

CABINET

8 MAY 2001

BRAUNSTONE HOUSING SURVEY

Report of the Director of Housing

1. Summary

- 1.1 Cabinet agreed, at its meeting on 15 January 2001, to seek the views of tenants about the future of 250 properties on North Braunstone. A consultation document was provided to each tenant in advance of their survey interview, which in some cases was attended by a representative of Braunstone Community Association (BCA)
- 1.2 The outcome of the survey is that 46.4% of tenants favour wholesale demolition with 3% favouring partial demolition. The transfer option, favoured by BCA, was supported by 30.7% of tenants with the remaining 19.9% preferring to remain in their present homes with the Council as landlord. Overall 69% of those tenants interviewed made it clear that they want to remain tenants of the City Council either in their current home or in a different property.
- 1.3 The most popular option is demolition, and if Cabinet wish to proceed with this, tenants would be offered alternative accommodation in an area of their choice so that a phased relocation of the 176 tenants can take place. Negotiations would need to take place with owner occupiers about the purchase of their properties and lessee shopkeepers. The future of the cleared site would be subject to discussions with BCA and a further report to Cabinet.
- 1.4 The Council's housing strategy for many years now has concentrated scarce resources on those properties where investment would be beneficial for tenants and communities. This has, of necessity, meant that some properties have had to be demolished to make way for redevelopment which raises the quality of life in that area. This has taken place in Saffron, South Braunstone, Eyres Monsell, St Andrews, Rowlatts Hill and St Matthew tower blocks and Beaumont Leys.

The demolition option for the Braunstone properties identified in this report is therefore consistent with this policy of using scarce resources wisely and regenerating the area.

- 1.5 A suitable contractor will be sought to demolish the empty properties and there will be full consultation with the local community about practical arrangements for this. A cleared site will give an excellent opportunity for the residents of Braunstone through the Community Association to be involved in the proposals

for its future and the regeneration possibilities, aimed at achieving new deals overall aims.

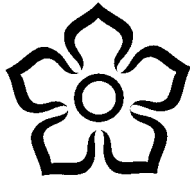
- 1.6 Members will be aware of similar initiatives on Braunstone, such as the Boot house programme, where demolition has resulted in a better mix of modern homes with houses for sale as well as rent through housing association partners. Such a scheme also has implications for local employment and training with prospective developers.

2. Financial and Legal Implications

- 2.1 The demolition option which had the highest support in the survey is estimated to cost in the region of £1.5M, including home loss and disturbance payments. This would be offset by subsidy benefit estimated to be £124,000 per annum with effect from the financial year after demolition, and the capital receipt received from the land, which is anticipated to be in excess of these costs.

3. Recommendation

- 3.1 Cabinet are asked to decide which option to adopt.



Leicester
City Council

**NORTH BRAUNSTONE WARD
8 MAY 2001**

CABINET

BRAUNSTONE HOUSING SURVEY

Report of the Director of Housing

1. Purpose of Report

- 1.1 This report outlines the consultation process with the tenants of an area of Braunstone North (see map appendix 1) on the future options for their homes.
- 1.2 The tenants of Webster Road, Wellinger Way, Hollins Road, Hockley Farm Road and Gallards Hill have been campaigning for some time for improvements to their homes as this area of Braunstone had not benefited from the major improvement programmes of the 1980s.
- 1.3 With the award of New Deal funding for Braunstone, it was hoped that a wider strategy for the area would result in these homes being improved.
- 1.4 In considering the whole of the area, it was clear that there is an oversupply of 3 bedroomed houses on the estate, and officers felt that this area afforded the opportunity for a redevelopment programme which would assist New Deal in achieving some of its aims.
- 1.5 Consultation took place with officers from New Deal when it became clear that the option preferred by the Community Association was that the stock be transferred through a Registered Social Landlord to the Community Association which would allow New Deal funding to assist in the modernisation of the homes in the area with the transfer to a new landlord.
- 1.6 Clearly, any decision on the future of their homes would have to take tenants' views into account and several options were agreed with the New Deal team to be put to the tenants.
- 1.7 The five options were as follows:
 1. The tenants remain with the Council, and improvement work be carried out according to the "worst first" strategy agreed by Council, depending upon future allocation of funds from the Government.
 2. The tenants be transferred to other Council accommodation and the homes demolished in order to enable a programme of regeneration to

commence which could include a better range of accommodation and some possibly mixed use to help regenerate the area.

3. Demolition of the vacant properties within the area to allow for some small scale redevelopment.
4. Demolition of a core area (see map appendix 1) to again allow for a small scale redevelopment scheme.
5. Transfer of the tenancies and vacant stock to a Registered Social Landlord who would then transfer ownership to the Braunstone Community Association with the intention of improving the homes internally and externally.

1.8 It was agreed with officers of New Deal that all the area would be surveyed and part of Hand Avenue and Hockley Farm Road would be included to make a more rational development site.

1.9 Detailed information (appendix 2) was sent out to all tenants prior to the survey being carried out by staff from the Neighbourhood Office and representatives of New Deal who attend a random sample of the interviews to ensure that all the options were given equal weight.

1.10 The results of the survey are as follows:

	No.	%
Option 1 – remain with the Council	33	19.9
Option 2 – demolish and redevelop	77	46.4
Option 3 – demolish vacant dwellings	4	2.4
Option 4 – demolish core area	1	0.6
Option 5 – transfer to BCA	<u>51</u>	<u>30.7</u>
Number of tenants interviewed	<u>166</u>	<u>100.0</u>
Number of tenants interviewed	166	
Number refusing to comment	10	
Number of vacant dwellings	51	
Number of owner occupied dwellings	19	
Shops	<u>4</u>	
Total Properties	<u>250</u>	

1.11 The majority of tenants are in favour of the option to demolish and redevelopment of the site in partnership with the community.

1.12 Under this option, all tenants would be given the opportunity of another property either on Braunstone or elsewhere in the City in line with similar programmes for the Tower Blocks and the Boot homes on Saffron and Braunstone.

1.13 The options for the future of the site will be presented to Cabinet after further discussions with interested parties, including the Community Association, tenants of the local area, and possible partners.

1.14 In view of the results of the survey, Members are requested to indicate which of the five options they wish to pursue.

2.

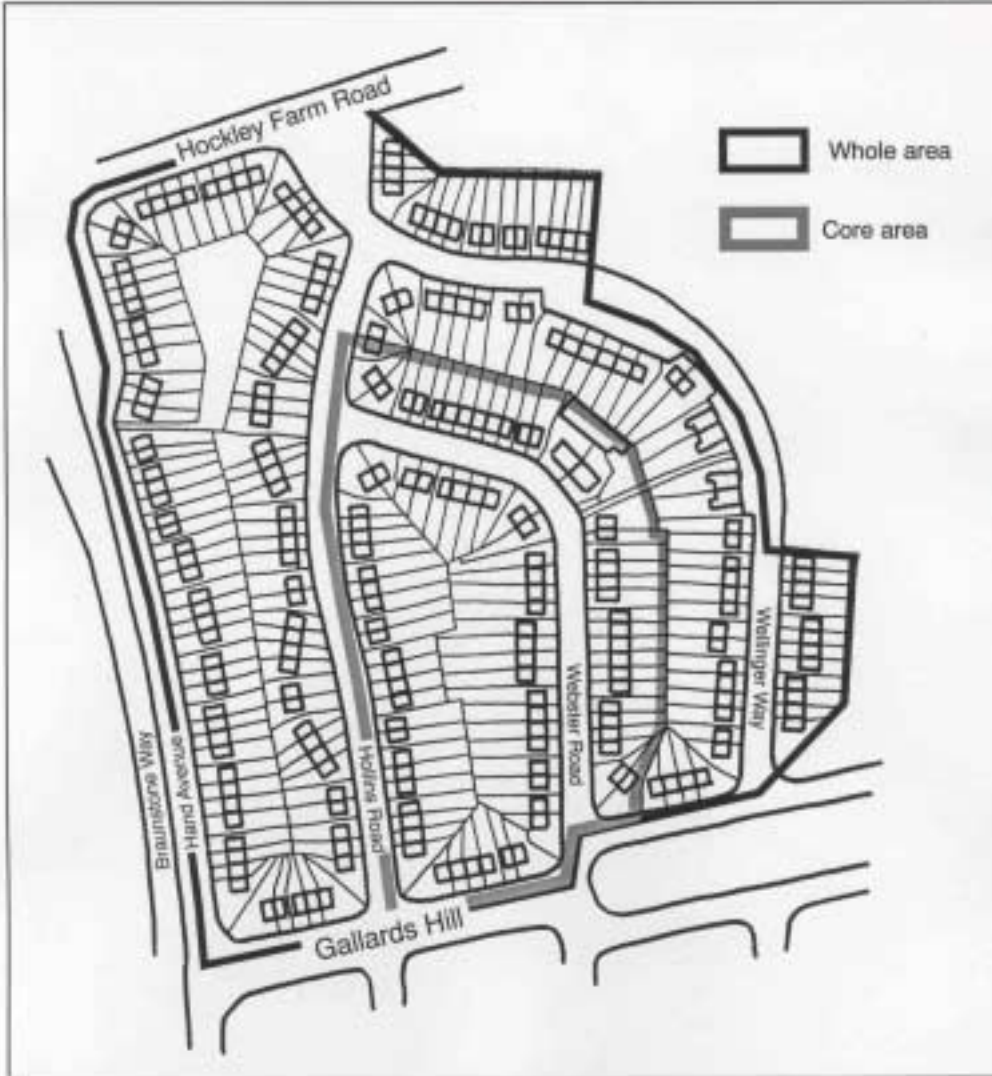
Other Implications	Yes/No	Para within supporting papers	References
Equal Opps	No		
Policy	No		
Sustainable & Environmental	Yes	1.4	
Crime & Disorder	No		
Human Rights Act	No		

Officer to contact: Ian Harkness

Extension: 6805

Braunstone Housing Survey area
April 2001

APPENDIX 1



OPTIONS

March
26th
2001

This leaflet sets out the options for the future of the area shown on the map. The area includes housing on Webster Road, Wellinger Way, Hollins Road, Hand Avenue, Hockley Farm Road and

Gallards Hill. The leaflet has been produced by the City Council, and tries to set out clearly and fairly what the five different options are, so you can have your say through the survey.



Option 1

Stay with the City Council

Under Option 1, all 250 homes in the larger area marked on the map would remain with the City Council. They would be improved when their turn came, under our normal Council policy of tackling the 'worst first' across the City. (This area includes housing on Webster Road, Wellinger Way and Hollins Road, Hand Avenue, Hockley Farm Road and Gallards Hill.)

If this option was chosen, some improvement work would be carried out in this next financial year, between April 2001 and March 2002. We would hope to replace windows and roofs where needed during the year.

However, we could not promise that all the work needed on the properties would be carried out in the year, unless additional money was made available from other sources.

Improvements such as new kitchens and bathrooms would not be done before the following financial year (from April 2002), and only then if the money was available.

In the Council's view, this option does not tackle the problem of the need to improve your homes nor the large number of empty properties in the area. It does little to make the area more popular for new tenants or to improve the living conditions for existing tenants.

This option could mean that some of the empty properties might be demolished. The land might be redeveloped for new housing by a housing association, or for other uses such as industrial or community use. The decision would depend upon the views of the residents through New Deal.

Option 2

Demolish and redevelop the whole area

Under Option 2, all 250 homes in the larger area marked on the map would be demolished. In due course the land would be redeveloped for housing, community or light industrial or commercial use. (This area includes housing on Webster Road, Wellinger Way and Hollins Road, Hand Avenue, Hockley Farm Road and Gallards Hill.)

If this option was chosen the whole area would be cleared and redeveloped. Existing tenants would be able to move to similar homes in the area of their choice, either in Braunstone or elsewhere in Leicester.

Why demolish?

This area suffers from low demand and needs a lot of money investing in it to improve the properties and the environment.

The properties are also hard to let, since they are in an area where there are more three bedroomed houses than families wanting them. In this situation, we usually demolish low demand properties and leave redevelopment until the whole area is improved. This is what the Council is doing in Beaumont Leys (on Strasbourg Drive).

The Council is not convinced that improving the homes in the area would be enough to create a demand for them. At the same time, since the Council money available for investing in the area is limited, the improvements would be restricted to work on roofs, windows and kitchens as part of the Council's normal improvement programme.

It would be unlikely that the Council would be able to tackle other issues in the area unless money was found from other sources.

Demolition of the area would also give the existing tenants the chance to move. They would be able to move to a modernised house in Braunstone or to another part of the City if they wanted to.

Demolition would also allow the redevelopment of what is quite a large site on the estate. This could mean improved facilities for the area or a better mix of new homes, including flats, bungalows, and houses being built and managed by a housing association or another type of landlord.

What would happen?

The City Council would demolish all the homes and clear the site. We would work with the community to explore the options for redevelopment -which could include houses, flats, bungalows, community, or light industrial or commercial use.

All the tenants in the area would be transferred to other suitable Council accommodation either in Braunstone or elsewhere in Leicester.

Each tenant would have to complete an application form, and would be given priority for a move to the area of their choice. If everyone wanted to stay in council housing in Braunstone they would be able to do so. If tenants preferred to move to council housing in another area, even a high demand one, they would be given priority over other people on the housing register. Tenants would not be restricted to two offers of a new home, although we would expect people to be reasonable in their choices. Tenants would be offered similar type properties to their current homes, depending upon family size and the new area they wanted.

Once the decision to demolish and redevelop had been made by the Council, some tenants would be able to move to their new homes straightaway. We think it would take between 9 to 12 months, depending on the availability of suitable properties, to find everyone a new home.

Would there be any financial help?

The Council would pay tenants a £1,500 home loss compensation payment, provided they had been a tenant for more than one year. This money would be paid into their rent account.

Any rent arrears would be deducted from the payment, to bring the rent account up to date. Tenants could leave the money in their account to pay future rent, or withdraw the total amount, or whatever is left after any arrears had been made up. If there were no arrears then tenants could ask for the payment to be made directly to them by cheque.

This £1,500 would be a payment as compensation for loss of tenants' homes. It is not meant to cover the cost of moving house. Other costs such as removals are included in the disturbance allowance.

The Council's disturbance allowance package would also help by arranging and paying for the main work involved in moving house. This includes:

- a) arranging and paying for a professional removal firm to carry out any removals (tenants wishing to arrange their own removals could do so and would receive a £100 allowance towards the cost);
- b) arranging and paying for the disconnection and reconnection of cookers, washing machines, and the removal and reconnection of satellite dishes, and so on;
- c) arranging and paying for the disconnection and reconnection of telephones and any extension points (but not for upgrading or supplying additional points that are not already fitted in tenant's old home);
- d) refitting burglar alarms (if already fitted in tenant's old home).

The City Council would also consider other claims relating to the move that tenants feel are reasonable. These claims should be made in writing and the relevant receipts or invoices must be supplied as well.

What about people who have bought their council houses?

Once the results of the survey are known there would be further discussions about the proposals with tenants who have bought their homes under 'Right to Buy'.

What about local shopkeepers?

There would also be further discussions with the

shop keepers in the area about the future of the shops, since new shopping facilities in the area might be part of the redevelopment. No firm decisions would be made until further discussions had been held with everyone concerned.

Demolition

The Council would arrange the demolition of the homes by a recognised contractor. Local employment and health and safety issues would be taken into account when the firm was chosen.

There would be discussions with the local community about the security of the site and it would be made as secure as possible to avoid illegal dumping.

Redevelopment

We expect that the redevelopment of the site would not start until 2002/03 at the earliest. However, the City Council would work with the potential partners to keep the time between demolition and redevelopment to a minimum.

Option 3

Transfer and demolish selected empty properties only

Under Option 3, the ownership of selected pairs of empty properties would be transferred to a housing association. The association would then demolish and redevelop the sites.

If this option was chosen, tenanted homes would stay with the City Council. Empty homes (there are about 35 empty properties at the moment) would be transferred to a housing association for demolition and redevelopment. Of course this would only work if both sides of pairs of properties were empty, or if the remaining tenants on one side were willing to move.

The tenants homes that remain with the City Council would be modernised and improved in due course, as part of the Council's normal improvement programme. As in Option 1, some work would be carried out in this next financial year, between April 2001 to March 2002. We would hope to replace windows and roofs where needed during the year.

However, we could not promise that all the work needed on the properties would be carried out in the year, unless additional money was made available from other sources.

Improvements such as new kitchens and bathrooms would not be done before the following financial year (from April 2002), and only then if the money was available.

The selected pairs of empty homes would be transferred to a housing association and they would then be demolished. The sites could/would? then be redeveloped by the housing association to provide homes to rent or to buy under shared ownership.

Option 4

Demolish the core area

Under Option 4, the core area of about 90 properties (the smaller area marked on the map) would be demolished. The remainder would either stay with the City Council or be transferred to a new landlord, either a housing association or the local community association.

If this option was chosen, a smaller area than in Option 2 would be demolished and made available for redevelopment.

The demolition and redevelopment arrangements would be much the same as in Option 2. The tenants of the properties being demolished would have the same offers of new homes, and the same compensation payments and disturbance allowance package.

There are some advantages with this option -

- fewer tenants or residents would be affected,
- the demolition and other related costs would be less, leaving the Council to spend more on improvement work.

This option would also be considered if the survey showed that tenants and residents in the whole area did not favour complete demolition, but those in the core area did.

However, there are also some disadvantages -

- reducing the size of the demolition and redevelopment area could affect the scope of future regeneration schemes for the area,
- the houses in worst condition may not be in the core area, so they would continue to be a problem,
- the rest of the area would still need improvement, and the funding for all of this may not be available in the near future.

One difficulty may be that that the overall vote could be in favour, but those living in the core might be against their homes being demolished.

Option 5

Transfer the whole area to community ownership

Under Option 5, the ownership of all the council properties in the larger area marked on the map would be transferred to a community organisation. This would involve a two-stage process, firstly transferring to a housing association, and then on to the community association. (This area includes housing on Webster Road, Wellinger Way and Hollins Road, Hand Avenue, Hockley Farm Road and Gallards Hill.)

If this option was chosen, tenants would be able to stay in their existing homes, and in due course, the Braunstone Community Association (the BCA) would become their landlord. The BCA are confident that they will be able to improve the properties, for example, by providing new kitchens, bathrooms, windows and so on, without raising the rents.

What would happen?

All the properties currently owned by the City Council (as shown in the attached plan) would be transferred to another landlord. In the first instance this would need to be an existing housing association (otherwise known as a Registered Social Landlord or RSL) since by law tenanted properties can only be transferred to an RSL. They would be appointed to hold the housing stock for a temporary period.

Once the transfer had been made there would be no possibility of returning the properties to the City Council in the future.

The properties could then, in time, be transferred into the ownership of the Braunstone Community Association once they became a housing association in their own right. The BCA are applying to the Housing Corporation to become a housing association so that it could become the new community landlord.

This would mean the City Council would no longer be the landlord for these properties. We would no longer provide repair and maintenance and other housing management services to the tenants - these would be provided by the new landlord instead. The staff at the local office and depot would have the right to transfer from the City Council and be employed by the new landlord.

How would the housing association be chosen?

The DETR and the Housing Corporation want the Council to hold a competition to choose the housing association to become the transfer partner. This is also the Council's policy since the competition brief sets out and safeguards what the tenants want from their new landlord. This approach also means that tenants do have a choice, as was the case for the South Braunstone Boot House redevelopment.

The competition brief would include details on rent structures, property modernisation and improvement plans. It would cover policies on allocations, anti-social behaviour, evictions, tenant participation, and so on.

Existing tenants would be involved in developing the competition brief. Once the brief had been written and agreed, housing associations would be invited to bid for the properties. They would have to demonstrate that they could fully match the brief.

The winning housing association would be selected by a panel, which would include tenants, Councillors, City Council Officers and the Braunstone Community Association. Their aim would be to choose the association that gave the best long-term deal for the tenants.

Who decides on the transfer to a different landlord?

Three groups need to agree to the transfer before it can go ahead.

Firstly and most importantly, the majority of tenants in the area must agree to a transfer. The first stage in finding out what tenants want will be a door-to-door survey. This will be carried out in the next few weeks.

If the transfer option got more support than any

of the other four options set out in this leaflet then the Council would formally ballot tenants on stock transfer. For the transfer to go ahead a simple majority of tenants in the area would have to vote in favour.

Secondly the City Council, as the current landlord of the properties concerned, has to agree to transfer its stock to another landlord.

Thirdly, consent is needed from the Secretary of State for Transport, the Environment and the Regions.

How long would it take?

The whole transfer process does take quite a long time. Similar transfers elsewhere in the country have taken about two years.

The Braunstone Community Association want the transfer to happen much more quickly and the City Council would do everything it could to make a transfer process quicker, if the majority of tenants wanted a transfer. The process could be completed in seven to ten months if all agencies involved made it their top priority.

What would happen to my tenancy?

If the properties were transferred to a housing association tenants would be given a new tenancy called an Assured Tenancy. This is very similar to the tenancy that tenants currently have with the City Council. The Right to Buy would be protected, as would the years of discount that tenants would be entitled to.

Would my home be improved?

Housing associations can borrow money from banks, building societies and other lending institutions, which they can then invest in their properties. Depending on the age of their houses they could also get financial assistance from the Housing Corporation and they use their rents to fund major improvements as well as day to day repairs. So in due course, the properties probably would be improved.

The Braunstone Community Association has also indicated that they would contribute some New Deal money into improving the properties if this option was chosen. These improvements would include new heating, windows, fencing, kitchens and bathrooms.

Would the rent go up?

The level of their rent would be a major issue if it came to choosing a new landlord, alongside their plans for improving the properties and the surrounding area.

The different rents from a range of housing associations is given over the page. The table is not a forecast of what the rent would be, but does show some performance information so you can compare the different organisations. Until the bids are received there can be no certainty on future rent levels.

However, the Braunstone Community Association has said they would not raise future rents above the rate of inflation.

different organisations compare?

The table gives some performance information comparing the City Council with some housing associations who are working in Leicester.

In the table, weekly maintenance costs largely reflect the age of the properties that each landlord owns. Management costs are the costs of collecting rent and rent arrears, dealing with tenancy issues such as anti-social behaviour and letting new tenancies.

Housing provider	Weekly management costs per property		Weekly maintenance costs per property		Average weekly rent per property	
	1997/1998	1999/2000	1997/1998	1999/2000	1997/1998	1999/2000
Leicester City Council	£7.32	£8.02	£13.89	£15.03	£41.50	£42.47
Foundation	£10.98	£9.41	£10.63	£9.78	£55.06	£57.68
North British	£10.05	£9.74	£9.68	£10.08	£48.17	£53.09
Riverside	£8.51	£8.23	£13.31	£11.70	£44.74	£49.10
Asra	£7.98	£8.21	£8.56	£10.06	£68.81	£70.05
De Montfort	£6.46	£8.05	£6.93	£8.59	£50.76	£54.89
Leicester	£7.71	£10.12	£9.82	£10.79	£54.38	£56.91
East Midlands	£7.58	£6.88	£12.19	£13.13	£51.90	£56.16

[Source: The Housing Corporation, DETR]

Letter

Dear Tenant

Options for your area

The City Council has been working with the Braunstone New Deal team to consider the future of your home. The enclosed leaflet has been produced by the City Council, and sets out the options for you to consider. We have tried to set the options out clearly and fairly.

The Council does not have enough money to spend on all the homes that need improving in this area, and has come up with five options for tenants to think about. Please read the leaflet carefully so you can make an informed decision when the survey is carried out.

The survey

You will be visited within the next two weeks by an officer from your neighbourhood housing office and a representative of New Deal. They will talk through the options with you and ask you to choose which one you prefer. Once every tenant has been visited and has given their opinion, the results will be reported to the Council's Cabinet and to the Community Association.

When the survey team calls, please make sure you check their identity cards. If you are not at home when they call, they will leave a card for you to arrange a suitable appointment.

The New Deal representative will be there as an observer, to make sure you have all the information you need to decide on the future of your home. If you would prefer to speak to the Council officer alone, without someone from New Deal being present, you can do so.

If you have any concerns about the survey, you can contact the staff at your neighbourhood housing office on Guthridge Crescent to arrange an appointment (phone 299-5310) or contact the staff at the New Deal office on Gallards Hill (phone 225-2484).

Your etc