

BERNESLAI HOMES DELEGATIONS

BACKGROUND

On 1st December 2002, the Council established Berneslai Homes (known as the Organisation), as an Arms 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 30th November 2007. On 13th 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 Home 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 31st March 2021.

TERM

The current term of this agreement is for the period up to 31st March 2021, 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 Arms 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
- Enforcement of conveyances to initial letter stage, for former Local Authority properties purchased through the Right to Buy scheme.
- Overseeing the delivery of the HRA capital programme and Barnsley Homes Standard programme
- Delivery of acquisitions and conversions
- 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 three tenants, three independent specialists and three 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 and the Strategic 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

The Council will require the Organisation to provide services in accordance with the Services Agreement.

This will be based upon a framework of

- Co-operation and partnership working
- Customer focus
- Problem solving
- Shared vision, and objectives

As part of the performance management arrangements, the Organisation will meet with the Council's nominated representative on a monthly basis to discuss thematic issues, and matters arising as a consequence of joint working / service delivery.

On a quarterly basis the Chair of the Organisation and Senior officers will meet with their Council counterparts to discuss in detail performance against the Strategic Plan and any key targets contained therein. A Customer Panel has also been established so that the views of the wider body of tenants on service monitoring, policy review and the future direction of the company can be fed into the Board.

THE STRATEGIC PLAN

The Strategic Plan is the document that sets out the joint intentions in respect of service delivery for the forthcoming period, and comprises of

- The required outputs of the organisation
- Key Performance requirements
- How the Organisation will help to deliver the strategic goals of the Council as set out in the Corporate Plan and Future Council 2020 outcomes framework.
- Details the Financial and staffing resources required for the Organisation to perform its functions with due care, skill and diligence

The Strategic Plan is to be produced in line with the process detailed within the Services Agreement.

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 Annual Delivery Plan compilation.

The calculation of the management fee and operational arrangements shall be in line with the fourth 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 Berneslai 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 arrangements produce for Council consideration a detailed Public Sector Housing Capital Programme that will ensure that the Council housing stock both meets and maintains homes at the Homes and Community Agency 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 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

STRATEGIC ACQUISITIONS AND CONVERSIONS

On an annual basis the Organisation will as part of the budget arrangements work with council officers to identify funding opportunities and inform the capital programmes for council housing growth. The Board of the Organisation will develop schemes for approval by the Council in line with the delegated limits set out in the Council's Constitution in accordance with the following.

- 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

Revised October 2018

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.

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. 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.

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
Letting of Properties			
Void management	√		
Lettings policy	√	√	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	√	√	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	√		
Appeals re Housing Register	√		
National Mutual Exchange Scheme	√		
Rent remission	√		
Marketing	√		
Difficult to let properties	√		Housing strategy focus on minimising empty properties
Nominations to Housing Associations	√		The Council remains responsible for Nomination Agreements
Supply and demand	√	√	ALMO interfaces with Council on lettings data and re-housing
Adapted property database	√		Access by Council
Pathways for vulnerable groups, working with specialists and 3 rd sector agencies	√		Includes Armed Forces Community Covenant work
Mutual exchanges	√		

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Transfers	√		
Assignments	√		
Successions	√		
Multi-Agency Case Conferences	√		
<u>Collection and Management of Income</u>			
Rent & Service Charge Setting policy		√	
Leasehold Charge Policy		√	
Rent and arrears collection; Escalation and enforcement of arrears, including attendance at court and evictions	√		
Service charge collection	√		
Sundry debts e.g. rechargeable repairs	√		
Mortgage references	√		
Former Tenant Arrears	√		
Leasehold charges collection	√		Rate set by Council within annual HRA Budget
Garages, plots, allotments charge collection	√		Rate set by Council within annual HRA Budget
Tenants' Home Contents Insurance scheme	√		
Lettings of community centres	√		Where no management committee
Management of Council-owned Gypsy site	√		
Guests bedrooms	√		
Heating charges	√	√	Non-metered and metered rates recommended by ALMO. Both are based on principle of full actual cost recovery. Approvals for increases are

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
			included in the Council's annual HRA Budget report
Access agreements	√		Collection in line with Council policy
Tenancy Support to tenants in rent arrears	√		
Food bank referral agent	√		
Partnership arrangements with Credit Union and Citizens Advice Bureau	√		
Department of Work & Pensions liaison	√		
Tenancy Management			
Enforcement	√	√	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	√		
Neighbour disputes	√	√	The council is responsible for escalated Cases
Mediation	√	√	The Council is responsible for escalated Cases
Abandoned properties	√		
Social Housing Fraud	√		Includes data matching with other Council services
Liaison with specialist support services	√		Drugs, alcohol abuse, mental health etc.
Liaison with Police	√		
Compensation for improvements	√		

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Right to Repair	√		
Insurance claims	√		Investigation & collation of information on behalf of the Council
Liaison with Legal Services	√		
Anti Social behaviour	√	√	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	√		Including referrals to partners
Equipment and adaptations	√		Including appeals process
Liaison with Adults' and Children's Services – casework	√		Key partnership role
Safeguarding and CSE	√	√	The Council is responsible for escalated cases
Liaison with Probation, Welfare Benefits, and other agencies	√		
Face-to-face contact and telephony centres	√		Currently delivered through SLA with Council Customer Services
Independent Living Scheme Managers	√		
Central Call / Floating Support		√	Referrals and signposting to Independent Living at Home
Domestic violence	√	√	Implementation is by the ALMO working in partnership with other agencies and aligned to Council's strategy
Hate Crime	√	√	Implementation is by the ALMO working in partnership with other agencies and aligned to Council's strategy
Introductory and Fixed Term	√		Including appeals (Housing Register

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Tenancies			Appeals)
Estate Management			
Management of Council Housing Stock	√		
Management of HRA land	√		Services in respect of way-leaves, licences, leases, agricultural and garden tenancies, boundary disputes and valuations of the HRA to be provided by the the Council
Regeneration and development	√	√	Within context of Housing Strategy and wider Barnsley Economic Growth Plan
Abandoned vehicles	√	√	Council has responsibility for removal, identification delegated to ALMO, but jointly with other agencies
Management of major contracts	√		
Security	√		
Burial of the dead		√	
Environmental improvements	√		
Environmental protection and improvement (HRA dwellings)	√		
Disposal of land		√	Services in respect of disposal of HRA land and property to be provided by the Council
Clearance Approvals	√	√	Less than £100,000 delegated to ALMO
Clearance Implementation	√		
Garden competition	√		
Garage sites	√		Management function
Grounds maintenance	√		Currently delivered through an SLA with Neighbourhood Services
Estate inspections	√		
Play areas (HRA)	√		

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Allotments (HRA)	√		
Shops	√		Currently delivered through an SLA with Assets
Community Refurbishment scheme	√		
Complaints from owner occupiers (e.g. boundary disputes)	√		Where the dispute involves a council tenancy as alleged perpetrator
Enforcement of conveyances	√		Advice and to initial letter stage and referral to Council thereafter
Removal of rubbish	√		Non-domestic on HRA land
Liaison with other services	√		
Parking and roads (HRA land)	√		
HRA Property rented to other services and agencies	√		ALMO is responsible for management. The provision of leases and licences is by the Council
<u>Tenant Involvement / Engagement and Volunteering</u>			
Community centres	√		
Development of Customer Involvement Agreement	√		ALMO leads on development, consultation and production for final agreement with Federation and Council
Tenants Federation – support, liaison and development	√		Council has quarterly review meetings with the Federation
TARAs	√		
Estate offices - management of accommodation for TARAs	√		
Links with Council Area Partnerships	√		
Links with Area Councils and Ward Alliances	√		
Delivery of Tenant Engagement and Involvement Framework	√	√	
BMBC Tenant body grants	√		

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Neighbourhood Watch Development		√	
Newsletter and eBulletins to tenants	√		eBulletins on a monthly basis
Annual Report to Tenants	√		Format may vary
User Surveys	√		
<u>Information and advice</u>			
Customer access to service (Call Centres, face-to-face, on-line and digital etc)	√		Currently delivered through an SLA with Council Customer Services
Member enquiries	√		
Leaflets and booklets	√		
Digital and eAccess mechanisms, including social media networks	√		
Homelessness and housing advice		√	
Housing benefits		√	
Access to other Council services and other bodies	√		
Opening hours / services out of hours	√		Out of hours delivered by an SLA through Council Customer Services
Ombudsman enquiries		√	Investigation by Berneslai Homes, as requested by Council
<u>Data protection and Freedom of Information enquiries</u>		√	Investigation by Berneslai Homes, as requested by Council
<u>European and UK Regeneration Initiatives</u>		√	Berneslai Homes supports funding bids
<u>Local Land Charges</u>		√	
<u>Financial Technical Research and Financial Planning</u>		√	Linked to HRA

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
<u>Policy and Planning / Co-ordination</u>			
Human Resource Management	√		
Training and Development	√		
Trade Union Relationships	√		
Bidding for capital resources		√	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	√		
Resource / Budget management (CSCs) /		√	**
		√	
Treasury Management ALMO	√		In respect of ALMO Treasury activities service is currently provided by BMBC Treasury Management
Service Review	√	√	Programme as required and agreed within Strategic Plan
Complaints / Customer services	√		
Media relations and marketing	√		
Health & Safety / Risk Management	√		
ICT	√		Desktop and server support provided via an SLA with Council Information Services
Policy development	√		(Internal to BH)
General Grants bids	√		To support Council wider strategy and activity
Information systems and strategy	√		
Equality and Diversity	√		
Contribution to Council Housing Strategy, State of Housing Market	√		

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Assessment and housing-related statistical returns			
Internal communication	√		
Supporting People strategy	√	√	ALMO to deliver Supporting People projects as commissioned by the Council
All Age Early Help Strategy		√	Borough-wide strategies to which BH will contribute
Customer care	√		
Contribution to Future Council and partnerships	√		Partner at HWB Board, Stronger Communities and Safer Communities
Emergency planning and business continuity	√		Berneslai Homes plans to link with Council plans
Employment and training initiatives	√		Member of More & Better Jobs task force
<u>Repairs, Maintenance and Improvement Partnerships and Contracts</u>			
Capital Programme, individual scheme approvals	√	√	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		√	The Councils Governance and decision making arrangements will apply for the approval of all capital schemes
Council contracts let via the HRA	√	√	Council / NPS functions – Contract specifications, contract periods, tender documentation, tender evaluations and approvals, key performance indicators and their definitions, target setting and

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
			<p>amendments together with the appointment and removal of the Project Manager(s) and QS and payment approval;</p> <p>Berneslai Homes functions – 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
Aquisitions and Conversions	√		<p>Conversions for social, affordable and market rent through a variety of funding sources</p> <p>S106 aquisitions and miscellaneous Purchases against established criteria</p>
Environmental services relating to housing or housing common areas	√		To include footpath repairs and associated hard landscaping
Estate based crime and disorder activity	√	√	Partnership approach
Housing Revenue Account pooling returns		√	Council will prepare
Leasehold management	√		

FUNCTION	TASK DELEGATED TO ALMO	TASK RETAINED BY COUNCIL	COMMENTS
Management of HRA assets	√		
Energy efficiency / Renewable technology	√		Supporting the Council's Energy Strategy and mitigating against fuel poverty
Private sector regulatory activity		√	ALMO involvement through Neighbourhood Management and making referrals to the Council
Strategic Empty Homes work		√	
The delivery of market rent/sale products as a commercial venture by the organisation in their own right subject to an agreed business case	√		
Homes England Empty Homes acquisition programme	√		
Private-rented sector landlord and managing agent including Landlords Accreditation Scheme	√		
CLG Goldthorpe Empty Homes Cluster programme		√	
Right to Buy administration		√	
Right to Buy approvals		√	(Processing RTB)
Independent Living Schemes	√		
Housing drains and gullies	√		Administration of externally procured contract for unblocking, repair and reinstatement