

APPENDIX 'BB'

BERNESLAI HOMES DELEGATIONS

BACKGROUND

On the 1.12.02 the Council established Berneslai Homes (known as the Organisation), as an Arms Length Management Organisation, following approval given by the Secretary Of State for the delegation of Housing Management Functions under section 27 of the Housing act 1985.

TERM

The term of this agreement is for 5 years expiring on the 31st October 2007, with an option to renew for a further 5 years. This is in line with the maximum allowed time for delegations of housing management function as detailed within the above act.

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 which have been included within the delegations to the Organisation, these cover

- All housing management activity
- Frontline Housing Services
- Public sector investment planning
- The wardens service
- Management of the repairs budget
- Overseeing the performance of any contractors
- Business plan preparations
- Management of the HRA on behalf of the Council
- Overseeing the delivery of the Decent Homes programme
- Preparation of annual Revenue / Capital Programme reports for presentation to Council

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

DISCHARGE OF FUNCTIONS

The Organisation will operate under a single ALMO structure, with a strategic and 2 area boards.

The delegation of functions from the Council is to the Strategic Board of the Organisation and it is the Strategic 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 annual delivery plan.

The organisation shall at all times comply with the Councils standing orders and financial regulations and terms of reference / delegations as the same may be from time to time amended varied or agreed 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 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 Annual Delivery plan and any key targets contained therein.

THE ANNUAL DELIVERY PLAN

The Annual Delivery 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 deliver the strategic goals of the Council
- Details the Financial and staffing resources required for the organisation to perform its functions with due care, skill and diligence.

The Annual delivery plan is to be produced in line with the process detailed within the Services Agreement.

CONTRACTS TO BE ADMINISTERED

Contracts to be administered by the Organisation are as detailed within annex 1 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 sixth schedule of the services agreement.

All services provide by the Council to the Organisation will be subject to a Service Level agreement that specifies the activities and cost of functions 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 & expense codes that uniquely identify the organisation. 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 Director Of Finance of BMBC. 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.

DECENT HOMES INVESTMENT PROGRAMME

On an annual basis the Organisation will as part of the Budget arrangements produce for Council consideration the Public Sector Housing Capital Programme.

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

The Strategic Board of the Organisation as part of the annual approval process will be given the due delegations in consultation with the appropriate Cabinet Spokespersons to approve and release new schemes subject to the containment of costs within the overall approved programme.

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.

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 ODPM shall approve any variations to the section 27 consent.