



PS Consultants
The Rochdale Borough
Independent Tenant Adviser

Autumn 2011

**YOU decide
the Future for Council Homes
in Rochdale Borough**

ITA Newsletter 2

Tenants Will Soon Decide The Future For Council Homes In Rochdale Borough Through A Ballot

It's your choice

Tenants across the Borough will be asked to vote in a secret ballot later this year to decide whether they want:

- The current situation to continue with Rochdale Council owning their homes and Rochdale Boroughwide Housing (RBH) providing the housing management and repairs services under a contract with the Council,

Or whether

- The ownership of their homes and the delivery of their housing services should transfer from the Council to RBH which would be:
 - A 'not for profit' independent social landlord with charitable rules;
 - Registered with, and be regulated by the Government initially through the Tenant Services Authority (TSA), and from 1 April 2012 by the Homes and Communities Agency (HCA); and be
 - Developed into a Mutual Housing Organisation within 15 months of transfer to be owned by both tenants and staff (see page 2).

How Do I Decide?

All introductory and secure tenants named on the tenancy agreement will be invited to vote in the housing transfer ballot.

The Council, using RBH staff, will deliver the Council's **transfer information pack** to your home. It will give you the information necessary to make an **'informed choice'** including a letter from the Council, the formal Offer Document, a DVD, an easy guide summary newsletter and consultation reply card. This starts the **Formal Stage 1 Consultation period**. You will have at **least 28 days to make your views about housing transfer known to the Council using the reply card.**

The Your Home Your Choice Offer Document

The formal Offer Document explains the proposed transfer to RBH. It compares what transfer to RBH could achieve with the service you could expect if transfer doesn't happen, and homes remain owned by and managed through the Council. **The tenant volunteers on the Rochdale Boroughwide Tenant Panel have worked hard to make sure that the Council's 'offer' does reflect the priorities and concerns of tenants across the Borough.**



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Transfer does not mean that you will have to move out of your home. It simply means that you would have a different landlord in the future.

See Inside For More About:

**Your questions answered
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**The transfer process
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Your Questions Answered

Here are some of the questions we have been asked as the ITA, along with the answers we have given.

Q. What is a Mutual Housing Organisation?

A. They are 'not for profit' organisations that are owned by their members. Their profits or surplus cannot be distributed to their members but must be held and be used for the benefit of the organisation and in providing services to tenants.

RBH as the transfer landlord would be independent of the Council. Under the Council's proposals RBH would register as an Industrial and Provident Society with charitable rules.

RBH would develop within 15 months of the transfer into a Mutual Housing Organisation. Based upon co-operative principles both tenants and employees will be invited to become 'members' and work together as its owners to shape its future: how it operates; the services that it provides; and how it improves quality of life.

Each tenant and employee member would have: full voting membership; the right to elect their representatives to serve on the Representative Body; the right to attend and vote at general meetings; and the right to vote on changes to the constitution of mutual RBH. The Representative Body will have a majority of tenant members.

The Representative Body will choose the majority of the mutual organisation's board members and will play a major part in forming its policies and programmes of work.

Q. What about rents? Will they 'go through the roof' if we transfer?

A. No, they will not but you will have a controlled annual increase in the rent.

It is fairly common knowledge that housing association rents are generally higher than council rents for comparable properties. The Government's own figures suggest that back in 2002 housing association rents were, on average 21% higher than council rents, although by 2008 that gap had fallen to 11%.

The reason why that gap had shrunk was that in 2002 the Government began a policy called '**rent convergence**'. The aim of that policy is, over time, to eliminate the gap between council and housing association rents. Originally the Government wanted that process completed by 2012. Over recent years, the Government has extended the period for convergence. We now expect 'rent convergence' to be achieved throughout England by 2016.

The new Government has stated clearly that it is sticking to the principle of rent convergence. So in Rochdale Borough 'social housing' rents (that is, rents for council housing and housing association homes) will be at a similar level and this is expected to occur by 2016 whether or not the housing transfer takes place.

Tenants' entitlement to Housing Benefit will not be affected by housing transfer.

Q. If transfer goes ahead will I still have the same tenancy agreement?

A. No you will have a different type of tenancy, but you will still have security of tenure.

If the ownership of your homes were to be transferred to RBH you will become assured tenants. RBH is required by law to grant you an **assured tenancy. However, the new assured tenancy for transferring tenants has been prepared in consultation with the Rochdale Boroughwide Tenant Panel and the ITA to ensure that it reflects all the key terms and conditions of your current secure tenancy with the Council.**

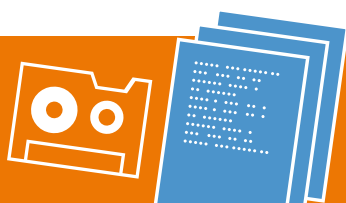
Q. Does that mean we lose our security of tenure?

A. No, it does not.

Security of tenure is a legal principle which means that you cannot be evicted unless a court says so. If the transfer goes ahead you would still have security of tenure with RBH as the transfer landlord.

Q. So what are the main differences between the two?

A. The key difference is that as a secure tenant your rights are set out in law, whereas if you are an assured tenant then your rights are set out partly in law and also in the tenancy agreement.



The main thing to remember is that the type of assured non-shorthold tenancy to be granted by RBH protects all the key rights that you currently have with the Council. Neither the Council nor RBH as the transfer landlord will have a mandatory right to be granted possession by the courts.

The new tenancy will also:

- **Protect** the transferring tenants' key rights which they have under the secure tenancy before transfer
- **Preserve** the right to buy - for tenants who have it with the Council prior to transfer.

Q. Will RBH as the new landlord give us this special type of assured non-shorthold tenancy agreement?

A. Yes, it will.

You will see a copy in the Council's Offer Document before you are asked to vote. If the transfer goes ahead introductory tenants of the Council would be given the same full assured tenancy, including the preserved right to buy, after the satisfactory completion of their introductory tenancy.

Q. Will RBH commit to the 'Right to Manage' principles if transfer happens?

A. Yes RBH agrees this is consistent with its own development along mutual and co-operative principles.

RBH has agreed to safeguard the three existing Tenant Management Organisations in the Borough: Cloverhall Tenant Management Co-Operative, and Hollin and Turfhill Estate Management Boards (EMBs). Here tenants have a greater say in the management of their homes and estates through a Management Agreement. RBH will support tenants who want to consider similar opportunities in the future for the management of their homes.

Q. If transfer goes ahead it is a one-way process?

A. There is no provision for your home to return back to council ownership once transfer has happened. This is an important decision for all tenants. Please use your vote during the ballot.

Advice from your ITA

The choice you will soon be asked to make about the future ownership and management of your council home is a very important one.

Our advice is that before you vote please take the time to:

- Watch the DVD,
- Read the easy guide and the Offer Document,
- Decide which way you want to vote.



Do I Have To Read It All?

The 'Offer Document' is long, but it is made easier to read because it is broken down into different sections. The main parts that you should read are:

- Section 1, which is a section by section summary of all of the Offer Document;
- The 60 Second Summary, at the start of each of Sections 1-16, which gives you a good idea of what is in each Section, to help you decide what else you want to know more about;
- The Transfer Facts, or key points, that are highlighted throughout the Offer Document.

If you read at least these parts of The Offer Document and watch the DVD, you should have the main issues that you need to think about before you vote in the ballot.

Don't Be Misled

In the run up to the ballot you may receive leaflets through your door or you may read articles or letters in the press that have not been produced by The Council or PS Consultants, your ITA.

Such information is not checked for accuracy and balance of content in the same way that all the information provided by your Council and ITA always is. It may cause you concern about whether it is true. If you are in any doubt please contact PS Consultants, your ITA.





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The next stage: The Stage 2 Notice

The Council will write to you again to tell you what changes, if any, it intends to make to its formal offer as set out in the Offer Document as a result of the consultation. This is called the Stage 2 Notice. The Council will also tell you when the ballot will take place and that you have at least 28 days in which to make any objections about the transfer directly to the Secretary of State.

The Ballot

If the Council decides to go ahead a confidential ballot will be carried out in either late 2011 or early 2012 by an independent balloting organisation. You will have 28 days to return your vote before the ballot closes. Transfer cannot go ahead without a majority of tenants who have voted being in favour. **The ballot result will be based on the votes that have been received in the timescale allowed. It is votes that count! Withheld votes will not be counted as either a 'yes' or a 'no'. So when the time comes please use your vote. It does matter!**

A Majority Of Tenants Who Vote Will Decide The Future

The Council and RBH will not know how each individual tenant has voted. At the end of the ballot the Council will be told how many tenants have used their vote (the turn-out); how many 'yes' votes and how many 'no' votes were cast. A majority of the votes cast will decide the outcome. The Council will then announce the ballot result and will write to you to let you know.

If the ballot result is a 'yes' in favour of the transfer Rochdale Council will still have to get final consent to transfer from The Secretary of State.

If the result is a 'no', Rochdale Council will continue to own your homes. The Council will have less money available to it than RBH would have had as the transfer landlord. The Council will find it hard to keep homes for rent at the current Decent Homes Standard. The Council will not be able to improve them to a higher standard. The Council will continue to use RBH as an Arms Length Management Organisation (ALMO) to deliver your housing services. In the future however to save money, the Council might choose to consult tenants about these services being delivered once more directly by the Council.

What does the Independent Tenant Adviser (ITA) do?

Our role as Independent Tenant Adviser (ITA) is to provide impartial information and advice to all tenants and leaseholders about the future of council housing in Rochdale Borough.

A summary of this information can be requested in a different language from the Council on 0800 916 6669 (free from landlines) or 0300 303 8153 (at local call rates from a mobile).

Have you any questions? Do you want more information?

Please contact PS Consultants, your ITA on Freephone 0800 019 2262

Text from your mobile phone to 07794 899473 Email enquiries@psconsultants.org.uk

Visit our website at www.psconsultants.org.uk/rochdale.htm

This newsletter is produced by PS Consultants, The Rochdale Borough Independent Tenant Adviser.