

	Report to: Northwards Housing Board 10 th November 2009	Item No: 8c
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Title:	Revised Management Agreement		
Date:	29 th October 2009		
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Confidential:	NO		
For: (Please tick action required)	NOTING	DISCUSSION	APPROVAL ✓

PURPOSE OF REPORT

Following on from the Council's Executive approval to an extension in the Management Agreement term to 31 March 2012, a review is underway to tidy up some areas of the Management Agreement. This report summarises the key proposed areas of discussion and change.

RECOMMENDATION

The Board are asked to authorise the Chief Executive to conclude the negotiations in relation to a Deed of Variation and after discussion with the Chair, to approve the revised Agreement.

IMPLICATIONS

Equality & Diversity:	None directly
Financial:	None directly although there are some financial topics included in the discussions
Staffing:	None directly
Decency Target:	None directly
Governance:	The Management Agreement is one of the key Governance instruments for running the organisation
Risk Assessment:	Not considered a primary risk given the housekeeping nature of the changes

Equality Impact Assessment	
Function being assessed	Not applicable
Section	
Date of assessment	
Person Responsible for assessment	
Is this a new or existing policy?	
If there are significant implications in terms of equality please append a summary report.	

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	No		
Area Panel:	No		
Task Groups:	N/A		
Ward Councillors:	N/A		

1. Council Executive

- 1.1. The Council's Executive passed a resolution at its meeting on 9 September 2009 to extend the current Management Agreement to 31 March 2012 and authorised the City Solicitor to conclude all contractual documentation to give effect to this extension.
- 1.2. There have now been two discussions with Council officers to agree the items for review and this report summarises the key changes proposed.
- 1.3. No significant changes are proposed as these are outside the scope of the current review and are not covered by the authority given to the Director of Housing.
- 1.4. The full Management Agreement is available on the website at http://www.northwardshousing.co.uk/news_publications/gettinginfo/pdfsectiona/seca_management_agreement.pdf

2. Proposed Alterations

- 2.1. **Neighbourhood Wardens** – in the original agreement there were a number of clauses in relation to the time limited funding of the Wardens and their possible transfer back to the Council. With the agreement to mainstream fund the Wardens, some of these clauses can now be removed.
- 2.2. **Computer Systems** – now Northwards has moved onto its own network it uses little hardware and systems owned by the Council and its software requirements have also changed. It is proposed to refresh Schedule 5 and the provisions within the Agreement to reflect the current position.
- 2.3. **Delegation of RTB** – there was an original intention for the Right-to-Buy function to be transferred over to Northwards at the end of the Housing Investment Options process but we are all agreed that this does not make sense so it is proposed to remove the delegation.
- 2.4. **List of Dwellings** – we have agreed that an agreed list of dwellings should be added to the Agreement.
- 2.5. **Performance Related Payments** – the Agreement does allow for performance related payments to be made but the clause is not tightly drafted and we have never been clear about how to invoke it. As part of the discussions we have agreed that targets should be agreed with the Council as part of the Business and Delivery Plan process and this would allow performance monitoring to result in a discussion with the Council about whether there should be a sharing of savings.

- 2.6. **Tenant Management Organisations** - we have used the discussions on the Management Agreement to advise the Council about some contractual issues with the TMOs.
- 2.7. **Office Licences** – as previously reported at both Board and Resources Sub-Committee, there are three office licences that were never completed in line with the Management Agreement. The discussions on the agreement have allowed us to discuss this matter again with Council Officers from Housing and they are determined to get this matter sorted. The old Warden’s premises at Wilson’s Business Park will be removed from the Agreement.

3. Agreement

- 3.1. The City Solicitor is making enquiries about getting Secretary of State approval for the contract extension.
- 3.2. The agreed mechanism for the alterations is for a Deed of Variation to be produced which will sit alongside the original Agreement.
- 3.3. It is proposed that once we have all the documentation drafted, this will be run past Northwards’ solicitors.

4. Recommendation

- 4.1. Given the nature of the proposed alterations, we are asking the Board to authorise the Chief Executive to conclude the negotiations in relation to the Deed of Variation and after discussion with the Chair, to approve the revised Agreement.