 would be working. It plans to do this in a number of ways:

- By producing neighbourhood action plans in consultation with people living in each area;

- Through the investment of £56 million in your homes in the first five years following transfer;
- Through the investment of £400,000 each year in community projects;
- By working with the Council, other funding agencies and community groups and organisations to help ensure that extra money is made available for regeneration projects;
- By making applications to Riverside's Community Investment Challenge Fund for additional funding in Carlisle;
- By having a dedicated Community Investment Team; and
- By providing employment opportunities for local people, through local labour agreements with contractors.

### **Would there be any demolition?**

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

The Council has 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 Council is expected to have carried out most of these demolitions by the end of this year and the total numbers involved for Carlisle Housing Association are therefore expected to be comparatively small – fewer 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 for the last three years most of the demolitions have occurred, the 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 would 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 would also look at the possibilities for improving the environment, providing more off street parking and improving security.

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 would have to move would keep their existing legal rights if they are re-housed by Carlisle Housing Association. Wherever possible, Carlisle Housing Association would 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 are 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 may also be eligible for:

- A Home loss payment of £1,500 (less any outstanding rent arrears) subject to your 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.

## **10 Accountability – who would monitor Carlisle Housing Association**

At a local level, Carlisle Housing Association would be accountable to a Board of Management made up of local people, one third of whom would be tenants/leaseholders. This Board would have 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.)

The Council would 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 would 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 would become a social landlord registered with the Housing Corporation. This registration would have 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 would be bound by the terms of the **Housing Corporation's Performance Monitoring Standards** and the **Assured Tenants' Charter**. Copies of these which sets out the principles and the minimum standards which Registered Social Landlords are expected to achieve. are available from Lesley Dixon, Housing Transfer Project Officer at the Council, Free Phone 0808 1430023.

In addition you would be able to complain to the Independent Housing Ombudsman scheme, which all Registered Social Landlords must be part , 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**

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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 11<sup>th</sup> 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 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 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**

<b>Activity</b>	<b>Dates</b>
Date for return of comments on this consultation document	11 <sup>th</sup> June 2002
Date for the Stage 2 notice to be issued	24 <sup>th</sup> June 2002  (Any objections to be sent to the Secretary of State by the 26 <sup>th</sup> July 2002.
Ballot commences	July 2002
Ballot ends	26 <sup>th</sup> July 2002
Ballot result	29 <sup>th</sup> July 2002

