

**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_ 2008

**BETWEEN:**

- (1) **LEEDS CITY COUNCIL** of **Civic Hall, Leeds LS1 1UR**  
("the **Council**"); and
- (2) **EAST NORTH EAST HOMES LIMITED**  
whose registered office is situate at Tribeca House Roundhay Road Leeds LS7 3BG.

**WHEREAS**

- (1) The Council is the local housing authority for its area pursuant to Sections 1 and 2 of the Housing Act 1985 and pursuant to the powers contained in that Act provides housing accommodation and exercises general management, regulation and control of its housing accommodation.
- (2) Pursuant to Section 27 of the Housing Act 1985 and with the approval of the Secretary of State and pursuant also to Section 2 of the Local Government Act 2000 and all other enabling powers the Council agreed by an Agreement dated the 31<sup>st</sup> day of January 2003 that East North East Homes should exercise certain of the Council's management and other functions as are therein specified
- (3) Pursuant to Section 27 of the Housing Act 1985 and with the approval of the Secretary of State and pursuant also to Section 2 of the Local Government Act 2000 and all other enabling powers the Council has agreed to enter into this Agreement

**IT IS AGREED** as follows:-

**PART A – PARTNERSHIP IN DELIVERY BETWEEN EAST NORTH EAST HOMES AND THE COUNCIL**

1. **LEEDS STRATEGIC PLAN AND HOUSING STRATEGIES AND ITS POLICIES**
  - 1.1 The Services to be carried out by East North East Homes are set out in the Business Plan and are part of an important relationship between the Council and the community it represents. The Leeds Strategic Plan contains the key objectives of the Council. East North East Homes has a duty to help deliver those objectives. East North East Homes will ensure that its Business Plan supports and takes account of so far as is reasonably practicable the Leeds Strategic Plan and those plans and strategies which support or implement the values and priorities in the Leeds Strategic Plan

- 1.2 In providing the Services East North East Homes will comply with and implement all relevant housing management and related policies and strategies of the Council (“the Strategies”), including all housing and associated strategies that are regional and city wide, such as, but not limited to, the Leeds Housing Strategy 'Making the housing ladder work'; the Homelessness Strategy; the Tenant Involvement Strategy; the Supporting People Strategy; and the Lettings Policy
- 1.3 For such purposes East North East Homes shall:-
- 1.3.1 ensure all staff are aware of, and understand the Strategies as appropriate;
  - 1.3.2 provide information to help the Council update and develop the Strategies;
- 1.4 The views of East North East Homes will be essential in the development of the Leeds Strategic Plan and the Strategies. East North East Homes will respond promptly to consultation requests and will provide information as required on the Leeds Strategic Plan and the Strategies.
- 1.5 The Council will liaise with and seek the views of East North East Homes upon each review of the Leeds Strategic Plan and whenever the Council intends to formulate or make significant changes to the Strategies.
- 1.6 Whenever East North East Homes reasonably considers that complying with and implementing a requirement of any of the Strategies has or may have an adverse effect upon the delivery of the Services East North East Homes may propose a change to any such requirement and the Council will give due consideration to any such proposal.
- 1.7 The Council will notify East North East Homes forthwith of any new Strategy and any significant changes to any Strategy and of each new version of the Leeds Strategic Plan.

## **2. Equality, Diversity and Community Cohesion**

- 2.1 The Council is committed to promote and embed equality and diversity into everything that it does, across all its services including its Arms Length Housing Management Organisations from strategic decision making to the delivery of frontline services and the employment of staff. As well as tackling inequality, the Council is committed to developing good community relations within neighbourhoods so that everyone has a pride in where they live and the city as a whole.
- 2.2 East North East Homes shall follow best practice in relation to equality, diversity and community cohesion and in particular (but without limitation) shall comply

with all relevant equality legislation as well as statutory and other official national and Council guidance and codes of practice.

- 2.3 East North East Homes shall work towards the Equality Standard for Local Government in line with the Council's framework and corporate timescales.
- 2.4 East North East Homes shall produce and publish its own equality, diversity and community cohesion policies and accompanying action plans which meet the duties under equality legislation and which comply with the Council's equality and diversity strategy.
- 2.5 East North East Homes shall comply with the Council's corporate equality and diversity performance framework requirements.
- 2.6 In particular (but without prejudice to the generality of the foregoing) East North East Homes shall ensure equality of opportunity in relation to
  - 2.6.1 employment and recruitment of staff;
  - 2.6.2 board membership;
  - 2.6.3 dealing with complaints;
  - 2.6.4 the procurement of goods works and services;
  - 2.6.5 delivering the Services
  - 2.6.6 involvement and participation of tenants and residents

### **3. TENANT INVOLVEMENT STRATEGY**

- 3.1 The Council has a partnership with its tenants and leaseholders and to further this relationship East North East Homes will comply with the Tenant Involvement strategy jointly developed by the Council East North East Homes and the Leeds Tenants Federation.
- 3.2 East North East Homes will develop its own tenant participation framework which will include area consultative structures for tenants and leaseholders (generally the Area Panels appointed by the Board of East North East Homes) and funding arrangements and which will accord generally with the said Tenant Involvement Framework and such tenant participation framework will be reviewed from time to time so far as necessary to comply with all statutory requirements and other official guidance issued from time to time and follow best practice.

- 3.3 East North East Homes tenant participation framework will be reviewed and consulted upon annually and sufficient resources will be provided for in the Business Plan to deliver these objectives.
- 3.4 East North East Homes tenant participation framework will include strategies for involving 'difficult to reach' groups and those tenants who do not normally get involved in the management of their homes.
- 3.5 The Council and East North East Homes shall agree the method and manner of consultation with tenants whenever such consultation is required under Section 105 of the Housing Act 1985 or whenever the Council and East North East Homes shall otherwise deem appropriate and whenever reasonably requested to do so East North East Homes shall assist the Council in consulting with tenants pursuant to Section 105 of the Housing Act 1985.
- 3.6 East North East Homes shall assist the Council in providing existing tenants with information about Council tenancies or other aspects of the Council's housing functions throughout the Council's administrative area whether through the tenants handbook or otherwise. Such information shall make it clear that nothing in this Agreement affects the Council's statutory and contractual liabilities to its tenants and leaseholders.

#### **4. RELATED OR PARTNERSHIP ACTIVITY**

- 4.1 East North East Homes will either at the request of the Council or (in consultation with the Council) in pursuit of Business Plan objectives work with other agencies bodies and organisations in partnerships foras and projects including (but not be limited to) area and other committees district and other partnerships consultative foras community safety meetings regeneration partnerships estate management boards the Leeds Tenants Federation social services case conferences and other Leeds ALMOs.

#### **5. CONSULTATION WITH STATUTORY AND OTHER BODIES**

- 5.1 The Council shall carry out any and all consultations and negotiations with statutory or voluntary bodies in relation to such matters as shall from time to time be reasonably required by the Council and East North East Homes shall when required to do so by the Council provide information, advice and assistance to support such consultations or negotiations.
- 5.2 Subject to Clause 5.1 East North East Homes shall carry out all other consultations or negotiations with the said statutory or voluntary bodies and shall respond to any enquiries from such bodies in relation to the circumstances of individual tenants or applicants for accommodation on such a basis (as to confidentiality and otherwise) as is appropriate and consistent with both East North East Homes and the Council's legal obligations and duties.

## **PART B – BUSINESS PLANNING RESPONSIBILITIES**

6. East North East Homes shall deliver the Business Plan. The Business Plan shall
- 6.1.1 set all the outcomes and targets of East North East Homes in relation to the delivery of the Services
  - 6.1.2 include the overall strategy of East North East Homes and how it will support the Leeds Strategic Plan and those plans and strategies which support or implement the values and priorities in the Leeds Strategic Plan;
  - 6.1.3 detail the financial and staffing resources available to enable East North East Homes Leeds to deliver the Business Plan and perform the Services in accordance with this Agreement
  - 6.1.4 contain such matters as the Council shall reasonably require including
    - i. a statement of East North East Homes strategic objectives and how they contribute to the Leeds Strategic Plan and to the Strategies,
    - ii. a statement of the projected revenue and capital position of East North East Homes over a minimum of 5 years,
    - iii. a review of anticipated changes in the Council's stock which is managed by East North East Homes and the associated implications – financial and other,
    - iv. the investment strategy of East North East Homes and an analysis of how it contributes to the delivery of 'Decent Homes' in the East North East Homes area,
    - v. an assessment of housing markets and projected demand for the housing in the East North East Homes area, and
    - vi. a review of how tenants can be involved in the provision of Services by east North East Homes
  - 6.1.5 detail any suggested measures that will be taken by East North East Homes, the Council or other organisations further to improve the Services such as East North East Homes Service Improvement Plan
  - 6.1.6 detail any proposals to carry out work for or provide services to third parties (other than minor works to privately owned properties permitted under this Agreement)

- 6.2 East North East Homes shall provide to the Council each year a draft of its Business Plan (for as a minimum the following 5 financial years) in accordance with the timescales specified in the Performance Management Framework.
- 6.4 The section of the Business Plan comprising the capital programme will contain sufficient information so as to enable the East North East Homes to deliver the decent homes programme and asset management strategies.
- 6.5 Following the Annual Business Plan Meeting (as specified in the Performance Management Framework) the Council shall notify East North East Homes as to whether the draft Business Plan is agreed.
- 6.6 The Council may notify East North East Homes that the draft Business Plan is not agreed on the grounds that in the Council's reasonable opinion one or more of the proposed activities
- 6.6.1 does not fall within the functions delegated by the Council under this Agreement or
  - 6.6.2 is otherwise unlawful or
  - 6.6.3 cannot be funded by the current or future resources of East North East Homes or
  - 6.6.4 does not take into account the Leeds Strategic Plan and plans that form part of the corporate planning framework, or does not comply with the Strategies or
  - 6.6.5 does not demonstrate Best Value or service improvement or does not reflect outcome of Best Value or service improvement reviews
- 6.7 If the Council notifies East North East Homes that the draft Business Plan is not acceptable as aforesaid the Chief Executive of East North East Homes and the Council's Director of Environment and Neighbourhoods shall meet and shall use all reasonable endeavours to agree the draft Business Plan.
- 6.8 In the event that the Council and East North East Homes shall not have agreed the draft Business Plan by August of each year in any year the matter may be referred by either party to an Expert in accordance with this Agreement and pending the decision of such Expert (which shall be required by the council) the then current Business Plan shall continue in full force and effect (incorporating such changes as the parties may have agreed) until the decision of the said Expert whereupon the draft Business Plan shall be adopted in accordance with such decision and subject to such modifications as the said Expert may specify.

## **PART C – FINANCIAL ARRANGEMENTS**

### **7. PAYMENT OF MANAGEMENT FEE**

- 7.1 Subject to East North East Homes providing the Services in accordance with the provisions of this Agreement the Council shall pay a Management Fee.
- 7.2 East North East Homes shall use the Management Fee for the performance of the Services and for no other purpose whatsoever.
- 7.3 The Management Fee shall be calculated in accordance with Part 1 of Annex 11.

### **8. SURPLUSES AND DEFICITS**

- 8.1 If East North East Homes out-performs the Business Plan and if as a consequence the Council would benefit from sums for which it had not budgeted then to the extent permitted by and subject to any conditions set out in the Business Plan East North East Homes shall be entitled to use such sums in accordance with any scheme for surpluses forming part of the Business Plan or such other scheme for surpluses proposed by East North East Homes as may be agreed by the Council (such agreement not to be unreasonably withheld or delayed) or such other scheme for surpluses specified by the Council.
- 8.2 In relation to any financial deficit East North East Homes shall make such financial provision and take such action as may be specified in the Business Plan or as may otherwise be proposed by East North East Homes and agreed by the Council (such agreement not to be unreasonably withheld or delayed).

### **9. INTEREST ON OVERDUE PAYMENTS**

- 9.1 Save where payment is reasonably disputed by the Council and East North East Homes has been notified of such dispute, if and whenever any payment due by either party in accordance with this Agreement shall at any time remain unpaid for a space of twenty-one (21) days next after becoming payable a further and additional sum by way of interest on the same calculated on a day-to-day basis at an annual rate higher by two (2) per cent than the National Westminster Bank plc Base Rate in force from time to time from the date upon which such sum first became payable shall (if demanded) be paid by or shall be accounted for (as if paid by) the defaulting party to the other party.

## **10. VALUE ADDED TAX**

- 10.1 All payments by either party hereto to the other party pursuant to the terms of this Agreement shall be exclusive of any Value Added Tax chargeable in respect of the supply of goods or services for which the payment is consideration and in so far as such payments fall to be made under this Agreement such Value Added Tax shall be added to the amount thereof and paid in addition thereto upon production of a proper Value Added Tax invoice

## **11. PENSIONS**

- 11.1 East North East Homes have been admitted to the West Yorkshire Pension Fund and shall make such provision for pension payments as is necessary and appropriate for the purposes of FRS17.

## **12. CAPITAL FINANCE**

- 12.1 All capital monies paid by the Council to East North East Homes shall be calculated in accordance with the Capital Resources Allocation as set out in Part 2 of Annex 11 and shall be used by East North East Homes for the performance of the Services and for no other purpose whatsoever.
- 12.2 Upon receipt of Arms Length Supplementary Credit Approvals by the Council, (insofar as there is no scheme for the use of such Approvals contained in the current Business Plan) the Council and East North East Homes shall consult one another as to changes to the current Business Plan (and if relevant any draft Business Plan provided to the Council).
- 12.3 East North East Homes shall comply with its Financial Procedure Rules .

## **PART D – PERFORMANCE MANAGEMENT**

- 13.1 Throughout the Contract Period the parties shall work together to ensure that:
- 13.1.1 East North East Homes performance of the Services represents value for money and Best Value generally and achieves continuous improvement and
- 13.1.2 East North East Homes complies with the Performance Management Framework
- 13.2 East North East Homes shall produce an Annual Review which shall contain the following matters:-
- 13.2.1 of East North East Homes objectives in respect of the Services;
- 13.2.2 an analysis of the Services throughout the previous twelve months, focusing on those areas which were successful and unsuccessful;

- 13.2.3 an identification in East North East Homes view of the reason for its successes and failures recognising that (a) some of the matters may be due to East North East Homes performance of the Services (or that of its sub-contractors staff or agents) (b) others may be due to the actions or omissions of the Council other companies engaged by the Council and/or the Council's staff and (c) other matters may be due to external or other circumstances;
- 13.2.4 details of how far East North East Homes has complied with the Performance Management Framework
- 13.2.5 a timetable of planned Best Value or Service Reviews;
- 13.2.6 any other matters specified by the Secretary of State under Section 6 of the Local Government Act 1999;
- 13.3 East North East Homes shall carry out any measure reasonably required by the Council or recommended by the Secretary of State or the Audit Commission in order to achieve best value and value for money.
- 13.4 East North East Homes shall put forward each Annual Review for approval by East North East Homes members at the Annual General Meeting.
- 13.5 Without prejudice to the specific provisions of this Agreement the Council and East North East Homes shall meet at such level and with such frequency as may be reasonably necessary to ensure that this Agreement is honoured and the Business Plan performed.

#### **14. PERFORMANCE MANAGEMENT FRAMEWORK**

- 14.1 East North East Homes shall comply with the Performance Management Framework.
- 14.2 Whenever reasonably requested to do so by the Council East North East Homes shall provide to the Council such information and data as are necessary to establish whether or to what extent East North East Homes has complied with the Performance Management Framework.
- 14.3 East North East Homes and the Council shall use all reasonable endeavours to agree a joint report as to how far East North East Homes has complied with the Performance Management Framework. Such report will be presented to the Council's Environment and Neighbourhoods Departmental Management Team in June of each year.

#### **15. OFFICIAL RETURNS, HOUSING INSPECTIONS ETC**

- 15.1 East North East Homes shall keep and maintain all necessary information and shall provide all necessary assistance to enable the Council to complete all

necessary returns of housing statistics and other information relating to the Services and to comply with all relevant inspection regimes. In addition East North East Homes will maintain records so that it can complete returns directly or via the Council (or so to enable the Council to complete such returns, or to comply with such regimes) to agencies as requested including but not limited to:

- 15.1.1 returns to the Communities and Local Government;
  - 15.1.2 information required under the Report to Tenants Determination (as revised from time to time);
  - 15.1.3 Housing Revenue Subsidy claim forms;
  - 15.1.4 Housing Investment Programme submissions;
  - 15.1.5 submissions or responses in respect of inspections (whether carried out by the Housing Inspectorate or otherwise);
  - 15.1.6 Comprehensive Performance Assessments (to be replaced by Single set of National Indicators in April 2008)
  - 15.1.7 information in response to corporate requests in connection with Equality, diversity and community cohesion
- 15.2 East North East Homes shall supply the Council with such assistance and information as the Council may reasonably require to enable it to allocate such expenditure as the Council may incur under this Agreement between its general fund and housing revenue accounts.
- 15.3 East North East Homes will provide such information as the Council from time to time shall reasonably require to permit the Council to complete management reports (whether of a regular or cyclical nature) on the provision of the Services.

#### **PART E – BEST VALUE AND SERVICE IMPROVEMENT AND CORPORATE PERFORMANCE ASSESSMENT RESPONSIBILITIES**

- 16. BEST VALUE SERVICE IMPROVEMENT AND KEY LINES OF ENQUIRES (KLOEs)**
- 16.1 The Council has a duty of Best Value and Service Improvement and must make arrangements to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. In discharging its responsibilities under this Agreement East North East Homes must also make arrangements to secure Best Value and Service Improvement.

- 16.2 Following the receipt of the draft Business Plan in each year the Council will consider whether the draft Business Plan demonstrates Best Value in relation to the Services.
- 16.3 East North East Homes will carry out any Best Value or Service Improvement reviews of its housing management functions which the Council is required by statute to carry out.
- 16.4 East North East Homes shall participate in such benchmarking and other comparison or consultation exercises with other housing services providers within or outside the Council's area as the Council shall reasonably require and in particular (but without limitation) with the other Leeds ALMOs.
- 16.5 East North East Homes shall consult with other housing services providers within the Council's area so as to achieve so far as practicable fair and consistent treatment for existing and prospective tenants.

## **17. THE BEST VALUE AND SERVICE IMPROVEMENT REVIEWS**

- 17.1 According to the timetable set out in the Business Plan East North East Homes shall conduct Best Value or Service Improvement Reviews which enable the Council to:-
- 17.1.1 analyse whether East North East Homes should be providing the Services and the level at which the Services are provided;
- 17.1.2 analyse East North East Homes objectives in providing the Services;
- 17.1.3 assess East North East Homes performance in:
- (i) providing the Services by reference to any relevant best value performance indicators
  - (ii) meeting any of the relevant Single Set of National Indicators performance standards (including standards which have been specified but do not yet apply)
  - (iii) meeting any relevant best value performance target
- 17.1.4 consult with other best value authorities (as defined in Section 1 of the Local Government Act 1999) and all other appropriate stakeholders and interested parties about the provision of the Services;
- 17.1.5 assess the competitiveness of East North East Homes performance in providing the Services by comparison with similar service providers;
- 17.1.6 address any other matters specified by the Secretary of State under Section 5 of the Local Government Act 1999.

- 17.2 East North East Homes shall assist the Council in conducting any and all of the Council's own Best Value or service improvement reviews (whether relating wholly or partly to housing or cross-cutting or otherwise) and in the conduct of any corporate performance assessment
- 17.3 As soon as practicable following the conclusion of any Best Value or Service Improvement review undertaken externally or any corporate performance assessment East North East Homes shall implement the recommendations made in the relevant final inspection report or in the corporate performance assessment report in consultation with the Council and such consultation shall include whether such recommendations are reasonable and proper and (where appropriate) the prospects of either East North East Homes or the Council making a successful challenge to any such recommendations.

## **PART F – RESPONSIBILITIES OF EAST NORTH EAST HOMES**

### **18. FUNCTIONS DELEGATED**

- 18.1 The functions delegated by the Council for the purposes of this Agreement shall be those functions or activities identified in Annex 1 as the responsibility of East North East Homes (excepting always those functions or activities delegated to any relevant Estate Management Board and/or to any Tenant Management Organisation).

### **19. PROVIDING THE SERVICES**

- 19.1 In consideration of the Management Fee East North East Homes shall at all times perform and deliver the Services to the satisfaction of the Council in accordance and in compliance with the Contract Standard.
- 19.2 East North East Homes shall deliver the Services so as to enable the Council to meet its obligations and (subject to prior reasonable consultation by the Council with East North East Homes) shall provide the Council with such reasonable assistance as it may require so as to enable the Council to meet its obligations in any contracts with other providers of housing or related services provided always that such reasonable assistance is consistent with the provision of the Services and the costs of any such assistance shall be agreed between the parties (and thereupon treated as a variation of the Business Plan).

### **20. PERSONNEL**

- 20.1 East North East Homes shall employ sufficient persons to ensure that the Services are provided at all times and in all respects in accordance with the Agreement. East North East Homes shall provide fair and equitable employment and shall aim to employ persons who are representative of the diverse communities within the Council's area.

- 20.2 East North East Homes's personnel employed in and about the provision of the Services shall be properly and sufficiently qualified competent skilled honest and experienced and shall at all times exercise care in the execution of their duties and East North East Homes shall ensure that such persons are properly and sufficiently instructed and supervised with regard to the provision of the Services;
- 20.3 If the circumstances under which the Services are provided are such that any personnel of East North East Homes are exempt from the provisions of Section 4(2) of the Rehabilitation of Offenders Act 1974 by virtue of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 (as amended) then East North East Homes shall ensure that all personnel engaged in the provision of the Services shall provide information in accordance with the said Act and Order about convictions which would otherwise be spent under the provisions of the said Act
- 20.4 At the expiry of the Term or upon earlier or part termination of this Agreement the Council shall be obliged to consider (subject to the application of the Regulations) offering employment to any person employed by East North East Homes in the performance or supervision of the Services and to consult with any relevant Trade Union or other representatives of such persons and in the event of any such person accepting employment with the Council East North East Homes shall forthwith release such person from all contracts of service.
- 20.5 East North East Homes shall comply with the TUPE Agreement set out in the Original Agreement (such TUPE Agreement remaining in full force and effect notwithstanding that the parties have entered into this Agreement)
- 20.6 East North East Homes shall provide such details of East North East Homes's staffing arrangements to the Council as the Council shall from time to time require
- 20.7 East North East Homes shall not make significant changes to its staffing arrangements during the Term unless such changes are in accordance with the said TUPE Agreement and/or procedures which have been the subject of reasonable and proper consultation carried out locally with any relevant Trade Union or other representatives and will not create any liability to be discharged by nor any claim against the Council.
- 20.8 East North East Homes shall within six months before the expiry of this Agreement or within such other period as the Council may specify in the event of an earlier termination of this Agreement either in whole or in part and upon a continuing basis provide such information as the Council may require about the terms and conditions of employment of any employees employed by East North East Homes in connection with the provision of the Services so as to enable the Council and any third party to assess the implications (if any) of the Regulations.

- 20.9 Without prejudice to its obligations under the Regulations East North East Homes shall take all appropriate steps consistent with good employer practice to ensure that its employees have appropriate representation (whether through Trade Unions or otherwise).
- 20.10 East North East Homes shall continue to operate in accordance with the statement “ALMO as an Employer” contained in the Original Agreement (which statement shall continue in full force and effect notwithstanding that the parties have entered into this Agreement) and in particular shall continue to implement and operate in accordance with the following Council policies and procedures,
- 20.10.1 Recruitment and Selection Code of Practice
  - 20.10.2 Managing Attendance Policy
  - 20.10.3 Disciplinary Rules and Procedures
  - 20.10.4 Performance Capability Procedure
  - 20.10.5 Grievance Procedure
  - 20.10.6 Re-grading Procedure
  - 20.10.7 Health and Safety policies
- 20.11 as if references to the Council in such policies and procedures were references to East North East Homes, and with such modifications as are set out in the Original Agreement provided that this obligation is subject to any changes to such policies and procedures as may have been the subject of reasonable and proper consultation carried out locally between East North East Homes and any relevant Trade Union or other representatives.

## **21. TENANTS**

- 21.1 East North East Homes shall afford the Council all appropriate assistance and co-operation to enable the Council to achieve consistency and fairness in the Council’s lettings and nominations policies and procedures throughout the Council’s administrative area
- 21.2 East North East Homes shall implement any variations to the Council’s tenancy terms and conditions required by the Council and help the Council to comply with any requirements of the Housing Act 1985 in respect of such variations

## **PART G – JOINT RESPONSIBILITIES OF THE COUNCIL AND EAST NORTH EAST HOMES**

### **22. PROCUREMENT**

- 22.1 From 1<sup>st</sup> April 2004 the Council and East North East Homes shall comply with and implement the Procurement Protocol set out in Annex 3. The following provisions of Clause 21 shall apply without prejudice to this Clause 21.1 to the extent consistent with the provisions in the Procurement Protocol.
- 22.2 The Council shall consult with East North East Homes in relation to any Contracts entered into by the Council (whether before or after 1<sup>st</sup> April 2004) which relate wholly or partly to the delivery of the Services by East North East Homes and in relation to the letting management and enforcement of such Contracts and shall:-
- 22.2.1 comply with all reasonable requirements of East North East Homes in respect of the management and enforcement of such Contracts
  - 22.2.2 monitor and review the performance of those carrying out the Contracts
  - 22.2.3 take all proper steps (including where appropriate legal action or proceedings) to enforce the Contracts
  - 22.2.4 at the request of East North East Homes supply all relevant information including copies of any documents to them
  - 22.2.5 give East North East Homes as much notice as reasonably practicable of the expiry date of such Contracts and liaise with them in respect of any renewal or re-letting of any of the Contracts
- 22.3 East North East Homes and the Council shall consult with each other and with the other Leeds ALMOs to ensure that in relation to the procurement and contracting of goods works and services necessary for the delivery of the Services there is a proper comparison and assessment of
- 22.3.1 the financial and other benefits of East North East Homes procuring and contracting for those goods works and services and
  - 22.3.2 the financial and other benefits of the Council (or another Leeds ALMO) procuring and contracting for those goods works and services together with other goods works and services needed for the delivery of housing management functions in other parts of the Council's area or (in the case of the Council) together with other goods works and services needed for the delivery of its other functions
  - 22.3.3 and in accordance with the outcome of the comparison and assessment referred to above East North East Homes and the Council shall use all

reasonable endeavours to agree whether it should be East North East Homes or the Council which ought properly to undertake the procurement and contracting in relation to particular goods works or services

22.4 In the event that East North East Homes and the Council fail to agree as specified above either party may seek the opinion of the Audit Commission and both parties agree to comply with any opinion expressed by the Audit Commission in relation to such matters

22.5 In relation to all Contracts entered into by East North East Homes they shall

22.5.1 adopt and comply with their Contracts Procedure Rules and Financial Procedure Rules

22.5.2 comply with all legal and procedural rules relating to procurement and contracting

22.5.3 comply with all reasonable requirements of the Council in relation to the management and enforcement of Contracts

22.5.4 monitor and review the performance of those carrying out the Contracts

22.5.5 take all proper steps (including where appropriate legal action or proceedings) to enforce Contracts

22.5.6 At the request of the Council supply the Council with copies of all Contracts and other relevant documents

22.5.7 ensure all Contracts are assignable to Council

22.5.8 give to the Council as much notice as reasonably practicable of the expiry date of all Contracts

## **23. SERVICE CONTRACTS**

23.1 The Council currently provides and agrees to continue providing to East North East Homes those services specified in Part 1 of Annex 4 ("Support Services") to enable East North East Homes to deliver the Services

23.2 Details of the Support Services including billing and charging arrangements service standards performance indicators how the Support Services demonstrate Best Value and termination arrangements shall be set out in Service Contracts between the Council and East North East Homes.

23.3 If at anytime East North East Homes does not consider that a Support Service represents Best Value or the Council does not wish to continue providing a Support Service East North East Homes or the Council (as the case may be)

shall notify the other to that effect and shall implement forthwith the process specified in Part 2 of Annex 4.

## **24. AUDITS AND INVESTIGATIONS**

24.1 East North East Homes shall at all times (including following the termination of this Agreement) allow or procure for any auditor (including any Audit Commission employee or contractor) and whether or not for the purposes of any company audit or for the Council for the purposes of any of its internal or external audit or inspection:-

24.1.1 immediate access to;

24.1.2 permission to copy and remove any copies of; and

24.1.3 permission to remove the originals of any books, records and information in the possession or control of East North East Homes which in any way relate to or are or were used in connection with the provision of the Services including (but without limitation) any of the Council's Data and any such information stored on a computer system operated by East North East Homes.

24.2 East North East Homes will publish a Statement of Internal Control which will specify the systems of internal control that will be put in place to ensure that business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. The published statement of internal control will include an audit plan.

24.3 East North East Homes shall undertake to manage their strategic and operational risks in line with the Council's Risk Management and Business Continuity Management Policies and statutory obligations. This will include the following:

24.4 East North East Homes shall ensure that it maintains an up-to-date and documented organisational risk register in which risks that could impact upon East North East Homes' objectives or the Services are identified, analysed and evaluated. Actions to manage these risks must be documented with owners and review dates assigned. East North East Homes shall formally review and update the register at least every quarter, ensure appropriate linkage to the Council's risk register and submit it to the Council's Risk Management Unit upon request.

24.5 In providing the Services East North East Homes shall ensure that it has in place Business Continuity and Disaster Recovery Plans providing adequate contingency plans for all such disruptions as may reasonably be contemplated as affecting the provision of the Services in order to safeguard the Council's interests in securing the provision of the Services and to ensure compliance with any statutory obligations placed upon the Council. East North East Homes will provide such Plans to the Council upon request.

- 24.6 East North East Homes will provide all co-operation and afford all access to personnel and records in order to assist the Council in carrying out any investigations which are already under way at the Commencement Date and any investigations which are carried out after the termination or expiry of this Agreement
- 24.7 As soon as East North East Homes becomes aware of or suspects any fraudulent action or malpractice in the provision of the Services or which otherwise affects it East North East Homes's shall notify the Council.
- 24.8 East North East Homes shall investigate such fraudulent action or malpractice with all due speed and diligence and shall report the outcome of such investigation to the Council.
- 24.9 If requested to do so by the Council East North East Homes at its own cost shall provide the Council with any relevant information in connection with any legal or Ombudsman or Information Commissioner inquiry arbitration or court proceedings in which the Council may become involved or any audit or Scrutiny inquiry investigation or hearing and through the appropriate officers employees or Board members shall give evidence in such inquiries investigations proceedings or hearings.
- 24.10 In the event that the Council becomes liable to pay any costs expenses damages compensation or penalty as a direct or indirect result of any breach of any statutory provision or other legal requirement by East North East Homes East North East Homes shall pay an equivalent amount to the Council (or an equivalent amount shall be deducted from the Management Fee).
- 24.11 East North East Homes shall co-operate fully with the Housing Inspectorate in respect of the inspection of (a) the operation of this Agreement and the work of East North East Homes and (b) the Council's own housing service whether in relation to East North East Homes' work on behalf of the Council or the Council's own retained functions and activities.

## **PART H – GENERAL PROVISIONS**

### **25. USE OF ASSETS**

- 25.1 East North East Homes shall at all times during the Term provide and maintain Assets in accordance with the conditions specified in Annex 5.

### **26. ASSIGNMENT AND SUB-CONTRACTING ETC**

- 26.1 East North East Homes shall not:

- 26.1.1 assign this Agreement or any part thereof or the benefit or advantage of this Agreement or any part thereof (save by operation of law pursuant to a statutory scheme or otherwise as directed by the Secretary of State);

26.1.2 sub-contract the provision of the Services or any part thereof to any person without the previous written consent of the Council (such consent not to be unreasonably withheld or delayed) and which if given shall not relieve East North East Homes from any liability or obligation under this Agreement and East North East Homes shall be responsible for the acts defaults or neglect of any sub-contractors its employees or agents in all respects as if they were the acts, defaults or neglect of East North East Homes itself.

26.2 East North East Homes shall ensure that any sub-contractor permitted to perform any part of the Services shall be fully supplied with all necessary information about this Agreement

26.3 East North East Homes shall not carry out work for or provide services to third parties except in accordance with its Business Plan or where such work or services relate to privately owned properties and are strictly ancillary to work or services to Dwellings carried out by or on behalf of East North East Homes.

## **27. HEALTH AND SAFETY**

27.1 East North East Homes shall at all times comply with the requirements of the Health and Safety at Work, etc. Act 1974, the Management of Health and Safety at Work Regulations 1992 (including the provision by East North East Homes of a copy of its risk assessment under such regulations) and of all other Acts, Regulations Orders or rules of law pertaining to health and safety.

East North East Homes will comply with the Health and Satiety Guidance (HSG) 65. In doing this East North East Homes will have a policy and supporting procedures to meet this requirement. To give the Council oversight of the policy, East North East Homes shall make available sufficient information to the Council upon request.

## **28. INSURANCES**

The Council and East North East Homes agree to maintain the insurances specified in Annex 7.

## **29. PROVISION OF INFORMATION**

29.1 Without prejudice to the other provisions of this Agreement East North East Homes shall provide all relevant information which may be required by the Council in order that the Council can act fairly, properly and in accordance with its statutory obligations in connection with the provision of the Services or the future provision of the same or any similar services and also to deal with investigations or inquiries by the Secretary of State the External Auditor Local Government Ombudsman Information Commissioner and similar persons or bodies. The Council may make a request for any such information at any

reasonable time and East North East Homes shall comply with that request as soon as possible.

- 29.2 East North East Homes shall consult as often as may be necessary with the Council to ensure that the Services are provided and continue to be provided in a continuous and efficient manner and in accordance with the provisions of this Agreement
- 29.3 East North East Homes shall co-operate so far as is reasonably practicable with all Council services to enable them to better perform their functions and duties either by means of the provision of information or by such other appropriate means.
- 29.4 East North East Homes and the Council shall establish such mutual arrangements as may be necessary (whether by pager mobile telephones email or otherwise) to ensure that the liaison arrangements stipulated in this Agreement can be achieved.
- 29.5 East North East Homes shall liaise with Council Members Members of Parliament and other elected representatives in such a manner as shall be reasonably necessary from time to time
- 29.6 East North East Homes is committed to the principles of freedom of information and shall comply with the Access to Information Protocol contained in Annex 8.

### **30. COMPLAINTS**

- 30.1 East North East Homes shall have a published complaints procedure, adopting as a the minimum, the standards set out in the council's compliments and complaints procedure. This procedure shall deal with all complaints in a way which is prompt fair open and consistent.

East North East Homes shall investigate (whether on the Council's behalf or otherwise) all Ombudsman or Information Commissioner enquires or complaints which relate to the Services within the timescales set by the Ombudsman or the Information Commissioner and notified to them by the Council

- 30.2 East North East Homes shall keep a written record of all complaints received and of the action taken in relation to such complaints and such records shall be kept available for inspection by the Council and/or Ombudsman at all reasonable times.
- 30.3 East North East Homes shall keep a written record of all complaints received in relation to the Code of Conduct for Board Members and such records shall be kept available for inspection by the Council at all reasonable times.
- 30.4 East North East Homes shall ensure that the written records referred to in this clause shall be sufficient to enable the Council to respond fully to any Ombudsman Information Commissioner or other inquiry or court proceedings which may arise from any complaint.

30.5 East North East Homes will pay compensation or carry out works by way of settlement in accordance with the recommendations or decisions of the Ombudsman and of the Information Commissioner, and will comply with all reasonable recommendation of the Local Government Ombudsman or Information Commissioner. In the event that the Council becomes liable to pay any costs expenses damages compensation or penalty arising from any matter which is the subject of any such recommendation or decision then (except where any such costs expenses damages compensation or penalty arise from any act or omission of the Council or its employees) East North East Homes shall pay an equivalent amount to the Council by way of compensation (or an equivalent amount shall be deducted from the Management Fee).

### **31. AGENCY**

31.1 Neither East North East Homes nor its personnel shall in any circumstances hold itself or themselves out as being the servant or agent of the Council otherwise than in circumstances expressly permitted by the Agreement.

31.2 Neither East North East Homes nor its personnel shall in any circumstances hold itself or themselves out as being authorised to enter into any contract on behalf of the Council or in any other way to bind the Council to the performance variation release or discharge of any obligation otherwise than in circumstances expressly permitted by the Agreement.

31.3 Neither East North East Homes nor its personnel shall in any circumstances hold itself or themselves out as having the power to make, vary, discharge or waive any bylaw or regulation of any kind.

## **PART I – RESPONSIBILITIES AND RIGHTS OF THE COUNCIL**

### **32. FAILURE TO PERFORM**

32.1 No liability shall be incurred by East North East Homes if but only to the extent that such liability would not have arisen if the Council had properly complied with its obligations under this Agreement.

### **33. PROVISION OF INFORMATION**

33.1 Subject always to any legally binding constraints (whether under statute or otherwise) the Council shall use its reasonable endeavours to provide East North East Homes with such information as East North East Homes may properly require to enable it to comply with its obligations under this Agreement.

### **34. USE OF PREMISES**

34.1 The Council has made available to East North East Homes the Premises detailed in Part 1 of Annex 9 on the terms and conditions set out in the form of

Lease in Part 2 of Annex 9 or on such other terms and conditions as the Council (acting reasonably) may specify

- 34.2 As soon as reasonably practicable after the date hereof the Council shall grant and East North East Homes shall take leases of the Premises detailed in Part 1 of Annex 9 on such terms and conditions as aforesaid such leases to take effect on the Commencement Date

## **35. INTELLECTUAL PROPERTY RIGHTS**

- 35.1 At the expiry or earlier termination of the Agreement, East North East Homes shall transfer to the Council or whomsoever the Council shall direct all documents material data and other information (in whatever form) in its possession relating to the Agreement together with any relevant computer software processing facilities.

- 35.2 Any and all intellectual property rights in any matter or thing developed under this Agreement or arising from the provision of the Services by East North East Homes (including without prejudice to the generality of the foregoing any software) other than intellectual property rights belonging to a third party shall belong to the Council and East North East Homes agrees that it shall execute or cause to be executed all deeds documents and acts required to vest such intellectual property rights in the Council.

## **36. RIGHT TO USE DOCUMENTS**

- 36.1 The ownership of and an unrestricted right to use any document produced by East North East Homes its sub-contractors and agents for all purposes envisaged by or arising under this Agreement shall be vested in the Council.

- 36.2 At the expiry or earlier determination of the Agreement East North East Homes shall transfer all documents materials and other information (in whatever form) in its possession relating to the Agreement to the Council or whomsoever the Council shall direct.

## **37. RIGHT TO USE PREMISES**

- 37.1 East North East Homes shall permit the Council to use any of the Premises at any time in the event of a declaration of a civil emergency by the Council and East North East Homes shall give all necessary assistance including the provision of staff to the Council in arranging emergency use.

- 37.2 East North East Homes shall upon the occurrence of a civil emergency and at the request of the Council use its best endeavours to provide the following services under the control and direction of the Council's Emergency Officer or his designated representative:-

- 37.2.1 to make provision for persons made homeless as a result of the emergency and evacuees and to supervise and co-ordinate the efforts to secure immediate temporary accommodation for the same including the use of vacant dwellings, sheltered schemes, communal areas in community centres, and other halls and meeting places as East North East Homes (having consulted with the Council) deems appropriate and in addition East North East Homes shall so far as possible assist in the equipping of such places for use as temporary accommodation
- 37.2.2 to liaise with the Council and such other organisations as the Council shall decide in order to co-ordinate action in dealing with homeless persons and evacuees
- 37.2.3 to co-ordinate and supervise the operation of the provision of temporary accommodation described above
- 37.2.4 to set up and maintain arrangements for the reasonable protection of any property brought to any temporary accommodation by evacuees and to liaise with the police and other relevant bodies in relation to the safe custody of the same
- 37.2.5 whenever so requested by the Council to arrange for the provision of temporary accommodation for homeless persons and/or evacuees PROVIDED THAT East North East Homes shall not be liable to discharge the Council's duties in relation to such homeless persons except to the extent that East North East Homes facilitate the discharge of such duties in their usual provision of the Services pursuant to this Agreement or to the extent that the Council and East North East Homes shall agree otherwise
- 37.2.6 to manage the temporary accommodation secured pursuant to these provisions for so long as the emergency lasts PROVIDED THAT East North East Homes shall not be liable to the Council for any loss or damage caused as a result of such temporary occupation by such homeless persons or evacuees and shall not be liable for any breach of this Agreement which is wholly and directly attributable to such temporary occupation
- 37.2.7 to produce monthly accounts to the Council itemising its reasonable costs incurred in the provision of the services detailed in Clauses 37.2.1-6 such costs to be agreed between the parties (and thereupon treated as a variation of the Business Plan) and in default of such agreement the matter shall be referred to an Expert in accordance with this Agreement.
- 37.3 At the request of the Council East North East Homes will attend such training sessions and/or exercises as may be specified by the Council and the number

of East North East Homes's employees who shall be required so to attend shall be agreed between the Council and East North East Homes

### **38. EXCLUSION OF LIABILITY**

- 38.1 The Council shall not be liable to East North East Homes, whether in contract tort or otherwise for any loss damage or injury howsoever caused or arising out of or in connection with the provision by East North East Homes of the Services or the use of or occupation by East North East Homes of any of the Council's premises (including the Premises) save in relation to any deliberate or negligent act or omission of the Council or any of its employees (in the course of their employment) and in particular any such deliberate or negligent act or omission which gives rise to death or personal injury.
- 38.2 The Council shall not in any circumstances be liable to East North East Homes for any indirect or consequential loss whatsoever, irrespective of the cause or causes of such loss.
- 38.3 For the avoidance of doubt the Council acknowledges that nothing in this Agreement affects the Council's statutory and contractual liabilities to its tenants and leaseholders.

### **39. RIGHTS AND DUTIES RESERVED**

- 39.1 All rights, duties and powers which the Council has as a local authority or which the Council's officers have as local authority officers are expressly reserved and in particular (but without limitation) the Council reserves the right to exercise its powers as a landlord in respect of any of its properties notwithstanding the provisions of this Agreement.

### **40. WAIVER**

- 40.1 Failure by the Council at any time to enforce the provisions of the Agreement or to require performance by East North East Homes of any of the provisions of the Agreement shall not be construed as a waiver of or as creating an estoppel in connection with any such provision and shall not affect the validity of the Agreement or any part thereof or the right of the Council to enforce any provision in accordance with its terms.

### **PART J – REGENERATION SCHEMES**

41. Throughout the Contract Period the Council shall use all reasonable endeavours to identify sources of funding for the Services and/or related functions of the Council including PFI Schemes and Regeneration Schemes.
42. The Council shall consult with East North East Homes in respect of any proposed PFI Scheme or Regeneration Scheme at the earliest opportunity and fully involve East North East Homes in negotiations with any prospective

partners jointly with the Council and give full and proper consideration to all representations made to it by East North East Homes in respect of any proposed PPFi Scheme or Regeneration Scheme (having regard in particular to the financial impact thereof on East North East Homes) and in the event that any proposed PPFi Scheme or Regeneration Scheme is approved by the Council the Council will give East North East Homes as much notice as reasonably practicable of the anticipated legal completion date of such Scheme

43.1. East North East Homes will provide such assistance as the Council may reasonably require to the Council and/or to the PPFi Contractor or Regeneration Scheme partner, including:

43.1.1 Provision of information and records about the Services;

43.1.2 Providing such reports and other documentation as the Council may reasonably require in a manner and timescale prescribed by the Council for consideration by the Council and/or the PPFi Contractor or Regeneration Scheme Partner

43.2 The Council may issue further reasonable instructions to East North East Homes, requiring East North East Homes to make arrangements to transfer responsibility for the Services to the PPFi Contractor or Regeneration Scheme Partner in such manner and within such timescale as the Council may prescribe and East North East Homes shall comply with such reasonable instructions which will include (but which may not be limited to):

43.2.1 Subject always to the requirements of the Regulations, transferring to the PPFi Contractor or Regeneration Scheme partner such number of employees wholly or mainly engaged in the provision of the services to be delegated to the PPFi Contractor or Regeneration Scheme partner such transfer(s) to be:

- (a) In accordance with such reasonable timetable, as may be notified by the Council to East North East Homes;
- (b) On broadly comparable terms and conditions; and
- (c) Subject to appropriate indemnities between East North East Homes and the PPFi Contractor or Regeneration Scheme partner

43.2.2 Transferring data records statistics files and other information in a format and manner prescribed by the Council;

43.2.3 Transferring necessary equipment and materials as may reasonably be stipulated by the Council;

- 43.2.4 Establishing working arrangements with the PPF Contractor or Regeneration Scheme partner; and
- 43.2.5 Providing any other assistance reasonably needed to enable such transfer to take place.
- 43.3 At such time as a transfer of responsibility for the Services to the PPF Contractor or Regeneration Scheme partner takes place the Council shall vary this Agreement including amendment to the Business Plan and adjustment to the Management Fee to reflect the cost of providing such Services as remain to be carried out under this Agreement. In the event that the PPF Contractor or Regeneration Scheme partner ceases to provide all or any part of the Services the Council shall be entitled to vary further this Agreement so as to require East North East Homes to provide such ceased Services and where such a variation is effected a corresponding variation will also be made in relation to the current Business Plan and Management Fee.
- 43.4 The provisions of this Clause shall apply mutatis mutandis to the transfer of any additional responsibilities for the Services to the PPF Contractor or Regeneration Scheme partner.
- 43.5 East North East Homes shall in complying with its obligations under this Clause ensure that, so far as practicable the obligations to provide the Services at the level and standards required by this Agreement are unaffected.

## **PART K – TMOs**

### **44. TENANT MANAGEMENT ORGANISATIONS**

- 44.1 In the event that in accordance with regulations made under Section 27AB of the Housing Act 1985 any tenants propose to form a Tenant Management Organisation (as defined in Section 27AB(8) of the said Act) the Council shall be legally responsible for dealing with all aspects of such proposal.
- 44.2 The Council may pursuant to such a proposal instruct East North East Homes to provide such assistance as may be required to the Council and any tenants making such proposal which assistance shall include:-
- 44.2.1 provision of information and records about the Services
- 44.2.2 providing such reports or other documentation as the Council may reasonably require in a manner and timescale prescribed by the Council for consideration by the tenants or the Council
- 44.2.3 attendance at meetings of such tenants and such other help or advice as the Council may require to enable the Council to fulfil its statutory obligations

- 44.3 At such time as a decision is made that a transfer of management responsibility for all or part of the Services is to take place the Council may issue further instructions to East North East Homes requiring East North East Homes to make arrangements to transfer responsibility for the Services and the Dwellings so affected to the Tenant Management Organisation in such manner and within such timescale as the Council may prescribe and East North East Homes shall comply with such instructions which may include (but not be limited to):-
- 44.3.1 transferring data records statistics files and other information in a format and manner prescribed by the Council
  - 44.3.2 transferring to the Tenant Management Organisation in accordance with the Regulations any staff wholly or mainly engaged in the provision of services to the Tenant Management Organisation
  - 44.3.3 transferring necessary equipment and materials as may reasonably be stipulated by the Council
  - 44.3.4 establishing working arrangements with the Tenant Management Organisation
  - 44.3.5 providing any other assistance reasonably needed to enable such transfer to take place.
- 44.4 At such time as a transfer of management responsibility to a Tenant Management Organisation takes place the Council shall be entitled to vary this Agreement (giving three (3) months notice to East North East Homes) and where such a Variation is made the amendment to the Business Plan shall reflect the cost of providing such Services as remain to be carried out under this Agreement and if no such Services remain this Agreement shall terminate
- 44.5 If so required by the Council East North East Homes will assume those responsibilities of the Council which are set out in any management agreement made between the Council and any Tenant Management Organisation whether such agreement exists at the date of this Agreement or arises during the currency of it and the Council shall be entitled to vary this Agreement to reflect such agreement
- 44.6 In the event that a Tenant Management Organisation to which responsibility for managing the Services has been transferred in accordance with this Clause ceases to provide all or any part of those Services for all or any of the Dwellings the Council shall be entitled to vary further this Agreement so as to require East North East Homes to provide such ceased Services and where such a variation is effected a variation will also be made in relation to the current Business Plan.

- 44.7 The provisions of this Clause shall apply mutatis mutandis to the transfer of additional management responsibilities to an existing Tenant Management Organisation or any other Tenant Management Organisation.
- 44.8 East North East Homes shall in complying with its obligations under this Clause ensure that to the extent permitted by any existing agreement(s) with any Tenant Management Organisation the obligations to provide the Services at the level and standards required by the Agreement or otherwise prescribed by the Council are unaffected.

## **PART L – TERM**

### **45. DURATION AND RENEWAL**

- 45.1 This Agreement shall expire at the end of the Contract Period unless extended by the Council pursuant to the following provisions of this Clause and subject to earlier termination as provided herein.
- 45.2 The Council shall be entitled (but without any obligation whatsoever) to extend the Term for one or more further periods of up to five years by giving notice to this effect to East North East Homes no later than six calendar months before the date on which the Agreement would otherwise expire.

## **PART M – VARIATIONS ETC**

### **46. VARIATIONS**

- 46.1 Whenever a variation is expressly permitted or required by the terms of this Agreement the Council may require changes (hereinafter referred to as “Variations” and each a “Variation”) to be made to the Services and accordingly may upon giving reasonable written notice thereof to East North East Homes add to delete from or otherwise amend in any way the provisions of this Agreement and East North East Homes shall be bound by any such Variations.
- 46.2 Where a Variation is effected changes shall be made in relation to the current Business Plan as soon as practicable by the Council and East North East Homes (both acting reasonably) by reference to any increase or reduction in East North East Homes’ responsibilities and any likely increase or reduction in cost to East North East Homes occasioned by such Variation.
- 46.3 In the event that a Variation is effected by the Council which is not made in response to representations from East North East Homes and which is likely to result in the redundancy of one or more of East North East Homes’ employees engaged in the provision of the Services East North East Homes shall as soon as practicable:-
- 46.3.1 identify the relevant employee or employees;

- 46.3.2 quantify and substantiate the costs which East North East Homes is likely to incur by reason of the said redundancy or redundancies; and
- 46.3.3 notify the Council of the same
- and on receipt of such notification the Council shall having consulted (where necessary) with East North East Homes either:-
- 46.3.4 take account of the potential redundancy costs to be incurred by East North East Homes as a result of the Variation in determining the changes to the Business Plan or (if the Council so determines)
- 46.3.5 meet the amount of the statutory redundancy entitlement of the relevant employee or employees provided that East North East Homes shall have used its best endeavours to limit redundancy costs and the Council shall not be obliged to agree to a change to the Business Plan which reflects the cost of more than the Council's minimum obligation in respect of redundancy payments under the Employment Rights Act 1996, the Local Government (Compensation for Redundancy and Premature Retirement) Regulations 1995, the Redundancy Payments (Local Government) (Modification) (Amendment) Orders 1995 and 1996 and the Local Government (Compensation for Redundancy) (Amendment) Regulations 1996 or any other relevant legislation.
- 46.4 East North East Homes shall provide to the Council such information as the Council may require to enable it to reach a determination in accordance with this Clause.
- 46.5 It is agreed that no change to the Business Plan will be made in respect of the Variation if there is a compensating reduction or re-organisation of any part of the Services.
- 46.6 In the event of a dispute as to how any Variation affects the Business Plan the matter shall be decided by an Expert pursuant to this Agreement.

#### **47. TERMINATION ETC.**

- 47.1 If East North East Homes or where applicable any director or any senior manager thereof:-
- 47.1.1 commits a breach of any of East North East Homes obligations under the Agreement and (where such breach is capable of remedy) fails to remedy such breach within a reasonable time specified by the Council;
- 47.1.2 has any director or senior manager of it convicted of dishonesty;
- 47.1.3 becomes bankrupt, or makes a composition or arrangement with its creditors, or has a proposal for voluntary arrangements for a

composition of debts, or any scheme or arrangement approved in accordance with the Insolvency Act 1986;

- 47.1.4 has an application made under the Insolvency Act 1986 to the Court for the appointment of an administrator or an administrative receiver;
  - 47.1.5 has a winding-up order made or (except for the purpose of amalgamation or reconstruction) a resolution for voluntary winding-up passed;
  - 47.1.6 has a provisional liquidator, receiver, or manager of its business or undertaking duly appointed;
  - 47.1.7 has an administrator or an administrative receiver (as defined in the Insolvency Act 1986) appointed;
  - 47.1.8 has possession taken by or on behalf of the holders of any debenture secured by a floating charge, or any property comprised in, or subject to, the floating charge;
  - 47.1.9 is in circumstances which entitle the court or a creditor to appoint, or have appointed, a receiver, a manager, an administrator or an administrative receiver, or which entitle the court to make a winding-up order then in any such circumstances the Council may (if it so decides) exercise the rights described in Clause 46.2
- 47.2 In the event of any one or more of the circumstances described in Clauses 47.1 the Council may take any or all of the following actions **PROVIDED ALWAYS** that in deciding to take any of the following actions the Council will act proportionately having regard to the effects of such action on the business of East North East Homes and the delivery of the Services :-
- 47.2.1 either provide itself or procure the provision of the whole or the relevant part of the Services until such time as (if at all) East North East Homes shall demonstrate to the satisfaction of the Council that the whole or such part of the Services will be once more provided by East North East Homes in accordance with the provisions hereof
  - 47.2.2 without determining the whole of this Agreement terminate forthwith the relevant part of the Services only and thereafter itself provide or procure a third party to provide such part of the Services
  - 47.2.3 determine the whole of this Agreement
- and in the event of action pursuant to Clauses 47.2.1 and 47.2.2 a corresponding variation to the Business Plan shall be made in accordance with Clause 46

- 47.3 If the Agreement is terminated in whole or in part as provided in Clause 47.2 the Council shall:
- 47.3.1 be entitled to reoccupy any premises and repossess any other physical resources or assets licensed, loaned, or hired to East North East Homes and to exercise a lien over any of the physical resources or any other thing belonging to East North East Homes and shall have full and unfettered licence over all documents for use in connection with the Services;
  - 47.3.2 be entitled to employ and pay other persons to provide and complete the provision of the Services or any part thereof and to use all such Organisation's physical resources or other things, and all such documents for the purpose thereof
- 47.4 If the Agreement is terminated in whole or in part as provided in Clause 47.2 then in relation to the whole or any such part:-
- 47.4.1 East North East Homes shall, unless the Council requests otherwise, forthwith cease to perform any of the Services
  - 47.4.2 immediately hold all rent and other sums collected or obtained under this Agreement on trust for the Council
  - 47.4.3 hand over this Agreement to the Council without detriment to the interest of the Council's tenants or other customers of the Council.
- 47.5 The Council undertakes to exercise its power to appoint and remove board members pursuant to the Articles of Association of East North East Homes only in any of the circumstances described in Clause 47 or in other exceptional circumstances and then only for so long as (in the Council's reasonable opinion) the relevant circumstances subsist.

#### **VARIATION OF CONTRACT**

- 47.6 No deletion from, addition to, or variation of this Agreement shall be valid or of any effect unless agreed in writing and signed by the parties

#### **48. DISPUTE RESOLUTION**

- 48.1 Except as expressly provided otherwise in this Agreement, all disputes between East North East Homes and the Council arising out of or in connection with this Agreement or the performance of the Services by East North East Homes or any failure by the parties to agree any matter to be agreed as referred to in this Agreement within a reasonable period shall be referred to an expert or arbitrator to be agreed upon by the parties or in default of such agreement to be nominated by the President for the time being of the Chartered Institute of Arbitrators or a person appointed by him.

- 48.2 The Expert or arbitrator appointed under this Clause shall be entitled to make such decision or award as he thinks just and equitable having regard to all the circumstances then existing and the costs of such Expert or arbitrator shall follow the event or in the case of neither party succeeding such cost shall be apportioned between the parties by the Expert or arbitrator in such proportions as he in his absolute discretion thinks fit.
- 48.3 Any award of costs under this Clause shall be reflected in a variation to the current Management Fee.
- 48.4 Any award or decision of the Expert or arbitrator under this Clause shall be final and binding on both parties save in the event of fraud or a mistake in law or material fact.
- 48.5 Until such time as a dispute between East North East Homes and the Council is resolved East North East Homes shall continue to perform the Services in accordance with this Agreement.

## **PART N – NOTICES AND OTHER MATTERS**

### **49. NOTICES**

- 49.1 Any demand, notice, or other communication required to be given hereunder shall be sufficiently served if served personally on the addressee, or if sent by prepaid first class recorded delivery post by telex or facsimile transmission to the registered office or last known address of the party to be served therewith and if so sent shall subject to proof to the contrary be deemed to have been received by the addressee on the second Working Day after the date of posting or on successful transmission as the case may be.

### **50. SEVERENCE**

- 50.1 If any provision of this Agreement shall become or shall be declared by any court of competent jurisdiction to be invalid or unenforceable in any way such invalidity or unenforceability shall in no way impair or affect any other provision all of which shall remain in full force and effect.

### **51. PARTNERSHIPS**

- 51.1 Nothing in this Agreement shall be construed as establishing or implying any partnership or joint venture between the parties hereto and save as expressly provided nothing in this Agreement shall be deemed to make East North East Homes the agent of the Council or authorise East North East Homes (a) to incur any expenses on behalf of the Council (b) to enter into any engagement or make any representation or warranty on behalf of the Council or (c) to commit or bind the Council in any way whatsoever without in each case obtaining the Council's prior written consent.

## **52. SURVIVAL OF THIS CONTRACT**

52.1 Insofar as any of the rights and powers of the Council provided for in this Agreement shall or may be exercised or exercisable after the termination or expiry of this Agreement the provisions of this Agreement conferring such rights and powers shall survive and remain in full force and effect notwithstanding such termination or expiry.

52.2 Insofar as any of the obligations of East North East Homes provided for in this Agreement remain to be discharged after the termination or expiry of this Agreement the provisions of this Agreement imposing such obligations shall survive and remain in full force and effect notwithstanding such termination or expiry.

## **53. LAW**

53.1 This Agreement shall be governed by and construed according to English Law.

## **54 CONCURRENT REMEDIES**

54.1 No right or remedy herein conferred upon or reserved to either party by this Agreement is exclusive of any other right or remedy provided herein or by law or equity and each such right or remedy shall be cumulative of every other right or remedy and may be enforced concurrently therewith or from time to time and shall be without prejudice to any pre-existing liabilities or obligations of the other party under this Agreement.

## **55. ENTIRE AGREEMENT**

55.1 Subject to Clause 54.2 this Agreement constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all previous agreements and understandings (if any) between the parties with respect thereto

55.2 The Council and East North East Homes agree that Clauses 57.5 57.6 57.7 and 57.8 of the Original Agreement and any other Clause Schedule or Annex of the Original Agreement expressly referred to in this Agreement as so doing shall remain in full force and effect notwithstanding that the parties have entered into this Agreement

## **PART O – TERMS USED ETC**

## **56. DEFINITIONS AND INTERPRETATION**

56.1 The definitions are as follows:

**“Annual Review”**

means the report which is to be produced annually by East North East Homes and which is described in Clause 13.

**“Assets”**

means all vehicles equipment and other assets and materials as may be necessary from time to time for the provision of the Services

**“Best Value”**

and “best value” both mean best value as defined in the Local Government Act 1999

**“Best Value Review”**

means the review of the Services described in Part E

**“Business Continuity Management Policy”**

The BCM Policy enables the organisation to identify and evaluate the potential impact of disruptions to its services from various sources and from this basis to develop appropriate strategies for responding to such incidents. The Policy aims to ensure that robust BCM arrangements are developed and applied to all of the organisation's key services which are proportionate to their significance and the risks of disruption which they might face.'

**“Business Plan”**

means the document referred to in Clause 6 and any variations of such document made pursuant to Clause 46

**“Capital Resources Allocation”**

means the capital resources which are allocated in accordance with Part 2 of Annex 11

**“Commencement Date”**

means the date of this Agreement

**“Contract Period”**

means the period beginning on the Commencement Date and ending on 31.1.2013 unless terminated sooner or extended in accordance with this Agreement.

**“Contract Standard”**

means the standard to which the Services are to be provided as specified in Annex 6.

**“Contracts”**

means contracts for goods works and/or services relating to the delivery of the Services by East North East Homes

**“Council’s Computer Systems”**

means the Council’s Key Computer Systems and/or Council’s Software and the Council’s Recommended Computer Systems and/or Council’s Software

**“Council’s Key Computer Systems and/or Council’s Software”**

Those existing computer systems and databases and those computer systems and databases being developed by the Council specified as such in Part 1 of Annex 10

**“Council’s Recommended Computer Systems and/or Council’s Software”**

Those existing computer systems and software specified as such in the Part 1 of Annex 10

**“Council’s Data”**

means any information or data compiled by or on behalf of the Council in connection with the Services.

**“Council’s Emergency Officer”**

means the Chief Executive of the Council or such other individual as the Council may appoint from time to time

**“Council’s Equipment and Vehicles”**

means the equipment and vehicles of the Council referred to in Annex 5 together with any other (a) equipment as may be agreed between East North East Homes and the Council in writing and/or (b) vehicles as may be transferred by the Council to East North East Homes by way of sale or transfer of Vehicle Lease or otherwise and “Vehicle” shall be construed accordingly.

**“Council’s Software”**

means any computer software owned by or licensed to the Council relating to or used in connection with the Services.

**“ Disaster Recovery Plans”**

are an integral part of the organisation's Business Continuity plan by which it intends to recover and restore its IT and Telecommunications capabilities after an event/incident/crisis.'

**“Dwelling”**

is defined in accordance with the Original Agreement and means any leasehold or tenanted dwelling house in respect of which the Council owns the freehold or a leasehold interest within the area shown edged red on the Plan attached to the Original Agreement to be managed by East North East Homes

**“Enabling Acts”**

means all those Acts which enable the Council to enter into this Agreement, including (but not limited to) the Housing Act 1985, the Local Government Act 1972 and the Local Government Act 2000

**“Expert”**

means an individual appointed in accordance with this Agreement

**“Guidance”**

means the guidance entitled “Guidance on Arms Length Management of Local Authority Housing” and any subsequent guidance which modifies or replaces the same.

**“Know-how”**

means all information (including that comprised in or derived from data disks tapes manuals source codes flow-charts catalogues and instructions) relating to the Undertaking and the Services.

**“Lease[s]/Licence[s]”**

means the lease to be granted in substantially the form[s] set out in Part 2 of Annex 9.

**“Leeds ALMOs”**

means East North East Homes Leeds Limited West North West Homes Leeds Limited Aire Valley Homes Homes Leeds Limited.

**“East North East Homes”(ENEH)**

means East North East Homes Limited

**“Management Fee”**

The amounts to be paid by the Council to East North East Homes calculated in accordance with Part 1 of Annex 11.

**“NASS Contract”**

means the contract between the Council and the National Asylum Support Service/the Secretary of State for Home Affairs and any other contract relating to the provision of accommodation for asylum seekers or refugees

**“NASS Dwelling”**

means such of the Dwellings as are subject to the NASS Contract from time to time

**“Original Agreement”**

The Agreement dated 31<sup>st</sup> January 2003 between the Council and Leeds ( ) Homes in respect of housing management and other services

**“PPFI Contractor”**

means the contractor under a PPFI Scheme to whom it is proposed to delegate part of the Services.

**“PPFI Scheme”**

means a scheme for the provision of housing and/or housing management services funded wholly or in part pursuant to the United Kingdom government's Private Finance Initiative (or any similar initiative replacing the same).

**“Performance Management Framework”**

The performance management framework agreed between the Council and East North East Homes set out in Annex 2

**“Premises”**

means the offices and other premises described in Part 1 of Annex 9

**“Regeneration partner”**

means a party having an interest in a joint venture company with the Council, or other party with whom the Council has an agreement to deliver a Regeneration Scheme

**“Regeneration Scheme”**

means a scheme for the provision of housing and/or housing management services and/or the delivery of other functions of the Council (whether or not in conjunction with the provision of other public sector or private sector services) with the objective of delivering holistic approaches to regeneration, for example the East and South East Leeds initiative .

**“Regulations”**

means the Transfer of Undertakings (Protection of Employment) Regulations 1981 and shall be deemed to include (without limitation) the Acquired Rights Directive 77/187 (howsoever amended or interpreted) as it applies to the Council and/or this Agreement and/or this or any subsequent transfer of the Undertaking.

**“RPI”**

means the United Kingdom General Index of Retail Prices (All Items) or in the event that the basis of calculation of such Index shall change or if such Index ceases to be published (as to which the Council’s reasonable decision shall be conclusive) such other published index of retail prices or the value of money as the Council and East North East Homes may agree PROVIDED THAT in the event that such agreement cannot be reached within twenty-one (21) Working Days of a decision by the Council the RPI shall be determined by an Expert in accordance with this Agreement.

**“Services”**

means the services to be provided by East North East Homes in respect of the Dwellings in accordance with the Agreement and includes any variations thereto made pursuant to this Agreement.

**“Service Improvement”**

Means the continual development of services to deliver the best possible outcomes for both customers and the communities served.

**"Tenancy Conditions"**

means the conditions on the basis of which the Council's tenants occupy the Dwellings and shall be deemed to include all the Council's rights and obligations whether statutory or contractual and whether or not expressly incorporated.

**"Tenant Management Organisation"**

means a Tenant Management Organisation as defined in Section 27AB(8) of the Housing Act 1985.

**“Term”**

means the same period as the Contract Period

**“Undertaking”**

means the Council’s housing management and other functions delegated to East North East Homes pursuant to this Agreement.

**“Vehicle Lease”**

means any vehicle leasing or hire contract in respect of any vehicle leased or hired by the Council.

**“Working Day”**

means any day between the hours of 8.45 a.m. and 5.00 p.m. save for Saturdays, Sundays, public holidays and other non-statutory holidays taken as public holidays by the Council and in relation to any time after 5.00 p.m. shall mean the following Working Day.

- 56.2 Reference to East North East Homes personnel shall be deemed to include East North East Homes’ directors and employees and East North East Homes agents and sub-contractors unless the context otherwise requires.
- 56.3 The Agreement shall be governed by and construed in accordance with English Law and the English courts shall have jurisdiction over any dispute or difference which shall arise between the Council and East North East Homes out of or in connection with the Agreement.
- 56.4 A reference to the Enabling Acts or any other Act of Parliament or to any Order Regulation Statutory Instrument or the like shall be deemed to include a reference to any amendment re-enactment consolidation variation replacement or extension of the same respectively from time to time and for the time being in force.
- 56.4 A reference to any Leeds Strategic Plan policy statement strategy or procedure shall be deemed to include a reference to any amendment variation replacement or extension of the same respectively from time to time and for the time being approved or adopted by the Council.
- 56.6 Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine gender and vice versa and words denoting persons shall include firms and corporations
- 56.7 References to Clauses Schedules and Annexes shall be deemed to be references to the Clauses in and the Schedules and Annexes to this Agreement as so numbered
- 56.8 In this Agreement headings are included for ease of reference only and shall not affect this Agreement or the interpretation thereof

**IN WITNESS** whereof these presents have been executed as a Deed and delivered the day and year first before within.

**THE COMMON SEAL of LEEDS CITY )**  
**COUNCIL** was hereunto affixed )  
in the presence of:- )

Director of Legal and Democratic Services

**THE COMMON SEAL of )**  
**EAST NORTH EAST HOMES LIMITED )**  
was hereunto affixed in the presence of:- )

Director/Secretary

Director

## **ANNEX 1 - FUNCTIONS DELEGATED**

### **General**

- The management and maintenance of Council housing, council garages, land vested in Neighbourhoods & Housing Department, , and other assets as agreed with the Council to facilitate the day to day management of Council housing within the ALMO area (in this Annex collectively called "Assets")
- To make best use of housing stock

### **Asset management and stock condition**

- The maintenance of stock condition data on such Assets
- The responsibility to consult with tenants on repairs and improvements to such Assets
- Clearance of such Assets and the responsibility to decant tenants where appropriate
- The delivery of energy efficient responses to repairs and modernisation in relation to such Assets that contributes to the Council's Best Value performance responsibility
- The responsibility to manage and maintain those premises used as housing offices as set out in Annex 9
- The management and maintenance and repair of tenant resource centres or meeting rooms within the ALMO area
- To contribute fully to the regeneration policies of the area within which the ALMO operates
- The responsibility to work proactively with the local Area Housing Partnership

### **Repairs and maintenance**

- The repair and maintenance, whether responsive or major, of such Assets
- The repair inspection process relating to such Assets
- The planned and cyclical maintenance of such Assets
- The modernisation and improvement of such Assets

### **Environmental**

- The environmental management of housing estates

### **Allocations**

- The selection of tenants for vacant properties in accordance with the Council's lettings policy
- The granting of new tenancies in accordance with the Council's lettings policy
- The notification to and signing up of new tenants in accordance with the Council's lettings policy
- Transferring tenants in accordance with the Council's lettings policy
- The management of successions in accordance with the Council's lettings policy
- The management of Mutual Exchanges in accordance with the Council's lettings policy

### **Income collection**

- The collection of rent due and the recovery of current and former tenants arrears along with other charges falling due

### **Tenants' Insurance**

- The processing of the tenants insurance scheme

### **Tenancy enforcement**

- The management of the terms and conditions of tenancies and the enforcement of the same
- The processing of requests for action to tackle Anti Social Behaviour

### **Sheltered housing**

- The management of Sheltered Housing schemes

### **Supported housing**

- The management of Supported Housing schemes including the staff

#### **Leasehold**

- Leasehold management within the ALMO area

#### **Information, consultation and involvement**

- The provision of information about service delivery, changes to service delivery and performance of service delivery to tenants
- The provision of reports to tenants about the ALMO
- The development of tenant involvement structures including tenant compacts

#### **Financial management**

- The provision of financial management, both revenue and capital, to the ALMO
- The provision of financial and statistical returns as and when directed or requested

#### **Procurement**

- The letting of contracts in accordance with the terms of this Agreement

#### **Organisation**

- The preparation of Business Plans
- The management of performance in line with the Performance Management Framework
- The negotiation of Service Contracts/Service Level Agreements in accordance with value for money principles
- The management of employee relations

## Annex 2

### **PERFORMANCE MANAGEMENT AND GOVERNANCE FRAMEWORK BETWEEN LEEDS CITY COUNCIL AND THE THREE ARMS-LENGTH MANAGEMENT ORGANISATIONS (ALMOs)**

#### **1.0 INTRODUCTION**

##### **1.1 Background**

This is the second version of the Performance Management Framework between Leeds City Council and the ALMOs. Parties to the Framework are East/ North East Homes Leeds, South/South East Homes Leeds, West/North West Homes Leeds and Leeds City Council.

This version draws on the same principles of the original Performance Management Framework issued in early 2005, updated in recognition of ALMO development since 2005. The purpose is to improve clarity on the outputs and outcomes expected from both parties and address 'gaps' in the previous framework. It does not preclude the ALMOs from operating their own performance frameworks based on local and organisational characteristics unique to each ALMO. It is intended that this Framework complements, not substitutes, ALMO performance management arrangements

This Framework does not over-ride any clauses in the ALMO Management Agreements.

##### **1.2 Duration and renewal**

The Framework will replace the existing version from 1<sup>st</sup> April 2007. The Council will review the Framework bi-annually or in response to key national or local policy initiatives or changes.

##### **1.3 Structure**

The Framework is divided into the following sections and appendices;

- Key aims and objectives;
- Core activities, processes and performance reporting arrangements;
- Liaison arrangements;
- Dealing with under performance. This is a new section which deals with incentives and penalties and other sanctions;
- Appendices consist of information documents referred to in the text.

#### **2.0 KEY AIMS AND OBJECTIVES**

##### **2.1 Original aims**

The original strategic aims remain as set out in the applications to ODPM (now CLG) for Supplementary Credit Approvals (SCA) in 2002. To recap, these are:

**2.1.1. To strive for excellent performance** through the application of Best Value, sound performance management supported by an Area Service Improvement Plan and the adoption of continual process improvement techniques;

**2.1.2. To improve customer satisfaction** with their homes, neighbourhoods, tenant involvement opportunities and with services provided;

- 2.1.3. To access more investment to achieve decent homes** and decent neighbourhoods across Leeds and to achieve a “step change” to full improvement of housing up to tenant aspirations;
- 2.1.4. To achieve better service delivery** together with other key council departments and service providers, through using local freedom of operation to meet changing demand, needs and aspirations, better match demand and supply and to provide more responsive services.

## **2.2 Wider strategic objectives**

These are concerned with wider, longer term initiatives, involving working with the Council and principal partners, which are likely to impact on ALMO areas of operation and are:

- 2.2.1. To contribute to the development and implementation of key corporate and city wide strategies;
- 2.2.2. To develop appropriate mechanisms for the delivery of governmental and national housing and regeneration initiatives and policies.

The Council has a strategic duty to deliver a range of high level, long term plans across the city. The key documents where these plans are set out are:

- Vision for Leeds 2004-2020 e.g. ‘Narrowing the gap’ agenda
- Corporate Plan 2005-2008
- Council Plan 2006-07

As key partners of the Council, ALMOs are expected to demonstrate their strategic contribution to corporate plans. ALMOs will also set their own strategic objectives based on knowledge and assessment of key issues in the ALMO area of operation.

There are also sub strategies containing specific measures which contribute to delivery of corporate objectives e.g.

- Housing Strategy and contributory sub strategies
  - Asset management plan
  - Affordable housing strategy
  - City Growth strategy
  - Equality and diversity strategy
  - Fuel Poverty strategy
  - Lettings policy
  - Leeds Regeneration Plan 2005-2008 and District Plans
- N.B. Above list is not exhaustive.

## **2.3 Relationship with Leeds City Council**

In addition to ‘outward facing’ objectives i.e. improving customer satisfaction, quality of service provision, asset management, strategic contribution, there are also objectives aimed at maintaining a constructive working relationship with the Council and strengthening partnership working. These are:

- 2.3.1 To work with Council officers** to foster partnership and collaborative working arrangements and to engage in positive dialogue on strategic issues;
- 2.3.2 To share good practice** in order to promote and ensure equality and consistency of treatment for tenants across the city;

**2.3.3 To respond within required timescales** to requests for information, numeric and statistical data, official returns, views and contributions to debates on city wide issues and policies.

## **2.4 Role of Strategic Landlord**

The Council has delegated its responsibility for implementation and monitoring of this Framework to Strategic Landlord. This means the following teams;

**2.4.1 The ALMO Performance and Policy Team (APPT)** whose role is to manage the relationship with the ALMOs, review compliance with the ALMO management agreements, and review performance against key Council strategies, Comprehensive Performance Assessment indicators and mutually agreed local indicators. This role is important in order to demonstrate;

- The Council's responsibility as owner and landlord of council housing;
- Accountability to tenants, elected members, government bodies and other key stakeholders.

The APPT is the **primary** contact for all issues arising from the operation of this Framework.

**2.4.2 Environment & Neighbourhoods Finance Team** for financial performance;

**2.4.3 Leeds Homes Team** for implementation of the Council's Lettings Policy and associated issues.

The Framework is pitched at a strategic level. It is not intended that the Council will monitor day to day operations of the business; rather it will focus on service outcomes and ensuring that the ALMOs are properly exercising their delegated powers in pursuance of the Council's objectives. In recognition of the obligations of both parties, it will also be a mechanism which enables ALMOs to raise issues in relation to the Council's duty to assist and facilitate ALMOs to achieve these outcomes. However, it is recognised that there may be greater engagement at an operational level on an exceptional basis, e.g. addressing Council service performance issues, where Council involvement is specifically requested by the ALMO, or where there are issues relating to the reputation of the ALMO or the Council.

## **3.0 CORE ACTIVITIES, PROCESSES AND PERFORMANCE REPORTING ARRANGEMENTS**

This section sets out the mechanisms and processes through which ALMO performance against the key aims and objectives will be evaluated.

### **3.1 Annual calendar**

APPT has produced an annual timetable of engagement between the Council and ALMOs to outline performance activities on a month by month basis. This is the **Annual Activity Cycle** at **Appendix 1**.

### **3.2 Business plans**

Strategic housing objectives are set out in the **Housing strategy** and **Asset Management plan** and ALMO business plans should show how they contribute to these objectives.

In accordance with the Management Agreements, ALMOs are required to provide the following:

**3.2.1 Business Plan.** This should include a description of the ALMOs current position, an analysis of issues and risks critical to future sustainability and success, set out long term strategic aims and objectives, how these will be achieved over **five years**, a programme detailing key stages and milestones, and a risk assessment. These plans should be supported by 5 year financial projections and budgetary analysis.

**3.2.2 Annual Business Plan update.** This will be an assessment of progress against year one of the Business Plan and any amendments which may be needed for future years.

**3.2.3 Annual Service Improvement Plan (SIP).** Each ALMO should produce an annual operational plan or SIP which sets out actions the ALMO plans to take over the next year to improve service delivery. It should cover the key service areas. The plan will include Performance Indicator targets and qualitative information. The ALMO will set out its plans to meet PI targets in the SIP.

**TIME / FREQUENCY - ALMOs should forward the first draft five year Business Plan by 30th November 2007, and the annual update by 30<sup>th</sup> June 2008 and 2009. The operational plan or SIP should be forwarded with the Business Plan.**

**3.2.4 Business plan assessment**

APPT will assess the ALMO Business Plans and Annual BP Update using the **Business Plan Assessment pro-forma** at **Appendix 2**, to identify links between ALMO objectives and key corporate objectives. A report on the result of the assessment will be forwarded to the ALMO Chief Officer and discussed at the Quarter 1 Strategic meeting.

**TIME/ FREQUENCY – Annually at Quarter 1 Strategic meeting which will be held in August.**

**3.3 Annual review**

**3.3.1** In order to provide a holistic view of ALMO performance, the ALMOs will provide a written annual review to APPT in an agreed format to include the following;

- An analysis of achievement against service improvement targets with commentary;
- An analysis of performance against BVPI targets with commentary;
- Year end out-turn performance on annual organisational health, equality and diversity and tenant satisfaction indicators.
- Description of any benchmarking exercises and findings;
- Outcomes of any service Improvement reviews;
- Detailed analysis of delivery of the capital programme and achievement towards Decency;

- Analysis of tenant involvement initiatives and customer satisfaction information e.g. surveys, complaints and compliments, carried out in year and how these are applied to service planning;
- Outcomes of internal and external audit reports;
- Board review outlining any membership changes;
- Key proposals for the new year;

The **ALMO Annual Review pro-forma** is outlined in **Appendix 3**. It will contribute to a Strategic Landlord report to Environment and Neighbourhoods management team (E & NMT) which is outlined in section 3.3.2.

**TIME / FREQUENCY – Annually by 30<sup>th</sup> April from 2008.**

### **3.3.2 Annual Strategic Landlord report to Environment & Neighbourhoods management team**

APPT will produce an annual report, in a standard format, to the E & N management team on city wide ALMO activity, to include reports on the following:

- Each ALMO's performance against the previous year's Business Plan and key changes for the coming year's Business Plan;
- Achievements and problems / issues which need further action in the coming year;

The report to E & NMT will be in June of each year. The draft report will be discussed with the ALMOs before it is finalised.

**TIME / FREQUENCY - Annually by 30<sup>th</sup> June from 2008.**

### **3.4 Finance**

The Council will seek assurance on the business and financial health of the ALMOs through the Performance Management arrangements. This will involve evaluation of capital and revenue expenditure, financial performance, annual budgets, business plans and annual accounts. The ALMOs will be required to comply with financial guidance issued by both Corporate and Directorate Finance in the areas detailed below:

#### **3.4.1 Budgets and Budget Monitoring - Revenue**

ALMOs will be required to provide the following information within timescales stipulated by the Council. These are shown in the table below:-

	<b><u>DOCUMENT</u></b>	<b><u>TIMESCALE</u></b>
1	Annual detailed budget, reserves strategy & budget report as presented to the ALMO Board.	Within 2 weeks of being agreed by ALMO Board.

2.	Revised budgets - where applicable	Within 2 weeks of being agreed by ALMO Board.
3.	5 year financial plan ( revised annually as part of the Business Plan )	As per Business Plan timescale
4.	Monthly monitoring statements in the format agreed with Strategic Landlord (see appendix xx).	Within 28 days of close of FAB period.
5.	Any additional information required by Strategic Landlord for payment of ALMO management fee.	Within 28 days of close of FAB period.

ALMOs should accept recharges from Council Directorates within reasonable timescales. Any issues arising in relation to disputed recharges should be resolved initially with the issuing Directorate.

Strategic Landlord will pay the ALMO Management Fee 28 days after the end of each FAB period or immediately upon receipt of information if not submitted within the 28 day timescale.

### **3.4.2 Budgets and Budget Monitoring - Capital**

The Council will provide the ALMOs with the following information:

- Capital resources available each year - i.e. MRA, RTB receipts
- Projected capital resources for future years as requested
- Monthly monitoring statements.

Monitoring meetings will be held between the Directorate's Capital Finance Manager and the ALMO to discuss the current years spend against SCA and other capital resources. As a minimum these meetings will be held quarterly with more frequent meetings should they be required.

### **3.4.3 Closedown**

ALMOs must adhere to the Corporate Closedown timetable and follow guidance and circulars as issued by Corporate Finance. ALMOs are required to provide a copy of their audited Annual Accounts to Strategic Landlord and Corporate Finance.

### **3.4.4 Meetings**

Strategic Landlord and the ALMOs will meet to discuss financial issues as follows:-

	<b><u>ITEM</u></b>	<b><u>TIME /FREQUENCY</u></b>	<b><u>ATTENDED BY</u></b>
1.	Management fee	January each year	DMT /COG
2.	Annual Budget	April each year	Head of Finance and ALMO SMT member with responsibility for Finance.
3.	Financial Performance v Revenue Budget	As a minimum at the end of each quarter. SL reserves the right to hold meetings more frequently.	Head of Finance and ALMO SMT member with responsibility for Finance,
4.	Financial performance v Capital budget	As a minimum at the end of each quarter. SL reserves the right to hold meetings more frequently.	Strategic Landlord Capital Finance Manager and ALMO finance/investment officers.
5.	ALMO Finance Managers	Bi-monthly with option to be held more frequently at year end /closedown.	Strategic Landlord Finance staff and ALMO Heads of Finance.

Financial issues will be a standing agenda and discussed at the ALMO Quarterly Review Meetings.

### **3.4.5 Efficiency Statements and BVPIs**

The ALMOs will be required to provide information in the format and timescales stipulated by Corporate and Strategic Landlord in respect of the following:

- Gershon - efficiency information
- BVPI statistics

This information is subject to external audit and therefore detailed and auditable working papers must be retained by the ALMOs and made available on request.

### **3.4.6 Performance Incentives**

The Council retains the right to implement a Performance Incentive and Penalty regime. Details of this are attached at **Appendix 4.**

### **3.4.7 Taxation**

An SLA has been agreed between Strategic Landlord and the Council's Taxation Section in respect of Taxation services. ALMOs are expected to adhere to the processes, advice and guidance contained within the SLA.

### **3.4.8 Internal Audit**

The ALMOs must satisfy Strategic Landlord that they have suitable internal audit arrangements in place.

### 3.4.9 Council decisions

The Council retains the right to make the final decision in the following areas:

- Accounting treatment and policy
- Management Fee Formula and Annual Fees
- Rents and rental policy
- Service Charges

### 3.5 Governance

Governance is the way in which organisations are directed and controlled and its effectiveness impacts on business and operational performance, relationship with shareholders and stakeholders and public reputation. Boards, in this case the ALMO Boards, are invested with legal authority to formulate policies and take decisions which are in the best interests of the organisation and for which they are accountable. It is the responsibility of Boards to demonstrate how they fulfil this role. The quality of governance is significantly affected by the relationship between the Board and senior management team (SMT). Governance assessments should take account of the role of the SMT in managing the organisation and the nature of its relationship with the Board.

As sole shareholder and landlord, the Council has overall liability for the outcomes and impact of ALMO activities and a duty to ensure reasonable measures are in place to mitigate this liability. Strategic Landlord objectives in assessing governance are to:

- Seek assurance that the ALMOs comply with legal and constitutional requirements and demonstrate high standards of probity;
- Achieve a better understanding of the role of the Board and its relationship with the senior management team;
- Investigate potential or actual breaches in governance, including probity;
- Evaluate the Boards' assessment of its overall performance, the operation of sub committees, area panels and individual Board members;
- Provide feedback to ALMOs on issues of concern and good practice.

#### 3.5.1 Company requirements

These are legal requirements to comply with the Companies House regulatory system e.g. registration of directors, registration of Memorandum and Articles, submission of statutory accounts by due date:

- ALMOs will confirm to Strategic Landlord that these requirements have been met by annual completion of the **Governance Health check proforma** attached at **Appendix 5**

<b><u>TIME / FREQUENCY</u></b> – Annually by 30 <sup>th</sup> September.
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#### 3.5.2 Relationship with the Board

Strategic Landlord will evaluate Board performance through the following activities;

- a) **Annual Board, sub committee and area panel cycle**

An annual cycle of Board, sub committee and area panel meetings should be forwarded to APPT. This should indicate when key items e.g. Budget, Business Plan, Performance reports, Equality and diversity review, are to be discussed.

**TIME / FREQUENCY – Annually by 30th April.**

**b) Board, sub committee and area panel reports and papers**

All Board, sub committee and area panel reports, including supporting papers and confidential items, will be forwarded to APPT in hard copy or electronic format for review. Should the review raise issues, APPT will discuss these with the ALMO and reserves the right to put Strategic Landlord comments to the Board. These comments must be given by ALMO officers to the Board.

**TIME / FREQUENCY –Board papers forwarded to APPT at least 5 working days before the meetings.**

**c) Attendance at Board, sub committee and area panel meetings**

APPT representatives will attend a minimum of **two** meetings annually. The meetings to be attended will be determined by key items in the Board cycle or Strategic Landlord items e.g. Annual Review for Environment & Neighbourhoods Decision Panel. The brief for APPT attendance will be agreed in advance with the ALMO Chief Officer.

APPT or other Council officers may attend additional meetings if;

- The ALMO invites Strategic Landlord to provide information on corporate or other issues. In these circumstances, the ALMO will provide advance notification and briefing material,
- Strategic Landlord has substantive issues to be brought to the attention of the Board. This would usually relate to ALMO financial or operational performance or key changes in corporate or national policy which impact on ALMOs. This would be agreed in advance with the Chief Officer and Chair.

**TIME / FREQUENCY – Minimum of 2 as agreed between ALMOs and APPT.**

**d) Annual General Meeting**

Annual general meetings will take place in accordance with advice from the Director of Legal and Democratic Services and will be attended by APPT. This does not preclude ALMOs from inviting other Council officers.

**TIME / FREQUENCY – Annually as per constitutional requirements.**

**3.5.3 Governance audit**

To ensure the ALMOs are operating in accordance with the standards expected as a wholly owned company of the Council, there will be an annual assessment of the following documents:

- Validation of the Governance Health check pro-forma;
- Attendance register of Board and sub committee meetings;
- Register of interests;

- Code of conduct;
- Board appraisal and papers;
- Board training and development information;
- Chief Officer Appraisal;
- Standing orders and financial regulations;
- Internal audit plan, in-year reports and management follow up.

This assessment will be carried out by either;

- APPT visit to the ALMO. Findings and conclusions will be reported to the Chief Officer and Company Secretary.
- Internal Audit commissioned by the ALMO to cover items listed. Findings will be forwarded to APPT.

<b><u>TIME / FREQUENCY</u> – Annually by 31<sup>st</sup> October.</b>
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### **3.5.4 Equality and diversity**

Performance and progress in this area will be assessed against the processes, activities and timescales contained in the **ALMO Equality and Diversity Performance Framework** attached at **Appendix 6**.

<b><u>TIME / FREQUENCY</u> - Various as per Equality Performance Framework.</b>
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### **3.5.5 Risk register**

ALMOs are required to maintain a system of internal controls and provide assurance on its effectiveness. To demonstrate this, ALMOs should maintain a risk register of their key business risks. This should be reviewed quarterly by the ALMO taking into account risks identified on the Environment and Neighbourhoods risk register. The reviewed risk registers should be sent to the Risk Management Unit / APPT on a quarterly basis. Any risks categorised as very high or 'red' on the ALMO Risk Register will be submitted to the Corporate Risk Management Group (CRMG) for consideration. CRMG reviews all high level risks and makes recommendations on which risks should be escalated to the Corporate Risk Register, owned by Corporate Management Team. CRMG will have a minimum of 1 ALMO representative. ALMO Risk Registers and the links to the directorate risk register will be discussed at the Strategic Quarterly Review Meetings referred to in section 4.3.2.

<b><u>TIME / FREQUENCY</u> - Quarterly as per Corporate Risk Management Group timescales. APPT will supply dates to ALMOs.</b>
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### **3.5.6 Contract procedure requirements**

For some key risk areas to both the ALMO and the Council, Strategic Landlord may monitor ALMO compliance with certain Council policies, legislation and regulations. This includes the following:

- Health and Safety legislation / regulations,
- The Corporate Procurement/ LHCP Protocol,
- Council HR policies - recruitment and selection code of practice, managing attendance policy, disciplinary rules and procedure, performance capability procedure, grievance procedure, re-grading procedure, health and safety policies.
- Where the ALMO project manages capital schemes, that they comply with appropriate regulations.

**The monitoring approach is to be determined.**

### **3.6 Service delivery**

The areas covered by this Framework are;

#### **3.6.1 Tenancy management**

Strategic Landlord has statutory responsibility for the following areas;

**a) Lettings** - Leeds Homes will measure the effective implementation of the Council's Lettings Policy, Lettings Procedures and Service Agreement through its internal Quality Assurance procedures and the Council's Internal Audit process. Quarterly Account Meetings held between Strategic Landlord and the ALMO representatives will highlight and address issues of concern and developments in policy and procedures. The **Leeds Homes Service Agreement** is attached at **Appendix 7**.

**b) Tenancy agreement** - APPT will issue guidance on policies and procedures concerning the tenancy agreement and, from time to time, assess the application of these policies in the ALMOs.

#### **3.6.2 Asset management**

Strategic Landlord is responsible for ensuring there is a clear strategy to achieve decency by 2010 and long term sustainability of Council assets beyond 2010.

Progress will be reviewed through the following mechanism;

- A strategic assessment will be included in the Asset Management component of the **Business Plan assessment** referred to in section 3.2.1 (**Appendix 2**);

#### **3.6.3 Tenant involvement and customer satisfaction**

APPT will review the following areas;

**a) Relationship with the Area Panels** - APPT will evaluate the outputs from these committees from the papers and discussions in Strategic Quarterly review meetings. APPT will look particularly for evidence of how commitments to tenants have been met.

**b) Tenant surveys** – The Council is required to carry out a survey every three years in accordance with STATUS methodology to meet BVPI 74 and 75 requirements. This will be supplemented by annual **postal** ALMO surveys. ALMOs can produce bespoke survey questionnaires but must include the STATUS questions which determine the BVPI result to enable comparative analysis with the Council survey. To summarise;

Year 1 ALMO survey – Postal with BVPI questions;

Year 2 ALMO survey – As above;

Year 3 Council survey – STATUS methodology.

**c) Customer profiling** – For future service planning purposes and to meet Audit Commission Inspection requirements, a systematic process should be in place with the ability to collect, collate and analyse data. This must also be available on a city wide basis to ensure and demonstrate fair and consistent treatment for existing and future customers.

The mechanism to achieve this is in development.

**d) Complaints and compliments**

ALMOs will enter details of complaints and compliments in the return for the Operational quarterly review meeting (section 4.3.1). This return will also cover Ombudsman cases and the findings, corrective action and liability for damages will be discussed at the meeting.

### **3.7 Performance reporting**

Strategic Landlord is responsible for reporting ALMO performance periodically to the Council and for external audit and Comprehensive Performance Assessment purposes.

#### **3.7.1 Performance indicators**

Each year, APPT will advise ALMOs of the performance indicators (PIs) which will be used to measure ALMO performance during the coming year. These will be made up of:

- Best Value Performance Indicators (BVPIs) including housing and organisational health BVPIs;
- Other local housing PIs;

The **Performance Indicators 2007/08** matrix is attached at **Appendix 8**. The frequency of performance reporting is outlined in the matrix. Key PIs (including BVPIs and PIs which contribute to the Council's Comprehensive Performance Assessment (CPA)) will be reported in the Council Plan.

<b><u>TIME / FREQUENCY</u> - Annually in April.</b>
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#### **3.7.2 Council Performance Reporting**

APPT will report ALMO performance on PIs into Environment and Neighbourhoods on a monthly basis, to the Housing Services Management Team, and then into the Chief Housing Officer and Director's one to one. Performance will also be reported into the Council on a quarterly basis – into Corporate Management Team and Leader Management Team and into Overview and Scrutiny committee. Performance will also be reported at the end of each financial year into the Council Plan (for those PIs included in the plan) and to the Audit Commission (for BVPIs and PIs which contribute to the CPA). Such PIs may also be subject to an external audit, to assess system reporting capabilities and data accuracy.

#### **3.7.3 Reporting and definitions**

ALMOs will report performance on numeric BVPI and HMA performance indicators from Council IT systems where these are available and in line with definitions specified by Strategic Landlord. Non numeric BVPI performance indicators will be reported in a format provided by Strategic Landlord. Performance reports will be run on 1<sup>st</sup> Monday of each month. APPT will notify ALMOs of reporting dates at the start of each financial year.

<b><u>TIME / FREQUENCY</u> - Annually in April.</b>
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#### **3.7.4 Target setting meetings**

Strategic Landlord will meet with each ALMO to inform them which performance indicators (PIs) will be reported to the Council and targets for each financial year. Changes may be made on which PIs are reported (or method of calculation) in response to changes to BVPI / CPA requirements, or improved local reporting methods.

**TIME / FREQUENCY - Annually in April.**

### **3.7.5 Monthly performance information**

APPT will issue a performance matrix showing progress on those BVPIs and local service delivery indicators which are measured by statistical or numeric information available from corporate management information systems.

**TIME / FREQUENCY – Within 7 working days of the first Monday in the month.**

### **3.7.6 Quarterly Performance Report**

The ALMO will provide reports to APPT on performance against these PIs (frequency of reporting on each PI outlined in **Appendix 8**) in a format to be agreed with APPT. This report and progress on PIs will be reviewed at the Quarterly Performance meetings (See section 4.1.1) with the ALMOs.

**TIME / FREQUENCY – 1 week in advance of the Operational quarterly review meeting.**

### **3.7.7 Quality assurance**

ALMOs are required to carry out regular quality checks of all data which is used to calculate performance of PIs to ensure that the data is accurate and that appropriate controls and clear audit trails are in place. Where APPT require specific quality checks to be undertaken by the ALMO, the ALMO should ensure that the checks are carried out in accordance with the specified approach / methodology and maintain records of such checks for scrutiny where required.

**TIME / FREQUENCY – As agreed with APPT.**

## **4.0 LIAISON ARRANGEMENTS**

This section sets out the formal meeting structures between Strategic Landlord and the ALMOs. The list is not exhaustive and does not preclude meetings which may be initiated by mutual agreement between the ALMOs and the Council e.g. high level meetings at Project Board and Directorate level, lower level meetings on systems and service issues.

### **4.1 Quarterly review meetings**

There will be two meetings held quarterly between APPT and the ALMO as follows;

#### **4.1.1 Quarterly Performance Meeting**

This meeting will be held between APPT officers and the ALMO Performance Manager to discuss performance in the last quarter on KPIs, complaints monitoring and Ombudsman cases. The aim of the meeting is to discuss issues in more operational detail and agree actions where there are issues impacting on performance. Actions agreed may be for the ALMO to address particular issues or for APPT to implement any system or definition issues.

**TIME / FREQUENCY - Quarterly in July, October, January and April 3 or 4 weeks after quarter end.**

#### **4.1.2 Quarterly Strategic meeting**

This meeting will take place between the ALMO SMT and APPT officers after the Operational meeting has taken place. Significant issues arising from the Operational meeting will feed into the Strategic meetings. A Forward Plan for meetings will be agreed with ALMOs at the Quarter 4 meeting of each year. Agenda items will include;

- ALMO and Council general updates of business developments during the previous and coming quarter.
- Progress against Business Plan and long term viability i.e.
  - Financial and budgetary position;
  - Overall performance;
  - Corporate strategy issues;
  - Asset management issues;
  - Tenant involvement;
- Progress on Service Improvement Plan;
- Capital programme and progress on decent homes, regeneration initiatives, SHG funding;
- Equality and diversity issues;
- Service reviews;
- Organisational changes;
- Internal audits and risk;
- Assistance with Audit Commission Inspections;
- SLA and support service issues.

<b><u>TIME / FREQUENCY</u> – Quarterly in August, November, February and May to be held <u>2 weeks</u> after the Performance meeting.</b>
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#### **4.2 Issue related focus groups**

To promote collaborative working, develop new approaches and disseminate good practice, generic working groups will be formed from time to time, in response to specific performance areas or new areas of work. These will be attended by APPT members and specialist ALMO staff nominated by each ALMO. These staff will be expected to work collectively on behalf of all ALMOs.

<b><u>TIME / FREQUENCY</u> – As agreed with APPT</b>
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#### **5.0 DEALING WITH UNDER-PERFORMANCE**

During the relationship between the Council and the ALMOs, circumstances may develop which give rise to concerns. These may relate to governance, financial and operational performance, or Council and external policy developments. For example, the Council may have concerns about ALMO performance, reputation, or future development. These may have implications for the Council's interests and liabilities as landlord and sole shareholder of the company or for the Council's Comprehensive Performance Assessment (CPA) rating. Likewise, the ALMOs may have concerns about services provided by the Council or decisions taken by Strategic Landlord which may impact on how they fulfil management agreement responsibilities and Inspection requirements.

## 5.1 Incentives and penalties

ALMOs are responsible for Housing Management performance in the Housing block of the Comprehensive Performance Assessment. To emphasize the importance of key performance indicators, APPT has developed a formal incentives and penalties scheme to recognise and encourage success or penalise weaknesses in ALMO operational performance. APPT will review the scheme annually in the light of changes to performance indicators and new threshold information. The **Penalty / Incentive Scheme for CPA Performance Indicators** is attached at **Appendix 4**. APPT will inform each ALMO of its position on penalties / incentives at the Quarterly Performance meetings and the end of year position will be reported to the Quarter 4 meeting.

**TIME / FREQUENCY**– Quarterly updates in July, October and January. Provisional year end position reported annually in April. Final confirmation following external audit outcome in July.

## 5.2 Intervention and sanctions

To minimise the risk of referral to the Management Agreement provisions, the Council will put in place a preventative or 'early warning' approach to identify and redress concerns. Where these have been identified, the Council will engage with the ALMO to develop and implement a remedial response which is tailored and proportionate to the issues.

### 5.2.1 Council concerns - Stage 1 Intervention

Council concerns about ALMO performance may come from a range of sources and relate to any aspect of service delivery or organisational performance. Where these come to the attention of Strategic Landlord, APPT will lead in investigating, forming a judgement and co-ordinating a response. Depending on the nature of the concerns, these may have already been raised through the normal liaison arrangements (quarterly reviews etc.) or other channels and informal remedial measures agreed.

From time to time, issues may not be successfully resolved through normal arrangements, or it has not been possible to agree a response with the ALMO, or the issue has significant impact and requires early, high level resolution. In these situations, APPT reserves the right, following preliminary investigatory work with the ALMO, to instigate the following process;

- i) The Head of Strategic Landlord will send a letter setting out formal concerns and supporting evidence to the Chief Officer, copied to the ALMO Chair and the Chief Housing Services Officer, and requesting a written response by a mutually agreed date;
- ii) The letter should be brought to the attention of the Board at the next scheduled meeting, or, at a special meeting, depending on the issues;
- iv) Before responding to the letter, the ALMO will meet the Head of Strategic Landlord and other Council Officers as appropriate to discuss the concerns;
- v) The ALMO response will include an action plan or description of measures it will implement to address the area of concern. This will set out outcomes, timescales and reporting arrangements;
- vi) Progress against the programme of measures will be monitored at a mutually agreed series of meetings on the specific area of concern attended by nominated ALMO and Strategic Landlord officers. The

outcome of these meetings will be a standing item in the Operational and Strategic Quarterly review meetings until formal resolution. APPT will provide written responses and comments on progress at agreed points in time e.g. after 1 month, 3 months etc;

- vii ) At the end of the agreed timescale, the Head of Strategic Landlord will meet the Chief Officer and inform the Chief Officer if the outcome of the remedial measures is acceptable or not to the Council;
- viii) If the issues have been successfully addressed, the Head of Strategic Landlord will formally write to the Chief Officer with a copy to the Chair;
- ix) If the Head of Strategic Landlord does not consider the issues to have been properly addressed or subsequent issues have emerged during the investigations which pose an immediate or significant risk to the ALMO or the Council, Stage 2 will be invoked.

### **5.2.2 Stage 2 Intervention / Special Measures**

- i) Strategic Landlord will prepare a report setting out background to the issues, chronology, outcomes of remedial steps to date, current position, issues and implications for the ALMO and the Council and recommendations. This report will be circulated to the ALMO Chair and Chief Officer;
- ii) The Head of Strategic Landlord will convene a meeting between the Chair, Chief Officer, the Chief Housing Services Officer and other Council staff as appropriate to clarify and discuss the report;
- iii) The Head of Strategic Landlord / Chief Housing Services Officer will present the report at the next ALMO Board meeting or special meeting if appropriate;
- iv ) Head of Strategic Landlord or other Council Officer will attend every ALMO Board meeting for the duration of the Intervention/Special Measures period and give a Council view on progress of the recovery plan;
- v) At stage 2, further special measures may be applied to facilitate damage limitation or recovery exercise and these will be discussed with the ALMO.
- vi) Subject to satisfactory progress, Head of Strategic Landlord will formally write to the ALMO Chair and Chief Officer to advise that special measures will be lifted.

### **5.2.3 ALMO concerns**

- i) Where an ALMO has identified performance issues with individual Service Providers in the Council or with decisions taken by Strategic Landlord, these should be raised through informal communication with the responsible section in the first instance;
- ii) Where a Service Level Agreement (SLA) is in operation, this mechanism should be implemented to resolve the issues and agree improvements;
- iii) If it is not possible to reach agreement on resolution through the SLA, or if there is no SLA, or if the situation is regarded as high risk and requires immediate escalation, the ALMO will formally set out concerns in a letter to the Head of Strategic Landlord;
- iv) APPT team will make representations to the service provider;
- v) In circumstances where the measures above have been applied without satisfactory resolution, the following process will apply;
- vi) The Head of Strategic Landlord will send a memo setting out formal concerns and supporting evidence to the Head of Service, copied to the Chief Housing Services Officer. This memo will request a written response

- by a mutually agreed date and details of an action plan or description of measures to be put in place by the Service Provider to address the concerns, including outcomes, timescales and reporting arrangements;
- vii) Before responding to the letter and subject to agreement by both parties, Strategic Landlord will facilitate a meeting between the ALMO and either the Head of Service or nominated representatives as appropriate to discuss the concerns;
  - viii) Progress against the programme of measures will be monitored at a mutually agreed series of meetings on the specific area of concern attended by the ALMO, Service Provider and APPT officers. The outcome of these meetings will be a standing item in the Strategic Quarterly review meetings until formal resolution.
  - ix ) At the end of the agreed timescale, the Strategic Landlord Manager will meet the ALMO and Head of Service to establish if the outcome of the remedial measures is acceptable or not to the ALMO;
  - x.) If the issues have been successfully addressed, the Strategic Landlord Manager will formally write to the ALMO Chief Officer and Head of Service
  - xi) If the ALMO does not consider that the concerns have been satisfactorily addressed as a result of the above, the matter will be referred to the external expert referred to in the dispute resolution procedure in section 5.3.

### **5.3 Mediation and dispute resolution.**

1. Any dispute or difference arising out of or in connection with the Management Agreement or the Performance Management Framework, shall be determined by the appointment of a single arbitrator to be agreed between the parties, or failing agreement within fourteen days, after either party has given to the other a written request to concur in the appointment of an arbitrator, by an arbitrator to be appointed by the President or a Vice President of the Chartered Institute of Arbitrators.

<b>April</b>	<b>Annual</b>	
	Timetable of Board, sub committee and Area Panel meetings Budget meeting  Annual review report PI reporting dates Target setting meeting Incentive & Penalties – <b>Provisional</b> year end position.	ALMO to APPO Finance / ALMO Finance Director ALMO to APPO APPT to ALMO ALMO / APPO APPO to ALMO
	<b>Quarterly</b>	
	Quarterly Performance report - Format to be agreed. Performance meeting.  ALMO risk register Finance – Revenue meeting Finance – Capital meeting	ALMO APPT / ALMO Performance Manager ALMO to APPT Finance / ALMO FD Finance/ ALMO Finance & Investment staff
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information.	ALMO to APPO APPT to ALMO
<b>May</b>	<b>Annual</b>	
	-	
	<b>Quarterly</b>	
	Strategic meeting	APPT / ALMO SMT
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information. Finance managers meeting( bi-monthly)	ALMO to APPO APPT to ALMO Finance/ ALMO Heads of Finance
<b>June</b>	<b>Annual</b>	
	Business Plan Annual update Service Improvement / Operational Plan Strategic Landlord report to Environment & Neighbourhood management team.	ALMO to APPO ALMO to APPO APPT to E&N DMT
	<b>Quarterly</b>	
	-	
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information	ALMO to APPO APPT to ALMO.
<b>July</b>	<b>Annual</b>	
	Incentives & Penalties - <b>Final</b> year end position	APPT to ALMO
	<b>Quarterly</b>	

	<p>Quarterly Performance report - Format to be agreed. Performance meeting</p> <p>Incentives &amp; Penalties update (current year) ALMO risk register Finance – Revenue meeting Finance – Capital meeting</p>	<p>ALMO APPT / ALMO Performance Manager APPT to ALMO ALMO to APPT Finance / ALMO FD Finance/ ALMO Finance &amp; Investment staff</p>
	<b>Monthly</b>	
	<p>Board, sub committee and Area Panel papers as available. Monthly PI information Finance managers meeting( bi-monthly)</p>	<p>ALMO to APPO APPT to ALMO Finance/ ALMO Heads of Finance</p>
<b>August</b>	<b>Annual</b>	
	<p>Business Plan Assessment - Progress review and update included in Quarterly Strategic meeting</p>	ALMO
	<b>Quarterly</b>	
	Strategic meeting	APPT / ALMO SMT
	<b>Monthly</b>	
	<p>Board, sub committee and Area Panel papers as available. Monthly PI information</p>	<p>ALMO to APPO APPT to ALMO</p>
<b>September</b>	<b>Annual</b>	
	Governance Health check.	ALMO to APPO
	<b>Quarterly</b>	
	-	
	<b>Monthly</b>	
	<p>Board, sub committee and Area Panel papers as available. Monthly PI information Finance managers meeting( bi-monthly)</p>	<p>ALMO to APPO APPT to ALMO Finance/ ALMO Heads of Finance</p>
<b>October</b>	<b>Annual</b>	
	<p>Governance Audit Equality and Diversity presentation - included in Quarterly Strategic meeting</p>	<p>APPT / Internal Audit ALMO</p>
	<b>Quarterly</b>	
	<p>Quarterly Performance report - Format to be agreed. Performance meeting</p> <p>Incentives &amp; Penalties update Finance – Revenue meeting Finance – Capital meeting</p>	<p>ALMO APPT / ALMO Performance Manager APPT to ALMO Finance / ALMO FD Finance/ ALMO Finance &amp; Investment staff</p>
	<b>Monthly</b>	
	<p>Board, sub committee and Area Panel papers as available. Monthly PI information</p>	<p>ALMO to APPO APPT to ALMO</p>

<b>November</b>	<b>Annual</b>	
	-	
	<b>Quarterly</b>	
	Strategic meeting ALMO risk register	APPT / ALMO SMT ALMO to APPT
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information. Finance managers meeting( bi-monthly)	ALMO to APPO APPT to ALMO Finance/ ALMO Heads of Finance
<b>December</b>	<b>Annual</b>	
	-	
	<b>Quarterly</b>	
	-	
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information.	ALMO to APPO APPT to ALMO
<b>January</b>	<b>Annual</b>	
	Management fee meeting.	DMT/COG
	<b>Quarterly</b>	
	Quarterly Performance report - Format to be agreed. Performance meeting	ALMO APPT / ALMO Performance Manager
	Incentives & Penalties update ALMO risk register Finance – Revenue meeting Finance – Capital meeting	APPT to ALMO ALMO to APPT Finance / ALMO FD Finance/ ALMO Finance & Investment staff
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information Finance managers meeting( bi-monthly)	ALMO to APPO APPT to ALMO Finance/ ALMO Heads of Finance
<b>February</b>	<b>Annual</b>	
	-	
	<b>Quarterly</b>	
	Strategic meeting	APPT / ALMO SMT
	<b>Monthly</b>	
	Board, sub committee and Area Panel papers as available. Monthly PI information	ALMO to APPO APPT to ALMO
<b>March</b>	<b>Annual</b>	
	-	
	<b>Quarterly</b>	
	-	
	<b>Monthly</b>	

	Board, sub committee and Area Panel papers as available. Monthly PI information. Finance managers meeting( bi-monthly)	ALMO to APPO APPT to ALMO Finance/ ALMO Heads of Finance
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**Description of activities**

See the Performance Management Framework for a description of activities.

**Abbreviations**

APPO - ALMO Performance and Policy Officer

**Other activities and information required periodically - dates to be agreed to suit ALMO and Strategic Landlord cycles.**

## PROPOSALS FOR ALMO BUSINESS PLANNING 2005/06

### 1 ITEM FOR DISCUSSION A THE QUARTERLY REVIEW MEETING

The Council regards the ALMO Business Plans as key documents in demonstrating to stakeholders how the ALMOs will manage and achieve the objectives for which they were established. In accordance with the management agreement all ALMOs should produce an ALMO Business Plan. The management agreement outlines the main areas which should be included in the ALMO Business Plan, e.g. how the ALMO will support the Council Plan, information required for the HRA Business Plan. The management agreement requires that the ALMO should provide the Council with a draft copy of the ALMO Business Plan to be agreed by the Council.

As well as setting out the future plans for the ALMO business, the Business Plans also include information which is needed by Neighbourhoods and Housing in order for it to fulfil its responsibilities – to central government, the Council and to residents. The Council's interest in the ALMO Business Plans is to ensure the following:

- That the Business Plan provides sufficient information to enable the Council to produce documents e.g. the HRA Business Plan and HIP bid.
- That the ALMO demonstrates its support of corporate strategies such as the Council Plan and other strategies supporting the Council Plan.
- That the ALMO is operating and planning its business efficiently and effectively in the management of Council stock.

In order to assist the Council in considering the draft ALMO Business Plans Strategic Landlord has developed a framework which will be used when evaluating the plans. The framework has been developed with input from Finance and Strategy sections within Neighbourhoods and Housing. Its purpose is to ensure a consistent and transparent approach to the agreement of the ALMO Business Plans.

The framework paper is split into the following key areas:

- Background
- Vision and objectives
- Strategic context
- Operating environment
- Performance and service improvement
- Asset management and capital investment
- Revenue resources and financial planning
- Risk management
- Resident involvement
- Equality and diversity

Neighbourhoods and Housing considers the framework as a guidance document intended to provide some structure to the department's consideration of the plan to ensure that it meets the department's requirements, outlined above. Where the department finds that key issues to the Council are not included within the Business Plan, this will be discussed further with the ALMO.

### 2 DRAFT FRAMEWORK FOR ALMO BUSINESS PLANS

## **2.1 GENERAL**

- Is the BP clear about what period it covers and is this consistent throughout the BP?
- How long is the BP?
- Is there an Executive Summary which provides a realistic synopsis of the BP?
- What is the process for development and approval (who, how, when, use of consultants) of the BP?
- Has the BP been approved by Board? When was it approved?
- How have priorities in the BP been identified and ordered?

## **CONTENT**

### **Background**

- Is there a brief description of the ALMO history, size ( properties, offices and staff) current position, organisational structures, main stakeholders?

## **2.2 Vision and Objectives**

- Do the ALMO's vision and key objectives support the Council's vision and key objectives as outlined in the draft HRA Business Plan?
- Do the objectives cover the short, medium and long term?
- Does the BP outline how the objectives will be achieved e.g. assets, systems, resources?
- Does the BP outline how the achievements will be monitored e.g. performance measures?
- Are there objectives for each ALMO service area, e.g. property services, tenancy services?
- Does the BP include sufficient operational data to demonstrate objectives can be delivered?
- Is there a clear statement about how the ALMO intends to ensure that its management of council housing contributes to sustainable communities?
- Is continuous improvement key to the objectives?

## **2.3 Strategic Context**

- Does the BP identify how it will contribute to local corporate strategies, e.g. Vision for Leeds, Housing Strategy, Area Management Forums etc.
- Does the BP identify key national strategies which will impact on the ALMO's business?
- Does the BP identify how it will contribute to regional and national strategies e.g. Regional Housing Strategy for Yorkshire and Humberside?
- Does the BP identify how it will contribute to local strategies specific to the ALMO area, including the District Housing Partnerships, and task groups of the Leeds Housing Partnership?
- Does the BP describe the ALMOs approach to partnership working? Does it refer to existing and proposed partnership proposals e.g. with Housing Associations and other agencies?

## **2.4 Operating Environment**

- Does the BP provide an assessment of demand for council / social housing from the Housing Strategy? Does it consider changing demand from different client groups?
- Does the BP reflect current / future demand for council / social housing by area and housing type?
- Does the BP outline plans to address issues of demand and supply / identify future customers and their needs, reflect any impact assessment work done?
- Does the BP demonstrate wider knowledge of area demographics, housing trends e.g. private sector, socio-economic factors and how these may impact on the ALMOs objectives and services?
- Does the BP identify new housing and regeneration opportunities?
- Does the BP describe the option appraisal process for new opportunities? Does it include a SWOT and PEST analysis?
- Does the BP identify its stakeholders and the potential influence on the organisation?

## **2.5 Performance and Service Improvement**

- Does the BP outline performance and targets for BV and local PIs?
- Does the BP demonstrate that its targets are realistic ,SMART, but challenging?
- Does the BP demonstrate how the targets will contribute to the delivery of wider strategic housing and corporate objectives?
- Does the BP demonstrate that the ALMO has arrangements for monitoring its performance and for responding to problems identified, through a Performance Management Framework? Does this identify the links to the Council's Performance Management Framework?
- Does the BP compare the ALMO's performance to other similar organisations?
- Does the BP include clear statements of the improvements that the ALMO wishes to make to service delivery? Are these SMART?
- Is the Service Improvement Plan (SIP) included with or appended to the BP and are there consistent linkages?
- Do the improvements plan to improve efficiency in delivery of services?
- The BP should detail any proposals to carry out work for or provide services to third parties.

## **2.6 Asset Management and Capital Investment**

- Does the BP contain enough information to enable the Council to make it's HIP bid, to settle the revenue and capital programme, fix rents and determine schemes in response to HRA subsidy announcement?
- Is there a clear presentation of the current condition of the ALMOs housing stock, including numbers not meeting decent homes standards with reasons? Does the BP profile decency to 2010?
- Does the BP have clear statements of what improvements will be made to improve stock condition and achieve decency?
- Does the BP set out the current and recent position on capital housing resources?.
- Are improvements in stock condition in the BP based on realistic assumptions on future resources?
- Does the BP outline the sources of data on decency and the arrangements for updating the information when works are done?
- How is performance in delivery of capital programme monitored?
- Does the BP include an assessment of the value, use and condition of HRA assets other than council houses, e.g. garages?

- Is there a clear statement about the use of the MRA and other capital resources to tackle replacement, renovation, backlog and improvement work?
- Does BP cross reference to an over-arching asset management strategy to which proposals for changes in the asset base ( disposals, demolitions, change of use, re-modelling) are cross referenced and does this fit with LCC strategic objectives
- Does the BP describe the option appraisal process for development opportunities? Does this process identify longer term strategies and proposals for land use?
- Does the BP identify how capital receipts will be used?

## **2.7 Revenue Resources and Financial Planning**

- Does the BP set out the ALMOs current and projected revenue position? ( 10 year projection with 5 year emphasis)
- Does the BP set out the key sources of income ( management fee ) and other income streams arising from its strategic objectives and priorities?
- Does the BP set out the key areas of expenditure (e.g. details on staffing structures/ repair contract levels etc ) ?
- Does the BP outline the key assumptions used in the financial modelling?
  - interest rates / inflation rates (particularly for maintenance and staffing costs)
  - Impact of stock reductions through demolition/disposals
  - Revenue impact of 2\* SCA money.
  - Revenue impact of investment projects ( PFI )
- Does the BP show unit costs of management/repairs benchmarked against other organisations?
- Does the BP project the financial impact of “performance “ on arrears and voids?
- Does the BP include the financial impact of :-
  - Scenario planning e.g. expansion/development of services?
  - Sensitivity analysis e.g. increases /decreases in inflation rates?
- Does the BP include a detailed action plan demonstrating how savings required to remain financially viable will be achieved. ( worst case scenario )?
- Does the BP identify “Gershon” savings required and how these will be achieved?

## **2.8 Risk Management**

- Does the BP make reference to the ALMOs risk management policy or is this appended / included?

## **2.9 Resident Involvement**

- Is there a clear statement of the arrangements for resident consultation? Is there a clear summary of the main concerns of tenants?
- How are residents involved in identifying service improvements? What evidence is provided of their influence in / support for the priorities identified?
- What arrangements are in place for informing residents of progress and involving them in monitoring?
- Does the BP refer to opportunities to involve residents in wider area issues?

## **Equality and Diversity**

- Does the BP cross reference to the ALMOs equality and diversity action plan and corporate equality and diversity objectives?
- Is there a clear statement of the approach and performance arrangements for equality and diversity e.g. targets / indicators?

- Does the BP respond to the Community Cohesion agenda?

## **ALMO ANNUAL REVIEW TO STRATEGIC LANDLORD**

### **Background**

The Performance Management Framework agreed between Strategic Landlord and the ALMOs contains the following requirements;

### **3.3 Annual review**

**3.3.1** In order to provide a holistic view of ALMO performance, the ALMOs will provide a written annual review to APPT in an agreed format to include the following;

- An analysis of achievement against service improvement targets with commentary;
- An analysis of performance against BVPI targets with commentary;
- Year end out-turn performance on annual organisational health, equality and diversity and tenant satisfaction indicators.
- Description of any benchmarking exercises and findings;
- Outcomes of any service Improvement reviews;
  
- Detailed analysis of delivery of the capital programme and achievement towards Decency;
  
- Analysis of tenant involvement initiatives and customer satisfaction information e.g. surveys, complaints and compliments, carried out in year and how these are applied to service planning;
  
- Outcomes of internal and external audit reports;
  
- Board review outlining any membership changes;
  
- Key proposals for the new year;

The **ALMO Annual Review pro-forma** is outlined in **Appendix 3**. It will contribute to a Strategic Landlord report to Environment and Neighbourhoods management team (E & NMT) which is outlined in section 3.3.2.

<b><u>TIME / FREQUENCY</u> – Annually by 30<sup>th</sup> April from 2008.</b>
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### **Review Framework**

Each ALMO to produce a report using the headings below which will form the basis of the report to E & NMT. Detailed description is not necessary for every sub heading and the review should be tailored according to the ALMO priorities. If the ALMO has been unable to address some areas, please provide an explanation.

### **HEADINGS FOR ALMO PERFORMANCE REPORT.**

#### **Service Improvements**

- Provide details of progress and achievements against ALMO Service Improvement Plan (SIP) objectives and targets.
- Indicate key obstacles where SIP targets were not met and remedial measures.

- Describe the outcome of any service reviews undertaken and indicate if there is a rolling programme of service reviews, over what period and how scoped.
- Outline steps taken to review support services provided under SLAs and test value for money,
- Outline the ALMOs top 3 priorities for the coming years SIP.

### **BVPI targets and performance**

- Describe ALMO performance in meeting targets on;
  - statutory BVPIs
  - local indicators
  - annual organisational health indicators
 and indicate the main reasons preventing achievement of targets.  
 NB. Current Performance Indicators I set out in PI matrix.
- Outline steps and measures the ALMO has or will adopt to achieve top quartile performance for BVPIs and over what period these will be implemented.
- Outline how performance is reported to the Board and the key drivers for improvement.
- Summarise existing performance management systems and any intended improvements in the collection and reporting of performance. Indicate key issues affecting timely and accurate reporting.
- Outline any benchmarking work undertaken.

### **Capital programme and Decency**

- Provide an analysis of capital expenditure & programme delivery highlighting main achievements and issues which have either delayed or caused changes to programme plans. Please refer to any issues concerning funding, contractor selection & performance, contract administration, standards and quality, resident satisfaction, systems and reporting, energy efficiency and fuel poverty.
- Indicate progress towards decency in line with projections in latest version of the Building Cost Model.
- Confirm key assumptions and targets on;
  - Capital expenditure take up
  - Dwellings achieving decency.

### **Diversity**

- Indicate steps / activities / initiatives taken towards;
  - Implementation of equality and diversity strategy
  - Achieving Level 4 of the Equality Standard.
- Confirm key diversity targets and briefly describe how these are monitored and evaluated.
- Outline actual and planned steps to improve performance in achieving targets.
- Outline work on diversity mapping,
- Supply commentary on community cohesion issues and strategy to address. Refer to number of hate crime incidents in ALMO area.

### **Resident satisfaction, consultation and involvement**

- Describe the outcome of any tenants survey conducted in year and explain how the results and findings will be used to inform service delivery plans.
- Describe how the ALMO Tenant involvement framework has been reviewed and developed in the last year. Please refer to participation structures and forums from Board level downwards.
- Outline what information was provided to tenants in the last year, including performance and general information, frequency and method of communication.

- If applicable, state how many cases were referred to the Ombudsman last year and the outcome i.e. Ombudsman decision.

### **Governance**

- Describe any changes in board and sub committee structures, and membership which have occurred in the last year.
- Outline any key policies which have been reviewed during the last year referring to any significant changes.
- Describe any other significant issues which arose last year relating to the management agreement or performance if not covered elsewhere in this report.
- Describe external and internal audit reports completed in the last year with details of key findings and management action,
- If applicable, outline any breaches of statutory duties in the last year e.g. Data Protection, Human Rights, Freedom of information etc.

### **Future proposals**

- Set out the ALMOs key proposals for the coming year if not covered elsewhere in this report.
- Outline any other issues you wish to raise or issues / initiatives the ALMO wishes to explore with Leeds City Council in the coming year.

## Appendix 4

### Provisional CPA Penalty / Incentive Scheme 2007/08

#### **1.0 Introduction and Background**

- 1.1 An ALMO penalty / incentive scheme was introduced in 2006/07 to reflect ALMO performance on key performance indicators which contribute to the Council's Comprehensive Performance Assessment (CPA). The provisional result for 2006/07 is that all ALMOs and BITMO achieved level 2 and so incurred the smaller penalty. The final result for 2006/07 will be available once the external audit has been completed.
- 1.2 As the scheme has now been fully operational for 1 year, the scheme has been reviewed for 2007/08 to incorporate changes introduced to the CPA PIs and thresholds for 2007, revised penalty / incentive levels for the new ALMOs, and to carry out some slight changes to improve the scheme. These changes are outlined in the report.

#### **2.0 CPA Framework for Housing Management PIs**

- 2.1 The Audit Commission issued its CPA Harder Test 2007 in August 2007 which outlines the calculation of the CPA for 2007, to be used in assessing 2006/07 performance on KPIs. In this guidance, there are 11 Housing Management indicators which are included in the CPA framework. These are outlined in Appendix 1. The CPA framework outlines 4 PI scores:
- 4 – No PIs at or below lower threshold, and 35% or more PIs at or above upper threshold.
  - 3 – No more than 15% of PIs at or below lower threshold, and 25% or more PIs at or above upper threshold.
  - 2 – Any other combination.
  - 1 – 35% or more PIs at or below lower threshold.

#### **3.0 Proposed CPA Penalty / Incentive Scheme for 2007/08**

- 3.1 As CPA guidance is not yet available for the assessment of the CPA against 2007/08 PIs, the Provisional CPA Penalty / Incentive Scheme for 2007/08 has been developed taking into account the CPA guidance available for 2006/07 and known changes to BVPIs included in the CPA. The Final CPA Penalty / Incentive Scheme for 2007/08 will reflect the actual methodology and thresholds used by the Audit Commission in the assessment of the CPA in 2008. The ALMO Performance and Policy Team will advise ALMOs of any changes to the CPA methodology and subsequently the CPA Penalty / Incentive Scheme as they become aware of changes.
- 3.2 While there are 11 housing management PIs which contribute to the CPA only 9 housing management PIs are included in the Provisional CPA Penalty / Incentive Scheme for 2007/08. The 2 PIs which are excluded are as follows:

- HIP E1b – Weekly Management Cost – ALMOs are not fully in control of performance on this PI.
- BV164 – Race Equality Code – this has been deleted as a BVPI for 2007/08 and so it is expected that it will also be deleted from the CPA.

3.3 The assessment for the CPA Penalty / Incentive Scheme will mirror the CPA assessment for the 9 housing management PIs, i.e. overall ALMO performance will achieve levels 1 to 4, based on the percentage of PIs in each threshold. Based on 9 housing management PIs included in the scheme, outlined below is the number of indicators which need to be in upper and lower threshold for each PI score:

- 4 – Minimum of 4 in upper, and none in lower threshold.
- 3 – Minimum of 3 in upper, and no more than one in lower threshold.
- 2 – Any in upper, but no more than 2 in lower threshold.
- 1 – Any in upper, but 3 or more in lower threshold.

3.4 For the purposes of CPA framework, where a performance indicator is qualified performance is equivalent to lower threshold.

3.5 The CPA Penalty / Incentive will reflect the scoring of the overall CPA framework, as follows:

- 4 – Maximum incentive
- 3 – Minimum incentive\*
- 2 – Minimum penalty
- 1 – Maximum penalty

\*see 3.4

3.6 The 2 levels of penalty or incentive are based on 0.25% and 0.5% of the ALMO Management Fee. The levels have been reviewed for 2007/08 to take account of the new ALMOs and the management fee settlement for 2007/08. The levels of incentives and penalty are outlined in the below table.

<b>ALMO</b>	<b>PI SCORE 4 (Maximum Incentive)</b>	<b>PI SCORE 3 (Minimum Incentive)</b>	<b>PI SCORE 2 (Minimum Penalty)</b>	<b>PI SCORE 1 (Maximum Penalty)</b>
ENEHL	£131943	£65972	£65972	£131943
SSEHL	£98580	£49290	£49290	£98580
WNWHL	£140495	£70248	£70248	£140495

BITMO	£13202	£6601	£6601	£13202
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3.7 The penalty / incentive scheme will apply using whatever threshold information is used by the Audit Commission to assess the CPA for 2007/08. Current threshold information available is as advised in the CPA Harder Test 2007, and outlined in appendix 1 of this document.

3.8 The main risk with this scheme is that if each ALMO prioritises different PIs to achieve upper or lower threshold then the overall impact across city performance will be diluted. Therefore as part of this scheme Strategic Landlord will require all ALMOs to prioritise the same PIs to achieve upper threshold in order to achieve level 3. Based on current performance and existing threshold information we have identified BV63 (SAP Rating), HMA4 (Average Time Taken to Complete Non Urgent Repair) and HMA7 (% Urgent repairs completed in government timescales) as being the indicators where it is most realistic as a city to achieve upper threshold.

3.9 Nil Penalty / Incentive Position – Change to Scheme for 2007/08

One weakness identified with the scheme in 2006/07 is that there is no middle ground where no penalty or incentive is applied and so an ALMO may have received a penalty even where lots of progress had been made and an ALMO was very close to achieving level 3. In recognition of this the 2007/08 scheme will be changed, as outlined below.

An ALMO will achieve a nil penalty incentive position if the ALMO achieves a level 3 and 4, i.e. has 3 PIs in upper threshold, but only 2 of which are from the 3 identified PIs (BV63, HMA4 and HMA7).

3.10 The provisional penalty / incentive for 2007/08 will be calculated in April 2008 once year end performance is available. Where final year end performance is not available the most recent performance information will be used to calculate the penalty or incentive. This penalty or incentive will then be applied against the 2007/08 financial account. Once the CPA methodology for 2007/08 has been released and the external audit of PIs is complete in the summer of 2008 the penalty or incentive position will be finalised and if necessary an adjustment made to the penalty or incentive position.

3.11 The ALMO Performance and Policy team will report on progress on the ALMO CPA Penalty / Incentive Scheme into the ALMO Quarterly Review Meetings at Quarter 2-4 meetings.

3.12 As the Audit Commission is currently proposing to replace the CPA framework with a Comprehensive Area Assessment (CAA) in 2008/09 the ALMO CPA Penalty / Incentive scheme will be reviewed to reflect the changed scheme.

**APPENDIX ONE – CPA PERFORMANCE INDICATORS FOR 2007 AND  
CURRENT THRESHOLD INFORMATION**

<b>PI</b>	<b>DESCRIPTION</b>	<b>UPPER THRESHOLD</b>	<b>LOWER THRESHOLD</b>
BV63	SAP	65	57
BV66a	% Rent Collected	98.2%	96.18%
BV74a	% Tenant Satisfaction with Overall Service Provided	92.5%	84.1%
BV75a	% Tenant Satisfaction with Opportunities for Involvement	77.5%	68.2%
Bv164**	Race Equality Code	-	No
BV184a	% Non Decent Homes on 1 April	16%	47%
BV184b	% Change in Decency	23.8%	3.5%
BV212	Average Relet Times	26.7 days	52 days
HMA4	Average Time Taken to Complete Non Urgent Repair	11 days	24 days
HMA7	% Urgent Repairs Completed in Government Timescales	97%	88%
HIP E1b *	Weekly Management Cost	£10.20	£15.51

N.B. Threshold information may be updated by the Audit Commission.

\* HIP E1b Weekly Management Cost – while this PI is included into the Audit Commission’s CPA it is not included in this penalty or incentive scheme, because the ALMOs only contribute to the calculation.

\*\* BV164 – Race Equality Code – has been deleted as a BVPI for 2007/08 and so it is expected that it will be deleted from the CPA for 2007

## ALMO GOVERNANCE HEALTH CHECK

**ALMO NAME –** .....

**REGISTRATION NO. -** .....

**DATE -** .....

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
<b>Company requirements</b>			
Registration of directors/company secretaries <ul style="list-style-type: none"> <li>➤ at companies house</li> <li>➤ within 14 days of appointment</li> </ul>	Chief Officer		
Register of directors and secretary <ul style="list-style-type: none"> <li>➤ at registered office</li> </ul>	Assistant Business Development Manager		
Notice of board meetings <ul style="list-style-type: none"> <li>➤ to all except those absent from UK</li> </ul>	Assistant Business Development Manager.		
Quorate meetings <ul style="list-style-type: none"> <li>➤ 2 tenants, 2 independents, 2 Members</li> </ul>	Chair / Company Secretary.		
Declarations of interests in contracts at meetings/general notice.	Chair / Company Secretary.		
Minutes of meetings <ul style="list-style-type: none"> <li>➤ of board and</li> <li>➤ committees of boards</li> <li>➤ includes names of board</li> </ul>	Company Secretary		

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
<p>members present at each meeting</p> <ul style="list-style-type: none"> <li>➤ signed by chair</li> </ul>			
<p>Resolutions to set up board committees, and terms of reference</p> <p>Standards Panel</p> <p>Area Panels</p>	Chief Officer		
<p>Company name</p> <ul style="list-style-type: none"> <li>➤ outside every office or place of business</li> </ul>	Assistant Business Development Manager		
<p>Company name</p> <ul style="list-style-type: none"> <li>➤ in all business letters</li> <li>➤ in all notices and other official publications</li> <li>➤ in all cheques, orders etc</li> <li>➤ in all invoices, receipts etc</li> <li>➤ on websites</li> </ul>	Office Manager		
<p>Company seal</p> <ul style="list-style-type: none"> <li>➤ name legible</li> <li>➤ specific/general authority of board/committee</li> <li>➤ board member and secretary/2<sup>nd</sup> board member</li> </ul>	Company Secretary		
<p>Business letters/order forms</p> <ul style="list-style-type: none"> <li>➤ place of registration &amp; number</li> <li>➤ registered office</li> </ul>	Office Manager		

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
address			
Register of members <ul style="list-style-type: none"> <li>➤ at registered office</li> <li>➤ names &amp; addresses</li> <li>➤ date on which registered</li> <li>➤ date when ceased to be member</li> </ul>	Company Secretary		
Company Secretary duties <ul style="list-style-type: none"> <li>➤ duties specified in job description</li> <li>➤ formal notifications to companies house- changes in secretary, directors, annual return, accounts</li> <li>➤ maintain stat registers – members, directors and secretary</li> <li>➤ give notice of meetings</li> <li>➤ send companies house certain general meeting resolutions</li> <li>➤ send copies of accounts</li> <li>➤ keep minutes of board/general meetings</li> <li>➤ ensure registers etc open to inspection</li> </ul>	Chief Officer		
<ul style="list-style-type: none"> <li>➤ custody of company seal</li> </ul>	N/A		
<b>Management Agreement</b>	Line Managers/ Supervisors		

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
<p><b>requirements</b></p> <p>Staff training in Strategies</p> <p>Equal Opportunities policy needs Council approval</p> <p>Tenants' compact</p> <p>Delivery plan/annual performance plan to be agreed by August.</p> <p>IT</p> <ul style="list-style-type: none"> <li>➤ Consent for domain name &amp; content of websites</li> <li>➤ website link/intranets shared</li> </ul> <p>DPA notification to Information Commissioner</p> <p>Publication Scheme updates</p> <p>Insurance</p> <ul style="list-style-type: none"> <li>➤ to Council/employees</li> <li>➤ to employees</li> <li>➤ to 3<sup>rd</sup> parties</li> <li>➤ copy policies etc to Council</li> </ul>	<p>Business Development Manager</p> <p>Tenancy and Customer Services Manager</p> <p>Chief Officer</p> <p>Company Secretary ABDM</p> <p>Business Development Manager</p> <p>Business Development Manager</p> <p>Chief Officer</p>		

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
<p>Written record of complaints &amp; complaints relating to board code of conduct</p> <p>Operation of good employment practices</p> <ul style="list-style-type: none"> <li>➤ recruitment &amp; selection</li> <li>➤ managing attendance</li> <li>➤ disciplinary rules &amp; procedures</li> <li>➤ performance capability</li> <li>➤ grievance procedure</li> <li>➤ re-grading procedure</li> <li>➤ health &amp; safety policies</li> </ul> <p>Board Code of conduct signed</p> <p>Notify strategic landlord of proposed delegations to board committees</p>	<p>Business Development Manager</p> <p>Chief Officer</p> <p>Chief Officer ABDM</p> <p>Chief Officer ABDM</p>		
<p><b>Other requirements</b></p> <p><b>Local Authorities (Companies) Order requirements</b></p> <ul style="list-style-type: none"> <li>➤ fact that company controlled by a local authority and naming LCC on all business letters, notices etc</li> </ul>	<p>Assistant Business Development Manager</p>		

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
<ul style="list-style-type: none"> <li>➤ provide information to LCC auditors/Audit Commission as required</li> </ul>	Chief Officer		
<ul style="list-style-type: none"> <li>➤ provide such information to Council Members as they reasonably require</li> </ul>	Office Manager		
<ul style="list-style-type: none"> <li>➤ provide financial information to authority as required</li> </ul>	Business Development Manager		
<ul style="list-style-type: none"> <li>➤ obtain Audit Commission consent to appointment of auditor</li> </ul>	Chief Officer		
<p><b>Membership and attendance</b></p> <ul style="list-style-type: none"> <li>&gt; Board / committee members</li> <li>&gt; Changes in last six months</li> <li>&gt; Number / % meetings quorate</li> <li>&gt; Average attendance % <ul style="list-style-type: none"> <li>- board</li> <li>- committees</li> </ul> </li> </ul>			
<p><b>Access to information protocol</b></p> <ul style="list-style-type: none"> <li>➤ 5 days notice of board/committee meetings</li> <li>➤ copies of agenda &amp; reports – 5</li> </ul>	Assistant Business Development Manager/ Office manager		

AREA OF RISK	RESPONSIBILITY	EVIDENCE OF COMPLIANCE	CORRECTIVE ACTIONS
<p>days notice</p> <ul style="list-style-type: none"> <li>➤ urgent items – agreed by chair, &amp; reason given in minutes</li> <li>➤ copies of agenda to local newspaper</li> <li>➤ minutes/agenda/reports available for 6 years</li> <li>➤ lists of background papers – available for 4 years</li> <li>➤ Members' rights of access</li> <li>➤ Any appeals</li> </ul> <p><b>Publicity</b></p> <ul style="list-style-type: none"> <li>➤ Ensure complies with Code of Recommended Practice on Local Authority Publicity</li> <li>➤ Ensure no expenditure on election of Council Members</li> <li>➤ Code of conduct for board members</li> </ul>	<p>Business Development Manager</p>		
Declarations of interest			
Delegations			

## **ALMO /TMO / Strategic Landlord Performance Management Framework - Equality and Diversity**

### **A. CONTEXT**

**Corporate** – Leeds City Council is committed to the promotion of equality and diversity across the organisation and its services. Achievement of this objective is a statutory duty and, in a housing context, a means to achieve sustainable communities by recognising and meeting the different needs and aspirations of all customers. Equality and diversity principles are included in the Council's main strategic and policy documents e.g.

- Vision for Leeds 2004-20
- Corporate Plan 2005-2008
- Annual Council Plan

And in other key sub strategies;

- Community Safety annual report and action plan
- Leeds Regeneration Plan
- Customer Strategy

In June 2006, the Council approved a new 2 year (2006-2008) corporate Equality and diversity strategy based on four principles of;

- Leadership
- Service delivery
- Consultation and involvement
- Employment

The strategy continues to apply and also build upon the principles within the Council's Race Equality Scheme. However it goes beyond that and seeks to cover Race, Gender, Disability, Sexual Orientation, Religion or Faith, Age and Human Rights; the principles and general aims in the strategy can be applied across all equality strands.

The Council, in conjunction with its partners including ALMOs, has achieved Level 3 of the Equality Standard and is working towards Level 4 by December 2008 and Level 5 by March 2010. The Council has developed an approach to meet the Equality Standard based around the following themes; leadership, corporate equality plan, impact assessments, monitoring, consultation, procurement, employment.

**Environment and Neighbourhood's** role is to contribute to corporate objectives, meet statutory responsibilities as they affect housing, and attain Levels 4 and 5 of the Equality Standard internally and through its agents and partners. The strategic housing vision is '*to create and maintain sustainable and cohesive communities*' with a core aim to '*tackle difficulties or disadvantages in accessing housing or housing services*'. To achieve this, the directorate and its agents must be able to demonstrate fair and accessible provision, high standards of service delivery, customer satisfaction, and identification of housing needs for diverse groups.

The Directorate is also committed to meeting DCLG (Department of Communities and Local Government) Performance Indicator requirements on BME customer satisfaction and tackling hate crime, harassment, and community cohesion issues.

Key housing policy reference documents are;

- Leeds Housing strategy 2005/6-09/10
- BME Housing strategy
- Older persons housing strategy
- Learning disabilities strategy
- Lettings policy

- Supporting People strategy
- Homelessness strategy.

**ALMOs / TMO** – ALMOs/ TMO are the Council's agents for the delivery of housing management services. They are responsible for the operational delivery of measures to ensure that the principles of equality, diversity and community cohesion are embedded in each organisation and all customers, including those traditionally regarded as difficult to reach, are treated fairly and have equal access. ALMOs / TMO should demonstrate at the highest levels (i.e. Board and SMT) that policies and strategies are in place which reflect corporate priorities and are tailored to local equality, diversity and community cohesion issues. Operationally, ALMOs / TMO should be able to demonstrate fair and non discriminatory standards of service for diverse groups and communities. As employers, ALMOs / TMO are expected to ensure that employment practices reflect an awareness of equality and diversity principles and issues, staff profile reflects local communities and that staff are prepared and trained to deal with diversity.

**Strategic Landlord** – In this context, Strategic Landlord means the ALMO Policy and Performance Team (APPT) whose role is as a conduit between the Council and the ALMOs / TMO. The team is responsible for monitoring and evaluating ALMO performance, facilitating performance improvements, and reporting performance indicators internally and to DCLG / Audit Commission. The team also has a role in liaising with other Council service providers where performance impacts on ALMOs /TMO ability to achieve equality and diversity objectives or where there may be obstacles, process issues etc which impede successful delivery.

## **B. KEY ACTIVITIES AND REPORTING**

Diversity monitoring has several strands which are reported to different sections in the Council. It is not practical for the APPT team to assume direct responsibility for all diversity performance monitoring as there are centres of expertise elsewhere in the Council and this would lead to duplication. To improve its knowledge and awareness of diversity, the APPT team will establish links and communication mechanisms with those sections of the Council where ALMOs/TMO work in partnership on diversity issues.

Strategic Landlord will monitor performance in the following headline areas;

### **1. Equality and Diversity Strategy**

- 1.1 Performance reporting templates are issued by the Equality Team to the Equality and Community Cohesion Champion and Equality Standard Operational representative within each ALMO for completion.

**When?** Performance reporting templates will be issued at the end of March/beginning of April. Completed performance reports showing 6 monthly progress and twelve monthly progress within each ALMO against the Equality and Diversity Strategy Action Plan will be completed at the end of **quarter two** and **quarter four**. The reports are to be returned to APPT (Maureen Boyle).

### **2. Equality Standard**

- 2.1 ALMOs are required to prepare a portfolio of evidence in accordance with issued guidance and within timescales set by Equality Team which co-ordinates the Equality Standard assessment for the Council. Strategic Landlord will liaise with the Equality Team on progress against key milestones agreed with the Equality Team.

**When?** **Interim Assessment for Level 4** – evidence required from ALMO on electronic portfolio by 11<sup>th</sup> June 2007. Assessment to be carried out the Equality Team by end of June 2007\* **see 2.2.**  
**2<sup>nd</sup> Interim Assessment for Level 4** – evidence required from each ALMO on electronic portfolio by 1<sup>st</sup> March 2008. Assessment to be carried out by Equality Team by end of March 2008.  
**Final evidence** from each ALMO on electronic portfolio by 1<sup>st</sup> September 2008.  
**Level 5 timetable** - to be confirmed during 2008/09.

2.2 To ensure work is progressing within each ALMO to achieve Level 4 of the Equality Standard, an assessment of each ALMO electronic portfolio will be undertaken by the Equality Team and ASMO in March 2008.

### **3. KLOE 31 Diversity**

3.1 The Audit Commission KLOE 31 -Diversity provides comprehensive guidance and good practice on equality and diversity issues for housing services providers. Strategic Landlord will adopt KLOE 31 as a benchmark for ALMOs to evaluate their own performance.

ALMOs will be required to give a **presentation** on their organisation's position in relation to the KLOE headings of;

- Corporate culture and governance
- Access and customer care
- Service user involvement
- Partnerships
- Harassment and domestic violence
- Compliance with legislation.

**When?** Annually, at the **Quarter 2** strategic review meeting in October.

### **4. Equal access to social housing (formerly BVPI 164)**

4.1 Strategic Landlord expects the ALMOs to demonstrate compliance with the CRE Code of Practice for rented housing. This may be shown through completion and self assessment of the pro forma which was previously used to meet BVPI164 requirements. Strategic Landlord will act as a 'critical friend' in reviewing the self assessments.

**When?** ALMO may link to the KLOE 31 presentation as supporting information in quarter 2 (October)

**OR** Agree an individual timescale with APPT team.

### **5. Equality Performance indicators and targets.**

#### **5.1 Statutory BVPIs**

BV 74B BME tenant satisfaction overall

BV 75B BME tenant satisfaction with opportunities for participation

**When?** BVPI 74B &75B (STATUS survey) Minimum of every three years in line with BVPI requirements or as negotiated with ALMO / TMO.

#### **5.2 Customer Profiling**



17A)	
LKI-CH10	% of disabled Board members.
LKI-CH11	% of minority ethnic Board members.
NEW	% women Board members
INDICATOR	

- ALMOs are required to collect performance data for these areas and report end of year performance
- ALMOs should set targets for each of these to be discussed at the target setting meeting with Strategic Landlord.

**When?** Annually - **Q4** review in April.

## **6. Community Cohesion**

6.1 Within the Vision for Leeds and the Council's Corporate Plan 2005-2008, there is a corporate commitment to community cohesion. The council has an annual action plan which includes priority outcomes and success measures for the council as a whole around community cohesion. Within the action plan, services and organisations have included at a strategic level how they will meet the priorities.

The ALMOs work with Regeneration and Area Committees in implementing community cohesion strategies.

Within the Council's Community Cohesion Action Plan 2007/08, there are currently no specific actions for the ALMOs. (August 2007)

6.2 ALMOs will be expected to consider the following 'perception' indicators in any surveys aimed at evaluating the extent of cohesion in their local areas;

- % of people who feel their local area is a place where people of different backgrounds can get on well together,
- % of people who feel they belong to their neighbourhood,
- % of people who agree that the local area is a place where residents respect ethnic differences between people,
- % of people who agree that they can influence decisions that affect their local area.

## **7. Quarterly review meetings**

7.1 Equality, diversity and Community Cohesion will be a formal agenda item twice per year. Topics for discussion will include;

- Progress on reporting against the Corporate Equality and Diversity Strategy
- Progress on the Equality Standard
- Progress against the Corporate Community Cohesion Action Plan
- Customer profiling position and findings
- Presentation on KLOE 31 (Q2)
- Hate crime and harassment issues.

**When?** Q4 review in April  
Q2 review in October

## **8. Hate crime**

8.1 ALMOs are expected to;

- Show there are processes and measures in place to identify, record and addresses incidents of hate crime.

- Report BVPI 175 (Racial incident reporting) to Community Safety.
  - Contribute to partnership work with Regeneration Area Committees and District Partnerships to implement community cohesion strategies.
- Strategic Landlord will review progress on addressing Hate Crime in the Quarterly strategic review meeting.

**When?** Q4 review in April

**9. Domestic Violence**

- 9.1 ALMOs are expected to contribute to the achievement of BVPI 225 (Action against Domestic Violence) which is reported to Community Safety. ALMOs will demonstrate their approach to domestic violence in their KLOE 31 presentation.

**10. Diversity reviews**

On an **exceptional** basis, Strategic Landlord may decide to carry out a bespoke review of diversity performance over and above normal requirements. This would be triggered mainly, but not exclusively, for the following reasons;

- To identify good practice where an ALMO is developing a new approach or initiative,
- Where complaints have been received, a significant incident has occurred or concerns have arisen about ALMO performance,

In these circumstances, the review may consist of a desk-top assessment supplemented with an exploratory/ investigative visit to the ALMO, depending on the nature of the issues.

**C. FOR INFORMATION - KEY DIVERSITY DOCUMENTS**

Below is a list of documents which ALMOs are expected to have in place and which may be requested for quarterly review meetings, or diversity reviews;

- Equality and diversity and Community Cohesion strategy
- Equality, Diversity and Community Cohesion action plan
- Annual Equality, Diversity and Community Cohesion report to Governing Body
- Hate crime analysis and reports.

**D. REVIEW ARRANGEMENTS**

The Equality and Diversity Framework will be reviewed at least every two years and in line with the ALMO Performance Monitoring Framework where possible.

**Appendix 7**  
**The Leeds Homes Service Agreement 2006/07**  
**Leeds ..... - ALMO**

**Background**

The service provided by the Leeds Homes Team has been reviewed for the 2006/07 year. In partnership with ALMOs, we have assessed what has worked well with the service and what could be done to improve it. Improvements have been incorporated into the new Service Agreement that enhance the service to customers and manage resources more effectively.

The cost of the Leeds Homes Service will no longer be subject to charge and has been incorporated into central budget arrangements. There may be a cost for ALMOs to consider if the CBL call centre service is transferred to the Corporate Call Centre in the current financial year. This will be per call in line with the existing service. A decision has yet to be made.

**The Leeds Homes Team** has responsibilities for the development and management of services to both ALMO's and Registered Social Landlords (RSL's commonly known as Housing Associations) to undertake the lettings process. The Leeds Homes Team is divided into two arms - Business and Delivery. This Service Agreement will outline the responsibilities for the delivery of services by Leeds Homes Delivery team to the ALMO to manage the housing register and advertise its properties.

**Summary of the Leeds Homes Team Service**

Leeds Homes Delivery team manage the housing register and advertise vacant properties the cost of which is borne by the Housing Revenue Account. Leeds Homes Business Team develop the Council's Lettings policy and procedures, produce a range of performance management information and support Registered Social Landlords (RSLs) who are members of the Leeds Homes Register This part of the service is generally accounted for in the General Fund.

**Basic Elements of the Leeds Homes Delivery Service**

- Provide application documentation and general literature for customers
- Operation of the Leeds Homes register for ALMOs and some RSL's
- CBL Property advertising
- Customer contact facility (pending review)
- Development of the operational CBL service
- Training service to ALMO's and partner agencies
- Working with partner landlords and agencies

The Leeds Homes Service Agreement is linked to other teams' Service Level Agreements(SLA), particularly the Business and ICT SLA. IT Services provide the necessary computer systems on which to manage the housing register and record lettings in accordance with the Lettings Policy.

**Basic Elements of the Leeds Homes Business Service**

- Development of the Council's Lettings Policy and Procedures.

- Performance monitoring to ensure that it is implemented effectively in accordance with the spirit of the policy.
- Work in partnership with other landlords and agencies to improve the opportunity of customers being assessed in housing need and being let homes in the ALMO.
- Support RSLs using the Leeds Homes Register
- Customer consultation

## **Part 1**

### The Leeds Homes Service in Detail

#### Operational Service

- Design, produce and distribute customer application packs and ensure the ALMO has an adequate supply
- Manage the Leeds Homes Register
  - computer database
  - training and support
  - develop, commission and implement IT
  - provide IT training and support
  - ensure that data received is up to date
  - update customers records
- Advertise properties based upon 48 weeks per year.
  - procurement and management of the current newspaper advertising contract
- provide sufficient copies of the Leeds Homes Property flyer to ALMO outlets to distribute to customers
  - provide storage units in which to display and market the weekly flyers
  - ensure all relevant council teams, Tenant Groups, Elected members of the Council, and vol. sector agencies receive appropriate number of the Leeds Homes property flyer.
  - ensure that the flyer is sent to homebound customers
- Provide a web service on which all ALMO advertised properties are displayed
- Publish results of lettings to provide feedback to customers in the Property Flyer and on the Website
- Undertake customer satisfaction surveys and make available information for performance management on the intranet
- Provide a mutual exchange advertising service to Council and RSL tenants
- Promote adapted properties to ensure effective matching
- Provide written Information to Customers
  - produce sufficient copies of the Lettings policy to issue to customers upon request.
  - ensure that all customer literature is produced and distributed in English and community languages and is available for customers with visual impairments.
  - write template letters to be generated from the computer system and ensure output at ALMO access points. Acknowledgement of application letter, offer letter etc.
  - in partnership with Business and ICT team, we ensure that such letters can be output from the computer systems
- Provide a customer contact facility
  - telephone calls received Monday to Friday 8.30 am – 5.00 pm on all Council working days

- provide one telephone number to customers record bids, deal with enquiries, give feedback arising from bids, provide housing advice where appropriate and deal with general enquiries regarding the Leeds Homes Register and Choice Based Lettings.
- record additional/ updated or change of circumstance on Orchard
- provide translations facilities through Language Line
- provide facilities for hearing impaired customers using 'Minicom' facility and audio tape of flyer
- record all bids generated from the web/ email enquires, by post, from coupons/ in person at Merrion House, on Orchard
- address any complaints/feedback received by ALMO from its customers or staff relating to the Authority's policies within corporate timescales.

### Consultancy services

Provide consultancy and 'good practice' on;

- marketing homes.
- performance management data and techniques on extraction and analysis.
- creating new data recording and monitoring systems to meet targets and steer policy.
- CBL, Lettings Policy and Procedures

### Working with partner landlords

- Support RSLs who are members of the Leeds Homes Register and encourage other RSLs to join the Leeds Homes Register
- Develop partnerships with other landlords including other ALMO's in the city, RSLs, statutory and voluntary agencies to ensure that the application form is as widely used as possible, and to improve the data held on the Orchard computer system.
- Work with partners to increase the number of properties available to let to customers seeking rehousing.
- Ensure that customers are nominated to RSLs where appropriate.
- Generate income from RSL property advertising.
- Ensure nomination agreements are in place with each RSL
- Ensure RSLs meet their nomination targets.

### Working with partner agencies

- Attend monthly Multi-Agency Public Protection(MAPP) meetings and sub MAPP meetings where appropriate
- Liase with ALMOs on high risk cases

### Training

- Provide professional advice and training to ALMO staff in relation to the Leeds Homes Register, lettings policy and procedures, and the choice based lettings process. Detailed advice requests especially where third parties are required are individually negotiated.
- Provide training on Lettings policy, procedures and IT training to adhere to the procedures

### Lettings Policy

- Provide a Lettings Policy which meets legal requirements
- Produce Lettings Procedures which respond to ALMOs requirements and meet the council's legal duty
- Consult with ALMOs on all lettings Policy/ Procedural amendments
- Manage the lettings Review Group to allow ALMOs to influence future lettings policy directions.

### Account Meetings

- Undertake quarterly account meetings with each ALMO to ensure that the Leeds homes Business and delivery teams meet the requirements of the ALMO and that the lettings policy/ procedures are being implemented correctly.

### Performance Management information

- Provide monthly performance management information on the application and lettings process
- Provide quarterly Equality reports on allocations and the housing register
- Provide a year end summary of actives on the Leeds Homes Register

### Design and Print Service

- Procure design companies to revise and update printed material on lettings policy, procedures and services.
- Procure print companies to print all Leeds Homes literature for customers

### Staffing

Leeds Homes Delivery Team provide 7 staff. These are:

- 1 x Manager
- 1 x Snr. Development Officer
- 2 x Development Officers
- 3 x Support staff

Leeds Homes Business Team provide 5 staff;

- 1 x Manager
- 3 x Development Officers
- 1 x Support Officers

### **Production and distribution of written material**

#### Application documentation

- An application pack including all application documentation is distributed to ALMOs containing: Application Form, Lettings Policy summary booklet, Landlord Contact Details and Citywide Feedback on Annual Lettings.
- The application pack is distributed to ALMOs twice a year.
- Leeds Homes Team administer and record the number of application packs required by each ALMO access point.
- Leeds Homes Team consult with ALMOs on the content and design of any stationary
- Project manage, commission, design and production of the whole pack

## Lettings Application Form

### Leeds Homes;

- Undertake research to ensure all necessary questions are placed in the application form
- Adopt good practice to ensure that the language used in all stationary is plain English and that national standards are adopted for customers with impairments
- Review the form at least annually. Consultation with ALMO and other stakeholders is undertaken to ensure that the application form is user friendly.
- Where possible the form mirrors inputting in the computer system

### Lettings policy summary booklet

- Undertake research to ensure appropriate information is included to comply with legal requirements and that it is customer orientated.
- The booklet is reviewed whenever there is a change of Lettings policy or a material change to the procedures. Consultation with ALMO and other stakeholders is undertaken to ensure that the booklet is user friendly.
- The booklet is printed in English. ALMO may access the booklet translated into 14 core community and asylum community languages on the CBL Intranet site. Currently these are Arabic, Bengali, Chinese, French, Dari, Farsi, Gujarati, Hindi, Kurdish Sorani, Portuguese, Punjabi, Pushtu, Urdu and Vietnamese
- Translated versions are also published on the Leeds Homes website. Printed copies are sent to appropriate agencies
- The summary also is published in braille, large print and on tape. ALMO is sent one copy to each of its access points.

### Additional leaflets

Leeds Homes provide other useful customer information such as Leeds Homes Register Landlord contact details, Annual Lettings Statistics for each ALMO and a branded envelope for customers to return application forms.

### Application Folder

A folder is provided in which to include all application stationary. Leeds Homes may add in any additional appropriate information e.g. Leeds Homes weekly flyer, information on Local Lettings polices etc.

### Advertising material to promote Leeds Homes services

Leeds Homes team provide promotional material for display in ALMO access points along with individual property flyers for vacant homes in each location.

### Written information for customers

- Intranet facility. Leeds Homes place information on the intranet to enable ALMO to access:
  - the Lettings Policy
  - translated versions of the Lettings policy summary
  - any other translated information

One copy of braille, large print and tapes of the Lettings Policy summary is sent to each access point. Further copies can be requested from Leeds Homes team.

- Template letters. Leeds Homes ;
  - write template letters for the application processes and policy decisions

for customers. A full list of all letters is published in the Lettings Procedure manual.

- consult on the wording of the letters with ALMOs'.
- consider changes to template letters as required and plan implementation.
- develop template letters in MS Word and place them on the intranet for ALMO to access.
- review all letters annually and update them as appropriate on the Intranet and in the Orchard computer system.
- Periodical Letters. Besides the annual application review letters to over 30,000 customers, Leeds Homes send out on a weekly basis;
  - 6 week warning letters to customers with a priority award reminding them of the pending deadline
  - a letter to all customers with a priority award informing them when their priority limit has expired

## **IT Services**

Leeds Homes team facilitate the operation of the Leeds Homes Register using Orchard Information Systems. Leeds Homes team ensure that accurate data is placed and extracted from the Orchard system database. To do this Leeds Homes:

- Provide 'train the trainer' training for ALMO staff to train their staff on input and maintain application data.
- Provide training on extraction of application data to be used in performance management
- Facilitate the management of CBL using Orchard Information Systems and the management of property advertising using the Council network storage facility

### Keeping the Housing Register up-to-date

Leeds Homes

- Input application forms received at Merrion House. Update and amend entries on the housing register where the customer informs us of a change of circumstances.
- Provide an annual update mechanism to ensure re-register or cancel customers applications as necessary.

### *IT development*

Leeds homes

- Develop the IT system with Business and ICT section. Leeds Homes enhance the computer systems. All modifications for enhancements are consulted on with ALMOs.
- Leeds Homes keep ALMOs updated on the implementation dates

## **Property advertising**

### Contract with Trader Media Group

Leeds Homes has procured a contract with Trader Media group from 1.7.06 to 30.6.07 under Leeds City Council's Procurement Procedures. There is a 12 month review process in this contract which ensure best value is achieved in the future for the advertising process. Leeds Homes :

- produce an 8 page property flyer which is published 48 weeks per year.

- the Leeds Homes property flyer is a stitched supplement inserted into the Wednesday edition of the Ad Trader.
- the Ad Trader is available for sale at 4,000 outlets in the Yorkshire area.
- copies of the Leeds Homes property flyer is delivered by Trader Media group to ALMO access points by 16.30 on the Tuesday prior to publication
- each access point is provided with a 'dump' bin, in which to store and display Leeds Homes property flyers.
- ALMO properties are published with its own brand logo and in brand colours. Sheltered housing and adapted properties are advertised separately in dedicated sections.
- additional property information with appropriate symbols are added to properties that the ALMO have provided on the template for the Leeds Homes team.
- Leeds Homes hold contract liaison meeting with the Trader Media Group quarterly. This has resulted in a good working relationship, ability to be flexible and provides cost benefits.

### The Advertising process

Leeds Homes Team advertise the following week (unless it is a 2 week advertising period) all properties placed using the given template in the procedures on the Storage Area Network by 4.00pm on the Wednesday. Management Lets not be advertised. Leeds Homes Team will:

- extract and check property details templates and accompanying digital images of properties entered onto the SAN on the Thursday prior to publication for the ALMO to ensure that they are of acceptable quality for publication.
- contact ALMO staff regarding any discrepancies, such as incorrect reference numbers, photo not matching property description, etc. to rectify errors before submission to Trader Media Group.
- appropriately edit Property detail templates and accompanying photographs to enable publishing. Leeds Homes does not permit the publishing of photos with graffiti and steel sheeted and make every effort to enhance the image using a computer software programme.
- take reasonable steps to ensure that there are no mistakes before submission to the Trader Media Group
- return all submissions with errors to ALMO locations by 10.00 Thursday to allow time for amendment and re-submission
- reduce the file size of the digital photos as a requirement for publishing and prepare the property submissions for entry into ALMO sections of the Leeds Homes weekly flyer.
- advertise submitted mutual exchange requests from template descriptions and accompanying photographs after editing on a 7 week rotating cycle for each ALMO.
- advertise sheltered and adapted properties in their own separate section of the Leeds Homes flyer with individual feature promotions where possible.
- amend and re-design the property details template as required to comply with policy and procedural changes in the advertising of properties
- extract lettings results information from the Orchard computer system and then publish them on the week after the tenancy has commenced in the Leeds Homes weekly flyer. The results information state for the property: the address, property type the number of bids made, registration date of applicant, and the Priority band of the applicant .

## Distribution of the Leeds homes property flyer

Trader Media group distribute approx. 8000 copies of the Leeds Homes property flyer to ALMO access points. If the ALMO requires additional copies, then negotiation with Leeds Homes Team is required at a current cost of £150 per 1000.

Leeds Homes ensure that the following agencies receive a copy by the Wednesday of each week by first class post

- all registered tenant groups in Leeds
- all Elected Members of Leeds city council
- homebound customers registered on the database. There are 356 customers currently registered on the database (as of 20 June 05)
- 45 LCC teams -such as Housing Needs Group, Social Service Dept receive a total of 827 flyers.
- 236 Voluntary sector agencies receive 598 flyers.

Leeds Homes manage a database of individual customers that are either homebound or unable to access the Yorkshire Ad Trader or web that require a copy of the Leeds Homes property flyer weekly.

Leeds Homes will provide the Housing Advice Centre with 900 flyers which are displayed in the Leeds Homes branded 'dump bins'

## Production of the Individual Property Flyer's(IPF's)

Leeds Homes;

- create an electronic IPF for all properties submitted and distribute to ALMO teams on the Monday prior to advertising.
- advertise ALMO properties in the Housing Advice Centre window display, or on the wall display, by placing their IPF's

Leeds Homes Team has developed the Leeds Homes website and all ALMO properties are advertised on this site. Customers are able to filter for properties within ALMO area, or by property type. Leeds Homes Team maintain and update the Leeds Homes website address [www.leedshomes.org.uk](http://www.leedshomes.org.uk)

## **Measuring Customer satisfaction**

Leeds Homes undertake ongoing customer satisfaction to develop and improve the service and highlight any weaknesses that need addressing. These include:

- separate questionnaires sent to customers who have been rehoused through the Leeds Homes process and those waiting to be rehoused. The results of the survey are analysed and reported on quarterly.
- quarterly surveys in the Property Flyer the results of which are posted on the Council's Intranet site
- website feedback facility.

## **Customer contact facility**

Leeds Homes team;

- provide a single telephone number: 0113 2476313 on a hunt line from which a number of agents may respond to customer enquires.

- ensure that all expressions of interest are received by telephone, post, and e-mail.
- answer 60% of calls and provide appropriate housing advice to customers if required, or if not housing application related, appropriately signpost a customer to the relevant team
- update the Orchard housing application with additional information if received, and add appropriate note pad information where relevant
- performance is published on the intranet site within 3 days of the advertising week ending.

#### Achieving fair access for customers

##### Leeds Homes:

- provide a Minicom telephone facility. This number is promoted in the Property Flyer and on all template letters.
- have a language Line account. Customers whose first language is not English, can access a translator through the Language Line service.
- provide a Lettings Policy summary booklet in 14 core community and asylum community languages, braille, large print and audio tape.
- provide an audio tape version of the Leeds Homes property flyer.
- extract and report on equality performance from the Leeds Homes Register and examine the data to identify significant variations in trends and to consult on action to take to remedy negative trends where applicable.
- advertise specific properties suitable for customers with physical impairments to assist in accurate matching.
- work in collaboration with all ALMOs and support agencies in developing and implementing a fair access plan for the service provided to vulnerable groups.
- develop, in collaboration with ALMOs, an Adaptation Plan that deals with all aspects of customers gaining access to suitably adapted properties.
- provide advice, support and performance/monitoring data to assist ALMOs in achieving Level 3 Equality Status.

#### Part 2

##### Key Roles and Responsibilities of the ALMO

The ALMO will adhere to the Council Lettings Policy and Procedures.

##### Customer service

- Ensure that all application stationary (Application Form and Lettings Policy Summary booklet, etc.) is available at customer outlets and on THE ALMO website or via a link with the Leeds Homes website.
- Distribute application documentation and input upon completion
- Issue sub forms to newly registered customers to accurately assess housing need
- Appropriately award priority
- Carry out appropriate eligibility and suitability checks
- Consider all requests for extensions of priority awards
- Offer and control Management Lets as appropriate within reasonable timescales
- Ensure that Duty Discharges to Statutory Homeless customers are carried out within the Lettings Policy and Lettings Procedures

## CBL

- Record expressions of interest of all properties advertised at THE ALMO customer access points
- Appropriately assist customers to make an expression of interest for advertised properties.
- Deal with customer enquiries and give customer feedback arising from recording expressions of interest
- Provide advice and information to all customer enquiries regarding the Lettings Policy and its procedures at every access point.
- Undertake customer consultation on the service. In addition, THE ALMO will assist Leeds Homes in undertaking customer consultation.
- Where a customer has identified support needs, THE ALMO will complete an appropriate assessment form, decide upon a support strategy and support provider to enable the customer to sustain their tenancy and liaise with that support agency to successfully manage the introductory tenancy.
- Place a copy of the Leeds Homes customer survey form in the tenancy pack for new tenants.

## Manage the Housing Register

- Register all Leeds Homes application forms received at their access points in accordance with the Council's Lettings Procedures and Service Standards.
- Input, maintain and update data on the Leeds Homes Register database for customers including circumstance changes and housing need.
- Identify and record properties for advertising by updating the Orchard computer database and the Storage Area Network location set aside for THE ALMO.
- Use the Orchard GUI computer database only to filter, shortlist, and make appropriate offers to customers expressing their interest in advertised properties.
- Record all property offers and appropriate offer/tenancy reasons in Orchard GUI to ensure that the weekly customer feedback table is accurate.
- Ensure that allocations are made in line with the councils lettings policy
- Attend quarterly account meetings with Leeds Homes Team representatives
- Respond to consultation on the lettings policy and procedures
- Send a representative to the Lettings review group
- Undertake eligibility tests on customers before allocating a property
- Undertake the suitability test to appropriate customers
- Respond to requests to extend priority within 5 days
- Ensure offers to discharge duty are made following the lettings policy guidelines.
- Ensure all local lettings policies are reviewed on a yearly basis

## Property advertising

The ALMO will;

- adhere to the procedures for advertising properties
- advertise all vacant properties through the Choice Based Lettings system unless a property has been specifically set aside for a Management Let under the Council's Lettings Policy.
- prominently advertise and display properties to let at customer access points.
- ensure that properties that are adapted or have an agreed Local Letting Policy or have a Registered Tenants Group are appropriately flagged for advertisement.
- not withdraw properties once committed to the advertising cycle unless in extreme

circumstances such as an emergency rehousing situation. If a property is withdrawn for any reason, the ALMO will contact any existing bidders immediately to advise them of the situation by telephone or in writing.

## Leeds Homes Team Development

Leeds Homes has developed;

- Choice Based Lettings in Leeds and has managed it's developed since inspection. The team has a wealth of skills, experience and knowledge covering all aspects of lettings policy, legislation, procedures, tenancies, IT and more recently publishing.
- a benchmarking group for major authorities in the north of England called CBL North to share good practice and assist in developing Lettings Policies and Choice based Lettings schemes
- a close working relationship with the ODPM and is able to influence Government Policy through CBL North and other consultation processes with the ODPM
- Leeds Homes has developed a close working relationship with the Audit Commission which has assisted ALMOs in obtaining their star status through inspection.
- Leeds Homes have used the Internal Audit team to provide an independent audit on aspects of the lettings policy, to ensure the policy and procedures are clear and accurate and are being implemented correctly and fairly.

## Planned developments for the service

### Working with Partner Landlords

The Council's common housing register is shared with 13 RSLs. This involves sharing the cost of the Leeds Homes database and the housing application packs. Leeds Homes are in the process of ;

- Securing Nomination Agreements with RSLs to rehouse customers in high housing need
- Charging RSL's to advertise in the Leeds Homes Flyer.
- Expanding the contract with private landlords to rehouse homeless customers. The Leeds Homes service plan states that it provides resources to increase the number of private landlords involved in the lettings service

### Training Service

Leeds Homes has developed a bespoke training service for ALMO's and other agencies involved in social housing as part of its Service Plan. This includes training on Lettings Policy and Procedures, Orchard Information Systems and Choice Based Lettings.

### Website Development

The existing customers access website will be developed to include direct online application registration and CBL bidding.

## Maintaining Service Standards

Service Standard	Proposal
The Service is available Mon - Fri 9am to 5pm	Staff is available between 9am to 5pm on weekdays.
Leeds Homes provide advice and assistance to ALMO staff in relation to the Leeds Homes Register and Choice Based lettings	<ul style="list-style-type: none"> <li>The Leeds Homes Team provide information over the telephone, by email, in writing regarding the policy and procedure and in relation into individual cases</li> </ul>
Leeds Homes will address relevant complaints/feedback received by the ALMO.	The Leeds Homes Team have regular meetings/liaison for issues to be monitored.
Leeds Homes is committed to continuous improvement and working with ALMOs to ensure efficient and effective management of the workloads.	The Leeds Homes Team liaise with the ALMO quarterly to agree performance targets and discuss workload management issues.
Leeds Homes will work with ALMOs to identify and implement service improvements on an continuous basis	<ul style="list-style-type: none"> <li>The Leeds Homes Team liaise with the ALMO to agree performance targets and discuss service improvement at quarterly account meetings.</li> </ul>
Leeds Homes input case information onto the Orchard computer system to enable ALMO staff to view progress of a case.	This process is built into staff procedures to ensure that Orchard is up to date.
Leeds Homes will continue to develop and improve IT systems for users and customers benefit	<ul style="list-style-type: none"> <li>Monitor systems continuously and liaise with the Business and ICT team</li> <li>Prepare business cases and plan future improvements</li> <li>Introduce Mutual Exchange advertisements on the website</li> </ul>
The service provider maintain regular contact with ALMO staff in order to discuss issues including workload and case specific information.	<ul style="list-style-type: none"> <li>It is proposed that the nominated officer would meet monthly with Leeds Homes to discuss workload and case specific information.</li> </ul>

### Leeds..... Homes

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Authorised Signatory for and on Behalf of  
**Leeds City Council**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX 8

### Performance Indicators 2007/08

(Revised July 2007 following guidance from Audit Commission on BVPIs and PIs in the CPA for 2007/08)

The Council and ALMO will agree at the beginning of each financial year which Performance Indicators (PIs) will be reported by the ALMO to the Council and what the target will be. The PIs are made up of Best Value Performance Indicators (BVPIs) and local PIs.

#### **Guidance:**

**Penalty** – where ‘Penalty’ is identified in the PI description box, the PI or the area relating to the PI has a Penalty / Incentive attached to performance in the Management Fee calculation.

**Targets as set in the Council Plan 2006/07** – for PIs which are in the Council Plan, 3 year targets are required. The targets included in the table are city wide targets which were set in 2005/06 target setting round, for 2007/08 and 2008/09. These are to be reviewed as part of the 2007/08 target setting round.

**PIs Which Contribute to the CPA** – a column has been added to identify which PIs contribute to the CPA. These are also in bold.

#### **Threshold / Quartile Information**

For PIs which contribute to the CPA, thresholds are provided by the Audit Commission. Usually these reflect performance at the top and bottom quartiles based on previous years’ performance (2004/05 or 2005/06) - UT - Upper Threshold / LT – Lower Threshold

For BVPIs which don’t contribute to the CPA, quartile information is issued by the government each year, which shows performance at the top and bottom quartiles based on the previous year’s performance (2005/06) – TQ – Top Quartile / BQ – Bottom Quartile. For local PIs which don’t contribute to the CPA, while quartile information is not available, benchmarking may be available, e.g. Housemark.

## **Best Value Performance Indicators (BVPIs)**

These PIs are mandatory in that the Council is required to report performance against these PIs to 'Communities and Local Government' and so the Council must collect performance information from the ALMOs.

<b>PI No.</b>	<b>Description</b>	<b>Targets as set in 2006/07 Council Plan</b>	<b>Performance Reported From</b>	<b>Frequency of Reporting</b>	<b>Contributes to Council's CPA 2007/08</b>	<b>Current Thresholds / Quartiles (source)</b>	<b>Targets Required</b>
<b>Housing</b>							
BV63	Energy Efficiency – the average SAP rating of local authority dwellings.  Penalty	64 – 2006/07 66 – 2007/08 69 – 2008/09	Energy Team Database	Quarterly	Audit Commission proposal to remove from 2007	UT – 65 LT – 57 (2004/05 performance)	Alan Jones to set targets
BV66a	% of rent collected.  Penalty	97.1% - 2006/07 97.8% - 2007/08 97.7% - 2008/09	HMIS	Monthly	Yes	UT – 98.2% LT 96.18% (2004/05 performance)	3 year targets
BV66b	% tenants with more than 7 weeks rent arrears.	7% - 2006/07 6.7% - 2007/08 6.4% - 2008/09	HMIS	Monthly	Audit Commission proposal to add from 2007	TQ – 4.12% BQ – 8.53% (2005/06 performance)	3 year targets
BV66c	% tenants in arrears who have had NiSPs served.	27% - 2006/07 26% - 2007/08 25% - 2008/09	HMIS	Monthly	No	TQ – 17.06% BQ – 35.28% (2005/06 performance)	3 year targets
BV66d	% local authority tenants evicted as a	0.26% - 2006/07 0.25% - 2007/08	HMIS	Monthly	No	TQ – 0.20% BQ – 0.58%	3 year targets

PI No.	Description	Targets as set in 2006/07 Council Plan	Performance Reported From	Frequency of Reporting	Contributes to Council's CPA 2007/08	Current Thresholds / Quartiles (source)	Targets Required
	result of rent arrears.	0.24% - 2008/09				(2005/06 performance)	
BV74	Satisfaction of tenants of council housing with the overall service provided by their landlord: A – All tenants B – ME tenants C – Non ME tenants  Penalty	No targets in the Council Plan.	MRUK Survey carried out in 2006.	Annually	Yes (a only)	BV74a: UT – 92.5% LT – 84.1% (2004/05 performance) BV74b: TQ – 82% BQ – 61% BV74c: TQ – 84% BQ – 74% (2005/06 performance)	<b>3 year targets</b>
BV75	Satisfaction of tenants of council housing with opportunities for participation in management and decision making in relation to housing services provided by their landlord: A – All tenants B – ME tenants C – Non ME tenants	No targets in the Council Plan.	MRUK Survey carried out in 2006.	Annually	Yes (a only)	BV75a: UT – 77.5% LT – 68.2% (2004/05 performance) BV75b: TQ – 71% BQ – 50% BV75c: TQ – 70% BQ – 58% (2005/06 performance)	<b>3 year targets</b>

PI No.	Description	Targets as set in 2006/07 Council Plan	Performance Reported From	Frequency of Reporting	Contributes to Council's CPA 2007/08	Current Thresholds / Quartiles (source)	Targets Required
	Penalty					performance)	
BV184a	The proportion of local authority homes which were non decent at start of financial year. Penalty	43.5% - 2006/07 35% - 2007/08 25% - 2008/09	Manifold / ALMO 2006/07 Keystone – 2007/08 (phased implementation)	Monthly	Yes	UT – 21% LT – 53% (2004/05 performance)	<b>3 year targets</b>
BV184b	The percentage change in the proportion of non decent homes between start and end of financial year. Penalty	19% - 2006/07 29% 2007/08 40% - 2008/09	Manifold / ALMO 2006/07 Keystone – 2007/08 (phased implementation)	Monthly	Yes	UT – 23.8% LT – 3.5% (2004/05 performance)	<b>3 year targets</b>
BV212	Average relet times for dwellings (based on BV212 definition of 'average void time in the year'). Penalty	40 days - 2006/07 38 days - 2007/08 36 days – 2008/09	HMIS	Monthly	No	TQ – 29 days BQ – 51 days (2005/06 performance)	<b>3 year targets</b>

## Local Performance Indicators

Local PIs are made up of the following:

- Non BVPIs which contribute to the Council's CPA. These may be PIs which are reported in the HIP document.
- PIs which measure the ALMOs commitment to corporate priorities.
- PIs which measure key service delivery areas. In most cases these PIs have been BVPIs and are still considered a useful measure of the service.
- Organisational health indicators.

Housing	Description	Targets as set in 2006/07 Council Plan	Performance Reported From	Frequency of Reporting	Contributes to Council's CPA 2007/08	Current Thresholds / Quartiles (source)	Targets Required
LKI-HMA1	Rent arrears of current tenants as a proportion of the authority's rent roll. <b>Penalty</b>	PI not in Council Plan	HMIS	Monthly	No	N/A	1 year target
LKI – HMA2	Average Relet Times for dwellings(based on HIP (BV68) definition of 'average relet time')	PI not in Council Plan	HMIS	Monthly	Yes	UT – 26.7 days LT – 52 days (2004/05 performance)	3 year targets
LKI-HMA3	% rent lost through properties becoming vacant.	1.7% - 2006/07 1.6% 2007/08 1.5% - 2008/09	HMIS	Monthly	No	N/A	3 year targets
LKI-HMA4	Average time taken to complete non-urgent responsive repairs. <b>Penalty</b>	12 days – 2006/07 11 days – 2007/08 10 days – 2008/09	Orchard	Monthly	Yes	UT – 11 days LT – 24 days (2004/05 performance)	3 year targets
LKI-HMA6	Proportion of properties currently untenanted,	PI not in Council Plan	HMIS	Monthly	No	N/A	1 year target

Housing	Description	Targets as set in 2006/07 Council Plan	Performance Reported From	Frequency of Reporting	Contributes to Council's CPA 2007/08	Current Thresholds / Quartiles (source)	Targets Required
	split between: a) Lettable b) Unlettable <b>Penalty</b>						
LKI-HMA7	% urgent repairs completed within Government time limits. <b>Penalty</b>	97.4% - 2006/07 97.6% 2007/08 97.8% - 2008/09	Orchard	Monthly	Yes	UT – 97% LT – 88% (2004/05 performance)	3 year targets
<b>NEW</b> LKI-HMA8	a) Average Former Tenant Arrears b) % FTAs collected <b>Penalty</b>	PI not in Council Plan	HMIS	Monthly	No	N/A	1 year target
<b>NEW</b> LKI-HMA12	% vulnerable households living in fuel poverty.	PI not in Council Plan	ALMO – reporting to be agreed ding 2007/08.	Quarterly	No	N/A	No targets required
LKI-HMA13 (BV-185)	The percentage of responsive (but not emergency) repairs for which the authority both made and kept an appointment.	PI not in Council Plan	Orchard	Monthly	No	N/A	1 year target
<b>NEW</b> LKI – HMA14	% Urgent Repairs as a proportion of total repairs	PI not in Council Plan	HMIS	Monthly	Yes	No threshold information available.	1 year target
<b>NEW</b>	% CP12s (annual gas	PI not in Council	To be agreed	To be	Yes	No threshold	1 year



<b>Housing</b>	<b>Description</b>	<b>Targets as set in 2006/07 Council Plan</b>	<b>Performance Reported From</b>	<b>Frequency of Reporting</b>	<b>Contributes to Council's CPA 2007/08</b>	<b>Current Thresholds / Quartiles (source)</b>	<b>Targets Required</b>
<b>Organisational Health</b>							
LKI-CH01 (BV-2A)	The level of the Equality Standard for Local Government to which the authority conforms.	PI not in Council Plan	ALMO	Annually	No	N/A	1 year target
LKI-CH03 (BV-11a)	% of top 5% of earners that are women.	38.3% - 2006/07 39.3% - 2007/08 40% - 2008/09	ALMO	Annually	No	N/A	1 year target
LKI-CH04 (BV-11b)	% of top 5% of earners from ME communities.	5.4% - 2006/07 5.9% - 2007/08 6.2% - 2008/09	ALMO	Annually	No	N/A	1 year target
LKI-CH08 (BV-16a)	The number of staff declaring that they meet the DDA disability definition as a percentage of the total workforce.	3.9% - 2006/07 4.15% - 2007/08 4.25% - 2008/09	ALMO	Annually	No	N/A	1 year target
LKI-CH09 (BV-17A)	Minority ethnic community staff as % of total workforce.	6.3% - 2006/07 6.4% - 2007/08 6.6% - 2008/09	ALMO	Annually	No	N/A	1 year target
LKI-CH10	% of disabled Board members.	PI not in Council Plan	ALMO	Annually	No	N/A	1 year target
LKI-CH11	% of minority ethnic Board members.	PI not in Council Plan	ALMO	Annually	No	N/A	1 year target
<b>NEW</b>	% of women Board	PI not in Council	ALMO	Annually	No	N/A	1 year

Housing	Description	Targets as set in 2006/07 Council Plan	Performance Reported From	Frequency of Reporting	Contributes to Council's CPA 2007/08	Current Thresholds / Quartiles (source)	Targets Required
LKI -H12	members.	Plan					target

## **ANNEX 3 – PROCUREMENT PROTOCOL**

### **1. Purpose**

This document sets out principles of a joint Procurement protocol between Leeds City Council and the 3 individual ALMOs.

- Aire Valley Homes Leeds
- East North East Homes Leeds
- West North West Homes Leeds
- Belle Isle Tenant Management Organisation

Given the scale of operation in the city procurement of services in support of, and by, ALMOs will be complex. The Protocol seeks to ensure the development of a City-wide, strategic approach to this issue, which recognises the management freedom on service delivery to be given to ALMOs both individually and collectively. Furthermore a range of influences may well bring about change in approaches to procurement over the next few years:

- The corporate organisation of the Council
- National guidance
- Market developments and industry capacity
- The developing expertise of ALMOs themselves
- Each ALMO's procurement strategy

As such, the responsibilities and relationships set out in this document will be subject to annual review within the overall arrangements for review of ALMO Business Plans.

### **2. Definition of Procurement**

Within this protocol, Procurement is defined as the method for ALMOs to obtain goods, works and services in line with Financial Procedure Rules and Contract Procedure Rules, to enable them to carry out their landlord functions within the terms of the Management Agreement with the Council.

In this context, procurement does not include assessment of investment priorities and allocation of resources to meet these.

### **3. Arrangements**

There will be strands of procurement requiring different approaches:

- (i) Consumable Services: e.g. photocopying facilities, office equipment/material supplies.

Existing Council contractual arrangements will be available to ALMOs, which will have the option to set up their own alternative arrangements where it considers these can be more effective / economic - these must always comply with their Financial Procedure Rules and Contract Procedure Rules. In these latter instances, responsibility for letting and management of contracts will be held solely by ALMOs.

- (ii) Direct Works: e.g. property repair, improvement.

Where possible existing contractual arrangements that are in place will be available for use by individual ALMOs. These arrangements are managed by the Leeds Homes Construction Partnership Board (LHCP) which has representation on it from each ALMO Chief Officer, Head of Property Management Services and Head of Strategic Landlord Group.

Where the Council or the ALMOs want to assess the benefits or disadvantages of joint or shared procurement then this should be via reference to the LHCP Board meeting. In such cases an outline business case / Procurement Strategy should be developed between Leeds City Council and the ALMO Boards encouraging the use of longer term partnering arrangements. This approach will be structured considering the following factors:

- the length and phasing of existing arrangements
- the capacity of ALMOs to undertake procurement
- potential scale of investment may strain industry capacity without some level of City-wide strategic planning and consultation
- each ALMO's Procurement Strategy

#### 4. Implementation

- (i)

Procurement of contracts will be the **responsibility** of the City Council, in consultation with ALMO Boards. Contracts will be procured in the name of the Council, but the Council and the ALMOs can agree that the ALMOs will take the lead in certain procurement exercises, or particular aspects of those exercises, so far as is consistent with the Council's Contracts Procedure Rules, and Financial Procedure Rules. Procurement services will be provided through the Council's Procurement Unit and the Property Management Services group of Environment and Neighbourhoods.

Consultation in the procurement process will include; scope of requirements, procurement options, procurement method, packaging, tender documents, tender evaluation, and contract performance measures.

Contracts will be let by the Council who will also pursue, on behalf of ALMOs, contract default issues. Contract monitoring will be undertaken by ALMOs.

- (ii) A new procurement model for the LHCP will be reviewed by the Partnership Board to improve and build further on existing arrangements. This review will take into account structural options available to the 3 ALMOs and BITMO.

This will form part of the annual review of ALMO Business Plans. The prime purpose will be to ensure a proper balance is achieved between the benefits of local procurement at ALMO level and the wider benefits which may flow from procuring certain works on a City-wide basis whether through the Council or through ALMOs collectively, or with specific preferred partners.

## **5. Ancillary Requirements**

As part of the agreed governance arrangements, ALMOs will be required to work within the Council's Contract Procedure Rules and Financial Procedure Rules where the contract is in the name of Leeds City Council.

Where the contract is in the name of the individual ALMO their own Contract Procedure Rules and Financial Procedure Rules will apply.

Review of operation of these will be undertaken within the annual review of the Protocol.

## **6. Dispute Resolution**

Disputes over Procurement issues, including any contractual matters, shall be dealt with in accordance with the terms of relevant service level agreements or under the dispute resolution provisions of the Management Agreement

## **ANNEX 4 – SERVICE CONTRACTS**

### **PART 1 – SUPPORT SERVICES**

Finance (Corporate )

Finance (Insurance)

Finance (Internal Audit)

Business Support Unit

IT

Property Services

Communications & Information Group

Development Department

City Services (Central Services)

Contact Leads

Childcare and Early Development

Paralegal

Legal Services

Corporate Procurement Unit

Grounds Maintenance

Highways

## **PART 2 – TERMINATION PROCESS**

This part deals with the procedures for reviewing services provided under the Service Contracts/Service Level Agreements.

The parties agree that the ALMO has the right to select from whom it purchases support services so long as there is a demonstrable business case for change. The ALMO will be responsible for producing a business case to demonstrate that there is a need to terminate the existing service level agreement and replace it with an agreement with another provider. The business case will be presented to the ALMO Board or appropriate sub committee, in accordance with the ALMO's delegation of authority scheme, and receive Board, or appropriate sub committee, approval before it is implemented. Where the proposal is to move away from the Council as a provider of a particular service, then the Council should be given opportunity to comment on the business case and those comments should be presented to the ALMO Board, or appropriate sub committee, when approval for change is being sought. Any decision to terminate an agreement will be done in accordance with the terms for terminating the agreement as set out in the relevant service level agreement.

### **Process**

- The ALMO will construct its business case for change this will include :
  - The reasons for seeking a new service provider
  - A specification for a new service provider
- The ALMO will advise the current service provider that it intends to seek an alternative provider and that the new agreement will come into force from a specific date. This will serve as notice to the current service provider. The current service provider should be provided with the reasons for this termination. The notice period should be not less than six months.
- The ALMO will then present its completed business case to the ALMO Board, or appropriate sub committee, for a formal decision. Where the current service provider is the Council, the Council will be given the opportunity to comment on the business case and those comments should be presented to the ALMO Board, or appropriate sub committee.
- Once the ALMO has secured Board approval, the ALMO will complete an appropriate procurement exercise that complies with either the Council's procurement rules or those of the ALMO in accordance with the current Procurement Protocol.
- Once the procurement process has been completed and the ALMO Board, or appropriate sub committee, has made a decision, the ALMO will agree, with the new and current service provider, an appropriate transition period which will include formal notification of termination to the current service provider.

## **ANNEX 5 – ASSETS**

1. East North East Homes shall be responsible for the maintenance and (where necessary) replacement of all Assets.
2. All Assets employed by East North East Homes in the performance of the Services at any time must be either owned or hired by East North East Homes pursuant to a contract of simple hire (and not hire purchase) (the “Hire Contract”) the benefit of which contract must be capable of assignment by East North East Homes to the Council or to an organisation nominated by the Council for the purpose of carrying out the Services (or any of them) so that the Services may be continued to be provided by a third party in the event of the termination of this Agreement for any reason.
3. East North East Homes shall ensure that any Hire Contract requires the owner of the relevant Assets to hire the Assets to the Council on the same terms as the Assets were hired to East North East Homes save that the Council shall be entitled to permit the use of the Assets by any other body or person providing the Services (or any of them) on behalf of the Council PROVIDED THAT the Council shall have served on the said owner after termination of this Agreement notice in writing requiring compliance with the said provision of the Hire Contract and upon the Council undertaking to pay all hire charges from the date of such notice.
4. East North East Homes shall at all times be responsible for any necessary licensing and for the payment of all licensing fees taxes and insurances as may be required in connection with the possession or use of all Assets employed in the provision of the Services
5. East North East Homes shall put, keep and maintain all Assets employed in the performance of the Services at all times in good and serviceable repair and in such condition as is required for the proper performance by East North East Homes of its obligations under the Agreement
6. All Assets and materials used by East North East Homes shall conform to any applicable British Standard and when so requested East North East Homes shall provide the Council with evidence to prove that such Assets and materials so conform
7. East North East Homes shall permit the Council to inspect at any time any Assets or materials used or proposed to be used by East North East Homes in the provision of the Services and East North East Homes shall facilitate such inspections
8. East North East Homes shall only keep such potentially dangerous or hazardous materials or equipment on the Premises as are necessary for the provision of the

Services and such materials or equipment shall at all times be kept under proper control and East North East Homes shall ensure that all such materials and their usage and storage comply with all applicable laws

9. At the expiry of the Term or upon termination of this Agreement (whichever shall first occur) the Council may serve a notice upon East North East Homes requiring East North East homes to transfer free of charge to the Council or any other person or persons as may be specified in such notice all Assets and materials used by East North East Homes and the benefit of all Hire Contracts or contracts for the acquisition of the Assets and receipt of such notice East North East Homes shall forthwith execute all documents required to effect such transfer and shall deliver such Assets to the Council in good and serviceable repair and condition.
10. In respect of all Assets all materials used by East North East Homes and all property occupied by East North East Homes East North East Homes will consult with the Council about logos designs devices insignia or words

### **Use of IT systems**

11. The Council shall provide and East North East Homes shall use for the purposes of providing the Services the Council's Key Computer Systems and/or Council's Software as set out in Annex 10 and the Council shall permit East North East Homes to use for the purposes of providing the Services the Council's Recommended Computer Systems and/or Council's Software as set out in Annex 10 subject in each case to such terms conditions and stipulations as are set in Annex 10 or as the Council may notify to East North East Homes from time to time
12. East North East Homes shall use the Council's Computer Systems and/or Council's Software for the purposes of providing the Services and shall not under any circumstances (unless expressly authorised so to do by the Council) make use of the Council's Computer Systems and/or Council's Software for any other purpose or for any third person or allow any other person to use the same.
13. East North East Homes shall pay to the Council (or there shall be deducted from the Management Fee) a reasonable proportion of the costs of insuring the Council's Computer Systems and/or the Council's Software, together with any excess which would otherwise be borne by the Council in relation to any insurance claim.
14. East North East Homes shall take all practicable steps to safeguard those parts of the Council's Computer Systems and the Council's Software under the control or influence of East North East Homes against unauthorised access tampering or systems failure and in particular shall comply with the requirements specified in the Council's Information Security Manual from time to time.

15. If and to the extent that East North East Homes wishes to use any other computer systems and/or software in the provision of the Services and to the extent that the use of the Council's computer network and/or interface with the Council's Computer Systems and/or Council's Software is necessary so to do Leeds East Homes shall
  - 15.1 ensure that such other computer systems and/or software are compatible with the Council's Computer Systems and/or the Council's Software and further will have no adverse affects on the Council's computer network or other computer systems and/or software and/or procedures
  - 15.2 ensure that any computer software it uses is properly licensed
  - 15.3 comply with the Council's Information Security Manual and all relevant requirements of any supplier of the Council's Computer systems and/or the Council's Software
16. If at any time East North East Homes believes that changes modifications or updating to the Council's Computer Systems and/or Council's Software or to its other computer systems and/or software (as the case may be) are required or would assist in the provision of the Services East North East Homes may make proposals for such changes to the Council subject to:
  - 16.1 all rights (including licences) in or arising from such changes shall become vested in the Council insofar as they relate to the Council's Computer Systems and/or Council's Software; and
  - 16.2 the Council shall be entitled to require East North East Homes on termination of this Agreement by expiry of time or otherwise either to take all necessary steps (including the assignment of licences) to vest the rights in such changes and all data and information in respect of the Services and all related matters in the Council or such other person as the Council may direct or to restore the Council's Computer Systems and/or the Council's Software to the status quo ante
17. East North East Homes shall comply with the Council's Information Security Manual and any other security policy which may from time to time be issued by the Council relating to information technology, in whatever form and of whatever nature
18. If at any time the Council has reason so to do (including but not limited to actual or threatened interference with or damage to the Council's Computer Systems and/or the Council's Software) the Council shall be entitled to require that East North East Homes cease to use the Council's Computer Systems and/or the Council's Software and disconnect or otherwise separate East North East Homes's own

computer systems and/or software from the Council's Computer Systems and/or Council's Software. The Council will not exercise this right without giving as much notice as practicable (save in cases of urgency)

19. East North East Homes shall afford access to any of the computer systems, software, data, databases and operations used by it pursuant to this Agreement to the Council and any person (including auditors) nominated by them for all purposes connected with the subject-matter of this Agreement and the Council's own activities.
20. On termination of this Agreement by expiry of time or otherwise East North East Homes shall transfer all data and information in respect of the Services and all matters relating thereto within a reasonable time and with due expedition to the Council or such other person as the Council may direct and until such transfer shall on being so requested by the Council afford access to the same to the Council or such other person as the Council may authorise including but not limited to permitting use thereof and providing all data and/or information requested
20. On termination of this Agreement by expiry of time or otherwise shall transfer all data and information in respect of the Services and all matters relating thereto within a reasonable time and with due expedition to the Council or such other person as the Council may direct and until such transfer shall on being so requested by the Council afford access to the same to the Council or such other person as the Council may authorise including but not limited to permitting use thereof and providing all data and/or information requested
21. East North East Homes shall consult with the Council in relation to the domain name of any website which may create and in relation to the nature and content of any website
22. East North East Homes and the Council shall ensure that any website which may create is linked to [www.leeds.gov.uk](http://www.leeds.gov.uk), (or other Council website) and vice versa
23. Insofar as such access may be lawfully permitted East North East Homes shall be entitled to access such data and information as is stored on the Council's Computer Systems as set out in Annex 10- Part 2 which East North East Homes may require in order to provide the Services.
24. In addition to any requirements set out in the Business Plan East North East Homes will ensure that the Council's data relating to the Services is kept up-to-date and input to a high quality.
25. East North East Homes shall take all practicable steps to safeguard such data and information as is stored on the Council's Computer Systems and/or Council's Software against unauthorised access tampering or system failure

26. East North East Homes shall at all times ensure that where is using 's own computer systems:-

26.1 comprehensive security copies of any computerised Council Data are updated at the end of each Working Day in relation to that day and at least twice a week are stored in a secure location so as to enable East North East Homes (or in the event of the default of the Council or such other third party as the Council may appoint) to initiate and operate such alternative processing arrangements as may be necessary including (but without limitation) in the event of a partial or complete failure of East North East homes own computer systems

26.2 adequate recovery arrangements exist to ensure that East North East Homes can continue to comply without interruption with its remaining obligations under this Agreement in the event of a partial or complete failure of East North East Homes 's own computer systems or software

27. shall:-

27.1 comply with its obligations under the Data Protection Acts 1984 and 1998 (including where appropriate giving notification to the Information Commissioner thereunder) the Human Rights Act 1998 the Computer Misuse Act 1990 and the Freedom of Information Act 2000 insofar as the performance of the Services and the other requirements of this Agreement give rise to obligations under those Acts

27.2 Provide the Council with all such assistance as the Council may require to enable the Council to comply with any data protection subject access request or any freedom of information access request

27.3 Notify changes to the registrable particulars and take such other steps as may be necessary to afford the Council access to information which is required by the Council in connection with any of its statutory duties and responsibilities and for any purpose connected with this Agreement

27.4 Neither party shall knowingly do anything which places the other in breach of its obligations under the Data Protection Acts 1984 and 1998 the Human Rights Act 1998 or the Freedom of Information Act 2000

27.5 Except where the Council agrees East North East Homes shall not and shall ensure that its employees agents and subcontractors shall not divulge or dispose of or part with possession custody or control of any confidential material or information provided to East North East Homes by the Council pursuant to this Agreement

- 27.6 Source Code Escrow agreements for the software employed by the Council to support the ALMO business will be set up by and under the name of the Council. The only exception to this is where software is purchased and implemented by an ALMO without reference to LCC ICT. In this instance it is the responsibility of the ALMO to ensure adequate Escrow agreements are put in place.

#### Council assets

28. The Council with effect from the Commencement Date has made available to vehicles equipment and other assets and such assets together with any other such assets as may be made available by the Council to East North East Homes for use in connection with the Services (hereinafter together called "the Council's Assets") are made available subject to the following provisions:
- 28.1 will keep an asset register
- 28.2 East North East Homes will renew or replace any of the Council's Assets (except for the Council's Computer Systems and/or the Council's software which may only be renewed or replaced as appropriate by the Council) whenever necessary
- 28.3 East North East Homes shall be responsible for the security of the Council's Assets both when in use and when not in use;
- 28.4 East North East Homes upon the determination of this Agreement howsoever caused East North East Homes shall forthwith return to the Council (or as otherwise directed by the Council) free from encumbrances the Council's Assets in good and serviceable repair and condition
- 28.5 East North East Homes in respect of any of the Council's Assets which are leased East North East Homes shall comply with the terms and conditions of such leases and at the expiry or earlier determination of such leases return the said Council's Assets to the lessor or otherwise as the Council shall direct

## **ANNEX 6 - CONTRACT STANDARD**

1. East North East Homes shall perform the Services with all due skill care and diligence and in accordance and otherwise in compliance with:-
  - 1.1 the Business Plan;
  - 1.2 the Performance Management Framework;
  - 1.3 the Strategies;
  - 1.4 any reasonable instructions issued to East North East Homes by the Council pursuant to or in connection with this Agreement;
  - 1.5 any conditions upon the approval given by the Secretary of State pursuant to Section 27 of the Housing Act 1985 to delegate those functions identified in Annex 1;
  - 1.6 generally in a manner which shall preserve promote and enhance and shall not prejudice the reputation and interests of the Council and in particular in accordance with East North East Homes Code of Conduct for Board Members;
  - 1.7 in good and full co-operation with the other Leeds ALMOs any relevant Estate Management Board Tenant Management Organisation or PPF Contractor or any contractor or consultant engaged by any of the same to carry out related or relevant works or services
  - 1.8 in a manner which has regard to the interests and welfare of tenants and/or residents and their Convention Rights under the Human Rights Act 1998 and the management and maintenance of the Dwellings to a high standard;
  - 1.9 all legislation.
2. East North East Homes shall inform the Council promptly of and confirm in writing if East North East Homes is unable or fails to provide the Services or any part thereof, or if East North East Homes is aware of anything of whatsoever nature (whether or not the result of any act or omission on the part of the Council) which prevents or hinders or which may prevent or hinder East North East Homes from complying with this Agreement giving details of the circumstances reasons and likely duration and the provision of information hereunder shall not in any way release or excuse East North East Homes from any of its obligations under this Agreement
3. Should East North East Homes require any further instruction or information which is necessary for or in connection with the provision of the Services East North East

Homes shall make a written application in adequate detail for the same to the Council.

4. East North East Homes shall at all times during the provision of the Services allow the Council and such persons as may from time to time be nominated by the Council access to:
  - 4.1 all offices and work places of East North East Homes for the purpose of monitoring and inspecting work being performed in order to provide the Services and for the purpose of inspecting any or all records and documents in the possession custody or control of East North East Homes in connection with the East Homes for the purpose of interviewing such persons in connection with the provision of the Services;
  - 4.3 technology resources equipment systems and procedures used or proposed to be used in connection with the provision of the Services.
5. East North East Homes shall at all times comply with its Contracts Procedure Rules and Financial Procedure Rules.
6. East North East Homes shall as may be necessary or desirable co-operate liaise with and co-ordinate its activities with those of the other Leeds ALMOs any relevant Estate Management Board Tenant Management Organisation or PPF Contractor and any other company contractor or sub-contractor employed directly or indirectly by any of the same or by the Council and so far as reasonably possible shall provide the Services in harmony with and at no detriment to any other services provided by or on behalf of or to the Council
7. East North East Homes shall provide each year to the Council a copy of its audited accounts within six months of the relevant accounting reference date.
8. East North East Homes shall maintain such quality management systems and procedures as are appropriate to enable East North East Homes to ensure that the Services are always provided to the Contract Standard and East North East Homes shall afford the Council full access to such systems and procedures for audit or other purposes.
9. East North East Homes will ensure that in the event of any emergency or significant unforeseen difficulty occurring with respect to the delivery of the Services appropriate Organisation personnel will advise the Council as a matter of urgency and will continue to take responsibility for the situation until it is agreed by the Council that responsibility may be handed over to another agency or authority.
10. East North East Homes shall not whether itself or by any director or employee solicit or accept any gratuity tip or any other form of money or take any reward or make any unauthorised charge for any part of the Services.

11. East North East Homes shall not permit its interests to interfere or conflict with its duty (which hereby acknowledges) to provide the Services in the utmost good faith.
12. East North East Homes shall not vary or accept or acquiesce in any variation to the Council's form of secure tenancy agreement or conditions or any handbook or other provisions incorporated therein without the prior written consent of the Council.

## ANNEX 7 – INSURANCE

1. Save as otherwise provided in the Leases the Council shall during the currency of this Agreement be responsible for insuring its premises against fire explosion, storm and damage on such terms and against such other risks as the Council shall from time to time determine and East North East Homes shall pay to the Council (or there shall be deducted from the Management Fee) a reasonable proportion of the costs of such insurance together with any excess which would otherwise be borne by the Council in relation to any claim made pursuant to such insurance.
2. East North East Homes shall at all times maintain in force such policies of insurance with reputable insurers or underwriters approved by the Council as shall fully insure and indemnify East North East Homes against its liability
  - 2.1 to the Council and any employee of the Council;
  - 2.2 to the employees of East North East homes;
  - 2.3 to any other person

in the sum of at least £5,000,000 in respect of any one occurrence or series of occurrences arising out of one event.
3. East North East Homes shall insure against any expense, liability, loss, claim or proceedings in respect of any damage whatever to private property (real or personal) insofar as such damage is due to the negligence, omission or default of its employees or agents or any sub-contractor or person for whom the sub-contractor is responsible.
4. Without prejudice to the generality of this Annex it is hereby agreed and declared that East North East Homes shall be liable for any loss or damage whatsoever and howsoever caused to the contents of the Premises and to the full value of such contents in the event of fire.
5. East North East homes shall maintain insurance to an unlimited sum in respect of personal injury to or the death of any person under a contract of service with and arising out of an incident occurring during the course of such person's employment in compliance with the Employer's Liability (Compulsory Insurance) Act 1969 and the Road Traffic Act 1988 and any statutory orders made thereunder.
6. East North East Homes shall maintain all other insurances as may be necessary or prudent for the performance of the Agreement.
7. East North East Homes shall ensure that all relevant insurance policies shall have the interest of the Council endorsed upon them or shall otherwise expressly by their terms confer their benefits upon the Council.

8. East North East Homes shall at such times as the Council may reasonably require supply the Council with certified copies of all insurance policies required by any of the provisions of this Annex and with any cover notes premium receipts or other documents necessary to show that such policies are fully maintained and otherwise comply with this Agreement.
9. If and to the extent that the Council is dissatisfied as to the adequacy of any policy of insurance effected by East North East Homes it shall give notice in writing to that effect and upon receipt of such notice East North East Homes shall forthwith procure and effect such additional enhanced or other insurance as the Council may require.
10. In the event that East North East Homes fails to comply with a requirement of the Council in relation to any policy of insurance then without prejudice to its other remedies under this Agreement the Council shall be entitled to effect such insurances itself and reflect the costs of so doing in the Management Fee.
11. The Council and East North East Homes may agree that shall discharge its obligations under this Annex by procuring some or all the above insurances through or by the Council or its agents

## **ANNEX 8 – ACCESS TO INFORMATION PROTOCOL**

### **1. SCOPE**

This protocol (set of rules) applies to all Board meetings of the company, and meetings of any committee of the Board. “The Council” means Leeds City Council. “Board” means the Board of directors of the company, and includes any committee of the Board. “Open reports” means all reports other than those marked “Not for publication” under paragraph 10. This protocol also applies to any access request made under the Freedom of Information Act 2000.

### **2. RIGHT TO ATTEND MEETINGS**

Members of the public may attend all meetings subject only to paragraph 9.

### **3. NOTICE OF MEETINGS**

The Company will give at least 5 clear days notice of the time and place of any meeting, by publishing details at its head office and its Neighbourhood Housing Offices.

The notice will state all the items/issues to be discussed at the meeting. No other matter shall be considered at the meeting

- except for business required by law to be carried out, or
- other business brought before the meeting as a matter of urgency

### **4. ACCESS TO AGENDA AND REPORTS BEFORE MEETINGS**

The Company will make copies of the agenda, and open reports available for inspection at its head office and its Neighbourhood Housing Offices

- at least 5 clear days before the meeting,
- unless the meeting is convened at less than 5 days notice, when the papers will be immediately available
- where an item (not in the notice) is added to the agenda, it will be available immediately

No other item will be discussed unless the Chair of the meeting agrees it should be discussed as a matter of urgency, in which case the reason for this must be given in the minutes.

### **5. SUPPLY OF COPIES**

A reasonable number of copies of the agenda and open reports will be made available to members of the public present at meetings.

The Company will supply copies of any agenda to local newspapers prior to the meeting. The Company will also supply to any newspaper upon request copies of

- any open reports
- if the Chief Officer thinks fit, copies of any other documents supplied to members of the Board in connection with the item

- any other documents which are available for public inspection under this protocol.

## **6. ACCESS TO MINUTES ETC AFTER MEETINGS**

The Company will make available for inspection by members of the public at its head office, copies of the following for six years after a meeting

- the minutes of the meeting, excluding any parts of the minutes of proceedings when the meeting was not open to the public
- a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record
- a copy of the agenda for the meeting and
- a copy of any reports relating to items when the meeting was open to the public.

## **7. BACKGROUND PAPERS**

The Chief Officer will compile a list of the background papers relating to the subject matter of open reports, which will be available from the time the open report is available. At least 1 copy of each of the documents included in that list will also be available for inspection at the Company's head office for 4 years after the meeting.

Background papers are those documents which in the Chief Officer's opinion set out any facts on which the report or an important part of it is based, and were relied on to a material extent in preparing the report.

## **8. PUBLIC'S RIGHTS**

Copies of this protocol will be kept at, and will be available to the public at the Company's head office and its Neighbourhood Housing Offices.

## **9. EXCLUSION OF ACCESS BY THE PUBLIC TO MEETINGS**

### **9.1 Confidential information – mandatory exclusion of public**

The public will be excluded from meetings if it is likely that confidential information would be disclosed. "Confidential information" means information from a government department on terms which forbid disclosure to the public, and information where disclosure to the public is prohibited legally or by a court order. This includes personal data, information relating to an individual's private or family life, home or correspondence, and information which is subject to a legal obligation of confidence.

### **9.2 Exempt information - discretion to exclude public**

The Board may exclude the public from meetings during an item of business if it is likely that exempt information would be disclosed provided

- the meeting resolves to exclude the public, and that resolution identifies the part of the meeting it applies to, and
- that resolution gives a description of the information giving rise to the exclusion of the public

- (in the case of qualified exemptions) the meeting resolves that the public interest in maintaining the exemption outweighs the public interest in disclosure

### 9.3 Exempt information means

Category	Condition
1. Information relating to any individual.	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
2. Information which is likely to reveal the identity of an individual.	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).	<p>Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information</p> <p>Information within paragraph 3 is not exempt if it must be registered under various statutes, such as the Companies Act 1985 or the Charities Act 1993.</p> <p>“Financial or business affairs” includes contemplated, as well as past or current, activities</p>
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or officer-holders under the authority.	<p>Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information</p> <p>“Labour relations matter” are as specified in paragraphs (a) to (g) of section 218(1) of the Trade Unions and Labour Relations (Consolidation) Act 1992, i.e. matters which may be the subject of a trade dispute within the meaning of that Act or any dispute about any such matter</p>
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.	Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information

<p>6. Information which reveals that the authority proposes –  (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or  (b) to make an order or direction under any enactment</p>	<p>Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information</p>
<p>7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime</p>	<p>Information is exempt if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information</p>

#### **9.4 Disorderly Conduct - discretion to exclude public**

The meeting may exclude the public in order to maintain orderly conduct or to prevent misbehaviour at a meeting.

#### **9.5 Human Rights – discretion to exclude public**

Where the meeting will determine any person's civil rights and obligations, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

### **10. EXCLUSION OF ACCESS BY THE PUBLIC TO REPORTS**

The Chief Officer can decide not to make a report public if it appears to contain exempt information, and in his/her opinion it is likely that this part of the meeting would not be open to the public. Such reports will be marked "Not for publication" together with a description of the exemption relied on, and confirmation that the public interest in maintaining the exemption outweighs the public interest in disclosure.

### **11. SCRUTINY BOARD'S ACCESS TO DOCUMENTS**

#### **11. 1 Rights to copies**

Subject to para 11.2 below, a member of a Council Scrutiny Board will be entitled to a copy of any document which is in the possession or control of

- the Company, and which contains material relating to any business that has been transacted at a meeting or
- the Chief Officer, and which contains material relating to a decision by an officer of the Company

#### **11. 2 Limit on rights**

A member of a Scrutiny Board will not be entitled to

- any document that is in draft form or

- any part of a document that contains exempt or confidential information, unless that information is relevant to an action or decision that he/she is reviewing or scrutinising or which is relevant to any review contained in any programme of work of such a committee or sub-committee

## **12. RIGHTS OF ACCESS FOR MEMBERS OF THE COUNCIL**

### **12.1 Legal rights of access**

All Members of the Council (Councillors) have certain legal rights of access to information. Members have a common law right to inspect documents addressed to the Company as the Council's agent, so far as

- access to those documents is reasonably necessary to enable them to keep informed of Council business
- that business relates to their role as elected representatives.

## **13. GENERAL RIGHTS OF ACCESS TO INFORMATION FOR MEMBERS OF THE PUBLIC**

Any person can make a request for information to the Company, and unless the information is exempt information or the Company is otherwise entitled not to disclose the information in accordance with the Freedom of Information Act 2000, the Company shall inform the person whether it holds the information and if so, communicate that information to the person in accordance with the Freedom of Information Act 2000

## **14. RIGHT OF APPEAL AGAINST REFUSAL OF INSPECTION OR ACCESS**

Where inspection of a document is withheld from a member of the public or a request for information is refused, that fact must be made known to the person concerned who must also be advised of the reason why it is being withheld, and the process whereby the decision may be appealed. A decision shall be valid and remain in force, unless and until altered on appeal.

A member of the public who is denied inspection or whose request for information is refused may appeal against that decision to the Board. The person concerned may appeal on the basis that information has wrongly been treated as exempt, or may ask the Board to change its resolution to treat information as exempt.

The Chief Officer will report the appeal to the next Board meeting. The Board will then consider both the document withheld or the request which has been refused and the appeal, as the first item on the agenda, and decide whether or not to release the document or the information.

The Board will not release a document or disclose information if it appears to them that the disclosure would involve, or may result in, the breach of a legal duty or obligation owed by the Company or by the Council.

## ANNEX 9 – PREMISES

## PART 1 – PREMISES

ALMO	NHO	ADDRESS	Owned by LCC	Leased
	Tribecca House	Roundhay Road, Leeds Ls7 3BG		✓
	Digital House	Sheepscar Court, Leeds LS7 2BB (to be vacated ??)		✓
	Harehills & Chapeltown NHO	265 Roundhay Road Leeds LS8 4HS	✓	
	Meanwood NHO	10 Green Road Leeds LS6	✓	
	Moortown NHO	4 Queenshill Approach Leeds LS17 6AY	✓	
	Wetherby One Stop Centre	Council Offices Westgate Wetherby LS22 4LL	✓	
	Burmantofts NHO	Rigton Lawn Leeds LS9 7QA	✓	
	Gipton North NHO	95 Foundry Avenue Leeds LS8 3NH	✓	
	Seacroft North One Stop Centre	Irford House Seacroft Crescent Leeds LS14 6PW Unit 8, Tesco Centre (from March 08)		✓
	Seacroft South One Stop Centre	91/93 Moresdale Lane Leeds LS146GG	✓	
	Osmondthorpe One Stop Centre	81a Wykebeck Mount Leeds LS9 0HN	✓	
	Richmond Hill NHO	8 Walter Crescent Leeds LS9 0AD	✓	
<b>Aire Valley Homes</b>	Ground Floor Navigation House	8 George Mann Road Quayside Business Park LS10 1DJ		✓
	Garforth One Stop Centre	1/5 Main Street Garforth Leeds LS25 1EZ	✓	
	Kippax NHO	Hanover Place Kippax Leeds LS25 7LW	✓	
	Swarcliffe NHO	1 Langbar Road Leeds LS14 5ER	✓	
	Morley One Stop Centre	Town Hall Queen Street Morley Leeds LS27 9DY	✓	
	Rothwell One Stop centre	Civic Buildings Marsh Street Rothwell Leeds LS26 0AD	✓	
	Keir Depot	South depot, Unit 3 National Road Hunslet LS10 1TD		✓ (by Kier)
<b>West North West</b>	Westfield Chambers	Lower Wortley Road Leeds, LS12 4PX		✓
	Westfield House	Lower Wortley Road Leeds, LS12 4PX (from April 2008)		✓
	Armley NHO	27 Hall Road Leeds LS12 1UZ	✓	
	Bramley Area Office	202 Town Street Bramley Leeds LS13 2EP	✓	
	Pudsey One Stop Centre	Town Hall Robin Lane Pudsey Leeds LS28 7BL	✓	

	Wortley Area Office	36 Heights Drive Leeds LS12 3EU	✓	
	Aireborough One Stop Centre	Micklefield House New Road Side, Rawdon, Leeds LS19 6DF	✓	
	Otley One Stop Centre	8 Boroughgate, Otley, LS21 3AL	✓	
	Horsforth NHO	The Green Town Street Horsforth Leeds LS18 5JB		
	Little London NHO	Oatland Drive Leeds LS7 1SH	✓	
	Weetwood NHO	10 Raynel Approach Ireland Wood Leeds LS16 6JT	✓	
	Kirkstall NHO	45 Kirkstall Lane Leeds LS5 3BE	✓	
	Env Team	4 Raynel Approach (to be vacated March 2008 )	✓	
	Tenancy Enf Team	1 Carlton Close, Little London, LS7 1SH	✓	
	Wira House	(to be vacated March 2008 )		✓
	Progress House	1 <sup>st</sup> Floor, 99 Bradford Road, Pudsey, LS28 6AT; aiming to vacate at end of March 2008		✓
	Silver Royd	Office Suite 2, Silver Royd Hill, Wortley, LS12 4QQ		✓
	Barras Garth	Unit 2 Barras Garth Ind Park, Barras Garth Road, LS12 4JW (Baldwin's currently pay the rent for this)		✓

**PART 2 – FORM OF LEASE**

## ANNEX 10 – COMPUTER SYSTEMS

### PART 1 – KEY IT SYSTEMS AND/OR COUNCIL'S SOFTWARE

#### 1) KEY SYSTEMS - PRESENT

##### General

- MS Office
- SIEBEL
- Contact Leeds
- Lotus Notes / INotes
- Leeds City Council's Intranet
- IE5.5
- Map Explorer
- OS Maps
- Citrix
- Novell 4, 5 & 6.5
- Windows EP
- Adobe Acrobat versions 4, 5 & 6
- Visio - version 5.0/2000
- PDA software
- ICT on-line

##### Support Services

- SAP
- FAB - Financial accounting and budgeting/ web FAB

##### Housing management/ Property services

- archHouse (to be replaced by archHouse+)
- GUI (for Orchard, FAB, Mainframe etc)
- Keystone
- Delcam (to be delivered 2008)
- Discover (HMIS)
- Locata+ (Repair Finder)
- Academy - benefits/council tax
- ESRI
- Business Intelligence – Electronic Data management system, Business Intelligence system (to be procured), Universal Customer Master Index (UCMI)
- Caseworks (HUB)
- Vasco
- Powersolve
- Manifold
- Walkabout
- Integrated Capital System (IPCs)

##### Telephony

- BT Feature net

- Ericsson
- VOIP – Voice over IP

## **PART 2 – USE OF COUNCIL’S COMPUTERS**

Insofar as such access may lawfully be permitted shall be entitled to access the following data and information as is stored on the following Council’s Computer Systems and which may require in order to provide the Service:

Property data

Person data

Private property data

Council tax data

Tenancy data

Benefits data

Repairs data

Stock Information Base

Intranet data

Any other data appropriate to ALMO business requirements

## **ANNEX 11 – FINANCE PART 1 - MANAGEMENT FEE**

### **Introduction**

The Strategic Landlord and the ALMOs have agreed that going forward the most logical and transparent method of funding is to use a formula. The formula selected is based on the National Subsidy Formula as determined by the Government.

The Strategic Landlord is committed to maximising the funding available to the ALMOs by ensuring that all expenditure areas remaining within the Strategic Landlord are re examined in conjunction with the ALMOs to ensure that they are true Strategic Landlord functions . If it is decided that they are not a Strategic Landlord function a process to devolve the funding to the ALMOs will be agreed

The Strategic Landlord, in calculating the annual Management Fee, will ensure that it has a transparent process that allows the ALMOs to fully understand the whole of the HRA and how funds have been allocated to the Strategic Landlord functions. The Strategic Landlord will continue to apply Best Value principles when considering its share of the HRA.

### **Annual Allocation of the Management Fee**

The Management Fee calculation formula will not be reviewed on a year to year basis unless there is a significant change in funding caused, for example, by a change to the National Subsidy Formula upon which the Leeds formula is based. Any such review will require the good will of all the ALMOs to enable a new formula to be agreed by all three ALMOs.

### **Management Fee Formula**

The allocation of the management fee reflects the National Subsidy Formula for both “management“ and “maintenance “. Allocation to each ALMO is as follows :-

#### **Management (Non Repairs)**

1. Fixed flat rate of £357, 000 to all ALMOs with an additional amount per property thereafter
2. Other factors which are taken into account are
  - The stock profile of each ALMO i.e. proportion of medium /high rise flats
  - The level of relets /terminations in each ALMO
  - Crime and Social Deprivation Factors

#### **Maintenance**

The maintenance element of the Management Fee is based on property numbers and stock archetypes in each ALMO area. Relets /terminations, Crime and Social Deprivation factors are also taken into account.

## **PART 2 - CAPITAL RESOURCES ALLOCATIONS**

### **Capital Allocations other than SCA**

#### **Right to Buy (RTB) Receipts**

The Council is able to retain 25% of any Right to Buy receipts to fund its capital programme.

#### **Major Repair Allowance**

MRA is allocated to the Council based on property numbers and stock archetypes. Each of the 13 archetypes attracts a different allowance. The amount allocated to the Council is in turn allocated to each ALMO based on number of stock per archetype. in their area.

#### **Supported Capital Expenditure (SCE)**

SCE is allocated to the ALMOs and is used to fund statutory works e.g. adaptations, decency works or works which complement works undertaken by the ALMOs to achieve decency. The housing element of the SCE is now allocated by the Regional Housing Board.

#### **Sales of open land, land cleared by demolition, disposals other than RTB**

Net capital receipts will not be retained by the ALMOs as of right, but will be subject to the approval of individual business cases.