

Date: February 2012

Unique ref:

Dear

**In 2004, Gateshead Council set up The Gateshead Housing Company to improve housing services, and secured funding to improve thousands of homes beyond the Decent Homes Standard.**

The Gateshead Housing Company has been very successful. However, Gateshead Council needs to consider how housing services should be run in the future, as the current management agreement with the housing company ends in December 2013.

A review of housing services has been underway, and to date we have:

- Held a number of events involving tenants and leaseholders across the borough
- Sent updates to customers through The Gateshead Housing Company news, Council News, social media and the local press
- Produced an initial report on the review, which is available at [www.ghoia.co.uk](http://www.ghoia.co.uk)

As a result of that, two suitable options for how housing services will be managed in the future have been agreed. These options are:

**Option 1 - The Gateshead Housing Company continuing to deliver housing services**

**Option 2 - Housing services directly delivered by Gateshead Council.**

Both options would see enough money available to keep homes at the Decent Homes Standard, through a rolling programme of modernisation and improvement.

But in both cases, future investment needs of the stock would need to be found from other sources.

Please take time to read over the advantages and disadvantages of each option on the next two pages and then give us your preferred choice on the last page of this letter.

If you would like more information before making your choice call **Wood Holmes** on freephone **0800 023 4705** (charges apply to mobile phone use), e-mail [info@ghoia.co.uk](mailto:info@ghoia.co.uk) or visit [www.ghoia.co.uk](http://www.ghoia.co.uk)



## Option 1 - The Gateshead Housing Company continuing to deliver housing services

### Links to delivery of Vision 2030 and Gateshead Council's Corporate Plan

#### Advantages

- The Gateshead Housing Company has a strong neighbourhood presence and has influenced the delivery of services in neighbourhoods
- Estate-based grading is used to improve the local environment
- The Gateshead Housing Company's Community Fund supports local groups
- It focuses on key housing issues.

#### Disadvantages

- The Gateshead Housing Company may not have the ability to go beyond maintaining homes to the Decent Homes Standard  
This is because the limit on borrowing (self-financing) would prevent other essential works being carried out.

#### Cost, quality and efficiency

#### Advantages

- Significant performance improvements have been made
- Customer Service Excellence Accreditation was awarded in 2011
- The housing company's annual fee is linked to efficiency targets and there is the potential to save a further £1m.

#### Disadvantages

#### Tenant and leaseholder engagement

#### Advantages

- The Gateshead Housing Company offers a wide range of involvement opportunities
- Tenant and leaseholder-led Service Improvement Groups drive service improvement
- Tenants are directly involved in the Board.

#### Disadvantages

- There is some duplication of Gateshead Council's community engagement approach.

#### Governance (accountability, control and influence)

#### Advantages

- The housing company is owned by Gateshead Council - so they have an existing role in monitoring performance
- The housing company's Board has a wide range of skills and is made up of five independent, five tenant and five Councillor members.

#### Disadvantages

- There is an annual cost of running a separate housing organisation.



## Option 2 - Housing services directly delivered by Gateshead Council

### Links to delivery of Vision 2030 and Gateshead Council's Corporate Plan

#### Advantages

- Gateshead Council could look at the whole area and link investment to jobs, schools and the environment
- Gateshead Council could deliver housing and other services together and could therefore be more effective.

#### Disadvantages

- Gateshead Council may not have the ability to go beyond maintaining homes to the Decent Homes Standard  
This is because the limit on borrowing (self-financing) would prevent other essential works being carried out.

#### Cost, quality and efficiency

#### Advantages

- There would be a potential saving of at least £1.4m if the housing service was delivered directly by Gateshead Council
- Gateshead Council is subject to performance management.

#### Disadvantages

- Merging The Gateshead Housing Company and Gateshead Council could dilute housing focus.

#### Tenant and leaseholder engagement

#### Advantages

- Formal tenant involvement will continue as now.

#### Disadvantages

- There would be no Board positions for tenants.

#### Governance (accountability, control and influence)

#### Advantages

- The housing company sits within existing Gateshead Council governance arrangements
- Wide-ranging expertise from democratically elected Councillors would be applied to housing management.

#### Disadvantages

- Independent expertise from five directors on the Board would be lost.

# Give us your views

Now you have read the advantages and disadvantages of each option we would like your views on how services should be managed in the future.

Please give us the preferred choice of your household of either option 1 or option 2.

Please note: only one option per household is allowed.

The results of this test of opinion, plus other factors such as cost, quality and efficiency will be used by Gateshead Council's Cabinet to help inform the decision on how services are best managed in the future.

**Tick your preferred option (please tick just one box only)**



**Option 1 -  
The Gateshead Housing Company  
continuing to deliver housing services**



**Option 2 -  
Housing services directly delivered  
by Gateshead Council**

To give your opinion online please visit **www.ghoia.co.uk** and use this unique reference number to register your choice.



If you give us your preferred option online you do not need to return this form by post.

**Please return your completed form in the prepaid envelope provided by Friday, 24 February 2012. No stamp is needed. Thank you for giving your views.**

## Want to know more before deciding?

Contact **Wood Holmes** on freephone **0800 023 4705** (charges apply to mobile phone use), e-mail **info@ghoia.co.uk** or visit **www.ghoia.co.uk**



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This test of opinion is being sent to all tenants and leaseholders by Wood Holmes based on the tenancy or leasehold information held by The Gateshead Housing Company as of Wednesday, 25 January 2012. Please note: only one option per household is allowed. Spoilt, defaced or multiple copies of this form will be discarded. Wood Holmes will keep your personal data safe and secure, and will not share it with any other organisations or disclose it to anyone else without your consent.