



## **EXECUTIVE**

YOU ARE REQUESTED TO ATTEND A MEETING OF THE EXECUTIVE TO BE HELD IN THE PRINCIPAL COMMITTEE ROOM, THE DEANE HOUSE, BELVEDERE ROAD, TAUNTON ON TUESDAY 19TH DECEMBER 2006 AT 18:00.

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### **AGENDA**

1. Apologies
2. Public Question Time
3. Declaration of Interests
4. Result of the ballot to transfer the Housing Stock to Deane Housing  
Report of the Head of Housing (Housing Transfer Consultation Coordinator) (attached)

G P DYKE  
Member Services Manager  
12 December 2006





Members of the public are welcome to attend the meeting and listen to the discussion. Lift access to the main committee room on the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is a time set aside at the beginning of the meeting to allow the public to ask questions



An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact Greg Dyke on:



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## **TAUNTON DEANE BOROUGH COUNCIL**

**SPECIAL EXECUTIVE AND COUNCIL MEETINGS – 19 December 2006**

### **REPORT OF THE HEAD OF HOUSING (HOUSING TRANSFER CONSULTATION CO-ORDINATOR)**

**RESULT OF THE BALLOT TO TRANSFER THE HOUSING STOCK TO DEANE HOUSING**

(This matter is the responsibility of Executive Councillor G Garner)

#### **Executive Summary**

This report is to notify members of the outcome of the Housing Transfer ballot and to agree the way forward.

#### **1. Purpose of Report**

1.1 To inform members of the result of the Housing Transfer ballot and to seek agreement on the future management of the housing stock.

#### **2. Background**

2.1 Members will be aware that for the last two years the Council has been consulting its tenants on the future management of its housing stock. This culminated in a ballot of all tenants conducted by Electoral Reform Services between Monday 20 November and Monday 18 December 2006.

2.2 At the time of writing this report we have no knowledge of how that vote will go. We will notify the result to all councillors by email on the morning of 19<sup>th</sup> December. Whatever the result, decisions will be needed from the Executive and the Council.

2.3 Should the result be a “yes”, we will then need to start the detailed process of the handover of the stock to Deane Housing Ltd. This includes addressing the following issues over the next few months:-

- Council resolution approving the transfer
- Formal application to the Department for Communities & Local Government to transfer
- Register Deane Housing with the Housing Corporation
- Deal with the remaining TUPE staffing issues
- Formally agree the detail of the assets to be transferred
- Agree VAT issues
- Agree “Right to Buy” receipts allocation
- Agree the final details of the valuation of the stock

- Finalise the use of the Capital Receipt
- Agree the use of advisors
- Set up the necessary member and officer project structure
- Agree the organisation of the Housing staff who remain with the Council
- Finalise the consequential changes needed in the budget
- Decide the future of Deane Helpline

2.4 If there is a “no” vote then – whilst no Full Council decisions will be required at tonight’s meeting - the following issues will need to be addressed in the weeks to come to meet the reductions in services required to meet the Decent Homes standard by 2010:-

- ❖ Reorganising the staff
- ❖ A business plan that will deliver “decent homes” by 2010 and maintain thereafter
- ❖ Prepare and submit this alternative business plan to the Government Office of the South West
- ❖ Consider the further use of advisors
- ❖ Wind up the Shadow Board
- ❖ Look at how best to involve tenants, members and staff in the finalising of those plans
- ❖ Finalise budget
- ❖ Decide on how to lobby Government for improved finances
- ❖ Consider the implications of no capital receipt being available to support social housing
- ❖ Set up a cross-party group of members to consider all these issues.
- ❖ Decide the future of Deane Helpline
- ❖ Consider the Government’s Respect agenda and how best to develop this concept.

2.5 Whatever the result of the ballot we have arranged to ensure that tenants, councillors, staff and all interested parties are notified before the Christmas break.

### 3. Report Summary

3.1 The ballot result on 19 December will inform the Special Executive and Council meetings that evening and will lead us to follow one of the work streams listed in section 2 (Background).

### 4. Financial Implications

4.1 Members will be aware that the tenanted market value of the stock currently stands at £34.7m and the net receipt to the Council (after repayment of housing debt, Government levies and set-up costs) would be £17.7m. Members have already decided that the relevant capital receipt will be used to support the Council’s affordable housing programme.

- 4.2 As reported in July there are further changes that may reduce the valuation and the net capital receipt further which are not included in these figures. These include:
- Pensions costs. Where there is a deficit on the pension fund the Council will be required to make good this deficit before transfer. This is currently estimated to be in the region of £3.3m but will be subject to further actuarial advice should the transfer progress and the TUPE list be drawn up.
  - Increases in building costs between now and transfer that are above levels currently estimated.
  - The final number of properties to transfer
  - Decisions about assets and services to transfer
- 4.3 Members should also be aware that should the housing stock transfer then the working balance on the HRA (currently standing at £1.98m) would be transferred to the General Fund one year after transfer.
- 4.4 Members will be aware that in order to meet the Decent Homes standard the Council faces a shortfall in resources of some £1.85m per year between now and the end of 2010.
- 4.5 Should Council tenants vote no to transfer Officers will be working on producing a budget that delivers decent homes and the identification of budget and service cuts that will enable the HRA to support the capital programme. Tenants will be consulted on these cuts in due course.
5. Recommendations
- 5.1 In the event of a “yes” vote the Executive and Council are asked to accept the wishes of our tenants and agree that officers proceed with the transfer of the housing stock to Deane Housing Ltd.
- 5.2 In the event of a “no” vote, the Executive and Council are asked to note that the plans outlined in 2.4 will now be progressed with the aim of ensuring the Housing Service continues to deliver as good a service to the tenants of this Council as finances permit. This work - and the difficult decisions that will need to be made - will be taken through the Review process and the Executive in the early weeks of the New Year.

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