



## Report to Safer and Stronger Communities Scrutiny Committee 12 January 2012

**Report of:** Richard Webb Executive Director Communities

**Subject:** Consultation on the Future of Council Housing project

**Author of Report:** Michelle Slater, Service Manager Housing Commissioning

**Summary:**

In March 2012, the Council's Cabinet will make a decision about the future management arrangements for Sheffield's 42,000 council homes.

This report provides information about the consultation process for the Future of Council Housing project which will inform the Council's decision in March 2012. The report has been requested by the Scrutiny Committee.

**Type of item:** The report author should tick the appropriate box

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	✓
Other	

**The Scrutiny Committee is being asked to:**

- 1) Consider the appropriateness of the consultation process
- 2) Consider any further suggestions for how the Council can provide information to as many tenants as possible
- 3) Promote the tenants' ballot and encourage tenants to use their vote to ensure the decision is representative of tenants' opinion

**Background Papers:**

Report to Cabinet 'The Future of Council Housing', 19 October 2011

Report to Cabinet 'Council Housing – Planning the Future' 24 November 2010  
**Category of Report: OPEN**

## **Report of the Executive Director of Communities** **Update on the Future of Council Housing project**

### **1. Summary**

- 1.1. The report provides information about the consultation process and a summary of the responses gained so far, along with the planned consultation events continuing through January and February.
- 1.2. It also advises of the key messages that will be included in the next tenant booklet to be distributed to all tenants in the city.
- 1.3. Finally, it confirms that the Council is committed to making a decision in line with tenant opinion, and is therefore promoting the distribution of information as wide as possible to encourage as many tenants as possible to use their vote.

### **2. What does this mean for the people of Sheffield?**

- 2.1. The Council is landlord to tenants in around 42,000 homes and there are around 2,100 leaseholders. These homes are the Council's largest single asset and remain highly important to existing and prospective tenants in the city. It is therefore essential those tenants, leaseholders and other key stakeholders are consulted on this issue and that their views are taken into account.
- 2.2 This project has two phases:
  - The first stage is to decide on delivery through either an ALMO or the Council
  - Once that decision is made the second phase will be an extensive service re-design exercise that will aim to heavily engage tenants in deciding how they want their services to be organised.

This service redesign will take place whichever management option is selected. In either case the Council will seek to better integrate council housing services with other council services in order to improve service quality and to make more efficient use of resources. If selected, the in-house option would remove duplicated management costs that would release savings to be re-invested in council housing repairs and services for tenants.

- 2.3 Whichever option is selected some things will stay the same. The Council will remain landlord, the decent homes work underway will not be affected and the majority of staff who provide council housing services to tenants now will continue to do so.

### **3. Background**

- 3.1. Sheffield City Council set up an Arms Length Management Organisation (ALMO) in 2004. Setting the ALMO up enabled the Council to apply to

- 3.2. The ALMO (Sheffield Homes) is a separate company wholly owned by Sheffield City Council and it has the responsibility of managing council homes on our behalf as well as delivering Council policies and objectives.
- 3.3. The ten year management agreement with Sheffield Homes expires on 31 March 2014. A decision therefore needs to be made about how Council housing is managed after 2014.
- 3.4. The housing service provided by Sheffield Homes has been judged as 'excellent' three times by the Audit Commission. However, the factors driving the decision that needs to be made ahead of 2014 are different to those in 2004 when the ALMO was established.
- 3.5. A Member Task and Finish group has considered the requirements for housing management functions in the future and how these requirements could be delivered, either by an ALMO or directly by the Council.
- 3.6. In addition, an Advisory Group of tenants and leaseholders has been meeting regularly with Council officers, with support from an Independent Facilitator to ensure that the Council consults fully and effectively with tenants across the city.
- 3.7. The Advisory Group worked on a list of priorities for the future housing services. The City Wide Forum of tenants were consulted on these and they were presented to the Member Task and Finish group. After rechecking these refreshed priorities with the Advisory Group in early September 2011, they formed the key criteria against which the two options were compared. These were;

### **Theme 1 – Decision-Making, control and influence**

- Democratic accountability for council housing at a strategic level
- Accountable to customers and open in the way business is carried out
- Works effectively with tenants, leaseholders and other partners to make sure that neighbourhoods are safe, clean and good places to live
- Ensure that there is a high level of tenant involvement

### **Theme 2 – Quality Housing Services**

- Deliver high quality housing services
- Maintain homes in a safe and sound condition
- Ensure neighbourhoods are places people want to live
- Increase the supply of affordable rented housing

- Value customers and employees
- Support and protect vulnerable people

### **Theme 3 - Partnership working and contributing to wider Council objectives**

- Forge links with other agencies to achieve the best possible outcome for current and prospective council tenants, leaseholders and residents of council estates
- Working with partners, contractors and peer organisations to improve the quality and responsiveness of services
- Effective joint working with complementary council services, including possible integration
- Deliver wider Council and City objectives
- Promote community cohesion and safe and secure communities

### **Theme 4 - Deliver services in a way that reflects the different needs of tenants and go beyond basic housing management and maintenance**

- Develop initiatives so individuals and communities can grasp opportunities to grow their financial and economic potential
- Create employment opportunities in communities
- Respond flexibly to the emerging and changing needs of customers

### **Theme 5 – Value for Money**

- Provide a value for money service by being efficient in what it does
- Is affordable so that it can deliver good quality services within the total rent income available
- Ensure that homes are kept in use as much as possible, homes and services are charged for fully and fairly and all income owed is collected
- Maximise the resources available to make sure that homes are kept to a decent standard and remain good quality
- Ability to lever in additional resources
- Annual running costs compare favourably with alternative model

3.8 Following consideration of the options, the Council's preference at this stage is for its housing management services to be delivered directly by the Council. The main reasons for this are that the Council believes:

- Management and administrative costs would be less and these savings would be spent on Council homes and housing services
- Accountability for the housing services would be directly through the democratically elected local councillors.
- It would be easier for people to get all Council services through one organisation.
- The Council would be in a better position to join up housing services with other Council services.

- 3.9 More information about the rationale for this decision can be found in the Cabinet report of 19 October 2011. However, no final decision will be made until consultation on both options has been carried out and a ballot has taken place.
- 3.10 Consultation is being carried out with tenants, leaseholders and other key stakeholders during late 2011, followed by a ballot of all secure tenants in January and February 2012.
- 3.11 The purpose of the ballot is to ascertain tenants' views, so that they – along with any other feedback which is gathered during the consultation and any further information which becomes available on the two options - may be taken into account in making the final decision.
- 3.12 Although the Council has stated a preferred option at this stage, the final decision may be either of the two options. It is therefore essential that tenants are encouraged to use their vote.
- 3.13 The Communities and Local Government (CLG) department has very recently issued some guidance about consulting on this issue and we are giving full consideration to this. However, it is important to note that this guidance was only issued on 6 December 2011, by which time the Future of Council Housing project was already well advanced, having been the subject of Cabinet decisions in November 2010 and October 2011

#### **4. Matters for consideration**

- 4.1 This provides some Information about the consultation so far
- 4.2 After seeking information and good practice from other Local Authorities, the project team found that consultation materials were in the majority based around the respective Council's preferred option and that many authorities had made the decision without conducting a tenants' ballot
- 4.3 Sheffield Councillors however, were committed to providing tenants with information about both options, to enable them to make an informed decision in the tenant ballot.
- 4.4 In October 2011, communication began with tenants and other stakeholders when they were advised of the Council's preference.
- 4.5 Since then, 8 Area meetings have taken place across the city which were open to the public. TARA and community reps were given specific invites to their appropriate meeting date. A presentation was delivered by Council Managers and Directors, with the opportunity for open questions and answers which were all recorded.
- 4.6 In addition, a booklet was sent out to all tenants to give them an outline of the project and programme. It included information about the consultation

- 4.7 Attendance at these meetings and sessions has varied between no attendees and up to 35, although those in attendance were interested in the subject and asked good questions, which indicated they had read the materials sent out so far. This is important in gauging whether the communications process is being effective.
- 4.8 A summary of comments and contacts so far can be seen at Appendix 1 and Appendix 2
- 4.9 An Equality Impact Assessment has been developed and has helped us to inform our communications activity.
- 4.10 Information has been sent out to community and faith leaders, so that they are able to present it at their meetings and before prayers.
- 4.11 We are also exploring the use of community radio to promote the ballot and to encourage tenants whose first language is not English, to seek further information if needed.
- 4.12 We have begun discussions with Voluntary Action Sheffield and Age Concern about reaching the elderly and disabled as we know that a large proportion of our tenants are elderly. In addition, we have booked a further 31 sessions, going to each Sheltered Scheme in the city in recognition that it is more difficult for Sheltered tenants to access meetings in other venues.
- 4.13 Other methods being used include JC Decaux advertising which runs from 27 December 2011 until 24 January 2012, and a two week display in Sheffield Showcase (the empty shop windows on Pinstone Street) starting on Monday 9 January 2012 to raise awareness of the ballot
- 4.14 Drop in surgeries have started at the Housing Area Offices as well as the First Points, which enable tenants already visiting us for information to seek help and clarification.
- 4.15 A further 8 public meetings have been organised through January, to raise awareness of the ballot process, and in response to requests from tenants and other partners
- 4.16 A special leaseholder forum has also been booked in for 11 January 2012.
- 4.17 A full list of these meetings can be seen at Appendix 3, and we would value suggestions as to how we can encourage as many tenants as possible to attend these events.

## **5. The next tenant booklet**

**5.1** In January 2012, the tenants will receive another information booklet to help them decide which option to vote for, and to encourage them to use their vote.

**5.2** The booklet contains information which addresses some of the issues that have arisen through the consultation so far.

**5.3** The content of the booklet includes:

- Stating why the Council thinks direct management is its preferred option
- A brief comparison between the differences in the options
- The vision for Council housing in the future, which is the role of the Council to set out
- The Council's expectation that tenants will become more involved in decision making and influencing wider Council service delivery, including membership of committees and scrutiny panels
- A list of further consultation dates. These further dates have been added in response to the first round of consultation events. The Council received several requests for additional meetings and these have been accommodated where appropriate.

## **6. Implications**

**6.1** A budget of up to £400,000 was agreed previously by Cabinet. We are expecting to underspend on this budget. However, it is also essential to provide a consultation process that gives tenants every opportunity to contribute, so the budget is being utilised where appropriate.

**6.2** There are corporate implications in all instances with this project. There is scope to streamline services, remove duplication and achieve efficiencies. However, the detail of these implications will not be known until the decision in March 2012, when further consultation about service delivery and structures will take place.

**6.3** There are also human resource implications in all instances. Achieving efficiencies in the cost of the service would potentially mean staffing reductions. The benefit of commencing this project early is to build in enough time to make these provisions, and Members have expressed their commitment to avoiding any compulsory redundancies if possible. The HR implications would affect both Council and Sheffield Homes employees.

**6.4** It is essential that officers do as much as possible to maximise the turnout to ensure the Cabinet decision has been influenced by tenants, and Members are asked for their support in also encouraging tenants to use their vote.



6.5 The project team holds a full risk register which is monitored by the Project Board and the team are committed to providing accurate and consistent information so that tenants are able to make an informed choice.

## **7. Recommendations**

7.1 The Scrutiny Committee is being asked to;

- a. Consider the consultation process, and provide comments as appropriate
- b. Consider any further suggestions for how the Council can provide information to as many tenants as possible
- c. Promote the tenants' ballot and encourage tenants to use their vote to ensure the decision is representative of tenants' opinion

**Future of Council Housing**

**Feedback - summary of feedback and contact levels\***

Week	Week Commencing	Telephone voicemail (direct)	Telephone (via Customer Service line)	Email	Unique visitors to website	Meetings	Face-to-face (Bus / Surgery)	Other
1	10/10/2011	55	0	5		0	0	0
2	17/10/2011	17	0	5		0	0	0
3	24/10/2011	6	0	6		0	0	0
4	31/10/2011	2	0	1	1360	0	0	0
5	07/11/2011	0	0	1		0	0	0
6	14/11/2011	5	5	1		0	0	0
7	21/11/2011	7	0	9		131	0	0
8	28/11/2011	0	0	3		0	0	0
9	05/12/2011	2	0	2	243	0	0	0
10	12/12/2011	5	4	2		0	33	0
11	19/12/2011						8	
12	26/12/2011							
13	02/01/2012							
14	09/01/2012							
15	16/01/2012							
16	23/01/2012							
17	30/01/2012							
18	06/02/2012							
19	13/02/2012							
20	20/02/2012							

Totals	99	9	35	1603	131	41	0
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\*Please note that some contacts may be the same tenant using another method of contact.

<b>Grand total number of contacts</b>	<b>1918</b>
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## **APPENDIX 2**

### **Future of Council Housing Feedback from phone / in person By 23/12/2011**

#### **Phone**

- Can any ALMO bid to provide the services, not just Sheffield Homes?
- Customer not happy that Sheffield Homes are having staff meetings for all staff and wardens are being taken off duty just for a staff meeting.
- Preferred option - why go through this consultation process. Also mentions council tax.
- I want to register my vote. I am a leaseholder. I would prefer services all under one roof and professional service. And accountability, direct line to speak to someone.
- I have been without Central Heating for over a week - can you help me with this?
- Wants to pay by Direct Debit (rent)
- Thanked us for the information

#### **Bus**

- Better to be managed by the council as you know who you are dealing with and services can be joined up better
- Happy with Sheffield Homes' service
- Leaseholders cannot vote – why?
- How much would be saved? Can we have a figure?
- The Council has already made its mind up – just like with Wisewood School.
- Council departments should be run by Councillors – especially for housing so they can be accountable. I can sack them if I don't like what they are doing.
- Decent Homes has been an excellent addition to my home.

#### **Drop-in**

- No data yet

#### **Meetings**

- See minutes of meetings

## APPENDIX 3

### Future of Council Housing Communications Plan

Date	Event	Location	Attending
Mon 27 Dec	<b>JC Decaux advertising starts (until 24 Jan 2012)</b>		
Mon 2 Jan			
Tue 3 Jan			
Wed 4 Jan	<b>Final details sent to Electoral Reform Services</b>		
Thu 5 Jan	South Sheltered Group 10.30am-12.30pm	Welwyn Court	Steve Parker Harry Harpham Harry Plant
Fri 6 Jan	North Sheltered Group 10:30am-12:30pm	Eva Ratcliffe House	Steve Parker Harry Harpham Harry Plant
Mon 9 Jan	<b>Display in Sheffield Showcase opens (for 2 weeks)</b>		
	Consultation Bus 10am-12.30pm	Firth Park Library	Project team
	Consultation Bus 2pm-8pm	Co-op Northern Avenue	Project team
	Sheltered Scheme 10am-11am	Manor House	Team 1
	Sheltered Scheme 11am-12pm	Roscoe Court	Team 1
	Sheltered Scheme 1:30pm-2:30pm	Park View Lodge	Team 1
	Sheltered Scheme 10:30am-11:30am	Lytton Court	Team 2
	Sheltered Scheme 2pm-3pm	Eva Ratcliffe House	Team 2
	Sheltered Scheme 3:30pm-4:30pm	Crabtree Grange	Team 2
Tue 10 Jan	Consultation Bus 10am-12.30pm	White Lane, Gleadless	Project team
	Consultation Bus 2pm-5pm	Iceland (S8)	Project team
	Sheltered Scheme 10am-11am	Elm Tree House	Team 1
	Sheltered Scheme 11:15am-12:15pm	Springwater House	Team 1
	Sheltered Scheme 2pm-3pm	Welwyn Court	Team 1
	Sheltered Scheme	Blackwell Court	Team 2

Date	Event	Location	Attending
	10am-11pm		
	Sheltered Scheme 11:30am-12:30pm	St Georges Court	Team 2
	North West Area Board (SH)		
	East Area Board (SH)		
	Central Area Board (SH)		
Wed 11 Jan	<b>Newsletter sent out</b>		
	Consultation Bus 10am-12.30pm	Birley Moor Road Shops	Project team
	Consultation Bus 2pm-5pm	The Fox Inn, Beighton	Project team
	Sheltered Scheme 12pm-1pm	Callow Mount	Team 2
	Sheltered Scheme 1:30pm-2:30pm	Orpen House	Team 2
	Leaseholder Forum 6pm-8pm	Town Hall	Steve Parker Harry Plant (workshops)
	North Area Board (SH)		
Thu 12 Jan	North West TARA Group 2pm-3pm slot	Burlington Meeting Room, Martin Street	Steve Parker Harry Plant
	<b>Scrutiny</b>		
	Consultation Bus (all day)	Fargate, City Centre	Project team
	Sheltered Scheme 09:45am-10:45am	John Trickett House	Team 1
	Sheltered Scheme 11:00-12:00pm	Earnest Fox House	Team 1
	Sheltered Scheme 1:30pm-2:30pm	Charles Square Hamlet	Team 1
	Sheltered Scheme 3pm-4pm	Earnest Copley House	Team 1
	Sheltered Scheme 2pm-3pm	Kinsey Road	Team 2
	Sheltered Scheme 12:45pm-1:45pm	Newgate Close	Team 2
	Sheltered Scheme 3:30pm-4:30pm	Westnall House	Team 2
	South West Area Board (SH)		
Fri 13 Jan	Consultation Bus (all day)	Fargate, City Centre	Project team
	Sheltered Scheme 11:00am-12pm	Balfour House	Team 1
	Sheltered Scheme 1:30pm-2:30pm	Helliwell Court	Team 1

Date	Event	Location	Attending
	Sheltered Scheme 3pm-4pm	Sweeney House	Team 1
	Sheltered Scheme 10:30am-11:30am	Newton Croft	Team 2
	Sheltered Scheme 11:45am-12:45pm	Blackberry Hamlet	Team 2
	Sheltered Scheme 2pm-3pm	Cherry Tree Common	Team 2
Mon 16 Jan	Consultation Bus 10am-12.30pm	Lowedges Community and Safety Forum	Project team
	Consultation Bus 2pm-8pm	Co-op Stocksbridge	Project team
	Sheltered Scheme 1:30pm-2:30pm	Low Edges	Team 2
	Sheltered Scheme 3pm-4pm	Mount View Lodge	Team 2
	Sheltered Scheme 4pm-5pm	Painted Fabrics	Team 2
Tue 17 Jan	North West public meeting 6pm-8pm	St Bart's Church	
	Consultation Bus 10am-12pm	Westminster – Redmires Road	
	Consultation Bus 2pm-5pm	Winn Gardens	
Wed 18 Jan	<b>Ballot papers sent out</b>		
	Drop-in session 11am-2pm	Castle Markets (next to customer services)	Cllr Harry Harpham Harry Plant
	South East public meeting 6pm-8pm	Club Baize, Beighton	Miranda Plowden & Cllr HH / Cllr IB
Thu 19 Jan	City Wide Forum 2pm-4pm	Domino Room, Cathedral	
	Drop-in sessions 11am-3.30pm	Howden House 11am-2pm then Property Shop 2- 3.30pm	
	East public meeting 6pm-8pm	Vestry Hall	Richard Webb & Cllr HH / Cllr IB
Fri 20 Jan	Drop-in session 10am-12pm	Woodhouse Housing Office	
	North public meeting 6pm-8pm	Parson Cross Community Dev. Forum	Miranda Plowden & Cllr HH / Cllr IB
Mon 23 Jan	Drop-in session	Lowedges Housing	

Date	Event	Location	Attending
	10am-12pm	Office	
	Central public meeting 6pm-8pm	Town Hall Reception Room	Richard Webb & Cllr HH / Cllr IB
Tue 24 Jan	Drop-in session 10am-12pm	Jordanthorpe Housing Office	
	South West public meeting 6pm-8pm	Norton College	Richard Webb & Cllr HH / Cllr IB
Wed 25 Jan	Drop-in session 10am-12pm	Newfield Green Housing Office	
Thu 26 Jan	Drop-in sessions 11am-3.30pm	Howden House 11am-2pm then Property Shop 2- 3.30pm	
Fri 27 Jan			
Mon 30 Jan	<b><i>In Touch</i> magazine starts circulation</b>		
	<b>ERS data on voting so far available, reminders sent</b>		
Tue 31 Jan			
Wed 1 Feb			
Thu 2 Feb	Drop-in sessions 11am-3.30pm	Howden House 11am-2pm then Property Shop 2- 3.30pm	
	North West Area Board (SH) 5:30pm		
Fri 3 Feb			
Mon 6 Feb			
Tue 7 Feb			
Wed 8 Feb			
Thu 9 Feb	Drop-in sessions 11am-3.30pm	Howden House 11am-2pm then Property Shop 2- 3.30pm	
Fri 10 Feb	<b>Ballot closes</b>		
Mon 13 Feb			
Tue 14 Feb			

<b>Date</b>	<b>Event</b>	<b>Location</b>	<b>Attending</b>
Wed 15 Feb	<b>Results from ERS</b>		
Thu 16 Feb			
Fri 17 Feb			
Mon 20 Feb	Labour Group		
Tue 21 Feb	<b>Ballot announcement letter sent</b>		
	<b>Sheffield Homes notified</b>		
	Sheffield Homes Board		
Wed 22 Feb	<b>Press release (embargoed until midnight)</b>		
	<b>Web updated / Staff informed</b>		
Thu 23 Feb			
Fri 24 Feb			
Mon 27 Feb	<b>Report to CMT / EMT</b>		
Tue 28 Feb			
Wed 29 Feb			

Mon 12 Mar	<b>Cabinet Agenda dispatched</b>		
Wed 21 Mar	<b>Cabinet / Final decision</b>		
Thu 29 Mar	<b>End of call-in period</b>		