

## **BERNESLAI HOMES DELEGATIONS**

### **BACKGROUND**

On 1<sup>st</sup> December 2002, the Council established Berneslai Homes (known as the Organisation), as an Arm's Length Management Organisation (ALMO), following approval given by the Secretary of State for the delegation of Housing Management Functions under section 27 of the Housing Act 1985. The original agreement was for five years, expiring on 30<sup>th</sup> November 2007. On 13<sup>th</sup> December, 2006, the Council decided to extend the agreement for a further five years after this date, pending the Government's review of ALMOs. Following this decision the Services Agreement between Barnsley MBC and Berneslai Homes was reviewed and the revised Services Agreement was agreed by the Council 14 November 2007. The Services Agreement was reviewed again in January 2012 in preparation for the commencement of the HRA Self Financing regime in April 2012, and in April 2016, when the agreement was extended for a further five years to 31<sup>st</sup> March 2021. On 23<sup>rd</sup> September 2020, Cabinet approved the renewal of the Services Agreement (and associated lease) between the Council and Berneslai Homes for a period of up to 10 years spanning 1st April 2021 to 31st March 2031.

### **TERM**

The current term of this agreement is for the period up to 31<sup>st</sup> March 2031, with the option to extend the term for one or more further periods of up to five years, as set out in paragraph 61.2 of the Service Agreement.

### **FUNCTIONS DELEGATED**

The Local Authority will be responsible for delivering the commissioning role, including policy and strategy setting, whilst the Organisation will be responsible for all functions listed within the guidance on Arm's Length Management as issued by the Office of the Deputy Prime Minister in April 2001. All of these have been included within the delegations to the Organisation and cover:

- All housing management activity
- Frontline Housing Services
- Public sector investment planning
- Adaptations, including appeals
- Management of the repairs budget
- Overseeing the performance of any contractors
- Overseeing the delivery of the HRA capital programme and Barnsley Homes Standard programme

- The delivery of market rent/sale products as a commercial venture by the organisation in their own right subject to an agreed business case

A full list of function is contained within annex A of this report.

The Council has also given its agreement in principle for the company to engage in wider trading, subject to the amount of trading being considered as part of the annual refresh of the Strategic Plan. The prior agreement of the Council would be required before any such activity could be delegated to the Organisation.

## **DISCHARGE OF FUNCTIONS**

The Organisation will operate as a single ALMO Strategic Board structure. The Board is comprised of two tenant representatives, four independent specialists and two Council nominees. The Chair of the Board is independent and appointed for a period of six years from appointment, subject to review after three years.

The delegation of functions from the Council is to the Board of the Organisation and it is the Board's responsibility to ensure that all functions, delegations and performance measures are complied with in accordance with the requirements of the Council as laid down within the Services Agreement, the Strategic Plan and annual business plan.

The organisation shall at all times comply with the Council's standing orders and financial regulations and terms of reference / delegations as the same may be from time to time amended varied or replaced by agreement between the parties.

## **LIAISON AND PERFORMANCE MANAGEMENT ARRANGEMENTS**

As part of the liaison and performance management arrangements, an Assurance Framework and Governance Structure is in place to ensure that the Organisation is meeting its requirements under the services agreement, Strategic Plan and Annual Business Plan. This includes providing robust assurance to the Council, as Landlord, that we remain fully compliant with our regulatory requirements under the Regulator of Social Housing and our responsibilities under the Building Safety Act 2022 and Fire Safety Act 2021.

## **THE STRATEGIC PLAN**

The Strategic Plan is the document that sets out the Strategic Priorities of the Organisation during the term of the contract. This is a high-level document which is refreshed annually. In line with revisions to the Services Agreement 2021-2031, the Organisation also provides an annual Business Plan which sets out key

priorities and focus for the coming year. Both documents must demonstrate alignment to the Council's Strategic Priorities (Barnsley 2030) and include:

- Organisational Strategic Ambitions and Success Measures Key Performance requirements (including the delivery of Value for Money services and efficiencies)
- How the Organisation will help to deliver the strategic goals of the Council as set out in the Corporate Plan and outcomes framework.
- Details the Financial and staffing resources required for the Organisation to perform its functions with due care, skill, and diligence.

## **FUNCTIONS TO BE ADMINISTERED**

Functions to be administered by the Organisation are as detailed within annex 2 of the Services Agreement.

## **MANAGEMENT FEE**

The management fee for the discharge of services is to be paid in 12 equal instalments in advance on a pre-set date. The management fee will be reviewed on an annual basis as part of the HRA Budget Setting process.

The calculation of the management fee and operational arrangements shall be in line with the third schedule of the Services Agreement.

All services provided by the Council to the Organisation (paid from the management fee) will be subject to a Service Level Agreement that specifies the activities and cost of services to be carried out by various departments.

The operating budget of the Organisation will form part of the HRA and it will be subject to the Constitution of BMBC and its decision-making framework.

The agreed operating budget for the Organisation will be held against the appropriate cost centre and expense codes that uniquely identify the organisation with expenditure being incurred against appropriate budget provision. The definition of budget headings and the control of variances against them will be determined in accordance with a scheme of virement, to be subject to the agreement of the Council's Service Director, Finance. Variances of expenditure from these budget headings will be reported to the Board of Barnsley Homes and the appropriate forum of the Council, in accordance with the provision of the scheme of virement.

## **BARNSELY HOME STANDARD INVESTMENT PROGRAMME**

On an annual basis the Organisation will, as part of the Budget setting arrangements, produce for Council consideration a detailed Housing Capital Programme that will ensure that the Council housing stock both meets and maintains homes at the Decent Homes Standard as part of the regulatory framework for social housing.

This will incorporate all schemes for consideration, delivery outputs for that year and the details of resources required.

The Council's Governance and decision-making arrangements will apply for the approval of all capital schemes for the Councils HRA stock investment programme and are subject to the following delegation limits:

- Approval for expenditure up to £250K in any one year is delegated to the Organisation's Board, in agreement with the Service Director responsible for Housing.
- Approval for expenditure above £250K shall be given by the Council in line with its financial delegations and limits set out in the Council's Constitution

## **STOCK REDUCTION / ASSET DISPOSAL**

Under the terms of the services agreement the Organisation does not have authorisation to dispose of any Council assets.

Delegations for asset disposal are as follows:

Where there has been a fire or structural damage and the cost of works is prohibitive or demand is low, the Organisation has delegated authority to agree demolition in consultation with the Cabinet Spokesperson and the Council's Strategic Asset Board.

For schemes below a threshold of £250,000 the Organisation has delegated authority to undertake public consultation on potential options after consultation with Local ward members and with the agreement of the Cabinet Spokesperson and the Council's Strategic Asset Board. Following consultation the Organisation has, in consultation with the Cabinet Spokesperson, authority to undertake demolitions.

For schemes over £250,000 Cabinet authorisation may be required prior to public consultation and this would be agreed on a scheme-by-scheme basis with the Cabinet Spokesperson and the Council's Strategic Assets Board.

The final decision would be a recommendation from the organisation to Cabinet / Council.

## **VARIATIONS**

Any variations to the Services Agreement shall be made in line with the Services Agreement Procedures.

The Organisation and the Council prior to seeking consent from the Secretary of State shall approve any variations to the section 27 consent.

ANNEX 2 HOUSING MANAGEMENT RESPONSIBILITIES DELEGATED TO THE ORGANISATION

**ALMO DELEGATION AGREEMENT**

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
<b><u>Letting of Properties</u></b>			
Void management	<input type="checkbox"/>		
Lettings policy	<input type="checkbox"/>	<input type="checkbox"/>	The ALMO plays the lead role in the review process and in making recommendations to the full Council
Letting procedures – assessment, selection of tenants and offers	<input type="checkbox"/>	<input type="checkbox"/>	Early stages of tenancy selection- work carried out by the Council’s Homelessness Team in respect to clients assessed as in “priority need” of Housing
Sign ups	<input type="checkbox"/>		
Appeals re Housing Register	<input type="checkbox"/>		
National Mutual Exchange Scheme	<input type="checkbox"/>		
Rent remission	<input type="checkbox"/>		
Marketing	<input type="checkbox"/>		
Difficult to let properties	<input type="checkbox"/>		Housing strategy focus on minimising empty properties
Nominations to Housing Associations	<input type="checkbox"/>		The Council remains responsible for Nomination Agreements

Supply and demand	<input type="checkbox"/>	<input type="checkbox"/>	ALMO interfaces with Council on lettings data and re-housing
Adapted property database	<input type="checkbox"/>		Access by Council
Pathways for vulnerable groups, working with specialists and 3 <sup>rd</sup> sector agencies	<input type="checkbox"/>		Includes Armed Forces Community Covenant work
Mutual exchanges	<input type="checkbox"/>		

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
Transfers	<input type="checkbox"/>		
Assignments	<input type="checkbox"/>		
Successions	<input type="checkbox"/>		
Multi-Agency Case Conferences	<input type="checkbox"/>		
<b><u>Collection and Management of Income</u></b>			
Rent & Service Charge Setting policy		<input type="checkbox"/>	
Leasehold Charge Policy		<input type="checkbox"/>	
Rent and arrears collection; Escalation and enforcement of arrears, including attendance at court and evictions	<input type="checkbox"/>		
Service charge collection	<input type="checkbox"/>		
Sundry debts e.g. rechargeable repairs	<input type="checkbox"/>		
Mortgage references	<input type="checkbox"/>		
Former Tenant Arrears	<input type="checkbox"/>		

Leasehold charges collection	<input type="checkbox"/>		Rate set by Council within annual HRA Budget
Garages, plots, allotments charge collection	<input type="checkbox"/>		Rate set by Council within annual HRA Budget
Tenants' Home Contents Insurance scheme	<input type="checkbox"/>		
Lettings of community centres	<input type="checkbox"/>		Where no management committee
Management of Council-owned Gypsy site	<input type="checkbox"/>		
Guests bedrooms	<input type="checkbox"/>		
Heating charges	<input type="checkbox"/>	<input type="checkbox"/>	Non-metered and metered rates recommended by ALMO. Both are based on principle of full actual cost recovery. Approvals for increases are

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
			included in the Council's annual HRA Budget report
Access agreements	<input type="checkbox"/>		Collection in line with Council policy
Tenancy Support to tenants in rent arrears	<input type="checkbox"/>		
Food bank referral agent	<input type="checkbox"/>		
Partnership arrangements with Credit Union and Citizens Advice Bureau	<input type="checkbox"/>		
Department of Work & Pensions liaison	<input type="checkbox"/>		
<b><u>Tenancy Management</u></b>			



Enforcement	<input type="checkbox"/>	<input type="checkbox"/>	The Council is responsible for escalated tenancy enforcement including ASB and other significant tenancy breaches and provides legal representation and advice to escalate cases
Permission for improvements	<input type="checkbox"/>		
Neighbour disputes	<input type="checkbox"/>	<input type="checkbox"/>	The council is responsible for escalated Cases
Mediation	<input type="checkbox"/>	<input type="checkbox"/>	The Council is responsible for escalated Cases
Abandoned properties	<input type="checkbox"/>		
Social Housing Fraud	<input type="checkbox"/>		Includes data matching with other Council services
Liaison with specialist support services	<input type="checkbox"/>		Drugs, alcohol abuse, mental health etc.
Liaison with Police	<input type="checkbox"/>		
Compensation for improvements	<input type="checkbox"/>		

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
Right to Repair	<input type="checkbox"/>		
Insurance claims	<input type="checkbox"/>		Investigation & collation of information on behalf of the Council
Liaison with Legal Services	<input type="checkbox"/>		

Anti-Social behaviour	<input type="checkbox"/>	<input type="checkbox"/>	The Council retains responsibility for the Strategy, with BH member of the SNS Strategic Leadership Team. Council retains responsibility for higher level ASB enforcement.
Low-level Tenancy Support and sustainment	<input type="checkbox"/>		Including referrals to partners
Equipment and adaptations	<input type="checkbox"/>		Including appeals process
Liaison with Adults' and Children's Services – casework	<input type="checkbox"/>		Key partnership role
Safeguarding and CSE	<input type="checkbox"/>	<input type="checkbox"/>	The Council is responsible for escalated cases
Liaison with Probation, Welfare Benefits, and other agencies	<input type="checkbox"/>		
Face-to-face contact and telephony centres	<input type="checkbox"/>		Currently delivered through SLA with Council Customer Services
Independent Living Scheme Managers	<input type="checkbox"/>		
Central Call / Floating Support		<input type="checkbox"/>	Referrals and signposting to Independent Living at Home
Domestic violence	<input type="checkbox"/>	<input type="checkbox"/>	Implementation is by the ALMO working in partnership with other agencies and aligned to Council's strategy
Hate Crime	<input type="checkbox"/>	<input type="checkbox"/>	Implementation is by the ALMO working in partnership with other agencies and aligned to Council's strategy
Introductory and Fixed Term	<input type="checkbox"/>		Including appeals (Housing Register)

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
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Tenancies			Appeals)
<b><u>Estate Management</u></b>			
Management of Council Housing Stock	<input type="checkbox"/>		
Management of HRA land	<input type="checkbox"/>		Services in respect of way-leaves, licences, leases, agricultural and garden tenancies, boundary disputes and valuations of the HRA to be provided by the Council
Regeneration and development	<input type="checkbox"/>	<input type="checkbox"/>	Within context of Housing Strategy and wider Barnsley Economic Growth Plan
Abandoned vehicles	<input type="checkbox"/>	<input type="checkbox"/>	Council has responsibility for removal, identification delegated to ALMO, but jointly with other agencies
Management of major contracts	<input type="checkbox"/>		
Security	<input type="checkbox"/>		
Burial of the dead		<input type="checkbox"/>	
Environmental improvements	<input type="checkbox"/>		
Environmental protection and improvement (HRA dwellings )	<input type="checkbox"/>		
Disposal of land		<input type="checkbox"/>	Services in respect of disposal of HRA land and property to be provided by the Council
Clearance Approvals	<input type="checkbox"/>	<input type="checkbox"/>	Less than £100,000 delegated to ALMO
Clearance Implementation	<input type="checkbox"/>		
Garden competition	<input type="checkbox"/>		

Garage sites	<input type="checkbox"/>		Management function
Grounds maintenance	<input type="checkbox"/>		Currently delivered through an SLA with Neighbourhood Services
Estate inspections	<input type="checkbox"/>		
Play areas (HRA)	<input type="checkbox"/>		

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
Allotments (HRA)	<input type="checkbox"/>		
Shops	<input type="checkbox"/>		Currently delivered through an SLA with Assets
Community Refurbishment scheme	<input type="checkbox"/>		
Complaints from owner occupiers (e.g., boundary disputes)	<input type="checkbox"/>		Where the dispute involves a council tenancy as alleged perpetrator
Enforcement of conveyances	<input type="checkbox"/>		Advice and to initial letter stage and referral to Council thereafter
Removal of rubbish	<input type="checkbox"/>		Non-domestic on HRA land
Liaison with other services	<input type="checkbox"/>		
Parking and roads (HRA land)	<input type="checkbox"/>		
HRA Property rented to other services and agencies	<input type="checkbox"/>		ALMO is responsible for management. The provision of leases and licences is by the Council
<b><u>Tenant Involvement / Engagement and Volunteering</u></b>			
Community centres	<input type="checkbox"/>		
Development of Customer Involvement Agreement	<input type="checkbox"/>		ALMO leads on development, consultation and production for final agreement with Federation and Council

Customer Engagement & Influence – support, liaison and development	<input type="checkbox"/>		Council has quarterly review meetings with the Tenant Voice Panel
TARAs	<input type="checkbox"/>		
Estate offices - management of accommodation for TARAs	<input type="checkbox"/>		
Links with Council Area Partnerships	<input type="checkbox"/>		
Links with Area Councils and Ward Alliances	<input type="checkbox"/>		
Delivery of Tenant Engagement and Involvement Framework	<input type="checkbox"/>	<input type="checkbox"/>	
BMBC Tenant body grants	<input type="checkbox"/>		

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
Newsletter and eBulletins to tenants	<input type="checkbox"/>		eBulletins on a monthly basis
Annual Report to Tenants	<input type="checkbox"/>		Format may vary
User Surveys	<input type="checkbox"/>		
<b><u>Information and advice</u></b>			
Customer access to service (Call Centres, face-to-face, on-line and digital etc)	<input type="checkbox"/>		Currently delivered through an SLA with Council Customer Services
Member enquiries	<input type="checkbox"/>		
Leaflets and booklets	<input type="checkbox"/>		
Digital and eAccess mechanisms, including social media networks	<input type="checkbox"/>		
Homelessness and housing advice		<input type="checkbox"/>	
Housing benefits		<input type="checkbox"/>	

Access to other Council services and other bodies	<input type="checkbox"/>		
Opening hours / services out of hours	<input type="checkbox"/>		Out of hours delivered by an SLA through Council Customer Services
Housing Ombudsman enquiries	<input type="checkbox"/>	<input type="checkbox"/>	Investigation by Berneslai Homes, as requested by Council
<u>Data protection and Freedom of Information enquiries</u>		<input type="checkbox"/>	Investigation by Berneslai Homes, as requested by Council
<u>European and UK Regeneration Initiatives</u>		<input type="checkbox"/>	Berneslai Homes supports funding bids
<u>Local Land Charges</u>		<input type="checkbox"/>	
<u>Financial Technical Research and Financial Planning</u>		<input type="checkbox"/>	Linked to HRA

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
<b><u>Policy and Planning / Coordination</u></b>			
Human Resource Management	<input type="checkbox"/>		
Training and Development	<input type="checkbox"/>		
Trade Union Relationships	<input type="checkbox"/>		
Bidding for capital resources		<input type="checkbox"/>	Prepared by ALMO in support of the Council. The Council will be responsible for the approval of bids made above delegated ALMO levels
Performance Management	<input type="checkbox"/>		
Resource / Budget management (CSCs) /		<input type="checkbox"/>	

Treasury Management ALMO	<input type="checkbox"/>	<input type="checkbox"/>	In respect of ALMO Treasury activities service is currently provided by BMBC Treasury Management.
Service Review	<input type="checkbox"/>	<input type="checkbox"/>	Programme as required and agreed within Strategic Plan
Complaints / Customer services	<input type="checkbox"/>		
Media relations and marketing	<input type="checkbox"/>		
Health & Safety / Risk Management	<input type="checkbox"/>		
ICT	<input type="checkbox"/>		Desktop and server support provided via an SLA with Council Information Services
Policy development	<input type="checkbox"/>		(Internal to BH)
General Grants bids	<input type="checkbox"/>		To support Council wider strategy and activity
Information systems and strategy	<input type="checkbox"/>		
Equality and Diversity	<input type="checkbox"/>		
Contribution to Council Housing Strategy, State of Housing Market	<input type="checkbox"/>		The Council is responsible for the development of the Housing Strategy

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Assessment and housing-related statistical returns	<input type="checkbox"/>	<input type="checkbox"/>	
Internal communication	<input type="checkbox"/>		
Supporting People strategy	<input type="checkbox"/>	<input type="checkbox"/>	ALMO to deliver Supporting People projects as commissioned by the Council

All Age Early Help Strategy		<input type="checkbox"/>	Borough-wide strategies to which BH will contribute
Customer care	<input type="checkbox"/>		
Contribution to Future Council and partnerships	<input type="checkbox"/>		Partner at HWB Board, Stronger Communities and Safer Communities
Emergency planning and business continuity	<input type="checkbox"/>		Berneslai Homes plans to link with Council plans
Employment and training initiatives	<input type="checkbox"/>		Member of More & Better Jobs task force
<b><u>Repairs, Maintenance and Improvement Partnerships and Contracts</u></b>			
Capital Programme, individual scheme approvals	<input type="checkbox"/>	<input type="checkbox"/>	ALMO approvals within delegated limits. Other scheme approvals to be made by the Council. Subject to containment within overall investment programme approved by the Council and the £250k delegation limit
Capital Programme overall approvals		<input type="checkbox"/>	The Councils Governance and decision-making arrangements will apply for the approval of all capital schemes
Council contracts let via the HRA	<input type="checkbox"/>	<input type="checkbox"/>	<b>Council / BPS functions</b> – Contract specifications, contract periods, tender documentation, tender evaluations and approvals, key performance indicators and their definitions, target setting and

<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
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			<p>amendments together with the appointment and removal of the Project Manager(s) and QS and payment approval.</p> <p><b>Berneslai Homes functions</b> – The managerial responsibility for arranging the terms and conditions under which the Project Manager(s) operate(s) (within the framework agreed by the authority), together with performance management</p>
Capital Programme; Five year Housing Investment Planning	□	□	The Council is responsible for setting the five year Housing investment programme and the ALMO is responsible for delivery.
New Build		□	New build for social, affordable and market rent through a variety of funding sources
Acquisitions		□	S106 acquisitions and miscellaneous purchases against established criteria (Acquisitions Policy)
Conversions	□	□	Conversions for social, affordable and market rent through a variety of funding sources.
Environmental services relating to housing or housing common areas	□		To include footpath repairs and associated hard landscaping

Estate based crime and disorder activity	<input type="checkbox"/>	<input type="checkbox"/>	Partnership approach
Housing Revenue Account pooling returns		<input type="checkbox"/>	Council will prepare
Leasehold management	<input type="checkbox"/>		
<b>FUNCTION</b>	<b>TASK DELEGATED TO ALMO</b>	<b>TASK RETAINED BY COUNCIL</b>	<b>COMMENTS</b>
Management of HRA assets	<input type="checkbox"/>		
Energy efficiency / Renewable technology	<input type="checkbox"/>		Supporting the Council's Energy Strategy and mitigating against fuel poverty
Private sector regulatory activity		<input type="checkbox"/>	ALMO involvement through Neighbourhood Management and making referrals to the Council
Strategic Empty Homes work		<input type="checkbox"/>	
The delivery of market rent/sale products as a commercial venture by the organisation in their own right subject to an agreed business case	<input type="checkbox"/>	<input type="checkbox"/>	This would be with approval of the Council. The Council retains the cross tenure new build and acquisition programme (planning and delivery).
Homes England Empty Homes acquisition programme		<input type="checkbox"/>	
Private-rented sector landlord engagement		<input type="checkbox"/>	
Right to Buy administration		<input type="checkbox"/>	
Right to Buy approvals		<input type="checkbox"/>	(Processing RTB)
Independent Living Schemes	<input type="checkbox"/>		

Housing drains and gullies	□		Administration of externally procured contract for unblocking repair and reinstatement
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