



# **Eastbourne Borough Council**

## **Housing Futures Project 'Have Your Say' Consultation Review**

**Prepared by: Eastbourne Borough Council Strategic Housing Services**

**2<sup>nd</sup> July 2014**

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Appendix One - Options Appraisal Summary - 29<sup>th</sup> January 2014.

Appendix Two – Consultation Booklet – “Have Your Say”

## Introduction

This report describes the methodology used and the results gained from Eastbourne Borough Council's (EBC) consultation on the future of its role as housing landlord. It describes EBC's activity throughout the process of consultation. Particular attention is given to the results of the Formal Open Consultation process that was carried out by EBC from 3<sup>rd</sup> April to 15<sup>th</sup> June 2014.

To obtain the clearest understanding of the results of this consultation, it is important to stress they should be read in their entirety, as findings from different parts of the work support each other. An example is the strong preference shown for the 'EHL in Partnership' option in the Formal Open Consultation process. This was supported by tenants and leaseholders in comments made on consultation forms returned, at the Area Panel presentations, at the Retirement Court presentations and during the Community Consultation Drop-In sessions.

Common themes and issues were identified by tenants and leaseholders throughout the consultation which were confirmed by detailed analysis of the results of the formal open consultation". This gives additional confidence that the findings are an accurate reflection of the preference of tenants and leaseholders of EBC for the future management of their housing.

EBC would like to take this opportunity to express its thanks to all those tenants and leaseholders who participated in the Formal Open Consultation, attended the Community Consultation Drop-In, Area Panel and Retirement Court presentation question and answer sessions and those who responded online, via e-mail, telephone and post. We would also like to thank the members of the Housing Futures Project Board for overseeing the project.

### **Housing Futures Project Board Membership**





- Councillor Bannister – Chair (Cabinet lead member for Community & Housing)
- Councillor Mattock (Cabinet lead member for Finance)
- Councillor West (Opposition group lead member for Community and Housing)
- Sue Parsons (EHL Board Director - tenants' representative)
- Sheilah Roberts (EHL Board Director - tenants' representative)
- Hubert Benjamin (EHL Board Director - tenants' representative)
- Candy Vaughan (EHL Board Director - tenants' representative)
- Reny Pulling (Tenant representative)
- Ian Fitzpatrick (EBC Senior Head of Community)
- Andy Thompson (EBC Strategic Housing Manager)
- Rebecca Hair (EBC Contracts, Performance, and Partnerships Officer)
- Angela Bates (EBC Housing Development and Policy Officer)
- Tim Harris (EHL Interim Chief Executive)
- Jane McCarthy-Penman (EHL Governance and Compliance Manager)
- Alan Osborne (EBC Chief Finance Officer)

## Pre-Consultation










The Housing Futures Project Board was established in June 2013, to review the future of Eastbourne Borough Council's (EBC) landlord role.

A range of options for the future of the Council's landlord role were set out in a paper to the Housing Futures Board in August 2013. Since then, these options have been explored and appraised by the Council's Housing Services Team with support from the Chartered Institute of Housing and Eastbourne Homes Limited.

This work has taken into account:


-  The views of residents, expressed via the Board and at the Eastbourne Homes Limited Resident's Conference in October 2013
-  The emerging shape of the Council's overall corporate service delivery strategy, being developed under Future Model
-  A financial viability assessment of the various options
-  The changing shape of the wider housing market and its role in supporting the wider economy

The options as identified within the Scope of the Options Appraisal were:-

-  Option 1 – Retain current arrangements with Eastbourne Homes Limited (EHL), the Council's Arms-Length Management Organisation (ALMO)
-  Option 2 – Expansion of EHL to deliver more services for the Council and other enterprises, both housing and non-housing
-  Option 3 – Return to Council and full Integration with Future Model, called 'Management by the Council'
-  Option 4 - Large Scale Voluntary Transfer (LSVT)
-  Option 5 – Transfer to Mutually Owned Co-operative
-  Option 6 – Shared Service Delivery with other Social Landlords
-  Option 7 - Out-source/externalise housing management
-  Option 8 – Tenants exercise their Right to Transfer
-  Option 9 – Tenants exercise their Right to Manage

It became apparent at an early stage in the Housing Futures project through the work of the Council's own Financial Consultants and the Housing Future Project Board that options 1, 2, 4, 5, 6, 7, 8, and 9 were not viable and deliverable within the parameters set for the project. The reasons behind these decisions can be found in the Options Appraisal Summary dated 29<sup>th</sup> January 2014 (Appendix One).

The work reviewing and discussing the nine options led to the development of a tenth option:

-  Option 10 – Retain EHL with responsibility for housing management with greater integration with Council. This option was called 'EHL in Partnership'.

There were then two options - Option Three and Option Ten - deemed viable and deliverable within the parameters set for the project. Both involved the Council remaining as a landlord but offered two distinct approaches to managing the services provided to the Council's tenants.

These two options were:

- EHL in Partnership – a partnership between the Council’s corporate services and EHL
- Direct Management by the Council – all services to residents would be provided directly by the Council.

Stakeholder analysis was undertaken to identify the main stakeholders that would be affected by any change in the management arrangements of the Council’s housing stock. Tenants and leaseholders of the Council were identified as being the main stakeholders, although other stakeholders for example the Police were also included for formal consultation.

### **Consultation Institute - Accreditation**

Prior to the start of the consultation process with residents (tenants and leaseholders of the Council) to determine which of the two options should be taken forward, the Council approached the Consultation Institute to give expert advice and quality assurance to the consultation process. Davy Jones, an accredited consultant, was appointed by the Institute in March 2014. The purpose of the appointment was to make sure that the consultation was undertaken in a way that was fair, equitable and transparent.

An explanation of how the two options for detailed consultation had been determined included a summary of how a total of ten options had been originally considered. This information was provided in writing to every tenant and leaseholder and included the financial implications each had for the future financing of the Council’s landlord role.

Tenants and leaseholders were involved in designing the consultation process, including for example the booklet that outlined all the information needed for residents to express an informed opinion.

As part of the process of consultation, an Equality and Fairness Analysis was undertaken of the options being considered.

## The Consultation Process

The Council's Housing Strategy Team from 3<sup>rd</sup> April 2014 through to 15<sup>th</sup> June 2014 consulted widely with tenants and leaseholders on the two options. The Formal Open Consultation process – called 'Have Your Say' – was wide-spread and made every effort to make sure that every tenant and leaseholder was contacted. In every case, residents were:

- Given an explanation of the housing stock options
- Given the opportunity to ask questions
- Invited to voice their concerns and put forward their views

## The Consultation Programme

In discussion with Housing Futures Project Board, a programme for Borough-wide consultation was developed and agreed. This included:

- Community Consultation drop-in sessions across Eastbourne.
- Individual mailshot including covering letter and booklet to all residents.
- Presentations to all Area Panels.
- Presentations to all Sheltered Housing Schemes.
- Presentation to the Retirement Housing Panel.
- Presentation to Leaseholder Panel.
- Presentation to Disability Involvement Group.
- Offer of home visits to discuss the options with individual residents.
- Hand-outs on the options.
- Online survey.
- Dedicated web page.
- Dedicated e-mail address.
- Dedicated telephone number.
- Series of updating meetings with tenant and leaseholder representatives and Eastbourne Council Officers.
- Formal Open Consultation to obtain an aggregate of tenants preferred option.
- Formal Open Consultation to obtain an aggregate of leaseholders preferred option.

## Leaseholders' Panel

Eastbourne's Leaseholder Panel is a well-established group of leaseholders. A presentation was made to the Panel in May 7th on the housing stock options appraisal, followed by a question and answer session.

The major concerns expressed by leaseholders were:

- The impact of the different options on service charges.
- Questions clarifying the savings of the two options (the £500,000 savings for 'EHL in Partnership' and the £600,000 savings for 'Direct Management by the Council'. and an additional £100,000 statements)

Leaseholders had a number of other concerns including communication with them by EHL, forward notice of works, and notice to budget costs.

## Retirement Courts and Area Panels

During April, May, and June 2014 officers from the Council and EHL visited all of Eastbourne's Sheltered Housing Schemes. The dates of the visits, which included a presentation on the options and a question and answer session, are detailed below:

8 <sup>th</sup> April	Retirement Housing Panel
9 <sup>th</sup> April	Central and Archery Area Panel
16 <sup>th</sup> April	Riverbourne House
24 <sup>th</sup> April	Langney Area Panel
28 <sup>th</sup> April	Tyrone Court
29 <sup>th</sup> April	Gwent Court
2 <sup>nd</sup> May	Hampden Park & Willingdon Trees Area Panel
7 <sup>th</sup> May	New Derby House
7 <sup>th</sup> May	Leaseholder Panel
12 <sup>th</sup> May	St. Mary's Court
13 <sup>th</sup> May	Sutherland Court
21 <sup>st</sup> May	Upwyke House
27 <sup>th</sup> May	Roxburgh Court
28 <sup>th</sup> May	Cumbria Court
5 <sup>th</sup> June	Archery Court

To promote these visits, tenants and leaseholders were advised of the date and time of visit and informing them that this would be an opportunity for them to ask any questions they may have about the stock options appraisal. Through the process of keeping a register of those residents who attended, EBC were able to ascertain that 16% (48) of the total number of residents had attended at least one presentation.

Presentations lasted from forty-five to sixty minutes and were followed by a question and answer sessions. During the presentation it was emphasised that if a resident wanted the opportunity to discuss issues in private or with a member of their family present, EBC would be happy to arrange a home visit. However this offer was not taken up.

Comments shared by residents included:

- A concern that the process was a means of cutting back on the services provided to them, such as the continuance of On-Site Co-ordinators, which is a service residents valued highly.
- There may be an impact on their rents and social security payments depending on the option chosen.
- The Council's Housing Services and EHL staff are both held by residents in high esteem.

## Community Consultation

A series of Community Consultation drop-ins were held across Eastbourne in May and June 2014. The details of these events are shown below.

<b>Date</b>	<b>Community Centre</b>	<b>Time</b>
Tues 6th May	Langney Village Hall	9am – 12 noon
Thurs 8th May	Langney Village Hall	2pm - 5pm
Weds 14th May	Shinewater Shaftsbury Centre	10am - 1pm
Weds 14th May	Langney Village Hall	3pm - 6pm
Thurs 15 <sup>th</sup> May	Archery Youth Centre	9:30am – 11am
Thurs 15 <sup>th</sup> May	Christchurch Hall, Seaside	11:30am – 1pm
Thurs 15 <sup>th</sup> May	Old Town	4pm - 6pm
Mon 19 <sup>th</sup> May	Old Town	10am – 12 noon
Mon 19 <sup>th</sup> May	Shinewater Shaftsbury Centre	2pm - 5pm
Tues 20 <sup>th</sup> May	Christchurch Hall, Seaside	9:30am – 11am
Tues 20th May	Hampden Park Community Centre	3pm - 4:30pm
Tues 27th May	Hampden Park Community Centre	10:30 – 12 noon
Weds 28 <sup>th</sup> May	Archery Youth Centre	9:30am – 11am
Thurs 29 <sup>th</sup> May	Willingdon Trees Community Centre	10am – 11:30am
Thurs 29 <sup>th</sup> May	Hampden Park Community Centre	10am - 11:30am
Thurs 29 <sup>th</sup> May	Shinewater Shaftsbury Centre	2pm - 5pm
Mon 2 <sup>nd</sup> June	Willingdon Trees Community Centre	2pm – 3:30pm

The drop-ins were advertised in the local press via posters displayed on community notice boards and in notice boards throughout flatted blocks, on the dedicated 'Have Your Say' web page, via a link from EHL website and notices on display at the Council's public reception at 1 Grove Road and at EHL's offices at Ivy House.

Although attendance was lower than anticipated, those that attended engaged in discussion about the options. An assessment by officers after each event show that in the majority of cases attendees felt that their views were being listened to and that it was worthwhile their getting involved.

During the consultation process, at both the community events and the presentations, there were a significant number of residents who wanted to talk about individual housing issues pertinent only to their own home or circumstances. When possible, officers endeavoured to resolve on the spot residents' concerns. Where this was not possible, queries and concerns were referred directly to relevant EHL staff.

## Disability Involvement Group

A presentation on the options was given to Eastbourne's Disability Involvement Group, a number of who are also Council tenants, to ensure disabled people's views were taken into account.



## **Online Survey, Web Page and Dedicated e-mail Address**

An online survey was set up so that individuals could respond online. It was a replica survey of the questionnaire that was published in hard copy and posted to every household. EBC's and EHL's websites had hyper-links to the online survey. Thirty-five responses were received online; however fourteen of these responses were from individuals that were not tenants or leaseholders. Those fourteen responses have been discounted from the overall figures and percentages.

A dedicated e-mail address [housingfutures@eastbourne.gov.uk](mailto:housingfutures@eastbourne.gov.uk) was established to allow tenants and leaseholders to send their queries and preferences over the internet.

A dedicated telephone number was also advertised within all of the consultation documentation and used during the consultation period to allow residents to call and discuss any queries.

## **Mailshot**

Tenants and leaseholders were involved in designing the booklet that would outline all the information for residents. A covering letter and explanatory booklet was produced and circulated to all tenants and leaseholders. These were used to inform tenants and leaseholders of the housing options appraisal, how it could affect them and how and where they could contact EBC staff for further or clarifying information.

## **Managing and Monitoring**

The Council's Housing Strategy Team undertook three progress reviews during the Formal Open Consultation. This was so that if any issues arose they could be dealt with, and be remedied for the remainder of the consultation. Both traditional and social media were monitored throughout the formal consultation period and there appeared to be no controversy or concern over the consultation process itself. Only two issues arose during the consultation process and these were both swiftly dealt with.

The first issue was a request, after the first presentation to the Sheltered Scheme, for a larger A4 version of the mainstream A5 'Have Your Say' booklet. Subsequently 420 copies of the booklet were printed in A4 size and these were delivered via the On-Site Co-ordinators to each Sheltered Scheme resident.

The second issue was that the mail merge of addresses used to send each resident a covering letter and copy of the booklet omitted those residents that were shared owners. Once this omission was identified, the residents were hand delivered a covering letter and copy of the booklet by the EHL Neighbourhood Officers.

No other issues were identified during the process and no issues were identified with the consultation process itself.

## Formal Open Consultation Results

### The Aggregate Result

- The total number of Formal Open Consultation returned from tenants and leaseholders was 547 (3445 Tenants, 614 Leaseholders and 18 Shared Ownership residents – in all 4077) this represented a total return of 13.4%.
- 'EHL in Partnership' received a total of 435 preferences representing 79.5% of returns
- 'Direct Management by the Council' received a total of 109 preferences, representing 20% of returns.
- 0.5% (3) respondents failed to indicate a preferred option.

### Tenants Only

- The total number of Formal Open Consultation returned from tenants was 463 - out of 3445 this represented a return of 13.4%.
- Eastbourne Homes in Partnership received a total of 382 preferences, representing 82.5% of returns.
- Management by the Council received a total of 80 preferences representing 17.3% of returns.
- 0.2% (1) respondents failed to indicate a preferred option.

### Leaseholders Only

- The total number of Formal Open Consultation returned from leaseholders was 84 (out of 614) this represented a return of 13.7%.
- Eastbourne Homes in Partnership received a total of 53 preferences representing 63.1% of returns.
- Management by the Council received a total of 29 preferences, representing 34.5% of returns.
- 2.4% (2) respondents failed to indicate a preferred option.

### Tenants and Leaseholders Comments

There is a divergence of opinion and views between tenants and leaseholders. Tenants tended to express a satisfaction with the present services received, whereas leaseholders tended to express dissatisfaction with the present services received.

Those preferring 'EHL in Partnership' tended to express a satisfaction with the present services received but on the whole made fewer comments, whereas those preferring 'Management by the Council' tended to express dissatisfaction with the present services received, and on the whole made a greater proportion of comments. There was a significant number of tenants and leaseholders who wished to be informed of the outcome.

## Conclusion

- The consultation created a good level of interest from both tenants and leaseholders, with a majority of respondents preferring Eastbourne Homes in Partnership.
- Tenants appeared to be content with the current arrangements more so than leaseholders and to a great extent this was reflected within the responses received during the Formal Open Consultation.

Overall, the formal survey results reflected the feedback received in the public meetings; at the Area Panels; from the Community Consultation Drop-ins; on-line comments; e-mail; telephone; post and all avenues of response. There were no discernible differences detected in the feedback received during any of the public meetings on grounds of equality protected characteristics.

## Consultation Institute Accreditation and Next Steps

The Consultation Institute has signed off the first three (Scoping Stage, Project Plan, Review mid-consultation); of four consultation stages as meeting accepted Good Practice. Stage four (Final sign off) is likely to be signed off too, if the proposed feedback plan is implemented.

The proposed feedback plan is in two stages. The first stage is to feedback this Consultation report. The Council's Strategic Housing team will feedback to all tenants and leaseholders directly who requested such information, some via e-mail and some via posted mail; to all Chairs of Area Panels; and to all On-Site Co-ordinators of the Sheltered Schemes. This report will be published on the Council's website and made available in the Council's Customer Contact Centre.

A report on the overall Housing Futures project is to be presented July 16th to the Council's Cabinet. This report will be an appendix of the Cabinet report.

Once Members have made their decision on the Housing Futures project, the Council's Strategic Housing team will feedback to all Chairs of Area Panels and to all On-Site Co-ordinators of the Sheltered Schemes. This report papers will be published on the Council's website and made available in the Council's Customer Contact Centre.

## Appendix One:

### Eastbourne Housing Services

*Helping you to be at home in Eastbourne*

**Briefing Paper:** Housing Futures – Options for housing management.

**Date:** January 29<sup>th</sup>, 2014






#### **Purpose:**

To recap on the options available to deliver housing management and to update Board members on the development of a new EHL option with greater integrated working with the Council.







#### **Options:**

##### ***Newly developed Option– Retain EHL with responsibility for housing management with greater integration with Council***

###### *Brief Description*

-  Co-location of team members from both EHL and the Council at the Council's offices at 1, Grove Road – this will reduce office costs.
-  The introduction of new technology and working practices where appropriate – this too will reduce office costs and deliver better customer-friendly working.
-  Sharing some senior executive level managers.
-  Integrated 'back office' services including IT, Human Resources, Legal Services and Financial Management and Administration across EHL and the Council. This would save costs and by reducing the links in the chain for managing such things as the Housing Revenue Account (HRA) encourage quicker, more effective working and reduce the risk of errors occurring during information transfers.
-  A single Customer Contact Centre at the Grove Road office – this would improve the accessibility to the Council by offering a single point of contact for all services and again reduce costs

###### *Assessment of Option Ten*





-  Potential to generate savings (circa £1.5m) to the Council split between the General Fund (GF) and the Housing Revenue Account (HRA).
-  Retains EHL and tenant focused governance.
-  Represents value for money for EHL and EBC by reducing overheads.
-  Creates opportunities to improve customer services.
-  Retains a vehicle for securing investment and work from non-Council owned businesses.
-  Bigger operational scale creating opportunities for more effective procurement through combined purchasing power of an integrated GF/HRA spend.

## **Appraisal of Options One to Nine**



A range of options for the future of the Council's landlord role were set out in a paper to the Housing Futures Board in August 2013.

Since then, these options have been explored and appraised by the Council's Housing Services Team with support from the Chartered Institute of Housing and Eastbourne Homes Limited.



This work has taken into account:

-  The views of tenants, expressed via the Board and at the Eastbourne Homes Limited Resident's Conference in October 2013
-  The emerging shape of the Council's overall corporate service delivery strategy, being developed under Future Model
-  A financial viability assessment of the various options
-  The changing shape of the wider housing market and its role in supporting the wider economy





### ***Option 1 – Retain current arrangements with Eastbourne Homes Limited (EHL)***

-  EHL has a track record of providing good quality services and that the organisation has wide support from residents.
-  A stand alone EHL option could deliver efficiencies going forward, however, it is recognised that the organisation is relatively small scale and this may not be the optimum way to deliver value for money and safeguard tenants/leaseholders interests.

### ***Option 2 – Expansion of EHL to deliver more services for the Council and other enterprises, both housing and non-housing***

-  As noted above, EHL has a good track record of delivery. The company has, to a limited extent, expanded into some new areas of work.
-  Again, due to EHL's relatively small scale it would be challenging to grow, as a stand alone business, whilst ensuring a focus on core housing activity.

### ***Option 3 – Return to Council and full Integration with Future Model***

-  Integration of and easier access for residents to all Council provided services.
-  Potential to generate savings (circa £1.5m) to the Council for both the General Fund (GF) and the Housing Revenue Account (HRA).
-  Risk of reduced focus on housing management services.
-  Loss of tenant governance.

### ***Option 4 - Large Scale Voluntary Transfer (LSVT)<sup>1</sup>***

### ***Option 5 – Transfer to Mutually Owned Co-operative<sup>2</sup>***


### ***Option 8 – Tenants exercise their Right to Transfer<sup>3</sup>***

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<sup>1</sup> A Large Scale Voluntary Transfer means that the ownership of the Council's homes will transfer to another landlord, most commonly a housing association. The transfer can be to an existing association or to a new one, set up especially to be the new landlord. This can usually only take place if a majority of tenants vote for such a transfer.

<sup>2</sup> A Mutually owned Co-operative would involve the transfer of the ownership of the housing stock from the Council to a new organisation, ownership of which would be vested in the tenants and in some models also employees. It is not dissimilar in concept to building societies which are owned by their members.





<sup>3</sup> In July 2013, the Government announced formal proposal to give Council tenants the right to request a transfer of their homes to another landlord. The necessary regulations are expected to be in force by the end of 2013.

 These options are not financially viable. This is because the value of the Council's housing stock – the amount that could be paid by a purchasing landlord – would not be sufficient for the Council to clear all debts incurred in providing the homes. The higher borrowing costs of a non-public sector landlord would also reduce the amount of money available for maintenance and repair of homes. Opportunity to borrow more money than the Council can for investment.



***Option 6 – Shared Service Delivery with other Social Landlords***

-  Possible service level compromises with partners to secure agreements.
-  This option could deliver efficiencies through shared costs and more efficient procurement.
-  Risk of contractual inflexibility to manage according to local circumstances.
-  At this stage there are no local partners identified.

***Option 7 - Out-source/externalise housing management***

-  Limited market and range of providers.
-  Contractual arrangements may lead to reduced flexibility to respond to changing circumstances and needs.
-  This option could deliver efficiencies through shared costs and more effective procurement.
-  Potential loss of local accountability and control.

***Option 9 – Tenants exercise their Right to Manage<sup>4</sup>***

-  Resilience and capacity to absorb reduction in resources, risk to income and increases in external costs may be compromised.
-  May not be optimum way to deliver efficiencies due to relatively small scale of operation.

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<sup>4</sup> In July 2013, the Government announced proposals to streamline the ability of tenants to take over the management of their homes. The necessary regulations are expected to be in force by the end of 2013.

## **Appendix One: Outcomes Extract from the Terms of Reference for the Housing Futures Review**





### **Material Considerations**

In undertaking and completing the Housing Futures Review, the Housing Futures Project Board and Housing Futures Project Group will take account of the following themes, which should be considered as material considerations:




#### *Community Interests*

-  Landlord service and performance past, present and potential, including quality of delivery and customer satisfaction
-  Safeguarding and enhancing the social and economic interests of both today's and tomorrow's tenants
-  Safeguarding the ability of tenants to be actively engaged in the management of their homes
-  Local accountability


#### *Corporate Priorities for the Council*

-  Take account of and support the outcomes and ethos set down in the Eastbourne Corporate Strategy, At Home in Eastbourne and the Core Strategy (Planning)
-  Consider all current and future governance and scrutiny arrangements
-  Consider how to mitigate and reduce risks to the Council
-  Take account of stakeholder perceptions and confidence




#### *Value for Money*

-  Delivery of efficiencies including relationship where appropriate with the Council's Future Model service delivery framework
-  The impact on the General Fund
-  The impact on the Housing Revenue Account

#### *Provision of affordable and secure homes*

-  Enhancing and securing capacity for future investment in existing stock and in new/additional affordable, secure homes

#### *Economic Development*

-  Capability, capacity and relevance for delivery of non-social housing projects, including contribution to wider economic development
-  Enhancing and securing capacity for additional future investment in the wider Eastbourne economy
-  Local income generation, service and goods sourcing and employment retention