



Six Town Housing Shadow Board Meeting

Wednesday 24th November 2004

Europa House, Barcroft Street, Bury

Minutes of Six Town Housing Shadow Board Meeting

PRESENT:

Shadow Board Members

John Anderson
Wilf Davison
Peter Dawson
Frank Fenton
Dorothy Gunther
Brenda Headley
Tony Isherwood
Dave Mann
Andy McGiffin
Zoë Robertson (Vice Chair)
Sharif Salim
Gordon Smith
Terry Spencer

Officers

Susan Jordan (Chief Executive Designate)
Chris Gibbins (ALMO Co-ordinator)
Vicki Haslam (ALMO Project Officer)
Scott Dorling (Trowers and Hamlin)
Paul Schofield (Community Housing Task Force)

APOLOGIES:

John Smith (Chair)
John Stewart
Phil Weatherby

1. Minutes of previous meeting

Amendment to last minutes

Page 2 – Matters arising Item 9 – report going to Executive on 1.12.04 not 10.12.04.

The minutes were accepted as a true record with above amendment.

2. Matters arising

None.

3. Section 27 application

▪ Checklist and progress

A working draft of the section 27 application (Appendix B) has been circulated to all Board members for their information. This is work currently in progress, and it will be brought back to a future Board meeting. It is anticipated that the section 27 application will be completed by January 2005.

A query was raised regarding page 3 of the document, bullet point 4 under the heading "Repairs and Maintenance". It was explained that these bullet points are factual statements about what was happening in January 2003 when the Best Value review took place.

▪ Memorandum and Articles of Association

The final draft of the Memorandum and Articles of Association was distributed for discussion by the Board prior to the Joint Negotiating Body meeting on the 29.11.04.

The definition of Six Town Housing being controlled by the council needs to remain as the company is owned by the local authority, although the government do try to give the ALMO as much autonomy as possible. "Arms length" is not necessarily the right terminology when looking at the terms of the Local Government Housing Act 1989.

▪ Management Agreement

Scott Dorling from Trowers and Hamlin presented a report regarding the management agreement written for both Bury MBC and Six Town Housing (Appendix C). In the report a number of key issues have been highlighted for further discussion.

The ODPM expect all local authorities to use templates provided by them, with decisions made around any variations to the agreement.

Clause 1 - Delivery Plan. Sets out how we will achieve what we want to achieve – the Delivery Plan will form part of the management agreement.

Clause 3 – Equal Opportunities. We have a choice of adopting the Councils policy or having our own.

Clause 4 - Tenant Involvement. The Tenant Compact will remain the Councils.

Clause 6 – Future Delivery Plans. The councils will is to prevail over this, although another option is to use third party dispute resolution.

Clause 7 – Annual Performance Plan. The Councils input into this is very important.

Clause 15 – Delegated Functions. Decisions need to be made about what the ALMO are enabled to do with focus on the functional split. This needs to be agreed prior for the Section 27 application.

Clause 16 – Providing the Services. Must comply with the Councils own standing orders and financial regulations.

Clause 18 – Variations to Tenancy Agreements. The ALMO is unable to vary from the tenancy agreement without the written consent of the Council.

Clause 19 – Staff. The ALMO must employ sufficient numbers of staff to carry out the function.

Clause 31 – Provision of Information. It is impossible to specify within the management agreement exactly what information may be requested by the Council.

Clause 41 – Use of premises. The ALMO needs to produce a list of council premises it will be occupying.

Clause 44 – Services supplied by the Council. This is a list of the services provided by the Council to the ALMO via Service Level Agreements.

Clause 51 – Financial Arrangements. The Sixth Schedule of the Agreement needs to demonstrate how the management fee will be calculated and how it will be paid.

Clause 53 – Right to Surpluses. The template says that surpluses are to be used by the ALMO. Other organisations have changed this. Corporation Tax is payable on

surpluses. However if the surplus is sent back to the Council it is HRA monies and therefore would be ring fenced and cannot be used to subsidise the general fund.

Clause 56 – Employees. Any transfer of staff under the TUPE regulations need to comply with government regulations regarding a 2 tier workforce.

Clause 62 – Duration. The duration of the agreement has been set at 12 years.

Clause 64 – Alterations. This clause may not be required as it can be covered under Clause 63 – Variations.

Clause 65 – Termination. The template says that the Council can unilaterally terminate on a breach no matter how minor. Suggest that some distinction is made between serious breaches and those which can be remedied.

A question was raised regarding deficits as there is nothing specific in the management agreement. This should be covered in the arrangement of the management fee.

Paul Schofield commented that officers should be tasked by the Board to find out what's going on during the year to enable any projected under or overspend to be dealt with prudently.

The Shadow Board were asked to submit any further comments regarding the Management Agreement to Chris or Vicki as soon as possible.

Recommendations

- a) The Shadow Board noted the progress of the s.27 application.**
- b) The Shadow Board agreed the final draft of the Memorandum and Articles of Association.**
- c) The Shadow board agreed to submit any further comments regarding the management agreement as requested.**

4. Delivery Plan

A first draft example of the Delivery Plan which has been devised using documents from neighbouring ALMOs was brought to the meeting. This will be developed further by officers and will be a working document for discussion at future meetings. It is a requirement that is completed for submission as part of the s.27 application.

Recommendation

Any comments about the Delivery Plan to be submitted to Chris as quickly as possible to enable them to be incorporated into the next draft of the document.

5. Membership of NFA

The Shadow Board were asked to consider membership of the National Federation of ALMOs in order to complete section 7.16 of the Project Plan. Although Bury MBC is currently a member, Six Town Housing needs to join in its own right. Costs are currently £2650 plus VAT pa if not a member of the Housing Quality Network and £2150 plus VAT pa if a member.

Recommendation

The Shadow Board support membership of the NFA for Six Town Housing.

6. Accommodation Update

The Shadow Board were given a progress report on the search for accommodation for Six Town Housing along with some information regarding numbers of staff and other requirements for the building. A site visit was proposed for Shadow board members to have the opportunity to see Wilton House in Radcliffe which is one of the primary options for accommodation. Chris or Vicki will contact Shadow Board members with details once the site visit has been arranged.

Recommendation

The Shadow Board noted the latest position in the search for accommodation.

7. Project Plan

The latest version of the project plan was presented to the Shadow Board with amendments shown in blue text to highlight them.

Recommendation

The revised Project Plan was noted and accepted.

8. Any Other Business

A request was made that food be served prior to Board Meetings as many Board Members are attending the meetings straight from work. For future Board meetings a light buffet will be available 15 minutes before the commencement time.

Zoe was thanked for her chairing of the meeting.

The meeting closed at 6.40pm

**Next Shadow Board Meeting
22nd December 2004 at Europa House at 3pm**