



# AGENDA

## CABINET

**MONDAY, 10 JULY 2006**

**11.00 AM**

**COUNCIL CHAMBER, COUNCIL OFFICES, ST PETERS HILL,  
GRANTHAM**

Duncan Kerr, Chief Executive

<b>CABINET MEMBERS:</b>	Councillor Mrs. Linda Neal (Leader/ Portfolio: Strategic Partnerships & Community Safety), Councillor Ray Auger (Portfolio: Healthy Environment), Councillor Teri Bryant (Portfolio: Resources & Assets), Councillor Paul Carpenter (Deputy Leader & Portfolio: Access and Engagement), Councillor Mrs Frances Cartwright (Portfolio: Organisational Development & Housing) and Councillor John Smith (Portfolio: Economic Development)
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Cabinet Support Officer:	Jo Toomey 01476 406152 e-mail: <a href="mailto:j.toomey@southkesteven.gov.uk">j.toomey@southkesteven.gov.uk</a>
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**Members of the public are entitled to attend the meeting of the Cabinet at which key decisions will be taken on the issues listed on the following page. Key decisions are marked \*.**

**1. APOLOGIES**

**2. MINUTES**

To approve the record of the Cabinet meeting held on 12<sup>th</sup> June 2006.

**3. DECLARATIONS OF INTEREST (IF ANY)**

**CATEGORY A PRIORITY ISSUES:**

- 4. \*LARGE SCALE VOLUNTARY TRANSFER: DRAFT TENANCY AGREEMENT**  
Report number CHFR11 by the Housing Services Portfolio Holder and the  
Corporate Head of Finance and Resources. (Enclosure)

*A full copy of the draft Tenancy Agreement has been circulated to members of the Council only. This document can be viewed electronically via the "Local Democracy" link on the Council's website: <http://www.southkesteven.gov.uk>*

**5. \*COMMUNITY STRATEGY**

Report number DCS46 by the Economic Development Portfolio Holder.  
(Enclosure)

**CHANGE MANAGEMENT ACTION PLAN ISSUES:**

- 6. \*MEDIUM TERM FINANCIAL STRATEGY**  
Report number CHFR12 by the Corporate Head of Finance and Resources.  
(Enclosure)

**OTHER ISSUES:**

- 7. POLICE REORGANISATION CONSULTATION**  
Report number CEX344 by the Chief Executive. (Enclosure)
- 8. MATTERS REFERRED TO CABINET BY THE COUNCIL OR THE DEVELOPMENT & SCRUTINY PANELS**
- 9. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.**
- 10. REPRESENTATIONS RECEIVED FROM MEMBERS OF THE PUBLIC ON MATTERS WITHIN THE FORWARD PLAN (IF ANY)**
- 11. REPRESENTATIONS RECEIVED FROM NON CABINET MEMBERS**
- 12. ANY OTHER BUSINESS WHICH THE CHAIRMAN, BY REASON OF SPECIAL CIRCUMSTANCES, DECIDES IS URGENT**



**MEETING OF THE CABINET**  
**12 JUNE 2006 - 10.30 PM – 12.12 PM**

**PRESENT:**

**Councillor Teri Bryant  
Councillor Ray Auger  
Councillor Paul Carpenter  
Councillor Mrs Frances Cartwright**

**Councillor Mrs. Linda Neal – Leader / Chairman**

**Strategic Director  
Strategic Director (Resources)  
Corporate Head of Finance and Resources  
Corporate Director, Community Services  
Director of Tenancy Services  
Solicitor to the Council  
Member Services Manager  
Head of Leisure and Cultural Services  
Economic Development Team Leader  
Scrutiny Officer  
Scrutiny Support Officer  
Democratic Support Officer**

**Non-Cabinet Councillors: Craft, G. Taylor, Wilks**

**2 members of the local press**

**CO13. APOLOGIES**

An apology for absence was received from Councillor Smith.

**CO14. MINUTES**

The minutes of the Cabinet meeting held on the 8<sup>th</sup> May 2006 were approved as a correct record with the following amendments at minute CO6:

- (10) That the document should be available on disc. Paper copies would be supplied on request.*
- (11) 8% energy generation within housing would be achievable.*

And that under agenda item CO11, the street name should read: *“Old Horse Chestnut Lane”*.

CO15. DECLARATIONS OF INTEREST (IF ANY)

No declarations of interest were made.

CO16. \*AIRE ROAD, GRANTHAM

**DECISION:**

**The Cabinet:**

- 1. Note that Nottingham Community Housing Association’s bid to the Housing Corporation (NCHA) for grant funding to enable the redevelopment of the Aire Road site was unsuccessful;**
- 2. Agree to officers negotiating with NCHA and others, if necessary, to identify further options for the future redevelopment of the site with a further report to be presented to Cabinet at a later date.**

Considerations/Reasons for Decision

- (1) Report number TSE4 by the Housing Services Portfolio Holder that summarises the position with the Aire Road site, Grantham and proposes that further negotiations are held with the Nottingham Community Housing Association (NCHA) following their unsuccessful bid to the Housing Corporation for grant funding;
- (2) Background papers for this project: reports CEX212, PRO267, PRO309 and DRS22;
- (3) Cabinet decision made on 10<sup>th</sup> October 2005;
- (4) The bid for funding under the National Affordable Housing Programme was unsuccessful because the grant required per property was too high;
- (5) Work on revising costs of the current scheme, considering alternative design options and the potential inclusion of more environmentally sustainable design features would be time consuming;
- (6) As £250,000 from the capital programme was made available to support the unsuccessful bid for funding, the capital programme would need to be reviewed, the further report would need to include costings and funding options;
- (7) Working with a different Registered Social Landlord could provide other options for the Aire Road site.

Other options considered and assessed

1. To leave the site vacant pending the outcome of the tenants’ ballot on Stock Transfer and, if a positive ballot results, use the net capital receipt to fund the development. This option was not felt to be suitable as it would be entirely dependent upon the outcome of the Stock and would result in a continued period of uncertainty for local residents.

CO17. LARGE SCALE VOLUNTARY TRANSFER UPDATE

**DECISION:**

**The Cabinet note the position regarding the progress towards a ballot of tenants on the Large Scale Voluntary Transfer of the Council's Housing Stock.**

Considerations/Reasons for Decision:

- (1) Report number CHRR6 by the Corporate Head of Finance and Resources providing an update on the progress towards a ballot for tenants on Large Scale Voluntary Transfer (LSVT);
- (2) Report LSVTPM01 to Council on 25<sup>th</sup> May 2006, which identified arrangements for the approval of the offer to Tenants and consideration of responses following formal consultation. The Formal Consultation Document would be agreed at an extraordinary meeting of the Council to be held on 20<sup>th</sup> July 2006;
- (3) Work on the Offer to Tenants, which has been carried out in consultation with Tenants and Members through various working groups, was progressing towards its final stages. Tenants who had been involved in this process were thanked for their input;
- (4) The financial implications of the Offer to Tenants and the potential impact on the General Fund (of any Transfer of the Housing Stock) were being evaluated and a further report would be made to Cabinet with a copy of the formal Consultation Document;
- (5) Considerations of the Resources DSP;
- (6) Feedback from sessions with the Department for Communities and Local Government. If the Council were to apply early for a place on the transfer programme, indicative information on whether the bid had been successful would be received in advance of the formal decision date. This would mean that there would be no delays in the Council's timetable.

CO18. \*NORTHFIELDS INDUSTRIAL ESTATE, MARKET DEEPING

**DECISION:**

- 1. The Cabinet agreed to make a contribution to the project of £160,000, suitable to the objectives of South Kesteven District Council provided from within the Council's Capital Programme subject to the adoption of Whitley Way by the County Council and the sewers by Anglian Water without any cost to the District Council;**
- 2. The Council provides for any value from the ransom strip to be considered as a contribution 'in kind' to the project, in line with the Council's priority for economic development.**

Considerations/Reasons for decision:

- (1) Report number PLA585 by the Economic Development Portfolio Holder outlining the development of land adjacent to the current Northfields Industrial site. The project was underway with significant funding from Lincolnshire County Council and the report would invite South Kesteven District Council to consider financial support for the project;
- (2) Investment in the project would align with SKDC's Category B Priority: Economic Development
- (3) Lack of employment land in The Deepings area has stifled inward investment and would inhibit the expansion of existing companies in the area;

- (4) The serviced land proposed to be configured would be one six-acre plot for the expansion of a local business and 3 one-acre sites for the attraction of new businesses. The development would provide a highway connection to the A16 and a footpath/cycleway connection to Towngate East;
- (5) The project would offer the opportunity to create employment and commercial space in a market where development could not occur without the pump priming of economic development related agencies;
- (6) Lincolnshire County Council sought legal and survey advice as to any potential ransom strips on the proposed site; whilst it was initially understood that there was a ransom strip to the site from Whitely Way, discussions with Lincolnshire County Council have indicated that they are to adopt Whitley Way (currently owned by the District Council) to the site boundary, negating any ransom;
- (7) Lincolnshire County Council presented a range of options for SKDC to make a contribution, this included equity stakes or a one-off contribution. On 8<sup>th</sup> August 2005, the Cabinet delegated responsibility to the Economic Development Portfolio Holder to identify the preferred option for supporting the delivery of the project following a detailed financial appraisal of the Director of Finance and Strategic Resources
- (8) The project has been the subject of evaluation against the Council's methodology for assessing capital schemes and ranks highly against other capital projects;
- (9) A sum of £160,000 had been budgeted within the Capital Programme for 2006/07 under the heading Economic Grant;
- (10) Comments of the Section 151 Officer and the Monitoring Officer made about the ransom strip.

Other options considered and assessed:

1. A do-nothing option. In view of the identification of business development as a B Priority, there would be a sound case to support this project in some form.

CO19. EVERY CHILD MATTERS

**DECISION:**

**That, subject to no adverse comments following consultation with the Monitoring Officer, Councillor Bryant be nominated the lead Member for young people and a reference point for the County Council and the District Councils at a political level for the future shaping and development of policy across the County.**

Considerations/Reasons for Decision:

- (1) Report number DCS44 By the Corporate Director, Community Services on the Every Child Matters Government green paper published in September 2003 as a response to the findings of the Lord Laming Inquiry and the subsequent Children Act 2004, which has provided a legislative framework to ensure measures would be put in place to reform and improve children's care;
- (2) As the Children's Services Authority the County Council must have in place by 2008, arrangements that produce integrated working at all levels from planning through to delivery with a focus on improving outcomes for

- all children and young people;
- (3) All activities would be monitored through a common assessment framework or Joint Area Review (JAR). The first inspection, which would be undertaken in the autumn of 2006 by an inspection team made up of inspectors from four inspectorates including Ofsted, the Health Care Commission, the Commission for Social Care Inspection, the Audit Commission and if appropriate the Adult Learning Commission;
  - (4) The JAR would judge outcomes for children and young people, how services work together and will focus on the five key outcomes from the Every Child Matters;
  - (5) Impact on District Council services such as housing, environmental health, community safety and leisure and cultural services;
  - (6) The Children Act 2004 placed new duties on District Councils;
  - (7) The County Council have proposed that the Lincolnshire Assembly co-ordinate activities and provide the link to Local Area Agreements.

CO20. ANNUAL EFFICIENCY STATEMENT

**DECISION:**

**The Cabinet note the progress being made with regard to the backward looking Annual Efficiency Statement 2005/06.**

Considerations/Reasons for Decision:

- (1) Report number CHFR8 by the Corporate Head of Finance and Resources on the Annual Efficiency Statement (AES), which sets out the annual efficiency target and how it should be achieved and would be signed off by the Chief Executive and the Leader;
- (2) The detailed breakdown of how efficiency targets would to be met included in the above report;
- (3) The backward-looking statement for which the submission deadline would be 6 July 2006. This deadline had been moved from mid-June to allow councils to close down their annual accounts;
- (4) Ongoing work with relevant service managers to review and evidence actual savings achieved;
- (5) No evidence was available as to the progress of other councils.

CO21. STATEMENT OF INTERNAL CONTROL

**DECISION:**

**The Cabinet:**

- 1. **Note that the Constitution and Accounts Committee have approved, on behalf of the Council, the Statement of Internal Control together with the recommendations for action contained within the Statement of Internal Control;**
- 2. **Keep the action plan under review and advise the Chief Executive of any further issues to be considered for the action plan as they arise throughout the year.**

Considerations/Reasons for Decision:

- (1) Report number CHFR5 by the Corporate Head of Finance and Resources relating the to the production of a Statement of Internal Control (SIC);
- (2) CIPFA/SOLACE guidance, of which a key aspect would be the adoption of local corporate governance codes to reflect the requirement to put in place effective risk management systems of internal control and internal audit function;
- (3) The production and publication of a SIC has involved the Council: reviewing the adequacy of its governance arrangements knowing where it needs to improve those arrangements and communicating to users and stakeholders how better governance leads to better quality public services;
- (4) Consultations between the Corporate Head of Finance and Resources and the Monitoring Officer to produce the draft SIC in consultation and on behalf of the Chief Executive and Leader of the Council;
- (5) The SIC requires approval by the Council or delegated committee (Constitution and Accounts Committee), who must be satisfied that it has obtained relevant and reliable evidence to support the disclosures made and must be published with the financial statements;
- (6) A review of Internal Control issues based on Officer Review, Internal and External Audit assessments has revealed areas in which improvements could be made; these are shown within the Action Plan in the SIC;
- (7) Pre-decision Scrutiny by the Resources DSP. The DSP should keep the SIC under review.

CO22. \*COUNCIL PRIORITIES

**DECISION:**

The Cabinet recommends to the Council, the priorities as listed below:

**Category A (Step-change):**

- **Anti-social Behaviour**
- **Recycling**
- **Access**
- **Town centre regeneration and the development of Grantham as a Sub-regional centre**
- **Affordable housing**
- **Communications**
- **Use of Resources**

**Category B (Incremental improvement priorities)**

- **Street scene**
- **Business Development**
- **Diversity**
- **Housing Management**
- **LSP and Community Strategy**
- **Maintenance of the Council's Assets**

On the basis of consultations undertaken to date, it is not proposed that there should be any change to the services falling within Category Y (service



**minimums) or Category Z (non priorities), other than the addition of Planning & Development Control and Public Toilets to the Y's as a result of the above.**

Considerations/Reasons for Decision

- (1) Report number CEX343 by the Chief Executive on the annual review of priorities and non-priorities.
- (2) Report CEX326 considered by the Cabinet on 8<sup>th</sup> May 2006, which included the results of a residents' survey and the findings of the Gateway Review of priorities;
- (3) The results of consultation with Local Area Assemblies and the on-line citizens jury, which were not available when report CEX326 was considered;
- (4) Residents parking was a major issue for residents of Grantham, however the County Council would not be prepared to make a decision on the decriminalisation of parking for a two-year period and only if all districts within Lincolnshire were supportive of this.

CO23. LEISURE TRUST PROJECT PLAN

**DECISION:**

- 1. That the council proceeds with the creation of a Leisure Trust to deliver leisure centres and sports facilities only at this stage, and gives further consideration to arrangements for the inclusion of arts services into a trust at a later date;**
- 2. That the indicative project plan, showing three possible stages of procurement, be approved;**
- 3. That the potential for a sequential procurement process, and possibly concurrent process if the leisure trust fails to be feasible, be noted;**
- 4. That the consultant's brief attached to report LAC149 be approved in principle, in the event that consultants are required to help the council create a local independent trust;**
- 5. That the risk log attached to report LAC149 be noted.**

Considerations/Reasons for Decision

- (1) Report number LAC149 of the Healthy Environment Portfolio Holder stating the need for a project plan, following the Cabinet's acceptance of report LAC148 (plus supplementary), circulated for the meeting held on 8<sup>th</sup> May 2006;
- (2) The proposed project plan attached to report LAC149;
- (3) In preparing the project plan consideration should be given to further options analysis on the possibility of working with an existing contracting trust;
- (4) Securing services of a Leisure Trust to deliver services would help the Council achieve objectives that had been identified;
- (5) If the District Council was to pursue a leisure trust for sports centres only there could be potential in a contracting trust (existing trusts looking for opportunities to expand);
- (6) To assess viability a feasibility exercise could be carried out by securing expressions of interest;
- (7) By joining a Contract Trust, the District Council could expect to receive all of the financial benefits of a charitable organisation managing its assets without incurring initial consultancy fees;

- (8) The draft consultants' brief attached to report LAC149. Details would need to be revised before any contract was awarded. The contracted consultant would be clearly tasked to provide the required information;
- (9) The creation of a Leisure Trust would generate some financial risk from investment in consultants, the ability to deliver financial savings at a later stage and the expected benefits in front line service delivery. (Risk log attached to report LAC149).

CO24. CONSULTATION ON PROPOSED CHANGES TO LINCOLNSHIRE NHS COMMUNITY SERVICES

**DECISION:**

1. That the consultation on proposed changes to Lincolnshire NHS Community Services should be referred to the Healthy Environment DSP for them to formulate a response on behalf of the Council;
2. That all individual councillors and community groups should be actively encouraged to make individual and joint responses to express their concerns.

Considerations/Reasons for Decision

- (1) Report number DCS45 by the Healthy Environment Portfolio Holder on the consultation period to gain views on proposals to secure the stability of the local community health services, which proposes some changes in health services;
- (2) The consultation attached as appendix A to report DCS45;
- (3) The aim of the Lincolnshire Local Delivery Plan would be to get the local NHS back into financial balance by establishing a sustainable healthcare system across Lincolnshire by streamlining administrative functions and improving financial management without compromising patient care;
- (4) Changes to services would also be included in further reports; consultation papers on these would be released for comment.

CO25. MATTERS REFERRED TO CABINET BY THE COUNCIL OR THE DEVELOPMENT & SCRUTINY PANELS

**DECISION:**

**That the Cabinet agreed the following in relation to Local Area Assemblies:**

1. **Local Area Assemblies should be renamed Local Forums;**
2. **Meetings will be limited to two hours (7:00p.m.-9:00p.m.) but could be extended at the discretion of the Chairman;**
3. **A roving microphone should be used at meetings;**
4. **Presentations should be limited to a maximum of three per meeting, preferably two, on issues relevant to the area. Timing to be tightly controlled by the Chairman. There should be a question and answer session after each presentation;**
5. **As part of the Public Open Forum, members of the public can speak for no more than three minutes on any topic relevant to the forum;**
6. **The record of each Forum meeting should be in the style of minutes**

**incorporating action notes.**

Considerations/Reasons for Decision

- (1) Report number DLS77 of the Engagement DSP detailing suggestions for the future format for Local Area Assemblies;
- (2) Visits to other local authority meetings by the Chairman of the Engagement DSP and the Scrutiny Officer (details of which were attached as appendix A to report DLS77);
- (3) Research done into different types of area forums was all outside South Kesteven, so no consideration has been made to the differences within the district;
- (4) Chairmanships should continue to be held by Cabinet members not from the area covered by that Local Forum to allow the meeting to be chaired neutrally as there would be no local political agenda;
- (5) Furniture should be arranged in a way that best suits the venue and the needs of the people attending the meeting;
- (6) Representatives from other agencies were already invited to the majority of meetings;
- (7) No money had been budgeted for the use of assemblies/forums.

CO26. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.

**NON-KEY DECISIONS:**

**Councillor Frances Cartwright: Portfolio – Housing and Organisational Development.**

**DECISION:**

To approve the tender received from Siddle Grimley Hage Ltd, Consulting Engineers of Swan House, Lincoln to provide professional structural engineering services at the following fees:

Chartered Engineer £37.50 per hour  
Senior Engineer £31.50 per hour  
Technician £27.00 per hour

[Decision Made on 30/05/06]

**DECISION:**

To approve a contribution to Lincolnshire County Council in the sum of £13,600 to fund the works to provide off-road communal parking at St Paul's Gardens, Bourne.

[Decision Made on 12/06/06]

The Chairman advised Cabinet Members that the next meeting of the Cabinet would begin at 11:00a.m.

**DATES DECISIONS EFFECTIVE:** The Key Decisions at minute numbers CO16, CO18 and CO22 and the non-key decision made on 12<sup>th</sup> June 2006 can be implemented on Wednesday 21<sup>st</sup> 2006 unless subject to call-in by the Chairman of the relevant Development and Scrutiny Panel or five members of the Council from

any political group.

Minute number CO22, being a policy framework proposal, stands referred to the Extraordinary Council meeting on 22<sup>nd</sup> June 2006.

**South Kesteven District Council, Council Offices, St. Peter's Hill, Grantham,  
Lincolnshire NG31 6PZ**

**Contact: Cabinet Support Officer-**

**Tel: 01476 406119**

**e-mail [l.shuttlewood@southkesteven.gov.uk](mailto:l.shuttlewood@southkesteven.gov.uk)**

## REPORT TO CABINET

REPORT OF: Corporate Head of Finance and Resources and  
Director of Tenancy Services

REPORT NO. CHFR11

DATE: 10<sup>th</sup> July 2006

<b>TITLE:</b>	Large Scale Voluntary Transfer
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	16 <sup>th</sup> November 2005
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Policy Framework Proposal
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Organisational Development and Housing Cllr F Cartwright Finance Cllr T Bryant
<b>CORPORATE PRIORITY:</b>	Priority A - Affordable Housing
<b>CRIME AND DISORDER IMPLICATIONS:</b>	None
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is available via the Local Democracy link on the Council's website <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>
<b>BACKGROUND PAPERS:</b>	Housing Stock Options Appraisal report by EBWNL – May 2005 Report DRS24 - 5 January 2006 Report LSVTPM01 - 25 May 2006 Report CHFR6 - 12 June 2006

### 1. Introduction

This report is split into two separate parts:

- Part A deals with the financial implications of the proposed LSVT prepared by Corporate Head of Finance and Resources
- Part B deals with the Offer to Tenants prepared by the Director of Tenancy Services.

The Cabinet is asked consider and approved the recommendations in part A first, as the Offer to Tenants contained in part B incorporates the assumptions regarding potential use of the LSVT receipt made in part A. Subject to the Cabinets decision in relation to Part A, the Cabinet is then requested to approve the recommendations in Part B of the report.

## **PART A – FINANCIAL IMPLICATIONS**

### **1. INTRODUCTION**

In May 2005, the Council identified Large Scale Voluntary Transfer as the preferred option for the future ownership and management of the Council's Housing Stock. This report provides an analysis of the potential financial implications of Large Scale Voluntary Transfer and the residual impact on the General Fund. This report should be read in conjunction with the report on the Offer to Tenants. The Offer to Tenants and the financial implications of LSVT have been considered by the LSVT member group and subject to pre-decision scrutiny by the Resources Development and Scrutiny Panel.

### **2. RECOMMENDATIONS – PART A**

It is recommended that the Cabinet recommend to Council that:

- a. the impact of the diseconomies of scale from LSVT are managed out over a five year period.
- b. the General Fund be protected by utilising interest receipts generated from LSVT capital receipts based on phased capital programme
- c. the capital programme be phased over:
  - i. 5 years for Affordable Housing utilising 50% of the net useable receipt and
  - ii. 10 years for Developing Sustainable Communities utilising 50% of the net useable receipt,
 with an annual review of the Capital Programme to ensure that the Council remains protected from the impact of the LSVT

### **3. FINANCIAL IMPACT OF LARGE SCALE VOLUNTARY TRANSFER**

The Enterprise Beha Williams Norman Ltd (EBWNL) Report on Housing Options Appraisal which was presented to Cabinet on 9<sup>th</sup> May 2005 included details of the potential financial impact of LSVT. The key areas of potential impact may be summarised as:

- Valuation of the Housing Stock
- Set up costs

- Estimated capital receipts
- Statutory Housing Services
- Diseconomies of scale
- Housing benefit costs
- VAT
- Impact on Revenue Support Grant
- Interest Receipts

Appendix A to this report summarises an initial assessment of the potential impact on the General Fund post LSVT (subject to ballot of tenants and a decision to proceed with the transfer). More detailed comments relating to the appendix are set out below.

#### Valuation of the Housing Stock

A separate appendix (B) to this report will be circulated to members at the meeting containing details of the current estimated tenanted market valuation. The report is based on the Principles of Valuation report which was presented to the last Scrutiny Panel meeting.

#### Set up costs

The Principles of Valuation report also addresses provides assumptions on set up costs. Set costs cover the time and effort in preparation for transfer, detailed consultation with tenants, valuation and business planning and preparing and agreeing the contract that embodies the terms of transfer. EBWNL identified in their original report that around £0.5million of the costs would be incurred pre ballot and therefore at risk if the tenants did not support the proposal. Following the decision to identify LSVT as the preferred option, the Council established a reserve of £1million to provide for this potential impact.

Appendix B to this report identifies that should the LSVT proceed the total estimated set up costs of £3million, both pre and post ballot costs, these costs would be met from the transfer receipt.

#### Estimated Capital Receipts

Subject to the outcome of the ballot and a decision to proceed with LSVT, capital receipts would be generated as a result of negotiations with South Lincolnshire Homes based on the Tenanted Market Value (TMV) of the housing stock, potential sale of any non housing assets and a Right to Buy sharing agreement. Appendix B addresses the potential valuation of the stock based on TMV and the Right to Buy sharing agreement, an assessment of any potential receipts from non housing assets will form part of more detailed work following the outcome of the ballot.

The Council has already made a resolution regarding the use of potential LSVT receipts as follows:

- a. Protect the general fund from the impact of transfer in the first instance and;
- b. 50% of the remaining net receipt be made available for Affordable Housing and the other 50% for the development of sustainable communities in line with Council Priorities
- c. 100% of any share of Right to Buy receipts be made available for Affordable Housing.

#### Statutory Housing Services

The following housing services would remain the responsibility of the Council post transfer:

- Housing Strategy and Housing Needs assessment
- Homelessness and prevention
- Housing Advice
- Private Sector Housing
- The Enabling role

The EWBNL report on Housing Options identified a need for a further estimated £100,000 post transfer to provide these statutory housing services (these services are funded by the General Fund). However, following identification of LSVT as the preferred option together with the results of the Inspection of Strategic Housing services an improvement plan for Statutory Housing services was put forward to Council.

The improvement plan provided for a restructuring of Housing and Associated Services, this took place during 2005/6 separate units for Housing Solutions and Tenancy Services were created. The creation of Housing Solutions (providing statutory housing services) was supported by additional Council investment. As a result, the impact on the General Fund of any transfer has been reduced because additional ongoing investment has already been provided for. Although the Council would need to provide for the maintenance of a Housing Waiting List (as part of the assessment of housing need), this could be done by procuring this service from the new landlord subject to consultation with other partner Registered Social Landlords or by the creation of one additional post.

Taking account of the above, together with the need to provide for a separate Housing software package, it is likely that residual costs to the general fund would be £50,000.

#### Diseconomies of scale

Although some of their work and a number of associated posts would transfer to the new landlord, there will inevitably be diseconomies of scale within Central Support Services, as a result of a number of factors:

- only part of the work of individuals transferring to the new landlord
- a reduced internal customer base for the recovery of the fixed element of internal support costs
- office accommodation freed up

The initial EBWNL report identified potential diseconomies of scale of £500,000. An initial evaluation of the diseconomies has been undertaken using available base data. The 2006/7 support service estimates have been used to provide this base data, however, the level and degree of time recording and transactional analysis has been variable historically, also current restructuring and other initiatives such as the move to a cashless office will affect these assumptions.

Plans are currently in place to introduce a corporate approach to time recording and central support recharges for the future which will enable more robust bases to be established. Therefore further work will be carried out on the impact of diseconomies of scale contained within section A of appendix A in due course. In the meantime, a contingent sum has been included in the schedule to reflect the experience at other LSVT sites of a similar size and nature, resulting in estimated diseconomies of around £450,000.

#### Housing Benefit Costs

Following the removal of the costs of housing benefit from the HRA there should not be any significant impact on the General Fund, with the exception that there may be a short period



of data-lag which may affect the Council's entitlement to Housing Benefit Administration subsidy for a one year period.

#### VAT

Currently the Council can reclaim VAT paid in respect of exempt services such as property and some leisure activities provided that the VAT in respect of the exempt services does not exceed 5% of the total VAT reclaimed by the Council. LSVT will result in a reduction in the total VAT, however, it is anticipated that the Council will continue to be able to meet the 5% criteria in respect of VAT on exempt services. It is recommended that an independent specialist review of this position is sought following the ballot of tenants.

#### Impact on Revenue Support Grant

The experience of other authorities that have transferred their housing stock is that there is no impact on their Revenue Support Grant.

#### Interest Receipts

It is likely that the capital programme established to utilise the capital receipts from LSVT would be phased over a period of time, therefore, additional income from interest earnings will be generated for the purposes of financial modelling a prudent estimate of 4.5% has been used in the following section. Although it would be prudent to review the Capital Programme annually to take account of the various financial impacts on the Council including priority setting, interest rates, revenue impact of capital developments and changes to government grants and requirements.

Officers are currently seeking to formalise arrangements for external Treasury Management advice, which has previously been provided on ad hoc basis by Butlers Treasury Management. This will be particularly relevant should LSVT proceed as the Council will need to ensure that it is optimising its Treasury Management position.

## **4. OPTIONS FOR PROTECTING THE GENERAL FUND**

Options for the Council to consider to protect the General Fund are as follows:-

- a. Use of interest receipts generated from LSVT capital receipts, based on phased capital programme
- b. Top sliced sum from LSVT capital receipt
- c. Use of balances transferred from HRA
- d. Use of VAT shelter

#### Use of interest receipts generated from LSVT capital receipts based on phased capital programme

Appendix C to this report provides a model of an indicative capital programme and assumptions regarding investment receipts based on a phased capital programme. This illustrates that providing the estimated financial impact on the General Fund is managed out over a period time (say 5 years) then the anticipated receipts from a phased capital programme would be sufficient to protect the general fund. However, if this option was the preferred mechanism for protecting the General Fund, then it would be prudent to undertake an annual review of the capital programme to ensure that the General Fund remains protected by use of interest receipts.

The sensitivity of the assumption that the interest receipts from a phased capital programme has been tested by utilising number of different model Capital programme profiles. Each of the models would enable the General Fund to be protected providing the impact on the General Fund was managed out over a 5 year period.

#### Top sliced sum from LSVT Capital Receipt

The most cautious method of protecting the general fund would be to top slice a sum from the LSVT Capital Receipt. A worst case scenario based on interest rates of 4.5% and an estimated impact on the general fund of around £500,000, it is estimated that £11.15million would be required to protect the general fund, leaving a capital receipt for investment of £13.15million, also assuming that the impact on the general fund was not managed out over the five year period.

#### Use of balances transferred from HRA

The balance on the HRA would transfer to the general fund post transfer once Secretary of State Approval has been received to close the HRA. This could be utilised in part to protect the general fund, although the level of balances is likely to be insufficient to generate interest earnings to cover the financial impact on the general fund, therefore, the balance would also need to be drawn upon to fully protect the general fund. In addition, as the approval to close the HRA has to be sought from the Secretary of State, and this can only be sought a year after the last transaction on the account, this would not be a suitable option in the year following a LSVT.

#### Use of VAT shelter

A report on the potential for a VAT shelter has been prepared by the lead consultants EBWNL and is attached at appendix D. Whilst there is the potential for significant financial benefits from developing a VAT shelter the Council would need to obtain specialist VAT advice before proceeding. Any VAT Shelter scheme may be subject to future changes in legislation and until specialist advice has been received, it is considered that this is the least desirable option for protecting the general fund.

## **5. RESOURCES DEVELOPMENT & SCRUTINY AND LSVT WORKING GROUP RECOMMENDATIONS**

The LSVT Working Group of members was established to construct the Council's Offer to Tenants and the Community at large, based on a balanced offer to attract the support of the Tenants whilst protecting the interests of the Community. The remit of the group included making recommendations to Cabinet and Council. In addition, the Resources DSP undertook pre-decision scrutiny of the financial implications of LSVT which were analysed in report CHFR9.

The LSVT Working Group and the Resources DSP made the following recommendations to Cabinet:

- d. The Council should manage out the impact of diseconomies of scale over a 5 year period post transfer.
- e. The net receipt from transfer should be utilised to deliver a phased capital programme based on 50% for Affordable Housing and 50% for developing Sustainable Communities in line with Council priorities, in line with the Council resolution in January. The Affordable Housing programme should be phased

- over a 5 year period and the Developing Sustainable Communities programme in line with Council Priorities being phased over a 10 year period. The overall capital programme should also be subject to an annual review to take account of the impact on the General Fund and financial position.
- f. Investment receipts generated from a phased capital programme should be utilised to protect the general fund from the impact of LSVT, to provide the most effective use of resources, whilst still protecting the financial position of the Council.

## **6. COMMENTS OF CORPORATE HEAD OF FINANCE AND RESOURCES**

My comments are contained within the body of the report.

## **7. COMMENTS OF THE MONITORING OFFICER**

My comments contained in part B of this report

## **8. CONCLUSIONS**

The financial impact of LSVT needs to be fully considered and understood by members prior to making strategic decisions to safeguard the Council's future financial position. Strategic decisions will need to be taken and developed within the Council's Budget and Policy Framework these may be summarised as follows:

- a. Approach to managing out the impact of diseconomies of scale – taking into account the recommendations of both the Resources DSP and the LSVT working group the Cabinet is advised to recommend to Council that the impact of diseconomies of scale are managed out over a five year period.
- b. Identifying the most appropriate option for protecting the general fund from the impact of LSVT – taking into account the recommendations of both the Resources DSP and LSVT working group, the Cabinet is advised to recommend to Council that the General Fund be protected by utilising interest receipts generated from LSVT capital receipts based on phased capital programme
- c. Size and phasing of Capital Programme and ongoing annual review to take account of the impact on the general fund – taking into account the recommendations of both the Resources DSP and the LSVT working group and subject to b above, the Cabinet is advised to recommend to Council that the capital programme be phased over 5 years for Affordable Housing utilising 50% of the net useable receipt and 10 years for Developing Sustainable Communities utilising 50% of the net useable receipt, with an annual review to ensure that the Council remains protected from the impact of the LSVT

## **9. CONTACT OFFICER - Part A**

Sally Marshall Corporate Head of Finance and Resources  
[s.marshall@southkesteven.gov.uk](mailto:s.marshall@southkesteven.gov.uk)  
01476 406511

## **PART B – FORMAL CONSULTATION OF TENANTS ON LSVT OFFER**

### **1. INTRODUCTION**

In May 2005, the council identified Large Scale Voluntary Transfer as the preferred option for the future ownership and management of the council's housing stock. The Formal Consultation Document (also known as the Offer Document) is a key document as it explains, in detail, the council's proposals which the new landlord, South Lincolnshire Homes, would have to deliver. On 25 May 2006 the council resolved to hold this Extra-ordinary Meeting in order to agree the content of the Formal Consultation Document to be issued to tenants.

A copy of the Formal Consultation Document is attached at Appendix E.

### **2. RECOMMENDATIONS**

It is recommended that the cabinet recommends to council:-

- a) the approval of the content of the Formal Consultation Document and Offer to Tenants;
- b) that the Formal Consultation Document is then issued to tenants as explained in paragraph 3.4 of this report.

### **3. DETAILS OF REPORT**

#### **3.1 Development of the Offer**

The South Kesteven District Council Offer was initially based on a template produced by the council's legal advisors, Trowers & Hamlins, and was based on experience and best practice from previous stock transfers.

The template was then revised to reflect the situation in South Kesteven and service managers played a major part in this, as they did in developing draft policies for the Shadow Board. The Offer was then put under close scrutiny by many Working Groups. These were:-

#### **The Tenants Working Group**

This Group developed from tenants involved in the Options Appraisal but has since been expanded to include any tenant that wished to get involved. The Group spent many hours going through several versions of the Offer, trying to shape it to reflect the views of tenants and achieve the best deal possible. They also looked at the text from a tenant's perspective, advising upon wording that would be clear to tenants. Members of this Group, and others, also formed Policy Sub-groups to examine and pass comment on the various policies of South Lincolnshire Homes, which have helped shape the Offer by determining what sort of services the new landlord would deliver.

### **The LSVT Working Group**

This Member Group was responsible for production of the Offer based on a balanced offer to attract the support of tenants whilst looking after the council's interests, including protection of the General Fund from the impact of transfer. Members have gone meticulously through the content of the Offer, shaping it into its final form. The last meeting of the Working Group on 8<sup>th</sup> June 2006 resolved "that the Offer Document, and the recommended changes to be incorporated, be received and noted."

### **The Offer Review Working Group**

This Member Working Group was responsible for ensuring that the Offer was fair and balanced. They too have gone through every line of the Offer and made changes along the way. The last meeting of the Working Group on 23<sup>rd</sup> June 2006 also resolved "To conclude the Group discussed its function now that the OD has received the scrutiny required. It was felt that no further meetings would be necessary."

### **The Shadow Board of South Lincolnshire Homes**

It is, of course, the Board of South Lincolnshire Homes that has to deliver all the promises contained in the Offer if tenants vote in favour of transfer. The Shadow Board has so far adopted nine policies prior to the final version of the Offer and their content has had a big influence on the end result. One of the main policies approved was the new Assured Tenancy Agreement which now forms part of the Offer. Members of the Shadow Board saw the Offer at three stages including the final version and were happy to endorse the content.

The Independent Tenants Advisor, and their appointed accountants, have also scrutinised the Offer and the underlying financial assumptions and have indicated their acceptance of it as a fair and balanced Offer.

## **3.2 Format of the Formal Consultation Document**

The Offer is split into 14 sections, each introduced by a 60 second summary of the content of the section. Section 1 is in itself a summary of the overall document. These summaries are essential for making the content readily accessible for those tenants who are not inclined to read the whole of the text.

The Offer will be sent to all secure Council tenants, mostly one per household but a copy will be sent to each joint tenant where a joint tenancy exists. It will be accompanied by an Easy Guide newsletter, which again summarises the main points of each section and clearly shows tenants where in the Offer to find the further detail that they might require.

## **3.3 Summary**

The end result in South Kesteven is an Offer that is rather different from some previous Offers in other parts of the country. The District Council has always been in a position where it could meet the basic Government Decent Homes Standard so there is not the same emphasis on huge provision of fundamental large-scale improvements to things such as windows, doors and central heating. Nevertheless, there is much in it for

tenants to achieve improvements to their homes that the Council could not afford to provide. It is instead a more rounded Offer with other aspects meriting equal priority with improvements to homes, such as service improvements, greater tenant empowerment, benefits for sheltered schemes, dealing with anti-social behaviour and the provision of more affordable homes.

With the considerable input from tenants and the scrutiny by the Council there are advantages in it for tenants and the Council from every perspective, and it is recommended for approval for distribution to all tenants to commence the formal consultation stage.

### **3.4 2006 Housing Transfer Programme**

The Department for Communities and Local Government (DCLG) announced the bidding round for the 2006 Transfer programme on 7 June 2006. The deadline for applications is 31 July with the outcome of the applications being formally announced at the end of September.

The Stage 1 consultation with tenants is scheduled to commence on 23 August and members have previously stated that it will be necessary to have an indication of DCLG's view on our application prior to then.

The Head of Decent Homes at DCLG has confirmed informally that the Council's application is likely to be successful as it will produce a positive valuation and is not dependent on gap funding. The council has, therefore, been advised to submit its application prior to the deadline in order for it to be evaluated quickly and for written confirmation of this informal opinion to be received. The timescales are very tight however, and this confirmation may not be received prior to the Extra-ordinary Meeting of Council on 20 July. However, if this is the case and informal confirmation of the council's place on the Transfer Programme is not received by 20 July, it is recommended that members agree to proceed with the ballot given this positive feedback from the DCLG.

## **4. COMMENTS OF CORPORATE HEAD OF FINANCE AND RESOURCES**

My comments are incorporated within Part A of the report.

## **5. COMMENTS OF CORPORATE MANAGER, DEMOCRATIC AND LEGAL SERVICES (MONITORING OFFICER)**

This report requests authority to proceed with the formal consultation of tenants with the issue to them of the formal consultation document. If the council's application for a place on the programme is refused, the council will not be obliged to proceed with the ballot of tenants. It is essential all work, which can be done, is done leading up to a ballot of tenants pending confirmation of a place on the programme.

## **6. CONTACT OFFICER - Part B**

Tony Campbell 01476 406501  
t.campbell@southkesteven.gov.uk

## Initial estimate of LSVT impact on General Fund based on 2006/7 estimates

## Section A

Detail	Estimated TUPE fte	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<u>Support Services</u>							
JAC Corporate Management	0	25292	20234	15175	10117	5058	75876
JBE Legal Services	0	11810	9448	7086	4724	2362	35430
JBF Human Resources	1	24277	19421	14566	9711	4855	72830
JCD Internal Audit	0	3200	0	0	0	0	3200
JCG Information Technology	1	37413	29930	22448	14965	7483	112238
JEB Assets & Facilities Management	1	35593	28475	21356	14237	7119	106780
X32 Cash Collection	2	15188	12150	9113	6075	3038	45564
X36 Paymaster Services	2	33600	26880	20160	13440	6720	100801
X39 Accountancy Services	1	31891	25513	19135	12756	6378	95673
X43 Collection and Enforcement	0	9390	0	0	0	0	9390
X44 Revenues Customer Services	2	44296	35437	26578	17718	8859	132889
X46 Revenues Management	0	1150	0	0	0	0	1150
X47 Contract Monitoring	0	4770	0	0	0	0	4770
	10	277870	207488	155616	103744	51872	796591
<u>Direct Support Costs</u>							
Pool Cars		3799	0	0	0	0	3799
Telecommunications		8562	6850	5137	3425	1712	25687
Corporate Training		2800	2240	1680	1120	560	8400
Courier		480	384	288	192	96	1440
Sub Total of Support Costs		293512	216962	162722	108481	54241	835917
Plus contingent sum @15%		44027	32544	24408	16272	8136	125388
		337538	249506	187130	124753	62377	961305
<u>Office Accommodation</u>							
Headquarters		61699	61699	37019	24680	12340	197437
Alexandra Road		52100	52100	18540	0	0	122740
<b>Section B</b>							
<u>Additional Housing Solutions functions &amp; costs</u>							
Administering Waiting List		35000	35000	35000	35000	35000	175000
Software Licences & system		15000	15000	15000	15000	15000	75000
Estimated impact on General Fund		501337	413305	292689	199433	124716	1531481
Interest from capital receipt from Appendix C		970,000	810,000	630,000	450,000	290,000	3,150,000
Surplus to General Fund		468,663	396,695	337,311	250,567	165,284	1,618,519

**SOUTH KESTEVEN DISTRICT COUNCIL  
RESOURCES SCRUTINY PANEL  
7<sup>TH</sup> JUNE 2006**

**VALUATION OF THE HOUSING STOCK  
(revision to the report made on 17 May 2006)**

**Report of Alan Johnson, Enterprise BWNL**

**1. Introduction**

The purpose of this report is to remind Members of the basis by which the Council's housing stock is valued for stock transfer purposes and to explain the latest position with regard to the valuation.

**2. Recommendations**

Members are asked:-

- to note the principles that apply to the valuation of the housing stock for stock transfer purposes;
- to consider the latest position in terms of the valuation of the housing stock and the assumptions that underpin the valuation.

**3. Basis of the Valuation**

In accordance with the guidelines issued by the Office of the Deputy Prime Minister (ODPM), the housing stock must be valued on the basis of market value, subject to tenancy (which is known as Tenanted Market Value or 'TMV').

When calculating the TMV of the stock the following factors must be taken into account:

- The new landlord will be required to keep the stock permanently available for letting at affordable rents;
- The new landlord will be legally required to honour the guarantees which were given to the tenants as part of the consultation process;
- The new landlord will be required to carry out a major programme of works to the stock over the next 5 years and to manage and maintain the properties to a high standard for the foreseeable future.

TMV is calculated using a complex financial model which values the future net income that the new landlord will receive from the stock over



the next 30 years after deducting management and maintenance costs and takes account of the above factors.

Thus there will need to be a very close relationship between the assumptions used to value the housing stock and those which will be used in the new landlord's business plan.

#### **4. The Key Assumptions**

The key assumptions upon which the valuation calculations are based include the following:-

- Numbers of properties transferring
- Rents – Transferring Tenants
- Rents – New Tenants
- Allowance for Voids and Bad Debts
- Stock Turnover Levels
- Other Income
- Management Costs
- Repairs and Maintenance Costs
- Additions to Repair Costs
- Interest Rate

#### **5. The initial estimates of the stock valuation**

As part of the work associated with the housing options appraisal an indicative valuation of the housing stock was carried out. This showed that the valuation was estimated to be in the range of £18 million to £45 million depending on the levels of investment made in the stock over the coming years.

#### **6. The Latest Position.**

Since the initial set of valuations were prepared a number of key assumptions have been adjusted to reflect changing circumstances. The basis of each of the key assumptions used is shown in the following paragraphs.

Further details of all the current assumptions that underpin the valuation model are shown in the attached Appendix to this report.

##### **6.1 Stock numbers**

The latest valuation is based on the assumption that 6,331 properties will transfer in the summer 2007. This takes account of on-going right to buy sales up to the point of transfer.

## 6.2 Rent Levels

It is assumed that rents for both existing and new tenants will be the same and that rents will increase in equal instalments until the target rent as prescribed by Government is reached in 2012. The position as predicted for July 2007 is:

Average rent	£54.03 per week
Target average rent	£60.31 per week

The rent increases will be the same regardless of whether the stock transfer proceeds. The level of increase for individual tenants will vary but will be subject to a cap of no more than RPI plus 0.5% plus £2 per week.

Once compliance with target rent has been achieved in 2012 all rents are assumed to increase each year by RPI +0.5%.

## 6.3 Allowance for voids and bad debts.

It has been assumed that 1.75% of the rent income will be lost through voids and 0.25% through write off of bad debts. This is consistent with recent Council experience.

## 6.4 Other Income

Other income is based on current Council budgets as follows:

	<u>£ pa</u>
Non housing assets (garages, shops, etc)	269,600
Service Charges	559,160
Other Charges	53,840

Other income is assumed to increase by 0.5% per year above the rate of inflation.

## 6.5 Management Costs

The assumption for management costs is based on current Council budgets plus an uplift to reflect the additional costs that the new landlord is expected to incur (eg diseconomies of scale, VAT, service improvements).

The level of uplift assumed is consistent with other stock transfers and is:-

General management costs	22.5%
Special management costs	10%

Management costs are expected to increase by RPI plus 0.5% for each of the first ten years and thereafter at RPI only.

## **6.6 Repairs and Maintenance Costs**

The current valuation reflects the results of the stock condition survey which was very recently completed by Rand Associates. The figures include provision to meet the costs of achieving the decent homes standard, carrying out other essential repair works and meeting key aspirations as identified by the tenants.

The stock condition survey figures are now based on July 2007 prices.

## **6.7 Growth and Inflation.**

With the exception of rental and other income and management costs as described above all other costs are assumed to increase in line with RPI.

## **6.8 Additions to repair and maintenance budgets.**

The figures derived from the stock condition survey have been increased by 6% to bring them to the July 2007 price base and have then been increased by the following:

	<b>Fees</b>	<b>VAT</b>
Catch up / major works	8%	17.5%
Improvements	8%	17.5%
Response /cyclical	8%	11.0%

## **7. Comparison with the previous (maximum) valuation**

Based on the latest assumptions as described in the report the stock would have a value of £32.1 million. This is within the range previously reported to the Council.

When compared with the previous maximum valuation (£45 million) there are a number of factors that have had an adverse effect on the valuation e.g

- Reduction in stock numbers (6,583 reduced to 6,331)
- Increased management costs (£4,736,000 increased to £5,350,000) to reflect planned service improvements.
- Increases of 7% plus in building cost assumptions.

- Bringing forward some elements of investment to improve the offer to tenants
- Inclusion of some repair and maintenance expenditure on non-housing assets that had not been sufficiently provided for in the previous stock condition data

## 8. Net Receipt to the Council

The latest estimate of the net receipt to the Council is as follows:

	£m
Valuation	32.1(a)
Less: Set up costs	3.0(a)
: Government levy	2.8
: repayment of HRA debt	2.0(b)
Net receipt	<u>24.3</u>

(a) Government have recently announced that they will no longer allow loan arrangement fees to be treated as a set up costs but they will allow them to be offset against the valuation. In practice this adjustment will reduce both set up costs and the valuation by some £1.1 million but will not affect the net receipt to the Council.

(b) In addition to the costs of repayment of HRA outstanding debt the Council may also incur a penalty as a result of premature repayment of this debt. The Public Works Loan Board will be asked for an estimate of this but it will depend on the actual loans repaid by the Council and the interest rates prevailing at the time of repayment.

In addition to the net receipt the Council will also benefit from:

- a share in future right to buy sales income (which will not be subject to pooling) (See below)
- A share of the VAT Shelter
- Any unspent balance on the Housing Revenue Account.

## 9. Future income from RTB sales

The table below showing the latest estimate of the share of future RTB income that the Council will receive in the first 5 years after transfer.

Year	No. of sales	Total receipts £m	RSL share £m	Council share £m
1	60	3.0	1.2	1.8
2	55	2.8	1.1	1.7
3	50	2.6	1.0	1.6
4	45	2.4	0.9	1.5
5	40	2.2	0.8	1.4

As mentioned before, the RTB receipts received by the Council will be outside the Government's pooling arrangements

## **10. Next Steps**

Work is continuing in finalising the offer to be made to the tenants taking account of the level of resources available through the latest position on the stock condition survey.

Work is also underway to produce a detailed operating costs budget for South Lincolnshire Homes to ensure that this is consistent with the provision for management costs included within the latest valuation calculations.

## Indicative Capital Programme and Interest Receipts

		Year 1 £'m	Year 2 £'m	Year 3 £'m	Year 4 £'m	Year 5 £'m	Years 6-10	Total £'m
<b>Affordable Housing Capital Programme</b>								
Capital Receipt earmarked for Affordable Housing brought forward		12	9.5	6.5	3.5	1.5		
Affordable Housing Capital Programme		2.5	3	3	2	1.5		12
Balance of receipt for investment		9.5	6.5	3.5	1.5	0		
Interest Receipts based on 4.5%	4.50%	0.43	0.29	0.16	0.07	0.00		0.95
Mid Year Interest Receipts based on 4.5%		0.48	0.36	0.23	0.11	0.03		1.22
<b>Developing Sustainable Communities Capital Programme</b>								
	<b>Years 1-5</b>							
Capital Receipt earmarked for Developing Sustainable Communities		12	12	11.5	10.5	8.5		
Developing Sustainable Communities Capital Programme		0	0.5	1	2	2		5.5
Balance of receipt for investment		12	11.5	10.5	8.5	6.5		
Interest Receipts based on 4.5%	4.50%	0.54	0.52	0.47	0.38	0.29		2.21
Mid Year Interest Receipts based on 4.5%		0.54	0.53	0.50	0.43	0.34		2.33
	<b>Years 6-10</b>							
Capital Receipt earmarked for Developing Sustainable Communities		6.5	4.5	3	2	1		
Developing Sustainable Communities Capital Programme	5.5	2	1.5	1	1	1		12
Balance of receipt for investment		4.5	3	2	1	0		
Interest Receipts based on 4.5%	2.21	0.20	0.14	0.09	0.05	0.00		2.68
Mid Year Interest Receipts based on 4.5%	2.33	0.25	0.17	0.11	0.07	0.02		2.95
<b>Total Capital Programme</b>								
<b>Total interest receipts based on 4.5% based on year end balances</b>		0.97	0.81	0.63	0.45	0.29	0.47	3.62
<b>Total interest receipts based on 4.5% based on mid year balances</b>		1.02	0.89	0.72	0.54	0.37	0.62	4.16



**SOUTH KESTEVEN DISTRICT COUNCIL****10<sup>th</sup> July 2006**

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**Report Title: STOCK TRANSFER - VAT SHELTER ARRANGEMENTS**

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**1. Purpose**

- 1.1 The purpose of this report is to explain the background to the VAT Shelter arrangements and the potential benefits that could be derived by both the Council and the new Housing Association.

**2. Recommendations**

- 2.1 The Panel is asked:-

- to note the background to the VAT Shelter arrangements;
- to note the potential savings that could be derived through the VAT Shelter arrangements;
- to note that proposals will be made at a future date for the appointment of specialist advisers in respect of the VAT shelter and allied Corporation Tax issues;

**3. Background**

- 3.1 Historically stock transfer housing associations receiving transfers of local authority housing stock have been unable to recover the VAT that is chargeable by the contractors appointed to carry out major repairs and improvements to the transferring properties. In simple terms this is because:-
- the major source of income for a housing association is rents and rents are treated as an 'exempt' supply in terms of VAT;
  - VAT borne by the housing association in relation to an 'exempt' supply cannot be reclaimed from the Revenue and Customs.
- 3.2 The VAT rules in respect of local authorities are different and, in practice, a local authority is able to reclaim from the Revenue and Customs virtually all the VAT it bears including VAT on major works contracts.
- 3.3 Approximately three years ago a scheme was proposed that would enable stock transfer housing associations to benefit from the transferring local authority's advantageous VAT position. The scheme (the VAT Shelter) was designed by one of the major accounting firms and received the support of ODPM and Customs and Excise.
- 3.4 In simple terms the VAT Shelter operates as follows:-



- An analysis is prepared to identify all major works and improvements that are proposed and can reasonably be classified as 'enhancements' to the housing stock.
- These 'enhancement' works have typically covered most of the major repair and improvement works that are proposed by the new landlord in the first five or ten years following the transfer.
- The local authority retains an obligation to carry out these enhancement works.
- As the housing association does not have to bear the cost of 'enhancements' to the properties the purchase price payable for the acquisition of the housing stock is increased commensurately.
- The local authority appoints the housing association to carry out the 'enhancement' works and 'pays' the housing association in advance.
- In practice there are no cash transactions between the housing association and the local authority as the increase in the purchase price of the stock is offset exactly by the payment to the housing association for carrying out the works.
- The invoice from the housing association for carrying out the enhancement works includes VAT.
- The housing association must pay over the VAT collected to the Revenue and Customs.
- The local authority must bear this VAT but is able to immediately reclaim it from Revenue and Customs.
- The housing association appoints specialist contractors to carry out the major repairs and improvements programme.
- These specialist contractors charge the housing association the cost of the works carried out plus VAT.
- The housing association is able to reclaim the VAT it bears up to the amount of VAT it has charged the Council.

#### **4. Corporation Tax Issues for the Housing Association**

4.1 Fairly soon after the introduction of the scheme the Inland Revenue ruled that there must be consistency in the housing association's accounting in terms of the classification of expenditure for both the VAT Shelter and Corporation Tax purposes. This ruling potentially reduced the effectiveness of the VAT Shelter arrangements as follows:-

- expenditure, as described above, on major works needs to be classified as an 'enhancement' in order to be eligible for inclusion in the VAT shelter arrangements;

- for Corporation Tax purposes major works expenditure which is an improvement rather than a repair is classified as 'capital' and is not a deductible expense for the purposes of Corporation Tax;
- originally the view had been taken that it would be quite proper to classify major works expenditure in a different way for the VAT shelter and for Corporation Tax purposes;
- typically it had been assumed that approximately 90% of major works expenditure in Years 1-5 is eligible for inclusion in the VAT shelter, whereas 'capital' expenditure for Corporation Tax purposes had been assessed at approximately 50% of the major works programme;
- the ruling from the Inland Revenue meant, using the figures in the preceding paragraph, that 90% of the major works programme would be a non-deductible expense for Corporation Tax purposes.

## **7. Charitable Status**

- 7.1 More recently there has been a general acceptance that a new housing association should adopt Charitable Status as a means to improve their financial position. In summary Charitable Status would exempt the housing association from Corporation Tax and thus provide the dual benefits of enabling savings through the VAT Shelter to be maximised whilst avoiding any liabilities for Corporation Tax.

## **8. The situation in South Kesteven**

- 8.1 In view of the potential benefits that could be derived from the VAT shelter and the need to avoid possible Corporation tax liabilities the new housing association, South Lincolnshire Homes, has already decided to adopt Charitable status.
- 8.2 In very approximate terms, if it assumed that approximately 90% of the major works programme could be included within the scope of the VAT Shelter, the potential savings are as follows:
- VAT shelter covering years 1-5 – potential saving £9 million
  - VAT shelter covering years 1-10 – potential saving £14 million
- 8.3 Whilst it will be a matter for negotiation, normally the monies derived from the VAT shelter are shared equally between the Council and the new landlord. Again typically both parties are expected to commit to the principle that the monies will be used for meeting the sustainable communities objectives.

## **9. Specialist Advice**

- 9.1 In view of the complex technical nature of the VAT Shelter arrangements and the large sums involved, it is recommended that the Council and the Association should jointly obtain specialist advice on both the VAT Shelter and on Corporation Tax planning subject to the achievement of a positive ballot result.

### **Formal consultation on the proposal to transfer the Council's homes to South Lincolnshire Homes**

Dear Tenant

#### **PROPOSED TRANSFER OF YOUR HOME TO SOUTH LINCOLNSHIRE HOMES**

I am pleased to enclose the formal consultation document setting out the Council's proposals for the transfer of all its homes to South Lincolnshire Homes Limited. South Lincolnshire Homes is a new not-for-profit, non-political organisation which has been set up with the help of the Council. This document explains the details.

The Council believes that the transfer would be the best way of providing tenants with good quality, well managed, well maintained homes at affordable rents in the future. We now want to give you the opportunity to consider the proposals for yourself. The Council will then consider carefully what tenants have said to us and it is then intended to hold a ballot when tenants will be able to vote on the proposal.

The transfer to South Lincolnshire Homes would only go ahead if more than half of those tenants who vote are in favour. The Council believes that South Lincolnshire Homes would be able to provide substantial benefits to tenants in respect of more repairs and improvements to homes and to housing services, that tenants want to see.

**YOUR VIEWS ARE USEFUL AND IMPORTANT TO US.** You will find a pre-paid reply form sent with the formal consultation document for your comments and we hope you will use it. You can also use the form to request more information. Please return the form to reach us by midday on **[DATE]** 2006. If you are a joint tenant, each tenant in the household will have been sent a copy of this document because every 'Secure Council Tenant' would have the right to vote in a ballot.

**THIS IS NOT THE BALLOT.** At this stage the Council simply wants to hear your comments. We will consider them and send you a letter explaining any changes that result from comments received. We will then let you know when the Council decides to go ahead with the ballot.

Over the next few weeks the Council will contact you in person at your home to explain these proposals. If you wish to contact us with any questions, please use the Council's Freephone Helpline on 0800 183 0352, or email us on [stocktransfer@southkesteven.gov.uk](mailto:stocktransfer@southkesteven.gov.uk)

You may also contact your Independent Advisor, Libra Housing Advisory Services, on Freephone Number 0800 0850 026 or send your email enquiries to [libra@pcamc.co.uk](mailto:libra@pcamc.co.uk)

I look forward to hearing from you.

Yours sincerely

*Chief Executive*

## YOUR RESPONSE AT THIS STAGE – THIS IS NOT THE BALLOT

1. *On the basis of the information you have received so far, what are your views on the Council's transfer proposal? Tick inside one box.*

• In favour of transfer

☐

• Not in favour of transfer

☐

• Not sure/need more information

☐

2. *Please use the space below to describe what you like or dislike about the proposal and any views you have on how it could be improved.*

3. *On which other areas do you require more information?*

4. *If you would like someone from the Council to contact you, please write your name, address and telephone number below.*

Name:

Address:

Telephone:

**Please return this reply form to reach the Council by midday on [DATE]. Remember, this is NOT THE BALLOT. The Council simply wants to hear your views at this stage.**

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## SECTION 1: SUMMARY GUIDE TO THE HOUSING TRANSFER PROPOSAL

### 60-SECOND SUMMARY

- **THIS DOCUMENT IS INTENDED TO GIVE YOU** all the information you will need to make an informed decision about whether you would wish the ownership and management of your home to be transferred to a new, not-for-profit housing association called South Lincolnshire Homes.
- **THERE IS A 60-SECOND SUMMARY** at the start of each section of the document highlighting the main contents of that section.
- **THE DETAILED TEXT** in each section provides all the information you should need to know about that topic.
- **THIS FIRST SECTION OF THE DOCUMENT** is in itself a summary of the overall proposal and it is recommended that you read it in full.
- **THE TABLE WITHIN IT PROVIDES** an easy-to-read guide to the differences between staying with the Council or transferring to South Lincolnshire Homes.
- **AFTER READING THE DOCUMENT** if you still want to know more, Section 14 tells you where to find additional information.

### WHAT IS THE PROPOSAL?

South Kesteven District Council is proposing to transfer the ownership and management of all homes to South Lincolnshire Homes. This proposal resulted from a review of housing options carried out by the Council and tenants during 2005.

### WHAT IS SOUTH LINCOLNSHIRE HOMES?

South Lincolnshire Homes is a not-for-profit independent housing association, which the Council has helped to set up. It would be registered as a social landlord with the Housing Corporation, the Government regulator of social landlords.

### WHAT WOULD THE TRANSFER MEAN FOR YOU?

- Affordable rents
- Repair and improvement of homes
- All rent money paid could be used and spent on your homes and services
- Key rights and entitlements protected
- Tenants taking part in decision-making
- Services protected and improved
- Estate and environment improvements
- More jobs for local people

## WOULD THE PROMISES BE KEPT?

If the transfer goes ahead, South Lincolnshire Homes would enter into a formal legal contract with the Council. This contract would contain a legal commitment by South Lincolnshire Homes to keep all the promises made to you in this document.

The Housing Corporation would monitor and regulate South Lincolnshire Homes to check that it meets its standards for managing and maintaining your homes and the Corporation has the power to intervene if those standards are not being met.

## WHAT WOULD BE THE DIFFERENCE BETWEEN STAYING WITH THE COUNCIL AND TRANSFERRING TO SOUTH LINCOLNSHIRE HOMES?

South Kesteven District Council has always tried to be a good landlord. It has established a level of service and standard of homes that is the best it can afford. However, the Council operates under financial rules that make it difficult to continue to provide homes and services that meet the expectations of tenants. Looking ahead, there will not be enough money for the Council to do all the things tenants have said they want and hard decisions would have to be made as to what would be a priority and what would have to either wait to be done, or not done at all.

**So staying with the Council would also mean things have to change.**

Whether transfer goes ahead or not some things would be the same. However, because South Lincolnshire Homes would operate under different financial rules, it would be able to offer things that the Council cannot. All the differences are explained fully in this document, but the chart [below] summarises those differences.

COMPARING THE DIFFERENCE	
STAYING WITH THE COUNCIL (Based on current projections)	TRANSFERRING TO SOUTH LINCOLNSHIRE HOMES (To be incorporated into South Lincolnshire Homes' Business Plan)
Rents	Rents
<b>Rent increases would be the same whether you are a tenant of the Council or a tenant of South Lincolnshire Homes</b>	
The Council cannot give a Rent Increase Guarantee.  Less than $\frac{3}{4}$ of all rent paid by South Kesteven District Council tenants can be spent on the housing service. Over $\frac{1}{4}$ has to be handed to Government to give to other councils. This amounts to almost £5 million per year which is unavailable to use in South Kesteven.	A five-year Rent Increase Guarantee.  <u>All</u> rent paid by tenants of South Lincolnshire Homes would be available to spend on tenants' housing, as there is no requirement to pay any of it to Government.
Repairs and Maintenance	Repairs and Maintenance

<p>Total £56.1 million programme of repairs, modernisation and improvement work within five years which includes:</p> <p>Little money available for additional improvements.</p> <p>£355,000 to eliminate shared bathrooms.</p> <p>No provision possible for environmental improvements.</p> <p>Uncertainty of amounts of money available when needed.</p>	<p>Total £73.3 million capital programme of repairs, modernisation and improvement work within five years which includes:</p> <p>£12.3 million in the first five years for additional improvements where tenants would be able to choose from a menu to achieve the higher standard they want for their home.</p> <p>£3.6 million in the first five years for improvements to sheltered housing, to include elimination of shared bathrooms, (with a further £430,000 in years six - ten).</p> <p>£2.75 million for environmental improvements over ten years.</p> <p>Money in the Business Plan to meet maintenance responsibilities over the next 30 years.</p>
<p><b>Tenancy Management Services</b></p> <p>Existing levels of service would continue to be developed within current budgets but without sufficient resources to increase staff numbers.</p> <p>The Council would not have enough money to invest in improving services to the standard requested by tenants.</p> <p>Estate Caretaking Service limited to one person.</p> <p>No equivalent decorating scheme proposed.</p>	<p><b>Tenancy Management Services</b></p> <p>Commitment to increase the number and availability of front-line housing officers, providing a more localised and responsive service on the issues important to you.</p> <p>Introduction of new services including a handy van, decorating service, a Freephone for tenants to contact South Lincolnshire Homes, and a five-star reward scheme for the benefit of tenants who fulfil their tenancy conditions.</p> <p>An expanded Estate Caretaking Service of six personnel to keep estates tidier throughout the District.</p> <p>A decorating scheme for elderly and vulnerable tenants would be introduced, for which a reasonable charge would be made.</p>
<p><b>Tenant Involvement in the Housing Service</b></p> <p>Tenant involvement developed within existing budgets.</p> <p>No Council equivalent of Tenant Board Members.</p> <p>No Council equivalent of General Members.</p> <p>Consultation prior to decisions being made by the Council.</p>	<p><b>Tenant Involvement in the Housing Service</b></p> <p>Tenant Involvement and empowerment actively developed and resourced. A menu of methods enabling tenants to get involved at a level that suits them.</p> <p>Five tenants on the Board of South Lincolnshire Homes with equal voting rights.</p> <p>Every tenant could become a General Member of South Lincolnshire Homes with the right to vote at general meetings of the Association.</p> <p>Full consultation on all activity of South Lincolnshire Homes. Tenants fully involved in decision-making.</p>



Tenant Involvement in the Housing Service - Continued	Tenant Involvement in the Housing Service - Continued	Tenant Involvement in the Housing Service - Continued
<p>Tenant Compact remains and would be developed.</p>	<p>Existing Tenant Compact structure to be developed with additional groups established to monitor and review service provision.</p>	
<p style="text-align: center;"><b>Rights</b></p> <p>Existing Tenancy Agreements would remain. Subject to the Council first consulting you, your Tenancy Agreement could be changed without your consent.</p> <p>Tenants keep present rights including the Right to Buy.</p> <p>Tenants would retain the Right to Manage.</p>	<p style="text-align: center;"><b>Rights</b></p> <p>A new Tenancy Agreement has been developed with tenants which protects your key rights and gives some new rights. Your rights under this Tenancy Agreement could not be changed without your consent.</p> <p>Tenants would have the Preserved Right to Buy.</p> <p>Tenants would lose the Right to Manage (which has never been exercised in South Kesteven) but South Lincolnshire Homes would have a policy of encouraging tenant involvement.</p>	
<p style="text-align: center;"><b>Sheltered and Supported Housing</b></p> <p>Existing services would be maintained subject to continued Supporting People Grant from Lincolnshire County Council.</p> <p>Subject to money being available, schemes with communal bathing facilities would be re-modelled to give every tenant their own bathroom.</p> <p>No money available to further improve facilities.</p>	<p style="text-align: center;"><b>Sheltered and Supported Housing</b></p> <p>Existing services would be maintained subject to continued Supporting People Grant from Lincolnshire County Council.</p> <p>Money would be immediately available to re-model all schemes with communal bathing facilities so that every household would get their own bathroom.</p> <p>Money would be included in the Business Plan to improve facilities including improved communal and disabled access, refurbishment of guest bedrooms and laundry facilities, provision of scooter parking and charging facilities and provision of internet access in communal lounges.</p>	
<p style="text-align: center;"><b>Dealing with Anti Social Behaviour</b></p> <p>There would not be enough money available to establish a dedicated Anti Social Behaviour Team within the Housing Service.</p>	<p style="text-align: center;"><b>Dealing with Anti-Social Behaviour</b></p> <p>A dedicated Anti-Social Behaviour Team would be established within six months of transfer to tackle the worst cases of anti-social behaviour affecting tenants of South Lincolnshire Homes.</p>	

<p style="text-align: center;"><b>New Homes</b></p> <p>The Council would only be able to subsidise the building of a very limited number of affordable homes.</p> <p>Future receipts from Right to Buy sales could be committed to supporting new homes but would first be subject to <math>\frac{3}{4}</math> of the money having to be paid to the Government.</p>	<p style="text-align: center;"><b>New Homes</b></p> <p>After first meeting essential costs, the Council has promised to commit half of the money it would receive from the transfer of housing to South Lincolnshire Homes to support the building of new affordable housing. This would enable it to support the building of at least 250 homes within the first five years after transfer.</p> <p>The Council would be entitled to a proportion of the receipts from sales by South Lincolnshire Homes and would not have to pay any of this money to Government. The Council has promised to use all of these receipts to fund new affordable housing.</p>
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<b>Value for Money</b>	
<b>The Council is unable to offer you the same commitment.</b>	<b>It's not just what you pay out but what you get for your money. Because South Lincolnshire Homes would have a fully- funded Business Plan over 30 years it would be able to guarantee continuing investment in your home and would have more resources to develop services.</b>

## **HOW CAN SOUTH LINCOLNSHIRE HOMES AFFORD TO DO ALL THESE EXTRA THINGS WITHOUT NEEDING EXTRA RENT RISES AND YET THE COUNCIL CANNOT?**

Both the Council and South Lincolnshire Homes would be subject to the same Government rent increase policy which limits rent rises.

There are two main reasons why South Lincolnshire Homes would be able to promise more than the Council, and both reasons relate to the amount of money each organisation could spend.

First, the Council has to give to the Government, for distribution to other councils, over a quarter of all the rent money it receives from tenants. That's an average of £14.93 per week per tenant that is not available to spend on your home – a total of £4.85 million this year. South Lincolnshire Homes would not have to pay any proportion of tenants' rent money to the Government to support social housing nationally.

Secondly, Councils used to borrow money in the past to improve homes and repay these loans over many years, but there are now strict limits on what South Kesteven District Council can borrow, making it impossible for the Council to borrow anything like the amount of money it needs. South Lincolnshire Homes would be allowed to borrow money and so could deliver to tenants the homes and services promised in this document. South Lincolnshire Homes' loans would be repaid over the 30-year period of its Business Plan.

## SECTION 2: THE COUNCIL'S HOUSING TRANSFER PROPOSAL

### 60-SECOND SUMMARY

- **TRANSFER MEANS** the transfer of the ownership and management of Council homes to a new not-for-profit landlord, South Lincolnshire Homes.
- **TRANSFER DOES NOT MEAN** you would have to move home, or pay higher rents and service charges than you would with the Council.
- **ALL TENANTS** would benefit from a better standard for homes than the one set out by Government - one which the Council believes tenants have a right to expect.
- **A £73.3 MILLION PROGRAMME** of repairs and improvements over the first five years after transfer would be delivered by South Lincolnshire Homes.
- **SOUTH LINCOLNSHIRE HOMES** would deliver better services. That is because it would be allowed to keep all the money from rents which the Council cannot. It could also borrow money against a sound business plan in a way that the Council cannot do.
- **ALMOST £5 MILLION OF TENANTS' RENT** money has to be handed to the Government to give to other councils. South Lincolnshire Homes would be able to keep its money and use all its rent income to spend on homes and services.
- **OTHER KEY BENEFITS** of transfer would be increased tenant involvement in the management of their homes, improved sheltered housing schemes and the building of more homes for future generations.
- **SOUTH LINCOLNSHIRE HOMES** would be monitored by the Council and the Housing Corporation to ensure that it delivered the promises made to tenants.
- **ALL SECURE** Tenants will have the opportunity to vote on the transfer proposal in a confidential ballot. Transfer will not proceed unless the Council and the Secretary of State are satisfied that the majority of those voting are in favour.

### WHAT IS THE PROPOSAL?

South Kesteven District Council is consulting you about a possible transfer of the ownership and management of all the Council's housing to South Lincolnshire Homes. The Council has helped to establish South Lincolnshire Homes as a new, not-for-profit housing association. Not-for profit means that no dividends would be paid out and any surpluses made by the organisation would have to be spent on improvements to homes and services or repaying loans.

South Lincolnshire Homes would be your new landlord, if the housing transfer goes ahead. The Council believes that the transfer has a number of advantages, but it will be up to you, the tenants, to make a decision on the proposal in a ballot of all the Council's Secure Tenants. The ballot is planned for **[DATE]**. If you have any questions about any aspect of the proposal for transfer, please phone the Council's Freephone Helpline on 0800 183 0352.

## WHY IS THE COUNCIL ASKING YOU TO CONSIDER THIS CHANGE?

The Council is proposing to transfer all the Council's housing to a newly formed, not-for-profit, Registered Social Landlord called South Lincolnshire Homes. More than 160 Councils have transferred their houses, amounting to some 980,000 homes, in this way, all with the intention of improving the housing service to tenants.

It has always been the Council's policy to provide good quality well-managed and well-maintained homes at a reasonable rent. However, Government restrictions on the Council's finances mean it has become increasingly difficult to provide a high level of service and undertake all the major repairs and improvements needed to your homes. Looking to the future, the Council therefore believes that transfer to South Lincolnshire Homes would be in tenants' best interests.

One of the prime reasons why the Council is unable to spend all the money required is that each year the Council has to hand over to Central Government over a quarter of all the money it receives in rent. This money is then given to other councils. The amount it has to hand over amounts to £4.85 million in the current year and is due to rise to more than £5 million next year.

The Council knows that your homes are in need of modernisation and improvement. The Council had an independent sample survey carried out on the condition of your homes. This showed what needs doing now and in the future and how much the works are likely to cost.

The Council also asked tenants what is important to them at meetings of the Stock Options Appraisal Group, the Tenant Working Group and through a questionnaire to all tenants. All of this information has been considered when forming this proposal.

The Council also wants you to get a better service, and knows there would be improvements if more money was available. Without transfer the Council believes that the service would not be improved as projections show that the cost of a better service would cause the Council's Housing Revenue Account to go into deficit.

However, the Government currently limits what the Council can borrow and what can be raised from rents. This means that the Council will **not** have enough income to fund all the modernisation and major repair works which are needed, or to improve services to achieve the standards you want.

The Council believes some tenants have had to wait too long for works to properties and estates that are not up to modern day standards.

The Council and the Tenants' Groups looked at all of the funding options. Independent advice was also taken from financial experts. Latest estimates indicate that the Council will have a shortfall of around £17.2 million on the money needed to invest in your homes to achieve the standards you want, over the next five years.

After careful consideration of the tenants working group, the Council has decided that transfer of the housing stock to a Registered Social Landlord, set up specifically to provide a local housing service, is the only reasonable option.

## **WHAT ARE THE KEY BENEFITS OF TRANSFER?**

### **The key benefits of the transfer**

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

(i) **A £ 73.3million programme of repairs and improvements for the first five years after transfer.**

Within five years of transfer this programme would allow for all homes that need them to get:

- Modern kitchens for all kitchens over 15 years old,, including remodelling where necessary
- Modern bathrooms for all bathrooms over 20 years old,, including remodelling where necessary
- Improved insulation to modern standards
- Improvements to, and additional, door entry systems to general needs flats
- A continued adaptations programme for disabled tenants and residents, amounting to more than £2 million
- Elimination of shared bathrooms in sheltered housing schemes
- £1.375 million for environmental works to estates
- Conversion of all communal aerials to enable tenants to receive digital TV. Signals

In the first five years after transfer an improvements programme totalling £12.3 million would enable every tenant to choose from a menu of improvements to their property. This would amount to an average of around £2,000 for each property. There would be further improvements to sheltered housing schemes and their surroundings following consultation with residents.

**For more details of the modernisation programme see Section 4.**

(ii) **Investments to improve security, and crime prevention measures**

As well as continuing programmes providing new security doors and windows, there would be a budget for Anti Social and Crime Prevention measures. These would include:

- Environmental improvements to design-out crime
- Improved security at communal accesses
- Security lighting
- Improvements to boundary fencing.

**(iii) Long-term rent stability**

At the point of transfer **all tenants** would continue to pay their existing rent level. Government policy requires South Lincolnshire Homes to set rents according to a formula which is the same as that which applies to Council rents. The Government has a policy to ensure that, by 2012, Registered Social Landlord and Council rents will be the same for similar properties. So whether your landlord is South Lincolnshire Homes or the Council you would pay the same rent by that date.

South Lincolnshire Homes would also give you a five-year rent increase guarantee, which the Council cannot.

**For more details on rent and other charges, see Section 5.**

- (iv) **Direct involvement of tenants in the management of their homes** in particular through the five tenants elected to the voluntary Board of Management of South Lincolnshire Homes. There would also be a wide and varied range of opportunities for tenants to be involved in all aspects of the organisation.

**For more details on involving you in running the service, see Section 7,**

- (v) **Improved services**

You would continue to deal with people you know. The majority of the Council staff, who currently provide your housing services, including local housing officers and Scheme Managers, would transfer to South Lincolnshire Homes.

South Lincolnshire Homes would have more money to improve services and to build on improvements in services that you have seen in the last year. South Lincolnshire Homes would continue to talk to you about the sort of housing management services you want to receive and how they should be provided.

If the transfer goes ahead the Direct Works Team (the team that carries out your repairs) would also transfer to South Lincolnshire Homes to carry out work in your home.

South Lincolnshire Homes would also:

- Set up apprentice training schemes to make sure it has all the staff it needs
- Look at the major repairs and improvement programme and make sure that contracts for work go to the people best able to carry them out, with the aim of encouraging local employment and using local products where possible
- Create a new dedicated Anti-Social Behaviour Team of three officers to tackle the worst problems of anti-social behaviour, within six months of transfer
- Introduce a HandyVan service, initially on a trial basis, within six months of transfer
- Introduce an enhanced Estate Caretaker service with a greater on-the-ground presence to keep neighbourhoods cleaner and tidier, and to help tackle anti-social behaviour

- Introduce a decorating scheme (for which a reasonable charge would be made) for the elderly and vulnerable
- Introduce a Tenant Reward Scheme

**For more details on continuing and improving your services, see Section 6.**

**(vi) Improvements to sheltered housing schemes**

Resources would be available to further improve facilities at sheltered housing schemes, with £3.6 million of works planned for the first five years after transfer. Planned improvements include:

- Improving security and access
- Upgrading communal areas and equipment
- Providing additional dropped kerbs and other environmental works
- Providing stores for motorised wheelchairs and scooters
- Providing additional stair lifts to four schemes
- Providing showers as an alternative to baths, fitted when bathrooms are modernised
- Installing internet access in communal lounges for use by all sheltered housing tenants

**For more details on sheltered and supported housing, see Section 9.**

**(vii) The protection of your key rights**

Your key rights would be guaranteed through both your Tenancy Agreement and a contract between the Council and South Lincolnshire Homes.

**For more details on your rights, see Section 8.**

**(viii) More homes for future generations**

If the transfer goes ahead, South Lincolnshire Homes would buy your homes from the Council. The Council has agreed to invest a substantial\* part of the money it would receive through transfer in developing affordable social housing within the District. This would be achieved by working in partnership with South Lincolnshire Homes, as well as other Registered Social Landlords operating within the District.

**\* For more details on providing new homes, see Section 11.**

## WHY CAN'T THE COUNCIL SPEND WHAT IS NEEDED?

South Lincolnshire Homes would operate under different financial rules from the Council, making it possible to deliver all the things promised in this document without you having to pay any more rent than you would have paid to the Council. The different rules that apply to how income is spent are shown in the table below.

	<b>The Council</b>	<b>South Lincolnshire Homes</b>
Rent income	Currently a quarter of all rent paid in South Kesteven has to be put in a Central Government 'pot' and is passed to other local authorities. This amounts to an average of <b>£14.93 per week</b> paid by every tenant being lost to the Council and spent elsewhere. This amounts to a loss of over <b>£4.85 million</b> for the year 2006/7 and will rise to over <b>£5 million</b> in 2007/8.	Could use 100% of all rent income received. No contribution to the national housing budget.
Income from Right to Buy sales	Can only spend 25% of money received with the remainder being used to repay debt or being taken by the Government.	Can spend 100% of its share of this income (the Council has said it would use its share of this income towards the provision of new social housing).
Borrowing	Insufficient resources to meet the costs of any significant level of borrowing.	Free to borrow so long as the loans could be repaid.

## HOW IS THE PRICE THAT SOUTH LINCOLNSHIRE HOMES WOULD PAY FOR THE HOMES WORKED OUT?

**South Lincolnshire Homes** would buy the homes from the Council. The price it would pay would take account of:

- The fact that the housing must be kept available for rent at affordable levels with tenants keeping their security of tenure
- The likely rents payable by tenants over a 30-year period
- The costs of managing and improving the homes over that period
- The cost of carrying out the promises set out in this document

This is very different from the value of homes sold on the open market with vacant possession, or to tenants under the Right to Buy.



## **HOW WOULD THE COUNCIL USE THE MONEY FROM THE TRANSFER?**

The Council would not be free to spend all of the money arising from the transfer. If transfer does go ahead the Council would have to meet some of the costs of transfer from the sale proceeds and also protect the General Fund from the impact of transfer. It also has to pay 20% of the money received to the Government.

The Council has promised that it would use at least half of the remaining money received to develop future affordable housing within the District, with the rest being used for projects to create sustainable communities.

## **WHAT WOULD BE THE COUNCIL'S HOUSING ROLE AFTER TRANSFER?**

If the transfer goes ahead, the Council would no longer be your landlord.

However, the Council would:

- Monitor the performance of South Lincolnshire Homes, typically every three months, to ensure it carries out the promises set out in this document. These promises would be the subject of a legally binding contract between the Council and South Lincolnshire Homes
- Make sure that South Lincolnshire Homes continues to play its part in letting homes to people in need
- Keep a legal duty towards the homeless and hear appeals against decisions made on homelessness
- Look to play a major role in meeting the housing need by providing grants and supporting additional bids to the Regional Housing Board, for new social housing
- Continue to have an interest in social housing in the District by filling five places on South Lincolnshire Homes' Board of Management
- Continue to have a strategic and enabling overview of housing across the District
- Continue to process Housing Benefit applications and pay Housing Benefit
- Continue to provide other non-housing services, such as rubbish collection, environmental health, planning, recreation, and so on.

**District Councillors will still be elected as in the past and will still be available, as they are now, to deal with residents' queries.**

## WHAT IS THE TIMETABLE FOR CONSULTATION?

The current plans are:

- **[DATE]** This is the period of formal consultation with you on the proposed transfer (called Stage 1). The Council will take every opportunity to meet you to discuss the proposal. There will be meetings for tenants, home visits by officers, and a short video and DVD produced by the Council.
- **[DATE]** The Council will consider your comments on the transfer proposal. The Council will decide whether this proposal needs to be altered and when it should go ahead with the ballot of all the Council's Secure Tenants. The Council would send you a letter, called the Stage 2 letter. This would describe what, if any, changes have been made to this proposal and when the Council has decided to proceed to a ballot. It will also explain your right to make representations to the Secretary of State for Communities and Local Government.
- **[DATE]** Electoral Reform Ballot Services would conduct a confidential 3 - 4 week postal ballot. Every Secure Tenant would have a vote. This means that joint tenants would each have separate ballot papers. Neither the Council nor South Lincolnshire Homes would know which way you have voted. If the ballot result is in favour of transfer, and the Council agrees to go ahead, the Secretary of State must then be asked to give consent before the transfer can take place. If consent is obtained the actual legal transfer of the ownership and management of your home should take place in 2007.

## WHAT IS YOUR ROLE IN THIS CONSULTATION?

The Council is committed to an open and detailed consultation process with its Secure Tenants, and you have a major role to play in the consultation.

The Council will consider any comments tenants make on the proposal. There is a form to help you make comments *attached to this document*. Please send your comments in to reach the Council by **[date]**.

The Secretary of State will only agree to the transfer if she is satisfied that a majority of tenants are not opposed to the transfer. This means that the transfer proposal **WOULD NOT** go ahead unless a majority of tenants who vote in a ballot vote in favour of it.

Since last year the Council has been working closely with the newly-formed South Kesteven Tenants' Working Group this group includes representatives from the active Tenants' Compacts and individual tenants. The Tenants' Working Group has been consulted about every aspect of the Council's proposal and it has acted on behalf of all tenants to influence the details contained in this document.

The Tenants' Working Group has discussed and helped prepare this document, with the Independent Tenant Advisors, Libra.

## WHERE CAN YOU GO FOR MORE INFORMATION?

There are a number of ways in which you can get more information. You can:

- Call the Council's Freephone Helpline on 0800 183 0352. Your enquiry will be answered during office hours or a voicemail message can be left at other times
- Email the Council on - [stocktransfer@southkesteven.gov.uk](mailto:stocktransfer@southkesteven.gov.uk)
- Call the Independent Tenant Advisers, Libra, on their Freephone 0800 0850 026 or email Libra on - [libra@pcamc.co.uk](mailto:libra@pcamc.co.uk)
- Other sources of information are included in Section 14 of this document.

## WHAT IS LIBRA AND HOW WAS IT CHOSEN?

### LIBRA – YOUR INDEPENDENT ADVISER

Libra is the organisation that provides independent advice and training to tenants. While the Council is paying for the cost of the independent advisor, the decision to appoint Libra was taken by the Tenants' Working Group. Members interviewed several companies and chose Libra because they thought Libra would provide you with the best independent advice on the proposal for the transfer of the Council's housing stock.

Together with the Tenants' Working Group, Libra has helped to prepare this proposal for your consideration.

***If you are concerned about any aspect of the proposal and want an independent opinion, you should contact Libra either by writing to them at Libra, FREEPOST NAT 18500, St Albans AL1 3BR, or by telephoning them on Freephone 0800 0850 026 during office hours (9am-5pm). If you ring out of office hours please leave a message on the answerphone and your call will be returned within one working day. Libra can be contacted at - [libra@pcamc.co.uk](mailto:libra@pcamc.co.uk) You will not be charged for this service.***

## WHAT WOULD HAPPEN IF THE TRANSFER DOES NOT GO AHEAD?

If the transfer does not go ahead you would remain a tenant of the Council. The Council would deliver as good a service as it could, but the Council does not expect to have the money to carry out the programme of repairs and improvements promised by South Lincolnshire Homes.

The Council is required by the Government to bring all homes up to a basic set standard of repair and modernisation by 2010. This is called the Decent Homes Standard. The Council would have the money available to comply with the basic Government requirements but would not be able to meet tenants' expectations in terms of providing all its homes with modern amenities, estates that are pleasant places to live, improved sheltered housing schemes and better housing management services.

If the transfer does not go ahead there would be a projected shortfall in the money available of £17.2 million. The Council would need to look at other possible changes to the service to operate within the limits placed on the Council with the income likely to be available. The Council has looked at a range of other options for the housing stock already, as well as other possible ways of raising the

money needed. None of the other options which are currently available can provide the same levels of investment in the homes and the housing service as the proposed housing transfer. If the transfer does not go ahead, the Council would need to review the available options to make best use of the reduced resources which would be available.

**The Council commissioned a detailed options study from an independent company. Their advice was that housing stock transfer is the best way of raising the money necessary to carry out the improvements and modernisation you want for your homes. This is why the South Kesteven District Council is asking you to consider the proposal to transfer.**

## SECTION 3: ABOUT SOUTH LINCOLNSHIRE HOMES

### 60-SECOND SUMMARY

- **SOUTH LINCOLNSHIRE HOMES** would be a Registered Social Landlord, registered with the Housing Corporation, a Government body that regulates housing associations.
- **SOUTH LINCOLNSHIRE HOMES IS A NEW HOUSING ASSOCIATION** and is a not-for-profit organisation, specially created to receive the transfer of homes from South Kesteven District Council if tenants vote in favour of transfer.
- **IT IS PROPOSED** that South Lincolnshire Homes would become a charity to qualify for significant tax advantages. This would not affect its ability to deliver the promises made in this document; in fact it would be very beneficial to its objectives.
- **SOUTH LINCOLNSHIRE HOMES** would be run by a Management Board of 15 Board Members; five tenants, five Council nominees and five independent people selected for their skills and experience.
- **BOARD MEMBERS WOULD BE UNPAID** and only receive out-of-pocket expenses for attending meetings.
- **SOUTH LINCOLNSHIRE HOMES** would employ staff to provide the day-to-day service.
- **SOUTH LINCOLNSHIRE HOMES** would borrow money from banks and building societies to enable it to carry out its major improvement programmes, and pay it back over a 30-year period.

### WHAT TYPE OF ORGANISATION IS SOUTH LINCOLNSHIRE HOMES?

If the transfer goes ahead, South Lincolnshire Homes Limited would be an Industrial and Provident Society. It would be a not-for-profit organisation and would be a Registered Social Landlord. These are bodies that provide affordable rented housing to people in housing need and are registered with the Housing Corporation. South Lincolnshire Homes has been set up with the help of the Council specifically to take a transfer of the Council's homes if tenants vote in favour.

South Lincolnshire Homes would have charitable objects. As a charitable organisation South Lincolnshire Homes would be exempt from paying Corporation Tax and from paying business rates on its operational premises. This is likely to provide South Lincolnshire Homes with a considerable financial advantage, which would allow it to spend the maximum amount on works and services for its tenants. Many Registered Social Landlords similar to South Lincolnshire Homes register as charities because they carry out activities for the benefit of the community, such as providing affordable homes to rent and sheltered housing.

As a charitable organisation South Lincolnshire Homes would be limited in who it could house and the activities that it would be allowed to carry out. It would not be able to:

- Carry out extensive commercial activities
- Provide services to other outside organisations which are not charities
- Provide commercial rented accommodation.

If South Lincolnshire Homes did want to carry out these activities it would have to consider setting up a non-charitable subsidiary.

South Lincolnshire Homes would be:

- Run by a Board of 15 Directors, comprising five tenants, five people nominated by the Council and five Independent people from the wider community
- Run as a not-for-profit organisation and no dividends would be paid out. Any surpluses made would be spent on improvements to homes and services, or repaying loans
- Registered with the Housing Corporation, a Government-appointed body set up to supervise and regulate all Registered Social Landlords.

## **WHAT ARE SOUTH LINCOLNSHIRE HOMES' AIMS?**

South Lincolnshire Homes' main purpose would be to provide and manage affordable homes for people who need them.

South Lincolnshire Homes has also adopted the following mission statement and aims and objectives:

*OUR MISSION IS TO PROVIDE AFFORDABLE GOOD QUALITY COMMUNITY- BASED HOUSING SERVICES RUN BY LOCAL PEOPLE & DELIVERED BY WELL-TRAINED, PROFESSIONAL STAFF.*

### **KEY OBJECTIVES**

- *Our customers will enjoy good quality, healthy and well-maintained homes.*
- *We will deliver a service that is affordable and gives value for money.*
- *We will value our customers and protect their rights and entitlements.*
- *We value our staff and provide them with the support and training they need to meet our promises.*
- *Our customers will have a real say in the running of their service.*
- *We will make our services fair and accessible to all.*
- *We will deliver a service that is community-based and controlled by local people.*

## **HOW WERE THE BOARD MEMBERS CHOSEN?**

The Tenant Board Members were selected by the South Kesteven Tenants' Working Group from the tenants who expressed an interest in response to the invitation from the Independent Tenant Advisor to all tenants to consider applying to be Directors. Details were sent to every tenant with a newsletter in December 2005.

**The Tenant Board Members are:**

Sarah Cox (who has been elected Chairman of South Lincolnshire Homes), Yvonne Howlett, Anthony Moisey, Kenneth Neale and Gillian Tresidder.

The Board Members chosen by the Council are:

Councillors John Kirkman, Angeline Percival, Jeff Thompson, Frank Turner and Mike Williams.

The Independent Board Members were chosen by an interview panel of Tenant and Council Board Members following adverts being placed in the local and regional press.

They are:

Sarah Cadell, Stan Harrison, Richard Ludlow, Simon Hatchman and Geoff Woodcock (who has been elected Vice-Chairman of South Lincolnshire Homes).

Biographies of the Board Members are included in Section 14.

**DO BOARD MEMBERS GET PAID?**

No. South Lincolnshire Homes' constitution does not allow the Board Members to be paid or to receive a benefit from South Lincolnshire Homes. However, Board Members can claim for out-of-pocket expenses actually incurred in carrying out South Lincolnshire Homes' business.

**HOW WOULD BOARD MEMBERS BE CHOSEN IN THE FUTURE?**

The current Board Members would serve until at least the first annual general meeting of South Lincolnshire Homes after the transfer takes place (likely to be in 2007).

At the first Annual General Meeting following transfer, one of the Tenant Board Members would retire. At the second annual general meeting, two further Tenant Board Members would retire and at the third, two Tenant Board Members would retire. Members who retire are selected on the basis of who has been in office the longest and retiring Board Members can be re-elected. This system is then repeated, using the same retirement cycle. A similar system would be used for the Independent Board Members. Council Board Members would be chosen by the Council.

\*Tenant Board Members would be elected by District-Wide tenant elections, and Independent Board Members would be chosen from the wider community for their skills and would be elected by all of the members of South Lincolnshire Homes.

\* See section 7 for full details

**WHO WOULD PROVIDE THE SERVICE?**

South Lincolnshire Homes would employ paid officers to run the housing service on a day-to-day basis. In the main, they would be staff who currently provide the service for the Council now so you would continue to deal with the people you know. Staff currently working in the housing service would, by law, transfer and be employed by South Lincolnshire Homes under Transfer of Undertakings (protection of employment) regulations known as TUPE regulations. The Chief Executive and other senior staff not covered by the TUPE regulations would be appointed by the Board after an open recruitment process and the positions being advertised nationally.

## **WHO REGULATES SOUTH LINCOLNSHIRE HOMES?**

The Housing Corporation is the Government-appointed body that regulates all Registered Social Landlords. South Lincolnshire Homes must register with the Housing Corporation as a Registered Social Landlord before a transfer can take place.

In particular, the Housing Corporation:

- Sets rules and standards which all Registered Social Landlords must follow. These standards are set to ensure that tenants' rights are protected, services are of a high quality and that financial management is sound
- Monitors the performance of Registered Social Landlords to ensure these standards are met. If standards are not met, the Housing Corporation has wide powers to intervene
- Makes sure that promises made to tenants are kept

## **WOULD I BE ABLE TO COMPLAIN TO, OR ABOUT, SOUTH LINCOLNSHIRE HOMES?**

Yes. South Lincolnshire Homes would recognise that complaints from tenants can be a valuable source of feedback on service delivery. If South Lincolnshire Homes could not settle your complaint informally, you would be able to make a formal complaint through its published complaints procedure.

The internal complaints procedure would initially be based on that currently operated by the Council. Every tenant would receive details about the procedure after the transfer.

If you were still unhappy after going through the complaints procedure you would be able to contact the Independent Housing Ombudsman. South Lincolnshire Homes would be expected to comply with any recommendation made by the Independent Housing Ombudsman after investigating your complaint. You would also be able to contact one of your local Councillors or your MP in the same way as you can now.

## **WHERE WOULD SOUTH LINCOLNSHIRE HOMES GET THE MONEY TO PAY FOR THE HOUSING?**

South Lincolnshire Homes would raise the money to pay for the Council's housing from lenders such as banks and building societies. This loan would usually be taken out for a period of around 30 years.

## **WOULD THE COUNCIL HAVE ANY CONTROL OVER SOUTH LINCOLNSHIRE HOMES?**

If the transfer takes place South Lincolnshire Homes would be required to enter into a formal and legally-binding contract with the Council. This agreement would be drawn up to allow the Council to enforce the promises made in this document.

The Council would continue to have five seats on the Management Board of South Lincolnshire Homes.



## SECTION 4: IMPROVING YOUR HOME

### 60-SECOND SUMMARY

- **AN INDEPENDENT SURVEY** of the council's homes has shown £73.3 million needs spending over the next five years to bring homes up to a standard tenants have said they want. The Council would only be able to afford to spend £56.1 million
- **SOUTH LINCOLNSHIRE HOMES** would be able to spend the full £73.3 million and carry out all the work required
- **SOUTH LINCOLNSHIRE HOMES WOULD**, over the first five years, bring homes up to, and beyond, the basic Decent Homes Standard. This would include new kitchens and bathrooms being provided earlier than would be the case under the Council
- **OVER £12 MILLION IN THE FIRST FIVE YEARS** would be available for improvements that tenants have identified as their priorities
- **TENANTS WOULD BE ABLE TO CHOOSE** from a menu of improvements to their home up to an average of around £2000 per property. Options would include a burglar alarm, parking space, over-bath shower and security lighting
- **SHELTERED HOUSING** would receive special attention for improvements with £3.6 million spent in the first five years after transfer
- **TENANTS WOULD NOT HAVE TO PAY EXTRA RENT** for any improvements.
- **ALL TENANTS** would be consulted individually on major works and improvements before work is carried out to their home
- **AS WELL AS WORK TO HOMES**, there would be improvements to the environment on estates
- **SOUTH LINCOLNSHIRE HOMES** would have enough money in its Business Plan to ensure properties were maintained to a good standard in the future

### HOW DOES THE COUNCIL KNOW WHAT NEEDS TO BE DONE?

Government rules say that all English councils must bring their homes up to the Government's Decent Homes Standard by 2010. This is a very basic standard and would still leave most homes without modern day amenities. South Kesteven District Council can meet this basic standard and comply with the Government's requirements but this would still leave many homes lacking good quality standard amenities. Following a comprehensive tenant consultation exercise, tenants have told the Council that they want their homes brought up to a higher standard. The Council cannot afford the extra items that would deliver the higher standard and meet tenants' expectations, whereas South Lincolnshire Homes could. The Council has had an independent and detailed survey carried out on its housing stock to show the extent of work and expense required.

### WHAT DID THE INDEPENDENT SURVEY SHOW?

The results of the survey show that a total of £278 million needs to be spent on your homes over the next thirty years to achieve the standards tenants want.

South Lincolnshire Homes would plan to spend £60 million on modernisation and improvement works alone in the first five years. This is on top of day-to-day repairs.

In contrast, the Council estimates that it would have about £43.5 million to spend in the first five years.

## **WHAT ARE SOUTH LINCOLNSHIRE HOMES' INVESTMENT PLANS?**

South Lincolnshire Homes would have an extensive programme of work to deliver the investment identified in the survey. The major works programmes commenced by the Council to achieve the Decent Homes Standard would continue, but would be completed more quickly and to a higher standard with South Lincolnshire Homes. This works programme would include replacing kitchens, bathrooms, wiring, central heating systems, doors and windows with new PVCu, providing mains-wired smoke detectors, carrying out major roofing works and upgrading insulation standards.

In kitchen and bathroom improvements there would be a choice of units, tiles and floor-coverings and new bathroom fittings would include lever taps and dual flush toilets as standard.

South Lincolnshire Homes would aim to ensure that within the first five years the homes get:

- Modern kitchens for all kitchens over 15 years old, including remodelling where necessary
- Modern bathrooms for all bathrooms over 20 years old, including remodelling where necessary
- More than £1 million spent on improving boundary fencing
- £1,375,000 spent on environmental works to estates.

South Lincolnshire Homes would, in addition, have £12.3 million in the first five years, and a further £2 million over the following five years, to provide a range of extra improvements that tenants have said they want. This would provide every household with improvements amounting to an average of around £2,000 per property. Each property would be awarded a number of 'home improvement points'

- 2500 points for a general needs property
- 1700 points for a sheltered property.

Sheltered properties would be allocated a lower number of 'home improvement points'. This reflects the smaller size of the properties and also takes account of the £3.6 million expenditure planned for sheltered housing schemes, from which all tenants of these properties would benefit.

Tenants would be able to choose from a menu of improvement items, selecting the things they want for their home, up to their points total (assuming the improvements would be physically possible in their home). The menu would include:

IMPROVEMENT ITEM	POINTS
• A burglar alarm	700
• Security lighting at front and back	300
• Parking spaces in gardens*	2,500
• Focal point electric fire with surround	450
• Focal point gas fire with surround**	1,000
• Sectional shed with base (suitable for storage of mobility scooter) with power supply	1,000
• Over-bath shower, including tiling, curtain with rail and extractor fan	1,450
• New internal doors	750
• A patio	650
• Patio door or French doors	1,000
• An extra radiator	300
• An extra power socket (single or double)	60
• A washbasin (where space permits) in an existing separate w.c	250
• Plumbing for washing machine and dishwasher	260
• New improved fencing to front garden	500
• A fixed water butt to collect rainwater for use in the garden	150

*Notes on the above*

*\* Parking spaces in gardens will be subject to proximity to the highway, the ability to create a vehicular crossing and right of way over verges*

*\*\* Gas fires will be dependent on the feasibility of providing a balanced flue*

South Lincolnshire Homes would also have a programme of planned replacements so that once homes were improved there would be schemes to make sure that items are replaced again when necessary. This would include planning ahead for replacement kitchens, bathrooms and central heating boilers as required. Once homes were brought up to a modern standard this investment plan would ensure that they would be kept at this standard in the future. South Lincolnshire Homes would also put in place a programme of maintenance schemes on a regular basis for jobs such as gutter cleaning and repair, external painting and gas servicing.

## **INVESTMENT IN SHELTERED HOUSING SCHEMES**

As well as the major investment outlined above, South Lincolnshire Homes would pay particular attention to the investment needs of homes and community rooms in sheltered housing developments.

It recognises that each of these developments have different problems although they share common issues, such as security, ease of access, the small-sized (bed-sit type) flats and shared bathroom facilities. There is a specific budget set aside to remodel all bed-sits with communal bathrooms. The total budget for sheltered housing improvements in the first five years after transfer is £3.6 million.

South Lincolnshire Homes is committed to a programme of further consultation with residents in each scheme prior to developing detailed proposals but, subject to that consultation, would aim to provide:

- External door entry systems with CCTV for additional security
- A programme of security and insulation work
- A programme of modernisation of the sheltered housing schemes, including the refurbishment and conversion of some bed-sits into flats
- A programme of improvements to communal rooms and facilities

### **WOULD TENANTS BE CONSULTED ABOUT THE WORKS?**

Yes. Each tenant would be fully consulted about all of the proposed modernisation and improvement programmes to their home before work is carried out.

### **DO YOU HAVE TO HAVE THE WORK DONE?**

No. Unless there are health and safety issues involved (such as gas servicing), works would only be carried out to your home if you wish them to be done. Improvements that have been carried out by tenants and are still in good condition would not be removed. South Lincolnshire Homes would replace these in the future when they reach the end of their useful life.

### **WOULD YOU PAY EXTRA FOR THESE IMPROVEMENT WORKS?**

No. There would be no extra charge for any of these improvements (over and above the annual rent increases explained in Section 5).

### **WHAT HAPPENS IF YOU HAVE TO MOVE OUT WHILE WORKS ARE CARRIED OUT?**

It is not anticipated that tenants would have to move out whilst these works are carried out. However, if there were special circumstances, South Lincolnshire Homes would provide additional support during major works and take account of special requests prior to instructing the contractors.

Special arrangements might include moving you out on a temporary basis whilst the work is done and paying the appropriate disturbance costs for you, for example removal costs, disconnection/reconnection fees for gas, water, electricity, telephones, and so on.

### **WOULD YOU HAVE THE RIGHT TO DO YOUR OWN IMPROVEMENTS?**

Yes. You would still be able to improve your home, with the permission of South Lincolnshire Homes and any planning or other consents you may need. If you do improve your home, within the terms of your Tenancy Agreement, this would not affect the level of rent you pay and you may be entitled to compensation if you end your tenancy.

## **WOULD SOUTH LINCOLNSHIRE HOMES MAINTAIN YOUR HOMES PROPERLY IN THE FUTURE?**

One of the aims of the transfer proposal is to make sure that the homes are properly maintained and that there is enough money in the future to maintain the homes to a good standard. South Lincolnshire Homes would have the money in its Business Plan to make sure that certain items in your homes, (for example, central heating boilers), were replaced when they had reached the end of their useful life.

## **WHAT WOULD HAPPEN ABOUT DAY-TO-DAY REPAIRS?**

South Lincolnshire Homes would be responsible for providing the day-to-day responsive repairs service. Its aim would be to improve upon the existing service. For more information on how it intends to achieve this, please see Section 6 Continuing and Improving Your Services.

## **WHAT ABOUT COMMUNITY SAFETY, ESTATE AND ENVIRONMENTAL WORKS?**

In addition to the works described above, South Lincolnshire Homes would also have more funds available to carry out more extensive planned programmes of major works to estates and external areas than the Council can contemplate. Fencing programmes, improved lighting, car parking and environmental works would be carried out following consultation with tenants. South Lincolnshire Homes would be able to invest £1.375 million in such works during the first five years following transfer, with a further £1.375 million in the following five years. South Lincolnshire Homes' expanded Estate Caretaker Service would seek to maintain estates in a clean condition at all times. However, where more concentrated action was needed to restore estates to a good environmental standard, estate clean ups would be carried out with consultation and full involvement of tenants.

## SECTION 5: THE RENT AND OTHER CHARGES YOU WOULD PAY

### 60-SECOND SUMMARY

- **SOUTH LINCOLNSHIRE HOMES** would charge you the same rent at the point of transfer as the Council would.
- **RENTS WOULD BE CALCULATED** using the same formula each year as they currently are with the Council.
- **YOU WOULD BE GIVEN A LEGALLY BINDING FIVE-YEAR RENT INCREASE GUARANTEE\*** (see important note below).
- **THERE WOULD BE NO HIDDEN SERVICE CHARGES** and service charges could not be used to make profits or surpluses.
- **YOU WOULD STILL BE ENTITLED TO CLAIM HOUSING BENEFIT** – just as you would with the Council.
- **YOU WOULD STILL ONLY HAVE ONE RENT RISE A YEAR** – just as you would with the Council.

### WHAT WOULD HAPPEN TO RENTS?

Government policy is that by 2012 all social landlords should charge the same rents for similar properties in similar locations – the “target rent”. This applies nationally to all councils and to all social landlords irrespective of whether transfer takes place. At the time of transfer, each tenant would pay the same rent to South Lincolnshire Homes as they were paying to the Council.

Rent levels would be reviewed once a year just as they are with the Council. South Lincolnshire Homes’ financial plans are set in line with the Government’s Rent Policy, which means that any rises are calculated with a set formula. This formula means that rents would increase by no more than inflation plus 0.5% plus no more than £2.17 per week (based on a 48- week rent year) until the “target rent” is due to be reached. After target rents are reached the Government’s current policy limits increases to no more than inflation plus 0.5% each year.

The cost would be the same with either landlord.

### **\*YOUR FIVE-YEAR AFFORDABLE RENT INCREASE GUARANTEE**

In addition to the Government’s Rent Policy (which limits the extent of rent rises) South Lincolnshire Homes would give transferring Secure Tenants a **LEGALLY BINDING FIVE-YEAR RENT INCREASE GUARANTEE** which would be written into the new Tenancy Agreement. This would continue until and including the rent increase in 2012 even if the Government changes its policy to enable larger rent increases. This is something the Council cannot offer.

South Lincolnshire Homes would guarantee that in each of the five years following transfer, annual rent increases would not exceed the rate of inflation plus 0.5% plus £2.17 per week until the target is reached (if that is before 2012). The first increase under this rent guarantee would apply to the rent increase by South Lincolnshire Homes in 2008, and in April 2009, 2010, 2011 and 2012.

## **WHAT DOES THIS MEAN IN REAL MONEY?**

If inflation is 2.5% the increased rent that you could expect to pay after the first rent increase with South Lincolnshire Homes for a home with a weekly rent of £50.00 would be £51.50 (2.5% inflation + 0.5%). That increase could be adjusted by up to £2.17 a week for tenants who are not at the target rent. This is in line with what the Council would charge.

South Lincolnshire Homes would be committed to keeping rents affordable and the Housing Corporation would ensure that it does this.

Remember:

South Lincolnshire Homes would plan to invest £73.3 million in the homes over the first five years after transfer. Even though the Council's rents would be the same, the Council would only be able to invest about £56.1 million over the same five-year period. This is because councils operate within different financial rules.

## **AFTER THE FIRST FIVE YEARS**

From 2012, current Government rules are that annual rent increases should be no more than the rate of inflation plus 0.5%.

## **WHAT WOULD HAPPEN TO SERVICE CHARGES**

At present some tenants pay for special services provided by the Council as a service charge. Examples of charges include the costs of a communal heating system, centrally metered water supply, communal rooms or facilities, or a support service (such as warden visits where there are different levels of service dependent on needs).

There would be no hidden service charges and no hidden increases. South Lincolnshire Homes would not introduce new service charges unless tenants want a new service which requires a separate charge.

South Lincolnshire Homes would not be allowed by law to make profits from service charges and could only ask tenants to pay the actual costs of providing the service. Service charge costs would therefore be calculated in the same way whether your landlord is the Council or South Lincolnshire Homes. South Lincolnshire Homes, like the Council, would show any charges for services separately from the basic rent. This would ensure that you are able to see what you are actually paying for.

The cost would be the same with either landlord.

## **YOUR SERVICE CHARGE PROMISE**

South Lincolnshire Homes would promise that service charges would only be used to recover the costs of providing a specific service. All service charges would be dealt with in accordance with Housing Corporation and Government guidance and South Lincolnshire Homes would show in an annual statement the costs of any services it provides separately from the rent charge so that tenants can clearly see the cost of the services they receive

## **WOULD THERE BE A HOME CONTENTS INSURANCE SCHEME?**

South Lincolnshire Homes would make available a home contents insurance scheme along the same lines as the one available through the Council. This would come into effect from the date of transfer so that there is no break in tenants' insurance cover. South Lincolnshire Homes would be committed to publicising and expanding this scheme so that all tenants can enjoy the benefits of low-cost home contents insurance.

## **WHAT RENTS WOULD NEW TENANTS PAY?**

New tenants are people who are not currently Secure Tenants of the Council, who move into a home for the first time after the date of transfer. South Lincolnshire Homes would charge all new tenants the same rent (plus any service charge that was applicable) as transferring tenants for their home from the start of their tenancy.

## **WHAT METHODS COULD YOU USE TO PAY YOUR RENT?**

You would still be able to pay your rent in the same ways as with the Council. These would be:

- Allpay, at outlets with an Allpay facility, such as post offices, newsagents, petrol stations, etc
- Direct Debit
- Standing Order
- Internet payments
- Cheque
- Phone payments.

South Lincolnshire Homes would continue to work with tenants to identify new and more convenient payment methods as they become available.

## **HOW WOULD THE GOVERNMENT'S "SUPPORTING PEOPLE" INITIATIVE AFFECT TENANTS?**

At present some tenants receive visits from Scheme Managers and have an alarm call system fitted in their property. Since April 2003 the costs of providing these services have been dealt with under the Government's Supporting People Grant rules. These rules would apply to South Lincolnshire Homes just as they do to the Council. They would not change as a result of the transfer.

The level of financial assistance for Supporting People Grant is determined by Lincolnshire County Council which is currently reviewing the level of grant being received from Central Government and the effect on local budgets. The resulting decisions would equally affect Council or housing association tenants and would not be affected by the transfer of your home to South Lincolnshire Homes.

A small number of tenants receive other kinds of housing-related support. Again, this would continue after transfer. South Lincolnshire Homes would honour any transitional protection that tenants may receive whilst they remain tenants of South Lincolnshire Homes.

## **WHAT ABOUT HOUSING BENEFIT?**

The transfer would not affect your entitlement to claim Housing Benefit. In addition, service charges (apart from charges for heating and lighting, which are excluded now) would also be covered by Housing Benefit or by the Government's Supporting People benefit. Applications would still be made to the Council and the Council would make payments to those who qualify. Advice would be available from both the Council and South Lincolnshire Homes.

In liaison with the Council, South Lincolnshire Homes would regularly initiate proactive campaigns to maximise benefits take-up by tenants entitled to receive them.



## **WHAT ABOUT RENT ARREARS?**

Your rent would pay for the housing service and the investment in the homes. South Lincolnshire Homes believes it is not fair to those tenants who do pay their rent on time to allow a minority not to do so. However it also realises that some tenants do sometimes have financial difficulties through no fault of their own.

South Lincolnshire Homes would contact any tenants who fall behind with their rent. They would work with the tenants to find a way for arrears to be cleared over a mutually agreed time. As a responsible social landlord, South Lincolnshire Homes would (like the Council), adopt a 'firm, but fair' policy towards tenants, aiming for a sensitive balance between the requirement to pursue all debts and the needs of vulnerable tenants.

South Lincolnshire Homes would make personal contact with tenants who are in arrears and try to work out a reasonable way for the arrears to be paid off. Staff would be trained in arrears management, debt management and benefits so that they could give advice and support to tenants who are in genuine difficulty.

New tenants of South Lincolnshire Homes would receive benefit advice at an early stage to ensure benefit take up and thus maximise customers' incomes. South Lincolnshire Homes would seek to develop partnerships with the Citizens Advice Bureau and Money Advice Centres to help tenants with debt problems.

As a last step, South Lincolnshire Homes, like the Council, could take court action to end a tenancy. This would only normally be done when a tenant has ignored an agreement to pay off arrears without any good reason.

If the transfer goes ahead, any tenant who owes rent to the Council would then owe that rent to South Lincolnshire Homes (see Section 12 – Your Tenancy Agreement).

Court Orders for Possession obtained by the Council against tenants in rent arrears prior to transfer would remain in force and be assigned to South Lincolnshire Homes for the orders to be enforced by South Lincolnshire Homes if necessary.

## SECTION 6: CONTINUING AND IMPROVING YOUR SERVICES

### 60-SECOND SUMMARY

- **ALL SERVICES** would be provided to a standard at least as good or better than they have been, or would be, with the Council.
- **THE STAFF DELIVERING THE SERVICE** you receive from the Council would be working for the new landlord, so you would be dealing with people you know..
- **SOUTH LINCOLNSHIRE HOMES** would seek to maintain and improve the repairs service, making it easy to report repairs. Work would be carried out to high quality standards.
- **THERE WOULD BE IMPROVEMENTS** to communal areas, estates and neighbourhoods. South Lincolnshire Homes would strive to make its neighbourhoods into places where people want to live. Environmental improvements would be a high priority.
- **SERVICES FOR OLDER AND VULNERABLE PEOPLE** would be continued and enhanced. This would include sheltered and supported housing, scheme managers, mobile wardens, the 24-hour emergency call centre and adaptations for the disabled.
- **THERE ARE PLANS FOR ADDITIONAL SERVICES** including a handy-van service, a 5-Star Reward Scheme for tenants and more resources to tackle anti-social behaviour.
- **A DECORATING SCHEME FOR ELDERLY AND VULNERABLE TENANTS** would be introduced for which a reasonable charge would be made.
- **SOUTH LINCOLNSHIRE HOMES** would allocate homes to people in need in a similar way to the Council and would work closely with the Council to meet housing need.. South Lincolnshire Homes would in future move towards a method of allocating properties that gives tenants more choice.
- **THERE WOULD BE** a clear procedure for resolving tenants' complaints.

### HOW WOULD SOUTH LINCOLNSHIRE HOMES SERVICE AND MAINTAIN YOUR HOME?

South Lincolnshire Homes would be committed to maintaining and improving the existing housing management services.

Most importantly, South Lincolnshire Homes would continue to provide locally-based services to ensure that you have access to advice and assistance when you need it. There would be a commitment to making it easy for tenants to get in touch with the right person within South Lincolnshire Homes by phone, mail, email or personal contact.

In partnership with you, South Lincolnshire Homes would regularly review the way in which it delivers services to make sure that services continue to be:

- Customer focused
- Caring and responsive
- Readily accessible
- Meeting the needs of local communities
- Effective and efficient
- Good value for money

South Lincolnshire Homes would aim to improve the day-to-day repairs service by:

- Improving response times when you report a repair
- Completing jobs to a high standard first time, every time
- Providing an annual gutter cleaning service where blocked gutters are a persistent problem
- Introducing extra services, such as a trial HandyVan (see below for further information)

South Lincolnshire Homes would also have a budget for 'catch-up' repairs, as well as improvements works explained below.

The planned maintenance programme would continue for works such as servicing gas appliances and external painting, and repairs needed before painting is done.

South Lincolnshire Homes would carry out the same repairs free of charge as the Council currently does.

Work that needs to be carried out as a result of abuse, misuse or negligence by a tenant would be recharged to them.

## **HOW WOULD TENANTS REPORT REPAIRS?**

You would be able to report a repair to South Lincolnshire Homes in the same way as you can report a repair now. This is by:

- Telephone, including fax (24-hour service)
- In writing
- Electronic communication – website, email, SMS
- In person

## HOW QUICKLY WOULD REPAIRS BE DONE?

South Lincolnshire Homes would aim to complete repairs within the following times:

Emergency Repairs	Attend within 2 hours to make safe and complete within 24 hours.	<i>For example, gas leaks, failure of electrical circuits and lights, burst pipes, no heating.</i>
Urgent Repairs	Complete within 24 hours.	<i>For example blocked toilet, leaking drainage pipe</i>
Routine Repairs	28 days.	<i>For example, major internal plaster repairs, renewal/unblocking of rainwater pipes/gutters, fencing repairs</i>

(These are the same times as the Council but South Lincolnshire Homes would aim for a higher percentage successfully completed on time).

All other repairs would be completed by appointment agreed with the tenant at the time of logging the repair. South Lincolnshire Homes would aim to complete all repairs within 28 days unless a longer timescale is requested by the tenant.

## WHAT ABOUT THE QUALITY OF THE REPAIRS SERVICE?

South Lincolnshire Homes would monitor its performance on the range of services it provides. It would compare its performance with its own pre-set targets, as well as with the National Regulatory Code and Guidance of the Housing Corporation (the Housing Corporation is the Government body which supervises and monitors Registered Social Landlords such as South Lincolnshire Homes). It would seek to raise these standards year-on-year. Each year, tenants would receive information on how well South Lincolnshire Homes is doing in meeting these standards.

If things were to go wrong, or you felt services had fallen below expected standards, a simple clear complaints procedure would be available.

## WHAT ABOUT JOBS?

Transfer would release extra money to spend on your home and services and it would be important for South Lincolnshire Homes to retain and recruit the right staff for the job. South Lincolnshire Homes would look at introducing fully supervised apprentice training schemes where possible within the workforce, recruiting local people to ensure continuity of skills.

When contract work is awarded, South Lincolnshire Homes would make every effort to maximise the amount of work that is carried out by local contractors, as long as value for money and quality can be maintained.

## **WOULD TENANTS BE DEALING WITH PEOPLE THEY KNOW?**

You would continue to deal with people you know. Most existing employees from the Tenancy Services section of the Council, including the Scheme Managers and the Direct Works workforce, would transfer to South Lincolnshire Homes.

South Lincolnshire Homes is committed to strengthening the existing arrangements for staff. As part of this commitment:

- All staff would work from offices in the District
- There would be a full programme of staff training to ensure staff have all the skills necessary to carry out their job efficiently

## **WHAT ABOUT ENVIRONMENTAL IMPROVEMENTS AND LOOKING AFTER COMMUNAL AREAS?**

Any communal land that belonged to South Lincolnshire Homes would be maintained by it. Both the Council and South Lincolnshire Homes understand that proper upkeep of such areas is important for tenants. South Lincolnshire Homes would be committed to reviewing the arrangements, frequency and performance levels of how it looks after communal areas in consultation with residents, with the aim of improving and maintaining overall satisfaction.

Tenants of flats and sheltered housing schemes would be consulted about the grass cutting and grounds maintenance service. South Lincolnshire Homes would then look at the suggestions from tenants and options for improving these services. It may also be able to provide tenants with the choice as to whether they want new services which would be paid for by additional services through service charges.

Garages and garage areas are also a cause for concern among tenants. South Lincolnshire Homes would review all garage areas in consultation with the tenants affected, and would plan to redevelop or refurbish each site, as necessary.

## **WOULD SOUTH LINCOLNSHIRE HOMES DO ANY COMMUNITY WORK?**

Yes. South Lincolnshire Homes would work closely with residents and public bodies like the Council, Social Services, the local Education Authority, the Police, the Primary Care Trust, GPs and voluntary agencies to help local communities tackle problems and improve the quality of life on estates. South Lincolnshire Homes would also work in partnership with others, including the Employment Service, to tackle social exclusion and support neighbourhood renewal initiatives. South Lincolnshire Homes would consult with tenants about the need for extra specialist staff to try and help tenants improve the quality of life on estates, for example by tackling neighbour nuisance or offering advice and assistance with benefit claims.

## **WHAT WOULD HAPPEN TO THE SHELTERED HOUSING SERVICE?**

Subject to Supporting People grant availability and conditions, South Lincolnshire Homes would:

- Continue to provide sheltered housing for older and vulnerable people and employ neighbourhood area mobile Wardens to support the tenants. It would aim to provide such services to the same standard as the Council and to improve them where possible, so that they continue to meet the needs of older and vulnerable people

Work to enable older people to stay in their home in sheltered housing and obtain the support they need, rather than move if they become infirm

- 

- Continue to provide any existing amenities, such as laundry and common rooms, cleaning of communal areas, window cleaning and maintenance of the grounds in sheltered schemes. Transfer to South Lincolnshire Homes would release additional resources to improve facilities in sheltered housing schemes and their surroundings. Such improvements could include better security, internal equipment, bathing facilities, access and landscaping. See Section 9 (Sheltered and Supported Housing) for full information

## **WHAT WOULD HAPPEN TO THE EMERGENCY ALARM SERVICE?**

South Lincolnshire Homes would continue to ensure access to an emergency alarm service, providing peace of mind to many older and vulnerable tenants, 24-hours a day, throughout the year. This is the same cover as is currently provided by the Council through its Lifeline service.

## **WHAT WOULD HAPPEN TO THE GARDENING SERVICE?**

The existing service of maintaining gardens in reasonable condition for people who are unable to do their own gardening would continue to be provided by South Lincolnshire Homes during its first year of operation. As part of its Best Value review process South Lincolnshire Homes would plan to carry out a review of the service within 12 months of transfer. Any changes resulting from the review would aim to ensure that resources earmarked for the service continue to be targeted at those elderly and vulnerable tenants least able to do the work themselves.

## **WOULD SOUTH LINCOLNSHIRE HOMES CARRY OUT ADAPTATIONS TO HOMES TO HELP DISABLED PEOPLE?**

Yes. South Lincolnshire Homes would work closely with the Social Services Directorate at Lincolnshire County Council to provide adaptations needed to allow tenants to enjoy full use of their homes. It would be a high priority for an Occupational Therapist to assess needs and then to carry out promptly any necessary work.

As a result of increased demand for adaptations in recent years, South Kesteven District Council has a backlog of adaptation requests requiring attention. The Council has set money aside to start addressing the backlog and South Lincolnshire Homes would have a sum of £650,000 in its Business Plan for the first year after transfer to complete the clearance of the backlog. South Lincolnshire Homes would then allocate a sum of at least £350,000 every year to meet future demand for adaptations to its properties.

## **HOW WOULD SOUTH LINCOLNSHIRE HOMES DEAL WITH ANTI SOCIAL BEHAVIOUR?**

South Lincolnshire Homes would be committed to taking decisive action to tackle Anti Social Behaviour, nuisance and harassment. As well as having its own robust Anti Social Behaviour policy, South Lincolnshire Homes would work closely with tenants, South Kesteven District Council and other agencies to develop action plans tailored to the needs of individual estates and local areas.

It would be the aim of South Lincolnshire Homes to investigate incidences of Anti Social Behaviour promptly and to resolve cases within 28 days. Complainants would be advised of action being taken throughout.

South Lincolnshire Homes' policy would be to use the full range of remedies available, including where appropriate, mediation, injunctions, professional witnesses, Acceptable Behaviour Contracts, Anti Social Behaviour Orders (in consultation with the Council and Police), possession action and eviction. \*

\*See Section 10 (Dealing effectively with Anti Social Behaviour) for more information.

## **WOULD THERE BE EXTRA SERVICES FOR ALL TENANTS?**

South Lincolnshire Homes is committed to improving services and would consult tenants about ways to do this. For example, within one year of transfer it would introduce:

- A quicker response to service enquiries
- A new dedicated Anti Social Behaviour Team to tackle the worst cases of Anti Social Behaviour
- An expanded Estate Caretaker service of six staff to help keep estates tidier and free from rubbish and graffiti across the District
- A greater presence on the estates by an Estate Officer
- Additional resources to ensure better enforcement of tenancy conditions
- A decorating service (for which there would be a reasonable charge) for elderly or vulnerable tenants
- A Freephone number to contact South Lincolnshire Homes
- Generic patch-based estate management with a named contact officer. This would provide every tenant with a first, readily available point of contact to discuss all problems, including rents, neighbour problems, tenancy advice and moving home

Within six months of transfer, South Lincolnshire Homes would also introduce, initially on a trial basis, a HandyVan service.

On a recent questionnaire many tenants said they would like help with small jobs around the house. In response to this request South Lincolnshire Homes would develop, in consultation with the Tenants' Working Group, the availability of an 'on request' HandyVan service. The aim would be to provide a friendly local service doing jobs which carried a guarantee.

Such a service could have two roles:

- Speedier completion of repair jobs that would be the responsibility of South Lincolnshire Homes

The HandyVan service would be able to do small routine or urgent repairs such as changing tap washers, adjusting or re-hanging doors, replacing locks and hinges, replacing toilet seats or ball-valves, unblocking a sink or bath and minor joinery repairs, inside and out.

- A pay-as-you-go service for odd jobs that are your responsibility

A HandyVan service would be able to do small tasks around the house, such as putting up shelves or curtain rails, assembling flat-pack furniture, fitting door chains, plumbing-in washing machines and putting up a washing line. These are jobs for which tenants are responsible, so there would be a small charge for this service.

South Lincolnshire Homes would want to work with tenants in order to clarify the sorts of jobs that they would want a HandyVan service to offer if it proved to be financially viable. These jobs would be listed in a leaflet so that it was known what would be available and how much it would cost.

### **Tenants 5-Star Reward Scheme**

South Lincolnshire Homes would work with tenants to introduce a 5-star Reward Scheme for existing tenants. This would be a 'thank you' to the majority of tenants who keep up-to-date with their rent and maintain other tenancy conditions, including tenants on Housing Benefit, as long as their accounts and claims for Housing Benefit were kept up-to-date. The details of the scheme would be agreed with tenants but it is envisaged that tenants could qualify by meeting five simple conditions:

- ✧ Having an up-to-date rent account
- ✧ Keeping their home clean and tidy
- ✧ Keeping their garden clean and tidy
- ✧ Not causing a nuisance or annoyance to other residents
- ✧ Not owing any debts to South Lincolnshire Homes.

South Lincolnshire Homes would work with tenants' groups and local businesses to develop the scheme to give qualifying tenants access to goods and services at discounted rates.

### **HOW WOULD HOMES BE LET TO NEW TENANTS?**

South Lincolnshire Homes would allocate homes in a similar way to the Council. Homes would only be let to people in housing need. There would also be an agreement to allow the Council to nominate the majority of people in housing need where South Lincolnshire Homes has properties available for letting.

As with the Council, South Lincolnshire Homes would operate a tenants' transfer policy so that tenants who need to move to bigger or smaller properties or to another type of property could be considered for a move.

A sensitive lettings policy would be operated to ensure, as far as possible, that new tenants who were allocated properties would be compatible with the communities into which they were being re-housed.

South Lincolnshire Homes would work towards a fully choice-based lettings scheme by 2010.



## **HOW COULD YOU COMMENT ON OR COMPLAIN ABOUT THE SERVICE YOU RECEIVE?**

South Lincolnshire Homes would have a Customer Care Policy and a Complaints Policy, and an officer responsible for making sure all comments and complaints are replied to within seven days and dealt with, where possible, in a target time of 28 days.

The policy would include a step-by-step procedure for those wishing to complain. As a last resort, you could also take your complaint to the Independent Housing Ombudsman. See Section 14 for more details.

## **WHAT WOULD HAPPEN TO SERVICES FOR LEASEHOLDERS?**

If transfer goes ahead, the Council's legal interest in leaseholders' homes will be included in the transfer to South Lincolnshire Homes. Services would continue to be provided as they have under the Council and service charges would be collected in the same way. South Lincolnshire Homes would issue a new Leaseholder Handbook to all leaseholders shortly after transfer.

## SECTION 7: INVOLVING YOU IN RUNNING YOUR HOUSING SERVICE AND TENANT PARTICIPATION

### 60-SECOND SUMMARY

- **THE TENANT PARTICIPATION STRUCTURES** set up by the Council would continue and be strengthened.
- **SOUTH LINCOLNSHIRE HOMES** would adopt and develop the South Kesteven Tenant Participation structure, known as Compacts.
- **TENANTS WOULD BE ABLE** to get involved at a level that suits them best through a Tenant Participation 'menu'.
- **ALL TENANTS WOULD RECEIVE** regular information including newsletters, an annual report and a new Tenants Handbook.
- **TENANTS WOULD HAVE FIVE SEATS** on the Board of South Lincolnshire Homes - tenants would have the opportunity to seek election to the Board.
- **ALL TENANTS** would be able to become members of South Lincolnshire Homes, making them eligible to attend and vote at General Meetings of the organisation.
- **TENANTS WOULD BE** able to get involved in monitoring the quality of services provided by South Lincolnshire Homes.

### SOUTH LINCOLNSHIRE HOMES AND TENANT PARTICIPATION

South Lincolnshire Homes sees tenant involvement as an important and integral part of high quality service delivery. It would continue to work with tenants to promote and develop tenant involvement with the aim of strengthening the arrangements already in place. Its policy would be to encourage decisions at a local level, involving local people wherever appropriate. It would have a Tenant Participation Policy, resource a dedicated Tenant Participation Team, follow national good practice guidelines on tenant participation and adopt and develop the Council's existing Tenant Participation Compact.

South Lincolnshire Homes would continue to engage with the tenant participation structures set up by the Council and would look to develop future tenant participation arrangements to meet the needs of its tenants and representative tenants' groups. This would include providing appropriate accommodation so that tenants' groups can hold meetings and store relevant information. A full review of tenant participation and the various structures would be carried out within the first six months after transfer. This review would be carried out with full cooperation of all the existing tenant groups with the aim of developing and improving the involvement of tenants.

### WHAT IS THE SOUTH KESTEVEN TENANT COMPACT DOCUMENT?

This is an agreement that was negotiated between the Council and the various tenant consultation groups throughout the District.. It sets down agreed support for tenant participation, the levels of service tenants can expect and what can be done if these standards are not met.

South Lincolnshire Homes would use the existing agreement as a statement of the standards it would achieve but would also look to develop it – for example it could invite each estate or area to develop a local consultation group in their own way by agreeing local estate agreements that would fit into the overall South Lincolnshire Homes Agreement.

## HOW COULD TENANTS GET INVOLVED IN SOUTH LINCOLNSHIRE HOMES?

Tenants would be able to get involved at a level that suits them best. This could include:

- Getting regular information from South Lincolnshire Homes
- Joining a local Tenants' and Residents' (Compact) Group
- Participating in Tenants' Working Groups
- Completing customer satisfaction surveys
- Applying to become a Board Member of South Lincolnshire Homes
- Applying to become a Member of South Lincolnshire Homes
- Choosing a participation opportunity from the South Lincolnshire Homes Tenant and Resident Partnership Menu.

See below for more details.

## SETTING SERVICE STANDARDS

South Lincolnshire Homes would seek to continuously involve customers in setting and maintaining service standards. It would be its policy to engage tenants in consultation and involvement **before** important decisions are made on service delivery.

## REGULAR INFORMATION

### Resident Partnership Website

South Lincolnshire Homes would develop, with tenant input, a dedicated Resident Partnership website, offering everyone with internet access the ability to participate remotely at a time convenient to them. This would particularly benefit tenants of sheltered housing who would have Internet access from communal rooms following transfer. See Section 9 (Sheltered & Supported Housing) for more details.

South Lincolnshire Homes understands that for tenants and residents to play a full part, they need information about what's going on and about the performance of the housing service. South Lincolnshire Homes would give information to all tenants and residents on a regular basis. This would include a tenant and resident newsletter, as well as an annual report giving performance statistics. South Lincolnshire Homes would also publish details of its annual accounts so that tenants and residents can see these figures.

South Lincolnshire Homes would provide a new Tenants' Handbook giving important information, including ways of getting involved in its activities.

## **Tenant Consultation Structure**

### **Local Tenants' and Residents' (Compact) Groups**

South Lincolnshire Homes would include a budget in its Business Plan to actively support representative local Tenants' and Residents' groups. Tenants' and Residents' Groups are able to represent communities at the local level, and would be involved in local decision-making through consultation with South Lincolnshire Homes. Membership of Tenants'/Residents' Groups would be open to all residents living on the estate or in the area covered by the Association.

### **District-wide Compact**

Each of the local Compacts appoints a representative to the District Compact which considers issues at a strategic level and produces a quarterly magazine.

### **South Kesteven Tenants' Group**

This group was set up to work with the Council in developing the transfer proposal. Membership is open to any interested tenant whether or not they are a member of any formal residents' groups.

### **The Leaseholder Forum**

This group would provide an opportunity for leaseholders to discuss issues that are affecting them.

### **Area Groups/Compacts**

South Lincolnshire Homes would work with tenants to develop the concept of Area Groups which would have authority to deal with issues at a local level.

### **Sheltered Housing Panel**

This group would focus on the accommodation and services provided to sheltered and supported housing.

### **South Lincolnshire Homes Tenant and Resident Participation and Consultation Menu**

Following the review of the existing tenant consultation structure, every tenant and resident would be provided with a menu of the participation opportunities that are available. This could include all the opportunities listed, plus new opportunities like phone, mail and email surveys, single topic focus groups, geographical or area-based focus groups, mobile phone and text message feedback. Tenants and residents would be able to sign-up for as few or as many opportunities as they want to be involved in.

South Lincolnshire Homes would look at encouraging participation at after-school meetings, for example, it could look into the possibility of providing activities for children to keep them occupied, including football coaching, drama, music, etc. as well as crèche provision. In addition South Lincolnshire Homes would explore with tenants and residents other ways in which younger people can become more actively involved in their community.

## **BOARD MEMBERS AND GENERAL MEMBERS OF SOUTH LINCOLNSHIRE HOMES**

Tenants could become Board Members and General Members of South Lincolnshire Homes. Board Members are the 15 people who have the overall responsibility for running South Lincolnshire Homes. As well as becoming Board Members tenants could also become general members. General members are able to vote at Annual General Meetings and would vote on major changes to the constitution of South Lincolnshire Homes \*

\*(For details of how to see the constitution of South Lincolnshire Homes see Section 14).

## **HOW COULD YOU BECOME A BOARD MEMBER?**

The Board of South Lincolnshire Homes would make strategic decisions about the policy, direction and management of the organisation. Five out of the fifteen places on the Board of South Lincolnshire Homes would be held by Tenants.

As a Board Member, a tenant would need to attend Board Meetings and other Committee meetings and would be responsible, with the rest of the Board, for making major decisions about services and works. At the moment a Shadow Board of South Lincolnshire Homes has been established so that the preparations can be made in the event that tenants vote in favour of transfer. All tenants were invited to apply to become Board Members. The Tenants' Working Group interviewed the interested tenants and selected five to become Members of the Shadow Board. See Section 3 (About South Lincolnshire Homes) for details about the Shadow Board and its Members.

The current Shadow Board Members would retire in an annual rotation in the first three years after transfer. Future tenant members would be elected and will serve for no more than three years before they would have to stand for re-election.

South Lincolnshire Homes would consult tenants as to the arrangements for such elections, and whether they should be held on a geographical or other basis.

## **WHAT DOES BECOMING A GENERAL MEMBER OF SOUTH LINCOLNSHIRE HOMES MEAN?**

Although the Board of South Lincolnshire Homes would make the strategic and policy decisions, some major decisions such as a change to the constitution governing how South Lincolnshire Homes would operate would have to be agreed by the General Members of South Lincolnshire Homes. All tenants would be able to apply to become a General Member of South Lincolnshire Homes by completing an application form.

A change to South Lincolnshire Homes' constitution could only happen if more than three-quarters of those eligible to vote were in favour of the change. Tenants who were General Members would hold one-third of the vote, the Council one-third, and the Independent Members one-third. This means that any one group of members (where all the members of the group voted together) could block such a change if it wanted to.

Being a member of South Lincolnshire Homes would also mean that you could attend and vote at the Annual General Meeting or a Special General Meeting. The types of issues that would be considered at an Annual General Meeting would be:

- South Lincolnshire Homes' accounts for the previous financial year
- The appointment of the auditors for South Lincolnshire Homes
- The appointment of new Independent Board Members.

## **TENANT MANAGEMENT AND CONTROL**

After transfer you would no longer have a Right to Manage set down by legislation. However, South Lincolnshire Homes' policy is to work with and encourage tenants who wish to take on the management of their own homes and estates. South Lincolnshire Homes would support any Tenant Management Organisation (TMO) proposal that had already secured the support of the Council prior to any transfer to a TMO. A TMO could take on a range of housing management responsibilities for a particular housing area or estate after entering into a management agreement with South Lincolnshire Homes. Establishing a TMO means that a tenant-run body would become responsible for some of the functions that were previously carried out by South Lincolnshire Homes.

The Right to Manage, set down by Acts of Parliament for Council tenants, is funded by the Department for Communities and Local Government. This funding would not be available to new TMO's after transfer. South Lincolnshire Homes would seek funding from the Housing Corporation under its Community Training and Enabling Grant Programme, but such funding and the support it provides cannot be guaranteed. South Lincolnshire Homes may be able to meet any shortfall in the grant funding for the TMO provided any funding would not adversely affect other tenants.

## **HOW COULD TENANTS BE INVOLVED IN MONITORING THE QUALITY OF SERVICE?**

South Lincolnshire Homes would carry out a range of customer satisfaction surveys on a regular basis to make sure that the service is meeting your needs. It would act on the results of these surveys to improve and develop services. This would be part of a regular review in line with the Tenant Participation Compact to update and improve policies and services.

South Lincolnshire Homes would encourage representative groups, recognised and financially supported by South Lincolnshire Homes, to become involved in monitoring its performance and would produce information in the form of newsletters and annual reports to these groups and individual tenants. In addition to this South Lincolnshire Homes will develop the following ways that tenants can be involved in monitoring the quality of the Housing Service:

### **Tenant Inspectors and Service Review Group**

Tenant inspectors would be involved in inspecting the quality of the housing service and providing feedback and suggestions for improvement. Areas inspected would include empty homes, estate environmental conditions and services offered from Area Housing Officers. Activity by this Group would include anonymous assessment of the quality of response to enquiries. South Lincolnshire Homes would continue to build on involving tenants in judging the quality of the housing service and open up all of its housing management processes and services to inspection by tenants.

### **Feedback Cards**

South Lincolnshire Homes would continue the practice of issuing feedback cards for all repairs carried out. It would use the responses from tenants to learn about the quality of the repairs service and which areas need improvement. South Lincolnshire Homes would also seek to expand the system into other areas of work such as allocations and lettings and tenancy management and enforcement.

## **STAFFING AND OTHER SUPPORT**

In support of its commitment to tenant participation, South Lincolnshire Homes would employ staff to support tenants and encourage tenant participation. The number of staff required to support tenant participation would be the subject of consultation with tenants and tenants' groups but South Lincolnshire Homes would seek to contribute at least the same amount of resources to tenant participation that the Council does at present. Support would be given to tenants and tenant groups in the form of ongoing training and capacity building.

## SECTION 8: YOUR RIGHTS

### 60-SECOND SUMMARY

- **THE KEY RIGHTS IN YOUR NEW TENANCY AGREEMENT** would match the key rights you have as a Council tenant.
- **YOU WOULD LOSE ONLY ONE RIGHT** – the Right to Manage. This right has never been exercised by any tenants in South Kesteven.
- **THE RIGHTS SET DOWN** in your new Tenancy Agreement cannot be changed without your permission.
- **TENANTS WHO HAVE THE RIGHT TO BUY** would still have the Right to Buy after transfer and new tenants would be able to purchase their homes under a scheme called the Right to Acquire.
- **THE NEW TENANCY AGREEMENT** would allow the same people to take over a tenancy when a tenant dies as the Council currently allows. Plus this has been improved to give one extra opportunity to exercise a right of succession.
- **ALL PREVIOUS SUCCESSIONS WOULD BE DISREGARDED**; you would start with a clean slate.
- **YOU WOULD STILL HAVE THE RIGHT** to live in your home and not to be evicted without good reason.

### HOW WOULD TENANTS' RIGHTS BE AFFECTED IF THE TRANSFER GOES AHEAD?

Most Council tenants are Secure Tenants. With South Lincolnshire Homes you would become an Assured Tenant.

The main difference is that as a Secure Council Tenant the rights you now enjoy are set down in law by Acts of Parliament. As an Assured Tenant with South Lincolnshire Homes, your rights would be covered partly by Acts of Parliament and partly by a legally-binding contract (your Tenancy Agreement) between you and South Lincolnshire Homes.

Because the rights of an Assured Tenant can be less than for a Council Secure Tenant, South Lincolnshire Homes has agreed to extend your rights to match your existing Council tenancy rights. This extension is in the contract between you and South Lincolnshire Homes (in your new Tenancy Agreement - see Section 12) and not imposed by Acts of Parliament.

The table below compares the rights Secure Tenants have now with the Council with those that you would have with South Lincolnshire Homes if the transfer goes ahead.

<b>RIGHTS</b>	<b>WITH THE COUNCIL</b>	<b>WITH SOUTH LINCOLNSHIRE HOMES</b>
The right to buy your home with a discount	Yes	Yes (called the Preserved Right to Buy)
The right of succession (the ability to pass on your home)	Yes	Yes (and includes an extra right of succession following an earlier succession with the Council)
The right to live in your home without the threat of being evicted without good cause ('Security of Tenure')	Yes	Yes
The right to transfer & exchange	Yes	Yes
The right to sub-let, or take in lodgers	Yes	Yes
The right to repair	Yes	Yes
The right to carry out improvements and receive compensation	Yes	Yes
The right to be consulted	Yes	Yes
The right to information	Yes	Yes
The right to manage	Yes	No (but see below)
The right for your Tenancy Agreement not to be changed (except for rent and service charges) without your individual consent	No	Yes
A legally-binding Rent Increase Guarantee	No	Yes

In addition, transferring tenants would have a new right, the Right to Acquire. See Section 7 for details.

### **WHAT RIGHTS WOULD TENANTS LOSE?**

You would lose one right because South Lincolnshire Homes is not able to offer it within the Tenancy Agreement. The statutory **Right to Manage** (which allows tenants to set up a Tenant Management Organisation - subject to certain rules) does not apply to Assured Tenants of Registered Social Landlords. However, South Lincolnshire Homes has a policy of working with Tenant Management Organisations. See Section 7 for more information.



## HOW WOULD TENANTS' RIGHTS BE PROTECTED?

If the transfer takes place, transferring tenants will be asked to sign a new Tenancy Agreement (see Section 12). Once you and South Lincolnshire Homes sign the Tenancy Agreement, your rights in that Agreement cannot be changed without your permission. The only things that can change are the annual rent and service charges.

Your rights would also be protected in the terms of the Transfer Agreement between the Council and South Lincolnshire Homes.

## WOULD TENANTS STILL BE ABLE TO BUY THEIR HOMES?

If you have the **Right to Buy** your home with the Council, you would continue to have a **Preserved Right to Buy** with South Lincolnshire Homes.

These rights remain with you or any member of your family who succeeds you (takes over your tenancy) even if you later move to another home which is owned by South Lincolnshire Homes, as long as it is not exempt from the Right to Buy. Also, if you have the Preserved Right to Buy and later move to a council home in another area, you would still have a right to buy and any discounts would include time as a tenant of South Lincolnshire Homes.

Some homes are currently excluded from the Right to Buy, such as sheltered accommodation, and this would continue to be the case with South Lincolnshire Homes.

Tenants housed by South Lincolnshire Homes after the date of transfer would not have the Preserved Right to Buy, but would have the Right to Acquire (see below).

## WHAT HAPPENS TO DISCOUNTS?

Any discount you have built up would transfer with you and would continue to increase while you are a tenant of South Lincolnshire Homes. This includes discounts built up whilst serving in the armed and other services, as well as any other Secure Tenancy.

## WHAT IS THE MAXIMUM DISCOUNT AND COST FLOOR?

Under current rules, if you buy your home under the Right to Buy or Preserved Right to Buy, the amount you pay is decided by using a set formula. The purchase price is determined by the market value of the property, less your discount (based on years as a council or Registered Social Landlord tenant). With the Council the maximum discount is currently set by the Government at a maximum of £24,000. The same limit would apply if you transfer to South Lincolnshire Homes and use your Preserved Right to Buy in the future. You would be affected in the same way, whether the transfer takes place or not.

This is subject, however, to something called the **cost floor**. The cost floor is the minimum price that you could pay for your home even if your discount would take the price below this amount.

The cost floor is the total of the amount spent by your landlord on buying, improving or building your home and includes repair and maintenance costs where these are above £5,500.

The cost floor is most relevant where a landlord has recently spent large amounts of money buying, building or improving the property or where large amounts of money have been spent on repairs and maintenance. With the Council, these costs are worked out (broadly) over a ten-year period before you buy your home.

The two main differences with South Lincolnshire Homes would be as follows:

- South Lincolnshire Homes would be able to take into account all costs incurred during the 15 years prior to your application to buy.. This takes account of the fact that South Lincolnshire Homes would operate under a different financial regime from the Council. The 15-year period starts at the point of the housing transfer
- South Lincolnshire Homes would be able to include in the cost floor the cost of the catch-up repair works which would be carried out to tenants' homes and which are referred to in this document (see Section 3) even if these costs have not actually been incurred at the time of your application to buy (this is because the cost of the repair work has been allowed for in calculating the price payable to the Council for the homes)

In some cases, the effect of these changes may reduce the amount of your discount, but, for the majority of tenants, it is likely that the new cost floor would have little or no effect.

### **WHAT IS THE RIGHT TO ACQUIRE?**

Tenants of South Lincolnshire Homes (including existing tenants transferring from the Council) would be able to buy their home under the new **Right to Acquire** scheme as long as certain tests are met. This scheme is based on a grant rather than a discount and is normally less generous than the Preserved Right to Buy Scheme. The maximum grant for homes in the District is currently £9,000. You cannot combine both the Right to Acquire and the Right to Buy.

Some properties cannot be purchased under the Right to Acquire, for example properties in certain rural areas containing settlements where the population is 3,000 or fewer, and properties that are part of a group of homes designed with special features for letting to people who are elderly or with physical disabilities.

### **WOULD TENANTS STILL BE ABLE TO PASS ON THEIR HOMES?**

South Lincolnshire Homes' Tenancy Agreement would allow the same people to take over the tenancy (when a tenant dies) as under the Council's secure tenancy. As with the Council, your home could only be passed on once other than in exceptional circumstances. Please note you would be counted as a successor if you were a joint tenant at transfer and later become a sole tenant.

South Lincolnshire Homes' Tenancy Agreement would ignore any previous successions to the tenancy with the Council. This means that if the transfer goes ahead, all tenants would start again with a right of succession, even if they have already used their right of succession when they were tenants with the Council.

### **WHAT ABOUT TRANSFERS OR EXCHANGES?**

South Lincolnshire Homes would aim to make best use of its housing by assisting with tenant transfers and exchanges both within its stock and with other landlords. A new financial incentive scheme would be introduced to assist tenants to move home voluntarily if they were under-occupying a South Lincolnshire Homes property.

South Lincolnshire Homes would participate in the HOMESWAP Scheme that helps people to move to council or Registered Social Landlord homes outside the District.

### **WOULD TENANTS STILL BE ABLE TO SUBLET PART OF THEIR HOMES?**

Yes. You would be in the same position with South Lincolnshire Homes as Secure Tenants of the Council. You would be able to sublet part of your home, with South Lincolnshire Homes' permission, or take in lodgers.

### **WOULD SOUTH LINCOLNSHIRE HOMES HAVE MORE RIGHTS TO OBTAIN POSSESSION OF TENANTS' HOMES?**

No. South Lincolnshire Homes would not use any of the additional grounds for eviction available under an Assured Tenancy to make sure your rights to live in your home match as closely as possible those you have now with the Council. For further details see Section 12 (South Lincolnshire Homes' Tenancy Agreement). Grounds for possession under an Assured Tenancy differ from those under a Secure Tenancy (see Section 14 for further information).

### **WOULD TENANTS STILL HAVE A RIGHT TO HAVE REPAIRS CARRIED OUT?**

Yes. This means that if South Lincolnshire Homes or its contractors failed to carry out certain types of repairs within set time limits you could require South Lincolnshire Homes to appoint another contractor to do the repairs.

You would have the right to compensation if that contractor also does not then do the repairs within a set time limit.

### **WOULD SOUTH LINCOLNSHIRE HOMES CONSULT TENANTS IN THE SAME WAY AS THE COUNCIL?**

Yes.. If transfer goes ahead, the Housing Corporation will require that South Lincolnshire Homes consults with and provides information to all its tenants as if they were Secure Tenants. This would be one of the terms in the proposed new Tenancy Agreement (see Section 12).

### **WHAT ABOUT NEW TENANTS COMING IN AFTER TRANSFER?**

New tenants, that is those people who are not tenants of the Council at the time of the transfer but join South Lincolnshire Homes later, would have an Assured Shorthold Tenancy, known as a Starter Tenancy, for the first year. This is an added protection against Anti Social Behaviour

## SECTION 9: SHELTERED AND SUPPORTED HOUSING

### 60-SECOND SUMMARY

- **SHELTERED AND SUPPORTED HOUSING WOULD BENEFIT** from the major works and improvement programme with a variety of benefits including improved communal and disabled access, common facilities, guest bedrooms, scooter parking and charging facilities.
- **£3.6 MILLION WOULD BE SPENT** on improvements to sheltered and supported housing schemes and properties over the first five years after transfer.
- **ALL EXISTING AMENITIES** would continue to be provided, including laundries, communal rooms and grounds maintenance.
- **ALL TENANTS OF PROPERTIES DESIGNED FOR OLDER PEOPLE** would be consulted to find out their preferences on the choice of bathroom fixtures, including baths and showers, so that when bathroom improvements could be carried out these preferences are taken into account.
- **COMMUNAL BATHING FACILITIES** would be eliminated with bedsit flats remodelled to have their own bathroom.
- **ALL SCHEME MANAGERS, INCLUDING MOBILES, WOULD TRANSFER** to South Lincolnshire Homes, so their service would continue.
- **THE EMERGENCY ALARM CALL SERVICE** would continue, giving all-year round peace of mind to the elderly and vulnerable tenants.
- **SOUTH LINCOLNSHIRE HOMES** would endeavour to ensure that adaptations for the disabled were carried out promptly and within target timescales.

### WOULD SHELTERED AND SUPPORTED HOUSING BENEFIT FROM TRANSFER?

Yes. A transfer to South Lincolnshire Homes would bring much-needed investment to all of the housing services and in particular services to residents in its 1300 sheltered and supported homes. South Lincolnshire Homes would be committed to keeping and, wherever possible, improving services offered to tenants in sheltered housing schemes.

All the existing services provided to tenants in Sheltered and Supported accommodation would continue so that the needs of the elderly and vulnerable continue to be met. South Lincolnshire Homes would work to ensure that older/vulnerable residents could stay in their homes, in Sheltered and Supported Housing, and obtain the support they need, rather than move if they become infirm. The aim is to allow all residents to remain in their own homes, in independent living for as long as possible.

South Lincolnshire Homes would operate a sensitive lettings scheme to ensure that allocations of properties in sheltered housing schemes would only be made to applicants in need and suited to living in this type of accommodation.

It is the aim of South Lincolnshire Homes that its Sheltered Housing would:

- Provide affordable, attractive, high quality accommodation
- Provide a safe, secure environment with personal space and privacy
- Provide fundamental rights for the tenants, i.e. privacy, confidentiality, dignity, choice, protection from abuse, and fulfilment
- Ensure all tenants receive appropriate levels of service and care from other agencies.

#### **WOULD WE STILL HAVE A SCHEME MANAGER?**

Yes. All Scheme Managers and Mobile Scheme Managers employed by the Council would transfer to South Lincolnshire Homes, so the good service you enjoy at the moment would continue and hopefully improve. Subject to Supporting People grant conditions and availability, as it would be with the Council, South Lincolnshire Homes would be committed to providing the services of Scheme Managers and Mobile Scheme Managers, so that elderly and vulnerable tenants could have peace of mind and regular contact, as assessed with their Scheme Manager.

#### **WOULD WE STILL HAVE THE EMERGENCY ALARM CALL SERVICE (Helpline)?**

Yes. South Lincolnshire Homes would operate the 24-hour Care Centre, at Grantham, as the Council does at present, with the same staff who would transfer to South Lincolnshire Homes. You would be provided with a caring and suitable response to all calls for help or assistance as at present.

#### **WOULD ALL THE FACILITIES AT SCHEMES BE MAINTAINED?**

Yes. South Lincolnshire Homes would continue to provide and maintain existing amenities such as laundry, communal rooms, guest bedrooms, lifts, window cleaning and grounds maintenance in Sheltered Housing complexes.

#### **WHAT ABOUT ADAPTATIONS TO HOMES TO HELP DISABLED RESIDENTS?**

South Lincolnshire Homes would work closely with Lincolnshire County Council to make sure that adaptations needed, to assist tenants to remain in their own homes, are carried out as soon as possible after the need has been assessed. South Lincolnshire Homes would spend £650,000 on adaptations during the first year after transfer, which would include enough money to clear the existing backlog of adaptations. After that, £350,000 every year would be earmarked for adaptations to properties.

#### **WHAT IMPROVEMENTS ARE PLANNED FOR SHELTERED HOUSING?**

South Lincolnshire Homes would plan to:

- Re-model bedsit properties to provide an individual bathroom in every property. This would eliminate the need for tenants to share communal showers and bathrooms
- Improve security and access at sheltered housing schemes. Within the first year South Lincolnshire Homes would plan a review of security, including fencing, door entry systems and lighting arrangements. These items could be upgraded as necessary within the first three years after transfer. Tenants would be consulted fully about any proposals for carrying out work

- Fit a door entry system to all external communal doors in sheltered housing schemes and introduce closed circuit television to monitor main communal entrances. This work would be planned for within the first three years after transfer
- Redecorate all lounges and communal areas in Sheltered schemes and where necessary provide new furniture, on a rolling programme over the first five years
- Refurbish and re-equip all guest bedrooms within the first three years after transfer
- Provide stair-lifts at an additional four sheltered housing schemes to ensure that upstairs flats are accessible to all and tenants do not need to move to ground floor accommodation if they become unable to use stairs
- Ensure full consultation with all residents about choices of bathroom/kitchen fixtures where refurbishment is to be carried out. Options for Sheltered Housing tenants would include the choice of a bath or walk-in shower and an assessment to see if any additional adaptations are needed. Where tenants choose to have a bath fitted, an over-bath shower would also be provided
- Provide secure parking storage facilities and charging points at each scheme for electric wheelchairs and scooters
- Provide dropped kerbs to unadopted roads and parking areas in the vicinity of schemes to make easier wheelchair and scooter access to homes and communal rooms
- Carry out environmental and landscaping work to communal areas to make the schemes better places to live. Tenants would be consulted on the extent and nature of the proposed works

Within a year, in all communal lounges in sheltered schemes –

- Provide and maintain a Broadband internet connection, at least one computer for tenants' use free of charge, and free training on how to use the internet
- Maintain a current TV licence for use of a TV in the communal lounge
- Provide an induction loop facility, which would include the communal TV, for the benefit of people with hearing aids.

Within 3 years –

- Replace all necessary communal aerials and cabling required for digital conversion
- Provide a Freeview television facility in the communal lounge.

It is the intention of South Lincolnshire Homes that, as a result of these improvements to services, all sheltered accommodation would be:

- Attractive and welcoming
- Safe and secure

- Supported by the latest technology
- Designed and adapted to allow anyone with physical impairments to retain their independence
- Able to support a wide range of activities and social events for the benefit of residents and other older and vulnerable people in the neighbourhood.

South Lincolnshire Homes would be totally committed to allowing residents to retain their independence and remain in independent living in sheltered housing for as long as they are able to do so.

## SECTION 10: DEALING EFFECTIVELY WITH ANTI SOCIAL BEHAVIOUR

### 60-SECOND SUMMARY

- **SOUTH LINCOLNSHIRE HOMES** would be committed to dealing effectively with nuisance, harassment and Anti Social Behaviour and take appropriate action in cases of domestic violence.
- **A DEDICATED ANTI SOCIAL BEHAVIOUR TEAM** of three officers would be created to tackle the worst problems.
- **THE FULL RANGE** of available powers and remedies would be used to deal with Anti Social Behaviour on estates. These remedies are detailed below.
- **ALL COMPLAINTS WOULD BE DEALT WITH** promptly and a named officer would be identified for each case so tenants would know who is responsible for dealing with their problem.
- **SOUTH LINCOLNSHIRE HOMES** would provide support to complainants, victims and witnesses.
- **TENANTS WHO MAKE A COMPLAINT** would be kept informed about how their case is progressing.
- **STARTER TENANCIES WOULD BE INTRODUCED** for new tenants. This would put new tenants on a probationary basis for 12 months.
- **SOUTH LINCOLNSHIRE HOMES WOULD BE COMMITTED** to taking decisive action to deal effectively with Anti Social Behaviour and other types of nuisance. South Lincolnshire Homes would not tolerate any forms of nuisance, harassment or Anti Social Behaviour from its tenants, tenants' families, or people who are visitors to a tenant's home. It would also work in partnership with the Community Safety Team where private owners or other people are responsible for Anti Social Behaviour that affects the quality of life of South Lincolnshire Homes' tenants, or other people living or working in the area.
- **SOUTH LINCOLNSHIRE HOMES WOULD** take sensitive and appropriate action in cases of domestic violence.

### DEALING WITH ANTI SOCIAL BEHAVIOUR

South Lincolnshire Homes would create a dedicated Anti Social Behaviour Team of three officers within six months of transfer with the responsibility, commitment and resources for tackling the worst problems. Within one year of transfer South Lincolnshire Homes would develop action plans for the estates and communities in which anti-social behaviour is already a known problem.

South Lincolnshire Homes' policy would be to use the full range of powers and remedies available to it as a Registered Social Landlord. These would include, where appropriate:

- The use of Starter Tenancies for new tenants (these put tenants on a probationary basis for 12 months)
- Early action to nip problems in the bud and prevent escalation
- Possession actions and eviction orders



- Demotion orders through the courts to reduce security of tenure
- Anti Social Behaviour Orders (ASBOs), in consultation with the Police and the Council
- Injunctions
- Acceptable Behaviour Contracts (ABCs)
- Professional witnesses to gather information if required
- Mediation and tenancy support
- Use of CCTV cameras with round-the-clock monitoring in areas where there were continual problems

South Lincolnshire Homes would look to, where appropriate:

- Always endeavour to establish facts rather than act on hearsay
- Identify areas where local lettings policies may be useful in both combating Anti Social Behaviour and developing a sustainable community
- Work closely with the Police, probation service and Council to share information about Anti Social Behaviour and crime so that enforcement action can be taken
- Refer criminal cases to the Police or to the Council if action can be taken under noise enforcement or other powers
- Identify individuals who are guilty of causing Anti Social Behaviour and make recommendations to exclude such individuals from the waiting list for South Lincolnshire Homes' properties
- Identify cases where tenancy support may be needed to help someone cope better with managing their home and their obligations as a tenant
- Attend a Joint Action Group to decide on appropriate action on particular cases
- Design out Anti Social Behaviour through environmental improvements such as speed bumps, security lighting and alley-gating

South Lincolnshire Homes would set the following service standards in dealing with Anti Social Behaviour:

- At the start of their tenancy, new tenants would have explained to them their responsibilities under their Tenancy Agreement
- Every complaint of Anti Social Behaviour would be recorded and treated seriously and impartially, with an initial response given to the complainant within a maximum of five working days
- Tenants would have the right to make anonymous complaints about Anti Social Behaviour which South Lincolnshire Homes would treat seriously and investigate wherever possible
- Confidentiality would be respected where appropriate or requested

- People who make complaints of Anti Social Behaviour would be kept informed about their case and what action is being taken
- Complainants would be given a named officer who is dealing with their complaint and who would provide them with support and advice
- Cases would be resolved within 28 days or an action plan agreed and a new target for resolution set
- The complainant would be notified regularly on the progress of their case and at least every 28 days

South Lincolnshire Homes would support victims of Anti Social Behaviour and witnesses by:

- Working with Lincolnshire Police/Victim Support and voluntary & community projects to provide additional security to tenants' homes where appropriate
- Dealing with any damage to property caused by Anti Social Behaviour or any offensive graffiti as a priority (with a target time within 24 hours)
- Re-housing victims and witnesses (where possible and with their consent) in serious cases of harassment and Anti Social Behaviour
- Working closely with other organisations to ensure a multi-agency approach is adopted to any support needs that are identified

South Lincolnshire homes would have a policy for dealing sensitively but effectively with cases of Anti Social Behaviour where domestic violence was a factor.

South Lincolnshire Homes would seek to develop partnerships with other agencies involved in tackling Anti Social Behaviour to make joint bids for relevant funding. South Lincolnshire Homes would also sign-up to the Government's new Respect Standard for Housing Management. This is a commitment by South Lincolnshire Homes to do all it reasonably can to provide excellent services to tackle Anti Social Behaviour through its housing management role and broader involvement in neighbourhood management.

## SECTION 11: BUILDING NEW HOMES

### 60-SECOND SUMMARY

- **BUILDING NEW AFFORDABLE HOMES** is a priority for the Council.
- **HALF OF THE NET PROCEEDS** from the transfer to South Lincolnshire Homes would be earmarked by the Council for building new affordable homes.
- **AN ESTIMATED 250 NEW AFFORDABLE HOMES** would be provided as a result of the transfer.
- **THE OTHER HALF OF THE NET PROCEEDS** from the transfer would be used by the Council towards sustainable communities on projects such as crime reduction, increased recycling, and town centre regeneration.
- **THE COUNCIL WOULD USE 100%** of its share of future Right to Buy receipts to fund affordable housing.
- **SOUTH LINCOLNSHIRE HOMES**, as the largest provider of social housing in the District, would seek to develop new affordable homes and achieve the highest quality standards.

The Council recognises that there is a continual demand for affordable homes, particularly rented homes, and that many tenants with children are anxious to know that affordable homes will be available for future generations. Building new social housing is a priority for the Council but the Council is unable to build homes itself. A new housing organisation capable of bringing new affordable homes to the area was one of the considerations of proposing transfer.

The Council uses resources wherever possible to ensure the provision of affordable housing by an approved Registered Social Landlord to people who are unable to rent or purchase housing on the open market (for a fuller definition of affordable housing see section 14). The Council has agreed that if the transfer goes ahead, a substantial part of the money from the sale of its homes to South Lincolnshire Homes would be made available to fund the development of affordable housing in the District, either through South Lincolnshire Homes or by other Registered Social Landlords working locally. The Council estimates that this would provide at least 250 additional affordable homes in the District over the five years after transfer.

Other receipts from the transfer would be put towards building sustainable communities.

In addition the Council has also promised that all its share of money received from sales to tenants under the Preserved Right to Buy after transfer would be used to fund affordable new homes.

## **MATCHING HOMES TO DEMAND AND NEED**

After transfer, the Council would continue to have responsibility for deciding its strategic priorities in relation to housing and assessing housing need. South Lincolnshire Homes would look to develop a new homes policy incorporating:

- A comprehensive analysis of the local housing market and housing needs, developed in partnership with the Council
- The views, aspirations and priorities of existing and prospective tenants and residents
- The policies, priorities and contributions of partner housing providers
- The potential contribution to multi-agency regeneration initiatives such as training, employment and community based schemes
- The need to build balanced communities through diversification and mixed tenure developments
- Equality considerations, in particular meeting the needs and aspirations of the entire community, including those with disabilities

## **SOUTH LINCOLNSHIRE HOMES - A MAJOR HOUSING PROVIDER**

If the Transfer goes ahead, South Lincolnshire Homes would become the largest provider of affordable housing in the area. Its first priority would be to improve the condition of its homes and enhance the satisfaction of its existing customers. However, South Lincolnshire Homes believes that the development of new housing to meet the future needs of residents would be a natural extension of its role and it would look at ways in which this goal could be achieved.

### **HOW THE COUNCIL WILL USE THE MONEY GENERATED BY THE TRANSFER**

In order to keep rents affordable, the cost of building new homes has to be supported by grant funding. For organisations such as South Lincolnshire Homes this grant aid could potentially come from the Council or the Housing Corporation. So long as a need is first established, the Council has promised to assist in the provision of new homes.

After paying some set-up costs, paying a required amount of money to the Government and protecting the General Fund from the impact of transfer, the Council has promised to spend at least half of the remaining money received from the transfer of homes to South Lincolnshire Homes on grants for affordable housing.

The other half of the remaining money would be used by the Council on projects to develop sustainable communities. Such projects are high on the Council's list of priorities and would help towards crime reduction and tackling anti-social behaviour, increased recycling, cleaner streets and town centre regeneration.

In the future, further money would become available to the Council from the sale of homes under the Preserved Right to Buy. The Council promises that it would use 100% of any such money to provide further affordable housing either by direct grant aid or by the support of bids for grant to the Housing Corporation by South Lincolnshire Homes.

## **HIGH STANDARDS OF DESIGN**

Subject to the availability of funding, South Lincolnshire Homes would develop new accommodation that provides good quality, secure, accessible and energy-efficient housing which has low long-term cost in use. It would also comply with the Scheme Development Standards of the Housing Corporation. In the design of homes it develops, South Lincolnshire Homes would involve existing and prospective customers in the design and layout, and develop new homes in a way that is sensitive to the local environment. As required by the Housing Corporation, all new homes developed by South Lincolnshire Homes would be designed to meet sustainable development standards including the Eco-Homes "Very Good" standard.

## SECTION 12: THE PROPOSED TENANCY AGREEMENT

### 60-SECOND SUMMARY

- **IF TRANSFER GOES AHEAD**, tenants would be given an Assured Tenancy with South Lincolnshire Homes which would give them security of tenure.
- **SOUTH LINCOLNSHIRE HOMES** will not have any additional powers to end your tenancy than the Council has.
- **THE NEW ASSURED TENANCY AGREEMENT** would be a legally binding contract between South Lincolnshire Homes and you. South Lincolnshire Homes would not be able to change this agreement without your permission.
- **ALL OF THE KEY RIGHTS YOU ENJOY** as a Council tenant would be included in the new Tenancy Agreement (Right to Buy, successions, right to repair etc.).
- **SOUTH LINCOLNSHIRE HOMES** would give transferring tenants an additional right to pass on their home when they die.

South Lincolnshire Homes' Tenancy Agreement has been designed so that tenants' rights and obligations are as close as possible to those of Council Secure Tenants.

The Tenancy Agreement, which would be issued by South Lincolnshire Homes to tenants transferring from the Council, if the transfer goes ahead, would be substantially in the form set out in the following pages.

This Tenancy Agreement would come into effect from the date of transfer and would be issued as soon as possible after this date to each transferring Secure Tenant except:

- Where tenants have a valid possession order from the Court in force against them
- Where tenants have been served with a valid notice of intention to seek possession
- Where tenants are subject to possession proceedings at the time the transfer takes place

In these cases, the new Tenancy Agreement would be issued if:

- The possession order is discharged
- The notice of intention to seek possession is withdrawn or expires, or
- The Court decides not to make a possession order

In the meantime, these tenants would become tenants of South Lincolnshire Homes like all other tenants. They would be Assured Tenants and the terms of their tenancies would be as set down by law together with the terms of their existing tenancy with the Council. South Lincolnshire Homes would be able to enforce the possession orders that the Council had obtained and may also be able to obtain possession orders for tenancy breaches where the Council has served notices before the transfer takes place.

## SECTION 13: LEGAL REQUIREMENTS FOR TENANT CONSULTATION

The law which states that councils have to consult their tenants about proposed transfers of council housing is set out in Section 106A and Schedule 3A of the Housing Act 1985. The Council and the Secretary of State for Communities & Local Government must have regard to the views of the Council's Secure Tenants. If you are not sure what type of tenant you are, please refer to your Tenancy Agreement, phone the Council's Freephone Helpline on 0800 183 0352, or email [stocktransfer@southkesteven.gov.uk](mailto:stocktransfer@southkesteven.gov.uk)

The Council must give you a notice informing you of:

- Such details of the proposal as the Council considers appropriate, including the identity of the person (organisation) to whom the disposal (transfer) is to be made
- The likely consequences of the disposal (transfer) for the tenant
- The effects of the provisions of Schedule 3A Housing Act 1985 and, in the case of Secure Tenants, of Sections 171A to 171H Housing Act 1985 (Preservation of Right to Buy on disposal (transfer) to private sector landlords)

The details, consequences and effects of the Council's housing transfer proposal are set out in this document.

The effects of the provisions of Schedule 3A Housing Act 1985 are:

- The Council must first serve on you a notice (the Stage 1 Notice) giving you the information listed above and informing you that you may make representations to the Council. This document and the introductory letter accompanying it form the Stage 1 Notice
- The Council will consider any representations received by **[DATE]**.

After considering those representations, the Council must serve a further written notice on you (the Stage 2 letter) informing you of any significant changes to the proposal and that you may write to the Secretary of State for Communities & Local Government with any objections to the proposal within a period of not less than 28 days. This 28-day period begins when the Council's Stage 2 letter is sent to tenants. The Secretary of State will take objections into account in considering any application from the Council for the necessary consent to transfer the stock.

## SECTION 14: OTHER INFORMATION YOU MAY FIND USEFUL

### 60-SECOND SUMMARY

- **THIS SECTION PROVIDES SOME EXTRA INFORMATION** about the proposed transfer and tells you where to find out more.
- **IT PROVIDES TELEPHONE NUMBERS**, addresses and website details of the main agencies involved in housing transfer.
- **YOU CAN REQUEST COPIES OF OTHER DOCUMENTS** from the Council which may help you understand more about the transfer and what it means to be a tenant of a housing association.
- **FOR HELP WITH TRANSLATION** into another language **TELEPHONE 0800 183 0352** [*Put at front and here in 4 languages*]
- **IF YOU NEED A LARGE PRINT VERSION OF THIS DOCUMENT**  
**PHONE THE FREEPHONE HELPLINE 0800 183 0352** [*Also put at front of document*]

### South Kesteven District Council

Council Offices, St Peters Hill, Grantham NG31 6PZ

Council's Freephone Helpline 0800 183 0352. Your enquiry will be answered during office hours. A voicemail message can be left at other times.

Council email enquiries: [stocktransfer@southkesteven.gov.uk](mailto:stocktransfer@southkesteven.gov.uk)

This Formal Consultation Document is available online at the Council's website [www.southkesteven.gov.uk](http://www.southkesteven.gov.uk) and also on [www.yourhomeyourchoice.co.uk](http://www.yourhomeyourchoice.co.uk)

### Independent Tenants' Advisor

Libra Housing Advisory Services  
FREEPOST NAT 18500  
St Albans AL1 3BR  
Freephone 0800 0850 026  
Email enquiries [libra@pcamc.co.uk](mailto:libra@pcamc.co.uk)

### Department for Communities and Local Government

Zone 2/D1,  
Eland House,  
Bressenden Place  
London SW1E 5DU  
Telephone: 020 7944 3622

[www.communities.gov.uk](http://www.communities.gov.uk)



## **The Housing Corporation**

### ***Head Office:***

149 Tottenham Court Road  
London  
W1P 0BN  
Telephone: 020 7393 2000

### ***Regional Office:***

The Stock Transfer Registration Unit  
The Housing Corporation  
Attenborough House  
109-119 Charles Street  
Leicester  
LE1 1FQ  
Telephone: 0116 242 4865

[www.housingcorp.gov.uk](http://www.housingcorp.gov.uk)

## **The Housing Inspectorate**

The Housing Inspectorate  
1 Vincent Square  
London  
SW1P 2PN  
Telephone: 020 7828 1212

## **Independent Housing Ombudsman**

Norman House  
105-109 Strand  
London  
WC2R 0AA  
Telephone: 0845 712 5973

## **National Housing Federation website:**

[www.housing.org.uk](http://www.housing.org.uk)

## **South Lincolnshire Homes**

A copy of the constitution of South Lincolnshire Homes is available on the following website -  
[www.yourhomeyourchoice.co.uk](http://www.yourhomeyourchoice.co.uk)

Profiles and photographs of South Lincolnshire Homes' Board Members are shown in the Appendix to this document

## **Affordable Housing – Definition\***

"Affordable housing is non-market housing provided to those whose needs are not met by the market. It can include social rented and intermediate housing, for example shared ownership, which should normally meet the needs of current and future eligible households at a level which people can afford, usually defined as 3.5 to 4 times earnings, for example through restrictions on price, eligibility and resale. It includes private sector and unsubsidised homes that meet the definition."

\*Definition from a recent publication by the Affordable Rural Housing Commission.

## Other Documents

As well as this document, there are some other documents you may want to look at in relation to the Council's housing transfer proposal. If you would like a copy of any of these documents please call the Council's Freephone Helpline on 0800 183 0352. Your enquiry will be answered during office hours, a voicemail message can be left at other times.

**The Way Forward for Housing:** This is the Government's policy statement on future housing policy. Also available on the website - [www.odpm.gov.uk](http://www.odpm.gov.uk)

**The Housing Corporation's Charter for housing association applicants and residents:** This document sets out the standards of service you can expect from South Lincolnshire Homes based on the Housing Corporation's guidelines. This is also available on - [www.housingcorp.gov.uk](http://www.housingcorp.gov.uk)

**The Grounds for Possession of Secure and Assured Tenants:** This document provides the full text (as set down by Parliament) of the grounds for possession which can be used against Secure Tenants and the grounds which can be used against Assured Tenants. Also available on - [www.yourhomeyourchoice.co.uk](http://www.yourhomeyourchoice.co.uk)

**The South Kesteven Tenant Compact:** This is the binding agreement between tenants and the Council governing tenant involvement in housing and the level of services tenants can expect. South Lincolnshire Homes would adopt the standards set out in the agreement in full, but would also encourage the development of estate-based compacts (see Section 7). Also available on - [www.yourhomeyourchoice.co.uk](http://www.yourhomeyourchoice.co.uk)

## **Board Member Profiles**

### **Tenant Board Members**

#### **Sarah Cox (Chairman of the Board)**

I originate from Leicester, moving to the area with my family in 1984. I am divorced, have two sons and work full-time in the hotel industry. Being a tenant of South Kesteven District Council, I have always taken an interest in how the properties are managed, especially since I had cause to require the assistance of the Estate Management Team following some instances of Anti Social Behaviour. I enjoy being a Tenant Board Member and feel that I can portray a younger person's perspective on how the properties and tenancies are managed. I believe that this is a great opportunity for tenants to shape the future of their housing and wider environment.

#### **Yvonne Howlett**

I am now retired and have lived in council housing in Deeping St James for the past 35 years. My interests include craft work and working as a 'parent' helper in one of the local primary schools in the Deepings. I helped re-establish the Deepings Tenants' Compact and am also a member of the Tenants' Working Group. I successfully applied to be a Tenant Board Member and look forward to representing tenants' interests, should there be a 'yes' vote. I am particularly interested in the provision of housing for younger people.

#### **Tony Moisey**

I was born and bred in Bourne and have a great knowledge of the town and the South Kesteven district generally. Before I retired I was a crop advisor working worldwide on crop nutrition and environmental issues. I worked in agriculture and horticulture for all my working life. I have been a Council tenant in South Kesteven for seven years and, due to my current circumstances, I have a great affinity with the problems associated with being disabled and older. This has led me to understand the impact inadequate housing can have on tenants' lives and this is one of the reasons why I wanted to join the Shadow Board of South Lincolnshire Homes. I believe local housing needs the massive investment that this proposal is offering in order to ensure tenants' homes and housing services match today's modern standards.

#### **Kenneth Neale**

I am the proprietor of The Hereward Gallery and Picture Framing Studio in Bourne, established in 1993. I am a South Kesteven District Council tenant, married for 47 years and live in the village of Dyke. Born in Bourne I have lived and worked in South Lincolnshire for most of my life. I have had a wide and varied career and have been self-employed for the majority of my working life. I served in the RAF and spent many years in the agricultural industry. As a young man I served on Bourne Urban District Council and currently I am a Parish Councillor. I have no political affiliations.

As a member of the Shadow Board I am convinced that a successful stock transfer would benefit all tenants and would help to provide quality, affordable homes and enable future generations to live comfortably and securely in their community.

## **Gillian Tresidder**

I have moved around the country with my various jobs, though my family has very close connections with this area. The hereditary post of Woodman to the Earl of Ancaster goes back several generations and my family were also yeoman farmers. My previous posts have included Head of Design Department at Bradford Art Gallery & Museum and Chief Officer/Manager at Preston Museum and Art Gallery.

I have been a South Kesteven District Council tenant for six years. I was Lead Tenant through the Stock Options process, I run the Bowthorpe Oak Tenant Compact and am Chair of the South Kesteven Tenants' District Compact. I am also a member of the Tenant Working Group for Large Scale Voluntary Transfer, a member of the Tenant Communication Group and also part of the Skyline editorial team. Plus, I attend meetings of the Local Strategic Partnership with its community plan for South Kesteven and the Local Area Assembly in Bourne. I am deeply involved in, and totally committed to, tenant involvement and empowerment. I believe that this is an opportunity for tenants to become involved in the running and decision-making of their homes, planning for the future and building better, safer and healthier communities.

## **Council Board Members**

### **Councillor Frank Turner**

I have been the district Councillor for the Greenhill ward since 2003, and I was the immediate past Town Mayor of Grantham. My Mayoral roles, as well as representing my ward is quasi-judicial being vice-chairman of the Licensing Committee. I also sit on the Development and Control Committee and the Housing Review Board.

In addition I am a former Chairman of governors of local schools and look forward to assisting my colleagues on the Shadow Board and helping residents understand and get the best offer from the large-scale voluntary transfer process.

### **Councillor Jeff Thompson**

I was born in Great Gonerby in 1943 and educated at Gonerby Primary School and the Kings School in Grantham. I am married to Janet and have a son and daughter, Lionel and Sarah, who are both graduates of Newcastle University. I am a farmer and my family can be traced in the village back to 1560. I am the District Councillor for the Great Gonerby ward and have been since 1971. I have also been the Chairman of South Kesteven District Council.

My other interests, when time outside Local Government allows, are the arts, sport, especially cricket, football and rugby - unfortunately only as a spectator nowadays. I also enjoy railways, local history and a love of my church, St Sebastian's.

I hate bad manners, sloppy English and political correctness. Woe betides anyone calling me a "chair"! I relish the chance to be involved in this exciting opportunity for the tenants of South Kesteven to realise their aspirations.

### **Councillor Angeline Percival**

I have represented the Glen Eden Ward since 1985 and have during that time served on most committees including housing and I am currently on the Planning and Licensing committees. Having taken part in the Stock Options Appraisal Commission, I am pleased to be a Shadow Board member and look forward to securing better housing for our tenants.

### **Councillor John Kirkman**

I am originally from Boston where I was educated before joining the Ministry of Defence Civil Service working as a meteorological officer working with the RAF, serving at several stations across Europe. I am now retired, married with two grown up daughters and two grandchildren.

I have been a Councillor since 1979 and was the Chairman of South Kesteven District Council for 2005/06 as well as being a trustee of several organisations and a governor of several schools serving the Bourne area.

My hobbies now include golf, photography, computing and gardening.

I relish the opportunity of being involved in the creation of a new organisation with the specific goal of delivering good quality housing and environments to the residents of South Kesteven, which I know they both want and deserve.

### **Councillor Mike Williams**

For personal reasons I recently resigned from the Labour Group at South Kesteven District Council and became an Independent member. I have served as a District Council Member for Harrowby ward since 1997 and have also been a Lincolnshire County Councillor since 2000. Serving an area which has many council properties, I have lots of experience in dealing with housing matters. I was a founder member and chairman of Harrowby Community Forum and am governor at Grantham Church School as well as a trustee and vice chairman of Grantham MIND. I have served as Grantham Town Mayor on two occasions in 2000/01 and 2004/05.

### **Independent Board Members**

#### **Sarah Caddell**

I currently work as a Human Resources/Personnel Advisor for a housing association established as a result of stock transfer over ten years ago. I bring experience from several areas including charity and the private sector to the Shadow Board. I am keen to see a successful transfer take place to South Lincolnshire Homes believing it is the first step to making a positive difference for both tenants and community.

#### **Stan Harrison**

I am employed as a Senior Manager with a large clearing bank. I am married with two daughters and live in Woolsthorpe by Belvoir. I have significant financial experience developed over a 30-year career in banking and have direct knowledge of social housing through my various management roles. I strongly believe that the skills I have acquired will enable me to make a difference, and a positive contribution to South Lincolnshire Homes.

#### **Simon Hatchman**

I am a qualified accountant who has worked in the social housing sector since 1995. I live near Grantham and am currently Head of Finance at Cross Keys Homes, a post-stock transfer housing association in Peterborough. I firmly believe that stock transfer can deliver real benefits to local communities and my aim is to ensure that South Lincolnshire Homes provides excellent services for its residents and customers.

## **Richard Ludlow**

I am a Solicitor and a Partner of Chattertons Solicitors in Grantham and am also an Independent Financial Adviser. My work is split between legal practice where I specialise in conveyancing and property-related matters and financial services where I deal with a broad range of financial areas including investments and inheritance tax planning. I am also a Governor of Grantham College. I look forward to bringing my legal expertise to assist the Board in developing a business plan that will give tenants the improvements they want.

## **Geoff Woodcock (Vice Chairman of the Board)**

I am an Army Officer, living in Stamford. I currently work on a large training- related project for the Royal School of Signals in Blandford, Dorset and the MOD in London.

I have served in the Armed Forces since leaving school in 1975 and have travelled extensively in a wide variety of roles within the Army. I have considerable knowledge of people management, resource management, project management and quality assurance.

My interest in social housing was developed during my first commissioned post in 1998, where, at York, I served as a Unit Welfare Officer in an operational unit. At this time I was accepted as a Board Member of York Housing Association and served for 15 months on various working groups as a volunteer before moving on to work with the Reserve Forces in London.

I have seen the benefit of large-scale stock transfer and have an understanding of the concerns of tenants and employees in undertaking a significant change to a housing association. I hope to be able to complete various training events that are needed to fulfil the criteria that will enable me to serve as a Board Member for South Lincolnshire Homes.

# South Lincolnshire Homes Limited

## Assured Non-Shorthold Tenancy Agreement

This agreement forms a binding contract between you and us. It describes our and your rights and responsibilities.

### The address of the property rented in this tenancy agreement:

.....("your home")  
Type of property:

### Our name and address:

South Lincolnshire Homes Limited...("we", "us" or "our") of  
.....

We are registered with the Housing Corporation under section 3 of the Housing Act 1996.

### The name of the tenant or tenants:

..... National Insurance number:.....

..... National Insurance number:.....

("the tenant" or "you"). In the case of joint tenants, the term "tenant" or "you" applies to each of you and the names of all joint tenants should be written above. Each tenant individually has the full responsibilities and rights set out in this tenancy agreement.

This tenancy is an assured non-shorthold tenancy within the meaning of the Housing Act 1988, the terms of which are set out in this tenancy agreement. It begins on the start date listed below and will be for an initial term of one week continuing weekly thereafter until brought to an end.

This weekly tenancy starts on: Monday.....

### Payments for your home

The weekly payments for your home at the start of this tenancy are:

(i) Rent £.....

(ii) Rent arrears of £..... Payable at £..... per week

### Service and support charge

(iii) You must also pay the following weekly charges for the following services:

Service charges: [description] £.....

		[description]	£.....
	Support charges	[description]	£.....
		[description]	£.....
<b>Permitted number</b>	Under overcrowding legislation, the maximum number of people allowed to live at your home is ..... You must not allow more than this number to live at your home.		

If there is anything you don't understand, please contact us. You can also get help from a Citizens' Advice Bureau or a solicitor.



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*Words in bold and italics are for explanation only and do not form part of the tenancy conditions for legal purposes*

# 1 Definitions

## **Assured non-shorthold tenancy**

An assured non-shorthold tenancy under the Housing Act 1988.

## **The Council**

South Kesteven District Council.

## **Demotion (of tenancy)**

The reduction of a tenancy from an assured non-shorthold tenancy to an assured shorthold tenancy. More details on what this means can be found in the Tenants' Handbook.

## **Emergency services**

The police, the fire brigade and the ambulance service.

## **Fixtures and fittings**

All appliances and furnishings supplied and/or owned by us in your home, including installations for supplying or using gas, electricity and water.

## **Flat**

A home which forms part of a larger building.

## **Garden**

Identifiable external area for the exclusive use of the occupants of your home and which the tenant is solely responsible for maintaining.

## **Local area**

Local area can include all parts of the district of South Kesteven, but can be limited to specific areas where appropriate.

## **Lodger**

A lodger is someone who lives in your home but does not have exclusive right to any one part of it. They will often receive some kind of service from you such as cooking or cleaning.

A lodger includes someone who stays at your home for longer than four weeks.

## **Neighbours**

Your neighbours include everyone who lives in the local area, including people who own their own homes, and private and housing association tenants.

## **Partner**

A husband or wife, or someone who you live with in a relationship.

## **Relative**

Parents, children, grandparents, grandchildren, brothers, sisters, uncles, aunts, nephews, nieces, step-relatives and adopted children.

## **Rent Assessment Committee**

**An independent panel of people who determine market rents.**

## **Shared areas**

The parts of the building which all tenants can use, for example, halls, stairways, entrances, landings, shared gardens, lawns and landscaped areas.

## **Sublet**

Sub-letting means that someone pays you rent to have exclusive right to part of your home. They will usually do their own cooking and cleaning.

**Tenant**

The person or people named on this tenancy agreement and the rent account.

**Vehicle**

The whole, or any substantial part of a car, bus, lorry, motorbike, bike, boat and so on.

**We, us, or our**

South Lincolnshire Homes Limited, (as your landlord).

**Written permission**

A letter from us giving you permission to do certain things.

## 2 Assured non-shorthold tenancy agreement

a By signing this tenancy agreement you are agreeing to become our tenant and are entering into a legal contract with us. If there is anything in this tenancy agreement which you do not understand, you should contact us, or get advice from Shelter or the Citizens' Advice Bureau.

b You are not entitled to assign this tenancy except in furtherance of a court order or with our written consent when exercising the right to exchange as set out by condition 4(h) or assigning the tenancy to someone that would have qualified under conditions 4(i) or 4(j) to succeed to the tenancy if you had died.

c Your neighbours who are also our tenants have the same rights and responsibilities as you.

d This tenancy agreement gives you the right to live in your home. We will not interfere with this right unless any of the following apply.

- ❑ Access is required subject to reasonable notice, which shall be no less than 24 hours (other than in an emergency), to inspect the condition of your home or to carry out repairs or other works to your home or adjoining property, or
- ❑ We are entitled to possession at the end of the tenancy.

e We can repossess your home if you, or someone acting for you, have given us false information to get the tenancy.

f You must tell us if you will be away from your home for more than four weeks. We will then know that you have not abandoned it. We need to know if your job (or other circumstances) means that you are often away from your home or if you are away for long periods of time.

g Except for any changes in rent, service or support charges or where permitted under future legislation, this tenancy agreement may be altered only with the written consent of both you and us

### **Data Protection**

You consent to us holding and processing any personal information (including sensitive personal data) that you have provided or which has been provided by third parties or will be provided in the future to perform our functions. This may include disclosure to certain third parties who are able to show that they are entitled to receive the information. We comply with the Data Protection Act 1998 when dealing with personal data. This means that your personal data will be processed in accordance with the law.

### 3 Our responsibilities

- a We will give you possession of your home at the start of this tenancy.
- b We will keep the structure of your home in good repair.
- c We will keep all fixtures and fittings provided by us for water, sanitation, gas and electricity in good repair and working order.
- d We will keep the outside of your home and any shared areas in good repair and a good state of decoration.
- e We will carry out repairs which we are responsible for, such as repairing or replacing the fixtures and fittings we own.
- f We will give you help and advice if you tell us that you are the victim of Anti Social Behaviour (see Part 6 of this tenancy agreement).

*If we do not meet our responsibilities that are given in this tenancy agreement, you can do the following:*

- ☐ **Speak to us**
- ☐ **Use our complaints procedure. You can get details from us**
- ☐ **Speak to your local councillor**
- ☐ **Write to the Independent Housing Ombudsman at**  
**Norman House**  
**105-109 Strand**  
**London**  
**WC2R 0AA**  
**Telephone: 0845 712 5973**
- ☐ **Take us to court. You should get advice from a solicitor, Shelter or the Citizens' Advice Bureau**

## **4 Your rights**

### **a Right to occupy**

Subject to your obligation to allow access to our employees or contractors (as contained in conditions 8(h) and 8(i) of this tenancy agreement) you have the right to live in your home without any interference from us for the duration of this tenancy as long as you, your friends and relatives, and any other person living in or visiting your home (including children) do not break any of the conditions in this tenancy agreement. If any of the conditions are broken, we may apply to the court to end your tenancy.

### **b Right to information**

You have the right to see any of the details you have given to us in connection with your application for a tenancy or a transfer. We may charge you for copies of these details.

### **c Right to consultation**

You have the right to be consulted on matters affecting your home and your tenancy, (for example in relation to the way we manage, maintain, improve, demolish, sell or transfer homes, or changes to do with services or facilities for tenants) which are likely to have a substantial effect on your tenancy.

You have the right to see our policies (free of charge) on housing, re-housing, exchanging properties, tenant consultations and our performance as a landlord (including our repairing obligations).

### **d Right to make improvements**

You may make improvements, alterations and additions to your home including putting up a television aerial (but see condition 8(j)), external decoration and additions or alterations to, or in, our installations, fixtures and fittings, provided that you have first obtained our written consent and all other necessary approvals (for example, planning permission or building regulations approval). We shall not unreasonably withhold our consent but may make it conditional upon the works being carried out to a certain standard. Failure to seek our consent or to comply with our conditions shall be a breach of your obligations under this tenancy.

### **e Compensation for improvements**

You have the right to claim compensation for certain improvements which you have made to your home after a certain date. You can only apply for compensation when your tenancy ends. We will give you full details of the scheme and the qualifying improvements upon request.

f        **Right to repair**

You have the right to have certain urgent minor repairs done quickly and at no cost to you where the repair may affect health, safety or security, and where the repair has not been completed within a specified timescale. We will give you full details of the Right to Repair Scheme including a schedule of qualifying repairs upon request. Under the Right to Repair Scheme we must pay you compensation if qualifying repairs are not done within set timescales.

g        **Right to take in lodgers and sublet your home**

You have the right to take in a lodger (as long as you do not grant a sub-tenancy or exceed the number of people allowed to live in your home (see page [2] of this tenancy agreement)). If you do take in a lodger, you must tell us immediately and inform us of their name, age, gender and details of the accommodation they will occupy.

As long as you first get our written consent, you may sublet part of your home. We may give consent subject to reasonable conditions. You may not sublet the whole of your home.

h        **Right to exchange**

You have the right to exchange your home with another assured non-shorthold or secure tenant of a registered social landlord or a local authority, provided we first give our written consent. We may refuse an exchange in the same circumstances where a Council landlord would be able to refuse consent.

You must not charge any premium in relation to the exchange of this tenancy.

i        **Succession**

***Succession is the right to pass on your tenancy when you die to your partner or to a family member who has lived in your home for more than 12 months. Details on how the right of succession works can be found in the Tenants' Handbook.***

A "successor" is:

- ☐ A partner who became the tenant under condition 4(j) below; or
- ☐ A person who is not your partner but who inherited this tenancy (see condition 4(k) below); or
- ☐ A person who was granted this tenancy under a condition similar to condition 4(l) below in another tenancy agreement; or

- ❑ A person who would have been entitled to succeed if the previous tenant had died and who became the tenant by assignment see condition 2(b) above; or
- ❑ A tenant by survivorship when one of two or more joint tenants has died; or
- ❑ A person who became the tenant under the right to exchange (see condition 4(h) above) and you were a successor under your previous tenancy; or
- ❑ A person who became the tenant under a court order under section 24 of the Matrimonial Causes Act 1973 or section 171(1) of the Matrimonial and Family Proceedings Act 1984 and the other party to the marriage was a successor; or
- ❑ A person who became the tenant under a court order under Part 2 of Schedule 5 or paragraph 9(2) or (3) of Schedule 7 to the Civil Partnership Act 2004 and the other party to the civil partnership was a successor.

If you were granted this tenancy on the transfer of your home from the Council to us, we will not take account of any successions before the date of the transfer.

***This means that all transferring Council tenants will start again with a right of succession even if they have already used their right of succession when they were a tenant of the Council.***

#### **j Succession to partner**

If you are a sole tenant and not already a successor, this tenancy will pass to your partner (whether or not they are married to you or are your civil partner, and including a same-sex partner) under the provisions of the Housing Act 1988 provided that he or she occupies your home as his or her only or principal home at the time of your death. We will not seek possession under Ground 7 of Schedule 2 of the Housing Act 1988 (see page [ ]) where your partner succeeds to this tenancy.

#### **k Succession (other than to spouse or civil partner)**

If you are a sole tenant and not already a successor, we will not seek possession under ground 7 of Schedule 2 of the Housing Act 1988 (see page [ ]) if the person who inherits your tenancy:

- ❑ Is a relative; and
- ❑ Lived with you for the twelve months before your death; and
- ❑ Lived in your home as his or her only or principal home at the time of your death; and
- ❑ Agrees in writing to abide by the terms of this tenancy.



**l Special succession rights**

If inheritance rules do not allow someone who qualifies under condition 4(k) to take over this tenancy, we may use Ground 7 to end this tenancy agreement and grant that person a new tenancy of your home. If your home has been specially adapted and no-one living in your home needs that adaptation or if your home would be larger than the person entitled to a new tenancy reasonably requires, we may offer them a tenancy of a more suitable home owned by us. The new tenancy will be on the same terms as this tenancy other than the rent, service charge and succession clauses.

**m Competing succession claims**

If more than one person would be allowed to claim the tenancy under conditions 4(k) or 4(l), they must decide between them who should get the tenancy. If they cannot agree, we will decide and let the interested parties know our reasons.

**n Preserved right to buy**

As long as you qualify under the legislation you have the preserved right to buy your home under the Housing Act 1985 and the Housing (Preservation of Right to Buy) Regulations 1993 as amended. Please ask us for more information.

If you die, the person who takes over the tenancy under the succession rights contained in conditions 4(i)-(k) of this tenancy agreement will also take over your preserved right to buy (if you had that right).

You will not have the preserved right to buy your home if you live in sheltered housing, or other housing excluded from the legislation.

To avoid doubt, if you became the tenant under this tenancy agreement following an exchange (under condition 4(h) above), you do not have a preserved right to buy unless you had that right under a previous tenancy which we granted to you.

**o Right to acquire**

You have the right to acquire your home under the Housing Act 1996, unless you live in sheltered housing or other housing excluded from this right by the legislation.

***You may not combine both the Preserved Right to Buy and the Right to Acquire.***

**p Preserved rights**

So far as possible, we agree to give you the rights in conditions 4(b) to 4(h) above as they apply to a secure tenant of a Council landlord and as if sections 92-101, 104 – 106 and Schedule 3 of the Housing Act 1985 applied to this tenancy.

## 5 Rent and other charges

The weekly rent for your home and any applicable service or support charge are shown at the start of the tenancy on page [1]. These may be varied from time to time by us under this tenancy agreement in accordance with the provisions of this Part 5.

### a Your rent

You must pay your rent every week in advance or at any other interval that we agree to. There are a set number of “non-collection weeks” per year when no rent is due (although people with rent arrears must continue to pay in these weeks). You will be advised annually when these free weeks will be.

If you are a joint tenant, you are each responsible for paying all the rent, rent arrears and all other charges for your home when they are due. We can recover all rent arrears owed for your home from individual joint tenants. So if one joint tenant leaves, the remaining tenant(s) is/are responsible for any rent, rent arrears or other outstanding money owed to us.

### b Changes to your rent

We will increase your rent on [ ] by no more than the level of inflation plus 0.5% plus a maximum of £2.17 per week (the “first rent increase”).

Inflation means the percentage increase in the United Kingdom General Retail Prices Index (all items) over the 12-month period ending with the figure for September (normally published in the October) immediately before a rent increase. If this Index is no longer published or the basis of calculation changes, we will choose another retail price index or index reflecting the changing value of money. We must act reasonably in our choice.

After the first rent increase, we can (in accordance with sections 13 and 14 of the Housing Act 1988) increase your rent once every year. We will give you at least one month’s notice in writing of any increase. The notice will specify your new rent.

You must pay the full amount shown in the rent increase notice unless we agree an alternative figure with you or you ask the Rent Assessment Committee to set a rent for you. The new rent will be the most we can charge for one year from the date specified in the notice, unless you and we agree otherwise.

**c Service charge (where applicable)**

We shall provide the services set out on page [1] for which you shall pay a service charge. These charges only apply to your home if an amount has been entered against a service.

**d Changes to service charge**

We may, after consulting the tenants affected, increase, add to, remove, reduce, or vary the services provided or introduce new services. Any such changes may either require you to pay a new service charge or affect the amount of service charge you pay.

Notice of any change in the amounts charged for services will be given to you at least one month before any change is made.

Unless there is a change in the service provided, the service charge will not change more than once a year.

Each year, at the end of [DATE] we will estimate the sum we are likely to spend in providing services to you over the coming year. That will be the service charge we will ask you to pay for the year.

At the same time, we will work out how much we have actually spent on providing services to you in the previous year. If we have overcharged you, we will reduce your service charge for the coming year. If we have undercharged you, we will increase your new service charge. If there would be significant charge, we may introduce this gradually over a number of years.

We will give you a summary of what is included in your service charge.

You have a right, within six months of receiving your summary, to examine the service charge accounts, receipts and other documents relating to them and to take copies or extracts from them. We will make a small charge to cover the cost of any copying you require.

We can only make reasonable service charges and the service or work we do must be of a reasonable standard. If you believe the service charge is unreasonable (in terms of the amount charged or standard of work) you may be able to apply to the Leasehold Valuation Tribunal for a decision as to what is reasonable.

**e Rent arrears and advance payments**

If you have rent arrears when this tenancy is granted (as shown on page [1] of this tenancy agreement), you agree to pay off those arrears by the weekly instalments shown on page [1]. If you do not make the payments, we may start court proceedings to end this tenancy.

If, when we grant you this tenancy, you have made any advance payments (known as credits) or have rent (or service charge or support or Supporting People charges) arrears on your account for your home when this tenancy was granted, we will:

- ☐ Add the amount of any credit you have to your account (this is known as crediting your account); or
- ☐ Add any arrears you have to your account (this is known as debiting your account).

For the avoidance of any doubt, by signing this tenancy agreement, you are agreeing that we will treat any rent or service charge or support charge arrears that you owe the Council in respect of your home before the date of this tenancy as arrears under this tenancy (to us) and these may be claimed by us as if this tenancy agreement had not been granted.

**f Outgoings**

You agree to meet all outgoing charges applying to your home including council tax, water charges and electric and other costs, whether metered or billed, except where these charges are included in your rent or service charges.

**g Support charges (where applicable)**

If we provide you with housing support services (indicated on page [1] of this tenancy agreement), for example Supporting People services, those services may include any support services (excluding personal care) which help to ensure that you:

- ☐ Can sustain your tenancy; and
- ☐ Allow you to live independently for as long as you are able and wish to.

At the start of your tenancy, you agree to accept the level of support services made available to you in order to ensure the necessary standard of independence is achieved by you.

We may vary the charges for these services from time to time, as agreed through consultation with you and other tenants on your scheme or estate. We will increase charges at the same time as your rent and service charge and by giving you at least one month's notice in writing, but not more than once a year unless there is a change in the services provided. In varying these charges, we will limit any increase in charges for the support services provided with reference to the level of charges approved by the Council in its capacity as the Supporting People Authority which is presently Lincolnshire County Council.

If, instead of us providing you with support services, a support provider provides you with support services, then you will be responsible for entering into a separate agreement with that service provider with respect to the provision of those services and to pay for that support in accordance with that separate agreement and in addition to any rent or service charge which is payable in accordance with this tenancy agreement.

#### **h Housing Benefit**

We will provide you with help and advice on claiming Housing Benefit.

You will be asked to give consent to the Council (or relevant authority) for the payment direct to us of any Housing Benefit (or equivalent State assistance) which you may claim as part or whole payment of the rent and any service charge due to us. We will credit your rent account with the amount of benefit when we receive it.

If your circumstances change, altering your entitlement to Housing Benefit, you must inform the Council (or relevant authority) and us immediately. We may recover from you any overpayment which is lawfully recoverable.

***NOTE: Failure to pay the charges described in this Part 5 of this tenancy agreement, can lead to us taking court proceedings for arrears.***

## 6 Anti Social Behaviour

***You and any joint tenants are responsible for your behaviour and the behaviour of your children and anyone else living with or visiting you while they are in your home (including shared areas such as landings, stairways, foyers, lifts, courtyards, gardens and parking areas).***

***The local area includes play areas, streets, shopping areas, community buildings and facilities, and any area within the district of South Kesteven.***

- a You, your friends and relatives, and any other person living in or visiting your home (including children) must not:
  - ❑ Do anything which causes or is likely to cause a nuisance or annoyance to anyone in the local area
  - ❑ Do anything which interferes with the peace, safety, comfort and/or convenience of other people living in the local area
  - ❑ Use your home for any criminal, immoral or illegal purpose, including selling, producing or using any illegal drugs, or storing or handling stolen goods.

<b>b     Anti Social Behaviour includes (but is not limited to):</b>
--

- ❑ Using or threatening to use violence
- ❑ Excessive noise including loud music
- ❑ Banging and slamming doors
- ❑ Damaging property
- ❑ Drug and alcohol abuse
- ❑ Playing ball games close to properties other than on designated play areas
- ❑ Skateboarding and cycling on footpaths and balconies
- ❑ Dumping rubbish
- ❑ Being drunk in public
- ❑ Dogs barking and/or not keeping your pets under control
- ❑ Criminal activity in properties
- ❑ Spraying graffiti
- ❑ Domestic violence
- ❑ Throwing things out of windows
- ❑ Prostitution
- ❑ Dealing in pornography
- ❑ Breaking shared security, for example, allowing strangers to get into the building
- ❑ Not keeping your children under control
- ❑ Regular car repairs or car repairs at unreasonable hours
- ❑ Verbal abuse
- ❑ Harassment (see clause 6c below).

- c You, your friends and relatives, and any other person living in or visiting your home (including children) must not commit any form of harassment, or threat of harassment, on the grounds of race, colour, religion, sex, sexual orientation, age or disability which may interfere with the peace and comfort of, or cause offence to, other persons in the neighbourhood or to any of our tenants, employees, agents or contractors. This includes (but is not limited to):
- ❑ Racist behaviour or language
  - ❑ Using or threatening to use violence
  - ❑ Using abusive or insulting words or behaviour
  - ❑ Damaging or threatening to damage another person's home or possessions
  - ❑ Writing threatening, abusive or insulting graffiti.
- d We may ask you to enter into a contract that you will not continue or allow to continue any Anti Social Behaviour.

<p><b>e You must make yourself available at your home for interview if requested to do so given reasonable notice.</b></p>
--

f We may take legal action to evict you if you, your friends and relatives and any other person (including children) living in or visiting your home behave anti socially and we may not find you a new home if you are evicted because of Anti Social Behaviour.

## 7 Using your home

- a You, your friends and relatives, and any other person living in or visiting your home (including children) must not use your home other than as a private home.

**b You must make yourself available at reasonable notice, at either your property or an agreed venue, to discuss issues relating to your tenancy.**

**c You must inform us if you are away from your property for a period of more than four weeks (see also clause 4(f)).**

**d You must, given reasonable notice, allow our employees and/or contractors access to your property to repair and/or inspect it. All our employees and contractors will wear identification.**

**e You must not run a business from your home without our written permission. We will not refuse permission unreasonably unless we feel that the business is likely to cause a nuisance to other people or damage your home. If, after we have given our permission, the business causes a nuisance, we will give you written notice that we withdraw our permission.**

- f Examples of businesses that we may not allow you to run from your home include:

- ☐ Car repair and maintenance businesses
- ☐ Printing businesses
- ☐ Any business where you would have to use hydraulic equipment, industrial sewing machines or controlled substances such as chemicals
- ☐ Shops or wholesale businesses where customers would have to visit your home
- ☐ Any business that would mean more than your own vehicle being parked outside your home, for example, a taxi or vehicle hire company.



## 8 Repairs

- a You are responsible for repairing, renewing or replacing any items which are damaged by you, your friends and relatives, or any other person living in or visiting your home (including children and pets).
- b You are also responsible for plumbing-in washing machines and dishwashers, and for keeping any extra pipework in good repair.
- c You are responsible for decorating the inside of your home. You must keep the inside of your home in a good state of decoration at all times.
- d You must not make any structural change to your home without our written permission. If we refuse permission, we will give you our reasons in writing. If we give our permission, we may set certain conditions. If you do not meet the conditions, we may take away our permission.

Structural work includes (but is not limited to) alterations to or removing walls, floors (including laminate flooring), ceilings, roofs and water, electricity and gas services.

- e All work that is done at your home must be carried out by a qualified contractor to an acceptable standard and you must obtain any necessary permissions (for example planning permissions and building regulations consents).
- f You must report immediately any repairs that need carrying out to your home which we are responsible for.
- g You are responsible for repairs which are necessary because you did not report another repair to us.
- h You must allow our employees and contractors to enter your home at reasonable times and at reasonable notice to inspect it or carry out repairs. We will clean up after we have carried out a repair to your home.
- i If there is a risk of damage to your home or to other properties, or of injury to people, we may need to give you 24-hours' or less notice that we need to enter your home. We will charge you the cost of getting into your home if you try to prevent us from entering.

- j You must not fit a CB or radio aerial or satellite dish with a diameter over 1m at your home without our written permission (you may also need planning permission).
- k You, your friends and relatives, and any other person living in or visiting your home (including children and pets) must not damage, vandalise or remove any part of the property.
- l You are responsible for the cost of repairing any damage to your home which is deliberately or negligently caused by you, your friends and relatives, or any other person living in or visiting your home (including children and pets).
- m You are responsible for repairing and maintaining all improvements and fixtures and fittings you install at your home. These improvements will become our property when you move out. If you take them with you when you move, you must put the property back to the way it was before you improved it. If you don't, we may charge you for the work.
- n You are responsible for insuring the contents of your home (you can, if you choose, participate in our home contents insurance scheme). We are only responsible for insuring the building.

*For more information on repairs and what you are responsible for, please read the Tenants' Handbook.*

## 9 Hygiene

- a You, your friends and relatives, and any other person living in or visiting your home must:
- ☐ Keep your home free from fleas, rats, mice and other pests
  - ☐ Keep your home clean and tidy. If you don't, we will charge you for any work we need to do because of this, such as removing rubbish
  - ☐ Keep all shared stairways, halls and landings clean. You must not leave any personal belongings or rubbish in these areas. We may remove and dispose of anything you leave in these areas and charge you for the work
  - ☐ Keep your home free from bad smells (not including cooking smells)
  - ☐ Keep all shared areas free from obstructions
  - ☐ Contact us immediately if the drains of your home become blocked and we will clear them as soon as possible. If you have caused the blockage by not using the drains properly, we will charge you for the work.
- b You must act immediately if your home becomes infested with fleas, rats, mice or other pests.
- c You must store your refuse hygienically at your home or in the designated refuse storage area and ensure that it is available for collection in accordance with the local authority's instructions.
- d If we move items in accordance with this Part 9, we will not be responsible for any loss you may suffer.

## 10 Health and safety

a You, your friends and relatives, and any other person living in or visiting your home (including children) must not:

- ☐ Use portable oil, paraffin or gas cylinder heaters in your home without our permission
- ☐ Store inflammable materials or gas anywhere at your home without our permission
- ☐ Store any vehicles which are powered by petrol, diesel, paraffin or gas in shared areas
- ☐ Store any appliances which are powered by petrol, diesel or paraffin at your home, except lawn mowers and garden equipment
- ☐ Interfere with any equipment for detecting or putting out fires in your home
- ☐ Interfere with any equipment for detecting carbon monoxide in your home
- ☐ Do anything in your home which could cause a danger to anyone in your home or in the local area
- ☐ Throw anything through the windows of your home or off balconies
- ☐ Leave used syringes/needles in areas where people in the local area may come into contact with them. They must be properly and safely stored in purpose-made sharps containers
- ☐ Let anyone you don't know into the shared areas without appropriate identification
- ☐ Put anything on a window-ledge or balcony which could be a danger to anyone living in or visiting your home or the local area
- ☐ Shake mats or carpets from the windows or balconies
- ☐ Withhold information from the police about any burglary or damage caused by a criminal act at your home
- ☐ Delay telling us about any damage to your home

b You, your friends and relatives, and any other person living in or visiting your home (including children) must:

- ☐ Store all prescription medicines in a safe and secure place
- ☐ Inform us if you use/store medical oxygen at your home. You must also display appropriate chemical hazard warning signs outside your home.

## 11 Animals

a You, your friends and relatives, and any other person living in or visiting your home (including children) must not do the following without our written permission:

- ❑ Keep any animal or animals which we feel is/are unsuitable

Unsuitable animals include (but are not limited to) wild animals, insects, spiders, fish and snakes which are poisonous or dangerous, large animals, reptiles, or livestock. If you are not sure whether an animal is suitable, please contact us

- ❑ Keep a dog or cat in a flat with a shared entrance (unless it is a registered dog trained to assist with disabilities)
- ❑ Breed any animals or birds at your home
- ❑ Allow any animal or animals you keep at your home to cause a nuisance to anyone in the local area, including our employees, contractors and agents
- ❑ Allow your animals to foul any area owned by us (you must remove any mess hygienically).

b If you live in a flat with a shared entrance, were a tenant of the Council before transfer and your Council tenancy agreement started before 1 April 2002 before which you had a dog or cat, you can continue to keep it at your home. You cannot however get another dog or cat in the future unless it is a registered dog trained to assist with disabilities.

c In properties without shared entrances, you may not keep more than two dogs or cats without our written permission.

d You must get our written permission to build an animal or bird enclosure. If we give our permission, we may set conditions that you must keep to. If you do not meet the conditions, we may take away our permission. We may also withdraw our permission if the animals or birds cause a nuisance.

e If your animal or animals cause a nuisance, we may ask you to remove it or them from your home.

## 12 Gardens

- a You must keep all garden areas neat and tidy. If you don't, we may do it for you and charge you for the work.
- b You must not put a greenhouse, garage, shed or animal/bird enclosure in your garden without getting our written permission.

Even if we give our permission, you may still need to get planning permission and meet building regulations. We may withdraw our permission if the greenhouse, garage, shed or animal/bird enclosure causes a nuisance.

- c You must not remove or alter a fence, hedge or tree at your home without getting our written permission.
- d You must not store rubbish, furniture, vehicles or appliances in the garden area. If you do, we may remove the items and charge you for doing this. We will give you 24-hours' notice that we will be removing the items.
- e If you do not keep your garden neat and tidy, we may take legal action to force you to meet the conditions or we will ask the court for permission to evict you.
- f You must not create or light an open fire in your garden.
- g You must not park any vehicle in your garden unless a garage or hardstanding and a vehicular access path and dropped kerb is provided (see also Clause 13).

***You should clear up all cuttings, litter and rubbish and get rid of it appropriately.***

## 13 Vehicles

- a You, your friends and relatives, and any other person living in or visiting your home must not do the following.
- ❑ Park or store any vehicle anywhere on the property (including grass verges and boundaries owned by us) unless you are using a garage, parking area or a drive with a dropped kerb
  - ❑ Park any vehicle on communal grassed areas or roadside verges owned by us
  - ❑ Build a parking space, garage or drive without our written permission
  - ❑ Park any motorhome, caravan, boat, or business vehicle at your home without our written permission
  - ❑ Repair any vehicle not owned by yourself at your home or any other land owned by us. If we suspect that you are repairing such a vehicle, we may ask you to prove that you own the vehicle
  - ❑ Park any vehicle which is illegal or is not roadworthy on any land that belongs to us. If you do, we may remove the vehicle. We will give you 24-hours' notice
  - ❑ Double park vehicles or park in a way which causes an obstruction to other road users, including emergency services' vehicles
  - ❑ Allow anyone, other than your relatives, visitors and friends, to park at your home
  - ❑ Sell, rent or give away a parking space which we provide for you.

**b If we give our permission to build a parking space, garage, dropped kerb or drive, it must be built to a standard design. We will withdraw our permission if the parking space, garage, dropped kerb or drive causes a nuisance. A dropped kerb may need planning permission and will need to be to a standard set by the relevant Highways Authority.**

- c We will not be responsible for damage to your vehicle if we have to remove it.

## 14 How you may end your tenancy

a When you move out of your home, you must do the following.

- ❑ Give us four weeks' written notice that you want to leave
- ❑ Give us all the keys to your home on the day you leave. If you do not give us all the keys, we will charge you for the cost of replacing the keys and locks of the property
- ❑ Pay all the rent and other charges up to the date of the end of your tenancy
- ❑ Remove all your furniture, fittings and personal belongings from your home. We will get rid of any items you leave behind and may charge you for the work
- ❑ Remove all rubbish from inside and outside your home
- ❑ Remove any greenhouse, garage, shed or animal/bird enclosure you have put in the garden unless we agree you may leave it
- ❑ Make sure all the fittings and fixtures you have installed and which you are leaving in the property are in good working order
- ❑ Replace or repair broken items which belong to us
- ❑ Leave your home clean and tidy. We will charge you if we have to clean the property
- ❑ Report all repairs that are needed at the property
- ❑ Allow our employees and contractors to enter your home at reasonable times to inspect it
- ❑ If gas appliances are removed, make sure that all exposed pipes are capped
- ❑ Make sure that electricity, gas and water meters are read and the relevant suppliers informed
- ❑ Give us your new address.

**b If you leave your home without telling us, we will consider the property as being abandoned and we will automatically end your tenancy. You may not be entitled to another property with us and we will charge you the cost of all repairs that are needed because you abandoned the property.**



**If you abandon your property, we will dispose of any goods that may go off in the property, such as food. We will store all other items for 28 days from the date we took possession of the property. You will be responsible for the storage costs. If you do not take possession of the items within the 28 days, we may dispose of them as we see fit.**

- c If you owe us money for rent or other charges when you leave your home, you must make arrangements with us to pay the debt. We may refuse to provide you with alternative accommodation if you do not do this.
- d If you are evicted because you do not pay your rent and other charges, we may not find you a new home until you have paid the money you owe.
- e If you are a joint tenant, the whole tenancy will end if you or another joint tenant leaves or gives notice. We will then decide whether to create a new tenancy for the tenant who is left or offer them another property.
- f You must not leave anyone else in the property when you leave. You cannot transfer your tenancy to someone else unless otherwise provided for in this tenancy agreement. If you do leave anyone in the property, we will evict them through the court as they will be living there illegally. We will charge you the cost of doing this.

## **15 Demotion, injunctions and how we may end this tenancy**

- a You shall remain an assured tenant so long as you occupy your home as your only or principal home. We can end a periodic assured non-shorthold tenancy only by obtaining a court order for possession of your home on one of the grounds listed in Schedule 2 to the Housing Act 1988 (as amended).
- b We may also apply for a demotion order under sections 6A and 20B of the Housing Act 1988 (as amended by the Anti Social Behaviour Act 2003).
- c If we intend to seek a demotion order we will give you two weeks' notice in writing unless the court has allowed us to go ahead without serving notice on you.
- d If we intend to seek possession of your home, as long as this tenancy has not been demoted, we will give you four weeks' notice in writing unless:
  - ❑ We are using grounds 14 or 14A when the notice may be less than 4 weeks
  - ❑ We are using grounds 7, 9 or 16 when we will give 2 months' notice
  - ❑ The court has allowed us to go ahead without serving notice on you.
- e We agree that, unless this tenancy has been demoted, we will only serve a notice (or ask the court to allow us to go ahead without serving notice) and seek possession of your home on the grounds and in the circumstances set out in Part 18 to this tenancy agreement.
- f If this tenancy has been demoted, we may ask the court to make a possession order under other provisions of the Housing Act 1988. These give the court limited rights to refuse a possession order.
- g As well as seeking a possession and/or a demotion order, we can ask the court for an injunction, which may include a power of arrest and an exclusion order to make you comply with or stop breaching any terms of this tenancy or where you use the dwelling for unlawful use. We may also apply for an injunction against an individual who engages in Anti Social Behaviour.
- h If the tenancy ceases to be an assured tenancy we may end the tenancy by giving you four weeks' notice in writing.

## 16 Written permission

- a You must get our written permission before you:
- ☐ Make improvements to your home (see condition 4(d))
  - ☐ Run a business from your home (see condition 7(b))
  - ☐ Carry out alterations to your home (see condition 8(d))
  - ☐ Put a garage, greenhouse, shed or bird/animal enclosure in the garden (see conditions 11 and 12(b))
  - ☐ Fit a CB aerial or satellite dish (see condition 8(j))
  - ☐ Build a parking space, garage or drive (see condition 13(a))
  - ☐ Remove, alter or replace any walls, hedges, fences or trees (see condition 12(c))
  - ☐ Sublet any part of your home (see condition 4(g))
  - ☐ Exchange or transfer your home (see condition 4(h))
  - ☐ Keep unsuitable animals (see Part 11)
  - ☐ Keep inappropriate substances such as inflammable materials in your home (see condition 10(a)).
- b Where we are asked to give permission under one of the headings listed in condition 16(a), such permission shall not be unreasonably withheld.
- c To apply for our written permission, please contact us at [       ]

***Even if we give you our written permission, you may still need to get planning permission and meet building regulations. We may withdraw our permission if you cause a nuisance***

## 17 Written notices

- a We will deliver all letters and notices to you by hand at your home, or send them by first-class post to your last known address.
- b We will assume that you have received all letters and notices within 72 hours if we posted them, or within 24 hours if we delivered them by hand.
- c This condition gives you notice under section 48 of the Landlord and Tenant Act 1987 that our address for receiving legal notices, and any other communication arising from this tenancy agreement, is;

.....

.....

## **18 Grounds for Possession**

### **Schedule 2 of the Housing Act 1988 - Grounds for Possession of Dwelling-houses let on Assured Tenancies**

#### **Part I Grounds on which Court must Order Possession**

##### **Ground 7**

The tenancy is a periodic tenancy (including a statutory periodic tenancy) which has devolved under the will or intestacy of the former tenant and the proceedings for the recovery of possession are begun not later than twelve months after the death of the former tenant or, if the court so directs, after the date on which, in the opinion of the court, the landlord or, in the case of joint landlords, any one of them became aware of the former tenant's death.

For the purposes of this ground, the acceptance by the landlord of rent from a new tenant after the death of the former tenant shall not be regarded as creating a new periodic tenancy, unless the landlord agrees in writing to a change (as compared with the tenancy before the death) in the amount of the rent, the period of the tenancy, the premises which are let or any other term of the tenancy.

We will only seek to recover possession of your home on this ground in the circumstances explained in conditions 4(j) and (k) of this tenancy agreement.

#### **Part II Grounds on Which Court may Order Possession**

##### **Ground 9**

Suitable alternative accommodation is available for the tenant or will be available for him when the order for possession takes effect.

We will only seek to recover possession of your home on this ground if in addition we can show that:

- (i) We intend within a reasonable time of obtaining possession to demolish, reconstruct or refurbish your home and/or the building of which your home forms part or an adjoining or adjacent building and cannot reasonably do so without obtaining possession; **or**
- (ii) Your home has features which are substantially different from those of ordinary homes which are designed to make them suitable for occupation by a physically disabled person who requires accommodation of a type provided by your home and no person residing in your home any longer does so and we require your home for occupation by such a physically disabled person; **or**

- (iii) Your home is one of a group of homes which it is our practice to let for occupation by people with special needs and a social service or special facility is provided near to the group of homes in order to help people with those special needs, and no other person with those special needs any longer resides in your home and we require your home for occupation by a person who has those special needs; **or**
- (iv) Your home is Overcrowded (within the meaning of Part X of the Housing Act 1985) in such circumstances as to render the occupier guilty of an offence; **or**
- (v) Premises were made available to you on a temporary basis so that works could be carried out to your property on the understanding that on completion of the works you would move back into your property. The works have been completed and you have failed to return to your own property.
- (vi) A member of your family (not your spouse or civil partner or partner or a joint tenant) succeeded to your tenancy and the accommodation offered by the property is more extensive than is reasonably required by the person succeeding to the tenancy provided that we commence proceedings for possession within twelve months following the date of your death. Before deciding whether or not it is reasonable to take action under this clause we will consider the following matters:

The age of the person succeeding to your tenancy

The period during which the person succeeding to your tenancy occupied the property with you as their only or principal home

Any financial or other support given to you by the person succeeding to your tenancy.

## **Ground 10**

Some rent lawfully due from the tenant:

- (a) Is unpaid on the date on which the proceedings for possession are begun; and
- (b) Except where subsection (1)(b) of section 8 of this Act applies, was in arrears at the date of the service of the notice under that section relating to those proceedings.

## **Ground 12**

Any obligation of the tenancy (other than one related to the payment of rent) has been broken or not performed.

## **Ground 13**

The condition of the dwellinghouse or any of the common parts has deteriorated owing to acts of waste by, or the neglect or default of, the tenant or any other person residing in the

dwellinghouse and, in the case of an act of waste by, or the neglect or default of, a person lodging with the tenant or a sub-tenant of his, the tenant has not taken such steps as he ought reasonably to have taken for the removal of the lodger or sub-tenant.

For the purposes of this ground, "common parts" means any part of a building comprising the dwellinghouse and any other premises which the tenant is entitled under the terms of the tenancy to use in common with the occupiers of other dwellinghouses in which the landlord has an estate or interest.

#### **Ground 14**

The tenant or a person residing in or visiting the dwellinghouse:

- (a) Has been guilty of conduct causing or likely to cause a nuisance or annoyance to a person residing, visiting or otherwise engaging in a lawful activity in the locality, or
- (b) Has been convicted of -
  - (i) Using the dwellinghouse or allowing it to be used for immoral or illegal purposes, or
  - (ii) An arrestable offence committed in, or in the locality of, the dwellinghouse.

#### **Ground 14A**

The dwellinghouse was occupied (whether alone or with others) by a married couple or a couple living together as husband and wife or civil partner and:

- (a) One or both of the Partners is a tenant of the dwellinghouse
- (b) The landlord who is seeking possession is a registered social landlord or a charitable housing trust
- (c) One Partner has left the dwellinghouse because of violence or threats of violence by the other towards -
  - (i) that Partner, or
  - (ii) a member of the family of that Partner who was residing with that Partner immediately before the Partner left, and
- (d) The court is satisfied that the Partner who has left is unlikely to return.

For the purposes of this ground "registered social landlord" and "member of the family" have the same meaning as in Part I of the Housing Act 1996 and "charitable housing trust" means a housing trust, within the meaning of the Housing Associations Act 1985, which is a charity within the meaning of the Charities Act 1993.

### **Ground 15**

The condition of any furniture provided for use under the tenancy has, in the opinion of the court, deteriorated owing to ill-treatment by the tenant or any other person residing in the dwellinghouse and, in the case of ill-treatment by a person lodging with the tenant or by a sub-tenant of his, the tenant has not taken such steps as he ought reasonably to have taken for the removal of the lodger or sub-tenant.

### **Ground 16**

The dwellinghouse was let to the tenant in consequence of his employment by the landlord seeking possession or a previous landlord under the tenancy and the tenant has ceased to be in that employment.

For the purposes of this ground, at a time when the landlord is or was the Secretary or State, employment by a health service body, as defined in section 60(7) of the National Health Service and Community Care Act 1990, shall be regarded as employment by the Secretary of State.

### **Ground 17**

The tenant is the person, or one of the persons, to whom the tenancy was granted and the landlord was induced to grant the tenancy by a false statement made knowingly or recklessly by:

- (a) The tenant, or
- (b) A person acting at the tenant's instigation.



## 19 Signatories

I/We have read this tenancy agreement/ had this tenancy agreement read to me/us [*delete as appropriate*], and understood and accept the terms and conditions of this tenancy agreement.

In the case of a joint tenancy, each of you must sign

Signed by the tenant

.....Dated.....

.....Dated.....

.....Dated.....

Signed .....

Dated .....

on behalf of South Lincolnshire Homes Limited

If you have any problems concerning your home then you should speak to your local housing officer, and ask them for help. It is important to keep the obligations that you make in this tenancy agreement. It is important to remember that the way you behave can affect other people. If you behave badly and cause problems for your neighbours you can be asked to leave your home.

We operate a formal complaints procedure that is outlined in the Tenants' Handbook. If you feel that we have broken this or not performed any obligation in it, you should first complain to us formally, giving details of the breach or non-performance. If we fail to deal with the complaint or you believe that we continue not to comply with the tenancy agreement, you can obtain advice and information about your legal remedies from a local Citizens' Advice Bureau, law centre or solicitor. You can also complain to the Independent Housing Ombudsman, although you should first try to resolve your complaint through our complaints procedure.

We are subject to any guidance on housing management practice issued by the Housing Corporation with the approval of the Secretary of State and this tenancy is one to which that guidance applies.
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## REPORT TO CABINET

REPORT OF: Economic Development Portfolio Holder

REPORT NO: DCS46

DATE: 10<sup>th</sup> July 2006

<b>TITLE:</b>	Sustainable Community Action Plan 2006-2009
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	11 <sup>th</sup> August 2005
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key Decision

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Councillor John Smith
<b>CORPORATE PRIORITY:</b>	Priority A – Town Centres Priority A – Community Safety Priority A – Affordable Housing Priority B – Business Development Priority B – Community Engagement
<b>CRIME AND DISORDER IMPLICATIONS:</b>	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	
<b>BACKGROUND PAPERS:</b>	Cabinet Report DCS34; 5 <sup>th</sup> December 2005 Evaluation of Local Strategic Partnership August 2005 South Kesteven Community Strategy 2002-2005 South Kesteven Local Strategic Partnership Constitution 2005 SQW Report 'South Kesteven Community Action Plan' Nov 2005

## **1. PURPOSE OF REPORT AND SUMMARY**

This report follows the report to Cabinet on the 5<sup>th</sup> December 2005 endorsing the new Community Plan. As members were informed in December 2005 the Local Strategic Partnership has approached the development of the Community Plan in a new way. This report requests that Cabinet approve the Sustainable Communities Action Plan that together with the Community Plan forms the Sustainable Community Strategy for 2006-2011.

## **2. RECOMMENDATIONS**

**It is recommended that Cabinet approve the Sustainable Communities Action Plan for 2006-2011, and formally recognise that together the Community Plan & Sustainable Communities Action Plan are recognised as the Sustainable Community Strategy for South Kesteven.**

## **3. DETAILS OF REPORT**

South Kesteven Local Strategic Partnership was created in 2002 and tasked with developing and delivering the local Sustainable Community Strategy. The Sustainable Community Strategy aims to achieve economic, social and environmental improvements and to manage progress on priority actions identified. The LSP brings together agencies such as the Primary Care Trust, the Police, Town, Parish, District and County Councils, local businesses and the Voluntary, learning environment, agriculture and housing sectors.

In May 2005 the Local Strategic Partnership undertook a Local Area Profile, which, coupled with the residents survey gave a true picture of the priorities the partners of the partnership should aim to address together.

In October 2005, the LSP held a stakeholder conference to identify projects that could be achieved through partnership working, and supported through the LSP in aims of adding value. This event allowed twenty projects to be identified, these were then analysed by the LSP Executive and built on to create the Sustainable Communities Action Plan.

Alongside the Sustainable Communities Action Plan, the new Community Plan was deliberately created in a user-friendly way to ensure that the community understand what the partners of the Local Strategic Partnership are aiming to do. The Community Plan was sent out in June 2006 to all households in South Kesteven. The new draft of the South Kesteven Community Plan 2006-2011 vision is to make South Kesteven one of the most desirable locations to live and work in England by 2020.

South Kesteven District Council's Cabinet formally endorsed the Community Plan in December 2005; Cabinet requested that the Sustainable Communities Action Plan be presented on completion.

The Executive tasked theme group leads to develop their themed chapter during January and February 2006. On completion of this, the LSP Executive were made aware that the document did not contain a performance management framework, and consisted of a lot of duplicated text on demographics from the themed leads. The Team Leader for Community & Economic Regeneration edited the Action Plan and attempted a performance management framework for the April 2006 Executive Meeting. The Executive studied the performance management framework and agreed

that it was too detailed and should be streamlined to account for two or three core indicators. The Executive wished to develop this framework over the next year with key partners.

Members are asked to review the Sustainable Communities Action Plan and provide comments and their endorsement to the document so as to allow the Local Strategic Partnership to deliver to it.

#### **4. OTHER OPTIONS CONSIDERED AND ASSESSED**

No other options have been considered or assessed.

#### **5. COMMENTS OF CORPORATE HEAD OF FINANCE AND RESOURCES**

No comments as there are no financial implications contained in this report.

#### **6. COMMENTS OF CORPORATE MANAGER, DEMOCRATIC AND LEGAL SERVICES (MONITORING OFFICER)**

#### **7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

#### **8. CONCLUSION**

The Community Plan and Sustainable Communities Action Plan together form the South Kesteven Local Strategic Partnership Sustainable Community Strategy. This document sets out a clear vision, evidenced priorities, and a clear action plan for implementation. The Local Strategic Partnership and more specifically South Kesteven District Council now have to aim to deliver to it.

#### **9. CONTACT OFFICER**

Mr. Neil D Cuttall

Team Leader (Community & Economic Regeneration)

[n.cuttall@southkesteven.gov.uk](mailto:n.cuttall@southkesteven.gov.uk)

# South Kesteven Sustainable Communities Strategy: Action Plan 2006-2011

## **Foreword**

Local Strategic Partnership Chairperson

## **District Profile**

South Kesteven incorporates the market towns of Grantham, Stamford, Bourne and the Deepings with numerous villages and hamlets. The population is estimated to be 133,000 with 52,000 households. The highest concentration of people and population density is in Grantham (38,000 people), the administrative centre for the district.

South Kesteven has a growing population with a projected 30% increase in households over the next ten years. The district's growth is particularly noticeable in the early 40s age bands, with dependant young children and teens. There is a 30% reduction in the late teen population between 17-19 years and this reduction continues through the 20s recovering in the late 30s. In terms of a growing ethnic minority population, despite census figures reporting only 1.6% of Lincolnshire population being from ethnic minority communities, South Kesteven is experiencing a growth in communities from other countries, including Portugal and the Baltic states, Brazil and China (particularly Grantham).

South Kesteven has relatively low levels of unemployment (2.1%) compared with England & Wales (3.1%). The district has the highest average earnings in Lincolnshire, due in part to the industrial companies around Grantham, many small companies throughout the district, considerable public sector employment and a sizeable number of commuters to industries and offices in Nottingham, Peterborough and the South, including London. Although in contrast, there is much low-pay, low-skill employment as well. 27% of people aged 16-74 years have no formal qualifications; 17% have a qualification at degree level or higher.

## **What is the Sustainable Communities Strategy Action Plan (Community Plan)?**

This strategy will set out the vision and priorities for the South Kesteven area, with the Local Area Agreement (LAA) defining the detailed outcomes. This document acts as the detailed action plan to achieving the priorities and objectives of the Community Plan. The Community Plan is the overarching 'umbrella' strategy for all local service providers within a locality to aim for, and set their strategic objectives and priorities against. This document refines the strategy to operational capacity; through the Local Strategic Partnership (LSP) the Sustainable Communities Strategy Action Plan sets itself targets, objectives and performance measures for the benefit of the local area.

The South Kesteven Community Strategy and its Sustainable Community Strategy Action Plan will directly feed into the Lincolnshire County Community Strategy. Part of the movement towards the County Sustainable Community Strategy will involve a much closer alignment of the Local Development Framework with the Community Strategy, and with the County Structure Plan with the Community Strategy for Lincolnshire. The Lincolnshire Assembly are responsible for the County Community Strategy and the associated Local Area Agreements, South Kesteven Community Plan will feed in from a 'bottom up' approach the local level issues, in order that the 'top down' policies will be beneficial for the South Kesteven area.

### **Our South Kesteven Local Strategic Partnership**

The South Kesteven Local Strategic Partnership is structured in a way to allow greater community representation whilst also being streamlined enough to achieve 'on the ground' outcomes. Thus the LSP has a Board of representatives that steer the Executive to achieving the desired targets for the Community Plan. The Board is responsible for the preparation and implementation of the Community Plan and the Sustainable Communities Strategy Action Plan for South Kesteven. Their job is to receive reports from the Executive and the adjoining Task & Finish Groups on the progress and achievements relating to the Community Plan. The Board are also responsible for developing coherent complimentary policies to provide leadership representing the views of residents of the South Kesteven area in all major issues of concern.

The LSP Executive has a role in achieving this plan. Their duties are to achieve the aims and objectives of the Board by coordinating a collective response to issues raised, and targets identified. The Executive co-ordinates the work of Task & Finish Groups, by providing support, resource and assistance. Task & Finish Groups are formed and disbanded by the Executive in order to achieve one or more particular objectives highlighted within the Community Plan. The Executive is also charged with marketing the Local Strategic Partnership and its activities. For more information on the structure of the Local Strategic Partnership please contact the secretariat for a copy of the South Kesteven LSP Terms of Reference.

The partners of the Board of the Local Strategic Partnership are not exhaustive, local businesses, community groups, partnerships and interested parties are accepted as applied. The Executive of the LSP is chosen annually by the Board, and is guided by active services deliverers with resources to achieve.

The 2006 Executive includes: -

- Community Council for Lincolnshire
- South Kesteven District Council
- Council for Voluntary Service
- Welland Sub Regional Strategic Partnership / Lincolnshire Enterprise

- (Lincolnshire Primary Care Trust)
- Lincolnshire Police
- Lincolnshire County Council

The Community Plan Action Plan aims to align the strategies of local partners and ensure that they work together for the prosperity of South Kesteven. This may not mean a new leisure centre or hospital, but more simpler improvements to service delivery, that open up opportunity for the public or service users, improve efficiency and effectiveness of schemes and initiatives undertaken by both individual partners and the Local Strategic Partnership, identify cost savings, reduce duplication and ensure that the objectives of each partner are achieved with support from other key partners in the South Kesteven area.

### **Lincolnshire & South Kesteven Local Area Agreements**

In the Local Area Agreements (LAAs) prospectus, published on 27<sup>th</sup> July 2004, the government set out the key aims of the LAAs to improve central/local relations; to improve service delivery, to improve efficiency; to improve partnership working; and to enable local authorities to provide better leadership. The agreements were clearly set in the wider context of the government's ten-year strategy to build a new relationship between central and local government, based on mutual trust and responsibility.

A Local Area Agreement is a three year agreement that sets out priorities for a local area agreed between central government, represented by the government office, and a local area, represented by the local authority and Local Strategic Partnership (LSP) and other key partners at local level. It will be refreshed annually which will enable changes in national or local priorities to be reflected; an example being the Governments Spending Review 2006. The initial LAA prospectus established the general principle that LAAs would be outcome based and would enable Local Authorities and their partners to deliver national outcomes in a way that reflects local priorities, particularly those identified in Community Strategies, which in turn reflect other strategies, such as the Local Neighbourhood Renewal Strategy, Crime & Drugs Strategies and the Childrens & Young Peoples Plan. This will give Local Authorities and their partners the flexibility to find local solutions to local problems, and to prioritise spending to achieve the outcomes identified in a LAA.

The agreement is made up of outcomes, indicators and targets aimed at delivering a better quality of life for people through improving performance on a range of national and local priorities. The priorities are grouped around five blocks:

1. Children & Young People
2. Safer & Stronger Communities
3. Healthier Communities and Older People
4. Economic Development & Enterprise
5. Sustainable Communities & Housing

These blocks provide a very wide-ranging coverage of issues in a local area. However the priorities need to be confined to these blocks. The government is encouraging local areas to consider other cross cutting priorities that do not fit into the four blocks but can be tackled through the Local Area Agreement. These blocks provide an opportunity to be innovative, provide leadership and allow creative solutions to local need.

The Local Area Agreements neatly fit in with the Local Priorities titled below. This action plan is where the 'top down' national and regional policies meet with the Local need and requirement 'bottom up' to form a plan of action for the local area to take forward, without neglecting the requirements of the region and nation. Whilst this Action Plan has taken a community lead in prioritising certain themes, it does not neglect other issues & themes within the community; i.e. Environment, Climate Change, Transport & Access, Rural issues, Health. The actions merely prioritises the issues that have arisen from the Local Area Profile and Residents Survey. Issues and themes not included are not excluded, and the LSP will analyse and address these as they occur or are brought to 'the table'. Inevitably when the LSP takes a community lead and prioritises its work, something is ultimately not a 'key' priority, and the LSP should not put itself in a position whereby capacity cannot be achieved.

Targets are achieved through the Local Area Agreements and Partners Service/Partner Plans whereby evidence is measured by the Local Area Agreement outcome and joint partnership working to achieve.

The LSP undertook an evidenced based approach to prioritisation, this included developing a Local Area Profile (LAP), cross referencing that to local need and requirement through a residents survey, and then crossing this evidence with the amount of public expenditure allocated to the themes from national or regional government. This profile can be found within the appendix. An Action Plan for each theme is listed below.

## **The Action Plans**

### **1. Community Safety**

In November 2005 the Government published their National Community Safety Plan 2006 – 2009. Britain is a more prosperous, better-educated and healthier country than ever before. But this progress has also been accompanied by a loosening of traditional ties and less respect within and between communities. Like other countries in the developed world, we face new threats and are confronted by challenges of tackling crime, anti-social behaviour, drug addiction, organised crime and terrorism.



South Kesteven faces challenges but not on the scale of other places. Crime in the area remains relatively low, anti-social behaviour and drug addiction exists but is being actively tackled by the various agencies. The East Coast mainline train service, A1 main road and other major roads provide the opportunity for criminals to travel around the country.

The Government's priorities over the next three years are built around five themes:

1. Making communities stronger and more effective
2. Further reducing crime and anti-social behaviour
3. Creating safer environments
4. Protecting the public and building confidence
5. Improving people's lives so they are less likely to commit offences or re-offend

South Kesteven LSP will also focus on these key community safety areas in the various aspects of work that it undertakes.

The Government's key priorities for LSPs for 2006 – 2009, which relate to community safety are to:

- Develop the local Sustainable Community Strategy and manage its delivery; and
- Take the lead role in negotiating and refreshing Local Area Agreements (LAAs).
- Take the lead role in negotiating LAAs ensuring community safety is reflected across all four LAA blocks; and
- Manage the performance of the community safety element of the LAAs, which have already been negotiated.

The Crime and Disorder Act 1998 created Crime and Disorder Reduction Partnerships (CDRP). South Kesteven has a CDRP, which is the key local driver for community safety strategic planning and delivery, bringing together all the main players at a local level, including the police, district and county council, police authority, fire and rescue authority and primary care trust as the responsible authorities under the Act. The CDRP is the delivery vehicle for the LSP theme on Community Safety.

Additionally South Kesteven has added the Drug and Alcohol Action Team (DAAT), National Probation Service and the Youth Offending Service as invited organisations to create a wider partnership.

The Government's key priorities for the CDRPs for 2006/09 are to:

- Deliver Crime reduction targets
- Play a leading role in the development of the Safer and Stronger Communities block of Local Area Agreements
- Encourage collaboration between agencies
- Ensure that sufficient arrangements are in place to deliver a range of engagement opportunities for local communities and to respond to their concerns; and
- Ensure arrangements are in place for a joint intelligence led approach to solving local problems.

The Governments specific priorities for CDRP's in 2006/07 are to:

- Manage their performance against crime reduction targets, ensuring that delivery remains in line with trajectory;
- Develop more effective ways of working with Criminal Justice Boards, building on soon to be issued guidance.
- Continue to lead the Priority and Prolific Offenders Strategy;
- Work in partnership with key agencies nationally, regionally and locally to identify, generate and share good practice in tackling violent crime, in particular alcohol related and domestic violence.

### South Kesteven Crime and Disorder Strategy 2005/08

Formulation of the Strategy has already occurred following a lengthy Crime Audit, whereby information was collated from many different sources, including statistical information from the Police, the British Crime Survey, Iquanta (Government information). The LSPs role is to oversee the CDRP's role in delivering to this strategy and to ensure performance management is suitable. Consultation events were held with the wider local community including a variety of local groups, including local politicians from the numerous parish councils. The Government utilised the results of the British Crime Survey to standardise the targets of each CDRP, by producing comparator crimes against which the targets are set and also against which the CDRP's performance will be judged.

The partnerships have agreed certain priorities and targets. The key objectives are:

- To reduce drug related crime.
- To reduce vehicle crime
- To reduce criminal damage
- To reduce anti-social behaviour
- To reduce violent crime and domestic violence
- To reduce business crime particularly theft and handling
- To reduce race and hate crime
- To increase confidence of reporting crime and incidents

For more detailed information relating to the activities of the South Kesteven CDRP refer to the Crime and Disorder Strategy. Whilst domestic burglary does not feature as a category on its own it is proactively tackled by the police and comes within the drug related crime arena.

The fear of crime and its associated wider problems cannot be addressed by an individual or an individual agency, they require the focus of a co-ordinated multi-agency approach, that offers leadership, vision and sustained effort from those involved. The South Kesteven LSP and CDRP strategies will enable the partners and other organisations to work together, to pool their expertise and utilise their specific skills. Through the LSP and CDRP organisations will have the opportunity to come together to concentrate on practical action, which will lead to a reduction in crime and anti-social behaviour.

Strategic Priority: Community Safety				
Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
Partnership Patrol. Periodic multi agency patrols responding to both intelligence and incidents of crime and disorder. To attend at licensed premises where it is suspected that breaches in the licence or the law are occurring or to conduct a routine check.	<ul style="list-style-type: none"> <li>• Reduction in alcohol related violence and anti-social behaviour</li> <li>• Reduction in other alcohol related crime and disorder</li> <li>• Reduction in licensees serving drunken customers</li> <li>• Increased safety in and around licensed premises</li> <li>• Reduction in under aged drinking</li> <li>• Reduction in 'binge' drinking</li> <li>• A safer night time economy</li> </ul>	Lincolnshire Police SKDC Environmental Health Community Safety Team Lincolnshire Fire and Rescue South West Lincs PCT Lincolnshire DAAT	In Kind	April 2006 – March 2009
Community Drug Response Team. To support eight drugs & alcohol outreach workers to target drug 'hotspots' and provide services and support to drug users and the community.	<ul style="list-style-type: none"> <li>• Reduction in the costs of crime</li> <li>• Benefits to the communities</li> <li>• Health and Social Care Savings</li> <li>• Reduction in the numbers of individuals involved in substance misuse</li> <li>• Increases in the number of persons in treatment</li> </ul>	Lincolnshire DAAT Addaction Lincolnshire Boston Community Safety Partnership East Lindsey Community Safety Partnership Lincoln Crime Reduction Executive NK CDRP SH CDRP SK CDRP	To continue	Established April 2004 until March 2007

		West Lindsey Crime and Disorder Group.		
Pubwatch Link The scheme facilitates the partnership working of licensed trade operators in the SKDC area. To operate an information exchange process identifying disorderly customers.	Reduction in drink related anti-social behaviour and drug misuse in licensed premises	SKDC Lincolnshire Police DAAT Sure Start Grantham	£5,000	Already established and will continue to March 2009
Oasis A 24 hour hotline to support carers and families affected by substance misuse.	Reduction in substance misuse Reduction in crime	DAAT SKDC	£10000	Fully established until 31 <sup>st</sup> March 2006. Will continue with appropriate funding April 2006 – March 2009.
Grantham Women's Centre, Bourne and Deepings Outreach Workers. To provide assistance and support to women who are experiencing domestic violence.	Reduction in domestic violence	Grantham Women's Centre SKDC Lincolnshire Police Sure Start Grantham	£50,000	Fully established until 31 <sup>st</sup> March 2006. Will continue with appropriate funding April 2006 – March 2009.

## 2. Housing & Infrastructure

South Kesteven has a thriving housing market and is a popular destination in Lincolnshire for people to live, A wide range of housing is available, including Victorian terraces, new developments and council estates. Never-the-less the district faces real housing challenges. The council has a role to play with registered social landlords in meeting housing needs. The policy to maintain South Kesteven's dynamic housing market, meet people's aspirations to be home owners, make sure the district's housing estates are in good condition and safe to live, and to meet the housing needs of all residents.

Taking into account completions and current commitments, there is only very limited scope to provide additional housing development in South Kesteven in the period to 2021. As the delivery of affordable housing to meet identified needs is largely reliant upon the delivery of general market housing, this has significant implications for the area. This problem is most acute in the southern towns (Stamford, Bourne and the Deepings and in the rural area. Outside of the four towns, completions and commitments are such that there is no need to grant planning permission for further development between now and 2021 in order to satisfy Structure Plan requirements.

There is a significant role to play in terms of preparing and delivering a Housing Strategy for the area, in terms of being a major provider of social housing and as a planning authority responsible for the preparation of housing policies, and the delivery of affordable housing through the planning system. In developing its priorities and actions for Housing, the LSP has sought to identify activities that are complementary to those pre-existing proposals and activities of the District Council. The actions recognize the importance of registered social landlord and private sector partners in meeting the future housing needs of the area, and the benefits of joint working in areas of common interest.

Strategic Priority: Housing					
	<b>Project</b>	<b>Envisaged outcomes</b>	<b>Potential partners</b>	<b>Anticipated budget</b>	<b>Timescale</b>
H1	Initiatives to deliver rural affordable housing on 'exceptions sites'	<ul style="list-style-type: none"> <li>Increased delivery of affordable housing units on exceptions sites</li> <li>Establishment of a model scheme to deliver dwellings on appropriate exceptions sites</li> </ul>	<ul style="list-style-type: none"> <li>SKDC</li> <li>RSL's</li> <li>Parish Councils</li> </ul>	No significant budget implications. In-kind support from SKDC and RSL's.	Within 12 months
H2	Provision of a shared rural community vehicle	<ul style="list-style-type: none"> <li>Multi-use meeting room facilities</li> <li>Improved communications and information to rural areas</li> <li>Community engagement on housing and crime prevention issues</li> </ul>	County Council, Health (PCT's), RSL's, SKDC, Parish Councils, Police, Tenants Compacts, Advice Bureaux, Education, Community Council	Up to £130,000 total for capital and running costs over 10-15 years	Within 2-3 years
H3	Floating support worker across all affordable housing providers	<ul style="list-style-type: none"> <li>Prevention of repeated homelessness by providing support to residents with repeated homelessness, drug / alcohol abuse, mental health issues, victims of domestic violence,</li> </ul>	<ul style="list-style-type: none"> <li>Health (PCT's), RSL's, SKDC, Social Services</li> </ul>	Estimated £27,000 pa plus accommodation provided by a partner	Within 12 months

		difficulties sustaining tenancies etc			
H4	Pilot sustainable energy projects	<ul style="list-style-type: none"> <li>○ A strategy and protocol for new and refurbished affordable housing schemes in South Kesteven</li> <li>○ Enable benchmarking and sharing of comparable data with other schemes across the country</li> <li>○ Link into economic development initiatives</li> <li>○ Reduce energy use and costs for tenants / occupier</li> <li>○ Investigate the 'grey water' initiative.</li> </ul>	Utilities, local authority planning & building control, RSL's, private developers, sponsors	Unknown.	Ongoing, over term of plan
H5	Common housing register for choice based lettings	<ul style="list-style-type: none"> <li>○ Joint housing provider waiting list</li> <li>○ Better allocations to allow residents to make choices about where they live and improve sustainability of let</li> <li>○ Identification of specialist properties</li> <li>○ Better use of existing stock</li> <li>○ A single point of contact for potential customers</li> </ul>	<ul style="list-style-type: none"> <li>○ RSL'S</li> <li>○ Single room occupancy housing providers, SKDC, Health authority,</li> </ul>	Unknown. Costs to cover staffing, IT etc. Potential savings by existing organizations maintaining independent lists	Within 2 yrs

## Town Centres

Building a more prosperous and vibrant community means more than just the business community. The LSP and partners aims are to develop and enhance out town centres, including our retail, leisure and employment. Residents should have employment opportunities no matter where they live, businesses need support to start, develop and expand, and co-ordinated efforts are needed to tackle deprivation in our most needy neighbourhoods. A prosperous economy is also a creative one and it is important that residents and visitors have access to a wide variety of cultural and leisure activities.

To improve their prospects, the aim should be to promote lively, vibrant and viable town centres that provide a quality urban environment where people can live, feel safe, businesses can prosper and opportunities exist for new stimulating activities. There is now considerable evidence that the most successful town centres have a mix of attractions that draw a range of different groups at different times, are accessible by a variety of efficient and effective modes of transport, have an amenity which is attractive, clean and safe, and are planned, managed and promoted in a positive way. Town centres need to be flexible and adaptable if they are to remain active and attractive; for example by finding new uses for old buildings and by providing new opportunities for housing.

Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
Market Town De-cluttering (Phase 2)	Publicity, improved street scene.	TCMPs, SKDC, LSP, LCC	6k	Complete by 01/04/06
48 hour hit squad	Improved environment (visible) response to public concerns. Opportunity to generate good publicity and engage the public. Can be delivered in each market town on a rolling basis. (Issue – consider approaches to villages also)	TCMPs, Town Council SKDC, Volunteers, Parish Councils, LSP	10k	Commence April 2006, pilot for three months across the 4 market towns. Evaluate and identify forward strategy
Business Marketing	South Lincolnshire experience. Promotion of South Lincolnshire as a place to live, shop and do business in. to encompass the retail experience, heritage, and celebrate the “market towns”	Welland SSP, SKDC, TCMPs, Lincolnshire Tourism (DMP)	20k	Develop business plan by 30/04/06. Secure funding support and deliver two stages – Stage 1 summer 2006 – Stage 2 Winter \ Christmas 2006
Cultural	Develop / deliver a cultural / arts / community programme for the South Lincolnshire area. Investigate potential for “rolling” programme and facilities to engage public in community, cultural and artistic projects / events. Investigate and then procure mobile stage / vehicle facilities.	Welland SSP, SKDC, TCMPs, Lincolnshire Tourism (DMP), Arts Council, Community Groups, LEA	50k	Summer 2006

#### Chapter 4: Economic Development

Local Economic Development and regeneration encompasses a range of activities and initiatives to promote prosperity and enhance the quality of life for local citizens. The more favoured definition is that local economic development can be described as the creation of prosperity, achieved through the initiation and management of activities that lead directly or indirectly to employment, wealth

and economic competitiveness. At South Kesteven we are committed to supporting and developing the local economy, and recognise that economic development contributes to quality of life within the district. Economic development does not operate in a vacuum, our community plan and activities at the local level must be placed in the context of broader developments at the regional and national level. We recognise that maximum gain can only be secured by working in partnership with agencies at these levels. No one agency is in a position to drive forward economic development in isolation. The only way that we can effectively respond to opportunities and weaknesses in our district is by working together with partners.

In achieving this the South Kesteven Community Partnership are aware that they need to align strategies & plans with local partners. To do this, this chapter has been written to co-ordinate the delivery of objectives from South Kesteven District Council's Economic Development Strategy, The East Midlands Development Agencies Regional Economic Strategy, the Welland Sub Regional Strategic Partnership Sub Regional Economic Strategy, Lincolnshire Enterprises Economic Strategy, Lincolnshire Developments Economic Strategy, Welland Enterprise Agencies Vision and a variety of other partner's aims and objectives.

Further more detailed information on the state of the East Midlands, Lincolnshire and South Kesteven economy can be found in the Regional Economic Strategy, The Lincolnshire Economic Strategy, The Hidden Crisis Report and the South Kesteven District Council Economic Development Strategy. These documents profile the area in detail and assist in delivering to the needs of the locality.

This chapter in the South Kesteven Community Action Plan will directly feed into the Local Area Agreement Fourth Block for Economic Development & Enterprise in Lincolnshire. This chapter will act at the level in aims to achieve the objectives and outputs highlighted within the Lincolnshire Assembly Lincolnshire Community Plan, and Lincolnshire Local Area Agreements. This chapter will also identify for the Local Strategic Partnership new 'additional' projects for economic development and regeneration. These are projects that do not form anyone partners service plan, but will support the outcomes and objectives of both the individual partner and the LSP. These projects are identified below, and will form part of a SMART approach to delivering short, medium and long-term projects for the benefit of South Kesteven that no one partner can or has addressed.

Strategic Priority: Economic Development				
Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
Assess Road Improvement Needs by carrying out a transport needs analysis to evaluate	<ul style="list-style-type: none"> <li>• Create options in response to problems</li> <li>• Reduce congestion</li> <li>• Improve quality of the environment</li> </ul>	Lincolnshire County Council, South Kesteven District Council, Local Businesses	Unknown	



and appraise road needs				
Promote an iconic project; Grantham Canal Basin beginning with a full feasibility study	<ul style="list-style-type: none"> <li>• Iconic vision to attract investment and interest from outside the area</li> <li>• Regeneration of the area</li> <li>• Increase in tourism and leisure space</li> <li>• Increase employment</li> <li>• Increase business opportunities</li> </ul>	South Kesteven District Council, Lincolnshire County Council, British Waterways, local Businesses, Government Office for the East Midlands, The East Midlands Development Agency, Lincolnshire Enterprise, Grantham Canal Partnership	<ul style="list-style-type: none"> <li>• £145,000 for Study</li> <li>• £60-200M for development</li> </ul>	<ul style="list-style-type: none"> <li>• Study by December 2006</li> <li>• Land assimilated by March 2009</li> <li>• Land reclamation &amp; remediation between March 2007-2012</li> <li>• Development between March 2006 and March 2015</li> </ul>
Development of Enterprise Centres Eg Stoke Rochford / Grantham potential in Stamford / Bourne / Deepings	<ul style="list-style-type: none"> <li>• Business start-ups</li> <li>• Business growth</li> <li>• New jobs</li> <li>• Learning opportunities</li> <li>• Inclusive communities</li> </ul>	Lincolnshire Enterprise, Lincolnshire Community Council, Welland Sub Regional Strategic Partnership, Welland Enterprise Agency, South Kesteven District Council, Local Businesses, Local Colleges & Universities, Town Centre Management Partnerships	Optional Between £80,000 and £500,000	<ul style="list-style-type: none"> <li>• Task &amp; Finish Group formed (3 months)</li> <li>• Collation of funds (12-24 months)</li> <li>• Project Initiation (1-4 months)</li> <li>• Project Delivery (12-24+ months)</li> </ul>
Business incubation / innovation eg potential live / work in Grantham, Stamford, Bourne & the Deepings	<ul style="list-style-type: none"> <li>• Business start-ups</li> <li>• Business growth</li> <li>• Job creation etc..</li> </ul>	Lincolnshire Enterprise, Welland Sub Regional Strategic Partnership, Welland Enterprise Agency, South Kesteven District Council, Local Businesses, Local Colleges & Universities, Town Centre Management Partnerships	Optional Between £100,000 and £1,000,000+	<ul style="list-style-type: none"> <li>• Task &amp; Finish Group formed (3 months)</li> <li>• Collation of funds (12-36 months)</li> <li>• Project Initiation (1-4 months)</li> <li>• Project Delivery (12 months)</li> </ul>

Energy development – e.g. renewable energy development / recycling	<ul style="list-style-type: none"> <li>• Business start-ups</li> <li>• Business growth</li> <li>• New jobs</li> <li>• Learning opportunities</li> <li>• Inclusive communities</li> </ul>	Welland Sub Regional Strategic Partnership, Lincolnshire Enterprise Environment Agency, South Kesteven District Council, Local Businesses	Optional Between £5,000 and £100,000	<ul style="list-style-type: none"> <li>• Task &amp; Finish Group formed (3 months)</li> <li>• Collation of funds (12-36 months)</li> <li>• Project Initiation (1-4 months)</li> <li>• Project Delivery (12 months)</li> </ul>
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### 3. Transport & Access

South Kesteven is a predominantly rural district covering some 945 square kilometres (365 square miles). It is typical of Lincolnshire in that the area is sparsely populated making transport links vital both socially and economically. The west of the district is comparatively well served with the A1 trunk road giving good access to the north and south and the A52 trunk road providing access to the west. Grantham is the only town in Lincolnshire with a station on a main line railway and this is becoming increasingly used by commuters to London. The other major roads passing through the district are the A52 to Boston and the coast, A15 to Lincoln and Peterborough and A16 to Spalding, Boston and Grimsby. All of these roads pass through communities giving rise to environmental and safety issues.

Responsibility for highway matters rests mainly with Lincolnshire County Council however the A1 and A52 west of the A1 are trunk roads and are therefore managed by Highways Agency. Much of the network for which the County Council is responsible comprises narrow, tortuous roads and country lanes, with 80% being C class or unclassified roads. The majority of the Strategic Road Network falls well below current design standards with consequential low speeds and safety problems. The length of the highway network in South Kesteven is:-

Historically, bus services in Lincolnshire have been in decline. This has been reversed on some routes where the award winning rural InterConnect services have been introduced. In South Kesteven this applies only to the Grantham to Lincoln service with services in many other areas being very poor. This applies particularly to the Grantham area where two changes of provider have taken place within a short period of time with service reductions taking place at each change. Services along the A15 between Bourne and Peterborough are regular and well supported.

Only Grantham Stamford and Ancaster have railway stations. A recent improvement carried out by Network Rail, the Allington Chord, has allowed trains on the Nottingham to Skegness line to access Grantham station without affecting East Coast Main line

trains. This has improved services on both lines. The Nottingham to Skegness line has recently been selected as one of six pilots to trial the community rail strategy. One of the objectives of the community rail initiative is to better integrate bus and rail services.

There are already several areas where the LSP can work closely with other partners on transport related issues. Examples include the Lincolnshire Road Safety Partnership where police and county council staff share the same office and the close working relationships that exist between the County and District Councils on planning and street scene issues. These have allowed LSP initiatives such as carrying out driver training for older drivers and the removal of sign clutter to be successfully carried out.

Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
Bus Station Improvements The bus station at Grantham needs improvements such as signage and linkages between train and bus services	Increased usage of integrated transport Improved access to towns and villages	Lincs CC, SKDC, GNER, bus operators, Network Rail	£100,000+	Being considered as part of Grantham Transport Study. Study will report mid 2007. Recommended schemes carried out during LTP2 period. Funding to be determined following publication of the Study.
Gonerby Railway Halt Capitalise upon the Gonerby Loop by creating a station and park and rail opportunities	Reduce traffic Increased visitors to the village Economic benefit to town and area	Lincs CC, SKDC, land owners, Network Rail, Lincolnshire Enterprise	£1 million	Being considered as part of Grantham Transport Study. Study will report mid 2007. Recommended schemes carried out during LTP2 period. Funding to be determined following publication of the Study.
Stamford Transport Study Assess the potential options to reduce traffic congestion	Establish the case for a Stamford bypass Examine the potential for pedestrianisation	Lincs CC, Stamford Town Council, Chambers of Commerce, Pressure Groups	£250,000	Feasibility Study to be carried out during LTP2 period. Funding not yet identified.

Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
Public Service One Stop Shops All services represented in one place in each town.	Increased access to public services information Establishment of one stop shop in each of the four towns	Lincs CC, SKDC, Police, PCT, Town Councils	£1 million	Task & Finish Group formed (3 months) Collation of funds (12-24 months) Project Initiation (1-4 months) Project Delivery (12-48+ months)
Discourage Car Dependence Consider closing Grantham High Street and promoting cycle and walking routes.	Reduce traffic Environmental Benefits Health Benefits	TCMP, Lincs CC, SKDC, Business Club, PCT, Sustrans	£100,000	Being considered as part of Grantham Transport Study. Study will report mid 2007. Recommended schemes carried out during LTP2 period. Funding to be determined following publication of the Study.

### **A Community Health Strategy for South Kesteven**

The health of the population of South Kesteven is “good” when compared to Lincolnshire, the East Midlands and England. There are comparatively lower levels of coronary heart disease, strokes, cancers, infant mortality, teenage pregnancy and suicide/undetermined injury. The life expectancy of a baby born in South Kesteven today is 81.5 years for women and 77 years for men. However, there are variations in health and illness within the district in terms of life expectancy, ill-health and long-term illness and such variations are often reflected in the deprivation scores for individual wards across the district.

In South Kesteven 2.4% of the population live in the ‘20% most deprived wards in the country’ (approximately 3,000 people). 1,000 children live in such deprived wards. At the other end of the deprivation spectrum 23% of the population live in the local ‘10% least deprived wards in the country’ (more than 30,000 people). Poor health and the experience of health inequalities for a minority of the population within the district have their concentration in the wards of Grantham and to lesser extents in Bourne and

Stamford (source: local profile information 2005). Local health needs assessments reflect this geographical pattern of health and illness for example, drug and alcohol misuse indices, domestic violence and child health.

A review of the health improvement activities in 2005 identified a variety of children/young people, community and older people's programmes across the district and particularly in wards with recognised inequalities, these include:

- SureStart and related children's centre developments
- smoking cessation services
- Pyramid clubs self esteem programme for vulnerable children in primary schools
- `Health Walks` - volunteer-led physical activity programme
- youth inclusion and diversion programmes
- cardiac rehabilitation programmes
- drug treatment services
- `Extend` seated exercise classes for older people, and
- accident prevention campaigns.

These activities are in addition to the universal NHS, local authority and community provision provided throughout the district. The sustainability of some of the activities is unclear, as a number of projects are short-term or simply opportunities that have arisen.

## **Tackling Health Inequalities**

Health is fundamental to all our lives. Many factors contribute to health improvement – economic growth has raised standards of living, improved education, better nutrition, better housing and the advances in technology and medicine. The roots of ill-health are influenced by income, education, employment, the material environment as well as a person's age, gender, ethnicity and lifestyle. Such determinants are at the heart of current public health policy. Various policies promote partnership working to tackle health inequalities at a local level. Such policies emphasise the role of primary care trusts and local authorities within local strategic partnerships. Examples of such policies include Choosing Health and Every Child Matters.

## **Choosing Health**

The Department of Health's White Paper `Choosing Health: Making Healthier Choices Easier` was published in November 2004. It sets out the Government's intentions to make it easier for people to make healthier choices by offering practical help to adopt a healthier lifestyle. The White Paper identifies that a new approach to public health and health improvement is required and underpinned by the principles of:

- Informed choice – backed by credible and trustworthy information and supported by an enabling environment;

- Personalisation – support in making healthy choices tailored to the realities of individual lives and provided flexibly and conveniently to ensure health inequalities are addressed, and
- Working together – effective partnerships involving local government, other statutory partners, the NHS, the business sector, the media and communities.

A document `Delivering Choosing Health` outlines the requirement for PCTs to develop a local `Choosing Health` delivery plan, in partnership with local authorities, through local strategic partnerships. A developing Choosing Health commissioning plan for Lincolnshire focuses on the following themes:

- Reducing the number of people who smoke
- Tackling obesity
- Improving sexual health
- Improving mental health and well-being
- Reducing harm and encouraging sensible drinking, and
- Strengthening the health improvement workforce (including health trainers and school nurses).

Local schemes are being proposed to be introduced or enhance the local health improvement opportunities in key areas, key audiences (children & older people) and with specific conditions. The local implementation of such schemes will constitute the basis for the local action in the coming years, particularly through local area agreements for healthier communities and older people. A Lincolnshire Choosing Health Commissioning Plan for 2006-2008 has identified key areas in South Kesteven where the targeted health improvement activities should be focussed. The areas are primarily within the Grantham town wards of:

- Earlesfield
- Harrowby
- St. Anne's and
- Grantham St John's.

Actions to reduce smoking, increase physical activity and healthy eating along with community-based health improvement will be most appropriate. Examples of this include the recent campaign `small change, big difference` which encourages people to make minor changes in their lifestyles to give them a better chance of living longer healthier lives.

In addition, the work to develop Choosing Health plan, within the Director of Public Health's Annual Report 2004/2005 there is the identify secondary areas in South Kesteven where a range health improvement-type interventions could be applied, namely the wards of Bourne East and All Saint's in Stamford. The development of health improvement at this local a level will require a degree of co-ordination and support through the LSP.

## Every Child Matters

Every Child Matters: Change for Children is a new approach to the well-being of children and young people from birth to age 19. The Government's aim is for every child, whatever their background or their circumstances, to have the support they need to:

- Be healthy
- Stay safe
- Enjoy and achieve
- Make a positive contribution
- Achieve economic well-being

To achieve these five outcomes it means that the organisations involved with providing services to children - from hospitals and schools, to police and voluntary groups - will be teaming up in new ways, sharing information and working together, to protect children and young people from harm and help them achieve what they want in life. Children and young people will have far more say about issues that affect them as individuals and collectively.

Lincolnshire County Council, on behalf of the Lincolnshire Children & young People's Strategic Partnership, is leading on the development of an over-arching children & young people's plan with a vision - "Working together, we will provide locally delivered, high quality children's services that are responsive to the needs of the people we serve". The aims of the plan are to:

- Identify where outcomes for children and young people need improving
- Indicate how and when these outcomes will be achieved
- Increase more integrated and effective services
- Increase preventative work, and
- Tackle inequalities.

The plan has proposed local governance arrangements between county-wide forums and district-based local children's partnerships, including analysed local needs, development of local area agreements and key actions under the five outcomes be implemented locally.

In the South Kesteven area, young people and local children's services have stated a range of needs and issues that young people experience, some examples are listed below:

### Be Healthy

- Awareness, knowledge and adoption of healthy lifestyles are easier for pre-school and primary school children than secondary

### Enjoy & Achieve

- Attainment and achievement varies between schools
- Young school leavers without qualifications

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>school children.</li> <li>Affordability and choice become a problem as children grow older</li> <li>The use of alcohol and other drugs</li> <li>Body image is a concern for young women</li> <li>Low self esteem and depression is noted within young people at risk.</li> </ul> | <ul style="list-style-type: none"> <li>feel it is “too late” to make good</li> <li>Transport in a rural setting is limited and boredom/disaffection peaks at 14-17 years</li> <li>Successful students have heavy workloads which impact on their contribution to communities</li> <li>Girls are more pro-achieving than boys</li> </ul> |
|---|---|

#### Stay Safe

- Bullying in and out school is a concern
- The presence of young children on the streets and in towns is perceived as a concern and risk
- Homophobia
- Road safety

#### Make a Positive Contribution

- Attitudes to authority and organised youth settings contribute to disaffection
- Respect for and from adults is greater when young people feel “listened to”
- Young people report a desire to help others and be involved

#### Achieve Economic Well-being

- Some young people cannot afford the costs of transport, social engagement and healthier lifestyles
- Rural settings have limited education, career and income opportunities
- Debt is a growing concern for young people in education, the housing market
- Balancing learning and jobs is a challenge for young people with student debt.

### **Community Health & Well-being Action Group**

The South Kesteven LSP has agreed to undertake a commitment to co-ordinate and champion the Choosing Health and Every Child Matters agenda through the establishment of appropriate action groups for community health and well-being.. The three major objectives of such groups are to:

- Assess and comment on the impact upon the district’s health and well-being of the actions of the LSP and sub-groups
- Co-ordinate the development of the implementation of health improvement in South Kesteven
- Engage with the development of local children’s partnership and Every Child Matter’s agenda in South Kesteven

An underlying ethos with these objectives is that an LSP works to “add-value” to the health and well-being of people in South Kesteven. Within the noted community health & well-being action plan the prioritised actions for 2006 that would require LSP financial support are noted in bold

### **Community Engagement**



There is a clear expectation upon LSPs to have a facilitation role in supporting neighbourhood and community engagement, listening to local views and ensuring local people can influence strategic priorities, service delivery and allocation of resources. Sustainable community strategies are expected to contain a series of visions and plans for community engagement as a contribution towards community cohesion and tackling social exclusion.

An assessment on the level of community engagement has highlighted a range of agencies utilising a variety of approaches to engage with public or selected audiences:

- SureStart and Children's Centres – parents (mothers and fathers) and children engagement at strategic and operational levels
- Schools and youth settings – youth councils and forums (regular and ad-hoc)
- NHS – public and patient involvement activity, public meetings, condition-related user groups, e.g. mental health service users forums
- Council – local area assemblies, resident and multi-cultural forums, annual surveys, “citizen juries and panels”, newsletters, parish plans and statutory consultation procedures
- Community Safety – market place stalls, surveys and information events
- Police – independent advisory groups, joint agency forums
- Voluntary sector - `Planning for Real`, migrant worker engagement and new communities engagement

Potentially, a wealth of information, local intelligence and community activity is contained within agencies and projects. A task for an LSP as the “partnership of partnerships” should be to collect, collate and interpret what communities are saying in relation to South Kesteven and ensure the relevant sectors “listen” to such views. A portfolio of local engagement opportunities and styles should be documented and shared with the LSP to enable the partnership members to tap into a variety of routes and means into the local communities of South Kesteven

A strategic framework for community engagement by an LSP should be produced and entail:

- An engagement with different communities – public/statutory sectors, business, voluntary sector and communities/residents
- Engagement methods for specific purposes – information sharing, research, consultation upon, participation with and delegation to
- Guiding principles – ownership, support, commitment to change and inclusive.

Securing a commitment by the LSP to be inclusive, pluralistic and flexible will be a key statement of intent within any communications and engagement strategy.

## Actions

Strategic Priority: Community Health & Well-being (Choosing Health & Every Child Matters)				
Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
1. To establish a district-wide local South Kesteven Community Health & Well-being Action Group.	<ul style="list-style-type: none"> <li>Informed and motivated staff in agencies and communities seeking to promote health and well-being</li> <li>Co-ordination of local actions</li> <li>Improved information and intelligence</li> <li>Complying with statutory duties</li> <li>"ECM proof" local actions</li> </ul>	<ul style="list-style-type: none"> <li>SKDC and respective providers/contractors</li> <li>LCC (Assembly, Children's and Adult Services)</li> <li>PCT / GPs / NHS Trusts &amp; providers</li> <li>SureStart</li> </ul> <p>With support as necessary co-opted from:</p> <ul style="list-style-type: none"> <li>Lincs. Police</li> <li>Schools</li> <li>Colleges</li> <li>Voluntary Sector</li> <li>Early Years</li> <li>Connexions</li> <li>Business providers</li> </ul>	Administration and management through the LCC, SKDC and PCT.	April 2006 onwards
2. To review and analyse the community consultation and engagement activities, e.g. 'Planning for Real', Citizen's Panels, local assemblies for actions, successes and challenges with the goal to report to the LSP on up and coming community issues.	<ul style="list-style-type: none"> <li>Community consultation and needs assessments inform the LSP's agenda and strategic direction</li> </ul>	<ul style="list-style-type: none"> <li>As 1.</li> </ul>	As above	Review - June to September 2006  Report by October 2006.  Repeat annually
3. To develop a portfolio of community contact and engagement for the LSP and local partners			As above.  Portfolio to be an electronic database hosted on a central	Review - June to September 2006  Report by October 2006.

Strategic Priority: Community Health & Well-being (Choosing Health & Every Child Matters)				
Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
			website.	Repeat annually
<p>4. To jointly oversee the implementation of the `Choosing Health` delivery plan in South Kesteven through the utilisation of mainstream NHS, local authority, Choosing Health and LSP resources.</p> <p>In 2006:</p> <ul style="list-style-type: none"> <li>• Sponsor the maintenance of the `Extend` seated exercise programmes for older people across the district to maintain functional independence and social inclusion</li> <li>• Sponsor the maintenance of `Health Walks` physical activity programme across the district to recruit and support volunteer `Health Walk` leaders</li> <li>• Sponsor the revision and reprint of the migrant worker handbook informing and advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Increased number of people who quit smoking – a 1% reduction per year</li> <li>• Reduction in number of pregnant women who smoke – a 2% reduction per year</li> <li>• Increase the number of people on a GP register with a decreasing BMI</li> <li>• Increase the number of people being physically active</li> <li>• Reduce the number of children under 11 with obesity – halt the year on year rise</li> <li>• Increase the number people using early alcohol treatment services</li> <li>• Reduced use of A&amp;E for alcohol related illness</li> <li>• Reduction in alcohol</li> </ul>	As 1.	<p>SK LSP 2006:</p> <p>£1,000 to expand the `Extend` programme to rural settings and maintain work with the vulnerable elderly in care settings.</p> <p>Up to £2,500 to expand and maintain the `Health Walks` programme across the district.</p> <p>Up to £X,000 to support the work of the Next Steps migrant worker handbook project (through GMB)</p>	<p>Developments for 2006/2007</p> <p>Developments for 2006/2007</p> <p>April - September 2006</p>

Strategic Priority: Community Health & Well-being (Choosing Health & Every Child Matters)				
Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
<p>access to local services</p> <ul style="list-style-type: none"> <li>Plan for the implementation of Choosing Health in targeted areas for 2007 and onwards</li> </ul> <p>In 2007:</p> <ul style="list-style-type: none"> <li>Support the Choosing Health developments in secondary areas of the district</li> </ul>	<p>related crime &amp; disorder</p> <ul style="list-style-type: none"> <li>Reduction in teenage conception rates</li> <li>Reduction in infection rates for sexually transmitted infections</li> <li>Improved physical health for mental health service users</li> <li>Improved competences of communities to promote health and well-being</li> </ul>		<p>In 2007: Choosing Health allocation for targeted work key Choosing health areas. (to be determined)</p> <p>LSP contributions to secondary areas noted in the Choosing Health plan (£8-12,000)</p>	Implementation for 2007/2008 onwards
5. To scrutinise and report upon the health impact of the LSP and sub-groups intentions/ actions in the community strategy action plan	<ul style="list-style-type: none"> <li>All actions of the LSP contribute towards improving health and well-being for communities in South Kesteven</li> </ul>	As 1.	Administration and management through the LCC, SKDC and PCT	April 2006 onwards
6. To promote a holistic approach to improving the life chances of children and families through a variety of actions, e.g. the establishment of children's centres in South Kesteven.	<ul style="list-style-type: none"> <li>Contribution to the ECM outcomes: <ul style="list-style-type: none"> <li>Be Healthy</li> <li>Stay Safe</li> <li>Enjoy &amp; Achieve</li> <li>Positive</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>LCC (Children's Services)</li> <li>SKDC</li> <li>PCT / GPs / NHS Trusts</li> <li>Voluntary Sector</li> <li>Early Years</li> </ul>	LCC grant and partner agency contributions	September 2006 onwards

Strategic Priority: Community Health & Well-being (Choosing Health & Every Child Matters)				
Project Idea	Envisaged Outcomes	Potential Partners	Anticipated Budget	Timescale
<p>In 2006:</p> <ul style="list-style-type: none"> <li>Sponsor the expansion of the Pyramid Club programmes in targeted primary schools in South Kesteven</li> </ul>	<ul style="list-style-type: none"> <li>Contribution Economic Well-being</li> </ul>	<ul style="list-style-type: none"> <li>Schools</li> <li>SureStart</li> <li>Lincs. Police</li> </ul>	<p>SKLSP 2006:</p> <p>Up to £4,000 to expand upon 3 more Pyramid clubs in primary schools in Grantham (The scheme currently works with 5 schools in the Grantham/Bourne area and 4 in Stamford)</p>	
<p>7. To develop opportunities for children and young people to inform the LSP process</p>	<ul style="list-style-type: none"> <li>Contribution to the community engagement objectives of a number of agencies</li> <li>The LSP incorporates young people's views into its strategic directions</li> </ul>	<p>Local activity to be contracted with a provider that complies with the Children &amp; Young People participation approach in Lincolnshire (ACTS Group)</p>	<p>To be determined (initial estimates £3-5,000)</p>	<p>September 2006 – March 2007</p>

## REPORT TO CABINET

REPORT OF: Corporate Head of Finance and Resources

REPORT NO. CHFR12

DATE: 10<sup>th</sup> July 2006

<b>TITLE:</b>	Medium Term Financial Strategy and Budget Preparation 2006/7 to 2010/11
<b>FORWARD PLAN ITEM:</b>	Yes
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	14 <sup>th</sup> April 2006
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Budgetary Framework Proposal
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Resources Cllr T Bryant
<b>CORPORATE PRIORITY:</b>	Effective Use of Resources - Priority A
<b>CRIME AND DISORDER IMPLICATIONS:</b>	None
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	This report is available via the Local Democracy link on the Council's website <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>
<b>BACKGROUND PAPERS:</b>	FIN 236 – Update on Financial Issues 2005/6 FIN 239 – Medium Term Financial Strategy and Budget Preparation 2006/7

### 1. INTRODUCTION

The purpose of this report is to consider the key issues that will impact on the Council's Medium Term Financial Strategy (MTFS) and on the budget preparation for 2007/8. The existing MTFS covers the period 2006/7 to 2010/11 an updated Strategy covering the period 2006/7 to 2010/11 will be submitted to members in August.

### 2. RECOMMENDATIONS

It is recommended that the Cabinet:

- a. approve the development of a more strategic forward looking approach to budgeting with a more robust three year planning process, demonstrating the direction of resources towards priority services
- b. approve an indicative budget requirement for general fund together with an indicative tax increase 2007/8 and acknowledge implications for the following three years of the strategy
- c. approve the development of a Fees and Charges Strategy to address both discretionary and mandatory fees over a rolling three year period.
- d. request a review of the current position relating to Performance Grants, Challenge Funding and Partnership contributions to be undertaken.
- e. request a review of the assumptions used to assess the Tax Base and Collection Fund as follows:-
  - o The estimated number of properties (in Band D terms) expected to be added for the period of the budget.
  - o The collection rate assumptions.
  - o The balance on the Collection Fund.
- f. request Resources DSP to undertake scrutiny of the indicative budget, allocation and tax increase together with the headline issues prior to Cabinet's formal recommendation to Council on the MTFS as part of the Budget Framework

### **3. KEY FINANCIAL ISSUES**

#### **Background**

The MTFS report submitted to Cabinet by the former Director of Finance and Strategic Resources in August 2005 identified the following key local issues facing the Council:

- Housing Stock Options
- Leisure Trust
- Travel Concessions
- Grounds Maintenance Contract renewal
- Senior Management Restructure

These are addressed in more detail in appendix A.

### **4. ISSUES AFFECTING MEDIUM TERM FINANCIAL STRATEGY (MTFS)**

The MTFS is affected by two key issues the demands for spending and the available funding to meet these demands and the financial budget is mechanism to address these. Both of these are dynamic in that demands for spending change to reflect priorities and cost of provision of the service, whilst the funding available to finance these demands relates to the level of Government Grant, Council Tax Base and ability to raise local income through fees and charges.

The issues which will be reviewed and which affect the Council's MTFS may be broken down as follows:

- Local Issues
  - o Review of strategic financial issues facing the Council
  - o Review of base budget based on 2005/6 outturn, the Annual Efficiency Statement backward looking statement and a review of 2006/7 financial performance year to date
  - o Review of Priorities
  - o Expanding population and tax base
  - o Level of reserves and balances
  - o Corporate Demands
- National Issues

- Revenue Support Grant settlement
- Comprehensive Spending Review 2007
- Implementation of Local Area Agreements
- National Priorities

## **Local issues affecting the MTFS**

### **Review of strategic financial issues facing the Council**

Following my appointment as section 151 officer I commissioned a desk top review of the strategic financial issues facing the Council. This has been undertaken by an external consultancy Bob Whetton Ltd. The following recommendations have been identified in relation to the Council's budget and MTFS processes:

- a) A more strategic forward looking approach to budgeting is developed with a more robust three year planning process, demonstrating the direction of resources towards priority services.
- b) The budget process should be more challenging, including income assumptions, and bids for resources should demonstrate the proposed impact on service delivery.
- c) A more robust business planning process is developed, linking service plans to financial plans, both annually and in the medium term.
- d) A Fees and Charges Strategy is developed to address both discretionary and mandatory fees over a rolling three year period.
- e) A review of the current position relating to Performance Grants, Challenge Funding and Partnership contributions is undertaken.
- f) The Council is recommended to review the assumptions used to assess the Tax Base and Collection Fund as follows:-
  - The estimated number of properties (in Band D terms) expected to be added for the period of the budget
  - The collection rate assumptions.
  - The balance on the Collection Fund.

Although the financial benefit from the above actions may not be major, it will enable the resource base to be increased in a sustainable way.

These recommendations together with a number of other recommendations contained in the report on strategic financial issues have been developed into an action plan which will be incorporated within the overall "Use of Resources" action plan to be finalised shortly.

### **Review of base budget**

Based on the 2005/6 outturn overall the Development and Scrutiny Panels have shown a minor overspend of £79,000 compared with original estimates or an underspend of £227,000 compared to projected outturn. However, the significant variations identified at a DSP level in report CHFR10 were as identified below:

DSP	Service	Detail	£'000	Impact on base budget
Resources	Council Tax and Benefits Administration	Additional prior year and transitional benefit subsidy	147	None
Resources	Council Tax and Benefits Administration	Overpaid benefits recovered greater than budget	110	Need to review base estimates
Resources	Council Tax and Benefits Administration	Redistribution of Support Services	80	None
Resources	Pensions	Costs for backfunding and additional years accounted	122	None



		for at service level		
Community	Housing Solutions	Supplementary budget	60	Inc. in 2006/7 base
Community	Housing Solutions	Redistribution of costs following Housing restructure		None
Community	LSVT	Pre-ballot costs financed from LSVT reserve	198	Impact at service level but no impact on tax level

The Annual Efficiency Statement backward looking statement is being finalised at the time of writing the report and an update on this position together with a review of the financial position for the year to the end of the first quarter for 2006/7 will be included in the subsequent report to Cabinet in August.

### **Review of Priorities**

The Council reviewed local priorities at its extraordinary meeting on 22nd June, 2006 and the Category A priorities for stepped change have been identified as follows:

- Access
- Affordable Housing
- Anti-social behaviour
- Communications
- Effective use of resources
- Recycling
- Town Centre Development and development of Grantham as a Sub-Regional Centre

### **Expanding tax base and population**

The district has one of the fastest growing populations in the country, which should be reflected in the Tax Base (although this will partly be reflected in relatively lower Formula Grant). It is recommended that an interim review of the tax base to date and the population will need to be undertaken as there is evidence of growth which places additional demands on local services.

### **Level of balances and reserves**

A review of level of balances and reserves was undertaken as part of the closure of accounts and preparation of the Statement of Accounts, details of the level of reserves and current estimated movements on reserves for 2006/7 are contained in appendix B.

### **Corporate demands**

The level of pay and price inflation is 2.4% based on RPI. In particular, there is pressure on utility costs with a current rate of inflation of around 25%. Also the pay inflation for 2007/8 has not yet been determined therefore, any increase above RPI will have a further impact on the Council. The Pension Actuary is due to provide a report on the performance of the pension sub funds in July, any update will be included within the subsequent report on MTFS to members.

### **National issues affecting MTFS**

**Revenue Support Grant (RSG)**– Members will recall that the RSG Settlement for 2006/7 introduced a two year settlement with effect from 2006/7 and it is anticipated that this will move to a three year settlement from 2008/9.

### **Comprehensive Spending Review 2007 (CSR07)**

Early indications are that the CSR07 will be a zero based review across the whole of government. Whilst there have been a number of spending reviews this is the first comprehensive review in ten years. At this stage it is likely that Local Government will maintain a real terms neutral position. However, in terms of district councils it is likely that this will result in decrease in real terms as districts do not deliver the highest government priorities such as Education and Adult Social Services. Themes being considered as part of CSR07 include review of level of balances and reserves; asset management and surplus assets; and efficiency and shared services.

### **Specific grants**

Local Authority Business Growth Initiative (LABGI) this grant relates to promoting economic growth of the area by allowing Councils to retain a proportion of any increase in business rate revenue, above a certain level. LABGI can be used to support any Authority expenditure, in 2005/6 it was reflected in the projected outturn for the summary of General Fund, the final amount of grant payable to the Council for the year was £297,000 and was received in the last quarter of the financial year. In future years, there will be a single payment in the final quarter of the financial year based on the actual changes to rateable values in the previous calendar year, therefore when the budget was prepared for 2006/7 no announcement of LABGI had been made and as a result no allowance was made for its receipt. The Minister in his statement last year announced that there would be a review of the outcomes at the end of year one and also to take account of any issues arriving out of the Lyons Review. Approaches have been made by the Federation of Small Businesses and some of the local business clubs to request that this funding is ring fenced for business support / development within South Kesteven, therefore cabinet's views are requested on this matter.

National performance grants, such as Planning Delivery Grant and Defra grant for recycling, are likely to be reviewed as part of the CSR07.

### **Travel Concessions**

The RSG settlement for 2006/7 incorporated funding for the introduction of free local bus travel during off peak times within district for the over 60s and the qualifying disabled, this figure can not be quantified due to the complex formula used for grant calculations. However, following the budget announcement of the introduction of free national bus travel during off peak times for this group with effect from April 2008, it is unclear at this stage how this scheme will be administered and whether this will impact on the level of RSG settlement.

### **Local Area Agreements**

The implementation of Local Area Agreements is in progress nationally and agreements for Lincolnshire will be progressed in due course.

### **Lyons Review**

The Sir Michael Lyons is undertaking a review of the function and funding of Local Government. The final report is due in December 2006, this is likely to affect the Council's MTFS in the future, particularly in relation to the ability to raise local income.

## **5. INDICATIVE BUDGET**

The outcome of the budget process is the approved level of Council Tax, and historically the Council has a very low level of Tax compared to most District Councils. The government policy to keep tax increases from year to year at a modest level (5% for 2006/07) means that the Council is working from a relatively low resource base, therefore all potential income streams need to be considered. In keeping with recent years, it is likely that the level of

Council Tax increase acceptable to Government will need to be limited to an increase of less than 5% taking account of the current capping regime, therefore set out below is an indicative budget requirement based on a increase at the ceiling of 5% and an assumed 1% growth in tax base in line with assumptions in previous years.

	2006/7	2007/8	2008/9
	£'m	£'m	£'m
Formula grant indicative allocation	9.272	9.626	9.626
Council Tax Collection Fund surplus	0.039	0.000	0.000
SKDC & Special Expenses Budget	5.144	5.466	5.795
requirement funded from Council Tax	<u>14.455</u>	<u>15.092</u>	<u>15.421</u>

## **6. COMMENTS OF CORPORATE HEAD OF FINANCE AND RESOURCES**

My comments are contained within the body of the report.

## **7. COMMENTS OF THE MONITORING OFFICER**

I am satisfied that the recommendations are in accordance with the budget and policy framework.

## **8. CONCLUSIONS**

This report has identified a number of issues facing the Council in the preparation of its Medium Term Financial Strategy. A review of the MTFs is due to be presented to Cabinet members in August for their subsequent recommendation to Council for approval in September. In the meantime, the Cabinet, Strategic Management Team and Resources DSP will need to consider the issues raised and in particular, take account of the need to balance the likely spending demands with the potential availability of funding when developing medium term plans for the Council.

## **CONTACT OFFICER**

Sally Marshall Corporate Head of Finance and Resources  
[s.marshall@southkesteven.gov.uk](mailto:s.marshall@southkesteven.gov.uk)  
 01476 406511

## **Update on issues identified in 2005/6 as affecting the Council's MTFS**

### **Housing Stock Options**

The Options Appraisal identified Large Scale Voluntary Transfer as the preferred option for the future ownership and management of the Council's housing stock and a ballot is planned to take place in Autumn 2006. A reserve of £1m has been set up to cover the one-off costs of the LSVT ballot. The Statement of Accounts for 2005/6 show that pre-ballot expenditure of £198,000 has been financed from this reserve leaving a remaining balance on the reserve of £802,000.

### **Leisure Trust**

A report to Cabinet in June resolved to proceed with the creation of a Leisure Trust to deliver leisure centres and sport facilities only (excluding arts centres). The introduction of such a Trust would be effective from April 2008 upon the expiry of the current leisure contract. It was also decided to continue a concurrent procurement process for delivery of leisure service in the event that the creation of a robust Trust business plan is not satisfactory to the Council. There are several financial implications for the Authority if the Trust option is realized which will to be considered as part of the business plan and the budget setting process for 2008/09.

### **Travel Concessions**

With effect from 1<sup>st</sup> April, 2006 the Council has fulfilled the requirements of the national scheme to provide free bus travel within the district for the over 60's and qualifying disabled. A review of the budgetary position is currently being undertaken to determine the overall financial position of this service.

### **Grounds Maintenance Contract renewal**

The Grounds Maintenance Contract has now been renewed and the revised contract sum of £835,000 has been awarded. This represents a 8% increase on the previously budgeted figures but 67% of the increase falls within the HRA. The remaining general fund element can be contained within existing budget provision.

### **Senior Management Restructure**

The first phase of the senior management restructure has been undertaken to recruit Strategic Directors, the second phase of the review is currently underway and indicative savings of up to £150,000 have been identified for re-investment in front line service delivery. In May the Council approved a supplementary estimate of up to £700,000 to be financed from the Priorities and Capacity Building reserve for one off costs associated with implementing the senior management restructure.

## Appendix B

### Schedule of Anticipated Movement in Reserves

	Balance as at 1 April 2005 £'000	Movement in year 2005/2006 £'000	Balance as at 31 March 2006 £'000	Movement in year 2006/2007 £'000	Balance as at 31 March 2007 £'000
<b>Capital Reserves</b>					
Major Repairs Reserve	9,026	98	9,124	(1,017)	8,107
General Fund	4,657	400	5,057	(3,373)	1,684
	13,683	498	14,181	(4,390)	9,791
<b>Revenue Reserves</b>					
Insurance Reserve	935	(435)	500	0	500
Pensions Reserve - Former Employees	372	(65)	307	(65)	242
- Current Employees	1,616	500	2,116	0	2,116
Building Control	319	93	412	0	412
Stock Option Ballot Reserve	1,000	(198)	802	0	802
Capacity Building, Priority Setting and Service Improvements	1,300	510	1,810	(500)	1,310
	5,542	405	5,947	(565)	5,382
<b>Revenue Balances</b>					
Housing Revenue Account	4,478	1,567	6,045	694	6,739
General Fund	3,099	(1,099)	2,000	(248)	1,752
	7,577	468	8,045	446	8,491
<b>Total Reserves</b>	<b>26,802</b>	<b>1,371</b>	<b>28,173</b>	<b>(4,509)</b>	<b>23,664</b>

## REPORT TO CABINET

**REPORT OF:** Chief Executive

**REPORT NO.** CEX344

**DATE:** 10 July 2006

<b>TITLE:</b>	Proposed Merger of Police Authorities
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	No
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Cllr Linda Neal
<b>CORPORATE PRIORITY:</b>	N/a
<b>CRIME AND DISORDER IMPLICATIONS:</b>	Detailed in Report
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	N/a

### Background

1. I enclose information provided by Lincolnshire Police Authority concerning the consultation process on the proposed merger of East Midlands police forces.

As part of this consultation process, a public meeting is being held in the Guildhall Arts Centre on Tuesday 11th July and all members have been made aware of this through my weekly e-mail.

### Timetable

2. Police Authorities have until 11th August 2006 to submit any objections to the proposed merger and they have asked for their consultation form to be submitted and returned to them by 7th July. As this date is before the public meeting in Grantham and as I imagine that the Cabinet will want to take cognisance of the outcome from this meeting before responding, I have informed the Police Authority that feedback from South Kesteven will not be available until after the 11th July.

### Recommendation

3. In view of this restricted timetable, I would recommend that the Cabinet delegate to Councillor Linda Neal as portfolio holder authority to submit a representation from the Council to the Police authority after the public meeting on the 11th July.

Duncan Kerr  
Chief Executive