



Chester-le-Street
District Council

Report to: Full Council
Date of Meeting: 15th November 2006
Report From: Director of Community Services
Title of the Report: Offer Document
Agenda Item Number: **3**

1. Purpose and Summary

1.1 The purpose of this report is secure the approval of the Full Council for the Offer Document and to secure approval to arrangements for the Stage I consultation process.

1.2 It is recommended that the Council:

1. Note the contents of the report.
2. Formally approve the Offer Document, subject to any comments that are made at the meeting.
3. Request the Director of Community Services to arrange for the Offer Document to be forwarded to the following organisations for final approval:
 - (i) The Shadow Board.
 - (ii) The Department for Communities and Local Government.
 - (iii) The Government Office for the North East.
 - (iv) The Housing Corporation.
4. Provide delegated authority to the Chief Executive to make any final amendments following consultation with the organisations referred to in (3) above.
5. Request the Director of Community Services to arrange for the document to be printed and distributed to all tenants in accordance with the requirements of the Housing Acts and the Housing Transfer Manual.

6. Provide the Executive with delegated power to:
 - (i) Receive any representations resulting from the Stage 1 consultation process.
 - (ii) To decide whether to proceed with a tenant ballot.
 - (iii) To agree the Stage 2 letter.

2. Consultation

2.1 The following Service areas and stakeholders have been consulted in connection with this report:

1. The Corporate Management Team.

2.2 The Council must formally consult with the following organisations after the Offer Document has been approved by the Council and before it is printed and distributed to tenants:

1. The Shadow Board.
2. The Department for Communities and Local Government.
3. The Government Office for the North East.
4. The Housing Corporation.

3. Corporate Plan and Priorities

3.1 This report supports the following priorities in the Corporate Plan:

- | | |
|------------|-------------------------|
| Priority 1 | Customer Excellence |
| Priority 3 | Decent Homes |
| Priority 7 | Maximising Efficiencies |

4. Implications

4.1 Financial Implications and Value for Money

4.1.1 There are no direct financial consequences related to this report. Provision for the printing and distribution of the Offer Document together with the implementation of the communication strategy has been made in the 2006/2007 Housing Revenue Account budget.

4.1.2 The Department for Communities and Local Government has approved the Council's Application for Stock Transfer including confirmation of the £39 million negative valuation to support delivery of improvement works by the new Association.

4.1.3 The draft Shadow Board business plan confirms that Cestria Community Housing can afford to implement all the promises contained within the Offer Document. The Shadow Board will be requested to formally endorse the Offer Document after it is approved by Full Council.

4.2 Legal

4.2.1 The Offer Document represents the promises that the Council is making to its tenants should transfer proceed. Cestria Community Housing Association is obliged to honour these promises in the event that transfer proceeds.

4.2.2 The promises contained within the Offer Document will be enshrined in a legally binding contract between the Council and the new Housing Association. This will be drafted during the post-ballot period and agreed between the Council and the new Association.

4.3 Personnel

4.3.1 There are no direct personnel issues linked to this report.

4.4 Other Services

4.4.1 There are no "Other Services" implications associated with this report.

4.5 Diversity

4.5.1 It is usual for councils to make the Offer Document available in a range of formats in order to maximise its accessibility.

4.5.2 Officers are proposing that in addition to making the document available in printed form, the Offer Document is:

1. Made available on tape for those tenants who have visual acuity difficulties.
2. A DVD and video of the Offer Document be produced for those tenants who prefer material in that format.
3. A newsletter be issued with the Offer Document containing all the key promises in an easy to access format.
4. The Offer Document will be made available in a range of different languages if requested.

4.5.3 Officers from the Housing Service will be available to visit tenants in their own home and explain the contents of the Offer Document after it has been distributed.

4.5.4 A mobile display unit will visit various estates in order to publicise the contents of the Offer Document. This will make it easy for those tenants who have limited access to transport to access any information they require.

4.6 Risk

4.6.1 By making the Offer Document available in as many formats as possible ensures that as many tenants as possible will understand the issues involved and will use their vote in any subsequent tenant ballot.

4.7 Crime and Disorder

4.7.1 The Offer Document contains promises that the new Housing Association will deliver enhanced services to tenants relating to anti-social behaviour, and that the Association will work with partner agencies including the Council and the Police to improve community safety on estates.

4.8 Other Implications

4.8.1 There are no "Other" implications associated with this report.

5. Background, Position Statement and Option Appraisal

5.1 Background

5.1.1 The Housing Services has met with over 5,100 tenants since the commencement of the stock transfer process earlier in the year. This is in addition to over 1,000 tenants who were involved in the Stock Options Appraisal process.

5.1.2 The Council are required to produce an Offer Document as part of the stock transfer process.

5.1.3 The Offer Document attached to this report has been produced following detailed discussions with:

1. The Tenants Reference Group.
2. Tenants at the Choices Event.
3. Tenants at the 2006 Tenant Conference.
4. The Shadow Board.

5.1.4 The Executive, at the meeting held on 2nd October 2006, agreed to a set of principles around which the Offer Document would be drafted. These have all now been incorporated in the final draft version.

5.2 Position Statement

5.2.1 The Council's Offer Document is the culmination of almost two years work with tenants commencing with the stock option appraisal process, which started in 2004.

5.2.2 The production of the Offer Document meets key commitments given by the Council in both the 2005 and 2006 Corporate Plans.

Stage 1 Consultation Process

5.2.3 The Council must undertake a formal consultation process (known as the Stage 1 process) with tenants before deciding whether to proceed with the ballot (the Stage 2 process). The Stage 1 process to be followed is set out in some detail in the Housing Acts and the Housing Transfer Manual.

5.2.4 The Stage 1 process consists of sending a copy of the Offer Document to every tenant and seeking their views on the Council's transfer proposals.

5.2.5 The Council must consider any representations made by tenants before deciding whether to amend the proposals or proceed with a tenant ballot. Officers are recommending the authority to consider representations and to decide whether to proceed with the tenant ballot (the Stage 2 process) be delegated to the Executive. This is usual in stock transfer projects.

5.3 Option Appraisal

5.3.1 The following options are available to the Council in relation to this matter:

1. The Council could approve the Offer Document without changes.
2. The Council could request that changes be made to the Offer Document.

6. **Recommendations**

6.1 It is recommended that the Council:

1. Note the contents of the report.
2. Formally approve the Offer Document, subject to any comments that are made at the meeting.

3. Request the Director of Community Services to arrange for the Offer Document to be forwarded to the following organisations for final approval:
 - (i) The Shadow Board.
 - (ii) The Department for Communities and Local Government.
 - (iii) The Government Office for the North East.
 - (iv) The Housing Corporation.
4. Provide delegated authority to the Chief Executive to make any final amendments following consultation with the organisations referred to in (3) above.
5. Request the Director of Community Services to arrange for the document to be printed and distributed to all tenants in accordance with the requirements of the Housing Acts and the Housing Transfer Manual.
6. Provide the Executive with delegated power to:
 - (i) Receive any representations resulting from the Stage 1 consultation process.
 - (ii) To decide whether to proceed with a tenant ballot.
 - (iii) To agree the Stage 2 letter.

7. Background Papers/Documents Referred To

- 7.1 The following Background Papers have been used in the preparation of this report:
 1. Stock Option Appraisal Report (April 2005).
 2. Housing Transfer Manual
- 7.2 Copies of all Background Papers are available from the author of the report.

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