Housing Option Appraisal
The ‘Sustainable Communities; building for the future’ plan reaffirms the commitment to provide all social housing tenants with decent homes by 2010. It explained that reforms would be put in place to improve the way the decent homes target was delivered and that these reforms were based on the recommendations of the PSA plus review (www.housing.odpm.gov.uk/information/dhg/psaplus/review/index.htm).

One of the key messages contained within the review is that option appraisals have not always been carried out well in the past. They have sometimes been characterised by a lack of depth of information and analysis, excluded tenants, not been corporately owned and taken a narrow view of costs and benefits. They have also suffered from a lack of clear information and messages from government.

Option Appraisal sign off
Option appraisals will be signed off by government offices in future. They will need to cover the following things:

- Tenant involvement from the outset and consultation with all tenants throughout.
- A financial appraisal giving clear information about the impact of each option. Where this is outsourced to consultants, tenants, staff and councillors should be aware of the implications and assumptions used. The ITA will have a role in helping tenants understand and contribute to this process.
- Mixed model solutions but only as part of an overarching strategy for the whole stock.
- Robust, accurate and up to date stock condition and needs data. All stakeholders must be aware of this information and it should be externally verified. The level of backlog of repairs, major repairs and improvements to meet decent homes must be clear. The investment gap should be identified.
- Clear links to initiatives such as low demand pathfinders, Local Strategic Pathfinders and New Deal for Communities.
- Objective, robust evaluation of options looking at value for money, sustainable decent homes, improving services, tenants priorities, deliverability, local, regional and national priorities.

Option Appraisal Guidance
Guidance will be issued shortly for local authorities and tenants involved in housing option appraisals. However many authorities, as shown by the examples below, are already embarked on this process. Therefore, until the guidance is available, advice and assistance will be provided by the Community Housing Task Force working with the Government Offices.

Authorities applying to the ALMO, transfer of PFI 2004 programmes will need to have their option appraisals signed off in order for their applications to be considered.

Contact us!
Authorities embarking on or planning to begin the option appraisal process should make early contact with their Government Office for the Region and Community Housing Task Force adviser (contact details on the back cover).
Examples of Option Appraisal approaches

We have included a few examples of the approaches local authorities are taking to option appraisal.

Lincoln Commission
City of Lincoln Council have established an independent commission to examine strategic options for the HRA and recommend an option (or mix) which best allows the Council to meet the Decent Homes target. The Commission comprises of an independent chair, 3 tenants and 1 leaseholder, 4 elected members and 1 independent stakeholder. The Commission will sit from June to September 2003 and report to the Housing Overview and Scrutiny Committee by December 2003. There is cross party support for the Commission.

For more information contact Linda Thompson, Project Officer, Lincoln Commission 01522 873200 linda.thompson@lincoln.gov.uk

Sheffield Neighbourhood Commission
Sheffield is establishing 10 Neighbourhood Commissions to determine the level of investment need and a strategy to achieve decent homes and ‘sustainability standards’ in both public and private sector housing.

The establishment of the Commissions will be phased over a two year period and each one will take around 6 months to report on their findings. The process for Council housing will span four distinct phases; receiving information and data, receiving further relevant evidence from experts and investigating the options, consulting with the wider community, and recommending a favoured course of action to the Council.

Each Commission will move on to the private sector housing and will ultimately develop an Area Plan linked to Area Renewal as a whole.

The Commission will be headed by the Cabinet member for Housing and Direct Services or one of the 2 special assistants. The membership will comprise the Area Meeting representatives plus any Shadow Board members (dating back to the stock transfer proposal) who are resident in the area. Other groups and interested individuals will be invited to participate.

For more information contact Joanna McKendrick 07789 745316 j.mckendrick@harborough.gov.uk

Community Gateway Model
The Chartered Institute of Housing will be holding a seminar on the Community Gateway model at the Novotel Hotel, Worsley, Manchester, on 6 June 2003. The seminar will be based on a major new research project carried out by CIH, the Confederation of Co-operative Housing and the Co-op Union. The report, published in January, looks at how local authorities and Housing Association’s can and should involve tenants to a far greater extent in decisions on the future of their housing stock.

This event will be of interest to all staff with a strategic role to play in housing organisations, particularly those facing the possibility of stock transfer, ALMOs or other major changes. Staff with responsibility for tenant participation will be able to learn a great deal about the model and how they can benefit from it, as will tenant board members. Speakers on the day will include Sarah Rowe (MACAS Chapman Hendry), Ian Doolittle (Trowers and Hamlin’s) and Charlie Baker (Confederation of Co-operative Housing UK).

For more details on the conference, contact the CIH on: 024 7685 1772 or e-mail training.conferences@cih.org.

Innovation Into Action Grant Programme
The Chartered Institute of Housing has been appointed by the ODM to manage the Innovation into Action grant programme which is available through the Tenant Empowerment Grant Programme. Innovation into Action aims to develop radical or new ways of involving council tenants in managing their homes. It does this by providing funding to encourage, develop and promote the widest possible range of effective tenant participation options. The grant programme is open to tenant groups, councils and other interested organisations who have proposals for innovative approaches to tenant involvement in council homes across England.

Examples of innovative schemes may include:
- using existing tenant participation techniques and adapting them for use in different settings
- the use of new technology by tenant groups and local authorities to provide support for tenant participation
- new approaches to developing and providing information to tenants to promote involvement
- new ways of enabling tenants to have influence or control over decisions involving housing services, redevelopment or regeneration issues.

For more information contact: The Tenant Participation Team, Chartered Institute of Housing, Octavia House, Westwood Way, Coventry. CV4 8J P Tel: 024 7685 1734 e-mail: innovation@cih.org.

Transfer update
Three ballots took place in March with the following outcomes:
- Maidstone
- 63% in favour - 70% turnout
- Stockport
- 55% against - 65% turnout
- Trowbridge
- 64.5% in favour - 81% turnout

The total number of completed transfers currently stands at 178. These have seen 787,182 homes transferred.

Copies of Sustainable Communities- building for the future & Review of the Delivery of the Decent Homes Target for Social Housing (PSA Plus Review) are available gratis from the ODPM Publications Centre, Tel: 0870 1226 236, email: odpm@twoten.press.net

National Federation of ALMOs
More than 100 delegates attended the formal launch conference of the National Federation of ALMOs (NFA) in central London on 27 March. Membership is open to ALMOs and local authorities that want to know more about the option. So far the work of the NFA has included:
- making a detailed submission to the PSA Plus Review of Decent Homes that helped to secure £700m for Round 3 and 4 ALMOs
- producing guidance for ALMOs that wish to bid for Round 3 and 4 funding – positive comments have been received from a number of bidders
- responding to the Audit Commission’s proposals for inspecting ALMOs – the NFA will be consulted on the Audit Commission’s review of housing inspection
- setting up a meeting with Ministers in April to discuss the future of the ALMO sector.

A steering group of officers from the ALMOs at Ashfield, Brent, Leeds, Hounslow, Wigan and Leigh, Carrick, and Kensington and Chelsea is in place to mobilise the NFA with Gordon Perry from Kensington and Chelsea as the Chair. In future there will be an AGM and opportunities for board members to play a full part in the running of the organisation.

The future work programme will feature briefings, workshops and conferences on policy and operational matters for ALMOs. An annual subscription to the NFA costs £1,450. This is reduced to £950 for organisations that are members of the Housing Quality Network (HQN) – the body that administers the NFA.

For more information about the NFA contact HQN on 01723 350022 or e-mail us at hqn@hfta.co.uk.
Introducing Hilary Bartle

As announced in the March edition of transform, Sarah Webb left her post as Head of the Task Force for pastures new in the form of the Chartered Institute of Housing. Sarah’s shoes have been filled by Hilary Bartle, who joins from the Supporting People division of the ODPM. transform caught up with Hilary during her first few days in the job...

What attracted you to the role of Head of CHTF?

The main reason was the diversity of the work. Having run an implementation programme for Supporting People over the last two years, I enjoyed the direct working with local authorities, and I believe the ODPM has now put in place a system whereby policy can be put into practice. I believe strongly that housing plays the key role in the sustainable communities agenda, and this starts with tenants having decent homes where they can receive the other services which enable them to remain independent and stable.

“I believe strongly that housing plays the key role in the sustainable communities agenda... this starts with tenants having decent homes where they can receive the other services which enable them to remain independent and stable.”

I feel strongly that the Option Appraisal process gives housing authorities and their partners an opportunity to coherently look at the corporate role of housing contributing to a whole systems approach to community cohesion and regeneration.

How would you describe your leadership style?

My approach is very much a consultative one. I like to adopt a structured approach which focuses on the tasks at hand, with an emphasis on shared learning. I would like to think that in the past I have built diverse teams with mixed skills and disciplines. Overall, my priority is getting on with the job!

What do you see as the key issues for the Task Force over the coming months?

Our role in the Option Appraisal process is pivotal to the whole Decent Homes agenda. We need to give authorities effective and positive advice so that they make informed decisions regarding their stock. Also, there needs to be a focus on disseminating and delivering briefings and training in areas of transfer, PFI, ALMOs and Option Appraisal in order to build local understanding. We will continue to build the skills of the team so that we can act as a key delivery tool for attaining the Decent Homes target. There is a lot to do in ensuring that the advisers and the support unit are enabled and effective in the delivery process. This is of primary importance to me.

Our promise to make a difference for our tenants and their communities was fundamental to the transfer of St. Edmundsbury’s housing to Havebury Housing Partnership. Almost a year on, we are asking our tenants and ourselves whether we have made that difference. The answer is “yes”, and one of the biggest successes has been the empowerment of our tenants and the development of the Stronger Communities Initiative.

The empowerment has not just been through our five tenant board directors, but through two Area Panels which focus on performance, review, and service delivery. With the tenants in the majority on the Panels, they are challenging us and helping to drive the improvements to services and homes. Alongside the Panels, another tenant-led group, the Community Investment Focus Group, holds responsibility for assessing funding bids for community projects. Such schemes will strengthen and enrich communities using the £50,000 per year community investment pot created as part of the stock transfer agreement with the Council. The pot, the first to be built into a Shire District Transfer and built into the business plan, will deliver an investment of £1.5 million over the thirty year plan, plus any matched funding. The Group, which was set up in late 2002, has agreed the criteria for considering funding bids, publicised the availability of funding support, and approved four schemes so far, all of which are jointly funded with other community organisations. The schemes have been focussed on people and growing stronger communities. It’s about hearts and minds, not bricks and mortar.

To say it has been easy getting to where we are now would be wrong – it has been hard work, and we have learnt something new every day. The support we have received from our colleagues elsewhere in the social housing movement has been invaluable in getting everybody at Havebury focussed. Other stakeholders have played a key role in our development, primarily at this stage the local council, St Edmundsbury, with whom we have maintained good relations during the transfer process and since transfer day. We agreed before transfer that problems would arise. Both ourselves and the Council were determined not to let these get in the way of our relationship and, when problems crop up, we talk, we explore, and we sort things out.

So has the transfer been successful? So far, the answer is “yes” – it is both successful and different. The challenge for us now is to work even harder with our tenants to make a long-term and lasting difference for them and help them build their stronger communities.

Empowering tenants

Havebury’s Stronger Communities Initiative

The Task Force has consistently supported increased tenant involvement in making decisions about the future of local authorities’ council housing stock, and their continued involvement when such decisions have been reached. St Edmundsbury Borough Council took this message on board in deciding on and going through the stock transfer process. Chief Executive of the Havebury Housing Partnership, Steve Cook, here outlines some of the initiatives implemented by his organisation.

The schemes have been focussed on people and on growing stronger communities. It’s about hearts and minds, not bricks and mortar.

Planning for the Future

PEP will be running a series of seminars entitled Planning the Future over the coming months – the conferences will be aimed at local authority tenants, staff and policy makers who are looking at the future of their housing. They will give participants information about the different stock options available and enable them to develop a vision for the future.

Confereces will be held in:

Durham – June 2003
London – July 2003
Exeter – September 2003
Stoke – February 2004

For more information contact
Stephen Rigg (PEP conference organiser) tel. 0207 561 1057 or email admin@peph.demon.uk
As the ODPM’s ‘Sustainable Communities’ has outlined, communities are more than just housing. Increasingly, there is a focus on the wider issues of environment, services and security. Quite rightly, tenants are expecting more than just a decent home. The Task Force is committed to playing their part in the government’s drive to deliver decent homes in neighbourhoods where people want to live. But some housing groups are already driving such an agenda forward. Transformed spoke to Steve Jennings, Harvest Housing Group’s Director for Neighbourhood Management.

Working in Liverpool several years ago I got the message about community regeneration very clearly. My former employer completed a major improvement programme and at the end tenants were happy with the homes, but unhappy about the environment, crime and lack of youth facilities. One of them said “A decent home is as much about where you live as what you live in”. That simple statement tells us everything about sustainability and demand.

“A decent home is as much about where you live as what you live in”.

Early housing association responses to low demand went typically to tactical solutions aimed at symptoms, not causes. Studies leading to the Housing Market Renewal Fund have taught us to look at the underlying supply and demand issues. It is important that we continue an evidence-based approach as the basis of all our work in neighbourhoods. Typically, one big gap in both council and housing association landscapes is a knowledge of who is actually living in the homes they own and manage. We know about the “ Mir, ” or theoretical population, but nothing about the actual customers. Not surprisingly, we also know very little about potential customers for our housing “products”.

Harvest’s approach begins with information. We prepare neighbourhood sustainability reports containing housing management, socio-economic and community feedback data. This gives us a picture of the area’s overall health and the extent and type of intervention needed. We have also assembled a neighbourhood toolkit of interventions geared at making an estate or neighbourhood more sustainable. These are clustered into five categories of action:

- Neighbourhood security (crime, policing, etc)
- Neighbourhood infrastructure (bus services, community buildings, shops, etc)
- Neighbourhood services (health, housing, schools, social services, environment, etc)
- Neighbourhood economy (jobs, adult education, child care, etc)
- Neighbourhood upkeep (litter, graffiti, landscape, etc)

Harvest is adopting a new operating model to deliver this neighbourhood focus. Neighbourhood regeneration staff will work locally with back up from a shared service centre which will provide the bulk of back office housing management services. The objective is to give us the capacity to make a difference to the things that matter in communities while delivering core occupancies and property management services as efficiently as possible.

At the local level our role will vary. In some places we may deliver services ourselves which elsewhere are delivered by others. In some places we may take the lead in neighbourhood management, while in others we will play a supporting role. Everywhere, we will be working in partnerships – especially with local authorities and Local Strategic Partnerships. Building these partnerships and working with the local community will be a major task and challenge for all neighbourhood staff. Fundamentally, we believe that making a difference to neighbourhoods is essential to the success of the communities we serve and to our survival as a landlord. This is enlightened self-interest but it is also in the interests of our tenants. At that tenant in Liverpool told me: “A decent home is as much about where you live as what you live in.”

The objective is to give us the capacity to make a difference to the things that matter in communities while delivering core occupancies and property management services as efficiently as possible.

Local authorities that transfer their stock still have a vital role to play in the future of social housing in their locality. The Task Force advises continue to provide advice and support to authorities for as long as it is required in the post-transfer period. In this article, Helen Scullard, South Oxfordshire’s Head of Housing, outlines how her authority has coped with their responsibilities since transferring...

South Oxfordshire is a predominantly rural District Council, covering some 253 square miles between Reading and Oxford. We have 4 market towns and 81 villages, with approximately 60% of the District’s residents living in the villages. At the 2001 census, the population was 128,177.

South Oxfordshire transferred its housing stock in 1997. The Council retained homelessness, housing advice, Housing Register, strategy and enabling and private sector housing. At the time of transfer, these services were in three different teams in different locations. While homelessness had a high profile, mostly because of the escalating costs of bed and breakfast placements, the other services were the housing, planning, and enquiries of the Council or with our customers. Nevertheless, housing has been given a very high priority in our District. This is a mixed blessing; while £ is wonderful to have a high level of political interest in and commitment to housing, there is no chance of problems or mistakes going unnoticed!

A difficult period followed transfer, with inadequate staffing levels, low morale and very high staff turnover, coupled with major organisational change. There was little opportunity to do anything except reactive firefighting work, and backlogs built up. Initially, relationships with Soha Housing, the transfer association, were strained. Changes and vacancies at both senior and corporate management level resulted in a lack of consistency and vision for the section.

However more recently, the picture has greatly improved. A corporate job evaluation exercise has improved pay for many front line staff, and the section has been restructured to provide an integrated service for customers, with career development opportunities for staff.

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be tackled, such as empty homes, are now showing good progress. One of the promises made at the time of transfer was to provide 500 additional affordable homes in 5 years. In fact, 613 were achieved in this period, outstripping losses from the preserved Right to Buy and Right to Acquire. We had hoped to set an ambitious target for another 500 homes in the next 3 years for our new Housing Strategy covering 2003-2006, but the new housing capital finance proposals mean that no targets, or affordable housing development, can be agreed until there is much greater clarity on the new regime for funding affordable housing.

A simple example of improved co-ordination is that private sector housing now check with housing needs if a Disabled Facilities Grant applicant is also on the transfer list.

The Section has just completed a major review of the Housing Allocations Policy (HAP). At the outset of the Review, we asked all Housing Register applicants to comment on the proposed eligibility criteria, and to prioritise the categories under which points might be awarded. The format of this consultation exercise was very successful, and is being used in subsequent consultation for our new Housing Strategy. The new HAP includes a home visit for all applicants, which will provide a more sensitive and thorough evaluation of applicants’ needs and preferences. A great deal of work has been done to improve our performance management and monitoring. South Oxfordshire belongs to the South East LSVT group, which carries out annual benchmarking across a wide range of performance indicators. Collecting and analysing statistical information seems to take an ever-increasing percentage of local authorities’ time. Finding the balance between counting and doing is a challenge I know many local authorities struggle with, and this seems particularly true in housing.

The real difference in Housing Services since transfer is the improved integration of the different aspects of the service. The section has been restructured, and significant progress is being made to provide a seamless service to customers. Some roles (for example in housing needs and in administrative support) have become more generic, as experience has shown that over-specialisation has not been sustainable in such a small team. A simple example of improved co-ordination is that private sector housing now check with housing needs if a Disabled Facilities Grant applicant is also on the transfer list. We are reviewing our information systems, and trying to integrate record systems rather than having numerous separate databases. Probably the greatest strength of Housing Services in South Oxfordshire is its staff. The team are committed, enthusiastic and customer focussed. We know that there are many things we could do better, and the team is full of ideas about how to achieve continuous improvement. Our main constraint is finding enough hours in the day to meet the most urgent and immediate priorities.

Informal methods can play an important role in overcoming the mistrust sometimes perceived as apathy which plagues attempts by housing professionals to engage BME communities and other residents in plans to improve homes and communities. But they will only work if authorities employ staff who reflect the communities they serve and if they are backed by a clear commitment to listen and to take on board what is said. We asked authorities that had been through the process what they had found to be most effective in securing BME involvement in consultation on stock transfer. Responses could be summed up as ‘having the right people’ and ‘knowing your patch’. Good relationships and local knowledge were found to be best established in smaller community based organisations. But even large landlords can get results by delegating authority to consult to staff on the ground and by engaging with communities on their own turf. Whitefriars Homes in Coventry, for example, have developed a “Residents in Action” scheme where tenants are encouraged to comment on any ‘hot topics’.

The research on Involving BME Communities in Stock Investment Decisions is being undertaken by a team based at the Centre for Urban and Regional Studies, University of Birmingham. The team comprises Harris Beider, Kusminder Chahal, Steve Gayle, David Mullins, Pat Ninis, Rob Rowlands and Sue Simmons.

A good practice guide will be published in early 2004. So far this project has contributed to the ODPM Transfer Manual 2003, Annex E “Meeting the needs of BME communities - good practice guidance”. Available at http://www.housing.odpm.gov.uk/transfers/index.htm

Working Papers reporting of:
- Report of Key Intermediaries
- Report of Two Postal Surveys (of past transfer authorities and prospective PFI ALMO and transfer authorities)
- Summary of Findings of four regional seminars will be posted at http://www.crs.bham.ac.uk/whatsnew/publications.htm on April 1st 2003.

Meeting BME needs:

Involving BME tenants in stock investment

Get your hair cut! Not a comment on the style sense of housing officers and tenant advisers, but a practical tip on engaging with Black and Minority Ethnic (BME) tenants! Where better to sound out tenants’ views on your plans than at the barbers shop? In some BME communities these are apparently hotspots for gossip and debate. Or why not set out your stall at a draughty hall on a Wednesday night during Coronation Street waiting for someone to turn up.

Research commissioned by ODPM has been examining the barriers to involvement and looking for new ideas. One clear message is that consultation strategies must harness informal networks as well as using the tried and tested methods such as meetings with tenants’ groups, newsletters, open days and focus groups. After all, many of the ideas that end up getting implemented are the result of informal chats between the powerful (councillors, senior managers and consultants). So why not open up your decisions to informal influence by residents?

Informal methods can play an important role in overcoming the mistrust sometimes perceived as apathy which plagues attempts by housing professionals to engage BME communities and other residents in plans to improve homes and communities. But they will only work if authorities employ staff who reflect the communities they serve and if they are backed by a clear commitment to listen and to take on board what is said. We asked authorities that had been through the process what they had found to be most effective in securing BME involvement in consultation on stock transfer. Responses could be summed up as ‘having the right people’ and ‘knowing your patch’. Good relationships and local knowledge were found to be best established in smaller community based organisations. But even large landlords can get results by delegating authority to consult to staff on the ground and by engaging with communities on their own turf. Whitefriars Homes in Coventry, for example, have developed a “Residents in Action” scheme where tenants are encouraged to comment on any ‘hot topics’.

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An essential step is to recognise the fundamental differences in timescale of the stock transfer process and the time that is required for genuine community involvement.

Overcoming barriers to involvement requires a change in mindset. This can be particularly difficult to pull off in a process that has a prodigious professional jargon, a timescale that militates against real discussion and a decision process that is too often centred on the top of the hierarchy and lead consultants. It relies rather than on local communities and their independent advisers. These constraints were well summarised by Bolton ALMO: “The existing methods haven’t really worked. What is needed is to fit the consultation process and timescales around BME communities’ pre-occupations and be much more individually tailored”.

An essential step is to recognise the fundamental differences in timescale of the stock transfer process and the time that is required for genuine community involvement.
The main aim of Arms Length Management Organisations is to bring social housing up to a decent standard. But as ODPM’s ‘Sustainable Communities’ and the PSA Plus Review have outlined, physical regeneration should be accompanied by other measures to ensure sustainability. From Round 3 onwards, up to five per cent of an authority’s ALMO funding may be used for sustainability, which is recognition of such a community-orientated approach. Bolton have chosen to structure their ALMO with community regeneration as a primary focus. Paul Thomson, Bolton at Home’s Regeneration Policy Officer, told us about their approach.

The validity of Arms Length Companies as a vehicle for creating successful housing environments, with good quality housing and democratically empowered residents, remains to be proven. By creating a Community Regeneration Arms Length Company, Bolton at Home, we believe that we have hit on the best structure for realising this ambitious vision for the future. On paper the path to success should be clear cut. Those Arms Length Management Organisations who meet the required Best Value quality thresholds will lever in sufficient additional resources to enable decency standards to be met in all their stock by the Government deadlines. The creation of durable Business Plans ensure that the additional resources are targeted to bring about the physical regeneration of the housing stock. The organisational split will help this process by freeing the ALMO to concentrate largely on delivery and allowing the Council to develop its strategic and enabling functions unhindered by detailed service provider considerations.

The main cloud on the horizon is the prospect of skill and staffing shortages when all the increased capital programmes start to kick-in. This situation could be aggravated by the additional pressures put on this particular labour market by the introduction of Housing Market Renewal Fund Pathfinders and by the general easing of planning constraints on new and improved housing. In anticipation of this problem, we have increased our apprenticeship recruitment, entered into partnership arrangements with private construction companies and began to discuss with sub-regional colleagues the prospect of joint funding courses to increase the number of construction related resources.

The creation of durable Business Plans ensure that the additional resources are targeted to bring about the physical regeneration of the housing stock.

George Caswell, the Chief Executive of Bolton at Home, strongly believes that overcoming the logistical problems of delivering the capital programme is only part of the challenge to the new organisation. “Achieving quality housing environments that are sustainable is not simply about bringing properties up to a particular standard of decency. In the past, both in the public and private sector, large amounts of money has been spent on improving housing in isolation to solving other problems that affect community cohesion. In most cases this has resulted in short term success but long term failure to regenerate areas. The danger is that investment into bringing stock up to decency standards will only provide a temporary respite in declining areas if there is not a concurrent investment in developing those socio-economic infrastructures that provide the basis for community vitality.”

George predicts that the creation of the community regeneration company will also bring about real empowerment for residents. “Although legal ownership of homes rests with the Council, Bolton at Home customers will have real access to decision making and be able to influence directly the nature of housing (and housing-related) investment in their own locality and neighbourhood. This will be an incremental process of building successful local community planning frameworks in areas of low demand, in both sectors. Gradually people will become more familiar with the new way of working and get a better perspective on how they can be pro-active in shaping their community. Attaining increased customer empowerment to influence their own and their community’s future is not a bi-product of our activity but the central focus of what we are trying to achieve.”

For more information on Bolton at Home, contact Paul Thomson at: paul.thomson@boltonathome.org.uk.
Following this and the publication of the
PSA Plus Review ODPM expects housing
PFI to become an increasingly important
element in helping it to achieve its
objective of ensuring everyone has the
opportunity of a decent home by 2010.

The Task Force advisers will now be
guiding authorities on the possibilities that
this option brings about as part of the
wider option appraisal process (see cover
article). Rachael Clapsom of the ODPM’s
Housing PFI team gives an outline of the
policy and the progress that has been
made to date, below.

PFI in housing provides an affordable and
effective way for the public sector to
deliver investment in social housing. PFI
can help to improve value for money by
allocating risks to those best able to
manage them and thereby providing incentives for sustained and effective
performance over time. It enables
significant and sustainable improvement in
housing conditions, and encourages tenant participation in the setting and monitoring of performance standards.

In 1999, 8 local authorities were chosen to
pioneer the Housing Revenue Account
(HRA) PFI scheme as pathfinders. Two of
the pathfinders, Manchester and Islington,
have recently reached contract close and
the other six are at various stages in the
procurement process and are expected to
sign by the end of 2003. A further ten
projects were selected for ODPM support in a second round of HRA PFI (2002/03). There have also been 11 Non-HRA PFI
schemes, two of which; Derby City and
North East Derbyshire have signed.

In common with other PFI sectors, there have been legislative and technical issues
to resolve during the Pathfinder process.

For example, a Regulatory Reform Order
was required to change Section 27 of the
1985 Housing Act. The new Section 27
now allows contractors to sub-contract
housing management functions, enabling
local authorities to enter into PFI and other
contracts. The ODPM is also in the process
of reviewing the delivery of subsidy to local
authorities involved in Housing PFI schemes.
This will address local authority concerns on affordability. Consolidated Rate of Interest
(8% RII) and debt free status. A Statutory
Instrument to give local authorities
the financial freedom to include new build in
HRA PFI schemes came into force on
1 April 2003. This will increase the flexibility
of how PFI can be used in social housing
and allow local authorities to tackle their
worst condition stock by demolition and
replacement build. It is hoped that the
legislative and technical changes will build
market confidence and thus encourage
more bidders into the market.

PFI schemes are very complex and require
technical expertise on the part of the local
authority. Much work has been done to
standardise the approach to Housing PFI
to speed up the procurement and reduce
the costs involved. Standardised
documentation and guidance has been
produced and supplementary guidance
has been drawn up in partnership
between ODPM and the 4Ps, based on
the experience of the pathfinders and the
private sector so far. The supplementary
guidance can be found at
http://housing.odpm.gov.uk/information/pfi.
We have further plans to publish guidance
to authorities on standardisation in PFI
contracts and local authority management
of PFI schemes. Housing PFI workshops
and conferences are also planned for
the summer.

In this option brings about as part of the
wider option appraisal process (see cover
article). Rachael Clapsom of the ODPM’s
Housing PFI team gives an outline of the
policy and the progress that has been
made to date, below.

PFI in housing provides an affordable and
effective way for the public sector to
deliver investment in social housing. PFI
can help to improve value for money by
allocating risks to those best able to
manage them and thereby providing incentives for sustained and effective
performance over time. It enables
significant and sustainable improvement in
housing conditions, and encourages tenant participation in the setting and monitoring of performance standards.

In 1999, 8 local authorities were chosen to
pioneer the Housing Revenue Account
(HRA) PFI scheme as pathfinders. Two of
the pathfinders, Manchester and Islington,
have recently reached contract close and
the other six are at various stages in the
procurement process and are expected to
sign by the end of 2003. A further ten
projects were selected for ODPM support in a second round of HRA PFI (2002/03). There have also been 11 Non-HRA PFI
schemes, two of which; Derby City and
North East Derbyshire have signed.

In common with other PFI sectors, there have been legislative and technical issues
to resolve during the Pathfinder process.

For example, a Regulatory Reform Order
was required to change Section 27 of the
1985 Housing Act. The new Section 27
now allows contractors to sub-contract
housing management functions, enabling
local authorities to enter into PFI and other
contracts. The ODPM is also in the process
of reviewing the delivery of subsidy to local
authorities involved in Housing PFI schemes.
This will address local authority concerns on affordability. Consolidated Rate of Interest
(8% RII) and debt free status. A Statutory
Instrument to give local authorities
the financial freedom to include new build in
HRA PFI schemes came into force on
1 April 2003. This will increase the flexibility
of how PFI can be used in social housing
and allow local authorities to tackle their
worst condition stock by demolition and
replacement build. It is hoped that the
legislative and technical changes will build
market confidence and thus encourage
more bidders into the market.

PFI schemes are very complex and require
technical expertise on the part of the local
authority. Much work has been done to
standardise the approach to Housing PFI
to speed up the procurement and reduce
the costs involved. Standardised
documentation and guidance has been
produced and supplementary guidance
has been drawn up in partnership
between ODPM and the 4Ps, based on
the experience of the pathfinders and the
private sector so far. The supplementary
guidance can be found at
http://housing.odpm.gov.uk/information/pfi.
We have further plans to publish guidance
to authorities on standardisation in PFI
contracts and local authority management
of PFI schemes. Housing PFI workshops
and conferences are also planned for
the summer.

- ODPM hope to launch a 3rd PFI
bidding round in summer 2003.
Indicative guidance for local authorities
wishing to make a proposal for PFI
credits can be found at:
http://www.housing.odpm.gov.uk/
information/pfi/guidance/index.htm.

- The Community Housing Task Force
in ODPM are extending their role to provide
PFI advice. Their contact details can be
found on the reverse of this publication.

- The 4Ps is a Local Government agency
set up to help local authorities develop
and deliver public private partnerships
(PPP), including Private Finance
Initiative (PFI) schemes. The 4Ps offer
Local Authorities impartial, expert
advisory services and project support.
For further information please contact
their Housing Executive Steve Trueman
at: steve.trueman@4ps.gov.uk

**Manchester City Council - the first HRA PFI contract**

Manchester City Council signed the first
HRA PFI contract with the consortia Grove
Village (made up of Gleeson, Harvest
Housing Group and Nationwide) in March
2003. The estate falls into the Stockport
Road SRB area, and occupies a central
location adjacent to both Manchester
University and the city’s hospital complex.
This is an inner city area which is currently
experiencing low demand problems due to
the condition of the stock, which is of
traditional construction. Refurbished local
authority housing and RSL developments
in this area enjoy high demand and this is
an indication that the project has the
potential to attract tenants. The scheme
will deliver 663 local authority homes and
comprises of a selective demolition
programme with comprehensive
refurbishment of the remaining stock,
estate remodelling and wider regeneration.
Approximately 500 newly built homes for
sale will be built on cleared sites (not
funded via PFI credits), introducing tenure
diversification, as well as managing the
mismatch between supply and demand for
social housing in the area. It is hoped that
the additional income generated within the
estate from the diversification will help aid
the redevelopment of the estate’s shopping
centre and in turn provide new shops and
facilities for the local residents. The scheme
will also include the construction of a mile
long “home zone” which will slow traffic
to walking pace. The contract includes
property disposal and tenure diversification
risk as well as long term management and
maintenance risk over the length of the 30
year contract.
South Liverpool Housing have invested heavily in the youngsters living on their estates.

October 1999 saw the first large scale voluntary transfer in Liverpool with approximately 4500 properties within Speke and Garston transferring to a new local housing Company, South Liverpool Housing (SLH). Prior to the transfer I was part of the team who undertook the consultation exercise with tenants. We were delighted that 78% of tenants turned out to vote, with 85% voting in favour of transferring to SLH.

Speke and Garston are areas of significant deprivation and disadvantage. Speke has been identified as the second most deprived in the country and Garston (St Mary’s ward) was ranked 86th in the DETR Deprivation Index 2000. The transfer gave an assurance of £100m being available to develop the area. This funding was made up from Estate Renewal Challenge Fund (£44million), loans from banks and building societies (£34million) and £22million raised from rents.

A commitment was given to deliver within 5 years an improvement package of double glazing, central heating, modernised kitchens and bathrooms to every property. We are proud that we are now close to delivering this promise some 12 months ahead of schedule.

At the time of transfer a Community Development Team was established. Initially comprising three members of staff, we now have 23 people on board. The growth of the team highlights a true sense of commitment to be involved in the regeneration of our Community.

Every project we do promotes real involvement, engaging with local people, tenants and residents, across the ages.

We recognise that people must be a part of everything we do, and our ethos is encouragement for all. Every project we do promotes real involvement, engaging with local people, tenants and residents, across the ages. We realise the potential that the people of Speke and Garston have and by working in partnership with other local agencies, voluntary and community groups, we try to increase the aspirations of local people. By creating projects which provide training, encourage participation and the development of personal skills, the team is continually supporting the wider goal of making Speke and Garston a better place to live and work. Our work addresses three main areas:

- Our Work with Young People
- Development of Participation
- The Projects

Our Work with Young People

Young people within Speke and Garston are an important social and economic asset, whose potential and future employability should be nurtured and maximised. With this in mind we established a group of 15 young people representing the agencies and schools within the area, called Youth Xpress. They are an ideal group for agencies to consult with and to provide information on the wider views of young people living on our estates. To encourage young people to stay involved and to become confident and experienced stakeholders, full training opportunities and support have been provided.

Youth Achievement Awards are nationally recognised qualifications which reward the work that young people are currently doing within their communities. We actively encourage our young people to undertake these awards and offer support to external agencies. We are proud to have had the opportunity to take 5 young people to St James’ Palace to collect their awards directly from Princess Alexandra. A further honour for our young people is, to have in the last 2 years, 6 young people from Youth Xpress being ‘Youth Members of Parliament’. Working with agencies we produced a young person’s delivery plan which is used as a working document and contains the views and hopes for the future directly from young people.

Development of Participation

Our initial approach to tenant participation was to develop trust and communication between the residents and ourselves. We managed this by creating innovative and grass roots projects that increased activism and provided training opportunities.

We found that meetings for tenants no longer worked, and that we needed to provide tenants with projects that interested them.

We did find that meetings for tenants no longer worked, and that we needed to provide tenants with projects that interested them. A tenant participation working party was established to include staff and residents and our approach became one of ‘encouragement for all’ in order to maximise participation.

The Projects

Many successful projects have been undertaken which have increased our residents’ skills and self-confidence. They have also enabled the young and the elderly to work together. One successful project, ‘Closer’ brought together 600 people over six months to deliver six projects. It was great to see neighbours who previously hadn’t spoken to one another striking up friendships.

‘Closer’ was an art-based scheme, and more details can be found at www.closeronline.org.uk.

We fund a resource centre where residents have control of the day-to-day management of the centre and arrange training sessions. Two capacity building courses have recently been held.

Several residents commented on how the sessions had increased their self-confidence. One tenant felt comfortable enough to assist in the delivering of workshops at the Empowering Tenants in Stock Transfer conference.

We have found that by involving all residents in both the delivery and the organisation of projects, they feel a sense of ownership. Effective regeneration can only take place if you have a sense of ‘buying in’ from all stakeholders within a community, regardless of age, race or background.
Further copies of *transform* are available via the ODPM website:
www.housing.odpm.gov.uk/chtf/index.htm or from:

ODPM Free Literature
PO Box 236
Wetherby
LS23 7NB

**Contacting us**
All the advisers can be contacted via the Community Housing Task Force
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Website: www.housing.odpm.gov.uk/chtf/index.htm

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