

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting18th May 2006

1. Title of Item/Report

Improving Sheltered Housing - Selection of Registered Social Landlord for Preferred Partner Status.

2. Record of the Decision

Members were reminded that, at its meeting held on 10th March 2005 Cabinet had supported Small Scale Voluntary Transfer (SSVT) as the most viable means of securing the investment required to deliver quality older persons accommodation.

Since that time, the detailed SSVT process had commenced. Key stages had included; the establishment of the Sheltered Housing Tenants Group, the Registered Social Landlord (RSL) selection process, including the establishment of a Selection Panel and the valuation of the sheltered housing stock.

It was explained that following a comprehensive selection process, details of which were provided to Members, the Selection Panel were unanimous in their endorsement of Erimus Housing as the preferred RSL partner for the SSVT of sheltered housing.

Cabinet noted that the proposals submitted by Erimus Housing include the modernisation of three sheltered housing schemes and demolition and new build of 3 schemes. This proposal was consistent with the proposals received by each of the shortlisted RSLs and an independent stock condition survey carried out on behalf of the Council. In two blocks, where demolition was proposed (Eden and Derwent House), accommodation consisted of flatted accommodation with shared bathroom facilities; in those instances modernisation to an acceptable standard (i.e. decent standard and the provision of self contained bathing and wc facilities) would not be possible. The third sheltered housing scheme proposed for demolition and new build was Witham House, this property had structural problems and was identified in the stock condition survey as in 'poor' condition and requiring extensive investment. In addition the majority of accommodation (19 of 24 units) only provide bedsit accommodation, which would prove unviable to convert and were becoming increasingly unpopular.

In each of the 3 sites proposed for redevelopment, Erimus Housing would re-provide quality elderly persons accommodation for both rent and sale. This proposal was consistent with the Council's strategy for elderly persons accommodation in terms of developing a range of affordable housing options for elderly people (including quality rented, intermediate tenure and outright sale).

Given its popular residential location, Witham House in Eaglescliffe was potentially the most financially viable of the sites in terms of future resale values. Initially all of the shortlisted RSLs proposed new build elderly persons accommodation exclusively for sale on this site. Erimus were aware that this proposal was not acceptable to the Council and had committed to a mix of sale and rented accommodation. The proposal would reduce the numbers of rented accommodation units currently available on this site. However the split between the numbers for sale/rent was yet to be agreed and would be subject to further discussion with Erimus Housing.

It was explained that there were 21 tenanted properties in Witham House. The timing of the improvement works at Witham House would inevitably impact on tenant numbers as the improvement/re-provision of accommodation across all 6 sites would be staggered over a number of years. During this time no further lets would be made at Witham House and therefore based on turnover rates averaging 10% it was anticipated the number of tenanted properties would reduce. In addition the Council's experience from decanting similar sheltered housing schemes indicated that following the initial transit move, often only the minority of tenants choose to return.

It was acknowledged that the process of informing tenants of the Erimus proposal needed to be carefully managed across all six sheltered housing schemes to avoid undue alarm and distress. Cabinet noted that this would be undertaken through ongoing meetings at individual sheltered schemes and one to one visits with tenants and their family members/advocates.

The ODPM had specified that a transfer could not go ahead unless an Authority had consulted with those tenants whose homes would transfer and could demonstrate that a majority were not opposed. The Council was therefore legally required to make an 'offer' to those who would be affected by the transfer (in what was known as the 'formal consultation period'). Tenants would then be asked to vote on this 'offer', the transfer would only proceed if the majority of those who voted, voted yes.

In advance of the 'formal' consultation period, the Council, in partnership

with the preferred RSL partner, would undertake a detailed and comprehensive consultation period with tenants, which would involve introducing the preferred partner and explaining the proposals. In addition, this period would also be used to draw up the 'offer' document which would include a series of 'promises' to tenants, specifically detailing how decent homes would be met, future policies on rents and repairs and levels of service improvement. Those promises could only be drawn up following detailed and ongoing consultation with residents. Promises needed to be clearly defined, time related and measurable as following the transfer they would be monitored by the Housing Corporation to ensure tenant expectations were fulfilled. On this basis it was not anticipated that a formal ballot would occur until late 2006/early 2007. During this consultation period all tenants would continue to receive the support, advice and guidance of the Independent Tenant Advisor.

In the event of a positive ballot outcome the Council would then apply to the Secretary of State to grant consent for the transfer. In order to ensure that the 'promises' made reflected the views of tenants resident at the time of the transfer, the ODPM expected authorities to minimise the time between ballot and transfer. Councils were therefore advised that transfer should occur within 6 months of the ballot decision being known.

During the period from ballot to possible transfer the council and preferred partner would continue to engage and communicate with tenants regarding the progress of the transfer. In addition this period would be used to draw up the transfer contract (which govern the sale of the housing and the relationship between the authority and the transfer RSL).

RESOLVED that

1. Members note the progress made to date in progressing the SSVT of the Council's sheltered housing stock.
2. Members endorse the appointment of Erimus Housing as the preferred partner Registered Social Landlord (RSL).
3. Members support the provisional timetable of transfer activity as detailed within the body of the report, culminating in the transfer of sheltered housing stock to Erimus Housing.
4. Members acknowledge the anticipated financial implications of the SSVT of sheltered housing as detailed within the body of the report.
5. In order to take the development forward Members agree to cease

all new lettings in each of the sheltered housing schemes (with immediate effect).

RECOMMENDED to Council that

6. Subject to a positive ballot outcome, delegated authority be given to the Director of Law and Democracy in consultation with the Cabinet Member for Housing and the Corporate Director of Development and Neighbourhood Services to apply to the Secretary of State for consent to dispose of the land and to transfer it to Erimus Housing at nil consideration on terms to be agreed between the Parties.

3. Reasons for the Decision

To ensure the provision of quality, sustainable older persons housing that meets the decent homes standard, the rising needs and aspirations of older people and the requirements of the Councils Homes for Life Strategy (which now forms a core part of the multi-agency plan for delivering a National Service Framework – NSF – for older people).

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

FRIDAY, 26TH May 2006 in respect of decisions 1 – 5 only

Proper Officer
D.E.Bond
22nd May 2006

Proper Officer

24 May 2006