

COUNCIL – 29 JANUARY 2009

AGENDA ITEM 7a – HOUSING FUTURES – FORMAL OFFER DOCUMENT (recommendations by the Housing Portfolio Holder)

Amendments to formal consultation document following comments received from South Cambridgeshire Village Homes (SCVH), the Tenant Services Authority (TSA) and the Homes and Communities Agency (HCA).

Source of amendment is bracketed after Council agenda page number/title reference.

Page 34 - Who are South Cambridgeshire Village Homes? (HCA)

South Cambridgeshire Village Homes would be an Industrial and Provident Society, a not-for-profit housing organisation, which ~~the Council has set up to take on its homes should tenants support a~~ has been created to take on the Council's homes should tenants vote in favour of a housing transfer

Page 34 - What would the transfer mean for you? (HCA)

Here are the commitments South Cambridgeshire ~~District Council would make if transfer goes ahead~~ Village Homes would deliver if transfer goes ahead

Page 36 - Development of new affordable homes (SCVH) Page 50 – Development of new affordable homes

South Cambridgeshire Village Homes would also plan to set aside money over the first five years to increase the budget to provide new affordable homes.

Page 40 - What is the Council's housing transfer proposal? (HCA)

The Council is consulting you about a possible transfer of the ownership and management of all the Council's housing to South Cambridgeshire Village Homes. The Council proposes to establish South Cambridgeshire Village Homes as a new, not-for-profit housing association. The Council has taken this decision following consultation with tenants, leaseholders and other key stakeholders

Page 41 – Why is the Council asking you to consider this change? (HCA)

We are aware that the Government is carrying out a review of the Council housing finance system ~~and we have previously asked the Government for its position but they have been unable to provide any assurances that the Council's position is likely to change in the near future~~ but there is no certainty around the outcome of that review, and if or when any changes may be introduced, or if these would help the Council's financial position in the future. With the finances the way they are, the Council has to act now to ensure are tenants are offered a choice and can make a decision on the facts.

Page 43 - The key benefits of transfer (HCA)

~~The Council believes that the~~ The main benefits for tenants of the transfer proposal would be:

Page 47 - Local knowledge and people you trust

Page 87 – Dealing with people you know and trust (HCA)

South Cambridgeshire Village Homes would be a new local not-for-profit housing association set up [with the help of](#) by the Council and staffed by the people you know and trust. It would not be an existing housing association.

Page 51 - What would the Council's housing role be after transfer?

Page 106 – Would the Council have any control over South Cambridgeshire Village Homes? (TSA)

- Replace As one of three groups with equal shares the Council would be able to vote at the general meetings on any changes to the rules of the association proposed by the Board of South Cambridgeshire Village Homes. As rule changes proposed by the Board would require at least a 75% vote in favour to be agreed this would give the Council a 'Golden Share' which would enable the Council to block any proposal by the Board of South Cambridgeshire Village Homes to merge with any other housing organisation if the Council considers that it would not be in the best interest of tenants.
- With The Council (as a whole) would hold one third of the voting rights at general meetings of South Cambridgeshire Village Homes, the tenant membership one third, and the independents one third. A vote to pass a change to the rules of South Cambridgeshire Village Homes proposed by the Board, for example to form a new or join an existing group of housing associations, would only be passed if more than three quarters of those voting at general meetings were in favour of the change. This means that any one group (where all the members of the group voted together) would be able to block such a change if it wanted to.

Page 52 - What is the timetable for consultation? (HCA)

A confidential four week postal ballot would be conducted by an independent organisation [called Electoral Reform Services](#)

Page 53 - Who are PS Consultants and how were they chosen? (HCA)

~~While the Council is paying for the cost of the independent adviser, the~~ [The](#) decision to appoint PS Consultants was taken by the elected tenant representatives on the Housing Futures Working Group (HFWG) in 2007.

Page 64 – What would happen to rents? (HCA)

Remember this target rent applies nationally to council and housing association landlord properties and the Council has been using this formula and Government guidelines on rent increases since April 2002. All of this means that with or without transfer, on average, rents would increase by inflation plus 0.5% each year ~~until target rents are reached, with~~ [with](#) an appropriate annual adjustment (up to £2.00 on the weekly rent) until the target rent has been reached. After that, current Government policy states that rents should rise only by the rate of inflation plus 0.5% (half of one per cent) a year.