



Your Guide to the Offer



F.I.R.S.T. CALL
HOUSING CONSULTANTS

Kennington Park & The Bridge Estates

your guide to the offer

Produced by F.I.R.S.T. CALL - Your Independent Advisor

Question	Answer in brief	More information on page
How will the ballot work?	Electoral Reform Ballot Services will conduct the ballot. It is planned that you will be asked to vote in June/July 2004. The ballot will last for 28 days.	2
What happens if tenants vote YES?	If a majority of tenants vote YES, your home will be transferred to Hyde Southbank Homes (HSH). Then the Estate will be refurbished over the next three years.	2-3
How will the estates be managed?	HSH will have a management team based in an office on Kennington Park. The team will report to a Residents Estate Board consisting of resident members.	3
What about the tenancy agreement?	You will get a new assured tenancy. Your rights will be broadly the same. Full details inside.	4
What will happen to my Right to Buy?	You will keep this right (as a Preserved Right to Buy). There will be a minimum price, called a "cost floor" at which you can buy your home irrespective of market value. This price will reflect the money HSH invests in your home.	5
Will I still have the Right to Manage?	No. But the management of the estate will be overseen by a Residents' Estate Board.	5
What will happen to the rent?	HSH will guarantee to keep rent rises limited to inflation + 1/2 % plus up to £2.00 until 2012. There will also be a service charge payment.	6
What about my right to Housing Benefit?	You will have to make a new application, which will be assessed in the same way. The transfer will not affect your entitlement.	6
Will I still be able to get a transfer?	Yes. There are a number of ways you will be able to transfer.	7
What are the proposed works?	Refurbishment of the blocks including new kitchens, bathrooms, rewiring, central heating, refuse disposal and window installation, plus environmental improvements to the estate.	8
What about people who own their homes?	Leaseholders have their own consultation document and ballot. The maximum amount any leaseholder will have to contribute will be £10,000 in any five-year period. The votes of secure tenants will decide the transfer, but the ODPM will consider the leaseholders' votes when deciding whether to approve a transfer.	9
Where can I get independent advice?	From F.I.R.S.T. CALL. Freephone 0500 295 999 or e-mail: kpb@first-call-housing.com	10

Foreword

In July 2003, F.I.R.S.T. CALL was selected by residents from Kennington Park and The Bridge Estates to act as your Independent Advisor.

The role of F.I.R.S.T. CALL is to provide you with independent advice and information about the proposals to transfer your estates to a Registered Social Landlord (RSL), namely Hyde Southbank Homes (HSH), which is part of the Hyde Housing Group.

Since our appointment we have been working to get as many residents as possible involved in making decisions about the future of their homes. We have supported residents in negotiations with Lambeth Council and HSH and we have been working on your behalf to ensure that you are offered a good deal.

We have been visiting residents of both estates to inform them about the transfer proposals. We have organised information sessions on important issues, run regular outreach sessions, attended consultation meetings on the estates and attended negotiation and design meetings. We have also produced newsletters to keep residents updated.

This document has been produced to give you information on Lambeth Council's Formal Consultation Document.

This guide is not intended to replace the Formal Consultation Document, which you should read very carefully.

The Council plans to organise ballots of all tenants and leaseholders on the estates in June/July 2004. This will be your chance to decide whether you should stay with Lambeth or transfer to Hyde Southbank Homes (HSH).

The Council would like to know what you think about the proposed transfer. If you have any views use the form in part 2 of the Formal Consultation Document and send it to the Council using the Freepost envelope they provided. On behalf of residents, F.I.R.S.T. CALL has negotiated with HSH and Lambeth Council to protect your fundamental rights in the process of the proposed transfer.

Your rights and the obligations of HSH and Lambeth to you are set out in the Formal Consultation Document and its appendices.

Need more information?

F.I.R.S.T. CALL

If you would like someone from F.I.R.S.T. CALL to come and visit you at home to talk about the proposed transfer or if you have any questions on the content of this or the Formal Consultation Document please call us FREE on 0500 295 999. You can also come to one of the surgeries that we will be holding during the coming weeks. When you call ask for Louis Blair, Roman Gawdiak or Mike Tilcock - your Residents' Advisors.

The Council

You can also ask the Council about their plans. If you want to speak to a Council officer please call 0800 013 0332 and ask for Graeme Russell.

Hyde Southbank Homes (HSH)

If you want to speak to someone from HSH, please call 0800 328 4564 and ask for Pauline Foster.

The Council's Proposal

Lambeth Council is proposing to transfer ownership of both Kennington Park and The Bridge Estates to Hyde Southbank Homes (HSH) subject to separate ballots of tenants and leaseholders.

HSH will then raise approximately £19 million - mostly borrowed from financial institutions (such as banks) - to spend on the estates. Because different rules on borrowing apply for Councils, this money is only available if the estates transfer.

For a number of years the Tenants' Associations on the two estates have asked the Council to find money to spend on refurbishing their homes. The Council does not believe that it will be able to fully refurbish the estates in the foreseeable future without transferring to HSH. If the majority of tenants vote against the transfer, Lambeth has stated that they will only be able to undertake basic works to Kennington Park and The Bridge Estates.

The Council is legally obliged to give you a formal notice of its intention for the two estates. This notice is included within the Formal Consultation Document you will have received from the Council. If you have not received a Formal Consultation Document call the Council on 0800 013 0332 and ask for Graeme Russell.



Here is a summary of some of the most important parts of the Formal Consultation Document. **This is not a substitute for the Formal Consultation Document, which you should read carefully.**

The Formal Consultation Document includes details of:

- Why the Council is proposing the transfer
- Information about Hyde Southbank Homes your possible new landlord
- The new tenancy agreement that you are being offered
- The planned refurbishment of the two estates
- The ways in which you can let the Council know what you think of its plans
- What the Council will do if the transfer does not happen

You have until 17th May 2004 to give the Council your views about what is set out in the Formal Consultation Document. The Council will then decide whether to organise ballots on whether to transfer. The ballots are currently planned for June/July 2004. The rules for the ballots are that the transfer to HSH can only take place if a majority of those tenants voting vote in favour of the transfer. Subject to the ballots and government approval the transfer to HSH will happen in Autumn 2004.

The refurbishment works are scheduled for completion within the first three years after transfer.

Who would be our landlord?

Should a majority of those taking part in the ballot vote in favour of the transfer, your new landlord would be Hyde Southbank Homes (HSH).



Hyde Southbank Homes (HSH) is governed by a Main Board of 15 members comprising:

- 6 resident representatives elected by residents
- 3 representatives nominated by the Council
- 3 representatives nominated by Hyde Housing Association
- 3 local community representatives

If the estates transfer, one identical tenancy agreement will exist for all tenants. A local staff team would manage the estates from a local office (probably on Kennington Park Estate) and would be accountable to the Resident Estate Board made up of residents from the two estates and independent representatives.

The Resident Estate Board will have 15 members consisting of:

- 8 elected resident representatives from Kennington Park Estate
- 4 elected resident representatives from The Bridge Estate
- 3 independent representatives (with special expertise)

The board will be responsible for monitoring the management of the properties on the Estates and for ensuring that the proposed refurbishment is a success. The method of election to the Resident Estate Board for resident members is currently under discussion. The current Shadow Board consists of resident representatives from the two tenants' associations.

The Resident Estate Board will work within the framework of the Business Plan for the estates. **HSH will retain overall responsibility and will be monitored by:**

- The Registrar of Friendly Societies as an Industrial and Provident Society.
- The Housing Corporation as a Registered Social Landlord (RSL). The Housing Corporation is the government body that regulates RSLs.

The two estates are currently managed by HSH on behalf of Lambeth Council. If the transfer does not happen the two estates will be managed directly by Lambeth Council.

New Tenancies

If tenants vote in favour and the transfer to HSH happens, all tenants will be given a new tenancy agreement.

At the moment almost all Council tenants on the two estates have a type of tenancy called a Secure Tenancy (some more recent tenants may have Introductory Tenancies).

HSH cannot legally give tenants Secure Tenancies. Instead they are offering a type of tenancy called an Assured Tenancy.

There are a number of differences between these two types of tenancy agreement as they are created by different Acts of Parliament.



The Secure Tenancy you currently have is the same as all other Secure Tenants in Lambeth and the rights granted to you in it are protected by Acts of Parliament.

HSH has agreed an assured tenancy agreement to make the rights similar to those you have with the Council. The rights granted to you by HSH will be protected partly by Acts of Parliament and partly by the contract you will have with HSH – i.e. your tenancy agreement. Both Secure and Introductory tenants will be offered the same assured tenancy agreement by HSH.

The new tenancy agreement will be a legally binding contract. Therefore it is important that you are aware of any differences between the new tenancy and the one you have now. The terms of this tenancy have been negotiated by Lambeth and HSH with F.I.R.S.T. CALL and residents' representatives from the two estates. This tenancy offers tenants much stronger rights than those given by most Housing Associations. For example, you will have the same protection from eviction as you currently have with Lambeth Council.

However, there are a few differences compared to your existing tenancy.

A Comparison of Your Rights

Secure Council Tenant	Assured HSH Tenant
The right to repair	✓
The right to sublet part of your home (with consent)	✓
The right to exchange (with consent)	✓
The right to be consulted on housing management	✓
The right not to be evicted without a court order	✓
The right of assignment	✓
The right of succession	✓ Regardless of any succession prior to transfer
The right to buy your home at a discount	✓ If you currently have the Right to Buy you would get the Preserved Right to Buy as a tenant of HSH. The discount would be worked out in the same way. However, there will be a minimum price (Cost Floor) at which you can purchase your home - this price will reflect the money invested in your home by HSH, regardless of market value.
The right to manage	✗ You currently have the legal right to take over the management of your homes by forming a Tenant Management Organisation. You will not have this right as a tenant of HSH.
Rent to mortgage	✗ You currently have the right to buy your flat using the Rent to Mortgage scheme, which allows you to pay part rent and part mortgage. You will not have this right with HSH. No Lambeth tenant has ever used this right.
Your council tenancy is the same as that given to most other Lambeth Council tenants. The Council can change the terms of your tenancy without your individual agreement.	* As a tenant of HSH the terms of this type of tenancy can only be changed if you (and HSH) agree to the changes in writing.

Key: ✓ = Similar Right Retained ✗ = Right Lost * = New Right

Rents and Charges

The Council

Currently, Lambeth Council sets your rents following guidelines set by Central Government. Recently, the Government introduced plans for establishing 'target rents' for Councils and Housing Associations.

The aim is for rents in both sectors to be generally the same. The date set for achieving target rents is March 2012. For Councils, rent rises will use the formula of inflation plus 1% plus up to £2 a week until the target is achieved in 2012.

Thereafter, increases would be at inflation plus 0.5%. This year, Lambeth raised its rents by 5.51%.

Hyde Southbank Homes (HSH)

If the two estates transfer to HSH a similar formula applies. HSH would apply the formula of inflation plus ½% plus up to £2.00 a week until the target rent is achieved in 2012.

Thereafter increases would be at inflation plus ½% in line with the HSH Thirty Year Business Plan. However, if additional services are provided and agreed by tenants there could be an additional weekly charge added to the rent.

HSH will consult with the Resident Estate Board and tenants over their proposals to introduce tenant service charges in the event of transfer taking place.

Service Charges

Within your total rent, HSH proposes to identify separately your contribution towards cleaning and maintaining communal areas of the estate.

These will be identified in your rent as a service charge item, whereby you will be charged on the basis of the costs HSH incur. These will be covered by a three year Service Charge Guarantee and will not increase by more than the rate of inflation plus ½% annually.

After the guarantee expires, guidance from the Housing Corporation and the HSH business plan indicate that these should continue to increase by not more than inflation plus 1%. HSH will consult with the Resident Estate Board about their proposals to introduce "Tenant Service Charges" if the transfer takes place.

Currently the Council collects the money on behalf of the water company for your water and sewerage bills. If the transfer happens HSH would like to do this as well. They are currently negotiating terms with Thames Water and hope that they will know ahead of the ballot if they are able to collect the water charges.

In the two blocks (Grace and Brockwell) where there is a communal heating system, HSH will continue to collect charges with your weekly rent. If it were proposed to replace the communal boiler with individual systems, you would not be required to pay the improvement charge in addition to your rent.

Housing Benefit

If the transfer happens you will be able to claim Housing Benefit in the same way as you do now. Lambeth Council will continue to administer Housing Benefit, and you would need to make a new application to them.

Housing Benefit does not cover heating and hot water supply or water rates.

Rent Arrears/Getting a Transfer



Rent Arrears

Rent arrears that tenants owe to Lambeth Council at the point of transfer may be passed onto HSH for them to collect. These arrears will not feature on tenants new rent accounts. All tenants will get a new rent account when the transfer happens. Tenants will still be required to pay any money they owe to Lambeth if the transfer takes place.

New Tenants

New tenants (people who become tenants after the transfer) will pay an “enhanced” rent. They will be charged the target rent for their home from the start of their tenancy, plus any applicable service charge.

Getting a Transfer

If the estates transfer to HSH there will be three ways that tenants can get a transfer to another property of HSH or the Council or another Housing Association owned property.

1. Internal transfers to another property on or off the estates owned by HSH or Lambeth.
2. Mutual Exchange. Tenants will retain the right to a mutual exchange (including to Lambeth Council as well).
3. Housing Organisations Mobility and Exchange Scheme (H.O.M.E.S.). Tenants would still be able to apply for a property in any Housing Association or Local Authority through the national mobility scheme.

Resident Participation/Proposed Works

Both estates have active and successful Tenants' and Residents' Associations. These associations and their representatives have campaigned for the people living in Kennington Park and The Bridge Estates for many years. They have specifically helped to support these transfer proposals.

Council tenants and leaseholders currently have the legal right to look into the possibility of setting up a Tenant Management Organisation (TMO) through their Right to Manage, and provided that the rules are followed you are entitled to funding and professional support.

The Right to Manage does not automatically apply to Housing Association residents. In the Formal Consultation Document it says that HSH will consider supporting residents if they want to get more involved in the management of their block. HSH are not committed to giving any financial support to a residents' group that wants to explore tenant management. However, they do have a policy of supporting tenant involvement.

HSH will continue to support the Tenants and Residents Associations with financial support, photocopying facilities, advice, etc. They will also encourage, support and assist development of the existing Kennington Park and Bridge Tenants and Residents Associations.

Residents will have a majority of places on the Estate Board. These residents will play an important part in ensuring that the promises in the Formal Consultation Document are kept and that residents' concerns are always at the core of HSH's activities.

Refurbishing the Estates

The main reason that the Council is proposing the transfer is that it will lead to substantial repairs and improvements to the properties in the Estates. The Council has stated that it would not be able to fund such works from within its existing available resources.

The proposed works include:

- New kitchens and bathrooms to tenanted homes
- Installing or improving central heating to tenanted homes
- Replacing old windows with double glazing
- Rewiring where required
- Providing secure entrances and improved communal parts
- Roof repairs and renewal
- Environmental works including landscaping and improved parking arrangements

Full details of the proposed works are in section C of the Formal Consultation Document.

It is worth remembering that what needs to be done differs across the two estates.

The works are intended to ensure that the properties will be in a good condition for the next thirty years. Some of the problems have arisen because the two estates have not been adequately maintained over the years. HSH's Business Plan includes allowances for regular programmes of maintenance.

HSH would also carry out routine repairs to your home and will develop a Priority Repairs system with the Resident Estate Board, so that you will know how long repairs to your home would take and what standards to expect.

Community & Economic Regeneration

HSH proposes to bring social and economic benefits to the two estates through using local labour in the redevelopment programme, and investigating improvements to childcare and youth facilities. Details are in Section E of the Formal Consultation Document.

Leaseholders

Like tenants, leaseholders will get a vote in the independent postal ballot that the Council plans to hold in May 2004. The votes will be counted separately. The results of this ballot will be passed onto the Secretary of State who will consider them.

Should the transfer happen leaseholders would still own their flats. However the freehold of their building will pass to HSH. Leaseholders will continue to have all the legal rights and responsibilities they currently have, while HSH will take on the legal rights and responsibilities the Council currently has. Unlike tenants, leaseholders have individual contracts with the Council whose terms cannot be changed.

Leaseholders have been sent a separate document by the Council outlining what the Council and HSH are proposing.

Important factors for leaseholders to consider include:

Paying service charges - HSH would be responsible for setting and collecting these. You currently pay Lambeth and queries are dealt with centrally.

Service charge costs - as with Lambeth HSH would be obliged to bill you only for the services that you are legally liable for and the bill must reflect the cost incurred by the landlord. However, the landlord can add an administration charge - Lambeth charge 10% for administration, which is the rate HSH will also be charging. HSH will employ dedicated staff to administer service charges and deal with leaseholder queries. It is also worth bearing in mind that the Council is exempt from VAT, however, HSH will have to pay VAT on materials and services they buy in from contractors. Therefore, these costs would be passed on to leaseholders on some of the service charge items.

Major works charge - HSH will charge leaseholders for works to their block and estate where these are chargeable within the terms of individual leases. Improvement works such as landscaping, building new playgrounds, bin stores and car-parking bays will not be chargeable to leaseholders. Moreover, they are continuing the Council's policy of capping major works service charges at £10,000 for any five-year period. Leaseholders who have installed their own windows will not be charged any costs relating to window renewal in their block, if their installation is of an acceptable standard. The exact charges to individual leaseholders will depend on the nature of the works carried out around the leaseholder's home.

HSH will be offering Repayment Agreements for major works charges. They will also offer the option of a loan being charged against the property, which would mean the charges would be repaid when the property is sold.

Further details on these schemes can be obtained by contacting Pauline Foster at HSH on 0800 328 4564.

Independent advice on the proposals

If you have any questions about the proposals please call us on 0500 295 999 or e-mail us at kpb@first-call-housing.com.

Alternatively, we can make arrangements to visit you at home. Please contact Louis Blair, Roman Gawdiak or Mike Tilcock on freephone 0500 295 999.

Remember that this is your chance to tell the Council what you think about its ideas for Kennington Park and The Bridge Estates.

Drop-in Surgeries

F.I.R.S.T. CALL will be holding drop-in sessions during the initial four week consultation period and during the ballot period. These will provide an opportunity for you to come along and discuss the Council's proposals on a one-to-one basis with your Tenants' Friend. The details of the drop-ins will be advertised shortly.

The Council has organised a number of public meetings to discuss its proposals, details of which were included with the Formal Consultation Document.

After the end of the consultation period, the Council will send you a second document detailing any amendments that they have made to the document as a result of representations from tenants and leaseholders. You will then be asked to vote on the proposals in June/July 2004.