

H&F Housing Representatives Forum on the Stock Options Appraisal & Residents' Commission - September 2015

Hello my name is Tom Hopkins. I work for an organisation called the Tenant Participation Advisory Service (TPAS). TPAS is a not for profit membership organisation that provides information, consultancy training and conferences on all aspects of involving tenants in their housing management.

TPAS is appointed as the ITLA for the Council Housing Stock Options Appraisal process being guided by the Residents Commission.

Over the 15 minutes, I would like to talk to you about the progress of the Residents' Commission and in particular the involvement of tenants and leaseholders in the process

1. Background to the Commission and the work carried out so far

As you know, one of the manifesto commitments on which the present Council was elected a year ago was this: *"We will work with council housing residents to give them ownership of the land their homes are on."*

Last December, the Council resolved to set up an independent Residents' Commission to look at the future of council housing in the borough – including this fundamental question of ownership – and had given it responsibility for overseeing a formal Options Appraisal. An Options Appraisal is a formal way of assessing how to raise the funding needed to meet the investment needs of the Council's housing.

The Commission has committed itself to be transparent and open throughout their term with tenants, leaseholders, staff and other stakeholders able to contribute to the Options Appraisal process and ask questions and raise queries about the process and the options. Indeed, Commission hearings are being videoed and placed on YouTube and the website, as well as Commission reports and meeting papers also being available on the Commission's website making this one of the most transparent Options Appraisals ever!

The Commission is to make its report to the Council, with a recommendation on the future of council housing, no later than the autumn of 2015.

Public Hearings

As I hope you now know there have been 9 public hearings that have taken place across the Borough with expert witnesses from other housing providers and our external advisers providing evidence to the Commission on a range of topics

The hearings have been video'd and transcribed and residents and staff were welcome to attend on the night

Stock Condition Survey

The survey visits have been completed by Savills and their subcontractor, Curtins.

This included work carried out to properties to date via repairs and maintenance, cyclical and planned programmes analysis of data, treatment of related assets such as

drains, garages and play areas. Savills and their sub-contractor Curtins have also completed their specialist surveys of 23 high rise tower blocks which involved boring into the superstructure and taking a sample of concrete for analysis at their laboratory to understand whether there are any significant issues.

This is not the first stock condition survey carried out by the Council. The last stock condition survey was carried out in 2008 so Savills are already examining previous survey data as part of their desktop study

The first draft of the Stock Condition Survey report has been issued to the Council and the RCCH for their considerations. Much of this information is sensitive and confidential.

Financial Appraisal

The Housing Revenue Business 40-year Business Plan has been reviewed by Capita with support from colleagues in Finance.

Financial modelling has been carried out to take into account changes in Council policy and issues arising from recent Government announcements, the level of investment required to maintain and improve housing stock over the next 30-40 years and to comparing the financial viability of retaining the stock going forward or transferring the stock to another registered provider.

Financial modelling has been based upon specific financial evaluation criteria agreed by the Council and the Residents' Commission.

The financial appraisal and business plans have been presented to the Council and the Residents Commission.

Since its formation in January, the Residents' Commission has also been working hard and has initiated the following activities:-

Resident Engagement and Communication and Feedback

The programme team has produced a Council Communication and Consultation Strategy to ensure that tenants, leaseholders and staff are engaged as far as possible into the programme and the Commission's work.

Apart from the public hearings, the monthly newsletters, the website; TPAS has set up a confidential FREEPHONE number for residents and carried out a sample residents survey which attempted to engage over 1500 tenants and leaseholders.

- An extensive programme of resident engagement events has been completed with the RI team and TPAS. TPAS has:-
- Contacted all 32 Tenants and Residents Associations by letter and email
- Contacted over 50 Third Sector Organisations in the Borough, including Sobus, the H&F Advice Station and the Law Advice Centre, MENCAP and CITAS
- Completed 22 sheltered drop ins.
- Supported the Resident Involvement staff at 19 estate engagement events throughout the Borough.
- Attended Borough Forum and Leaseholders Conference to answer questions

- Attended other events such as the White City Summer festival, and the events focused within the Somalian community
- Carried out a sample residents opinion survey
- Responded to over 200 written email and FREEPHONE enquiries from tenants and leaseholders

To date TPAS has attended over 60 public events, knocked on over 2500 doors and talked directly with almost 1500 residents

Resident opinion surveys

The Council has engaged with specialist researchers to interview 750 tenants and leaseholders over the telephone on an agreed set of questions created by the RCCH. This opinion survey will be completed by tenants and leaseholders throughout the Borough to give detailed data to the Residents' Commission about residents' priorities for the future of council housing

2. What is the Commission's terms of reference?

As you will see in the Commission's first newsletter and on the website, the Commission has turned this remit into four key messages – these are that we will be looking at how to: -

- Safeguard Council homes and estates for the future
- Protect tenants' rights and keep rents and service charges at levels residents can afford
- Give residents greater local control over their homes
- Fund improvements to homes and housing services

On the evidence of the meetings I have witnessed so far the Commission is a strong and well-balanced team who have been dedicated, impartial and focused to get the best result for all residents and for the borough.

The Commission's remit, agreed by the Cabinet in December, is essentially twofold: to consider the options first, for empowering residents to take local control over their homes and second, for maximising investment in existing and new council homes.

3. What are the options?

The options as outlined to the Cabinet include the Council retaining the ownership of Council housing, Community Land Trusts, or Tenant Management Organisations (TMO) or recreating the ALMO as well as different types of stock transfer models including Community Gateway, CoCo., a Community Mutual, or a stock transfer to existing Registered Providers, or a mix of these solutions for the whole Borough.

As you will know since the start of the Residents Commission work the Government has made a number of decisions about the level of rents in the future of Council housing and Private Registered Providers. The Government has also indicated that they want to enforce the Right To Buy for Housing Association tenants, and force Councils to sell off

high value empty homes. The Residents Commission is alive to these issues and their implications.

Should the Council decide to consult tenants and leaseholders about transfer of all or some of the Council stock, a further piece of work will be carried out by the Council to agree what type of new landlord should receive the housing, and what role tenants and leaseholders may have, if any, in the governance of the new landlord. If the option of stock transfer were to be recommended and implemented, and no decisions have been made yet, then transfer to a new Landlord would be one-way with no return to the Council.

4. What's next after the Commission reports its recommendation?

This depends upon the recommendation and it's still too early to say what the Commission may recommend, although given the announcements by Government status quo is no longer an option.

When the Commission has concluded its process of inquiry and made its recommendations to the Council, the Council will consider the Commission's recommendations and decide on its course of action.

At this stage none of us, not even the Commission, knows what the recommendations will be, but one of the key issues is whether the Council should transfer ownership of its homes to another organisation or remain the landlord **in order to safeguard Council homes and estates for the future.**

If the case is made for a stock transfer, there are then lots of issues to be decided – when would the transfer happen and who would the new landlord be? What would be the 'offer' to tenants, on governance, investment and services? Would tenants vote in favour of transfer in a ballot? What about leaseholders? And what promises would the new landlord have to make to the Council?

If the decision is for homes to stay with the Council then the Council will need to build on everything the Commission has done to change services for the better, taking account of what has been learned about what residents want to see and what works in other places and facing up to the challenges that have been discussed at the Commission's public hearings.

Either way this will have been a hugely important process for the Borough, reconnecting with social housing residents, giving residents a real say in their future and understanding their priorities as well as revisiting the Housing Department's Business Plan with updated investment requirements from the stock condition survey.