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Stockport Metropolitan Borough Council

and

Stockport Homes Limited

Agreement for the delivery of housing management and other services

DRAFT

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Agreement

dated

Parties

- (1) **Stockport Metropolitan Borough Council** of The Town Hall, Edward Street, Stockport SK1 3XE (the **Council**); and
- (2) **Stockport Homes Limited** (a company limited by guarantee with registered number 04521257 and whose registered office is 1 St Peter's Square, Stockport SK1 1NZ (**SHL**)).

Introduction

- (A) The Council is the local housing authority for its area pursuant to Sections 1 and 2 of the Housing Act 1985 (**1985 Act**) and pursuant to the powers contained in the 1985 Act provides housing accommodation and exercises general management, regulation and control of its housing accommodation.
- (B) Pursuant to Section 27 of the 1985 Act and with the approval of the Regulator and pursuant also to Section 1 of the Localism Act 2011 and all other enabling powers the Council agrees that SHL shall exercise such of the Council's management functions as are specified herein.
- (C) The Council and SHL have agreed that SHL shall provide and the Council shall co-operate with it in providing the Services in the manner and upon the terms hereinafter set out.

1 Definitions and interpretations

1.1 The definitions used are as follows:

ALMO means arms-length management organisation;

Asset Management Plan means the Asset Management Plan informed by the Asset Management Strategy and forming part of the Delivery Plan;

Asset Management Strategy means the "30 Year Asset Management Strategy" prepared and revised from time to time by SHL (subject to the Council's approval);

BCIS means the Royal Institution of Chartered Surveyors' Building Cost Information Service;

Capital Programme means the programme of capital works to be carried out informed by the Asset Management Plan and the Asset Management Strategy;

CIA Process means the Council Impact Assessment procedures which are:-

- referred to within the document 'Stockport Homes and Stockport Council Working Together' as at the date hereof annexed to this Agreement at Annex 1.
- detailed within SHL's Governance Protocols which are agreed with the Council and reviewed from time to time (in consultation with the Council) ;

Constitution means articles of association;

Council's Representative means the Council's Head of Strategic Housing or such other person with a similar role who may be nominated from time to time by the Council;

CPI means the United Kingdom Index of Consumer Prices;

Delivery Plan means SHL's "5 year Delivery Plan" for the delivery of the Services as agreed between the Council and SHL from time to time in accordance with Clause 4;

Expert shall be a recognised expert in council housing management agreed to be appointed by the parties and in default of agreement nominated at the request of either party by the President of the Chartered Institute of Housing;

Financial Year means the period from the date of this Agreement to 31 March 2016 and thereafter the period from 1 April to 31 March;

HCA means the Homes and Communities Agency;

HRA means the Housing Revenue Account;

HRA Business Plan means the Self-financing business plan at the date hereof as revised from time to time;

Management Services means those Services described in the Specification (except for Section A) and the relevant sections of the Delivery Plan and **Management** shall be construed accordingly;

Management Fee means the fee payable to SHL under Clause 10 for the provision of the Management Services and Repairs & Maintenance Services;

Monitoring Process means the monitoring process as at the date hereof annexed to this Agreement at Annex 2 and as revised from time to time (in consultation with SHL);

Objects means the objects set out in SHL's Constitution;

Other Legislation means that legislation relating to (inter alia) data protection, health and safety, freedom of information, the promotion of equality and diversity and other matters ancillary to housing management to which SHL is subject and which applies to the Services;

Pension Fund means the Greater Manchester Pension Fund;

PIs means performance indicators as set out in the Delivery Plan;

Regulator means the HCA (acting through the Regulation Committee established by it) or any successor authority;

Repairs & Maintenance Services means those revenue-funded Services described in section A of the Specification and the relevant section of the Asset Management Plan and **Repairs & Maintenance** shall be construed accordingly;

Representatives mean collectively the Council's Representative and SHL's Representative;

Right to Manage is the right exercisable pursuant to the Housing (Right to Manage) Regulations 2008;

Self-financing means the financing arrangements for the HRA which were implemented in April 2012;

Services means the services described in the Specification and the Delivery Plan and any other services from time to time provided by SHL pursuant to the terms of this Agreement;

SHL Policies means such policies, protocols and standards developed and revised pursuant to Clause 3.3;

SHL's Representative means SHL's Head of Service with responsibility for governance issues;

Specification means the document so entitled which forms Schedule 1 (together with the SHL Policies) as may be amended pursuant to Clause 5;

Tenant means a secure tenant of the Council occupying a Council dwelling as his or her principal home;

Works Contracts means contracts let and/or administered by SHL pursuant to Clauses 7 and 8 in order to deliver the Repairs & Maintenance Services and/or the Asset Management Plan and **Works** shall be construed accordingly.

1.2 A reference to any Act of Parliament, or to any order, regulation, statutory instrument, or the like, shall be deemed to include a reference to any amendment, re-enactment, consolidation, variation, replacement or extension of the same respectively from time to time and for the time being in force.

1.3 A reference to any statutory authority, agency or regulatory body shall include a reference to any other such authority, agency or regulatory body which from time to time carries on substantially the same functions.

1.4 Wordings denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine gender and vice versa and words denoting persons shall include firms and corporations.

1.5 References to Clauses, schedules and annexes shall be deemed to be references to the Clauses in and the schedules and annexes to this Agreement as so numbered.

1.6 In this Agreement headings are included for ease of reference only and shall not affect this Agreement or the interpretation thereof.

2 **Stockport Homes and Stockport Council Working Together and the CIA Process**

The parties acknowledge that:

- 2.1 the interpretation of this Agreement is informed by the principles of partnership working captured in the document entitled 'Stockport Homes and Stockport Council Working Together' and annexed to this Agreement at Annex 1 (the **Principles**);
- 2.2 the Principles recognise the independence of SHL through encouraging innovation and commercial activity where these add value to the partnership between SHL and the Council;
- 2.3 the CIA Process (detailed in annex 1) supports the Principles by requiring SHL to identify and inform the Council prior to SHL Board decisions, of any proposals which may have a potentially negative financial, legal or reputational impact on the Council; and
- 2.4 the purpose of this Agreement (amongst other matters) is to provide clarity for the relationship between the Council and SHL in relation to the delivery of the Council's housing and associated services.

3 **SHL Services and Delegations**

- 3.1 SHL will provide the Services in accordance with the Specification and the Delivery Plan and the other provisions of this Agreement.
- 3.2 The Council hereby delegates the functions listed in Schedule 2 on the basis summarised therein and as more fully described in the Specification and the Delivery Plan.
- 3.3 SHL shall, in consultation with the Council, develop and revise from time to time such policies, protocols and standards as the parties agree are applicable and appropriate to the Services.

4 **The Delivery Plan**

- 4.1 The first Delivery Plan shall last until 31 March 2016 and thereafter the Delivery Plan shall last for a period of five Financial Years starting on 1 April 2016, 1 April 2021, 1 April 2026, 1 April 2031 and 1 April 2036 respectively (the **Delivery Plan Period**).
- 4.2 During the Financial Year which expires two years prior to the end of each Delivery Plan Period the Council and SHL will discuss any changes to the Delivery Plan required by the Council or proposed by SHL in accordance with the review process set out in the Delivery Plan and in such a way as shall ensure a genuine consultation and dialogue over such changes and the Delivery Plan shall be revised in accordance with the process set out in the Delivery Plan in good time for the implementation of such changes in the ensuing Financial Years to the end of the relevant Delivery Plan Period.
- 4.3 Notwithstanding the review of the Delivery Plan as set out in Clause 4.2 the Delivery Plan shall be adjusted at such other times as may be necessary to reflect any variation in the Services or the Management Fee made in accordance with Clauses 5.3 and 10 respectively.
- 4.4 During the final year of each Delivery Plan Period (except during the final Delivery Plan Period) the Council and SHL will discuss and agree a new Delivery Plan prior to the start of the next Delivery Plan Period.

4.5 SHL will comply with all reasonable changes to the Delivery Plan arising from the review pursuant to Clauses 4.2 and 4.3 provided that the Management Fee is varied to ensure that (a) the costs of making the changes are funded through the Management Fee in accordance with the provisions of Clause 10 and (b) SHL is funded to deliver the revised Services when those changes take effect.

4.6 Any dispute over any change in the Delivery Plan or any variation in the Management Fee arising from Clauses 4.2-4.4 shall be resolved using the Dispute Resolution process in Clause 30.

5 **Variation to the Specification and the Services**

5.1 The Council will only vary the Specification (including the policies, protocols and standards referred to therein) as may be necessary to reflect changes to the Delivery Plan in accordance with Clause 4.

5.2 In the following circumstances the Council shall be entitled to vary the Services as such circumstances require and shall give SHL as much notice thereof as is practicable:

5.2.1 the exercise of the Right to Manage;

5.2.2 formal steps taken by the Regulator.

5.3 Save as described in Clause 5.2 the parties shall discuss the variation of the Services in parallel with discussions on the Management Fee pursuant to Clause 10.5.

6 **Asset Management Plan**

6.1 SHL will deliver the Asset Management Plan by:

6.1.1 letting and/or administering the Repairs & Maintenance Works Contracts in accordance with Clause 7; and

6.1.2 letting and/or administering the Capital Programme Works Contracts in accordance with Clause 8,

provided that Works Contracts which commit the Council or SHL to expenditure beyond 31 March 2041 shall not be let by SHL without the Council's prior consent.

6.2 The parties shall review the Asset Management Plan as part of the review of the Delivery Plan in accordance with Clause 4.2.

6.3 The review under Clause 6.2 may take account of (inter alia):

6.3.1 the Council's specific needs and requirements as discussed with SHL during the process described in Clause 4.2;

6.3.2 changing standards (such as energy efficiency);

6.3.3 future stock condition surveys;

6.3.4 legal and regulatory requirements (relating to fire safety and other matters);

- 6.3.5 evolving housing need and customer expectations; and
- 6.3.6 wider regeneration and improvement plans for the borough, including supporting the creation of balanced, mixed tenure, sustainable communities.

6.4 Any revisions arising from Clauses 4 and 5 shall give rise to a commensurate revision of the fees paid to SHL as applicable pursuant to Clause 10.

7 Repairs & Maintenance Works Contracts

7.1 SHL will, subject to the provisions of Clauses 7.2 and 7.4, let and/or administer such Works Contracts as SHL (acting reasonably) deems fit to deliver the Repairs & Maintenance element of the Asset Management Plan and Delivery Plan following the expiry or earlier termination of the current contracts.

7.2 In the procurement of any Repairs & Maintenance Works Contracts SHL will comply with all applicable European Union and other regulations and take all reasonable steps to adhere to best procurement practice and achieve value for money.

7.3 SHL will stipulate provisions in the Repairs & Maintenance Works Contracts (when they are let) so as to take reasonable account of possible future revisions of the Asset Management Plan in accordance with Clauses 6.2 – 6.3 (but without prejudice to Clause 6.4).

7.4 Nothing in this Clause 7 shall preclude the use of SHL's own workforce for the delivery of the Repairs and Maintenance Services.

8 Capital Programme Works Contracts

8.1 SHL will let and/or administer the Works Contracts as SHL (acting reasonably) deems fit to deliver the Capital Programme element of the Asset Management Plan following the expiry or earlier termination of the current contracts.

8.2 The provisions of Clause 7 (save for Clause 7.4) shall apply to Capital Programme Works Contracts as they apply to Repairs & Maintenance Works Contracts.

9 Monitoring Process and the provision of information

9.1 SHL will enable the Council to monitor SHL's performance under this Agreement by following the Monitoring Process.

9.2 In addition to Clause 9.1, SHL will provide the Council each Quarter with such additional information as the Council may reasonably require to satisfy itself as to SHL's performance of its obligations under this Agreement, including the delivery of the Services.

9.3 The information referred to in Clause 9.2 will include details of formal complaints made by tenants and other residents directly affected by the Services and SHL will inform the Council of any such complaints which reach the final stage of SHL's complaints procedures.

9.4 The parties (acting reasonably) shall from time to time agree the format for the reports required under this Clause, including the Monitoring Process.

10 **Management Fee**

10.1 The Management Fee for each Financial Year from 1 April 2016 onwards will be calculated and/or is deemed to be attributable to the Services on the basis set out in Schedule 4 and in accordance with the Fee Principles set out in Schedule 5.

10.2 Without prejudice to Clause 10.5 the Management Fee shall be attributed to the budget headings in the Delivery Plan together with the associated outputs, outcomes and service improvements set out therein.

10.3 Any revisions to the Services arising from Clauses 4 and 5 shall give rise to a revision of the Management Fee pursuant to this Clause 10.

10.4 It is agreed that SHL is entitled to use the Management Fee as it sees fit to deliver any or all of the respective Management Services and Repairs & Maintenance Services.

10.5 Each Financial Year, the Management Fee shall be varied as follows:

10.5.1 the parties will commence discussions on the Management Fee for the next Financial Year at a time following the publication of the rate of inflation for rent setting and in any event no later than 4 months prior to the relevant 1 April and (where applicable) in parallel with any review of the Delivery Plan described in Clause 4;

10.5.2 the discussions referred to in Clause 10.5.1 will be based on the Fee Principles in Schedule 5;

10.5.3 any variation of the Management Fee shall (subject to Clause 13.2) be commensurate with the variation of the Specification, the Delivery Plan and/or the Services in accordance with Clauses 4 and 5

10.5.4 if the parties cannot agree the variation of the Management Fee and invoke Clause 30, an Expert to whom the dispute is referred shall take into account any value for money requirement in the Delivery Plan and Specification subject always to the proviso to Clause 10.5.3.

10.6 The Management Fee due and payable under this Clause 10 shall be paid in advance by equal payments on the first working day of each month.

10.7 In agreement with the Council, reasonable and legitimate costs and/or fees incurred by SHL in undertaking SHL's management of the Capital Programme shall be subsequently recharged to the Council's Capital Programme (including capitalised salaries) and shall be paid by the Council upon receipt of an invoice from SHL detailing the works being charged in line with the payment terms set out in that invoice.

10.8 The payment and accounting arrangements for the Management Fee shall enable SHL (where appropriate) to charge VAT and the Council (where possible under Section 33 of the VAT Act 1994) to recover it.

11 **Surpluses and reserves**

11.1 Subject to Clause 11.2 SHL shall be entitled to use any of its available surpluses or reserves in line with the objectives of the Delivery Plan.

11.2 Surpluses and/or reserves shall only be deemed to be available for the purposes of the provisions of this Clause 11 if this is consistent with SHL's adopted accounting standards or specific confirmation from SHL's auditors.

12 **Additional income-generation**

12.1 SHL shall be entitled (subject always to complying with the CIA Process) to pursue and exploit opportunities for income generation with third parties provided that:

12.1.1 they are consistent with SHL's Objects or they can be legally pursued and exploited through a wholly owned subsidiary;

12.1.2 SHL's ability to discharge its obligations hereunder is not adversely affected;

12.1.3 any proposed commitment by SHL is approved by SHL's board; and

12.1.4 without prejudice to Article 8 of SHL's Constitution any proposed commitment by SHL which is material in nature (having a projected annual turnover of more than £1 million) will require the approval of the Council's Section 151 Officer.

12.2 The Council agrees to amend SHL's Constitution in order to enable SHL to form a subsidiary or subsidiaries (charitable or otherwise) if to do so would achieve the purposes of this Clause 12.

13 **Continuous Improvement**

13.1 The parties acknowledge the importance of the principle of continuous improvement in the provision of the Services and the delivery of the Delivery Plan and Asset Management Plan and accordingly:

13.1.1 SHL will regularly review how better to perform its obligations hereunder; and

13.1.2 the Council will support SHL to improve its performance.

13.2 Continuous improvement will result in either or both improved standards or greater cost-effectiveness.

14 **Improvement of Service Delivery and year-on-year cost efficiencies**

14.1 Improvement in the delivery of Services will be effected through the PIs.

14.2 The achievement of year-on-year cost efficiencies will be discussed and agreed between SHL and the Council. This may be achieved where it is deemed reasonable and achievable by delivering services for less or by outperforming agreed financial targets within the HRA, such as rent collection or voids performance.

15 **New build**

15.1 Subject to Clause 14.2 the Council will work with and support SHL to maximise opportunities for carrying out new development by the most appropriate means (inter alia):

15.1.1 procuring or supporting SHL's application for HCA or other grant funding subject to other statutory roles and housing strategic objectives;

- 15.1.2 applying for and using all reasonable endeavours to obtain necessary consents and approvals;
 - 15.1.3 facilitating the establishment of the appropriate governance arrangements and structures and making or approving such changes to SHL's Constitution as may assist.
- 15.2 Nothing in Clause 15.1 shall prevent the Council working as it sees fit with other organisations to deliver new housing (affordable or otherwise).
- 15.3 SHL will devote such resources as it can reasonably make available to carrying out the development of new social or mixed use housing in accordance with the Council's statutory housing strategy (including any specific stipulations concerning housing need and rent levels). This will include supporting the Council's wider regeneration and improvement objectives for the borough to enable for the creation of balanced, mixed tenure, sustainable communities.

16 **SHL's Constitution**

The Council shall only use its rights as sole member (or guarantor) of SHL to amend SHL's Constitution and appoint or remove board members or to issue directions to SHL or its board if and then only for so long as SHL fails to comply with the terms hereof and the Council would therefore be entitled to terminate this Agreement under Clause 27.

17 **The governance of SHL**

- 17.1 Subject to Clauses 17.2 and 17.3, two nominated representatives of the Council as identified from time to time by the Council may attend meetings of SHL's board and by prior arrangement may be invited to make a factual statement in respect of the agenda item(s) of relevance to them.
- 17.2 It shall be a condition of attendance at board meetings pursuant to Clause 17.1 that the representatives agree to be bound by the same duties of confidentiality and other matters as board members.
- 17.3 Representatives attending board meetings pursuant to Clause 17.1 may be required to leave for any part of the meeting (or any matter discussed thereat) which the board reasonably deems confidential.
- 17.4 The provisions of Clauses 17.2 and 17.3 shall not apply to the representative of the Council who is also the representative of the Council pursuant to Article 14 of SHL's Constitution.

18 **Changes in SHL's role and activities**

- 18.1 The parties acknowledge that SHL's role and activities on behalf of the Council will be subject to change, including changes resulting from:
- 18.1.1 regulatory or statutory requirements;
 - 18.1.2 tenant and/or leaseholder expectations;
 - 18.1.3 Council policy objectives

and accordingly this Agreement will need to be varied or otherwise incorporate such changes.

18.2 In order to give effect to the changes referred to in Clause 18.1 but without prejudice to Clauses 4-5 and subject to Clauses 18.3 and 21 the parties (acting reasonably) will agree how to identify and document such changes.

18.3 Any change pursuant to this Clause (and any consequential variation to this Agreement) will be accompanied by an adequate adjustment of the Management Fee or other resources needed to implement such change as if Clause 10.5 applied thereto.

19 **Services provided by the Council**

19.1 The Council will provide the services summarised in Schedule 3 for the fee(s) as provided for in the relevant service level agreement or service contract.

19.2 If the Council and SHL agree that the Council will provide an additional service to SHL a description of such service (in the same form as summarised in Schedule 3) will be prepared. The description will be deemed to be incorporated in Schedule 3.

19.3 In the event that SHL proposes not to renew or extend any service level agreement or service contract with the Council, prior to SHL taking such decision the procedure set out in this Clause will be followed in the place of the CIA Process:

19.3.1 SHL shall liaise and negotiate with the Council's relevant Lead Officer, prior to escalating any proposal to the Council's Corporate Leadership Team.

19.3.2 SHL shall communicate any such proposal to the Council's Corporate Leadership Team Meeting for discussion where the impact on the Council will be jointly considered by the parties;

19.3.3 The parties shall agree such measures (whether financial or otherwise) if any which may be required to mitigate any negative impact on the Council;

19.3.4 If agreement pursuant to Clause 19.3.2 cannot be reached, the matter will firstly be discussed between the Chief Executive Officers of each party before a decision is taken to terminate;

19.3.5 If agreement cannot be reached pursuant to Clause 19.3.3 and the Council chooses to challenge a decision of SHL to terminate, it will refer the matter to the Expert;

19.3.6 The recommendation of the Expert under this Clause 19 shall be final unless the parties agree to a compromise after the expert's recommendation has been made.

20 **Council's financial support for SHL**

20.1 The Council shall provide and evidence such support for SHL as shall be required to enable SHL's auditors to confirm from time to time to SHL's board of directors that SHL is and will continue to be able to meet its debts as they fall due and is otherwise a 'going concern'.

20.2 Without prejudice to Clause 20.1 and subject to Clause 20.3 the Council agrees that whether through the Management Fee or otherwise it shall ensure that SHL is able to discharge its liabilities for the pensions costs attributable to SHL's past, present and future employees.

20.3 SHL will not knowingly take any steps (including the recruitment of new employees) which are likely to add materially to the Council's potential total liability under Clause 20.2 without first obtaining the Council's consent (which shall not be unreasonably withheld or delayed).

21 **The HRA ring-fence**

The parties acknowledge that HRA income and expenditure is and remains (following the implementation of Self-financing) subject to the requirements of the statutory ring-fence and they will use all reasonable endeavours to maximise the benefits of the HRA for the Council's tenants.

22 **Council responsibilities and entitlements**

It is understood and agreed that the Council:

22.1 is and remains statutorily responsible for the HRA; and

22.2 will set rents and other charges for its tenants each year.

23 **Section 151 duty**

It is acknowledged that the relevant Council Officer has statutory duties under Section 151 of the Local Government Act 1972 and nothing in this Agreement shall be construed as preventing that officer from doing such acts or things as are properly required for the discharge of such duties.

24 **Management of the HRA**

24.1 SHL will undertake the day-to-day management of the HRA for which the Council will retain statutory responsibility.

24.2 The Council and SHL will work in partnership to regularly review and improve the HRA Business Plan.

25 **Consultation on HRA matters**

In addition to the requirements of Section 105 of the 1985 Act the Council agrees to consult with its tenants and leaseholders on major issues affecting the HRA including rent-setting and the overall budget.

26 **Term**

26.1 This Agreement shall expire on 31 March 2041 unless it is terminated on 31 March 2021, 31 March 2026, 31 March 2031 or 31 March 2036 by the Council giving SHL at least twelve (12) months prior written notice of any review which could lead to termination (a **Pre-Termination Review**) and at least six (6) months prior written notice of termination.

26.2 If having commenced a Pre-Termination Review the Council intends is considering terminating this Agreement pursuant to Clause 26.1 the Council will conduct an option appraisal exercise jointly with SHL which will inter alia include widespread customer consultation.

26.3 Clause 26.1 is without prejudice to the Council's rights under Clause 27.

27 **Termination**

27.1 Subject to Clause 27.2 the Council shall be entitled to terminate this Agreement if SHL fails to comply with the terms hereof or if in the Council's opinion there is a serious and substantiated risk that SHL will shortly fail so to comply.

27.2 Unless SHL's actual or anticipated failure which would entitle the Council to terminate this Agreement under Clause 27.1 cannot (in the Council's reasonable opinion) be remedied SHL shall be afforded a reasonable opportunity (including where appropriate a remedial plan) to comply or demonstrate that it will shortly comply with the terms hereof.

27.3 If the Council becomes entitled to terminate this Agreement it may decide to terminate the whole or any part hereof and either provide the Services itself or procure that any third party do so and SHL will take such steps as may reasonably be required to give effect to the Council's decision.

27.4 The Council shall have a right to terminate this Agreement where it is required to enter into an agreement with a Tenant Management Organisation (**TMO**). If the Agreement is terminated under this Clause 27.4 the Council and SHL shall within three months of such termination make all necessary arrangements for the transfer of the relevant functions from SHL to the TMO.

27.5 This Agreement shall be terminated if such requirement is imposed pursuant to Sections 247(2) or 249(2) of the Housing and Regeneration Act 2008. If the Agreement is terminated pursuant to this Clause 27.5 the Council and SHL shall make all necessary arrangements for the transfer of the relevant functions from SHL.

28 **Access to information and Data Processing**

28.1 SHL will afford the Council and persons properly authorised by it access to any information reasonably required provided that the Council gives SHL appropriate notice thereof.

28.2 SHL and the Council shall agree how to share personal data in a manner which supports the delivery of Services and complies with the Data Protection Act 1998 and any other laws or regulations and applicable policies relating to privacy or personal data.

29 **Insurances**

29.1 SHL shall at all times maintain in force policies of insurance with reputable Insurers or underwriters as shall adequately insure to levels agreed with the Council's Section 151 Officer and indemnify SHL (on the usual terms available in the market) against SHL's liability to:

29.1.1 the Council;

29.1.2 the employees of SHL;

29.1.3 any other person.

29.2 The Council shall itself insure against, or otherwise take responsibility for, all the usual risks associated with its housing stock and acknowledges that SHL has no liability therefor.

29.3 SHL will establish and maintain policies and procedures designed to (a) maintain so far as practicable continuity of business during periods of disruption caused by abnormal circumstances and (b) manage so far as practicable the risks facing it.

30 **Dispute resolution**

30.1 Save as otherwise provided in this Agreement, in the event of any dispute between the parties arising out of or in connection with this Agreement the parties shall in the first instance use their reasonable endeavours to resolve it amicably between them in accordance with the procedure set out below:

30.1.1 **Stage 1:** Representatives of the parties (being the officers having day to day responsibility for or knowledge of the area which is the subject of the dispute) shall meet within ten working days. If they are unable to agree a resolution at such meeting or if there shall be no appropriate officers of each of the parties available to attend such meeting then move to Stage 2.

30.1.2 **Stage 2:** The relevant Representatives or their nominated deputies shall meet within ten working days. If they are unable to agree a resolution at such meeting or if there shall be no appropriate officers of each of the parties available to attend such meeting then move to Stage 3.

30.1.3 **Stage 3:** Such dispute shall be discussed at the next "Quarterly Monitoring Meeting" convened in accordance with the Monitoring Process.

30.1.4 **Stage 4:** If such meeting is unable to agree a resolution then the dispute shall be referred to an Expert where the meeting resolves that the dispute be referred to an Expert

30.1.5 In seeking to resolve any dispute considered under Stage 1, Stage 2 or Stage 3 the parties shall apply the following principles:

(a) a spirit of mutual trust and co-operation

(b) both parties shall bear their own costs

(c) the parties shall extend the periods of negotiation if they both agree to do so

(d) any unanimous decision shall be implemented.

30.2 The result of any dispute resolution procedure under this Clause 30 shall be final and binding on the parties (save in the event of fraud or a mistake in law or material fact) and shall where and to the extent necessary and appropriate be reflected in a variation to the provisions of this Agreement (including the Specification and the Delivery Plan).

30.3 Until such time as a dispute between the parties is resolved or concluded in accordance with this Clause 30 the parties shall continue to comply with their respective obligations under this Agreement.

31 **Regulator**

This Agreement is subject to the Regulator's right to direct the variation or termination thereof and the parties will take all steps necessary to give effect to any such variation or termination.

32 **Other legislation**

Without prejudice to SHL's obligations to comply with housing and related legislation as set out in the Specification SHL will comply with all Other Legislation.

33 **Value added tax**

All payments by any party to another party pursuant to the terms of this Agreement shall be exclusive of any Value Added Tax chargeable in respect of the supply of goods or services for which the payment is consideration and in so far as such payments fall to be made under this Agreement such Value Added Tax shall be added to the amount thereof and paid in addition thereto upon production of a proper Value Added Tax invoice.

34 **Interest on overdue payments**

Save where payment is reasonably disputed by one party and the other party has been notified of such dispute, if and whenever any payment due in accordance with this Agreement shall at any time remain unpaid for a space of twenty working days next after becoming payable a further and additional sum by way of interest on the same calculated on a day-to-day basis at an annual rate higher by two per cent than the Base Rate of the Bank of England in force from time to time from the date upon which such sum first became payable shall (if demanded) be accounted for (as if paid) by the defaulting party to the other party.

35 **No partnership**

Nothing in this Agreement shall be construed as creating or implying any partnership between the parties hereto and save as expressly provided nothing in this Agreement shall be deemed to make SHL the agent of the Council or authorise SHL to:

35.1 incur any expenses on behalf of the Council;

35.2 enter into any engagement or make any representation or warranty on behalf of the Council; or

35.3 commit or bind the Council in any way whatsoever

without in each case obtaining the Council's Representative's prior written consent.

36 **Survival of this Agreement**

36.1 Insofar as any of the rights and powers of the Council provided for in this Agreement shall or may be exercised or exercisable after the termination or expiry of this Agreement the

provisions of this Agreement conferring such rights and powers shall survive and remain in full force and effect notwithstanding such termination or expiry.

36.2 Insofar as any of the obligations of SHL provided for in this Agreement remain to be discharged after the termination or expiry of this Agreement the provisions of this Agreement imposing such obligations shall survive and remain in full force and effect notwithstanding such termination or expiry.

37 **Severance**

If any provision of this Agreement comes or is declared invalid or unenforceable this shall not affect any other provisions which shall all remain in full force and effect.

38 **No assignment**

No party shall be entitled to assign this Agreement or any of the rights hereunder to any other party.

39 **Notices**

Any notice or other communication under this Agreement shall be sufficiently served if served personally on the other party or sent by prepaid first class post to the addresses given at the head of this Agreement or by electronic mail to the central email addresses given in the parties' websites and, subject to proof to the contrary, shall be deemed to have been received on the second working day after the day of posting or on successful transmission, as the case may be.

40 **Third party rights**

No rights are conferred under this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.

41 **Concurrent remedies**

No right or remedy for any party under this Agreement is exclusive of any other right or remedy and each such right or remedy shall be cumulative and enforceable concurrently and shall be without prejudice to pre-existing obligations.

42 **Variation**

Except as otherwise expressly provided, no variation of this Agreement shall be valid unless it is in writing and executed and delivered as a deed by or on behalf of each of the parties.

43 **Confidentiality**

43.1 The parties agree to keep the subject matter of this Agreement confidential subject only to statutory duties and/or usual contractual obligations.

43.2 It is acknowledged by the Council that notwithstanding SHL's status as the Council's subsidiary SHL may have commercial and other interests which are confidential to SHL.

This Agreement shall be governed and construed according to English law.

This Agreement has been entered into as a deed and is delivered on the date stated at the beginning

The **COMMON SEAL** of)
STOCKPORT METROPOLITAN)
BOROUGH COUNCIL was affixed)
in the presence of:)

The **SEAL** of **STOCKPORT**)
HOMES LIMITED was affixed)
in the presence of:)

Schedule 1 – SHL's Services (Service Specification)

(Clause 3.1)

(1) Description of Service - Looking after Council and Private Sector Housing	(2) Outputs
A1 Repairs & Maintenance	In carrying out this service SHL is required to: <ul style="list-style-type: none"> • Deliver a customer focussed and efficient responsive repairs service • Implement the planned and cyclical maintenance elements of its Asset Management Plan and implement via a planned, batched and scheduled works programme economically • Fulfil all mandatory cyclical safety and legislative checks in areas such as gas, lifts, water, electrical wiring, etc.
A2 Capital Programme	In carrying out this service SHL is required to: <ul style="list-style-type: none"> • Develop and deliver the Capital Programme on behalf of the Council • Deliver the project requirements and expectations for this service as detailed in the Asset Management Strategy and Asset Management Plan
A3 Adaptions to Council Homes and Private Sector Investment and Assistance Programme (including Disabled Facilities Grants)	In carrying out this service SHL is required to: <ul style="list-style-type: none"> • Compile and maintain a list of properties that contain adaptations • Administer the grant application process for Disabled Facilities Grant and carry out approved adaptations to agreed standards • Administer the grant application process for Housing Renewal programmes (where funding is provided by the Council)

A4 Asset Management	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Create effective stock investment and work programmes that are designed to keep all properties at least to the Stockport Plus standard and deliver significant carbon reductions • Ensure an active asset management regime, identifying properties which have poor social, economic or environmental performance and either improving them or replacing them with properties which are fit for purpose • Support wider objectives; being clear where and how the Asset Management Strategy is supporting wider objectives such as new development, environmental investment or supporting community activities such as the production of estate master plans • Respond to Customer's Needs positively by taking into account their aspirations and striving to exceed their expectations
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(1) Description of Service - Tenancy Management	(2) Outputs
B1 Letting Properties	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Identify a suitable applicant for the empty property • Book an appointment for an accompanied viewing • Undertake the viewing with the applicant carrying out a risk assessment to ensure any letting will be positive for the applicant and SHL • Sign up the applicant for the tenancy or refuse the offer • Continue to identify suitable applicants until the property is let • Use wider lettings initiatives for difficult to let properties
B2 Managing Tenancies & Estates	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Manage anti-social behaviour • Make new tenant visits • Make periodic contact with all tenants • Carry out estate inspections

	<ul style="list-style-type: none"> • Carry out estate walkabouts with customers and other agencies • Carry out changes of tenancy • Take action on any breach of tenancy through to enforcement • Carry out block Inspections • Provide general housing advice and assistance to customers and agencies / partners • Manage mutual exchanges and transfers • Deal with abandoned properties • Effectively process tenancy terminations • Manage customer complaints • Provide and manage a grounds maintenance service • Provide a caretaking service to low rise and multi storey blocks
B3 Rent and Income Management	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Have regard to preventing arrears and maximising rental, service charge and any other income streams which SHL is responsible for collecting, such as water charges. • Have in place effective arrears recovery processes and procedures for all income types, which comply with relevant legal pre-action protocols • Provide basic debt and benefits advice for current tenants and leaseholders, as required and where necessary signpost to specialist debt and benefit advice services • Maximise the collection of any debts outstanding from former tenants and leaseholders
(1) Description of Service - Choice Based Lettings	(2) Outputs
C1 Allocations	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Ensure properties are advertised promptly and to a good standard, ensuring that customers have all the relevant information to allow them to place a bid • Process applications for rehousing in a timely manner ensuring

	<p>assessment in line with the Council's Allocation's Policy</p> <ul style="list-style-type: none"> • Work in partnership with housing associations regarding nominations • Oversee the review process in respect of ineligibility and homeless decisions • Raise invoices for choice based lettings charges to partner housing associations
<p>C2 Nominations to other Social Landlords</p>	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Ensure properties are advertised on behalf of housing associations. • Ensure nominations are provided within agreed target time of the cycle closing • Update the housing application if the property is refused or accepted
<p>(1) Description of Service - Supporting Tenants (SHL and private)</p>	<p>(2) Outputs</p>
<p>D1 Housing Options and Homelessness Service</p>	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Deliver comprehensive housing options advice that seeks to prevent homelessness and ensure applicants receive written advice • Assess homelessness duties in line with legislation, guidance and case law, issuing relevant legal decisions • Provide an emergency out of hours service • Provide temporary accommodation that is safe and clean • Ensure all residents of temporary accommodation have a support needs and risk assessment focussed on promoting independence, and which is regularly reviewed • Provide appropriate information, guidance, signposting and liaison with specialist services and support provider • Lead on the development and review of the local authority's homelessness strategy

<p>D2 Supporting the vulnerable and the elderly</p>	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Provide flexible support to people when they need it most (e.g. mediation, furnished tenancies and housing support) • Offer 24 hour service through the Carecall Service • Liaise with external agencies when necessary to provide additional support if required • Deliver specific projects to meet identified need (e.g. Refugee Support project, Targeted Prevention Alliance (subject to funding)) • Meet SHL safeguarding obligations • Explore funding opportunities to deliver additional services (e.g. Employability Support Services)
<p>D3 Private Sector tenants services</p>	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Deliver a Social Lettings Service for the private sector (subject to sufficient income generation). • Provision of a Bond Scheme to promote access to the private sector for low-income and / or vulnerable households.

<p style="text-align: center;">(1) Description of Service - Tenancy Involvement</p>	<p style="text-align: center;">(2) Outputs</p>
<p>E1 Customer Service and Information</p>	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Listen to customer views and act on them where possible • Deliver services that provide value for money • Take ownership of queries and resolve them or pass them on appropriately • Provide information in electronic and written formats that are accessible to most customers and can be adapted to meet the needs of all, on request • Treat customers in a professional and respectful manner • Respond to complaints as quickly as possible, but within ten working days • Monitor and report on the agreed Service Standards where applicable and review the Standards at suitable intervals to ensure they are fit for purpose.
<p>E2 Customer involvement and engagement</p>	<p>In carrying out this service SHL is required to:</p> <ul style="list-style-type: none"> • Further strengthen customer influence over decision making, using insight information and digital methods to target and engage with key groups and maximise involvement opportunities available to all customers • Offer realistic opportunities to enable customers to reach their potential in life and live independently by delivering high quality support and training opportunities to customers and communities • Create sustainable neighbourhoods across the Borough by increasing community capacity and resilience, supporting groups to access funding and networks to complement their work

E3 Community buildings	<p>In carrying out this service, SHL is required to undertake the following in relation to the management of Council owned community buildings:-</p> <ul style="list-style-type: none">• Embed community buildings at the heart of strong and vibrant communities• Optimise the impact of resources (relating to community centres)• To support dedicated volunteers.
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Schedule 2 – Delegations Schedule

(Clause 3.2)

Function	Delegated to SHL	Retained by the Council	Shared	Comments
A1)Repairs and maintenance	✓			Details included within Schedule 1 (Service Specification)
A2)Capital Programme	✓			Details included within Schedule 1 (Service Specification)
A3) Adaptions to Council Homes and Private Sector Investment and Assistance Programme (including Disabled Facilities Grants)	✓			Details included within Schedule 1 (Service Specification)
A4) Asset Management	✓			Details included within Schedule 1 (Service Specification)
B1) Letting Properties	✓			Details included within Schedule 1 (Service Specification).
B2) Managing Tenancies & Estates	✓			Details included within Schedule 1 (Service Specification)
B3) Rent and Income Management	✓			Details included within Schedule 1 (Service Specification)

Function	Delegated to SHL	Retained by the Council	Shared	Comments
C1) Allocations			✓	Details included within Schedule 1 (Service Specification) – Council retains statutory responsibility with delegation to Stockport Homes. Stockport Homes has a choice based lettings scheme ('Homechoice') which is administered in accordance with Council's lettings policy.
C2) Nominations to other Social Landlords			✓	Details included within Schedule 1 (Service Specification)
D1) Housing Options and Homelessness Service			✓	Details included within Schedule 1 (Service Specification) Council retains statutory responsibility with delegation to Stockport Homes.
D2) Supporting the vulnerable and the elderly	✓			Details included within Schedule 1 (Service Specification)
D3) Private Sector tenants services			✓	Details included within Schedule 1 (Service Specification)
E1) Customer Service and Information	✓			Details included within Schedule 1 (Service Specification)
E2) Customer involvement and engagement			✓	Details included within Schedule 1 (Service Specification) Council has statutory duties here and may wish to consult direct; but generally expected that SHL would carry out consultations whether for itself or the Council.

Function	Delegated to SHL	Retained by the Council	Shared	Comments
E3) Community buildings			✓	Details included within Schedule 1 (Service Specification)

Schedule 3

Service Contracts (SC)/ Service Level Agreements (SLA) between the Council and SHL

(Clause 19)

Title	SLA/SC	Description
Information & Communications	SLA	Provision of ICT services and support
Mailroom Services	SLA	Provision of mailing services
Financial Systems and Support Services	SC	Provision of finance systems / invoicing processes
Insurance Services	SC	Provision of insurance cover and claims handling services
Exchequer Service	SLA	Provision of a cashiers service including processing of direct debit, cheque and cash payments
Specialist Debt Advice and Welfare Rights Advice	SLA	Provision of reactive debt advice and welfare rights advice
People and Organisational Development Services	SLA	Provision of payroll services, iTrent, pay as you go HR services and trade union facilities
Interpreter Services	SLA	Provision of interpretation services
Reception Services	SC	Provision of office and reception services at East and West area housing offices and Reddish Information Centre
Stockport Legal Services	SC	Provision of various legal services SHL

Schedule 4 – Management Fee

(Clause 10)

Annual Fee calculation formulae

$$\text{Available Resources} = I - (\text{DC} + \text{MRP} + \text{DP} + \text{CC} + \text{RCCO} + \text{R} + \text{O})$$

Where

I	=	Anticipated income for rents and service charges taking account of stock loss, inflation and void and rent collection targets
DC	=	HRA debt interest charges as determined by the Council's agreed capital programme and treasury management calculations
MRP	=	Debt repayment as set out in the HRA Business Plan
DP	=	Depreciation charges as determined following relevant standards and guidance
CC	=	Council determined costs, in full consultation with SHL, chargeable to the HRA
RCCO	=	Revenue Contributions to Capital Outlay (including any additional RCCOs as determined by the Council in consultation with SHL)
R	=	Contributions required to achieve the level of balances which is viewed by the Council's Section 151 officer to be the minimum considered necessary to support the recommended HRA budget.
O	=	Other determined HRA costs

$$\text{Indicative Fee} = \text{PYF} - \text{AE} + (\text{RA} + \text{PI} + \text{GSI} + \text{RMI} + \text{UI})$$

Where

PYF	=	Previous year's Fee
AE	=	Agreed efficiencies
RA	=	Agreed recurrent aspects of previous year's initiatives
PI	=	Agreed pay inflation (relating to staff costs only and expressed as a sum, not as a percentage) as determined by national Local Government pay awards, changes in National Insurance contributions and changes to the GM Local Government Pension Scheme
GSI	=	Goods and services inflation (CPI) (relating to non-staff and non-Works costs only and expressed as a sum, not as a percentage)
RMI	=	Repairs and maintenance inflation (BCIS) (relating to Works costs only and expressed as a sum, not as a percentage)

UI = Utilities inflation (based on an agreed forecast level of industry rate of increase for the financial year and expressed as a sum, not as a percentage)

Annual Fee = lesser of AR and IF

Where

AR = Available Resources

IF = Indicative Fee

If AR is greater than IF any additional investments would be considered and agreed as part of the Delivery Plan.

Note: all calculations shall be based on and reflect the Fee Principles in Schedule 5.

Schedule 5 – Fee Principles

(Clause 10)

- 1 Management Fees for Financial Years from 1 April 2016 onwards will be calculated in accordance with the formulae as set out in Schedule 4 (subject to any subsequent agreed revisions thereto).
- 2 The Management Fee will be varied each year to reflect any changes to the Delivery Plan and Specification in accordance with Clause 10.5 and to reflect SHL's agreement to achieve continuous improvement in Clause 13.
- 3 The Management Fee will always account for the cost of the current year's element of the Delivery Plan Period, with indicative budgets for the ensuing Financial Years of the relevant Delivery Plan Period.
- 4 Fee negotiations will take account of the following generic factors:
 - 4.1 competing pressures on the HRA Business Plan, either because of reduced resources or increased demands;
 - 4.2 the resultant financial parameters for the Management Fee;
 - 4.3 any addition to, or reduction of, the Services required by the Council;
 - 4.4 any adjustment of the performance standards at which the Services are to be delivered;
 - 4.5 the additional costs to SHL of a reduced Management Fee (in particular redundancies);
 - 4.6 SHL's obligation herein to identify and deliver efficiencies.
- 5 Indicative Management Fee budgets for the ensuing Financial Years of the relevant Delivery Plan Period may anticipate future Management Fee adjustments in accordance with Clause 10 and Schedule 4 (for example, to achieve savings or respond to cost pressures etc)
- 6 Any proposals for Management Fee reductions (as part of the adjustments as described in paragraph 5 will recognise the extent to which some of SHL's costs are fixed and/or subject to external change.
- 7 The Management Fee will take into account the following:
 - 7.1 SHL's Management costs chiefly comprise pay and pensions. Retaining staff involves meeting contractual or statutory obligations and though redundancy reduces on-going costs there is an initial cost to be met

- 7.2 Maintenance costs depend on the size and nature of the Asset Management Plan and may be inflexible to the extent that they are incorporated in any contract to which the Council or SHL is bound
- 7.3 Costs for managing the Capital Programme also depend on the size and nature of the Asset Management Plan, but recognising that SHL's administration work may not correlate exactly thereto
- 8 Welfare reform and other national policy changes which are likely to have a significant impact on SHL's costs and the Council's cashflow over at least the first three Financial Years.
- 9 Notwithstanding all the above, SHL acknowledges the need to achieve more for less and to be benchmarked against comparable ALMOs facing similar challenges.

Annex 1 - Stockport Homes and Stockport Council Working Together

Context

Stockport Council has a long tradition of commissioning services and developing effective partnerships in order to achieve the best outcomes for the Borough and its residents. Having recently undertaken a comprehensive options appraisal for the future management of its housing stock, the Council identified Stockport Homes as the most effective delivery agent for its housing and associated services requirements.

In this context, the Council and Stockport Homes will draw up a new formal agreement and legal documentation about how this relationship will work. Both parties will take this opportunity to reflect on how housing and related services contribute to wider positive outcomes for people and places in the Borough, in order to maximise the value of the investments both partners make.

The Stockport Plan provides a framework for all partner agencies to align their strategic intent and deliver common high-level objectives, in line with public sector reform. It describes a future in which:



Our Partnership

While we will commit, through a management agreement, to joint working over 27 years, we recognise that our partnership will change over time as we respond to national and local priorities, events and circumstances. There are currently three fundamental drivers of change that will affect our partnership and the context in which we operate in the medium term.

The first is on-going reductions to and restructuring of local government funding. Funding for Council housing and related services, whilst ring-fenced through the HRA, is a key element of local spending power. We will continue to make best use of this vital revenue stream to invest in

new ways of delivering against our shared outcomes, whilst maintain the integrity of the ring fence.

The second is the unprecedented programme of devolution to and governance reform across, Greater Manchester. The implications of this programme will impact on both Stockport Council and Stockport Homes in ways we are not yet able to predict.

The third is the changing needs, aspirations and expectations of current and future residents.

Our partnership will seek to shape these changes as well as be shaped by them.

Shared approaches

Stockport Homes' mission of 'Transforming Lives' has driven its success and will continue to be at the heart of its ethos in future. Its vision and aims are outcome-based and contain some core approaches that suggest the sort of role it is best placed to play:

- It makes a statement of quality to the most vulnerable in the Borough.
- It contributes to reducing inequalities.
- It aims to deliver a housing service critical to the delivery of other aims of the Council, including reducing social and digital exclusion and improving education, health and employment.
- It optimises how it uses resources.
- It makes a clear statement about using the role of a landlord to be much more than a landlord.

These approaches are consistent with the Council's Investing in Stockport approach.

Stockport Homes can sometimes be the best placed agency to work with many of those people and families most in need of public service intervention and is the most active 'on the ground' agency in our most deprived areas. This means it is often central to the transition from dependence to independence and needs to work closely, often in new ways, with all agencies to achieve this transformation.

Increasingly, Stockport Homes will need to build on these shared approaches and go beyond the delivery of core housing management and related services, for example through joint working in areas such as:

- **Promoting independence:** Stockport Homes provides warm decent homes in safe sustainable communities, preventing homelessness and supporting older people. It works to support socially excluded people back into society, tackle mental ill health and develop and manage accommodation for people with learning disabilities
- **Locally Operating:** Stockport Homes has a critical role in delivering services to customers across the Borough. This includes exploring all practicable options for local partnership working as part of the wider agenda to engage residents and communities in decision-making. Stockport Homes' engagement agenda already puts customer engagement in decision-making at the heart of its community

development work and ensures it is active in reaching out to the public in some of the harder to reach communities in the Borough.

- **Investing in Growth:** Stockport Homes plays a key role in the Borough-wide commitment to residential growth through its ability to deliver new affordable homes and to increase housing availability through its management of the existing public and private housing stock.

Working together

Stockport Homes is a member of the Stockport Council family. This creates opportunities to add value and work together, rooted in a deep and shared understanding of the Borough and our two organisations.

We recognise that we need to do more to define what this means in reality. We commit to giving this definition new form and purpose, through this process and in the coming years, in order to deliver more for the people of Stockport.

Council Impact Assessment

The Management Agreement sets out the principles of partnership working between Stockport Homes and Stockport Council. These principles recognise the independence of Stockport Homes, and, indeed, encourage innovation and commercial activity where these would bring added value and/or other net gain to the core business of providing quality housing to meet the current and future needs of the Borough.

To aid this process, and to help avoid potential duplication or unforeseen negative consequences, Stockport Homes will be required to undertake a 'Council Impact Assessment' (CIA) on all Board reports to identify any proposals that may have a potentially negative financial, legal or reputational impact on the Council or any of its partner organisations. The CIA process is set out within SHL's Governance Protocols which are agreed with the Council and reviewed from time to time.

If the potential impact is as a result of SHL wishing not to renew or extend any agreement or service contract, the process set out in 19.3 of the management agreement should be followed.

Annex 2

Formal Monitoring Process

<p style="text-align: center;"><u>Members Committee</u></p> <p>Members Committee continues as it currently stands but the 'customer comments box' will appear on its reports, where appropriate and the committee could pass its questions.</p>		<p style="text-align: center;"><u>Scrutiny/Executive</u></p> <p>Wider strategic housing performance reports will continue to include SHL performance data and go to the Executive via Scrutiny.</p>
<p style="text-align: center;">↑</p> <p style="text-align: center;">These bodies sit above the process in an 'oversight' capacity – no direct/automatic line of reporting up of items discussed as part of monitoring arrangements</p> <p style="text-align: center;">↑</p>		
	<p style="text-align: center;"><u>Quarterly Monitoring Meeting</u></p> <p>This meeting would consist of the following people from:</p> <ul style="list-style-type: none">SHL – Chair of the Board, Chief Executive, Director of Corporate Services / Head of Business Excellence. Council - Portfolio Holder, Corporate Director (Place), Head of Strategic Housing.	

	It will consider reports on the way to Members Committee, key delivery and risk issues.	
	<p style="text-align: center;"><u>Quarterly HRA Meetings</u></p> <p>Meetings to discuss spend and financial risks. Representatives will be:</p> <p>Council - Corporate Director (Place), Corporate Director (Corporate Services), Strategic Accountant.</p> <p>SHL - Chief Executive, Director responsible for Finance, HRA Management Accountant.</p>	
	<p style="text-align: center;"><u>HRA Customer Group</u></p> <p>HRA Strategy Group broadened out to consider performance and other issues which may end up at Member Committee. A 'Customer comments box' will be added to reports, where appropriate, so members can see customer views. This group will also be involved in the review of the Delivery Plan.</p> <p>Attempts will be made to broaden the base of this group – particularly by involving younger people.</p>	

N.B. Job titles in both the Council and Stockport Homes are applicable in 2015, but may vary in the future depending on the restructures or changes in responsibilities.