



**Winchester**  
City Council

# **HOUSING OPTIONS APPRAISAL**

## **FINAL REPORT**

**DRAFT**

**APRIL 2005**

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## 1. STRATEGIC CONTEXT

- 1.1 The purpose of this paper is to demonstrate how the Government's criteria for Options Appraisals have been met by Winchester City Council.
- 1.2 The need to carry out an Options Appraisal was initially referred to in the Housing Revenue Account (HRA) Business Plan for 2003 – 33<sup>1a</sup> and highlighted as a key priority in the 2004-34 Business Plan<sup>1b</sup>. This not only responded to the Government guidance on Options Appraisal but also took account of the need to gain more accurate information about the stock, the sustainability of the City Council's Housing Revenue Account and also the views and aspirations of tenants.
- 1.3 Another key reason for the need for a comprehensive Options Appraisal was the high priority given to affordable housing by the Council. The Council's Corporate Strategy 2004-2007<sup>2</sup> emphasised the commitment towards affordable housing through its key priorities as detailed below:

**Homes and Environment** : to provide affordable homes in safe and pleasant environments for all sectors of our community, we will:

- make best use of Council owned land and use our planning policies to secure sufficient land and funding to provide, in partnership, a full range of high quality homes for rental or ownership to meet the needs of our residents
- refurbish our existing housing stock in order to meet the Decent Homes standard by the 2010 target date

In the 2005-08 Corporate Strategy<sup>2</sup>, this key priority has been updated but still reflects commitment to affordable housing as detailed below:

**Homes** - To address the longer term aim of providing decent affordable homes for all sectors of our community, over the period of this Strategy we will:

- respond to the housing needs of the District by facilitating the delivery of new housing in the light of Government targets;
- work with Parishes and other public sector bodies to identify suitable sites, including exception sites, for affordable rural housing;
- work with the Housing Forum to address the housing needs of vulnerable elderly people (informed by the Supporting People review of Sheltered Housing) and of the student population;
- by 2010, meet the outcomes dictated by the Housing Options Appraisal so far as the Decent Homes Standard for Council housing is concerned.

### Evidence

- |    |                           |
|----|---------------------------|
| 1a | HRA Business Plan 2003-33 |
| 1b | HRA Business Plan 2004-34 |
| 2  | Corporate Strategy        |

## 2.0 **OUTLINE OF THE OPTIONS APPRAISAL**

- 2.1 The following gives a brief outline of the main stages in the Options Appraisal and provided in more detail in the project<sup>3</sup>.
- 2.2 The first stage of the appraisal was to establish a Steering Group (see section 3.12.1 for full details) to manage the project. This group comprised of 5 councillors, five tenants, and a staff representative. The project was coordinated by the Council's Head of Housing Landlord Services, supported by a number of officers who brought specialist expertise across a range of services.
- 2.3 At the outset of the project, independent support was commissioned for tenants. TPAS were appointed as independent tenant advisors. Their recruitment was coordinated by TACT, the tenant's representative body. TPAS have attended all Steering Group meetings. Their role was to:
- Raise awareness of the options appraisal
  - Assist tenants and leaseholders to make an informed contribution at the initial stage of the options appraisal by:
  - Providing clear information on the issues facing the Council
  - Providing independent and impartial advice on the options available and the implications for tenants, leaseholders and stakeholders.
- 2.4 TPAS have also reviewed and responded to all council communications and reports and supported the tenant representatives on the Steering Group directly.
- 2.5 The Steering Group were responsible for the commissioning of consultancy support to undertake a comprehensive Stock Condition Survey and further support to undertake a detailed financial analysis, assessing each option in light of the City Council's financial position. Adamsons completed the Stock Survey and also surveyed every tenant to assess their aspirations for their property and locality. Following the publication of the Stock Condition Survey results and costings, Butlers, the Council's Treasury Management Consultants, completed the financial appraisal and also completed a study of options open to the Council to further develop the provision of Affordable Housing in the district. This took account of the potential receipt available through a transfer but also addressed a wide range of other options. The Butlers report concluded that the HRA was sustainable through the period to meeting the Decent Homes Standard and that all options merited further review. They highlighted the key task for the City Council to be developing a local Decent Homes Plus standard.
- 2.6 Both Adamson's and Butlers attended a joint briefing session for all Council members, tenant representatives and key staff in March 2004, at which presentations were given on the Council's position, analysis of options in light of stock information and guidance on the potential implications for the future.
- 2.7 The next phase of the appraisal involved an extensive consultation exercise with tenants, leaseholders, housing applicants and other stakeholders. A detailed newsletter outlining the options and their potential impact was

distributed to all tenants, leaseholders and staff. A video was prepared to outline the options further and meetings for all stakeholders were carried out from July to September 2004 at public locations across the district and at all Council sheltered schemes.

- 2.8 The Steering Group took responsibility for establishing this programme of events to inform tenants and leaseholders about the appraisal and for agreeing the content of advisory documentation sent out to tenants, leaseholders and other stakeholders. They also participated in designing the surveys that were sent out to tenants and leaseholders.
- 2.9 Following completion of the consultation exercise, the Steering Group assessed all feedback from the consultation exercise and from previous surveys. Taking this into account along with clear advice from the Community Housing Task Force, it was agreed that there was little scope to pursue ALMO or PFI further as the potential cost of achieving the Decent Homes standard was not significant and tenants had expressed little demand for any “Decent Homes Plus” work.
- 2.10 A second newsletter was therefore produced advising tenants that potential options had reduced to Staying with the Council or a Large Scale Voluntary Transfer. The key advantages and disadvantages of each were reiterated and this was followed by a final “Test of Opinion” survey.
- 2.11 With over 67% of tenants, leaseholders and licensees responding, there was overwhelming support to remain with the Council.
- 2.12 A final report summarising the outcome of the Appraisal was considered by the City Council’s Cabinet on 20 April 2005<sup>15a</sup>.
- 2.13 After considering the reports and taking in to account the views of tenants, leaseholders and other stakeholders the Council decided to retain the stock in the short term, accepting that it would be necessary to review the potential long term financial shortfall within three years. This was on grounds that:
- By a substantial margin, the majority of tenants and leaseholders would prefer the Council to retain its housing stock.
  - There is expected to be enough money available to bring all Winchester City Council homes up to the Decent Homes Standard by 2010 and maintain them at the standard up to 2014. However, costs are projected to increase significantly after that time and potential funding sources to meet this increase have yet to be determined.
  - It is possible to maintain housing services current levels and standards.
  - Current evidence indicates that adequate funding is available to achieve the Council’s target of providing 100 additional affordable homes per annum and a range of options for further developing the programme are currently being considered.

**Evidence**

3 Project Plan

15a CAB 1071 Report & Minutes – Outcome of Housing Options Appraisal – 20 April 2005

### 3. MEETING THE CRITERIA

#### 3.1. CRITERIA ONE - TENANT AND LEASEHOLDER INVOLVEMENT

##### 3.1.1. Introduction

Tenants and leaseholders were engaged in the Options Appraisal from a very early stage, which started prior to the appointment of the Independent Tenant Advisor (ITA) in October 2003 and the formation of the Housing Options Appraisal Steering Group in November 2003

An outline of how they were informed and involved is given below.

- Invitation to attend the TACT (Tenants and Council Together) Annual General meeting in May 2003 to find out from TPAS about Housing Options<sup>16a&b</sup>, .
- Articles in Houseproud, the Council's newsletter and ConTACT, a newsletter produced by tenants for tenants<sup>16f,L</sup>.
- Preparation, monitoring and review of the Housing Business Plan.
- Appointing and managing an ITA through a ITA Forum<sup>17c</sup>
- Approved and participated in a programme of 10 presentations, 15 drop in session, around the district and 27 coffee morning in sheltered schemes to inform tenants and leaseholders about the options appraisal, including the production of a video
- Equal partners in the Council's Steering Group to oversee the consultation process.
- Briefing organised by Butlers the Council's financial consultant.
- Attendance at external and ITA training events<sup>16g & 17e,f</sup>.
- Tenant led Tenant Empowerment Strategy (TES) assisted by the ITA, including identifying training needs<sup>4</sup>.
- Assisted in the Council's newsletters Housing Options and questionnaires<sup>16c,d,i</sup>.
- Produced a Special Edition of ConTACT - Stock Options the latest news<sup>16f</sup>.
- As individuals, participation in a 'Test of Opinion' survey carried out by David Couttie Associates Ltd<sup>8</sup>.
- Focus groups facilitated by the ITA<sup>17b</sup>.
- Visits to other organisations.

#### Evidence

16a, b	Invitation to attend TACT AGM – May 2003 & TPAS Housing Options Presentation Notes
16f, L	ConTACT & Houseproud Articles
17c	ITA Forum – Minutes
16g & 17e,f	PEP, TPAS, OPDM and CHTF Options Appraisal Roadshow Handout, Tenant Empowerment Strategy Study Day Information/ ITA Agenda & presentation on Tenant Information Day – December 2004
4	Tenant Empowerment Strategy
16f	Special Edition ConTACT

16c,d,i	Housing Options newsletters & Questionnaires
8	Test of Opinion Survey
17b	ITA Focus Group Reports

### 3.1.2. Tenant Empowerment Strategy

Winchester's approach to tenant empowerment in the context of the Options Appraisal was to initially ensure that TACT (Tenants and Council Together), the Council's district-wide tenant and leaseholder consultative group, had access to training and information to enable them to participate fully in the debate concerning the future of the housing stock.

In line with Government guidelines Winchester recognised the importance of engaging an ITA at an early stage to assist tenants through the Options Appraisal process. In September 03 Cabinet<sup>15a</sup> approved the selection process and in October a panel of tenants assisted by officers prepared the ITA brief<sup>17a</sup>, interviewed and appointed their TPAS as their ITA<sup>17a</sup>. The appointment of TPAS was subsequently ratified by Cabinet<sup>15a</sup>.

Following the appointment of the ITA, in October 2003, all TACT members were invited to an information session on Options Appraisal, organised by TPAS. This was subsequently discussed at the first meeting of the ITA Forum held on the 21<sup>st</sup> January<sup>17c</sup> and at both the afternoon and evening groups of TACT on the 21<sup>st</sup> January and 18<sup>th</sup> February.<sup>16b</sup> TACT has regular update reports<sup>17b</sup> from their ITA at their monthly TACT meetings and the ITA Forum meet monthly to manage their ITA.

Winchester was keen to empower its tenants and to put them at the heart of the Options Appraisal process, ensuring that they were able to participate as equal partners in the process.

The guidance says:

"A Tenant Empowerment Strategy should be firmly based on the principles of the National Framework and the Local Authorities own Tenant Compact"  
(ODPM Delivering Decent Homes - Options Appraisal 2003 p.10)

With this in mind the ITA organised a 'Tenant Empowerment Day'<sup>17e</sup> and invited TACT representatives to explore in more detail the ODPM guidance and to draft the Tenant Empowerment Strategy<sup>4</sup> based on the Tenant Participation Compact<sup>5</sup> which had been extensively reviewed and launched in May 2004.

This Empowerment Day resulted in a tenant led Tenant Empowerment Strategy which was endorsed by the Housing Options Appraisal Steering Group on the 7<sup>th</sup> July 2004<sup>15d</sup> then emailed to the CHFT.

Initially the Steering Group discussed and agreed the 4 options that were most appropriate to Winchester City Council and its tenants. Once this stage of the appraisal had been carried out it was then considered essential that all tenants and leaseholders were given information to enable them to make an informed contribution to the debate.



The involvement of TACT representatives in this important next step of the process was imperative and during April and May 2004 the Housing Options Steering group approved the text of the first edition of the Housing Options Newsletter<sup>16c</sup> containing the programme for district wide consultation events that would form the basis of information to tenants and leaseholders.

This newsletter also included a questionnaire<sup>16d</sup> to enable tenants and leaseholders to give their views on the 'Decent Homes Plus' standard that would form a key part of the Options Appraisal process.

In addition to this to ensure that the information at the consultation events was consistent members of the Housing Options Steering group were involved in the production of a video<sup>16e</sup>.

#### **Evidence**

- 15a CAB 703 Report – 17 September 2003 - Delivering Decent Homes – Options Appraisal for housing services
- 17a Brief for Independent Tenant Advisor
- 17c Minutes of the inaugural meeting of the ITA Forum
- 16b Minutes of TACT afternoon and evening group held on the 21st January and 18th February, 2004
- 17b ITA reports to TACT
- 17e TPAS Tenant Empowerment Strategy Study Day Information
- 4 Tenant Empowerment Strategy
- 5 Tenant Participation Compact
- 15d Options Appraisal Steering Group - 7 July 2004 - Minutes
- 15d Options Appraisal Steering Group - 27 April 2004 - Minutes
- 15d Options Appraisal Steering Group - 25 May 2004 -Minutes
- 16c Options Newsletter - Issue No. 1
- 16d Options Questionnaire
- 16e Video - Housing Options 'The Future of Council Housing'

### **3.1.3. Tenant Participation Structure**

Winchesters main structure for participation comprises TACT (Tenants and Council Together), a district wide tenant and leaseholder consultative group. It includes representatives from Tenants Associations and meets with senior offices and elected members once a month. At this stage the group has no leaseholder representation. However as a result of the Housing Options process, following a Leaseholder focus group we have set up a Leaseholder Forum. It is hoped that a member of this forum will join TACT in the future. Further information of the Leaseholder Forum can be found below - 1(f) Arrangements for leaseholder consultation.

In addition it has a number of specialist forums such as the Rents & Business Planning and Property & Contracts Forum, the Tenant Participation Compact Monitoring Group and the ConTACT Newsletter Working Party.

More details of the tenant involvement structure can be found in The Tenant Empowerment Strategy<sup>4</sup> and the Tenant Participation Compact<sup>5</sup>

The Options Appraisal provided an opportunity to promote the role of TACT as described below:

- Members of TACT attended each of the presentations and drop in sessions run jointly by the City Council and the ITA. Giving tenants the opportunity to meet and talk to their TACT representatives.
- The March and June 2004 editions of ConTACT<sup>3</sup> focused on the key role played by TACT and the ITA
- A Special Edition of ConTACT<sup>16f</sup> produced in January 2005 - Stock Options - the latest news gave TACT's view on the process and encouraged tenants and leaseholders to respond to the Council's Test of Opinion survey.
- An Invitation in ConTACT for tenants who wanted to get involved to phone the City Council's Freephone number.

In May 2003 TACT held its Annual General Meeting with a guest speaker from TPAS to introduce Housing Options<sup>16b</sup>, and in May 2005 they invited the Head of Landlord Services to give a presentation<sup>16b</sup> on the outcome of the Test of Opinion survey and how the Council will be meeting the Decent Homes Standard by 2010.

TACT is not representative of all tenants and leaseholders district wide, and recognises the importance of promoting their group. Not just during the Options Appraisal process but on a regular basis. Therefore TACT, assisted by PR consultants is intending to organise another multi media tenant recruitment campaign in the near future.

TACT also launched their TACT web pages at their AGM in May 2005.

In addition Winchester has seven estate based Tenants Associations, four sheltered scheme information sharing sessions, and a Leaseholders Forum. In line with continual improvement it is planned to increase these on a year on year basis with targets set in the HRA Business Plan and the Tenant Participation Compact.

Information concerning the Options Appraisal was presented to each of these groups by the ITA .

The level of representation from BME and hard to reach groups is low and efforts to involve them in the appraisal resulted in a disappointing response. The measures identified are detailed in the Tenant Empowerment Strategy. They included:

- Preparation of the Housing Options newsletter by the Steering Group, assisted by the ITA, to ensure they were written in plain English

- Including a multilingual sheet containing a number of different languages explaining that the newsletter was available on request in different languages and formats, including on tape.
- Personal copy of the Housing Options newsletter sent to members of Jigsaw the Councils BME user group
- A presentation on Housing Options by senior officers to Jigsaw in August 2004
- Providing a Textphone for tenants that are deaf or hard of hearing
- Providing Language Line, which provides an instant interpretation service 24 hours a day.
- Holding the presentations and drop in sessions at different times of the day
- Providing and advertising all day Crèche facilities at 3 roadshow venues
- Running coffee mornings in all of the Council's Sheltered Schemes'
- Offering presentations and drop in sessions at various locations throughout the district to ensure that attendees did not have to travel far.
- Providing a free phone help line by the ITA and the Council to enable those who could not, or did not want to attend meetings, to seek advice.
- Providing free transport, on request, suitable for all, to attend a presentation or drop in sessions
- Offering home visits on request by the ITA and the Council
- Running Focus groups for young people and Leaseholders

Discussions were held with the Steering Group and the ITA about using other means to publicise the appraisal and to reach hard to reach groups. Suggestions included setting up information stalls in local supermarkets, attending mother and toddler groups, young peoples forums, schools, but given the time and resources available and the extent of the publicity and consultation exercise already being undertaken these could not all be undertaken.

Work is continuing to increase the involvement of hard to reach groups. Details are included in the Tenant Participation Compact.

A Tenant Satisfaction Survey was carried out in March 2004<sup>6</sup>. The results show that satisfaction levels with opportunities for participation are 57%. Whereas this was disappointing, we feel that the timing of the survey, the number of survey's tenants had been asked to complete in the run up to the Tenant Satisfaction Survey, coupled with the fact that the relaunch of the Tenant Participation Compact with improved levels of participation was not until May 2004 had a bearing on the fall in the level of satisfaction.

In addition to the above 28% of the 800 tenants and leaseholders who returned the Housing Options Questionnaire ranked 'Involving tenants in decision making in their top three priorities.

In response to these findings greater publicity will be given to opportunities for involvement and to the wide range of consultation that is already undertaken.

## Evidence

- 4 Tenant Empowerment Strategy.
- 5 Tenant Participation Compact.
- 16f ConTACT - March and June Editions
- 16f Special Edition of ConTACT - Stock Options - The Latest News
- 16b TACT AGM Agenda and presentation by TPAS
- 16b TACT AGM Agenda and presentation by Head of Landlord Services.
- 6 Executive summary from the Tenant Satisfaction Survey 2004

### 3.1.4. Input from Tenants (level of response) and Authority's Response

As mentioned in 3.1.3 above TACT realise that they are not representative of tenants and leaseholders district wide, and for this reason they were reluctant to take responsibility for assessing the different options on behalf of all tenants and leaseholders and did not want to influence their decision. The Steering Group also felt that it was imperative to give tenants and leaseholders consistent information to enable them to make an informed decision. As a result the Steering Group did not formally agree a preferred option although individually many of the members were opposed to Stock Transfer.

There were mixed feelings amongst the TACT representatives on Stock Transfer; however they were keen to find out more about Arms Length Management Organisations as it offered more opportunities for tenant empowerment.

For these reasons the Steering Group wanted to ensure that as many tenants and leaseholders as possible could participate in the debate.

The comprehensive list of the methods of involvement is detailed in the Introduction above. However the key methods of involvement were:

- Housing Options presentation<sup>16b</sup> at TACT AGM in May 2003 - Approximately 80 tenants and leaseholders attended
- Stock Condition Survey questionnaire sent to all tenants district wide with covering letter<sup>7b</sup>. 2500 completed forms were received.
- First edition of Housing Options newsletter containing details of the four options and a postal questionnaire<sup>16cd</sup>. 800 completed the questionnaire.
- A district wide consultation exercise that 555 tenants and leaseholders attended and 460 exit surveys<sup>16k</sup> were completed.
- A second edition of Housing Options with information on the two options still available to the Council, with explanations of why the other two had been discounted<sup>16i</sup>
- A 'Test of Opinion' survey<sup>8</sup> carried out by David Couttie Associates with over 65% completed surveys received.

The age profile and number of attendees at the presentations and drop in sessions were mixed and in some cases very disappointing.

It was therefore agreed by Steering Group to run three additional focus groups facilitated by the ITA; one for Leaseholders (25 of the 300 leaseholders sent a personal invitation attended), and two for young people under 40 (14 of the 500 picked at random and sent a letter of invitation attended). 9 attendees from the Young People Focus group<sup>17b</sup> expressed an interest in getting more involved and 2 have joint TACT.

The views expressed by tenants and leaseholders were considered by the Council and TACT to be paramount in deciding which option to pursue for the future.

<b>Evidence</b>	
16b	TPAS presentation
7b	Stock Condition Survey questionnaire and covering letter
16cd	Housing Options Issue 1 including questionnaire and consultation programme
16k	Exit Survey
16L	Housing Options Issue 2
8	Test of Opinion Survey including covering letters
17b	ITA Leaseholder Focus Group report including letter of invitation

### 3.1.5. Training and Development

The majority of training to TACT was provided by the ITA. This was primarily through briefings to the ITA Forum. However the ITA held a number of one day events<sup>17ef</sup> and visits as follows:

- Explaining Stock Options for TACT and Tenants Associations
- Tenant Empowerment Strategy Day
- Developing a preferred option
- Information day for TACT/Tenants Associations/Officers and Councillors to explore some of the other options including Community Gateway and TMO
- Visits to other organisations to share experiences with tenants on Housing Options and Stock Transfer.

In addition TACT representatives were given the opportunity to attend an Options Appraisal Road show<sup>16g</sup> run by PEP, TPAS, ODPM and CHTF.

Training and development for the wider group of tenants and leaseholders was provided through:

- TACT Annual General meeting in May 2003 to find out from TPAS about Housing Options<sup>16b</sup>.
- 2 editions of the Council's Housing Options Newsletter<sup>16ci</sup>

- ITA Newsletter<sup>17h</sup> followed by a series of events organised by the ITA including drop in sessions, meetings and a telephone help line.
- ODPM and TPAS leaflets on Options Appraisal<sup>16h</sup>
- A series of presentations and drop in session<sup>16c</sup>, including a Council and ITA free telephone help line and visits on request.

#### **Evidence**

17e,f	ITA training events
16g	PEP, TPAS, ODPM and CHTF Options Appraisal Roadshow Handout
16b	TPAS presentation to TACT AGM in May 2003
16c,i	Housing Options Newsletters
17h	ITA Newsletter
16h	ODPM and TPAS leaflets
16c	Programme of presentations and drop in sessions as included in Housing Options 1 Newsletter

### **3.1.6. Quality of Tenant Involvement Criteria against Compact Criteria**

As mentioned above Winchesters' Tenant Participation Compact<sup>5</sup> was extensively reviewed, updated and strengthened in the early part of 2004 by a group of tenants, officers, and Councillors, assisted by TPAS, and relaunched at the TACT AGM in May 2004.

The Tenant Empowerment Strategy<sup>4</sup> is based on the Tenant Participation Compact and written by a group of TACT representatives assisted by the ITA and contains all the relevant elements of the Compact.

The ITA interim report<sup>17b</sup> states:

'As far as TPAS is concerned there is no doubt that the Stock options process at Winchester has been open and inclusive. There has been a thorough attempt to consult with residents and this has been done in a balanced way.'

The Compact states:

'The style and content of all written material should be easy to understand and available to everybody. All information will be in plain language, timely and relevant to tenants' needs'.

This and other commitments included in the Compact have been fulfilled by:

- Producing and distributing Housing Options newsletters<sup>16ci</sup> inviting all tenants and leaseholders to complete a postal questionnaire using a reply paid address.
- Sending a personally addressed invitation<sup>16j</sup> to all tenants and leaseholders to attend a presentation or drop in session in their area.

- Information available in different formats; large print, on tape etc.
- Offering home visits through the ITA and the Council.
- Providing a “help line” through the ITA and the Council.

In addition the deadline for returning the questionnaire was deliberately set after the date of the last drop in session and meeting to ensure that tenants and leaseholders had the opportunity to find out more before completing it.

Other methods of reaching tenants and leaseholders were considered (see section 3.1.3) above, but given the time and resources available and the extent of the publicity and consultation exercise already being undertaken these could not all be undertaken.

Following the completion of the Options Appraisal consultation exercise and the test of option survey tenants, leaseholders and other stakeholders have been kept informed of progress through:

- Presentation on the outcome of the Test of Opinion Survey at the TACT AGM in May 2005 by the Head of Landlord Services<sup>16b</sup>.
- Press release<sup>18c</sup> following the Council's decision in June 2005
- Letter to every tenant and leaseholder<sup>16j</sup> following final Council decision in June 2005.
- Article in the June 2005 edition of Houseproud<sup>16L</sup> with a final article in the Autumn edition distributed to all tenants and leaseholders district wide.
- An article in the Council's corporate magazine, Perspectives<sup>18c</sup>, distributed to all residents of the district.

The Tenants' Compact is reviewed annually. It is intended that the general principles of the Tenant Empowerment Strategy will be further developed to take in to account the lessons learned from the consultation exercise and will then be adopted as part of the Tenant Compact.

#### **Evidence**

5	Tenant Participation Compact
4	Tenant Empowerment Strategy
17b	ITA Interim report
16ci	Housing Options Newsletters
16j	Personal Invitations
16b	TACT Agenda and presentation by Head of Landlord Services
18c	Press release
16j	Letter to every tenant and leaseholder informing them of the Council decision
16L	June Edition of Houseproud
18c	March Edition of Perspectives

### 3.1.7. Arrangements for Leaseholder Consultation

The arrangements for consulting leaseholders were identical to those for tenants.

In addition reference to Leaseholder issues were included in both issues of the Housing Options Newsletters<sup>16ci</sup>, and Housing Options newsletter Issue 2 highlighted issues specific to leaseholders and included them in a comparison table enabling them to compare the options available.

In addition a focus group was organised specifically for Leaseholders facilitated by the ITA and the Council. A personal invitation was sent to all leaseholders<sup>16j</sup>. This focus group looked at two issues:

- Leaseholders views on the Housing Options process
- How leaseholders might like to be involved on a long-term basis by setting up a Leaseholder Forum

The ITA split attendees into two groups and explored:

- Current knowledge of Options
- Decent Homes Plus
- How leaseholders might be effected
- Priorities
- Would you consider a change of option to meet the priorities?
- What their preferred option might be

Both groups were concerned that their leases would change and thought change would be expensive in respect of increased service charges. Some believed that standards would fall with a Housing Association. The cost of improvements that leaseholders may have to meet was recognised as a potential issue. However there was support to pay for additional items such as additional lighting, improved, tree cutting, lifts and security cameras dependant on costs, but not through a change of landlord - ITA Report refers<sup>17b</sup>. In addition as the Council could meet the Decent Homes standard to be achieved by 2010 and the majority of works required relate to internal works such as refurbishing bathrooms and kitchens. These works would not affect leaseholders and hence any likely burden on leaseholders would be relatively small.

As a result of the consultation on Housing Options a Leaseholder Forum<sup>16m</sup> has been established to enable Leaseholders to learn more about the service we provide and to give them an opportunity to influence and improve the service we deliver to them.

#### **Evidence**

16ci	Housing Options Newsletters
16j	Letter of invitation to attend one of the two Focus Groups
17b	ITA Reports on both Focus Groups
16m	Leaseholder Forum Agenda



## **3.2. CRITERIA TWO – CONSULTATION**

### **3.2.1. Introduction**

Winchester City Council's approach to consultation was clearly set out in edition one and two of its Communications Strategy<sup>9a,b</sup>. Engaging tenants in the Options process was more difficult than anticipated. Despite a comprehensive well advertised consultation programme, response to roadshows and meetings was poor. Involvement in the final Test of Opinion survey was however very good, with 65% of all tenants and leaseholders taking part.

The Options Appraisal consultation process involved a comprehensive programme of

- Newsletters
- Roadshow events
- Focus groups
- Stakeholder surveys
- Briefings at established meetings
- Special meetings

The Communication Strategy along with the consultation approach it set out and all of the elements of the review process, e.g. Stakeholder Survey forms, were debated and agreed by the Steering Group<sup>15d</sup> (See Criteria 12).

Throughout the process advice and guidance was sought from the Community Housing Task Force.

The number of completed survey forms which were returned and those who participated in the consultation programme is as follows

- Tenant Aspiration Survey – Stock Condition Survey<sup>7b</sup>
  - 2,369 tenants – 45%
- Tenant Satisfaction Survey<sup>6</sup>
  - 3,126 tenants – 61.3%
- Options Questionnaire sent with Newsletter 1<sup>16d</sup>
  - 800 tenants
- Roadshow Exit Survey<sup>16k</sup>
  - 463 returns
- Roadshow Visitors
  - 539 Tenants
  - 11 Leaseholders
  - 5 Waiting List
- Test of Opinion Survey<sup>8a</sup>
  - 3,528 Tenants – 67.9%
  - 97 Leaseholders – 31.9%
  - 4 Licencee's – 20%
- Under 40's Focus Group
  - 16 tenants
- Leaseholder Focus Group
  - 14 Leaseholders

Full reports on the outcome of the various consultation stages can be found as follows

- Tenant Aspiration Results – Cabinet Report HO20 – 10 December 2003<sup>15b</sup>
- Tenant Satisfaction Survey – Report by consultants DCA - March 2004<sup>6</sup>
- Options Questionnaire, Exit Surveys and Roadshow Feedback – Report of the Head of Landlord Services – 16 September 2004<sup>15d</sup>
- Under 40's Focus Groups – Report by ITA TPAS – 25 November 2004<sup>17b</sup>
- Test of Opinion Survey – Report by consultants DCA – Housing Options Appraisal Steering Group – 4 April 2005<sup>8d</sup>
- Leaseholder Focus Group – TPAS Leaseholder Focus Group notes<sup>17b</sup>

The key messages received were

- Overall satisfaction with the service is high
- Demand for “landlord” specific additional services is not significant in any particular area
- Those tenants who responded to the Tenants Aspiration survey, would like any additional resources invested in
  - improvements to the kitchens and bathrooms programme,
  - on the provisions of UPVC doors and
  - in some areas on addressing car parking
- Specific comments made by respondents through the Options questionnaire were translated together with other feedback into the additions to the basic standard
- Provision of showers and other aids to support tenants who need assistance to remain in their homes
- A safe and pleasant local environment
- The existing service, which aims to meet the basic decent homes standard by 2010 is reasonable
- Only 32% of tenants completing the Options Questionnaire rated meeting future demand for affordable housing in their top 3 priorities for the service
- There was a resounding response from tenants that their preferred management option is to stay with the Council

Responses from the staff largely mirrored those of tenants, although in general there was more willingness to consider options other than stock retention.

The views of housing applicants will be reported on following a survey in April 2005.

With LSVT having no prospect of receiving the necessary support of tenants, and consultants and the CHTF advising that PFI and ALMO' s are not viable options for Winchester the Steering Group concluded to support the tenant's views in determining the outcome of the Options Appraisal review.

## Evidence

- 9a Edition One – Communications Strategy
- 9b Edition Two – Communications Strategy
- 15d Options Appraisal Steering Group Report and Minutes – 26 January 2004 - A Communication Strategy for Options
- 15d Options Appraisal Steering Group – Report and Minutes - 16 September 2004 & 19 October 2004 Draft 'Test of Opinion Survey'
- 15e Copy of email and letters sent to Steering Group with revisions as requested to Stakeholder Survey.
- 7b Tenants Aspiration Survey Form
- 6 Tenants Satisfaction Survey Form
- 16d Options Questionnaire
- 16k Exit Survey Form
- 8a Test of Opinion Survey Form
- 15b CAB HO20 – Delivering Decent Homes - 10 December 2003 – Report and Minutes
- 6 Tenant Satisfaction Survey – Report by consultants DCA - March 2004
- 15d Options Appraisal Steering Group Report and Minutes – 16 September 2004 – Report of the Head of Landlord Services
- 17b Focus Groups with younger people – Report by TPAS – 25 November 2004
- 8d Test of Opinion Survey – Report by consultants DCA – Options Appraisal Steering Group – 4 April 2005
- 17b Leaseholder Focus Group on Options – 8 July 2004

### 3.2.2. Communications Strategy

There are two editions of the Communications Strategy<sup>9a,b</sup>. The first outlined the objectives of the Options Appraisal Review and the principles of the review process. It also identified all the stakeholders and suggested the alternative ways in which the consultation process could be undertaken.

The Strategy was presented to the Steering Group for approval at its meeting on 26 January 2004 minutes of that meeting record the comments made and the document was amended accordingly<sup>15d</sup>.

Once the Steering Group had agreed on how to involve and communicate with the stakeholders the Communication Strategy was revised to reflect these decisions.

An electronic version of the Strategy was made available on the Department's information network.

## Evidence

- 9a Edition One – Communications Strategy.
- 9b Edition Two – Communications Strategy.
- 15d Options Appraisal Steering Group – Report and Minutes - 26 January 2004 – A Communication Strategy for the Options Appraisal Project

### 3.2.3. Level of Member and Staff Engagement

Members from all political parties approved the Housing Revenue Account Business Plan 2004-2034<sup>1b</sup> and the Housing Strategy<sup>10</sup> which explained the Council's approach to carrying out an options appraisal.

As stated previously the Options Appraisal Steering Group set up at the beginning of the process was chaired by the Portfolio holder for Housing and was attended by 5 members, all political parties were represented.

A special Member seminar was arranged in March 2004 to which all Members were invited. The briefing was given by a representative of David Adamson and Partners (the consultant who carried out the Council's Stock Condition Survey) and a representative of Butlers (the consultant commissioned to evaluate all options and mix of options after examining Winchester's priorities for its Options Appraisal Review, how close it was to meeting the Decent Homes standard and its financial position).

The briefing was well attended and tenant representatives were also invited. The notes from this briefing are included to provide details of how topics were presented<sup>7c & 18a</sup>

All Members were invited to attend the roadshows in their wards. The Portfolio Holder for Housing along with the Director of Health and Housing chaired the evening presentations and debate and those members part of the Steering Group were invited to sit on the top table with those delivering the briefings.

A report presenting the feedback from the Roadshow was brought to the Steering Group on 16 September 2004 and a final report presenting the analysis of the responses to the Test of Opinion Survey carried out in Jan/February 2005 was brought to the Steering Group on 4 April 2005<sup>15d</sup>.

At one of its earliest meetings the Steering Group members requested that a file of all the relevant background papers be prepared and made available for reference for each of the group members, if they required this. A copy of the contents list of these files is included within the evidence<sup>18a</sup>.

One of these comprehensive files was also made available to those Members not part of the Steering Group and held in the Members' library for reference. The availability of this file was advertised on the Council's Intranet as was the existence of the same resource for staff<sup>18a</sup>.

The Intranet site also provided access for staff and Members to Members March Seminar Briefing notes and other documents and details on where to access further information. Further details on the information made available is contained on the copies of Intranet pages<sup>18a</sup>.

Further information on Member and staff involvement is contained within the Communication Strategy.

## **Evidence**

- 1b HRA Business Plan 2004-34.
- 10 Housing Strategy 2004-2007.
- 7c David Adamsons & partners Briefing Notes – Members Seminar – 2 March 2004.
- 18a Butlers Briefing Notes – Members Seminar 2 March 2004.
- 15d Options Appraisal Steering Group – Report and Minutes - 16 September 2004 – Housing Options Consultation – Feedback.
- 15d Options Appraisal Steering Group -Minutes & report - 4 April 2005 - Feedback from Test of Opinion Survey.
- 15d Options Appraisal Steering Group – Minutes – 27 October 2003 - Request for Background Documentation
- 18a Contents List of Members and Staff – Background Information Files.
- 18a Intranet Pages & Members bulletins - advising on location of information sources

### **3.2.4. Briefing Staff and level of Understanding**

The briefing which City Council staff received depended very much on their role in the process and their how options appraisal impacted on their role. Those who had responsibility for disseminating information to other stakeholders received a high level briefing and those who needed to be aware that such a process was being undertaken by the Council, received general information as to the background and what was involved.

All roadshow team members were given an information pack<sup>18b</sup> as to their role along with a comprehensive briefing by the Project Leader and regular written up detail of questions asked by roadshow visitors, with answers.

Other Housing Staff were briefed through their existing team meeting structure and all received a copy of the Option Newsletters along with Departmental Management Team minutes<sup>18b</sup> which were circulated to all staff to update them on Options discussions. Other information specifically addressing Options was circulated by email<sup>18b</sup>. Non housing staff were notified by information in the Council's staff newsletter City Voice<sup>18b</sup>.

Corporate Management Team were kept informed by the Director of Health and Housing who is part of the CMT team<sup>18b</sup>

All staff were advised of the existence of the Comprehensive File of background papers and useful sources of further information via the Intranet pages<sup>18b</sup>.

Staff representative from Unison was invited to all Steering Group meetings and sent all relevant papers.

### **Evidence**

- 18b Roadshow team information pack (Programme, Briefing Notes, Team Roles)
- 18b DMT Minutes and Estate Management Team meeting notes - OA as an agenda item.
- 18b Emails to staff from Project Leader.
- 18b Copies of City Voice – Winchester City Council electronic staff newsletter.
- 18b Corporate Management Team notes

### **3.2.5. Approach to Identification of other Stakeholders**

The Communication Strategy<sup>9a,b</sup> set out all the stakeholders in the Options Appraisal process and how information was to be delivered to them.

The Strategy also identified who had responsibility for ensuring each group was briefed.

Where ever possible existing meetings structures were used and Options Appraisal featured as an agenda item.

While tenants, leaseholders and members were the main focus for the information sharing process, all other groups and organisations who were likely to be affected by any change in management were also given the opportunity to access information to meet their needs.

The main vehicle for ensuring these stakeholders could join the debate was the Housing Forum in July 2004. At the Forum the Project Leader and Tenant Participation Manager held workshops on Options Appraisal. A comprehensive range of stakeholders were invited to the Forum which included our partner RSL's, Local Strategic Partnership representatives, developers, tenants and local residents. A full list of those invited and the notes from the workshop is included in the evidence<sup>18c</sup>. The Forum and the workshops were well attended.

Further information on our approach to identifying other stakeholders is contained within the Communication Strategy.

### **Evidence**

- 9a Edition One – Communications Strategy.
- 9b Edition Two – Communications Strategy.
- 18c List of Stakeholders attending the Housing Forum 21 July 2004.
- 18c Copy of the Project Leader's briefing notes for Housing Forum Options Appraisal Workshop

### **3.2.6. Trade Unions Involvement**

Staff views were presented by the Council's Unison representative who was part of the Steering Group. As a member of the group he received all the information papers to enable him to inform his stakeholder group. Along with Division Representatives on DMT, Team Leaders and other team managers

this officer had the responsibility, as listed in the Communication Strategy, to support the Director of Health and Housing in keeping staff informed.

### 3.2.7. Media Management

It was discussed whether a media strategy was required and the decision made that it was not. Housing Services employs a Public Relations consultant in addition to receiving support from the Councils Communication Team.

The Communications Strategy outlined how these resources should be used to maximum benefit of the process. A press release was prepared at a key point in review process<sup>18c</sup> a copy of which is contained in the evidence and all Council staff were made aware through a reference in the Council's electronic newsletter – City Voice<sup>18b</sup>.

#### Evidence

- 18c Press releases
- 18b City Voice Article – 28 July 2004.

### 3.2.8. Level of Understanding of Financial Situation

As previously detailed Winchester City Council engaged its Treasury Management Consultants, Butlers, to undertake a detailed independent financial analysis of the available options and provide a baseline statement on Winchester financial position.

Their report details their findings<sup>12c</sup>. In March 2004 the Steering Group, who required a high level of understanding on which to base decisions, was presented this report along with a comprehensive briefing and question and answer session by its author. The Steering Group is attended by a senior representative of the Councils Finance department who worked closely with Butlers along with housing officers.

The same representative from Butlers went on to deliver a special Member briefing to other Members. This was a more general background to Options Appraisal and Winchester's position as this group needed a reasonable level of awareness but not the detail required by the Steering Group. The notes from this briefing were posted on the Intranet for staff and members to access as required<sup>18a</sup>.

Further reports were provided by Butlers, including Delivering Affordable Homes<sup>12e</sup>, one the Council key priorities, and how achieving this linked in with, which option was the best fit for Winchester. (See Criteria 5)

For further details see a copy of Butlers Report.

#### Evidence

- 12c Butlers – Financial Report February 2004.
- 18a Butlers Slides from Members Options Workshop – 2 March 2004
- 12e Butlers – Options for Affordable Housing – July 2004.

### **3.3. CRITERIA THREE – FINANCIAL APPRAISAL**

#### **3.3.1. Introduction**

Throughout the Options Appraisal process, all decisions have been informed by robust financial information. This information has been based on a range of sources including:

- Financial data in the Stock Condition Survey detailing requirements to achieve the Decent Homes Standard and continue providing a balanced repairs programme<sup>7a</sup>.
- A detailed Financial Report by Butlers, the Council's Treasury Management consultants<sup>12c</sup>
- Further analysis and reworking of assumptions by officers in a report to the Steering Group on 29 March 2004<sup>15D</sup>
- The HRA Business Plan 2004-34, which set out key financial projections and proposals for asset management<sup>1b</sup>
- The Major Repairs, Renewals and Maintenance Strategy 2005-2010 as reported in HO56 dated 17 March 2005, which addressed how the programme could be amended to meet the potential funding shortfall<sup>7d</sup>.

#### **3.3.2. The Butlers Financial Report**

Butlers were commissioned to carry out a detailed financial appraisal in February 2004 and they presented the results to the Steering Group in March 2004. A summary of findings were also presented to Council Members and representatives from TACT in March 2004 by representatives from Butlers.

The appraisal has been used as the basis for financial projections in the HRA Business Plan 2004-34 and also for the development of the Major Repairs, Renewals and Maintenance Strategy, approved by the Council's Cabinet on 23 March 2005.

Initial conclusions of the Butlers report were:

The HRA is forecast to remain at or around balance throughout the remainder of the rent restructuring period. This should allow the Council to manage the account effectively without the need for large scale service savings, providing appropriate financial control is exercised.

Under a retention strategy with current forecast levels of resources, the profile of maintenance requirements set out in the Stock Condition Survey is unable to be funded in any year between 2004 and 2034.

Only with the addition of all useable capital receipts and supported capital expenditure can the profile be funded to 2010/11. Significant shortfalls continue however to 2034.

The Council could develop an approach to prudential borrowing to meet short term shortfalls by reducing service expenditure. The long term prognosis would be for large savings and such an approach to closing the 30 year investment gap is undeliverable.



The revenue forecast combined with an investment shortfall makes an ALMO approach theoretically financially feasible. However, some work is needed to understand the nature of the Decent Homes Standard forecast compared to the overall investment need, before any kind of view could be given on the prospects

There is little or no prospect of a PFI scheme applying to the Council housing stock in Winchester.

Stock transfer is financially feasible and would deliver the Stock Condition Survey investment programme as well as provide more stability in revenue funding into the longer term.

The receipt from a stock transfer could be used to mitigate adverse impacts on the General Fund and allow a programme of extra investment in affordable housing to be developed.

In overall terms, the achievability of the DHS combined with the shortfall against the stock condition survey investment profile, particularly by 2010/11, suggest that a key focus of this option appraisal should be the development of a local investment standard priced locally against which the alternative options can be measured in financial terms.

Interim recommendations included in the Financial Report were:

Subject to the points set out below, the viable options would appear at this stage to be:

- Retention with or without extra capital resources with or without limited prudential borrowing,
- Arms Length Management,
- Stock Transfer.

These should form the basis of consultation throughout the remainder of the appraisal.

A review of Decent Homes liabilities in the context of the overall stock survey profile should be carried out prior to wide consultation within the city.

All assumptions and projections should be the subject of ongoing review by stakeholders within the appraisal.

There should be a focus on developing both a meaningful Minimum Standard investment need (with DAP) and a locally determined "Winchester Standard" in consultation with tenants and other stakeholders during this project. The local standard may also include priorities and objectives for service improvement.

These recommendations informed the consultation process set out in section 3.2 and have therefore played a major role in shaping the whole appraisal process.

TPAS, the tenant's independent adviser, had the opportunity to review and scrutinise the Financial Appraisal and revised projections. A formal response was prepared for the Steering Group<sup>17b</sup> that broadly supported the assumptions, projections and recommendations contained in the report. Further suggestions to assist with addressing the shortfall were also given.

### **3.3.3. Capital Receipts**

The projections take account of the Council's policy for capital receipts to be used to support affordable housing programmes rather than HRA programmes. A limited proportion is used to fund a programme for upgrading sewage works but all major capital investment in meeting the decent homes standard is currently met through the major repairs allowance and revenue funding from the HRA. The Butlers projections, the Business Plan and the Repairs Strategy take full account of this. The Financial Appraisal considered the sensitivity of increasing resources from receipts although in light of limited tenant aspirations and the ability to address the £400,000 shortfall from the existing repairs programme, this option has not been pursued further by the Steering Group.

### **3.3.4. Testing of Assumptions**

The Butlers Financial report was based on a range of assumptions, all of which are detailed in section 4 of the Report. In general, the report projected forward from 2004/05 budgets with a price base of 2004/05, excluding general inflation based on stock levels projected at 1<sup>st</sup> April 2004. The projections in the Financial Appraisal did however assume fees on all capital works of 10% and also that all Disabled Facilities work was of a capital nature. In reality, provision for fees had also been included in revenue projections through the Repairs Administration service. Also, £300,000 of the £400,000 included in projections for Disabled Adaptations were actually revenue funded and therefore the projections were adjusted accordingly and reported to the Steering Group in April 2004<sup>4</sup>. This reduced the potential shortfall in the resources to meet the profile set out in the Stock Condition Survey. However, that shortfall remained at £400,000 per annum up to 2013 as detailed in the table below:

### **3.3.5. Sensitivities and Risk**

The base forecast in the Financial Appraisal was subjected to sensitivities that highlighted the extreme sensitivity of the revenue forecast to medium term government subsidy policy. Butlers concluded that should successive settlements put pressure on M&M allowances, the prognosis would be for year on year service savings. The sensitivities are detailed in section 4 of the Appraisal report<sup>1</sup> and are summarised below:

Increasing Capital allocations to the HRA : whilst this would meet the shortfalls to 2010, it would not address the 30 year deficit which would remain at £30million

Increased Right to Buy sales:- would result the account would staying in surplus for the remainder of the decade, but with surpluses lower and deficits arising earlier.

Voids worse by 1% pa: this would result in the HRA being in deficit year on year and in the need for savings in service expenditure.

The impact of management and maintenance allowances: real increases in allowances through to 2012 at 4% pa rather than 2% pa, would result in a significant level of extra resources for investment in stock and services. Conversely, inflation only increases from 2006 would give rise to massive deficits and the need for significant service savings.

**Risk Management** – With comprehensive plans in place to meet the Decent Homes Standard, an ability to keep the HRA in balance without service savings and proposals to meet the £400,000 per annum funding shortfall from changes to the Repairs Programme rather than service savings or borrowing, the key risk is clearly potential changes to government subsidy policy. The Council's potential for managing that risk is clearly improved by the fact that service savings and additional borrowing are not required at this stage. However, the risk clearly increases in future years as balances reduce and so it is essential that the detailed appraisal process is repeated, with the Stock Condition Survey and Financial Appraisal completely updated within the next three years.

### **3.3.6. Consistency with the Business Plan**

The City Council's HRA Business Plan for 2004-34 takes full account of the financial appraisal, using the Butlers revenue and capital projections in detail.

Since the publication of the Plan, the revised capital projections reported to the Steering Group in April 2004<sup>4</sup> have informed the development of the Major Repairs, Renewals and Maintenance Strategy for achieving the Decent Homes Standard. This Strategy details how the Council proposes to meet what the Stock Survey highlighted as a £7million annual programme with resources totalling £6.6 million per annum (£3.4m capital as detailed in the table above and remainder from the HRA revenue). In summary, the £400,000 shortfall has been addressed by:

- Reductions in the responsive repairs budget
- Reduced maintenance to non-dwelling stock
- Reduced investment in void reinstatement work
- Removing the allowance for contingent major repairs and using HRA balances to cover this

Full details of these reductions are set out in the Major Repairs, Renewals and Maintenance Strategy and in the HRA Business Plan 2004-34 (annual update 2005)<sup>7</sup>

### **3.3.7. Reasonableness of the Financial Assumptions**

Care has been taken to ensure that the assumptions included in the Options Appraisal are realistic and in line with the latest guidance available from the Government.

Adjustments have been made within the draft Business Plan to ensure that the assumptions in the Options Appraisal are updated to reflect emerging trends, for example in Right to Buy sales, and planned changes, for example in staffing levels.

It is recognised in both the Options Appraisal and the HRA Business Plan that the position of the Housing Revenue Account is particularly vulnerable to changes over which the Council has no control. Any changes in the calculation of Housing Subsidy management and maintenance allowances could have a particularly significant impact. Current projections included in the HRA Business Plan and Financial Report show the HRA remaining in balance at least up to the end of the decade. This balance could be used to help cushion any shortfall in income as a result of changes in management and maintenance allowances. This, however, would put pressure on the Council's ability to maintain Repairs programme investment at sufficient levels. Contingency plans have therefore been included within the Business Plan 2005 Update to mitigate some of the impact by reducing costs should this prove necessary. These include:

- Reviewing service charges and charging for services that are currently included in the rent, particularly to cover cleaning costs in communal areas
- Extending letting policy to increase demand for "hard to let" sheltered stock
- Reviewing the balance between HRA and General Fund work on estates
- Reviewing the level of staff employed directly employed in housing management, repairs and administration.

**Evidence**

7a	Stock Condition Survey.
12c	Butlers Financial Report – February 2004
15d	Financial Update - report to the Steering Group in April 2004
1b	The HRA Business Plan 2004-34
7d	The Major Repairs, Renewals and Maintenance Strategy 2005-2010
17b	TPAS Response to Financial Report
1c	The HRA Business Plan 2004-34 – 2005 Annual Update

### **3.4. CRITERIA FOUR – STOCK CONDITION SURVEY**

#### **3.4.1. Stock Condition Survey**

This section presents a summary of the main findings and conclusions to emerge from a comprehensive survey of the physical condition of the Winchester City Council housing stock. A Stock Condition Survey and Report of Survey<sup>7a</sup> has been carried out on behalf of Winchester City Council by Consultant Surveyors David Adamson & Partners Ltd. Officers have had some input into both reports to enable the findings to be relevant in a Winchester context, and having regard to previous maintenance and improvement strategies.

Based on national methodologies recommended by the Office of the Deputy Prime Minister, the project has evolved three distinct yet interrelated stages:

- A 30% sample house condition survey statistically to represent all dwelling types in Council ownership.
- A 100% tenant stock condition and housing survey, conducted by questionnaire.
- An desk-top survey programme reviewing non-residential housing assets and historical patterns of recurrent Council expenditure on responsive, cyclical and voids maintenance.

At the time of survey in 2003 the Winchester City Council housing stock totalled 5232 dwellings (excluding leasehold sales.)

The report of Survey produced by David Adamson in 2004 estimated that for the 30 year business planning period 2004-2033, a total investment of £219m is required.

#### **Evidence**

7a	Report of Survey – Council Housing Stock Condition Survey by David Adamson & Partners Ltd, 2004.
15b	Housing Performance Improvement Committee - Report and Minutes -10th December 2003 – HO20 - Delivering Decent Homes.
15b	Housing Performance Improvement Committee – report and minutes - 26 <sup>th</sup> January 2004 – HO28 - Delivering Decent Homes; Summary of Investment Needs

#### **3.4.2. Lead Member of Staff**

Clive Broomfield, Head of Contracts & Property Services was the Council's Lead Officer responsible for commissioning the Stock Survey, interpreting the data and formulating strategic and operational proposals for Delivering Decent Homes by 2010 and the 30 year business planning period 2004 – 2033. He is a participating Officer member of the Options Appraisal Steering Group.

### 3.4.3. Stakeholder Awareness of Stock Condition Information

All stakeholders including Government Office, Elected Members, Tenants and wider stakeholders have been made aware of SCS information by: -

- Council Committee Reports<sup>15a,b,d</sup>
- Reports to Tenants Forums – Property & Contracts Forum<sup>16b</sup>
- Tenants Newsletters<sup>16L</sup>
- Housing Forum, July 2004.

#### Evidence

15a	CAB703 Report – 17 September 2003 – Delivering Decent homes – Options Appraisal for Housing Services
15b,d	Housing Performance Improvement Committee & Options Appraisal Steering Group – 10 December 2003 – HO20 Delivering Decent Homes
15b,d	Housing Performance Improvement Committee & Options Appraisal Steering Group – 26 January 2004 – HO28 Delivering Decent Homes Summary of Investment Needs
15b	Housing Performance Improvement Committee – 2005 – HO56 Delivering Decent Homes Proposed Major Repairs Renewal and Maintenance Strategy 2005-2010
16b	Reports to Tenants Forums
16L	Houseproud Articles & Options Newsletters

It is considered that there has been consistent information given to all stakeholders since the Report of the Survey Results and throughout the Housing Options process.

### 3.4.4. Decent Homes Compliance

The Stock Condition Survey carried out in 2003 estimated that of the 5,232 properties owned by the Council at that time, 3646 dwellings (70%) were compliant and 1586 dwellings (30%) failed by at least one matter of the standard and are by definition Non-Decent. Combined element failure within the Standard was uncommon with the majority of non-decent dwellings failing on only one element.

The pattern of Decent Homes defect classification in property numbers was as follows: -

Unfit	26
Disrepair	274
Amenities	65
Energy Only	1221
Total Non-Decent Properties	<b><u>1586</u></b>

A further analysis of the criteria applied towards decent homes classification, and the effect of works carried out since the survey, results in the updated decent homes compliance: -

Decent Homes Defect Classification 1 February 2005

Unfit	15
Disrepair	201
Amenities	61
Energy Only	632
Adjustment for	
Sold properties since survey	<u>-1</u>
Total Non-Decent Properties	<b><u>908</u></b>

Therefore the revised estimate of properties owned by the Council on 1<sup>st</sup> February 2005, (5182) that are by definition non-decent is 908 properties (17.5%) and therefore 4274 properties (82.5%) meet Decent Homes Standard.

The biggest change in property numbers is within the Energy category, and details of re-evaluation within this category can be found in Report HO 56, section 6<sup>15b</sup>.

**Evidence**

15b Housing Performance Improvement Committee – 2005 – HO56 Delivering Decent Homes Proposed Major Repairs Renewal and Maintenance Strategy 2005-2010

**3.4.5. Decent Homes Standard and GAP Analysis**

As part of the Housing Options Appraisal, the Options Appraisal Steering Group (with the advice of TPAS, Financial and Property Consultants and Officers), have now determined the drivers for the definition of the “Winchester Decent Homes Plus Standard” as: -

- Meet the basic Decent Homes Standard by 2010
- Maintain current levels of service
- Continue to give priority to providing showers and other aids and adaptations (subject to assessment)
- Work with other organisations to improve safety and parking on estates

In addition and relative to Decent Homes, the information gained following a tenant survey of their opinions and aspirations about their homes and the environment in which they live has also been utilised to inform the balance of the proposed Major Repairs, Renewals and Maintenance Strategy<sup>7d</sup>.

The Stock Condition Survey<sup>7a</sup> determined that the inclusive Housing Works Investment Plan for the investment planning period 2004-2013 would require annual investment totalling £7.0m pa. This level of investment was deemed

necessary to meet the Decent Homes Standard by 2010, and reflected previous maintenance management policies and levels of investment since the Council's initial Stock Condition Survey in 1988.

In considering the period 2005 to 2010, in which time the Government requires Decent Homes Compliance, the Council was advised of the need to carry out specific works as part of a £7.0m pa programme. To specifically achieve and maintain "decency" per se by 2010 is estimated to cost £1.7m.

The Council had previously identified that the likely funding available was £6.6m pa. The resulting £400,000 pa shortfall and corresponding savings to produce an affordable and coherent major repairs, renewals and maintenance strategy is given in Report HO 56, section 26<sup>15b</sup>.

**Evidence**

- 7b Major Repair, Renewals and Maintenance Strategy
- 7a Stock Condition Survey
- 15b Housing Performance Improvement Committee – 2005 – HO56 Delivering Decent Homes Proposed Major Repairs Renewal and Maintenance Strategy 2005-2010

**3.4.6. Works Specific to Achieve Decent Homes**

It is proposed that specific works to achieve decency will be carried out incrementally throughout the stock. The following programme demonstrates how progressively the Decent Homes Standard will be achieved: -

Year	% Of Stock	Work Element	£	Property No's P.A.
1. 2005/06 (67 properties)	1.5%	Unfit Property	52,000	15
		Amenities	60,000	12
		Disrepair	50,000	40
		Maintain Decency	77,000	TBC
			239,000	
2. 2006/07 (210 properties)	4%	Amenities	50,000	12
		Disrepair	50,000	40
		Maintain Decency	77,000	TBC
		Energy (Insulation)	73,000	158
			260,000	
3. 2007/2010 (630 properties)	12%	As year 2 above	260,000	
<b>Total of 907 Properties</b>	<b>Representing 17.5% of stock</b>	<b>= Decent Homes Target Achieved by 31/03/2010</b>		



Therefore it can be seen that subject to keeping to the programme, Decent Homes Compliance will be achieved by 31<sup>st</sup> March 2010, ahead of the defined Government target of December 2010.

#### **Evidence**

15b Housing Performance Improvement Committee – 2005 – HO56 Delivering Decent Homes Proposed Major Repairs Renewal and Maintenance Strategy 2005-2010 (section 7 refers).

The scope, extent, and balance of the major repairs, renewals and maintenance programme 2005/06, and summary description of each part of the programme is given in Report HO 56<sup>15b</sup>, sections 3 & 4.

#### **3.4.7. Systems and Databases**

Business critical and central to the operation of the Housing Landlord Division is the “Orchard” housing system. This is a fully integrated housing management software package which encompasses lettings and void control, rent accounting, arrears management and repairs.

The repairs functionality is split broadly over for main modules: Day to Day Repairs, Appointments, Attributes and Planned/Cyclic Maintenance. The Day to Day repairs module (which manages the generally, high volume, low value jobs), its closely associated Appointments module and the Attributes module (property data store, e.g. window types; central heating type; asbestos details etc.) have all been fully operational since 1995. It is particularly important that the attribute information is fully integrated with the generation of day to day work orders so that any appropriate property information and warnings (i.e. asbestos containing materials) can be brought to the immediate attention of any contractors.

Attribute information has been updated over time by responsible staff, inputting changes to properties on completion of defined works as follows: -

Major Renewals and Modernisations

Disabled adaptations

Asbestos Survey Information

Changes in Key components e.g. boiler renewals.

To facilitate ongoing attribute updating the following action is being carried out: -

<b>Source</b>	<b>Comment</b>	<b>Who is responsible</b>
<b>Detailed Property Surveys</b>	Around 20% of the stock each year on a rolling basis.	Contract Administrators & Customer Liaison Team
<b>Asbestos Survey</b>	Sample survey carried out by Consultants as part of the Stock Condition Survey, and further sample carried out in-house during 2004.	Contract Administrators & Customer Liaison Team
<b>Capital Investment Projects</b>	Details of components changed and their future life expectancy will be included.	Contract Administrators & Customer Liaison Team
<b>Stock Changes</b>	Including disposals and demolitions.	Business Unit Team
<b>Disabled Adaptations</b>	Major alterations carried out for the benefit of disabled households.	Disabled Adaptations Team
<b>Void Inspections</b>	Validation of key property data held on the database including flagging up of any non-decent homes found.	Voids Officer and Customer Liaison Team
<b>Responsive &amp; Cyclic Repairs Programmes</b>	Changes to key components in the property such as boiler renewals, rewiring, door replacements etc.	Principal Surveyor

The stock condition survey data has been entered onto a database specifically developed for Asset Management purposes, by David Adamson and Partners (DAP), the consultant surveyors who undertook the survey.

Essentially a Microsoft Access database, the system allows for electronic input of survey data and stock and property details. Linked to a bespoke schedule of rates, the software system enables manipulation and analysis of survey data. A variety of word-processing and spread sheet applications for reporting purposes are available.

In conjunction with Steria the "DAP" software system has recently been installed at Winchester as part of the Council's IT network. David Adamson will be updating the survey database early in the financial year 2005-06, after which responsible staff will be trained in its use and application.

The DAP database together with the Orchard attribute database will form the basis of source information required for asset management and Decent Homes delivery purposes.

**Evidence**

15b Housing Performance Improvement Committee – 2005 – HO56 Delivering Decent Homes Proposed Major Repairs Renewal and Maintenance Strategy 2005- (section 10 refers).

**3.4.8. Costings**

The cost estimates used within the Stock Condition Survey exclude decant costs, those associated with procurement/contract administration and VAT.

The cost estimates used are based on local market prices and will need to be updated in line with inflation annually from April 2006.

No cost estimates relating to Leaseholders are included in the programme, as these are recharged as part of Service Charges and are therefore considered cost neutral to the Council.

### 3.5. CRITERIA FIVE – ANALYSIS OF DEMAND

#### 3.5.1. Identifying Future Needs for Affordable Housing

To ensure that future demand for affordable housing can be predicted Housing Need surveys are carried out at regular intervals. In 2002 David Couttie Associates were employed to carry out a Housing Needs Survey and to update the information previously gathered in the 1999 survey<sup>11a</sup>.

The aim is to carry out a desktop review on an annual basis to update this information. A review of this nature was carried out in October 2004<sup>11b</sup>.

The main findings from this 2002 survey identified the major issues facing the city and district in meeting need in the future as:

- A particular shortage of small, 1 bed accommodation for single people.
- General shortages in family housing arising in part from a significant “over occupation” of current social housing – small family units and single people living in larger family type accommodation.
- A growing need on the Housing Register for families with the waiting list increasing across all family types, with a growing “transfer list” of families currently living in council accommodation where the need is for larger houses.

The findings of the 2002 Housing Needs Survey indicate that there is a likely to be a substantial shortfall in accommodation as detailed below:

Type	Units
Backlog of Existing Need (eliminated over 5 years)	95
Net new formation	339
Net Increase in registered need	588
In-migrant need	237
Total annual need	1,259
Total Supply from re-lets	480
Net annual outstanding need	779

Consultants who carried out the Housing Needs Survey, David Couttie Associates, recommended the key issues identified through the survey be addressed by the following (these recommendations have been reflected in the Housing Strategy 2004-2007)<sup>10</sup>

## **Housing Strategy**

- In its enabling role support delivery agencies, mainly RSL's working in the area to provide a mix of types but mainly flats and terraced houses to meet the needs of single adults and couples and address the shortages in the stock
- Develop a comprehensive older persons delivery strategy to address the current and future growth in elderly and frail elderly households across all tenures, and their related care and support needs to:-
  - Assess and prioritise the need for support services and adaptation required to keep people in their own homes;
  - Re-assess existing sheltered stock in meeting today's housing standards and preferences;
  - Develop extra care accommodation for the frail elderly population.
- Consider adopting Lifetime homes standards for new housing

## **Disabled households**

- Continue to promote disabled adaptations in order to improve the ratio of suitably adapted properties for disabled people;
- Develop a register of adapted property and disabled people needing adapted accommodation in order to facilitate better matching.

## **Planning Strategy**

- Negotiate with prospective developers towards achieving up to 40% subsidised affordable homes from the total of all suitable coming forward for planning consent over the period of the Local Plan
- Each site will need to be assessed individually, targets being subject to wider planning, economic priority, generation and sustainability considerations
- This will require a flexible approach to individual site negotiations, taking account of the site size variance between major development areas, smaller urban sites and sites in smaller rural settlements.

In addition to the Housing Needs Survey, the Council commissioned a study by Adams Integra on the 'Affordable Housing Proportions and Thresholds: Deliverability and Impact on Viability of Market Housing Sites'<sup>11c</sup> which tested the viability of the planning policies in the Local Plan. Information given in this report was presented to the Local Plan Enquiry and will influence the Inspector's decision (expected in June 2005) on the percentage of affordable housing and the thresholds.

Homes in the Winchester district are especially sought after with over 1043 households on the Housing Needs Register as at 1 April 2004 seeking affordable homes. There are also 757 households already in Council and Housing Association property seeking a transfer to more suitable accommodation. The demand for housing exceeds the vacancies arising.

### **Evidence**

- 11a Housing Needs Survey – DCA - 2002.
- 11b Housing Needs Survey Update Report – DCA - October 2004.
- 10 Housing Strategy 2004-2007.
- 11c Adams Integra Report – Affordable Housing Proportions and Thresholds: Deliverability and Impact on Viability of Market Housing Sites – March 2004.

### **3.5.2. Low Demand**

Only a very small proportion of the housing stock is unpopular. This includes:

- Some rural bungalows because of their small size i.e. 2 bedroomed is preferred, and some because of their location i.e., too isolated.
- All sheltered schemes for older people generally but especially bedsit units
- General needs bedsits
- 2 bedroomed upper floor flats – although these meet the needs of families, they are unpopular as families prefer houses.

The Council's Landlord Services Section are currently carrying out a review of its sheltered housing provision against a back drop of increased tenant aspirations and restricted funding from the Supported People pot. In addition amendments are being made to the lettings policy which will facilitate the letting of sheltered housing units at some smaller schemes to applicants below retirement age. These schemes will be declassified and sheltered provision concentrated in those units with the best facilities and therefore in highest demand.

An Older Persons Strategy will be developed in light of the outcome of this review and future provision of sheltered accommodation should better reflect the needs of the community e.g. if it is established that there is a need for increased provision of extra sheltered units.

### **3.5.3. Gaps in Affordable Housing Provision**

The Council currently has a programme to provide 100 additional affordable homes per annum.

The Council continues to support the development of affordable homes through Housing Associations by the provision of grant through the transitional arrangements (grant funding will cease will affect from 2007/08) despite the withdrawal by the Government of Local Authority Social Housing Grant.

In the medium to long term it is uncertain whether funding will be available to sustain the programme to provide additional affordable homes at the current level.

Butlers report on the Options for Affordable Housing July 2004<sup>12e</sup> sets out the valuation of the stock for transfer purposes and the potential to raise a receipt for reinvestment in other services, particularly new affordable housing. The remaining receipt is estimated to be in the region of £60m. Given the adverse impact of transfer on revenue within the General Fund, part of this sum would in all probability need to be reserved to gain revenue interest to mitigate this impact.

However the remainder could be used to develop a long-term approach to grant funding for new affordable housing. The Butlers report includes summary tables of approximate size of programme that could be funded from an LSVT approach, with even the more ambitious approach only delivering around 60 new units per annum, it can be seen that this approach would only partially deliver the number of units required.

However, while 32% of tenants and leaseholders<sup>15d</sup> who responded to the roadshow exit survey and questionnaire sent out in the first newsletter put meeting the future demand for affordable homes in their top 3 priorities 95.2% of those who responded to the Test of Opinion Survey<sup>8d</sup> in January 2005 said that the Council should continue to own and manage the stock. The LSVT option was therefore rejected by the Council.

#### **Evidence**

- 12e Butlers report – Options for Affordable Housing – July 2004.
- 15d Options Appraisal Steering Group Report & Minutes – 16 September 2004 ‘The Consultation Programme and the Decent Homes Plus Standard – Feedback’.
- 8d Winchester City Council – Housing Options Appraisal - Test Of Opinion Survey – January 2005.

#### **3.5.4. Meeting Future needs for Affordable Housing**

Future needs will be identified through the annual desktop reviews and periodic full housing needs surveys.

Butlers reported on the options available to deliver affordable housing to meet those needs identified. These alternatives, other than large scale voluntary transfer, will be investigated further given the tenants clear remit to continue with the Council as the landlord with responsibility for managing the stock.

At its meeting on 8 February 2005, the Affordable Housing Informal Scrutiny Group received a presentation from a representative of the Sappling Partnership. The Sappling Partnership is an amalgamation of four housing associations that seek to promote affordable housing schemes on a sub-regional level. This presentation explained that a shift in central Government policy had resulted in large increase in the funds available for affordable housing schemes.

However the representative addressed the difficulties of developing affordable housing schemes in the Winchester District and stated that funding had been lost as a consequence of schemes being aborted primarily through planning constraints and recommended a more direct response from Planners at an earlier stage to help Associations focus their limited resources on sites which were more likely to be realised<sup>15f</sup>.

A full report using this evidence from the Sapling partnership together with the other information gathered will be prepared after the final meeting of the Affordable Housing Scrutiny Group which is to be held on 14 March 2005. This report will make recommendations on how to meet the Council's target for affordable homes.

**Evidence**

15f Affordable Housing Informal Scrutiny Group Minutes – 8 February 2005  
Presentation from the Sapling Partnership.



### 3.6. CRITERIA SIX – MIXED SOLUTIONS

The potential for a “mixed solution” to meet the Decent Homes standard has been considered. The potential for additional prudential borrowing, asset sales and partnership working were all possible steps to address funding shortfalls identified through the financial appraisal. As the funding through to 2014 has now been resolved as detailed in section 3.3, these options have not been pursued in detail but will need to be considered as potential sources to address longer term shortfalls.

Private Finance Initiatives were initially considered as a possible option. However, in their financial appraisal, Butlers concluded;

“In Winchester, whilst there are very probably some properties falling into the categories for a PFI scheme, particularly some of the non traditionally built and bedsit stock, the numbers are likely to be insufficient to secure affordability for Government, the PFI consortium and the remaining HRA. Given the overall size of the City’s stock, and the fact that it is reducing on an ongoing basis, we do not believe that a PFI scheme is either feasible or desirable in Winchester.”<sup>12c</sup>

PFI was therefore dismissed as a potential option for further consideration.

The remaining options i.e. retention, Arms Length Management and Stock Transfer have only considered as “whole” stock options. This was largely because:

- Winchester stock is relatively small (approximately 5200)
- Financial projections show that adequate funds are available to meet both the Decent Homes Standard by 2010 and maintain that standard through to 2014
- There are no estates that require significantly higher levels of investment than others
- There is a high level of tenant and leaseholder support for stock retention

#### **Evidence**

12c Butlers – Financial Report February 2004.

### 3.7. CRITERIA SEVEN - TENANT MANAGEMENT & TENANT LED SOLUTIONS

There are no existing or potential tenant management organisations in Winchester, and prior to the Options Appraisal process TACT and Tenants Associations have not shown any inclination to develop their role in to housing management. This could be attributed to the fact that Winchester has been able to maintain its homes to a good standard and tenant satisfaction with the overall service has been high.

However in December 2004, as the Options Appraisal process drew to a close the ITA ran a Tenant Information Day<sup>17f</sup> for TACT, Tenants Association representatives, Councillors, and officers of the Council. The aim was to review the Options process so far in relation to tenant involvement, and to look at alternative ways to develop and strengthen participation arrangements in Winchester.

As a result of this information day TACT has expressed a wish to look into, in more depth, Tenant Management Organisations.

It is the Council's intention to assist TACT to fulfil this wish and will look at commissioning consultants using a section16 grant to undertake a feasibility study.

#### **Evidence**

17f ITA Agenda and presentation on Tenant Information Day

### **3.8. CRITERIA EIGHT – WIDER STRATEGY FOR NEIGHBOURHOOD RENEWAL**

Neighbourhood Renewal is not a significant issue in Winchester. Although there are pockets of deprivation, the quality of housing and the general environment in these areas is good.

Whilst the response from tenants on their additional aspirations over and above current service levels revealed no consistent additional requirements, there was some concern on parking issues and litter has been highlighted as a problem in some areas. Whilst this Options Review has not recommended additional Housing Revenue Account resources over and above existing commitments, the need for these issues to be addressed in coordination both with other Council departments and partners has been incorporated into the both the corporate strategy<sup>2</sup> and business plans for 2005/06<sup>1c</sup>.

From a “community development” viewpoint, attention has been focused in recent years on the Stanmore and Highcliffe estates. A Community Planning study was completed in 2003 and the Council is working closely with resident groups on each estate to identify priorities for both community development and estate improvements

In February 2005, the Council introduced a neighbourhood warden service to these estates. Further wardens are planned for other neighbourhoods in the future. The Wardens will carry out environmental improvements such as removal of litter and fly-tipping, removal of graffiti and abandoned vehicles. They will also resolve problems about the way open spaces are used, work with youth groups and local schools, provide information on local events and activities and work with the police to tackle issues in the area.

#### **Evidence**

- |    |  |
|----|--|
| 2  | Winchester City Council's – Corporate Strategy |
| 1c | HRA Business Plan Update - 2005                |

### 3.9. CRITERIA NINE – EVALUATION OF THE OPTIONS

#### 3.9.1. Introduction

At one of its earliest meetings the Steering Group agreed the objectives of the Options Appraisal review and these are detailed below<sup>15d</sup>. The Communications Strategy set out that the Council would look at the options to identify the best available combination which would enable the Council to meet its priorities<sup>9a,b</sup>

The main recognised options were

- Stock retention by the Council
- Arms Length Management Organisation
- Private Finance initiative
- Large Scale Voluntary Transfer (including the Community Gateway Model)

Each option (or a combination of options) was to be considered equally on its merits.

When each option had been evaluated and stakeholder feedback had been collated, the recommended option or combination of options would be presented to all stakeholders as the Council's chosen way forward.

#### **Evidence**

15d Options Appraisal Steering Group Minutes – 17 November 2003 – Scope of Review

9a Edition One – Communications Strategy – January 2004.

9b Edition Two – Communications Strategy – June 2004.

#### 3.9.2. Objectives

The first edition of the Communication Strategy – January 2004<sup>9a</sup> set out clearly, in its introduction, the specific objectives of the Option Appraisal process as agreed at the Steering Group meeting on 26 January 2004<sup>15d</sup>.

The Steering Group agreed that the housing priorities to be investigated under the Options Appraisal Review were:

- Meeting the Decent Homes standard - this to include considering the sustainability of the options beyond 2010
- Decent Homes Plus – Achieving a higher standard than basic minimum
- Providing a High Quality Landlord service (top 25% performance)

- Meeting Tenant Aspirations
- Increasing Tenant Empowerment
- Identifying and Undertaking Estate Improvements
- Delivering Affordable Housing to meet identified need – 700 homes per annum (Housing Needs Survey 2002)
- Sustainable 30 year business plan
- Delivering Other Corporate Objectives (these are outlined in section 1 of the Communication and Consultation Strategy)

The Steering Groups priorities reflected the Government's guidance that Option Appraisal Review should not only cover how the Council will meet the Decent Homes target but should also allow the broader concerns of tenants and leaseholders to be examined.

While all these objectives were considered throughout the process, the relative importance of each of the priorities became clearer as a consequence of the feedback received through the consultation process. As the review continued the evaluation of the options became more focused on certain priorities as follows:

- Achieving Decent Homes
- Improved service delivery
- Improved tenant empowerment
- Delivering affordable homes

#### **Evidence**

9a Edition 1 – Communication Strategy – January 2004

15d Options Appraisal Steering Group – Report & Minutes – 26 January 2004 – A communication Strategy for the Options Appraisal Project

### **3.9.3. Taking Account of Local Priorities**

The process considered how each of the four main options, along with a possible mix of options, could improve on current service delivery and help achieve the priorities identified.

The response from tenants in the Tenants Satisfaction Survey<sup>6</sup> and the Tenant Aspirations Survey<sup>15b</sup> demonstrated that stakeholders were essentially satisfied with the existing service and few areas were identified for improvement.

Tenants responded that they would like any additional resources invested in

- improvements to the kitchens and bathrooms programme,
- on the provisions of UPVC doors
- and in some areas on addressing car parking

The first Options Newsletter<sup>16c</sup> included an Options questionnaire<sup>16d</sup> the aim of which was to establish a clearer picture of tenant's priorities and the standard of service that tenants required - 'Decent Homes Plus'.

The information gathered from the Options Questionnaire identified no significant demand for additional services<sup>15d,16i</sup> Tenant's top priorities were,

- achieving the Decent Homes Standard (61%)
- more frequent kitchen/bathroom replacements (43%)
- inadequate car parking in the area (39%)
- other environmental issues

This information along with the specific comments made by respondents in response to the Options questionnaire was translated into the additions to the basic standard<sup>1</sup>, which were

- provision of showers and other aids to support tenants who need assistance to remain in their homes
- a safe and pleasant local environment

The extent to which tenants were prepared to consider a change in management to achieve these improved service standards along with other benefits which different options offered, was tested, through the Options questionnaire, a programme of roadshows, a further newsletter and culminated in a Test of Opinion Survey in January/February 2005<sup>8a</sup>.

Stakeholders responded that they preferred for their housing to remain under the management of the Council. The selection of this option makes addressing the service improvements requested difficult. However the updated HRA Business Plan 2005<sup>1c</sup> reflects the need to take account of the aspirations expressed by tenants through the appraisal process. Any additional funding which becomes available will be focused on those areas requested by tenants i.e. increased frequency of bathrooms and kitchens, while commitment to aids and adaptations forms a key element of the Major Repairs, Renewals and Maintenance Strategy<sup>7d</sup>.

The environmental issues will be picked up as an action point for the Council to work on together to improve as part of the process of working towards one of the Council's key corporate priorities as outlined in the Corporate Strategy 2005-08 (Green Agenda - work with partners to increase local communities' pride in the place where they live).

Feedback received through the review process found tenants were keen to expand their opportunities for participating in their service. This interest was also evident from the results from the Tenants Satisfaction Survey. Some

tenants were interested in the ALMO option as it appeared to offer them the opportunity to participate they sought. However following advice from the CHTF it was clear that this was not a feasible option for Winchester<sup>15d</sup>. The detail contained in Criteria 7 covers how the Council and tenants will work towards achieving this aspiration now the retention option has been selected.

#### **Evidence**

- 6 Tenants Satisfaction Survey – 2004.
- 15b HO20 – Delivering Decent Homes (including Tenants Aspiration Survey results) – 10 December 2003.
- 16c Housing Options Newsletter 1 – 2004.
- 16d Housing Options Newsletter 1 Questionnaire.
- 16i Housing Options Newsletter 2 – January 2005.
- 8a Housing Options Test of Opinion Survey – January 2005.
- 1c Housing Revenue Account Business Plan Update – 2005.
- 15d Options Steering Group minutes - 16 September 2004 minutes – Advice from CHTF – ALMO not an option for Winchester.
- 15d Options Appraisal Steering Group Report – 16 September 2004 - The Consultation Programme and the Decent Homes Plus Standard

#### **3.9.4. Stakeholder Involvement**

Tenant members of TACT the Council's formal consultative group received briefings, from early on in the process, regarding Options Appraisal and articles were included in the tenant's newsletter 'Houseproud' to inform other tenants (see details in Criteria One)

Tenants were involved in engaging their independent tenant advisor (TPAS) in order that they could receive the support they required once the review process commenced (see details in Criteria One)

A Steering Group was established with member and tenant representation and housing officer support to manage the review process (see details in Criteria Twelve). On the advice from CHTF the number of tenants was increased to match the number of elected members, early enough in the process to ensure stakeholders were adequately represented throughout<sup>15d</sup>.

Other tenants and leaseholders were informed and consulted through newsletters, roadshow events, surveys and focus groups.

The results of the consultation exercise are contained in the Housing Options Steering Group report 16 September 2004 – The Housing Options Appraisal – The Consultation Programme and the Decent Homes Standard<sup>15d</sup>.

From the messages received back from stakeholders it was difficult to identify any clear tenant aspirations over and above the existing service commitments (See Criteria 2 and Housing Options Appraisal Steering Group report 19

September 2004 for full details of feedback). There was some expression for aids and adaptations but within current resources. It was also clear at that stage that there was little appetite to seek significant changes to service provision or alternative management options from tenants<sup>15d</sup>.

#### **Evidence**

- 15d Options Appraisal Steering Group Minutes - 17 November 2003 – CHTF advice to increase tenant representation.
- 15d Options Appraisal Steering Group report - 16 September 2004 – The Housing Options Appraisal – The Consultation Programme and the Decent Homes Standard.

### **3.9.5. Housing Service Priorities and Current Performance**

Clear priorities for the service are set out in the HRA Business Plan 2004-34<sup>1b</sup>. These priorities have been identified through effective dialogue between key stakeholders and in particular between the Housing Portfolio holder and other members, tenant representatives and officers. Key priorities can be summarised as:

- Meeting the Decent Homes Standard
- Completing the Housing Options Appraisal process by December 2004
- Delivering a balanced maintenance and improvement programme
- Implementing the Housing Best Value Improvement Action Plan
- Achieving “top 25%” performance against all key national performance indicators for Housing by March 2005.
- Maintaining existing high levels of satisfaction
- Striving to encourage further tenant involvement through effective implementation of the Tenant Compact.
- Improving estates through partnership working, more effective general management and working with local communities
- Making best use of all housing resources to contribute to the strategic priority of “providing affordable homes in a safe and pleasant environment”.

Performance against all Housing national best value indicators and key local indicators for the 2003/04 financial year is detailed in the table below (*nb. This will be supplemented with 2004/05 information prior to dispatch to GOSE*)



## HOUSING REVENUE ACCOUNT PERFORMANCE INDICATORS - 2003/04

Indicator	Description	Performance 2002/03	Target 2003/04	Performance 2003/04	Top 25%
BV63	Average SAP rating of Council owned dwellings	69	69	65	61
BV66a	Proportion of rent collected	99%	99.66%	99.18%	98.60%
BV74	Tenant satisfaction (%)	86.25%	90%	86.01%	86%
BV74bn	Tenant Satisfaction (base number)	3200		3074	New
BV74ci	Tenant Satisfaction (Confidence Interval)	1%		1.43%	New
BV74 BME	Tenant satisfaction – Black & Minority Ethnic (%)	82.10%	90%	79.31%	New
BV74 BME bn	Tenant Satisfaction – BME (base number)	39		29%	New
BV74 BME ci	Tenant Satisfaction – BME (Confidence Interval)	N/A		N/A	New
BV74 ii Non BME	Tenant satisfaction - Non BME (%)	86%	90%	57.02%	New
BV74 ii Non BME bn	Tenant Satisfaction – Non BME (base number)	3,153		2927	New
BV74 ii Non BME ci	Tenant Satisfaction – Non BME (Confidence Interval)	N/A		1.43%	New
BV75	Tenant satisfaction (%) - Oppurtunities for participation	N/A	N/A	57.02%	New
BV75bn	Tenant Satisfaction -Oppurtunities for participation (base number)	N/A	N/A	2927	New
BV75ci	Oppurtunities for participation (Confidence Interval)	N/A	N/A	1.43%	New
BV75 BME	Oppurtunities for participation – Black & Minority Ethnic (%)	N/A	N/A	65.38%	New
BV75 BME bn	Oppurtunities for participation – BME (base number)	N/A	N/A	26	New
BV75 BME ci	Oppurtunities for participation – BME (Confidence Interval)	N/A	N/A	N/A	New
BV75 ii Non BME	Oppurtunities for participation - Non BME (%)	N/A	N/A	56.69%	New
BV75 ii Non BME bn	Oppurtunities for participation – Non BME (base number)	N/A	N/A	2872	New
BV75 ii Non BME ci	Oppurtunities for participation – Non BME (Confidence Interval)	N/A	N/A	N/A	New
BV164	CRE code of practice in rented housing	Yes	Yes	Yes	Yes
BV184 a	LA homes which were non-decent at 1 April 2002	*2	24.60%	30.3%	New
BV 184 b	% Change in Decent Homes standard	*2	0	0%	New
BV185	Responsive repairs where appt made and kept	88.60%	90%	83.59%	New
LPI HM 01	% of Repair jobs subject to Complaints	2.50%	2%	4.11%	
LPI HM 02	To complete Adaptations works within 33 days	80.09 days	32.5	55.46	
LPI RA 01	To maintain former tenant arrears at below £100,000	£192,546	£100,000	£145,317	
LPI RA 02	Total rent owed at the end of the financial year	£106,835	£100,000	£114,783	
LPI RA 03	Current tenants owing over 13 weeks rent	1.45%	1.35%	1.40%	
LPI RA 05	Current arrears as % of rent roll (previously BVPI 66b)	0.64%	1.00%	0.67%	1.80%
LPI RA 06	Rent written off as % of rent roll (previously BVPI 66c)	0.28%	0.43%	0.35%	0.20%
LPI RA 07	% Rent lost through dwellings becoming vacant	1.68%	1.46%	2.13%	0.90%
LPI HN 02	The stock empty at the end of the financial year	1.80%	<2%	2.15%	
LPI HN 03	Percentage of lettings made to older persons	39.10%	No target	32.98%	
LPI HN 04(a)	Average re-let time for general needs housing stock	19.1 days	15	20.6	
LPI HN 04(b)	% of general needs housing stock let within target	75.70%	90%	71.80%	
LPI HN 05	New tenancies given to vulnerable people	2.35%	No target	0.34%	
LPI HN 09	Average Re-let time (previously BVPI 68)	62.99 days	60 days	71.27	26

Performance across many areas meets the targets set for the year. For many areas, such as tenant satisfaction, rent collection and energy efficiency, performance is within the top quartile nationally.

Repairs appointments fell below target for the year, mainly due to the performance of the Council's main responsive repairs contractor. The Council is developing partnership working with the contractor to address this in the current year.

The Council's performance on voids across all stock is also over target and difficulties with letting some sheltered premises have resulted in a small number of very long term void properties. However, performance with letting general needs stock continues to be good. Whilst not achieving the very ambitious target of 15 days, the average letting period of 20 days is well within the top quartile nationally.

### Evidence

1b HRA Business Plan 2004-2034

### 3.9.6. Options Evaluation

Butlers is retained by Winchester City Council as Treasury Management Consultants and were invited to provide advice and support on the financial and technical aspects of the Housing Option Appraisal.

#### Main findings of Butlers report

Subject to the points set out in the report<sup>12c</sup> the viable options to deliver sustainable Decent Homes and achieve the other objectives appeared to be:

- Retention with or without extra capital resources with or without limited prudential borrowing
- Arms Length Management
- Stock Transfer.

These formed the basis of consultation throughout the remainder of the appraisal.

This original report was updated<sup>15d</sup> at the 29 March 2004 Steering Group Meeting which evaluated the options as follows

Option	For	Against
<b>Retention</b>	Will achieve decent homes	£2.5m funding shortfall by 2010
	HRA sustainable	No additional resources for estate improvements
	Tenant satisfaction with existing service is high	Doesn't address needs for affordable housing
	No obvious demand for significant additional investment	
<b>ALMO</b>	Potential for additional funding	Additional resources likely to be limited to achieving decent Homes only and not other stock investment needs
	Increased opportunities for tenant empowerment	Costly process of separation
	Additional focus on Housing achieved from physical split	
<b>Transfer</b>	Additional resources for stock improvements (plus additional resources for other tenant aspirations, estate works)	No longer remain with the Council
	Additional resources for meeting other corporate priorities	No obvious demand from tenants for significant additional investment
	Rents to remain in line with national restructuring policy	Gross estimated receipt of £60m very low compared to capital value of the assets.

## **Evidence**

12c Butlers Financial Report – February 2004

15d Options Appraisal Steering Group report – 29 March 2004 – Butlers Financial Report – Further Analysis

### **3.9.7. Discounting Options and the Final Decision**

Following the consultation programme - a report, written by the Project Leader, was presented to the Housing Options Steering Group meeting on 16 September 2004 – The Housing Options Appraisal – A Review of the Options<sup>15d</sup>.

This report considered the current position with the Options Appraisal Review. It recommended that the group discount certain options in light of

- the information gained through the consultation period,
- the results of the stock survey
- Butlers papers
- Information considered at previous meetings

The report recommended that the information already available would indicate that PFI and LSVT had no prospect of receiving the necessary support of tenants that would be required to ensure that any final Options Report would be signed off as robust and reasonable. It was proposed therefore to discount these options and focus the final stages of the review focus on investigating the feasibility and benefits of 'Staying with the Council' and ALMO options.

Advice from the CHTF was that in light to the Council's debt free status, very low liabilities to meet the Decent Homes Standard, and current demands from councils with very large liabilities now meant that a "funded" ALMO was not likely to be a workable option for Winchester. Although some tenants had expressed that the ALMO option was their preferred option, the CHTF suggested that the Council should explain that this was no longer an option and give specific reasons why.

Despite the feedback that there would be lack of support for the LSVT option it was recommended that the process continue with the next edition of the newsletter detailing robustly with the dismissal of the PFI and ALMO options and by clearly setting out the long-term consequences of the 'Staying with the Council' option along with the clear benefits of LSVT.

The two remaining options of retention and transfer were presented to stakeholders in a further options newsletter<sup>16i</sup> and their opinions tested through an independently carried out survey.

Tenants responded resoundingly that they preferred for their housing to remain under the management of the Council<sup>8d</sup>.

### **Evidence**

- 15d Options Appraisal Steering Group report – 16 September 2004 - The Housing Options Appraisal – A Review of the Options
- 16i Housing Options Newsletter 2.
- 8d Housing Options Test of Opinion Survey Report and Survey Forms.

### **3.9.8. Strategic Housing Priorities**

Given the overall size of the City's stock, and the fact that it is reducing on an year on year basis, Butlers did not believe that a PFI scheme is either feasible or desirable in Winchester.

However the feasibility of such a scheme as an option for the delivery of new build was considered as part of a parallel review of the funding for new affordable housing in the City (see details in Criteria 5).

Increased provision of affordable housing was shown to be achievable through Large Scale Voluntary Transfer, but that this would only partially bridge the gap between need and supply (see Section 3.5.3 Criteria 5 – Butlers advice on the degree to which LSVT could help the Council meet its affordable housing target). Given the strong tenant views for retention, the Steering Group agreed to concentrate on the potential for asset sales and /or small scale transfer of void properties, with the wider review of issues such as 106 agreements, major development areas and PFI for new build being assigned to another body<sup>12e</sup>.

### **Evidence**

- 12e Butlers report – Options for Affordable Housing – July 2004.

### **3.9.9. Cost and Benefit of each Option – Presentation to Stakeholders**

The full financial appraisal of each of the options is included on Section 4 of Butlers Financial report<sup>12c</sup>. An easy to read For's and Against analysis was presented in an update to that report on 29 March 2004 prepared by the Project Leader<sup>15d</sup>. An overall appraisal is included in the Project Leader's report to the Steering Group on 16 September 2004<sup>15d</sup> following the consultation programme and Butlers financial and technical report.

The financial information was presented to the Steering Group by Butlers, through a special briefing in March 2004, each of the group members received a hard copy of the full report prior to the briefing where issues/confusions etc arising from his report were addressed.

In addition Butlers delivered a workshop, which was well attended, for all members on the findings of the report. Slides from this presentation<sup>18a</sup> were then stored on the website for all members, not able to attend the workshop, to view.

The cost and benefits of each option were presented to all other tenants and leaseholders in the form of a table included in the first newsletter<sup>16c</sup> which was

revised for the second newsletter<sup>16i</sup> to take account of the narrowing of the options.

Staff had 3 choices of varying levels of technical detail by which to evaluate and explore the options

- Access via the department electronic document filing to Butlers full report
- Viewing the slide detail from Butlers Members presentation
- Copies of the newsletters and Frequency Asked Questions detachable flyers

In addition they could approach their Trade Union representative on the Steering Group or their manager if they required further detail or the format's did not meet their needs.

TACT representatives received further support from their independent advisor, TPAS, in the form of independent reports from their own financial specialist on the analysis prepared for the Council<sup>17b</sup>.

#### **Evidence**

- 12c Butlers – Financial report – February 2004
- 15d Options Appraisal Steering Group - Minutes - 2 March, 29 March – Butlers Initial Report, Further Financial Analysis.
- 15d Options Appraisal Steering Group - Report & Minutes - 16 September 2004 – The Housing Options Appraisal – A review of the Options.
- 18a Butlers slides from members Options Workshop.
- 16c Options Newsletter edition 1 – June 2004
  
- 16i Options Newsletter edition 2 – January 2005
- 17b Reports for TPAS on Financial Aspects of Winchester Council Housing Options – Graham Martin 20.3.04 & 28.07.04

### **3.10. CRITERIA TEN – DECISION MAKING PROCESS**

#### **3.10.1. Introduction**

The City Council has for some years been a Liberal Democrat administration operating a single party Cabinet system. The Cabinet made it clear from the outset of the appraisal that they had no particular view on the desired outcome and were open to considering all options.

They were particularly concerned that tenants', leaseholders' and other stakeholders' views should be heard before a decision was taken on which of the options to pursue further and established a Steering Group with cross party representation in addition to an equal number of tenants and staff representation to manage this process.

As detailed in section 3.3, the Steering Group consulted widely initially on all options and then in more detail on retention and LSVT once the feasibility of PFI and ALMO had been discounted.

#### **3.10.2. Feedback from the Steering Group**

The final conclusions of the Steering Group, heavily informed by the views of tenants and leaseholders as expressed through the Test of Opinion Survey, were submitted, with a covering report, to:

- Cabinet on 20 April 2005<sup>15a</sup>
- Full Council on 29 June 2005<sup>15c</sup>

Representatives of TACT attended the Cabinet meeting. In addition to adding an independent comment to the covering report, they were also invited to respond after member debate and prior to the Cabinet decision being made. There was also the opportunity for views expressed by individual members of the Tenants' Federation Committee to be reported to each of the political groups through their representatives on the Committee.

#### **Evidence**

- |     |  |
|-----|--|
| 15a | CAB1071 Report and Minutes – 20 April 2005 - Options Appraisal Recommendations |
| 15c | Council Report and Minutes - 29 June 2005                                      |

### 3.11. CRITERIA ELEVEN – CHANGE MANAGEMENT PROCESS

The conclusion of the Options Appraisal Review has meant that minimal change management is necessary as Winchester City Council tenants, along with leaseholders and licensee's, responded resoundingly that they wished for the housing stock to remain within the control of the Council. Full results are contained in the Winchester City Council Test of Opinion Report Jan/Feb 2005<sup>8d</sup>.

The Steering Group is likely to conclude that this is the option of choice for the near future but with the understanding that in the current climate this can only be a temporary approach to the challenges which exist. Consideration is required to how some of the Council's other priorities and tenant aspirations expressed through the survey are achieved.

Some areas where action is required are as follows

- Meeting the need for affordable housing
- Improved tenant and leaseholder involvement and empowerment
- Resourcing the gap in funding to meet decent homes
- Being prepared to repeat the review exercise in the next 5 years

Meeting the need for affordable housing has been dealt with in section 3.5.4 of Criteria 5. Improved tenant and leaseholder involvement and empowerment is covered under Criteria seven and section 3.1.7 of Criteria 1 respectively. Other tenant aspirations are covered under section 3.9.3 of Criteria 9.

Potential steps to address the initial £400k per annum shortfall are set out in the report to the Housing Options Appraisal Steering Group on 16 September 2004, 'A review of the Options'<sup>15d</sup>.

The approaches for feeding back, to the various stakeholders, these decisions and information on improvements and actions for the future are contained within the Communication Strategy<sup>9a,b</sup>.

#### **Evidence**

8d	Winchester City Council – Housing Options - Test of Opinion Survey Report March 2005.
15d	Options Appraisal Steering Group Report and Minutes - 4 April 2005 – Conclusion of current exercise and remit to repeat in 5 years.
15d	Options Appraisal Steering Group Report – 16 September 2004 – A Review of Options
9a,b	Communications Strategy – Editions 1 & 2

### 3.12. CRITERIA TWELVE – Management of the Process

#### 3.12.1. The Steering Group

A Steering Group was set up at the outset to manage the process<sup>15a</sup>.

The Steering Group made all decisions which related to how the process was undertaken and had a key role in deciding how information was presented to stakeholders.

Any decisions considered to be outside the remit of the Steering Group were presented to full Council.

The Group was comprised of 5 members, 5 tenants and other stakeholder representatives along with City Council officers.

- **Members**

The Portfolio Holder for Housing, Councillor Dominic Hiscock, had the responsibility for chairing the Group. Other political parties each had a representative member on the Group.

- **Tenants & Leaseholders**

Tenant and leaseholder representatives were chosen by TACT (see section 3.1.2): this included the Chair's of both the TACT groups. Currently there are no leaseholders who regularly attend the TACT meetings (section 3.1.7 for further details).

Members of TACT are volunteers who are interested in and committed to user involvement in housing. These members are not elected and therefore are not seen as being representative of all tenants. However the importance of their involvement cannot be underestimated as they play a crucial role in ensuring a tenant's view is voiced and considered.

- **Stakeholder Representatives**

The tenants on the Steering Group were supported at meetings and through out the process by their Independent Advisor TPAS.

Staff views were presented by the Council's Unison representative.

- **Officers**

The review team members (see section 3.12.2) were in regular attendance along with representatives of the Council's Legal and Finance departments and the Director of Health and Housing.

#### **Evidence**

15a CAB 703 Report & Minutes - 17 September 2003 - Delivering Decent Homes – Options Appraisal for Landlord Services



### 3.12.2. Review Team

The tasks which were identified as part of the options appraisal review process were carried out by a Review Team, which was lead by Richard Botham, Head of Housing Landlord Division (formerly Head of Business Services), who was identified as the Project Leader with responsibility for the overall co-ordination of the Options Appraisal Review.

The Project Leader worked with the Review Team, which included Clive Broomfield, Head of Property Services, Janette Palmer, Project Co-ordinator and Glynis Cole, Tenant Participation Manager. This team liaised with Bob Merrett, Director of Health and Housing (Directorate of Communities from 11 April 2005) and the Portfolio Holder for Housing and Chair of the Housing Options Appraisal Steering Group, Councillor Dominic Hiscock.

The Review Team's actions were advised by the Steering Group.

### 3.12.3. Options Appraisal Timetable and Programme

A project plan with key tasks along with a timetable was devised to achieve the process<sup>3</sup>. This was supported by a programme of Steering Group meetings. The Steering Group agreed the programme and timetable.

At its meetings the Project Leader updated Steering Group members on the completion of key tasks. This enabled members to monitor the progress of the review process. If required amendments to the programme and re-timetabling of some actions was discussed and the programme updated.

This programme and timetable was agreed with the Community Housing Task Force as part of the Communications Strategy and Housing Options Appraisal Steering Group meeting on 10 December 2003<sup>15d</sup>.

The programme comprised of 3 main stages

- information gathering primarily from the Council's Treasury Management Consultant, Butlers
- delivering that information to all the stakeholders mainly through roadshow events
- testing stakeholders opinions following the information sharing process to determine how to proceed in the future.

The programme of Steering Group meetings was kept fluid, to ensure the process was effective. It allowed for special all day meetings at key junctures i.e. following the completion of the roadshow event and cancellation of unnecessary meetings in addition to the rescheduling of dates which would ensure debate was well informed and useful.

#### **Evidence**

3 Project Plan

15d Options Appraisal Steering Group Report and Minutes – 10 December 2003 – Update on Project Timetable

### 3.12.4. Use of Consultants

A well informed independent view was required on how each of the options would best help Winchester achieve its priorities.

Butlers are retained by Winchester City Council as Treasury Management Consultants and they were invited by the Council to provide advice and support on the financial and technical aspects of its Housing Option Appraisal<sup>12a,b</sup>.

Butlers were chosen to deliver this evaluation as they already had sound knowledge of the Councils financial position and had developed a good understanding of Winchester's circumstances, in addition to being experienced and knowledgeable about the options themselves. The Project Leader and other Council officers (i.e. from the Finance Directorate) worked closely with Butlers. Use of other consultants is detailed in the Communication Strategy<sup>9a,b</sup>.

#### **Evidence**

- 12a Butlers Brief.
- 12b Butlers Response to the Brief
- 9a,b Communications Strategy

#### 4. COMPREHENSIVE PERFORMANCE ASSESSMENT

Winchester City Council has received a “Fair” rating under its Comprehensive Performance Assessment and is regarded as an improving council.

The Decent Homes diagnostic received an overall assessment of C<sup>13</sup>. Key strengths were identified as follows:

- Community leadership demonstrated through strong tenant involvement
- Current planned maintenance and enhancement works contributes to tenants quality of life
- High levels of tenant satisfaction
- Good staff training programmes
- Well structured performance monitoring arrangements
- Most strategic plans contain SMART action plans

Key weaknesses were identified as:

- No up-to-date information on stock condition
- No system for updating stock condition information
- An options appraisal has not been undertaken
- Current programme is not prioritised to meet the DHS
- Revenue expenditure is heavily weighted towards responsive rather than planned maintenance
- Traditional contract procurement does not maximise partnership potential
- Targets not set for the number of properties to meet the DHS year by year
- The potential for learning is not being maximised through benchmarking
- Customer feedback not used to its full potential

A Modernisation and Improvement Plan<sup>13</sup> was put in place following the assessment and significant steps have been taken to address these weaknesses. These have included:

- The completion of the Stock Condition Survey and Options process
- The approval of the Delivering Decent Homes Strategy prioritized to meet the Decent Homes Standard and rebalancing the programme with greater emphasis on planned work.
- The development of partnering contracts for gas servicing and cleaning

#### **Evidence**

- 13 CPA Decent Homes Diagnostic Assessment
- 13 Modernisation and Improvement Plan

## **5. CONCLUSION**

As will be apparent from this submission, Winchester City Council has approached this appraisal with an open mind. Every effort has been made to ensure that all the available options have been thoroughly considered and, most importantly, explained and put before stakeholders, particularly tenants, applicants and leaseholders.

The Council has in addition maintained an overview of the significance of the outcome for strategic priorities for affordable housing, a key corporate priority. In the light of the extensive work done through this appraisal, Winchester is on course to achieve the Decent Homes Standard and currently also its own affordable housing targets under the stock retention option. This option is also very clearly that preferred by tenants and this has been demonstrated through the results of the Test of Opinion Survey. The results give a clear indication that the tenants would in no way support transfer of ownership or management from the Council in a formal ballot.

However, whilst the financial position up to 2014 is sustainable and sufficient to comply with both the Decent Homes Standard and tenant aspirations, sufficient funding to meet the service beyond that time has yet to be identified.

Because of this, it will be necessary for the City Council to re-appraise the position on stock condition and future resources within the next three years.

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	C	• David Adamson's Notes from Members Seminar – March 2004
	D	• Major Repairs, Renewals and Maintenance Strategy
8		<b>Test of Opinion Survey</b>
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	B	• Language advice sheet sent with Test of Opinion Survey
	C	• Test of Opinion - Reminder Letter – February 2005
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9		<b>Communication Strategies</b>
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18	A	<p><b>Consultation with Other Stakeholders</b></p> <p><b>Members</b></p> <p>Members bulletins</p> <ul style="list-style-type: none"> <li>♦ 27 February 2004 Notification and Agenda of Housing Options Appraisal – members Briefing on 2 March 2004</li> <li>♦ 12 March 2004 Notification of posting of 2 March 2004 briefing notes on Intranet</li> <li>♦ 8 April 2004 Housing Options Appraisal – ITA Roadshows and Drop-in sessions</li> <li>♦ 16 July 2004 Housing Options – The Future of council Housing Consultation Programme</li> <li>♦ 27 August 2004 Notification of the meetings to discuss feedback from the consultation process and preferred options</li> <li>♦ 21 January 2005 Housing Options – The Future of Council Housing – Housing Options Next Step and the Housing Options Survey</li> </ul> <ul style="list-style-type: none"> <li>• Butlers slides from members Options Workshop –2 March 2004</li> <li>• Adamsons slides from members Options Workshop – 2 March 2004</li> <li>• Options Appraisal Background Documents File - Contents List &amp; User Guide</li> <li>• Other information see evidence number below</li> </ul> <p>B</p> <p><b>Staff</b></p> <ul style="list-style-type: none"> <li>• Intranet Pages <ul style="list-style-type: none"> <li>♦ Introduction to the Options Appraisal Briefing Notes</li> <li>♦ Housing Options Appraisal – How to access further information and background documents</li> </ul> </li> <li>• Roadshow team Briefing notes</li> <li>• Roles of Roadshow Team and Format of Events</li> <li>• DMT Minutes</li> <li>• Team Meeting Minutes – Estate Management</li> <li>• Email to all staff <ul style="list-style-type: none"> <li>♦ 22 June 2004 – Housing Options Background Documents and project Timetable</li> </ul> </li> <li>• City Voice <ul style="list-style-type: none"> <li>♦ 28 July 2004 - link to press release on roadshows</li> </ul> </li> </ul>
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## Winchester City Council

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	C	<ul style="list-style-type: none"><li>♦ 11 August 2004 – Corporate Management Team Update – section on Housing Options</li><li>• Corporate Management Team Minutes – dates?</li></ul> <p><b>Others</b></p> <ul style="list-style-type: none"><li>• Housing Forum – Project Leaders Options Workshop Briefing Notes</li><li>• List of Invitees to Housing Forums – July 2004</li><li>• Press releases<ul style="list-style-type: none"><li>♦ 27 July 2004 - Council hits the road to give tenants housing options</li><li>♦ June 2005 – Council’s decision on Options</li></ul></li><li>• Perspectives Article – March 2005</li><li>• Jigsaw Minutes – 24 August 2004</li></ul>
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