

**COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE (SPECIAL)****TUESDAY, 26 MARCH 2002 AT 2.00 PM**

PRESENT: Councillor Ellis (Chairman), Councillors Boaden, Crookdake (substitute for Councillor J Mallinson), S Fisher, Knapton and Weber.

ALSO PRESENT: Councillors L Fisher, C Rutherford and K Rutherford attended the meeting as observers.

**COS.51/02 APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillors J Mallinson, McMillan and Toole.

**COS.52/02 DECLARATIONS OF INTEREST**

There were no declarations affecting any item on the Agenda.

**COS.53/02 THE HOUSING LSVT "OFFER" DOCUMENT AND PROCESS**

The Chairman indicated that the purpose of the special meeting was to scrutinise the Housing LSVT "Offer" Document in order that any suggestions for changes to the content of the document could be forwarded to the Executive at its meeting on 15 April 2002.

The following persons were present at the meeting to assist in the scrutiny process:-

Councillor Bloxham (Executive Member - Health and Wellbeing Portfolio Holder);

Mr H Evans (Riverside Group);

Mr T Bramley (Director of Housing);

Ms L Dixon (Housing Transfer Project Officer);

Mr D Steele (City Treasurer's Department);

Ms E Adams (Priority Estates Project) (North);

Ms C Jamieson (HACAS Chapman Hendy);

Mr J Bradley (Tenants Advisory Group);

Ms R Notman (Tenants Advisory Group);

Ms N Farmer (Tenants Advisory Group).

The Director of Housing indicated that the following reports, which had been considered by the Executive on 11 March 2002, had been circulated to Members of the Committee:-

Report H.22/02 (The LSVT "Offer" Document and Process);

Report H.21/02 (RSL Policy Development and Supporting Policy Documents);

Report H.20/02 (Carlisle Housing Association - Proposed Rules of the Organisation);

Report H.18/02 (Carlisle Housing Association - Proposed Tenancy Agreement);

DTLR Housing Transfer Guidance 2002.

The Director of Housing indicated that Report H.22/02 contained, as an Appendix, the LSVT "Offer" Document. He indicated that this was a working document and certain revised pages were tabled at the meeting.

The Committee went on to consider in detail the content of the "Offer" document at which the following suggestions were made for changes to the content of the document:-

## **Section 2**

**(a) (Page 3)** - a Member asked whether an explanation should be included in the offer document with regard to the stock valuation which Riverside would be paying as against the cost tenants would have to pay for their property if they exercised their right to buy.

The Director of Housing indicated that this had been considered and the view taken that, as the sale would not produce a net receipt for the Council and the price had been fixed by the DTLR, then this issue was not part of the current negotiations and should not be included in the offer document.

Ms Adams agreed that comparing the right to buy price with the sale to Riverside price would confuse the issue for tenants. However, she did consider that it may be useful to explain the formula which had been used for the stock valuation.

The Director of Housing undertook to consider this matter further.

**(b) (Page 3)** - In paragraph 4, Members considered that this paragraph could be expanded to make it clear that not all transfer proposals had been successful and that the final decision on transfer would be made by tenants following a ballot.

The Director of Housing undertook to review the wording of this paragraph.

**(c) (Page 4)** - A Member considered that in paragraph 4 it should be made clear that transfer would take place if the majority of tenants who voted, voted yes in the ballot, and that it did not require a majority of tenants who were actually entitled to vote.

### **Section 3**

**(d) (Page 6)** - In paragraph 4, a Member asked if an indication could be given to the national spread of properties within the 24,000 properties which the Riverside Group already manages. The Member also asked whether the number of transfer ballots Riverside had been involved in and how many had resulted in transfer could be detailed in this paragraph.

Mr Evans indicated that Riverside had only been involved in one ballot which had been successful and one was currently ongoing.

The Director of Housing indicated that, under DTLR guidance, he did not believe it would be possible to cross-reference successes and failures but he would investigate this issue.

**(e) (Page 10)** - A Member asked what the position would be for tenants if the Carlisle Housing Association was taken over by another RSL.

Mr Evans indicated that this was a difficult question to answer as it would depend on the circumstances at the time. He was not aware of any situation where this had happened following housing transfers to date. He would expect that any mergers would be negotiated mergers and that most of the safeguards for tenants would remain in place.

Councillor Bloxham pointed out that monitoring of Carlisle Housing Association's financial performance would be undertaken by the Housing Corporation who would supervise any necessary action if problems arose.

Ms Adams pointed out that the question of what happened if the new landlord got into financial difficulty had been asked a lot by tenants.

**(f) (Page 14)** - A Member referred to paragraph 1 and the statement that Carlisle Housing Association also aims to invest in updating the communication system in sheltered schemes. It was considered that the use of the word "aims" was not precise enough.

The Director of Housing indicated that there was funding in the Business Plan to do this work and that he would look to alter the wording to reflect this fact.

**(g) (Page 11)** - A Member asked that in the penultimate paragraph, further explanation should be given over the amount of money the Council would have to spend on improvement works over a five year period if the transfer did not go ahead and the reasons why there would be a lack of funding compared to Carlisle Housing Association. It was considered that a graph would be helpful.

**(h) (Page 13)** - With regard to estate and environmental improvements, Mr Evans undertook to expand this section to include the type of environmental improvements which could be undertaken with the £1m funding in the first five years.

**(i) (Page 17)** - With regard to the final monitoring responsibility for the tenants' repair service, Mr Evans indicated that this would be the responsibility of the Carlisle Housing Association Board.

**(j) (Page 12)** - A Member referred to the table of repairs and improvements which Carlisle Housing Association intended to carry out within the first five years after transfer and considered that the criteria under which tenants would qualify for particular improvements

should be set out in the document. The use of phrases such as "Modern kitchens will be fitted in over 2,500 homes" could be considered to be misleading.

Mr Evans indicated that the information in this section was based on the previous Stock Condition Survey. He undertook to add an introductory paragraph to this section to expand on the position.

**(k) (Page 13)** - Given that there was a lot of mixed tenure in the housing stock, there should be set criteria under which the estate and environmental improvement works would be carried out.

Mr Evans indicated that this section could be expanded to emphasise that funding would need to be selective and targeted at specific projects following consultation with tenants.

## **Section 5**

**(l)** A Member asked a question regarding how leaseholders would be affected under Service Charges. He asked whether a leaseholder would have to use contractors nominated by Carlisle Housing Association and whether this issue would be resolved before the ballot.

The Director of Housing indicated that the DTLR guidance on how service charges should be operated was still awaited and so this issue was not clear at present. It was pointed out that consultations had been carried out with leaseholders over the transfer and that they had a representative on the Tenants Advisory Group. There were plans to produce separate leaseholder consultation literature.

Mr Evans indicated that the terms of the current leases would remain the same.

## **Section 6**

**(m) (Page 21)** - A Member asked whether it was possible to be more precise with regard to offices to be used by the Carlisle Housing Association from April 2004.

Mr Evans indicated that three or four offices had been included in their bid. Riverside did not intend looking for offices until after the ballot result. They would be using the Civic Centre until April 2004 and then looking for a new main office. They would consult tenants with regard to where the other offices should be. They had in mind a one-stop shop in the City Centre as an option and the possibility of a mobile office for the rural areas. There would be one main office plus two or three additional offices depending upon the outcome of tenant consultations.

**(n) (Page 22)** - With regard to dealing with anti-social behaviour (details of which were not included in the document), the Director of Housing indicated that the new Association's approach would be based on the current Council's approach.

**(o) (Page 25)** - A Member indicated that probationary tenancies had led to challenges in Court and asked whether Riverside had experience of these elsewhere.

Mr Evans indicated that Riverside had introduced probationary tenancies elsewhere and had not yet received any challenges. He considered that these probationary tenancies were becoming more accepted and the Government view more relaxed.

Ms Adams indicated that she understood the Housing Corporation view was that they were reluctant to blanket the whole of a town with what were effectively assured shorthold tenancies. She sought clarification as to the view of doing this throughout Carlisle.

The Chairman asked that this issue be investigated.

### **Section 7**

**(p) (Page 26)** – It was confirmed that the Carlisle Housing Association had agreed to transfer introductory tenants with the same rights as transferring secure tenants from the date of the transfer.

**(q) (Page 32)** – A Member asked whether Councillors would be able to continue acting as advocates for tenants following transfer. A Member also asked that consultations be carried out with Ward Councillors when changes were taking place in their Wards. He considered that there should be formal procedures in place for these issues.

Mr Evans confirmed that steps would be taken to ensure that Ward Councillors were involved in consultations over issues affecting their Wards. With regard to advocacy, Mr Evans indicated that it would be up to tenants to choose their advocate and that this would not be limited to Councillors. There would not be the same closeness of involvement of Councillors in tenants' affairs and the Association would need a tenant's permission to release information to Councillors.

It was pointed out that there were four Councillors who represented the Council on the Board of the new Association.

Members asked that some procedures be put in place in respect of keeping Ward Councillors informed of issues affecting their Wards and to ensure that tenants would be aware that they could use their Councillor as an advocate.

**(r) (Page 27)** – Ms Adams considered that the comparison table comparing the rights of tenants under the City Council and with the Association was not the best way of explaining the position.

The Director of Housing undertook to review this page.

**(s) (Page 31)** – There was a need to make the paragraph on "Would Carlisle Housing Association have more rights to evict me?" clearer as well as the section on rent arrears on transfer.

The Director of Housing undertook to rewrite these paragraphs.

### **Section 8**

**(t) (Page 35)** – A Member considered that the methods of consultation to be used with tenants should be amplified.

Mr Evans undertook to expand the section on Tenant Information on page 35.

### **Section 9**

**(u) (Page 36/37)** - A Member sought clarification as to Riverside's position on further

demolition of properties within the housing stock. He drew attention to a case where an owner/occupier in Raffles wished to move to different accommodation on health grounds but could not do so as it was impossible for them to sell their house in view of the uncertainty of demolition. He considered that the properties which would be demolished should be identified prior to transfer taking place.

Mr Evans indicated that an evaluation of the recent Hallam Study had confirmed the estimate of 7,200 houses as being the optimum number for sustainable housing. Following recent demolitions, this left approximately 125 houses to be demolished. Discussions were ongoing with residents in Raffles over the possible demolition of more houses on the Estate and the involvement of Lovells as a development partner would have a bearing on these discussions. The outcome of these discussions with Raffles' residents would be a key factor in deciding which properties to demolish. It may be that options for demolitions in other Estates in Carlisle would need to be looked at in consultation with other residents.

A Member pointed out that there were real hardship cases at present and considered that the situation needed to be resolved before the ballot took place. He also considered that hardship criteria needed to be introduced.

Mr Evans indicated that the hardship and compensation arrangements would follow statutory requirements.

A Member considered that it should be drawn out in Section 9 that demolition would not necessarily just affect properties on Raffles Estate but that it may affect properties on other estates within Carlisle. He also considered that, in page 37, the reference to demolition on Raffles should state who the private developer is and their links with Riverside.

RESOLVED – That the various suggestions and observations as detailed above be referred to the Executive for consideration.

(The meeting ended at 3.50 pm)