

Your questions answered

Although no final decision has yet been made to transfer, there have been a lot of questions raised by tenants about what would happen if transfer goes ahead. A "pocket guide" has been produced which provides answers to many of the questions that are being asked, and is available at offices where you would normally pay your rent or council tax or make a housing enquiry.

Here is a brief idea of some of the questions being asked that are also covered in more detail in the "pocket guide".

How would the money secured by transfer be spent?

The money would be spent on:

- Bringing homes up to a consistent standard across the Borough.
- Improving service delivery.
- Investing more money in services.
- Investing in the local neighbourhoods.

Would rents go up?

Tenants would not pay any more in rent than they would if homes stayed with the Council. The Government introduced a rent restructuring programme which is aimed at ensuring that current Council tenants and housing organisation tenants pay the same amount of rent, for a similar sized property, in the same area.

Would tenants still be able to claim Housing Benefit?

Yes. Tenants would still be able to make a claim for Housing Benefit.

Would tenants have to move?

No. Tenants would not have to move home if transfer goes ahead.

Would tenants still be able to buy their home?

Yes. If tenants can buy their home now with the Council, they would still be able to buy their home under what is called the Preserved Right-to-Buy scheme.

Would tenants' other rights be protected?

Yes. Tenants would keep the main rights* that they have now as a Council tenant. They would be protected and included in a new legally binding Tenancy Agreement.

*The Right to Manage is the only right not to be included in the new Tenancy Agreement.



Your Home, Your Say

Issue 5 March 2009

If you would like this information in any other language or format for example large print or audio please telephone 0800 432 0891

Welcome to the Fifth issue of the "Your Home, Your Say" newsletter.

This issue follows on from our previous newsletters and provides you with progress on our Options Appraisal. As we have explained in previous newsletters, in 2001 council tenants voted to set up an Arms Length Management Organisation – Tristar Homes to gain substantial extra funding to improve council housing to the government's Decent Homes

Standard. Now this work is coming towards its end the Council is considering what we need to do to effectively manage and maintain our council housing in the future. All tenants received a letter in December 2008, informing them of a decision by the Council's Cabinet to investigate the option to transfer homes to a housing organisation in more detail.

In this issue we focus on the work that is now taking place as result of that decision.

Looking to the Future

The Council and tenants' representatives have been working together to look at ways to give tenants in Stockton-on-Tees the quality of homes and housing services they have a right to expect.

Together, we believe that, at the present time, the best way to achieve this is to transfer the ownership and management of the Council's 10,600 homes to a not-for-profit local housing organisation, often known as a Housing Association. We are now exploring this option further.

The Council wants to agree on the best type of landlord for the Borough if transfer does go ahead.

Over the coming months, councillors along with the tenants from the Housing Futures Customer Group will be looking at the different types of landlord that would be possible with transfer.

Later this year, the Council's Cabinet (the Council's decision making body) will then consider a further report, asking councillors to make a final decision to fully consult on transfer and to agree the type of housing organisation they want to transfer the Council's housing to.

However, we must be clear that transfer could only go ahead if tenants in the Borough voted in favour.

There are several options available for the type of organisation the Council could transfer the homes to, including:

- A newly created independent not-for-profit local housing organisation. This would be a completely new organisation set up by the Council, especially for tenants in the Borough of Stockton.
- A new housing organisation which would be part of



an existing group. This would also be run on a not-for-profit basis and the existing group would already own and manage housing.

- A new housing organisation which would form a partnership or group with an already existing housing organisation. This would also be run on a not-for-profit basis and the existing group or a partner would already own and manage housing.
- An existing not-for-profit housing organisation which would operate independently or be part of an existing group. The existing group or a partner would already own and manage housing.

Over the coming months the Council will keep you informed about the options for the type of housing organisation that homes could transfer to. The Council will also be asking you to get involved at every step of the process. Please be reassured that throughout this process Stockton Borough Council and Tristar Homes remain committed to, and will continue, providing you with a quality housing management and maintenance service.

Want to know more or want to get involved?

Contact details:

For more information on the Housing Futures/Options Appraisal and how to get more involved please contact either

Stockton-on-Tees Borough Council -

Options Appraisal Team:

Freephone 0800 432 0891

E-Mail: - stock.options@stockton.gov.uk

Engage Associates - Your Independent Tenants Adviser:

Phone: (01845 537145)

E-Mail: info@engage3.org

Your Home Your Say information webpages:

<http://www.stockton.gov.uk/yourhomeyoursay>

OR follow the links on the homepage of the Stockton Borough Council website.

Why is the Council considering transfer?

An independent survey has shown that, over the next 30 years, the Council's homes need around £600million of repairs and improvements to bring them up to the modern standards you have a right to expect.

The Council does not have this level of investment available and strict Government rules mean we cannot borrow all the money needed to carry out this work. The money received by the Council to complete the

Government's Decent Homes Standard work is now coming to an end and there will be no more direct Government funding available.

However, if the homes were transferred, a housing organisation would be governed by different rules to the Council. This means it could borrow the money needed from banks and building societies and use this to bring your homes, services and neighbourhoods up to the standard you have told us you expect

Landlord choice - the options explained

1. Transfer to a newly created, independent not-for-profit local housing organisation

If tenants prefer this option, the ownership and management of the Council's homes would be transferred to a new, independent, not-for-profit local housing organisation, set up by the Council.

How would this kind of organisation work?

Under this option, the Council would set up the housing organisation specifically to take over its homes.

It would be run on a not-for-profit basis with no shares or shareholders, no dividends would be paid out and any surplus money would be ploughed back into improving tenants' homes and services.

A management board would be set up to have responsibility for the overall management of the new organisation. Generally housing organisation boards are made up of one-third local tenants, one-third Council representatives and the remaining third independent volunteers. However, some organisations have been set up with tenants as a majority on the board.

Here are a few facts about this option:

- *The Council would set up the new housing organisation specifically to own and manage its homes.*
- *The offices would be based in the Borough.*
- *Tenants would have their "own" tailor-made organisation.*

2. Transfer to a new housing organisation as part of an existing group

A new housing organisation would be set up, which would be part of an existing housing group that owns and manages homes in other parts of the country.

How would this kind of organisation work?

The Council would have to approach existing housing groups or housing organisations and ask if they are interested in setting up a new organisation as part of their group or partnership.

The existing housing group would set up a local organisation to own and manage the homes in Stockton Borough and be responsible for the day-to-day running of the service.

The main housing group, or 'parent', would be responsible for major business and financial decisions. The structure of this group could take a number of different forms and we would have to look into these in more detail.

It would be run on a not-for-profit basis with no shares or

shareholders, no dividends would be paid out and any surplus money would be ploughed back into improving tenants' homes and services.

A management board would be set up to have responsibility for the overall management of the new organisation, made up of local tenants, Council representatives and independent volunteers.

Here are a few facts about this option:

- *The existing organisation would have a track record of borrowing, so may be able to have more money to spend.*
- *It would already have financial expertise relating to this particular business.*
- *It could make the management and maintenance more efficient by sharing costs.*
- *As a housing group, it may be able to keep costs down by using existing departments to provide services.*
- *A local office would be opened, but the head office may be outside the Borough.*

3. Transfer to a new housing organisation to form a new partnership or group

A new housing organisation would be set up, which would form a new housing group or partnership with an existing housing organisation. The partner housing organisation would already be established and would own and manage homes.

How would this kind of organisation work?

The Council would have to approach existing housing organisations and ask if they are interested in setting up a new housing group or partnership.

The existing housing group would set up a local organisation which would own and manage the homes in Stockton Borough and be responsible for the day-to-day running of them.

It would be run on a not-for-profit basis with no shares or shareholders, no dividends would be paid out and any surplus money would be ploughed back into improving tenants' homes and services.

A management board would be set up to have responsibility for the overall management of the new organisation, made up of local tenants, Council representatives and independent volunteers.

Here are a few facts about this option:

- *The existing organisation would have a track record of borrowing so may be able to have more money to spend.*

• *It would already have financial expertise relating to this particular business.*

• *It could make the management and maintenance more efficient by sharing costs.*

• *As a housing group, it may be able to keep costs down by using existing departments to provide services.*

• *A local office would be opened, but the head office may be outside the Borough.*

4. Transfer to an existing housing organisation that operates independently or as part of a group

An existing housing organisation would take over the management and ownership of Council homes. The organisation may be part of an existing housing group. The group would already be established and would own and manage homes in other parts of the country. There would not be a separate organisation set up for Stockton Borough.

How would this kind of organisation work?

The Council would have to approach existing housing organisations and ask if they are interested in taking over the management and ownership of council homes.

The existing housing organisation would then own and manage the homes in Stockton Borough and be responsible for the day-to-day running of them.

If part of a group, the main housing group, or 'parent', would be responsible for major business and financial decisions. The structure of this group would have to be looked at in detail.

It would be run on a not-for-profit basis with no shares or

shareholders, no dividends would be paid out and any surplus money would be ploughed back into improving tenants' homes and services.

A management board would already exist and the organisation would have to consider what role Stockton Borough tenants would play in it. There would not be a separate organisation set up for Stockton Borough.

Here are a few facts about this option:

- *The existing organisation would have a track record of borrowing, so may be able to have more money to spend.*
- *It would already have financial expertise relating to this particular business.*
- *It could make the management and maintenance more efficient by sharing costs.*
- *If part of a housing group, it may be able to keep costs down by using existing departments to provide services.*
- *A local office would be opened, but the head office may be outside the Borough.*

What would be the same?

There are differences between these types of organisation, but if transfer goes ahead they would all:

- Be able to borrow the money to carry out the repair and improvement programme to bring tenants' homes up to modern standards.
- Protect tenants' key rights and entitlements.
- Keep rents affordable, in line with new Government rent rules.
- Give tenants a say in decisions about their homes and services through seats on the board of management.

- Give tenants a new tenancy agreement, which protects key rights.
- Keep promises made to tenants.
- Make sure jobs were safe as current housing staff would transfer over to them.

What happens next?

A joint group of councillor and tenant representatives will meet over the coming months and start the landlord choice process. We will keep you up to date at every stage:

The process will include:

- Consideration of the different types of landlords.
- Further newsletters to keep you informed.

The Council will then decide on a preferred landlord. Remember, ultimately it would be tenants who decide if

transfer goes ahead in a ballot. Transfer will only happen if the majority of tenants who vote in the ballot, vote in favour.