

AGENDA FOR

CABINET

Contact: Julie Gallagher
Direct Line: 0161 253 6640
E-mail: julie.gallagher@bury.gov.uk
Web Site: www.bury.gov.uk

To: All Members of Cabinet

Councillors : R Shori (Leader and Cabinet Member for Business Engagement and Regeneration (Chair)), A Simpson (Deputy Leader and Cabinet Member Health and Wellbeing), S Briggs (Cabinet Member for Children and Families), J Kelly (Cabinet Member Corporate Affairs and Regulatory Services), E O'Brien (Cabinet Member Finance and Housing), A Quinn (Cabinet Member for Environment) and T Tariq (Cabinet Member for Communities)

Dear Member/Colleague

Cabinet

You are invited to attend a meeting of the Cabinet which will be held as follows:-

Date:	Wednesday, 17 April 2019
Place:	Meeting Room A&B, Bury Town Hall
Time:	6.00 pm
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members of Cabinet are asked to consider whether they have an interest in any of the matters of the Agenda, and if so, to formally declare that interest.

3 MINUTES *(Pages 1 - 4)*

Minutes of the meeting held on 12th March 2019 are attached.

4 PUBLIC QUESTION TIME

Questions are invited from members of the public present at the meeting about the work of the Council and the Council's services.

Approximately 30 minutes will be set aside for Public Question Time, if required.

5 APPROVAL OF REVISED HOUSING MANAGEMENT AGREEMENT BETWEEN THE COUNCIL AND SIX TOWN HOUSING PLUS RELATED MATTERS *(Pages 5 - 144)*

A report from the Cabinet Member for Finance and Housing is attached.

6 MINUTES OF ASSOCIATION OF GREATER MANCHESTER AUTHORITIES / GREATER MANCHESTER COMBINED AUTHORITY *(Pages 145 - 156)*

To consider the minutes of meetings of the AGMA Executive Board and Greater Manchester Combined Authority held on 1st March 2019 are attached.

7 URGENT BUSINESS

Any other business which by reason of special circumstances the Chair agrees may be considered as a matter of urgency.

Minutes of: CABINET

Date of Meeting: 12th March 2019

Present: Councillor R Shori (in the Chair)
Councillors K S Briggs, J Kelly, E O'Brien, A Quinn, A Simpson and T. Tariq

Also in Attendance Councillor T Pickstone

Apologies: Councillor J Daly

Public attendance: 1 member of the public was in attendance.

CA.397 DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

CA.398 PUBLIC QUESTION TIME

No questions were asked under this item.

CA.399 MINUTES

Delegated decision:

That the minutes of the meeting held on 20th February 2019 be approved as a correct record and signed by the Chair.

CA.400 HIGHWAY SAFETY INSPECTION POLICY

The Cabinet Member, Environment submitted a report. The report recommends the adoption of a new Highway Safety Inspection Policy to improve highway maintenance in Bury. The Cabinet member reported that a new national code of practice 'Well-managed Highway Infrastructure' includes recommendations on highway safety inspection and repair, in recognition of this change, GM districts and TfGM have collaborated in the development of an overarching GM Highway Safety Inspection Framework.

Delegated decision:

That Cabinet approves the Highway Safety Inspection Policy for adoption.

Reasons for the decision:

The Council has a duty to maintain the highways defined by statute as maintainable at the public expense or adopted in accordance with statutory adoption procedures. The Policy recommended for adoption will cover highway inspection practices, frequency of inspection and response times for repair, to secure a well-managed highway infrastructure.

Other option considered and rejected:

Option 2 That members seek revisions to the proposed contents of the Highway Safety Inspection Policy prior to adoption. Members to specify the nature of any revisions to be sought.

CA.401 GM CLEAN AIR PLAN OUTLINE BUSINESS CASE

The Cabinet Member, Environment provided members with overview of the GM Clean Air Plan outline Business case. Bury Council is mandated by Government to tackle Nitrogen dioxide exceedances in the Borough in the shortest possible time. Consequently Bury Council has been working collectively with all Greater Manchester Local Authorities and the GMCA coordinated by TfGM, to produce a feasibility study for a GM Clean Air Plan in accordance with Government direction. The report summarises the key features of this feasibility study so far and includes the outline business case which if adopted by Bury Council can be then be submitted to Government for approval; leading to further stakeholder engagement, consultation and completion of a final business case.

Delegated decisions:

That Cabinet:

- Note that the Council is legally obliged to produce a feasibility study to identify the option which will deliver compliance with the requirement to meet legal limits for nitrogen dioxide following the Secretary of State issuing a direction under the Environment Act 1995;
- Adopt the feasibility study undertaken to date;
- Note that further stakeholder engagement and public consultation is an essential part of the process to help inform and refine ongoing work to produce a Full Business Case by the end of the calendar year;
- Approve the OBC (for submission to the government's Joint Air Quality Unit);
- Require government to provide the financial support necessary to enable the Council to meet its legal limits for nitrogen dioxide;
- Note that despite this council being required to address nitrogen oxide exceedances the government has not yet addressed this issue for its own assets, including Highways England and the motorway network;
- Approve the commencement of the public conversation and engagement activity from 15 May 2019;
- Note that further reports will be submitted to [Executive/Cabinet] on:
 - the proposals for statutory consultation, informed by the outcome of the public conversation and engagement.
 - formal approval of the Full Business Case.
- Agree that TfGM continue with the activity to produce the Full Business Case on their behalf under the direction of the Greater Manchester Clean Air Steering Group; and
- Delegate to the Interim Executive Director, Communities and Wellbeing or nominated officer, in consultation with Councillor Alan Quinn Cabinet Member for Environment, the approval of submission of supplementary information.

Reasons for the decision:

This report and recommendations form part of ongoing work by AGMA, GMCA and TFGM pursuant to the government mandate to comply with legislative requirements on air quality.

The Cabinet Member for Health and Wellbeing presented to Cabinet the Local Care Organisation's Mutually Binding Agreement. The report sets out the collaboration agreement for the establishment and operation of the Local Care Organisation as a formal alliance of organisations which have agreed to work together in a single delivery and accountability structure.

The mutually binding agreement will drive development and improvements to the way health and care services are commissioned and delivered in Bury.

Delegated decision:

That Cabinet approve the mutually binding agreement as set out in appendix 1 of the report.

Reasons for the decision:

This agreement is essential for the redesign of Health and Social Care Services, and the delivery of the Locality Plan. The Locality Plan will drive the reform of services, improve health outcomes, and ensure the wider Health & Social Care economy is sustainable

CA.403 APPOINTMENT OF MAYOR 2019/2020

The Chair reported that Councillor Trevor Holt had been proposed as the Mayor of Bury for 2019/2020.

Recommendation to Council:

That Councillor Trevor Holt be proposed as the Mayor of Bury for 2019/2020.

CA.404 FOR INFORMATION **MINUTES OF ASSOCIATION OF GREATER MANCHESTER AUTHORITIES / GREATER MANCHESTER COMBINED AUTHORITY**

CA.405 EXCLUSION OF PRESS AND PUBLIC

Delegated decision:

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item of business as it involved the likely disclosure of exempt information as detailed in the conditions of category 3.

CA.406 STRATEGIC INVESTMENT (MCR AIRPORT)

The Cabinet Member for Finance and Housing presented a report to Cabinet setting out the plans for investment into the Manchester Airport Group of companies. The investment will support continued passenger growth and sets out proposals for the Council together with Manchester and the other eight district Councils within Greater Manchester to invest in and support the proposal.

Delegated decision:

That Cabinet:

1. Note the proposed arrangements to provide investment by way of purchase of equity in the Manchester Airport Group alongside the other nine district councils, to ensure future growth, details of which are set out in the body of the report;
2. Delegate authority to the Executive Director of Resources and Regulation and Council Solicitor in consultation with the Leader, to negotiate and finalise the detailed contractual and commercial arrangements in respect of the proposed investment; and
3. Authorise the Council Solicitor to enter into any necessary agreements or documents to give effect to the above recommendations.

Reasons for the decision:

The investment will assist with the ongoing development of the airport and secure a positive return for the Council.

COUNCILLOR R SHORI

Chair (Note: The meeting started at 6pm and ended at 6.30pm)

REPORT FOR DECISION



DECISION OF:	Cabinet
DATE:	17 April 2019
SUBJECT:	Approval of revised Housing Management Agreement between the Council and Six Town Housing plus related matters
REPORT FROM:	Councillor Eamonn O'Brien Cabinet Member for Finance and Housing
CONTACT OFFICER:	Paul Patterson, Executive Director for Business Growth and Infrastructure Julie Gonda, Interim Executive Director for Communities and Wellbeing
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	For publication
SUMMARY:	<p>An independent review of all housing services and functions provided by the Council and Six Town Housing has taken place, primarily due to the imminent expiry of the Council's contract with its Arms' Length Management Organisation (ALMO), Six Town Housing.</p> <p>The review was seen as an opportunity to identify more efficient and effective means of service delivery responding to the budget and demand pressures faced, currently and in the future, by the Council and Six Town Housing and to respond to the Council's Growth Strategy, thus helping to generate new income streams and remove the Council's reliance on Government income in the future.</p>

	<p>Some of the key recommendations of the review identified the need for a new working relationship between the Council and Six Town Housing and to facilitate this, new governance principles have been developed which will support a new working relationship required to support the Council's overall goals of growth and investment in the Borough. In order to support these new ways of working, the Council is proposing to transfer 51 members of staff to Six Town Housing, under TUPE (Transfer of Undertakings (Protection of Employment) Regulations) 2006). (Schedule 6 – Transferring Employees in the new Housing Management Agreement is deliberately left blank in the version presented to Cabinet due to the personal details of staff involved. However, this will be populated in the final version signed by the Council and Six Town Housing.)</p>
<p>OPTIONS & RECOMMENDED OPTION</p>	<p>Cabinet are asked to consider the following options:</p> <p>Option 1 – a) agree the adoption of a new Housing Management Agreement (Appendix 1) and Member Agreement (Appendix 2) from 1 June 2019, and a new governance relationship;</p> <p>b) consider and agree the delegation of executive powers as set out in Schedule - Delegated Matters – (Appendix 5) and the reserved matters as set out in Schedule – Retained Functions / Matter (Appendix 6) and described in the Services Specification appended to the draft Housing Management Agreement (Appendix 1);</p> <p>c) should it be necessary, agree a brief extension of the existing Management Agreement pending statutory approval from the Regulator of Social Housing;</p> <p>d) agree the extension of tenure of Six Town Housing's Board Chair for a period of no longer than twelve months;</p> <p>e) delegate signing of the Management Agreement and Member Agreement to the Cabinet Member for Finance and Housing in consultation with the Executive Director for Business Growth and Infrastructure and Interim Executive Director for Communities and Wellbeing.</p> <p>Option 2 – not support the adoption of the new Housing Management Agreement and Member Agreement, and associated governance arrangements.</p> <p>Reasons</p> <p>Option 1 will support the new way of working between the Council and Six Town Housing providing opportunities for efficiencies and supporting the Council's 'Growth Agenda' and providing potential for</p>

	<p>the Council to maximise its opportunities to generate income through growth and so cease to be so reliant on Government funding.</p> <p>To agree the extension of tenure of Six Town Housing's Board Chair for a period of no longer than twelve months will provide consistency during the crucial embedding of the new Management Agreement, new ways of working and establishment of new governance arrangements.</p> <p>Option 2 – would involve not adopting the new Housing Management Agreement and would leave the Council without a valid contract for the delivery of housing management services for its stock and residents. The status quo is not an option, as failure to move to new ways of working as soon as possible would not maximise the Council's aspirations for growth and financial self-resilience. Further, upon the expiry of the current Management Agreement on 30th April 2019, alternate arrangements would need to be put in place. Six Town Housing would also lose the leadership of an experienced Chair.</p> <p>Cabinet is recommended to approve Option 1.</p>
IMPLICATIONS:	Failure to act promptly will result in the Council not having a contract for the delivery of housing management services to its stock and delay its growth delivery plan.
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	<p>The agreement sets out the basis for the fee payable to Six Town Housing (from the Housing Revenue Account (HRA)) for managing the Council's Housing stock. The HRA estimates for 2019/20 assume the Management Fee to be £13,058,600 this being the current year's figure, pro rata from start date of new Management Agreement; any changes to this figure will impact on the level of HRA balances.</p> <p>Current costs for 2019/20 of the services subject to TUPE will also be transferred once finalised.</p> <p>The new agreement is structured to assist the Council's future growth ambitions.</p>

SK

	<p>As growth ambitions / service delivery develop, further amendments may be required to the agreement.</p> <p>Members' attention is drawn to schedule 3 of the Management Agreement as the new relationship will seek to deliver business efficiencies as well as income through growth.</p> <p>Further, the transfer of additional services will deliver immediate in-year general fund budget savings due to vacant posts that will be held by the Council and deleted. In addition, Six Town Housing are undertaking a transformation programme after the initial transition to support the Council in delivering its medium and long term budget strategy.</p> <p>Further, the new Housing Management Agreement and the approach to Business Planning will bring discipline to the pursuit of operational business efficiencies in order to create additional robust and sustainable surpluses for use by the Council and Six Town Housing.</p>	
Health and Safety Implications	No issues identified at this stage.	
Statement by Executive Director of Resources (including Health and Safety Implications)	There are no wider resource implications.	SK
Equality/Diversity implications:	There are no perceived equalities issues identified as part of these proposals.	
Considered by Monitoring Officer:	External legal advice has been obtained during the review of the governance arrangements. The recommended change in governance arrangements followed an external review to ensure efficient and effective services are delivered and to grow and assure the Council's assets. Cabinet is asked to agree to the delegation of executive powers to Six Town Housing as outlined in Schedule – Delegated Matters (Appendix 5) to this report. Matters which are to be reserved to the Council are set out in Schedule – Retained Functions / Matters (Appendix 6).	

	<p>The Council must also seek statutory approval (Section 27 Housing Act) from the Regulator following consultation.</p> <p>There is no prescribed length for the term of the Management Agreement. A long-term agreement will provide for greater certainty in terms of business planning and any risks associated with a long term agreement will be mitigated by contractual mechanisms through monitoring and control arrangements.</p>	JH
Wards Affected:	All	
Scrutiny Interest:		

TRACKING/PROCESS**DIRECTOR: Business, Growth & Infrastructure**

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Scrutiny Committee	Cabinet/Committee	Council	
	17/04/19		

1.0 BACKGROUND

- 1.1 In November 2017, and following a tender process, the Council commissioned Savills Housing Consultancy to undertake an independent review of all housing services and functions provided by the Council and Six Town Housing.
- 1.2 The work was commissioned primarily due to the imminent expiry of the Council's contract with its Arms' Length Management Organisation (ALMO), Six Town Housing, and was carried out between December 2017 and May 2018.
- 1.3 The review was seen as an opportunity to identify more efficient and effective means of service delivery responding to the budget and demand pressures faced, currently and in the future, by the Council and Six Town Housing.

- 1.4 Prior to the conclusion of the review, the Council recognised the need for it to implement an effective Growth Strategy, thus helping to generate new income streams and remove the Council's reliance on Government income in the future. As part of this realignment of services, the Council appointed an Executive Director for Business Growth and Infrastructure and commenced the realignment of Council services under this new directorate. As a result, the ultimate recommendations of the Savills Review focused on how future service delivery within the Council and Six Town Housing could support this new agenda as effectively as possible.
- 1.5 Due to the original contract between the Council and Six Town Housing expiring in 2017, Cabinet has previously approved three, short-term extensions of the contract. This has provided the Council with the opportunities to undertake a thorough review of the way housing services are provided and, subsequently, time to implement any recommendations from the review.
- 1.6 Following the completion of the Savills Review, an Executive Team of senior officers from the Council and Six Town Housing, have commenced the process of implementing the recommendations.
- 1.7 Some of the key recommendations of the Savills Review identified the need for a new working relationship between the Council and Six Town Housing. It was also considered that the transfer of a range of housing-associated functions previously carried out within the Council to Six Town Housing would create more integrated and effective services. To enable this a new Housing Management Agreement (Appendix 1) needed to be developed. With expert support from consultants Altair and legal experts Trowers and Hamlins LLP, this document has now been produced which will support the new working relationship required to support the Council's overall goals of growth and investment in the Borough. .
- 1.8 The new management agreement with Six Town Housing contains several elements to ensure it can better support the delivery of the Council's growth agenda. The new Parent Board and Subsidiary Board governance arrangement is based upon successful models seen in both the social housing and commercial sectors where the Parent Board governs their commercial and registered provider subsidiary companies through a more commercial group

company structure. The precise detail has yet to be finalised, but in summary the powers that are set out in the Management and Member Agreement will be exercised through this Board structure instead of an outdated client contractor split. This will ensure, given appropriate board composition, that the oversight and strategic direction is provided by a team of senior executive officers with relevant skills and experience.

- 1.9 We are also designing a commercial business planning framework as well as seeking to establish a more mature partnership relationship that moves away from an old fashioned, rigid and constraining client / contractor relationship. Six Town Housing will be encouraged, and the business planning framework will incentivise, a more commercial approach. This is so that efficiencies can be established in the operational design, combined with the Council building new homes to generate improved surpluses that then can be structured to secure income back to the Council from the HRA. This will be set in the commercial context of ensuring Six Town Housing has surplus that robustly protects its operation against housing market impact. Six Town Housing will be directed to grow its service offering especially in relation to neighbourhood services. By transferring over additional Council services, Six Town Housing will be able, with the Council's support, to deliver a more joined up and inclusive neighbourhood service that improves the place and lives of local people. This approach will also free up the Council to focus on core strategic activities especially economic and housing development.

2. Main terms of the proposed new Housing Management Agreement (Appendix 1)

- 2.1 The proposed new Housing Management Agreement is shorter, more output-based than the current Management Agreement. This reflects not only the need to update the provisions included in this document, but also the fact that the relationship between the Council and Six Town Housing is a mature one and is to be based on partnership principles.
- 2.2 The main provisions of the draft Management Agreement are summarised below. Also, please note summary report of the new agreement (Appendix 3):

- 1 The Council and Six Town Housing agree to adhere to the principles set out in the Partnership Protocol.
- 2 Six Town Housing will provide the Services as set out in the Specification. This will comprise the current housing management functions but also the new service areas that are being transferred to Six Town Housing. It is proposed that the Key Performance Indicators (KPIs) / targets which Six Town Housing is required to achieve will be finalised within the first six months of the new contract. Provision has also been made for both the Council and Six Town Housing to agree over the course of the first year appropriate operational requirements in relation to the new service areas.
- 3 The Services will be reviewed to ensure that they are aligned with and help to deliver Council strategies. Key Performance Indicators / targets will be reviewed as part of the Annual Business Planning process. They need to be realistic, i.e. reflect service standards achieved by the best registered providers in the country, with regard to the resources made available by the Council.
- 4 The Services will usually be varied by the Council as part of the Annual Business Planning process but the Services will also be varied following the exercise or termination of the Right to Manage, formal steps taken by the regulator, or where there are other circumstances that require a variation to be implemented outside the annual approval process. If a variation is not agreed it will be determined in accordance with the dispute resolution procedure (see item 20 below). The nature and extent of the variation to the Services must result in a commensurate variation in the Fee (see item 8 below).
- 5 Six Town Housing will assist the Council in delivering the Stock Maintenance and Improvement Programme by administering or letting third party contracts and carrying out Works itself through its Direct Labour Organisation. The Programme will be reviewed by the parties as part of the Annual Business Planning process and, as with the other Services, the Programme will take account of any variation in the Works element of the Fee.

- 6 Six Town Housing will work with the Parent Board, by providing the information required for the Performance Review Arrangements including quarterly report production. The format of the reporting is to be agreed between the Council and Six Town Housing but is anticipated to include performance against KPIs, complaints and, where agreed as necessary, "deep dive" reviews of particular issues.
- 7 The Fee as drafted comprises payment for both the Services and the Works Programme. It will be determined as part of the Budget and Rent-Setting Process. In setting the Fee the Council will have regard to the current medium term financial forecast in the Business Plan, acknowledge the consequential effect on both the Services and the Works Programme and enable Six Town Housing to discharge its obligations under third party contracts.
- 8 Six Town Housing will maintain its reserves in accordance with generally accepted accounting practice. Use of those reserves will be approved as part of the Annual Business Planning process.
- 9 Six Town Housing can pursue and exploit opportunities for income generation with third parties, subject to various safeguards including the need for approval by the Council and to ensure that the "Teckal" status of Six Town is not put at risk.
- 10 The parties commit to the principle of continuous improvement and to delivering improvement in the delivery of the Services through the KPI / targets process. Six Town Housing will endeavour to achieve year-on-year efficiencies by delivering the Services for less than the Fee.
- 11 A Business Plan will be agreed each year in accordance with the Annual Business Planning process and the Business Plan will include the basic elements of the current format. The Business Plan will be prepared on a rolling basis. If the Business Plan is not agreed it will be determined in accordance with the dispute resolution procedure (see item 19 below).

- 12 The Council agrees only to use its rights as sole member of Six Town Housing to amend the constitution or appoint/remove board members (except for its own nominees) or to issue directions to Six Town Housing or its board if and then only or so long as Six Town Housing fails to comply with the terms of the Management Agreement and the Council would therefore be entitled to terminate the Management Agreement in accordance with the provisions outlined at item 19 below. This is subject to the governance arrangements being kept under review so that Six Town Housing is best able to perform the Services.
- 13 The Council will continue to provide certain traded services to Six Town Housing under a Service Level Agreement, e.g. Legal Services, Architects, facilities management.
- 14 The Council agrees to provide and evidence the support for Six Town Housing required to enable the ALMO's auditors to confirm that it is a "going concern". The Council also agrees to ensure that Six Town Housing is able to discharge its liabilities for pensions costs attributable to its past, present and future employees. Six Town Housing will not knowingly take steps outside the ordinary course of business which are likely to add materially to the Council's potential liability without first obtaining the Council's consent (not to be unreasonably withheld or delayed).
- 15 The parties acknowledge that the HRA is subject to the statutory ring-fence and they will use all reasonable endeavours to maximise the benefits of the HRA for Council tenants.
- 16 Six Town Housing acknowledges that the Council will (inter alia) set rents and other charges for tenants each year.
- 17 The Agreement will expire on 31 May 2029 unless it is terminated earlier for breach.
- 18 The Council is entitled to terminate the Management Agreement if Six Town Housing fails to comply with it or, in the Council's reasonable opinion, there is a serious and substantiated risk that it will shortly fail to

comply. This is subject to Six Town Housing's entitlement to a reasonable opportunity to remedy an actual or anticipated failure and a failure to comply with KPIs / targets which will be deemed to be capable of remedy. If the Council becomes entitled to terminate, it can do so in respect of the whole or part of the Agreement and can either provide the Services itself or procure that a third party does so. In compliance with the requirements of the regulator, the Agreement includes termination provisions to enable the Right to Manage to be exercised and for the regulator to direct the transfer of management functions.

- 19 The Agreement contains a lengthy dispute resolution procedure designed to facilitate agreement between the parties or allow an external expert to resolve matters; but before the expert intervenes the Council has the opportunity to make a decision which is final and binding.
- 20 The Agreement is subject to the regulator's right to direct the variation or termination of it.

3. Main Terms of the proposed Member Agreement (Appendix 2)

- 3.1 To complement the Housing Management Agreement, a Member Agreement has been developed (Appendix 2).
- 3.2 The Member Agreement is intended to encapsulate the parent / subsidiary relationship between the Council and Six Town Housing, the key points being:
 1. The Member Agreement ensures that the principles of partnership are enshrined in the relationship by reference to the Partnership Protocol.
 2. The Business Planning process is repeated from the Management Agreement.
 3. It is acknowledged that the Business is vested in the Directors of Six Town Housing but that there is a list of Reserved Matters that require the Council's consent. These are set out in Schedule 1 to the Member Agreement. The Directors will carry out the Business so as to conform

with the Business Plan and so that there is alignment with the Council's strategic objectives.

4. Six Town Housing will report to the Parent Board on its progress in relation to the Business Plan, KPIs and "deep dive" reviews as necessary (as per paragraph 7 above).
5. The Agreement allows the Council to designate certain policies as "Group Policies" which it would require all of its subsidiary companies (to the extent that new subsidiaries are created) to comply with.
6. The Agreement anticipates that new subsidiary companies could be incorporated into the Member Agreement by completing a Deed of Adherence.

4.0 Next Steps

- 4.1 A number of schedules relating to various matters will be attached to the Management Agreement, including details of staff to transfer to Six Town Housing; assets to transfer to Six Town Housing; clarification on areas of responsibility for the Council and Six Town Housing in the future.
- 4.2 Consultation with all of the Council's secure tenants on the proposals has been undertaken, along with a broader community consultation. A twenty-eight day consultation was carried out over the period 11 March 2019 to 8 April 2019. Section 105 of the Housing Act 1985 imposes a statutory duty to consult with secure tenants where they are likely to be "*substantially affected*" by changes to housing management. The Council must also consider any representations made to it before making any decisions. Further, Section 3 of the Local Government Act 1999 requires that local authorities must make arrangements to secure continuous improvement (the **Best Value Duty**). In deciding how to fulfil its Best Value Duty, a local authority needs to consult.
- 4.3 In addition, the Council will need to obtain approval from the Secretary of State through Section 27 of the Housing Act 1985 consent process administered by

the Regulator of Social Housing before entering into the new Management Agreement.

Letters were sent to all Council tenants individually, information was put on the Council's website and social media was used to raise awareness of the consultation. The anonymised results of consultation are included in Appendix 4 of this report, the chief concerns raised are:

- Asked for the proposals in the letter to be clarified – 9 responses
- Raised concerns about STH's current performance or ability to take on more responsibility – 8 responses
- Asked for their deceased partner's name to be removed from future correspondence – 3 responses
- Raised queries about rehousing and impact of the proposals – 3 responses
- Reported repairs – 2 responses
- Supported the proposal – 1 response
- Felt consultation unnecessary – 1 response

Two people completed the consultation response form but made no comment.

All responses have received bespoke replies. However, there is no rationale to justify any changes to the proposals consulted on as a result.

4.3 Following approval by Cabinet and obtaining section 27 consent, the Council and Six Town Housing will be able to sign the new Housing Management Agreement. It is proposed that the new housing management agreement will run until 31 May 2029.

4.4 It should be noted that the timescale for obtaining section 27 consent is controlled by the Regulator of Social Housing and not Bury Council. There are also consultation timescales to be followed with the TUPE process. Therefore, it is not guaranteed that this will have been obtained prior to 30 April 2019 to allow the new management agreement to be effective from 1 June 2019. It is, therefore, possible that the current Management Agreement will need to be extended until such approvals are obtained.

- 4.5 The first year's management fee for the services to be transferred has been evaluated and will be agreed with Six Town Housing. A new performance management arrangement between the Council and Six Town Housing will evolve over the next twelve months and will be subject to further work based on the new relationship between the Council and Six Town Housing as set out in the proposed new Management Agreement.

5.0 CONCLUSION

- 5.1 Cabinet are aware of the financial pressures faced by this Council. Therefore, staying as we are is not an option in any area where we currently work. We need to be proactive in determining our future, and commitment to delivering an effective Growth Strategy is part of this. Adopting the new Housing Management Agreement between the Council and Six Town Housing is one way that we can achieve this.
- 5.2 Cabinet are asked to consider the options set out in this report (above).

List of Background Papers:-

Appendix 1 – Housing Management Agreement - Agreement for the delivery of housing management and other services

Appendix 2 – Member Agreement – Bury Council - Six Town Housing

Appendix 3 – Summary Report of Management Agreement by Trowers and Hamlins LLP

Appendix 4 – Anonymised responses to consultation on proposals

Appendix 5 – Schedule – Delegated Matters

Appendix 6 – Schedule – Retained Functions / Matters

Appendix 7 - Glossary

Report to Cabinet 14th December 2016 – Approval of an extension to the housing management agreement between the Council and Six Town Housing plus related matters

Document Pack Page 19

Report to Cabinet 15th November 2017 - Approval of a further extension to the Housing Management Agreement between the Council and Six Town Housing plus related matters (Exempt)

Report to Cabinet 5th September 2018- Six Town Housing Contract Extension

Report to Cabinet 25th July 2018 - Housing Review Report

Contact Details:-

Paul Patterson – Executive Director of Business Growth and Infrastructure

Julie Gonda – Interim Executive Director for Communities and Wellbeing

This page is intentionally left blank



Dated 2019

Bury Metropolitan Borough Council

and

Six Town Housing Limited

Agreement for the delivery of housing management and other services

Trowers & Hamlin LLP
3 Bunhill Row
London
EC1Y 8YZ

t +44 (0)20 7423 8000

f +44 (0)20 7423 8001

www.trowers.com

trowers & hamlin

Agreement

dated 2019

Parties

- (1) **Bury Metropolitan Borough Council** of the Town Hall, Knowsley Street, Bury, Lancashire BL9 0SW (the **Council**);
- (2) **Six Town Housing Limited** with registered company number **04948846** whose registered office is 6 Knowsley Place, Angouleme Way, Bury, Lancashire, BL9 0EL (**Six Town**),

each shall be a **Party** and together, the **Parties**.

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 the Local Government (Contracts) Act 1997, the Deregulation and Contracting Out Act 1994 and Section 1 of the Localism Act 2011 and all other enabling powers the Council agrees that Six Town shall exercise such of the Council's management functions and other services and functions as are specified herein.
- (C) The Council and Six Town intend to work in partnership together within a spirit of mutual co-operation in order continuously to improve the Services.
- (D) The Council and Six Town have agreed to carry out their respective obligations under this Agreement in compliance with the provisions of the Partnership Protocol is set out in Schedule 5.
- (E) This Agreement replaces the current agreement between the Council and Six Town and the parties acknowledge that this Agreement and the Member Agreement represent a fundamental shift in the relationship between the parties, moving from a relationship more akin to client/ contractor to a Parent and subsidiary relationship. This will be embedded through a cultural shift which will include a more robust performance delivery and monitoring mechanism than has existed to date.

1 Definitions and interpretations

1.1 The definitions used are as follows:

Appropriate Index means CPI;

Articles means Six Town's articles of association;

Business Plan means the document so entitled which describes (amongst other things) the outputs to be achieved by means of delivery of the Services to be provided by Six Town and any variations of such document made pursuant this Agreement;

CPI means the all items index of consumer price inflation published each month by the Office for National Statistics and to the extent that such index shall cease to be published such other index as agreed by the parties;

Commencement Date means 1 June 2019;

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

Current Services Fee means £10,882,166 for the period 1 June 2019 to 31 March 2020 only;

Data Protection Laws means the Data Protection Act 2018 (**DPA 2018**), the General Data Protection Regulation (EU) 2016/679 (the **GDPR**) or such other domestic legislation that supplements and / or implements the GDPR, along with any associated all related guidance, codes of conduct and direction given by the Information Commissioner's Office;

DLO means the direct labour organisation forming part of Six Town;

Dwelling means any leasehold or tenanted dwelling house to be managed by Six Town pursuant to this Agreement and includes

- (a) any part of a building occupied or intended to be occupied as a separate dwelling house (in particular but without limitation a flat and the communal areas of blocks of flats save that any flat let together with a shop unit as part of the same demise or otherwise shall be excluded),
- (b) any land, gardens, outhouses, private paths or driveways usually enjoyed with any such dwelling house; and
- (c) group homes for sheltered accommodation together with any land, gardens or driveways usually enjoyed with any such sheltered accommodation;

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;

Fee means the Management and Other Services Fee, Maintenance Services Fee, Improvement Services Fee and/or Works Fees payable by the Council pursuant to and calculated in accordance with clause 12;

Financial Year means the period from 1 April to 31 March;

HRA means the Housing Revenue Account;

Improvement Services means those Services described in the Specification and **Improvement** shall be construed accordingly;

Improvement Services Fee means the fee payable to Six Town under clause 11 for the provision of Improvement Services;

Improvement Work Contracts means those works contracts let pursuant to clause 9;

KPIs means key performance indicators;

Maintenance Services means those maintenance Services described in the Specification and **Maintenance** shall be construed accordingly;

Maintenance Work Contracts means those work contracts let pursuant to clause 8;

Management and Other Services means those management and other Services described in the Specification and **Management** shall be construed accordingly;

Management and Other Services Fee means the fee payable to Six Town under clause 12 (including the Current Services Fee and the New Services Fee) for the provision of the Management and Other Services;

Member Agreement means the agreement dated on or about the date hereof and made between the Council and Six Town;

New Provider means a contractor selected to provide services, similar to the Services or part thereof, whether upon termination in part or in whole or expiry of this Agreement and for the avoidance of doubt can include the Council or any other public body but will not include Six Town;

New Services Fee means £ ;

Objects means the objects set out in Six Town's Articles;

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 Six Town is subject and which applies to the Services;

Parent Board means the body established by the Council as set out in the Member Agreement;

Partnership Protocol means the protocol set out in Part 1 (Partnership Pledge), part 2 (Partnership Principles) and part 3 (Relationship Principles) of Schedule 5 setting out the values and principles that underpin the relationship between the Council and Six Town;

Quarter means 1 January, 1 April, 1 July and 1 October;

Regulator means the Regulator of Social Housing established pursuant to the Housing and Regeneration Act 2008 as amended by paragraph 14 of The Legislative Reform (Regulator of Social Housing) (England) Order 2018 or any future body or authority (including any statutory successor) carrying on similar regulatory or supervisory functions;

Relevant Employees means all those employees subject to a Relevant Transfer on a Relevant Transfer Date;

Relevant Transfer means a transfer to which TUPE applies;

Relevant Transfer Date means a date on which the provision of the Services changes;

Representatives means collectively the Council's Representative and Six Town's Representative;

Right to Manage is the right exercisable pursuant to the Housing (Right to Manage) Regulations 2008 (or predecessor legislation) as amended from time to time;

Services means the services described in the Specification and any other services which from time to time are provided by Six Town pursuant to clause 3 subject to any variations pursuant to clause 6;

Six Town's Representative means Six Town's Chief Executive or such other person with a similar role who may be nominated from time to time by Six Town;

Specification means the document so entitled which forms Schedule 1 including any variations pursuant to clause 6;

Springs TMO means the TMO registered on 23 June 1996 which manages properties pursuant to the Modular Management Agreement dated 6 July 1996 made between the Council and Springs Tenant Management Co-operative;

Stock Maintenance and Improvement Programme means the Maintenance and Improvement programme to be agreed as set out in accordance with clause 7;

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

TMO means a tenant management organisation established pursuant to the Right to Manage;

Transferring Employees means all those employees whose employment transfers to Six Town by operation of TUPE on the Commencement Date. A list of the Transferring Employees, as at the date of execution of the Agreement, is attached at Schedule 6;

TUPE means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended from time to time);

TUPE Information means all information in respect of the employees assigned to the provision of the Services under this Agreement whether employed by the Provider or otherwise which the Council and/or a prospective tenderer and/or a New Provider may reasonably require including but not limited to:

- (a) salaries, bonuses, overtime pay, holiday pay, sick pay and other benefits;
- (b) dates of birth;
- (c) details of continuous service;
- (d) hours of work;
- (e) individual terms and conditions of employment;

- (f) details of collective arrangements or other arrangements or understandings with any trade union, staff body or other representative body of such employees;
- (g) disciplinary records;
- (h) details of on-going disciplinary or grievance matters;
- (i) policies or other agreements or arrangements or understandings in respect of each of them and any variations agreed thereto;
- (j) details of any enhanced or contractual redundancy entitlements; and
- (k) any other materially relevant information (including without limitation details of the hardware, software and other equipment required to perform) relating to the provision of the Services;

Whistleblowing means raising concerns about misconduct within an organisation or within an independent structure associated with it;

Works means the subject-matter of the Works Contracts;

Works Contracts means contracts let and/or administered by Six Town pursuant to clauses 8-9; and

Works Fees means the fees payable to Six Town under clause 12 in connection with the delivery of the Stock Maintenance and Improvement Programme.

- 1.2 In this Agreement references to amounts expressed to be indexed are references to such amounts at the date of this Agreement multiplied by:

V1/ V2

Where:-

- (a) **V1** is the value of the Appropriate Index published in the September most recently preceding the relevant calculation date.
- (b) **V2** is the value of the Appropriate Index at the date of this Agreement.

- 1.3 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.

- 1.4 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.

- 1.5 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.

1.6 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.

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

2 **Partnership**

2.1 The Parties agree to adhere to the principles set out in the Partnership Protocol.

3 **Six Town Services**

3.1 Six Town will provide the Services as set out in the Specification so as to deliver the outputs and (subject to clause 3.2) any KPIs set out therein.

3.2 The initial KPIs shall be agreed by a date no later than 3 months from the date of this Agreement and they shall be annexed to the Specification and be reviewed as part of the review process described in clause 5.

3.3 During the first twelve (12) months following the Commencement Date the parties will use all reasonable endeavours to agree specific arrangements for the delivery of and the performance reporting of those service areas set out in the Specification including those which are being transferred to Six Town for the first time under the terms of this Agreement. In the event that parties cannot agree these arrangement then the provisions of clause 40 (Dispute Resolution) shall not apply and the Council shall be entitled to require Six Town to deliver the Services and report to the Council on the delivery on the Services as it considers necessary to enable the Council to be satisfied that the Services are being appropriately delivered (including but not limited to satisfaction that the Council's statutory duties are being met) and reported on.

4 **Future Six Town Services**

4.1 The Council and Six Town will maintain a list of possible future services to be provided by Six Town. The list will be kept under regular review and the Council and Six Town, acting reasonably, shall add services to and/or remove services from the list to reflect changes in any or all of the following:

4.1.1 the capacity and expertise of Six Town;

4.1.2 the Council's requirements;

4.1.3 regulatory, economic and other external factors.

4.2 Either the Council or Six Town shall be entitled from time to time to propose that one or more of the services in the list maintained under clause 4.1 be deemed to be added to the Specification. The parties, acting reasonably, will agree the description of the service, the outputs to be delivered and the KPIs to be met.

5 **Review of Services**

5.1 Save in relation to KPIs the Services provided by Six Town shall only be varied in accordance with clause 6.

- 5.2 The KPIs in the Specification and any KPIs deemed to be incorporated in the Specification pursuant to clause 4 shall be reviewed by the Council and Six Town in July/August in each year of this Agreement. The parties acting reasonably will agree realistic KPIs for the following year. Changes to the then current KPIs will only be deemed realistic if they reflect:

5.2.1 service standards achieved by other housing managers working in comparable circumstances;

5.2.2 the resources made available to Six Town by the Council for the relevant Services.

6 **Variation to Services**

- 6.1 Subject to clause 6.2 the Council will only vary the nature and extent of the Services by giving Six Town at least six months' notice thereof expiring on 31 March in any year.

- 6.2 In the following circumstances the Council shall be entitled to vary the Services as such circumstances require and shall give Six Town as much notice thereof as is practicable:

6.2.1 the exercise of the Right to Manage;

6.2.2 formal steps taken by the Regulator;

6.2.3 where the Council, acting reasonably, consider that prevailing circumstances require a variation to be implemented outside the timeframes set out in clause 6.1 above.

- 6.3 The parties shall discuss the variation of the Services on a yearly basis and shall commence such discussions no later than 1 July each year.

- 6.4 The Services may only be varied by the Council if and then only to the extent there is a commensurate variation in the Fee in accordance with clause 12.4.

7 **Stock Maintenance and Improvement**

- 7.1 Six Town agrees to assist the Council to deliver the Stock Maintenance and Improvement Programme by:

7.1.1 carrying out the Maintenance elements through its DLO and/or letting and/or administering the Maintenance Works Contracts in accordance with Clause 8; and

7.1.2 carrying out the Improvement elements through its DLO and/or administering the Improvement Works Contracts in accordance with clause 9.

- 7.2 The first Stock Maintenance and Improvement Programme shall be the programme that has been agreed by the parties as at the date of this Agreement which is a three year rolling programme which will be reviewed on a yearly basis pursuant to clause 7.3-7.5 below and pursuant to the Business Plan approval process set out in clause 17.

- 7.3 The parties shall review the Stock Maintenance and Improvement Programme on a yearly basis and shall commence each review no later than 1 July each year.

- 7.4 The review may take account of (inter alia):
- 7.4.1 changing standards (such as energy efficiency);
 - 7.4.2 future stock condition surveys;
 - 7.4.3 legal and regulatory requirements (relating to fire safety and other matters).
- 7.5 Any revisions arising from clauses 7.2 – 7.4 shall give rise to a commensurate revision of the Works Fees pursuant to clause 12.
- 8 Maintenance Works Contracts**
- 8.1 Six Town will carry out through its DLO, and/or will let and/or administer, such Works Contracts as the Council and Six Town (both acting reasonably) deems necessary to deliver the Maintenance element of the Stock Maintenance and Improvement Programme following the expiry or earlier termination of the current arrangement and/or contracts.
- 8.2 In the procurement of any Maintenance Works Contracts Six Town 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.
- 8.3 Six Town will stipulate provisions in the Maintenance Works Contracts (when they are let) so as to take reasonable account of possible future revisions of the Stock Maintenance and Improvement Programme in accordance with clauses 7.2 to 7.4 (but without prejudice to clause 7.5).
- 8.4 The Council agrees that the costs of complying with clause 8.2 is an additional cost for Six Town which will be reflected in the Fee.
- 9 Improvement Works Contracts**
- Six Town will carry out through its DLO, and / or will administer and / or will let, the Works Contracts to deliver the Improvement element of the Stock Maintenance and Improvement Programme.
- 10 Provision of information**
- 10.1 Each Quarter Six Town will provide the Council such information as may reasonably be required to demonstrate Six Town's delivery of the Services.
- 10.2 Without prejudice to the generality of clause 10.1, the information referred to in clause 10.1 will include details of performance against the KPIs, formal complaints made by tenants, leaseholders and other residents directly affected by the Services, and such other information as is considered necessary by the Council (acting reasonably) to assess the compliance with this Agreement by Six Town.
- 10.3 The parties (acting reasonably) shall from time to time agree the format for the reports required under clause 10.1 together with the process by which such reports and information will be reviewed by the Council. This process will be notified by the Council to Six Town but will involve direct discussion between Six Town and the Parent Board to review the performance of Six Town in delivering the Services, the compliance with the

Partnership Protocol and in particular the Council's growth agenda and include "deep dive" reviews on issues of relevance and importance to the Council and Six Town.

11 **Additional Matters Requiring Council Consultation and / or Approval**

Six Town agrees with the Council that the matters set out in Schedule 7 shall require consultation with and / or the approval of the Council.

12 **Fee**

12.1 For the period 1 June 2019 to 31 March 2020 the Current Services Fee and the New Services Fee shall be paid by the Council to Six Town. For each subsequent Financial Year from 1 April 2020 onwards, the Fee (as varied under this clause 12) shall be paid by the Council to Six Town.

12.2 The Current Services Fee referred to in clause 12.1 has been calculated and/or is deemed to be attributable to the Services in accordance with the fee principles shown in Schedule 3. The New Services Fee has also been calculated pursuant to the fee principles shown in Schedule 3.

12.3 It is agreed that the fee principles shown in Schedule 3 serve only to assist in the variation of the Fee under clause 12.4 and Six Town is entitled to use the Management and Other Services, Maintenance and Improvement elements of the Fee as it sees fit to deliver any or all of the respective Services.

12.4 The Fee shall only be varied in accordance with this clause 12.4:

12.4.1 the parties will commence discussions on the Fee for the next Financial Year no later than 1 July each year;

12.4.2 the discussions referred to in clause 12.4.1 will be based on the Fee Principles in Schedule 3;

12.4.3 any variation of the Fee shall be commensurate with the variation of the Services in accordance with clause 4 based so far as practicable and relevant on the initial Fee as described in clause 11.1 and provided that the Maintenance element of the Fee shall always be sufficient to enable Six Town to discharge its obligations under the Maintenance Works Contracts;

12.4.4 if the parties cannot agree the variation of the Fee and invoke clause 40 an Expert to whom the dispute is referred shall take into account any value for money requirement in the Specification subject always to the provision of clause 12.4.3.

12.5 The Fee due and payable under this clause 12 shall be paid monthly in advance.

12.6 Unless otherwise agreed by the parties, the Fee shall be indexed by reference to the Appropriate Index with effect from 1 April in each year of this Agreement provided that no indexation shall result in a reduction in the Fee.

13 **Surpluses and reserves**

- 13.1 Subject to clauses 13.2 and 13.4 Six Town shall be entitled to use any available surpluses or reserves as may be agreed by the Council as part of the Business Plan approval process set out in clause 17.
- 13.2 Surpluses and/or reserves shall only be deemed to be available for the purposes of clause 13.1 if this is consistent with generally accepted accounting practice or specific confirmation from Six Town's auditors.
- 13.3 It is acknowledged that Six Town will be incentivized to deliver surpluses through the out-performance of its Business Plan. The Business Plan approval process set out in clause 17 will aim to identify how Six Town will be incentivized to achieve surpluses and how any such realised surpluses will be used.
- 13.4 Six Town shall keep the Council informed about the use of its surpluses and reserves.

14 **Additional income-generation**

Six Town shall be entitled to pursue and exploit opportunities for income generation with third parties provided that:

- 14.1 they are consistent with Six Town's Objects or they can be legally pursued and exploited through a wholly owned subsidiary;
- 14.2 Six Town's ability to discharge its obligations hereunder is not adversely affected;
- 14.3 no such commitments shall be entered into if the value of the Services (based on Six Town's annual turnover) would be equal to 15% or more of Six Town's annual turnover;
- 14.4 any proposed commitment by Six Town is expressly approved by Six Town's board and is recorded at the next appropriate meeting between Six Town and the Council.

15 **Continuous Improvement**

- 15.1 The parties acknowledge the importance of the principle of continuous improvement in the provision of the Services and the delivery of the Stock Maintenance and Improvement Programme and accordingly:
- 15.1.1 Six Town will regularly review how better to perform its obligations hereunder; and
- 15.1.2 the Council will support Six Town to improve its performance.

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

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

- 16.1 Improvement in the delivery of Services will be effected through the KPIs agreed in accordance with clauses 3 to 5.
- 16.2 Year-on-year efficiencies will be achieved by delivering the Services for less than the Fee.

16.3 Six Town shall act in accordance with the Regulator's Value for Money Standard at all times in performing its obligations under this Agreement.

17 **Business Plan, Services and Stock Maintenance and Improvement Programme**

17.1 Each year the parties will agree priorities for improvements in the delivery of the Services and the Stock Maintenance and Improvement Programme and so far as practicable the agreed priorities will be reflected in the Business Plan.

17.2 Six Town shall send the then current Business Plan to the Council when available (and in any event not less than once per calendar year) and invite the Council to provide comments on the proposed Business Plan.

17.3 The Council will respond to Six Town on the proposed Business Plan as soon as reasonably practicable (and in any event within three months) following receipt. Subject to the receipt of consent from the Council before the end of each accounting period, Six Town shall (in accordance with this Agreement) consider and, if appropriate, adopt an updated and revised Business Plan. No adoption, variation or replacement of any Business Plan shall take effect unless such adoption, variation or replacement has received the consent of the Council and followed the review processes described in clauses 5 and 6.

17.4 Each Business Plan shall be substantially in the format of the previous Business Plan (unless otherwise stipulated by the Council). Notwithstanding any other provision of this clause 17, following the requisite approval by Six Town of a new proposed Business Plan or an amended or updated and revised Business Plan, such draft Business Plan shall become, or such amended or updated Business Plan shall become, the Business Plan for the relevant accounting periods. For any period when a proposed Business Plan has not been approved and adopted by Six Town as stipulated in clause 17.3 and otherwise in accordance with this Agreement, the relevant existing Business Plan shall continue to be the Business Plan of Six Town.

18 **Assisting the Council's new build programme**

18.1 Six Town will work with and support the Council to maximise opportunities for carrying out new development within the HRA by contributing effectively to design meetings, providing relevant information about the neighbourhoods where new developments are planned and assisting in consultation and community cohesion requirements relevant to new developments (amongst other things).

18.2 The Council shall keep Six Town informed of any proposed new development within the HRA so that Six Town is able to prepare accordingly to support the Council, in accordance with clause 18.1. This shall include, but not be limited to, considering the impact on the Business Plan.

19 **Working with Vulnerable People**

19.1 The transfer of the new services to Six Town for the first time under this Agreement will mean that Six Town will be working with vulnerable people in the housing assessment process, homelessness assessments and signposting and support provision. This is in addition to the work that Six Town already does with vulnerable people in connection with its housing management functions and in particular in its tenancy sustainment activities.

- 19.2 Six Town will provide and, where relevant, continue to provide, a person-centred and holistic approach in its dealings with vulnerable people. In particular Six Town is expected to provide additional support (beyond that expected to be provided to persons who are not considered vulnerable) including but not limited to Mental Capacity Act 2005 assessments and a multi- disciplinary approach to tenancy sustainment.
- 19.3 It is acknowledged that the eviction of vulnerable tenants is to be used as a last resort and only after complying with the procedure contained in the relevant part of the Specification.
- 19.4 For the purposes of this clause 19 a person shall be regarded as vulnerable if they are someone who is more likely than the 'average' person to suffer detriment or harm if they become homeless. People who may be considered to be vulnerable can include (but are not limited to):
- 19.4.1 Families with children under 18 and pregnant women;
 - 19.4.2 16-17 year olds;
 - 19.4.3 Households experiencing domestic violence and abuse;
 - 19.4.4 People with mental health problems;
 - 19.4.5 Older people;
 - 19.4.6 People with a physical disability;
 - 19.4.7 People with a learning difficulty;
 - 19.4.8 People with alcohol or substance misuse problems;
 - 19.4.9 Asylum seekers or refugees;
 - 19.4.10 Former rough sleepers;
 - 19.4.11 Ex-offenders; and
 - 19.4.12 People with complex needs e.g. mental health and substance misuse problems.

20 **TMOs**

- 20.1 In the event that in accordance with the Right to Manage any tenants propose to form a TMO the Council shall be legally responsible for dealing with all aspects of such proposal.
- 20.2 The Council may pursuant to such a proposal instruct Six Town to provide such assistance as may be required to the Council and any tenants making such proposal which assistance shall include:
- 20.2.1 provision of information and records about the Services;
 - 20.2.2 providing such reports or other documentation as the Council may reasonably require in a manner and timescale prescribed by the Council for consideration by the tenants or the Council;

- 20.2.3 attendance at meetings of such tenants; and
- 20.2.4 such other help or advice as the Council may require to enable the Council to fulfil its statutory obligations.
- 20.3 At such time as a decision is made that a transfer of management responsibility for all or part of the Services is to take place in accordance with the provisions set out in clause 20.1 the Council may issue further instructions to Six Town requiring Six Town to make arrangements to transfer responsibility for the Services and the Dwellings so affected to the TMO in such manner and within such timescale as the Council may prescribe and Six Town shall comply with such instructions which may include (but not be limited to):
 - 20.3.1 transferring data, records, statistics, files and other information in a format and manner prescribed by the Council;
 - 20.3.2 transferring to the TMO in accordance with the Right To Manage any staff wholly or mainly engaged in the provision of services to the TMO;
 - 20.3.3 transferring necessary equipment and materials as may reasonably be stipulated by the Council's Representative;
 - 20.3.4 establishing working arrangements with the TMO; and
 - 20.3.5 providing any other assistance reasonably needed to enable such transfer to take place.
- 20.4 At such time as a transfer of management responsibility to a TMO takes place the Council shall be entitled to vary this Agreement in accordance with clause 6 (giving three months' notice to Six Town) and where such a variation occurs it shall reflect, in accordance with clause 12, the cost of providing such Services as remain to be carried out under this Agreement and if no such Services remain this Agreement shall terminate.
- 20.5 Six Town will assume those responsibilities of the Council which are set out in any management agreement made between the Council and a TMO whether such agreement exists at the date of this Agreement or arises during the currency of it and the Council shall be entitled to vary this Agreement to reflect such agreement in accordance with clause 6 and clause 12.
- 20.6 In the event that a TMO to which responsibility for managing the Services has been transferred in accordance with this clause 20 ceases to provide all or any part of those Services for all or any of the Dwellings the Council shall be entitled to vary further this Agreement in accordance with clause 6 so as to require Six Town to provide such ceased Services and where such a variation is effected a variation may also be made in relation to the current Business Plan in accordance with clause 17.
- 20.7 The provisions of this clause shall apply, mutatis mutandis, to the transfer of additional management responsibilities to an existing TMO as well as any other TMOs.
- 20.8 For the avoidance of doubt, it is acknowledged that Six Town has assumed the responsibilities of the Council in relation to the Springs TMO which are set out in the Modular Management Agreement dated 5 July 1996 relating to the Springs TMO.

- 20.9 Six Town shall in complying with its obligations under this clause 20 ensure that to the extent permitted by any existing agreement(s) with any TMO the obligations to provide the Services at the level and standards required by the Agreement or otherwise prescribed by the Council are unaffected.

21 **The governance of Six Town**

The Parties acknowledge that the Member Agreement sets out the parent / subsidiary relationship to which Six Town is subject and they further acknowledge that the governance arrangement will be kept under review so that Six Town is best able to deliver the Services under this Agreement.

22 **Changes in Six Town's role and activities**

- 22.1 The parties acknowledge that Six Town's role and activities on behalf of the Council will be subject to change including changes resulting from:

- 22.1.1 regulatory or statutory requirements;
- 22.1.2 tenant and/or leaseholder expectations;
- 22.1.3 Council policy objectives;
- 22.1.4 Different approaches required when working with vulnerable people in connection with the new service areas transferring to Six town,

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

- 22.2 In order to give effect to the changes referred to in clause 22.1 but without prejudice to clauses 5 and 6 and subject to clauses 22.3 and 25 the parties (acting reasonably) will agree a protocol for identifying and documenting such changes.

- 22.3 Any change pursuant to this clause (and any consequential variation to this Agreement) will be accompanied by an adequate adjustment of the Fee (in accordance with clause 12) or other resources needed to implement such change.

23 **Services provided by the Council**

- 23.1 The Council will provide the services described in Schedule 2 for the fee(s) set out therein.
- 23.2 If the Council and Six Town agree that the Council will provide an additional service to Six Town a description of that such service (in the same form as set out in Schedule 2) will be prepared together with the agreed fee (or fee formula) therefor. The description and fee will be deemed to be incorporated in Schedule 2.
- 23.3 Six Town agrees to consult with and give at least twelve months prior notice to the Council if it decides not to renew or extend any service level agreement or service contract with the Council.

24 Council's financial support for Six Town

- 24.1 The Council shall provide and evidence such support for Six Town as shall be required to enable Six Town's auditors to confirm from time to time to Six Town's board of directors that Six Town is and will continue to be able to meet its debts as they fall due and is otherwise a 'going concern'.
- 24.2 Without prejudice to clause 24.1 and subject to clause 24.3 the Council agrees that whether through the Fee or otherwise it shall ensure that Six Town is able to discharge its liabilities for the pension costs attributable to Six Town's past, present and future employees.
- 24.3 Six Town 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 24.2 without first obtaining the Council's consent (which shall not be unreasonably withheld or delayed).

25 The HRA ring-fence

The parties acknowledge that HRA income and expenditure is 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.

26 Council responsibilities and entitlements

- 26.1 It is understood and agreed that the Council:
- 26.1.1 is and remains statutorily responsible for the HRA;
 - 26.1.2 will set rents and / or other charges for its tenants and leaseholders each year, including (where appropriate) service charges;
 - 26.1.3 may determine the Fee in accordance with clause 12;
 - 26.1.4 may vary the Services in accordance with clause 6; and
 - 26.1.5 can review any KPIs in accordance with clause 5.

27 Section 151 duty

It is acknowledged that the Council's Finance Director 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.

28 Management of the HRA

The Council will undertake the day-to-day management of the HRA and Six Town will provide all advice and assistance reasonably required by the Council to enable it effectively to manage the HRA and on how to best make use of the resources within the HRA.

29 **Section 105 Consultation and tenant and leaseholder involvement**

Six Town will assist the Council in the discharge of the consultation obligations under Section 105 of the 1985 Act.

30 **Representing the Council**

Six Town will at the request of the Council's Representative or in pursuit of Business Plan objectives work with other agencies, bodies and organisations in partnerships, foras and projects. This might include (but not be limited to) the Gateway Protection Programme, the Afghan Resettlement Programme, Greater Manchester Combined Authority groups / committees, area and other consultative foras, community safety meetings, regeneration partnerships and social services case conferences.

31 **Regulatory Standards**

31.1 Subject to any future widening of the Regulator's remit with regard to local authorities, Six Town agrees to work with and support the Council to ensure that the Council is able to comply with the Regulator's regulatory requirements.

31.2 Six Town is a not for profit Registered Provider of social housing registered with the Regulator of Social Housing. The Council and Six Town will work together in good faith to develop KPIs that seek to measure (in a way that is commensurate with the size of Six Town as a small Registered Provider) the compliance by Six Town with the governance and financial viability standard applicable to Registered Providers.

32 **Term**

This Agreement begins on the Commencement Date and shall expire on 31 May 2029 unless it is terminated earlier under clause 35.

33 **TUPE**

Relevant transfers

33.1.1 With effect from the Commencement Date the Transferring Employees shall be transferred from the Council to Six Town in accordance with the provisions of TUPE, and such transfer shall constitute and have the effect of a Relevant Transfer.

33.1.2 Where there is a change in the nature or scope of the Services, such change may constitute and have the effect of a Relevant Transfer, in which event Six Town shall comply with all of its obligations under TUPE in respect of the Relevant Employees.

33.1.3 The termination of this Agreement whether in whole or in part or expiry of this Agreement whether in whole or in part may have the effect of a Relevant Transfer, and in such circumstances the Council and Six Town shall comply with their obligations under clause 33.6 below.

33.2 **Responsibilities on commencement**

33.2.1 The Council shall discharge all obligations and liabilities in respect of the Transferring Employees which were in its employment at the relevant time up to but not including the Commencement Date. The Council has provided the Employee Liability Information for the Transferring Employees listed at Schedule 6 to Six Town as required by TUPE.

33.2.2 Six Town shall with effect from and including the Commencement Date assume and discharge all obligations and liabilities in respect of the Transferring Employees.

33.3 **Indemnities**

33.3.1 The Council will indemnify Six Town and keep Six Town indemnified in full from and against all costs, claims, liabilities, expenses or demands (including all legal costs) suffered by Six Town whether direct, indirect or consequential arising from or related to:

- (a) the Council's or any of its subcontractors' acts or omissions in relation to the Transferring Employees prior to the Commencement Date;
- (b) any claim by an employee or former employee of the Council who is not a Transferring Employee; and
- (c) any representations made by the Council in relation to employment by Six Town (save for any representation made in relation to information given by Six Town).

33.3.2 Six Town will indemnify the Council and keep the Council indemnified in full from and against all costs, claims, liabilities, expenses or demands (including all legal costs) whether direct, indirect or consequential awarded against or incurred or paid by the Council as a result of or in connection with any claims arising from:

- (a) any act, fault or omission of Six Town in connection with the Transferring Employees or any representative thereof on or after the Commencement Date; or
- (b) any step or measure that Six Town envisages in relation to employees affected by this Agreement (save for claims arising as a result of the Council's failure to inform those employees of the measures envisaged by Six Town).

33.4 **Employee records**

Subject to the requirements of the Data Protection Law Six Town shall maintain current, accurate and adequate records of:

33.4.1 all employees or other persons who are or who are to be engaged in connection with the provision of the Services. These records shall be kept at the appropriate location and shall include attendance records, records of grievances or other complaints made by or about employees or other persons engaged in connection with the provision of Services and records of all internal

investigations, consultations, disciplinary proceedings and disciplinary sanctions and shall differentiate between those engaged as operatives and those exercising supervision. These records shall be open for inspection by the Council at all reasonable times and a copy of these records shall be provided if so required;

- 33.4.2 all work carried out in the provision of the Services. These records shall be open for inspection by the Council at all reasonable times.

33.5 Termination

- 33.5.1 During the period of 12 months preceding the expiry of this Agreement or immediately after the Council or Six Town has given notice to terminate the appointment of Six Town (whether in whole or part) Six Town shall:

- (a) promptly, at the request of the Council, fully and accurately disclose to the Council the TUPE Information and permit the Council to use the TUPE Information to inform any prospective tenderer and/or New Provider about the anticipated Relevant Employees;
- (b) if during the period between supplying the TUPE Information and the Relevant Transfer there is any material change in the information supplied or new information is discovered, promptly disclose to the Council the updated information; and
- (c) use all reasonable endeavours to co-operate with any other reasonable request made by the Council or any prospective tenderer concerning the TUPE Information.

- 33.5.2 During the period of 12 months prior to expiry of this Agreement or following receipt of notice of termination of this Agreement Six Town shall not:

- (a) terminate the employment of any of the employees assigned to the provision of the Services for any reason whatsoever save where termination is lawful;
- (b) alter or change in any way any terms and conditions of employment of any of the employees assigned to the provision of the Services (whether with or without consent of the employees) other than changes agreed in the normal course of the employer's business and in good faith or wage or salary awards which are in line with those offered generally for similar status individuals within the workforce of the employer or as required by law;
- (c) recruit (except as a replacement for any employee whose employment is terminated and where the replacement is being recruited on terms which are not materially different from the terms of the employee being replaced) or assign any employee to provide the Services except with the Council's prior written consent; and
- (d) relocate or assign new duties to any of the employees providing the Services without the prior written consent of the Council.

33.6 Obligations on Termination

- 33.6.1 Six Town shall discharge all obligations and liabilities in respect of the Relevant Employees up to and including the Relevant Transfer Date.
- 33.6.2 Six Town warrants that reasonable care will be used in the preparation of the TUPE Information and that reasonable efforts will be taken to ensure that it will be complete (insofar as it is reasonable for the Council to require such information to be provided) and accurate in all respects as at the date the information is provided. Six Town shall indemnify and keep indemnified the Council and any New Provider against any loss caused to the Council or any New Provider (and including for the avoidance of doubt any loss incurred by the Council in flowing down the benefit of this indemnity through an indemnity given to the New Provider) by any inaccuracy or incompleteness in such information or by any changes in the information which have not been communicated to the Council (whether relating to the number, identity or details of the Relevant Employees or otherwise) which occur prior to the Relevant Transfer Date.
- 33.6.3 Six Town shall indemnify and keep indemnified the Council and the New Provider in full from and against all costs, claims, liabilities, expenses or demands (including legal costs) whether direct, indirect or consequential which the Council and/or any New Provider incurs (and including for the avoidance of doubt those incurred by the Council in flowing down the benefit of this indemnity through an indemnity given to the New Provider) arising from:
- (a) any act or omission of Six Town in relation to the Relevant Employees or any representative thereof,
 - (b) any claim by an employee or former employee of Six Town who is not a Relevant Employee, and
 - (c) any representations made by the Provider in relation to employment by the Council and/or any New Provider (save for any representation made in relation to information given by the Council or New Provider).
- 33.6.4 The Council shall indemnify Six Town in full from and against all costs, claims, liabilities, expenses or demands (including legal costs) whether direct, indirect or consequential which Six Town incurs arising from:
- (a) any act, fault or omission of the Council or any New Provider in relation to the Relevant Employees; and
 - (b) any step or measure that the Council or a New Provider envisages in relation to employees affected by this Agreement (save for claims arising as a result of the Six Town's failure to inform those employees of and consult on the measures envisaged by the Council or New Provider).
- 33.6.5 In the event that Six Town enters into any sub-contract in connection with the Services, it shall impose obligations on its sub-contractors in the same terms as those imposed on it pursuant to clauses 33.6.1 to 33.6.5 inclusive and shall procure that each sub-contractor complies with such terms. Six Town shall

indemnify the Council and keep the Council indemnified in full from and against all direct, indirect or consequential liability, loss, damages, injury, claims, costs and expenses (including legal expenses) awarded against or incurred or paid by the Council as a result of or in connection with any failure on the part of the sub-contractors to comply with such terms.

33.7 **Brexit**

For the avoidance of doubt, each Party to this Agreement has entered into it on the understanding that TUPE may not apply on termination, whether in whole or in part, of the Agreement. The parties agree that neither Party may advance a claim against the other for any losses costs or liabilities which may arise as a consequence of TUPE not applying.

34 **Use of Assets**

- 34.1 Six Town shall at all times during this Agreement provide and maintain all such vehicles, equipment and other assets and materials (the **Assets**), which are set out in Schedule 4, as may be necessary from time to time for the provision of the Services.
- 34.2 Six Town shall be responsible for the maintenance and (where necessary) replacement of all Assets.
- 34.3 All Assets employed by Six Town in the performance of the Services at any time must be either owned or hired by Six Town pursuant to a contract of simple hire (and not hire purchase) (the **Hire Contract**) the benefit of which contract must be capable of assignment by Six Town to the Council or to an organisation nominated by the Council for the purpose of carrying out the Services (or any of them) so that the Services may be continued to be provided by a third party in the event of the termination of this Agreement for any reason.
- 34.4 Six Town shall ensure that any such Hire Contract requires the owner of the relevant Assets to hire the Assets to the Council on the same terms as the Assets were hired to Six Town save that the Council shall be entitled to permit the use of the Assets by any other body or person providing the Services (or any of them) or such other organisation providing the Services (or any of them) on behalf of the Council provided that the Council shall have served on the said owner after termination of this Agreement notice in writing requiring compliance with the said provision of the Hire Contract and upon the Council undertaking to pay all hire charges from the date of such notice.
- 34.5 Six Town shall at all times be responsible for any necessary licensing and for the payment of all licensing fees, taxes and insurances as may be required in connection with the possession or use of all Assets employed in the provision of the Services.
- 34.6 Six Town shall put, keep and maintain all Assets employed in the performance of the Services at all times in good and serviceable repair and in such condition as is required for the proper performance by Six Town of its obligations under the Agreement
- 34.7 All Assets and materials used by Six Town shall conform to any applicable legal and regulatory standard and when so requested Six Town shall provide the Council with evidence to prove that such Assets and materials so conform.

- 34.8 Six Town shall permit the Council to inspect at any time any Assets or materials used or proposed to be used by Six Town in the provision of the Services and Six Town shall facilitate such inspections.
- 34.9 At the expiry of this Agreement or upon termination of this Agreement (whichever shall first occur) the Council may serve a notice upon Six Town requiring Six Town to transfer free of charge to the Council or any other person or persons as may be specified in such notice (a) all Assets and materials used by Six Town and (b) the benefit of all contracts or agreements relating to the hire of the Assets
- 34.10 Upon receipt of a notice under Clause 33.9 requiring Six Town to transfer to the Council or any Council nominee the benefit of any contract or agreement for the hire of any Assets Six Town shall forthwith execute all documents required to effect such transfer and shall deliver such Assets to the Council in such condition as it may be in at the date of the said notice.
- 34.11 Six Town shall cause all Assets to bear such devices, insignia or words as the Council may approve and determine.

35 Termination

- 35.1 Subject to clauses 35.2 to 35.3 the Council shall be entitled to terminate this Agreement if Six Town fails to comply with the terms hereof or if in the Council's reasonable opinion there is a serious and substantiated risk that Six Town will shortly fail so to comply.
- 35.2 Unless Six Town's actual or anticipated failure which would entitle the Council to terminate this Agreement under clause 35.1 cannot (in the Council's reasonable opinion) be remedied Six Town 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.
- 35.3 Save where it is agreed to the contrary pursuant to clause 3.3, for the purposes of clauses 35.1 and 35.2 a failure to comply with any KPIs shall be deemed capable of being remedied and Six Town will provide a remedial plan as described in clause 35.2 within ten working days of the Council notifying Six Town with supporting details that failure to comply with the KPIs identified by the Council represents a significant performance failure.
- 35.4 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 Six Town will take such steps as may reasonably be required to give effect to the Council's decision.

36 Freedom of Information

- 36.1 Six Town is subject to the requirements of the Freedom of Information Act 2000 (**FOIA**) and the Environmental Information Regulations 2004 (**EIR 2004**) and acknowledges that the Council is subject to the requirements of the FOIA and the EIR 2004 and must assist and cooperate with the Council (at Six Town's expense) to enable the Council to comply with these information disclosure requirements.
- 36.2 Six Town shall upon receipt of any request for information in relation to this Agreement received by the Provider or any sub-contractors:

- 36.2.1 transfer the request for information to the Council as soon as practicable after receipt and in any event within five business days of receiving a request for information;
 - 36.2.2 provide the Council with a copy of all information in its possession or power in the form that the Council requires no more than 15 business days (or such other period as the Council may specify) of the Council requesting that information;
 - 36.2.3 provide all necessary assistance as reasonably requested by the Council to enable the Council to respond to a request for information within the time for compliance set out in Section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations 2004; and
 - 36.2.4 prior to the information being sent to the Council, provide all appropriate exemptions under FOIA and undertake public interest tests (as necessary).
- 36.3 The Council will be ultimately responsible for determining at its absolute discretion whether any information:
 - 36.3.1 is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations 2004; and
 - 36.3.2 is to be disclosed in response to a request for information, and in no event will Six Town respond directly to a request for information.
- 36.4 Six Town acknowledges that the Council may, acting in accordance with the Ministry of Justice Code of Practice on the discharge of public authorities' functions under Part 1 of FOIA (issued under Section 45 of the FOIA, November 2004), be obliged under the FOIA or the Environmental Information Regulations 2004 to disclose information in relation to this Agreement.
- 36.5 Six Town must ensure that all information produced in the course of this Agreement or relating to this Agreement is retained for disclosure and must permit the Council to inspect such records as requested from time to time.
- 36.6 The Council shall to the extent practicable seek the views of Six Town and any relevant sub-contractor where information is requested under FOIA or the Environmental Information Regulations 2004 which is reasonably likely to affect the commercial interest of Six Town or sub-contractor and shall take into account the representations of Six Town and/or sub-contractor in deciding on release or withholding of the information but this clause shall not fetter the discretion of the Council or its obligation to have regard to the public interest.
- 36.7 Where Six Town is subject to a request for information in its own right, the Council shall comply with the provisions of this clause 36 as if it were Six Town and Six Town shall comply with the provisions of this clause 36 as if it were the Council and clause 34 shall be construed accordingly.

37 Whistleblowing

- 37.1 Six Town shall ensure that it has a Whistleblowing procedure which shall specify a named senior manager responsible for ensuring the independence and probity of the whistleblowing process.
- 37.2 Six Town confirms that the Council is authorised as a person to whom staff may make a qualifying disclosure under the Public Interest Disclosure Act 1998 (as amended) and declares that any staff making a protected disclosure (as defined by the said Act) shall not be subjected to any detriment and its staff will be made aware of this provision. Six Town further declares that any provision in any contract (including any contract of employment) purporting to preclude a member of its staff from making a protected disclosure is void.

38 Access to information

Subject to the Data Protection Law and clause 41, Six Town will afford the Council and persons properly authorised by it access to any information reasonably required provided that the Council gives Six Town appropriate notice thereof.

39 Insurances etc.

- 39.1 Six Town shall at all times maintain in force policies of insurance with reputable insurers or underwriters as shall insure and indemnify Six Town (on the usual terms available in the market) against Six Town's liability to:

- 39.1.1 the Council and any employee of the Council;
- 39.1.2 the employees of Six Town;
- 39.1.3 any other person

in the sum of at least £10,000,000 in respect of any one occurrence or series of occurrences arising out of one event.

- 39.2 The Council shall itself insure against all the usual risks associated with its housing stock and acknowledges that Six Town has no liability therefor.
- 39.3 Six Town 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.

40 Dispute resolution

- 40.1 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:
- 40.1.1 **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.

- 40.1.2 **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.
- 40.1.3 **Stage 3:** The Chief Executive of the Council and the Chief Executive of Six Town or their nominated deputies shall meet within ten working days.
- 40.1.4 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.
- 40.2 Disputes remaining unresolved after following the procedure set out in clause 40.1 shall be referred to an Expert (**Stage 4**).
- 40.3 Subject to clauses 40.4 to 40.7 the result of any dispute resolution procedure under this clause 40 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.
- 40.4 No resolution of any dispute pursuant to this clause 40 shall be final and binding on the parties unless the Council's Representative confirms the Council's agreement pursuant to clause 40.5.
- 40.5 Subject to clause 40.6 the Council's Representative shall confirm the Council's agreement to an Expert's decision within 20 working days thereof (the **Confirmation Period**) and if he fails to do so then subject to clause 40.6 the decision shall be final and binding on the parties.
- 40.6 If within the Confirmation Period the Council's Representative notifies Six Town's Representative of the Council's disagreement with the Expert's decision the Council shall have ten working days thereafter to make another decision and that decision (which shall be notified to Six Town's board with the Council's reasons therefor) shall be final and binding on the parties.
- 40.7 If the Council fails to make another decision in accordance with clause 40.6 the Expert's decision shall be final and binding on the parties.
- 40.8 Until such time as a dispute between the parties is resolved or concluded in accordance with this clause 40 the parties shall continue to comply with their respective obligations under this Agreement.
- 40.9 **Fast track procedure**
- 40.10 Where the circumstances of a dispute:

- 40.10.1 are such that it must be settled by a given date in order to enable a party to meet a deadline imposed by a body with legitimate executive, legislative or judicial authority over it and the deadline or period is such as to preclude use of the full dispute resolution procedure; or
- 40.10.2 are such that a party reasonably considers that there are other material reasons why the dispute must be settled within a given period or by a given date and the deadline or period is such as to preclude use of the full dispute resolution procedure then either party may invoke the Fast Track Procedure. A party invoking the Fast Track Procedure may omit Stage 2 and/or Stage 3 and proceed from Stage 1 direct to Stage 4.

41 **Data Protection Laws**

- 41.1 Each Party, including their employees, shall comply with the requirements of the Data Protection Laws in relation to the provision of the Services and shall not knowingly or negligently by any act or omission, place the other Party in breach, or potential breach of the Data Protection Laws.
- 41.2 Six Town shall, where required in accordance with the Data Protection Laws, be notified and shall advise the Council of its notification reference on the Public Register of Data Controllers.
- 41.3 Six Town shall ensure that it has in place appropriate technical and organisational measures to ensure the security of the personal data (and to guard against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to, the personal data), as required under Data Protection Laws and:
 - 41.3.1 provide the Council with such information as the Council may reasonably require to satisfy itself that Six Town is complying with its obligations under the Data Protection Laws; and
 - 41.3.2 immediately notify the Council of any breach of the security measures required to be put in place pursuant to this clause 41.
- 41.4 Each Party shall ensure that it does nothing knowingly or negligently which places the other Party in breach of the other Party's obligations under the Data Protection Laws.
- 41.5 Six Town shall ensure that all staff receive training on the safe management of data and report on training undertaken annually.
- 41.6 Each Party agrees to indemnify the other Party against all costs that it incurs as a result of the other Party's failure to comply with this clause 41.
- 41.7 Each Party agrees to put in place appropriate data sharing agreements and conduct privacy impact assessments where required by the Data Protection Laws.
- 41.8 Each Party shall ensure that personal data is not transferred to a country or territory outside the European Economic Area without the prior written consent of the other Party.

41.9 On termination of this agreement Six Town shall return all personal data or destroy or dispose of it in a secure manner and in accordance with any further specific instructions issued by the Council.

41.10 The provisions of this clause 41 shall apply during the continuance of the Agreement and indefinitely after its expiry or termination.

42 **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.

43 **Other legislation**

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

44 **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.

45 **Interest on overdue payments**

Save where payment is reasonably disputed by one party and the other party has been notified of such dispute (in accordance with clause 40), if and whenever any payment due in accordance with this Agreement shall at any time remain unpaid for a space of twenty-one 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.

46 **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 Six Town the agent of the Council or authorise Six Town to:

46.1 incur any expenses on behalf of the Council;

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

46.3 commit or bind the Council in any way whatsoever

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

47 **Survival of this Agreement**

47.1 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.

47.2 Insofar as any of the obligations of Six Town 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.

48 **Severance**

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

49 **No assignment**

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

50 **Notices etc.**

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.

51 **Third party rights**

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

52 **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.

53 **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.

54 **Confidentiality**

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

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

55 **Status of this Agreement**

In the event of any ambiguity or discrepancy between the provisions of this Agreement and the Articles and the Member Agreement, then it is the intention of the Council that the provisions of this Agreement shall prevail. Accordingly, the Council shall take all available steps and do all practicable acts and things as may be necessary or desirable, including, without limitation, exercising all voting and other rights and powers of control available to it in relation to Six Town, so as to give effect to the provisions of this Agreement and shall further if necessary procure (insofar as it is able to do so by the exercise of those rights and powers) any required amendment to the Articles.

56 **Law**

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 the **Bury Metropolitan Borough Council**)
was affixed)
in the presence of:)

The **SEAL** of **Six Town Housing Limited**)
was affixed)
in the presence of:)

Schedule 1 – Six Town's Services

(Clause 3)

Schedule: 1 Specification of Management Agreement Delegated & Retained Functions

The aim of this document is to expand upon the schedules of delegated and retained services to add some high level specification to the service areas encompassed within the agreement. This includes giving some guidance and definition to the respective parties regarding responsibilities for strategic approach, operational design, compliance, anticipated funding of activities and proposed governance lines including any particular governance provisions that are anticipated necessary. Overall the document aims to ensure a balance between accountability, control and strategic lead for Bury Council while ensuring flexibility for Six Towns Housing to be innovative in operational service delivery and responsive to changing needs of tenants and customers. The overall outcomes being sought are effective, compliant and efficient services to the community that are able to evolve to the changing needs and pressures.

Key:

BC - BC Retained Function

STH - STH Delegated Function

STH* - STH Delegated Function Requiring BC Ratification

STH** - STH Delegated Function Requiring BC Operational Support

STH Board, Parent Board & Cabinet: This can include delegated committees are deemed appropriate

"Design operating model" - Within the specification this refers to the preferred method of operational service delivery for the party responsible for delivering a service area that is reasonable to the responsibilities encompassed and resources available to it.

"Approve operating model" - Within the specification this refers to the opposite party agreeing that the method of service delivery and its costs are appropriate, reasonable and sustainable. Approval not being unreasonably withheld. This is predominantly anticipated, although not exclusively, to be applicable to area that are seeing a change in delegated function from the previous management agreement arrangements. Approvals through the Parent Board will be considered sufficient to demonstrate Bury Council approval.

"Deliver operating model" - Within the specification this refers to the ongoing delivery and monitoring of the service once design and approved as required

Function	Lead	Delegation Change?	Scope	Compliance	Funding	Governance	Governance Screen Required?	Third Party Fee Income
Allocations Strategy & Scheme	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Allocations Policy & Procedure	STH	Yes	STH design & BC approve operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Allocation of council housing	STH	Yes	Delivery of operating model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Annual Report for Tenant and Leaseholders	STH	No	Report document	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Appointment of STH Chair	STH*	No	Appropriate skills based appointment to meet agreed business objectives	Recruitment Compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Appointment of STH Board Members and CEO	STH*	No	Appropriate skills based appointment to meet agreed business objectives	Recruitment Compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Appointment of Parent Body Chair & Board	BC	No	Appropriate skills based appointment to meet agreed business objectives	Recruitment Compliance	General Fund	Cabinet	No	No
Asset management Database (with accurate stock condition data)	STH	No	Up to date stock/asset data to agreed specification	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No

Asset Management Strategy	STH*	No	Strategic position statement reviewed at least every five years	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board, Parent Board & Cabinet	No	No
Asset Register - For all HRA properties, land and other assets owned by the Council or STH	STH	No	Up to date stock/asset data to agreed specification	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Asset Register - For all non-HRA properties, land and other assets owned by the Council or STH	STH	No	Up to date stock/asset data to agreed specification	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	No
Capital grant applications approvals for RP's	BC	No	Process in place for applications, appraisals and approvals	Ensure BC strategic and funding compliance	General Fund	Cabinet	No	No
Caretaking	STH	No	Delivery of operating model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Changes to STH / BC group structure, mergers and acquisitions	BC	No	Process in place for applications, appraisals and approvals	Ensure BC strategic and statutory compliance plus STH regulatory compliance	General Fund	STH Board, Parent Board, Cabinet	No	No
Clearance of homes (Council Homes)	STH*	Yes	Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Clearance of homes (Other)	STH*	Yes	Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	No
Closure Orders	STH*	Yes	Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	Yes

Community Safety Strategy	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Community Safety & Anti-Social Behaviour (ASB) case management and interventions (council homes)	STH	No	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Community Safety & Anti-Social Behaviour (ASB) case management and interventions (other)	STH	Yes	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Complaints Policy and complaints handling (housing management)	STH	No	Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Complaints Policy and complaints handling (other services)	STH	Yes	Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Compliance with HCA regulatory standards	STH	No	Agreed compliance assurance plan and regular position reports with external verification	STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Compliance with relevant European and British Standards, building regulations, good industry practice and health and safety legislation	STH	No	STH ensure all operating models compliant	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Compliance with statutory, legislative and contractual obligations in relation to housing	STH	No	STH ensure all operating models compliant	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No

Corporate Governance Framework	BC	No	Agreed group governance structure, reporting, governance development plan and required resources	BC & STH statutory compliance, STH regulatory compliance	General Fund	Cabinet	No	No
Customer feedback (council homes)	STH	No	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	No
Customer feedback (other)	STH**	Yes	Joint approach agreed to wider customer feedback regarding housing related services in the borough	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board, Parent Board, Cabinet	No	No
Customer profile database	STH	No	Up to date profile data to agreed specification	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Decanting	STH	No	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	No
Demolition Orders	STH*	Yes	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Development of new affordable housing	BC	No	Structured RP enablement measures & interventions	Ensure BC strategic and funding compliance	General Fund	Cabinet	No	No
DFG / Adaptations (Council Homes)	STH	Yes	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
DFG / Adaptations (Other)	STH	Yes	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	Yes

DFG Grants Budget Provision	BC	No	Adequate resources to meet statutory obligations	Ensure BC statutory compliance	General Fund & HRA allocation	Cabinet	No	No
Disposal of homes	STH*	No	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Emergency planning and business continuity	BC	No	Agreed emergency and continuity provisions	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Empty Homes Budget Provision	BC	No	Adequate resources to meet statutory obligations	Ensure BC statutory compliance	General Fund & HRA allocation	Cabinet	No	No
Empty Homes & Unfit Properties Interventions (including legal enforcement and statutory compensation)	STH*	Yes	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Enforcement of tenancy conditions	STH	No	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Environmental services (on housing land)	STH	No	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Equalities and Diversity Strategy	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Equalities and Diversity Policy	STH	No	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No

Equalities Impact Assessments	STH	No	Agree EIA format with BC and ensure EIA assessment and mitigations in place customer facing service areas	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Estate management (council homes)	STH	No	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Evictions and court action	STH**	No	STH Design BC approved operational model that integrates with BC legal services	Ensure BC statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Financial management	STH**	No	STH Design BC approved operational model that integrates with BC finance functions	Ensure BC statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Financial returns to CLG	BC	No	Compilation and submissions of returns in consultation with STH	Ensure BC statutory compliance	Annually agreed HRA eligible management fee	STH Board, Parent Board & Cabinet	No	No
Financial returns to housing regulator	STH**	No	Compilation and submissions of returns in consultation with BC	Ensure STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Five year business and financial plans	STH*	No	Strategic financial plan reviewed annually with BC	Ensure BC statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board, Parent Board & Cabinet	No	No
Floating Support Strategy	STH*	Yes	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board, Parent Board & Cabinet	No	No
Floating Support (operational in tenures as directed by BC)	STH	Yes	STH design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed management fee with HRA and non-HRA elements	STH Board	No	No

Freehold management	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Freedom of Information requests	STH	No	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	Yes
Garages	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Gateway Protection Service operational management	STH	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed third party grant income	STH Board & Parent Board	No	Yes
Gateway Protection Service strategic oversight and GM coordination	STH*	Yes	STH Design BC approved operational model	Ensure BC contractual and statutory compliance plus STH regulatory compliance	Annually agreed third party grant income	STH Board & Parent Board	No	Yes
Grounds maintenance (on housing land)	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Home Energy Conservation Acts and Energy Efficiency (Council Homes)	STH	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Home Energy Conservation Acts and Energy Efficiency (Other)	STH	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No

Home Improvement Services	STH	Yes	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	Yes
Home Loss Payments	STH*	No	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Homelessness Greater Manchester operational representation	STH*	Yes	Appropriate operational representation to coordinate with neighbouring authorities	Ensure BC interests are operationally represented	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Homelessness reduction and prevention measures	STH	Yes	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Homelessness statutory assistance decisions	STH	Yes	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Homelessness statutory assistance decisions appeals	STH**	No	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	No
Housing advice, assessment, prevention and solutions	STH*	Yes	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Housing advice, commissioning and oversight of statutorily required services	BC	No	BC Commissioning within above to meet statutory requirement	Ensure BC strategic and statutory compliance plus STH regulatory compliance	General Fund	Cabinet	No	No
Housing (council homes including BC shared ownership properties)	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	No

Housing market analysis	BC	No	Structured analysis measures & interventions	Inform BC & STH strategic and statutory compliance	General Fund	Cabinet	No	No
Housing needs survey and assessments	BC	No	Structured analysis measures & interventions	Inform BC & STH strategic and statutory compliance	General Fund	Cabinet	No	No
Housing register of applicants	STH	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Housing related support commissioning and administration	BC	No	Structured commissioning & administration	BC strategic and statutory compliance	General Fund	Cabinet	No	No
Housing Strategy and related functions	BC	No	Structured housing market enablement measures & interventions	Ensure BC strategic and funding compliance	General Fund	Cabinet	No	No
Houses of Multiple Occupation Registration & Licencing	STH	Yes	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	Yes
Houses of Multiple Occupation Enforcement	STH**	Yes	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	Yes
HRA 30 Year Business Plan	BC	No	30 year business plan reviewed annually	Ensure BC strategic and funding compliance	HRA	Cabinet	No	No
Illegal occupations	STH**	No	STH Design BC approved operational model that integrates with BC legal services	Ensure BC statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Immigration Accommodation Inspections & Approvals	STH	Yes	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Improvement Notices	STH*	Yes	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	Yes	Yes

Information to tenants and leaseholders	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Inspection and repair of empty homes (Council Homes)	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Inspection and repair of empty homes (Other)	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	Yes
Inspection of caravan, park home and camp sites	STH	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	No	Yes
Landlord statutory compliance obligations	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Leasehold management	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Leasehold enfranchisement	STH	Yes	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Letting agents regulation	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	No	Yes
Licencing & Enforcement of caravan, park home and campsites	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes

Major and cyclical works improvements	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Mechanical and electrical works	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Member (VIP) enquiries regarding delegated functions	STH	No	STH Design & deliver operational model	Ensure BC democratic compliance & STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Mutual exchange & Mobility Schemes	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Neighbourhood and estate management (Council Homes)	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Neighbourhood plans (strategic development)	BC	No	Strategic directions reviewed at least every two years	Ensure BC wider strategic compliance	General Fund	Cabinet	No	No
Neighbourhood plans (operational co-ordination)	STH	Yes	STH Design & deliver operational & coordination model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Review on a case by case basis tailored to the interventions involved	STH Board	No	No
Procurement (tendering & letting of contracts)	STH	No	STH Design approved operational model within BC procurement strategy	Ensure BC strategic and statutory compliance plus STH regulatory & contractual compliance	Reviewed and funding allocated based on contracts involved	STH Board & Parent Board	No	No
Procurement (operational management of contracts)	STH	No	STH Design & deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No

Prohibition Orders	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Procurement Strategy	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Public liability and other insurance arrangements	BC	No	Annual review of group cover and arrangements to ensure continued appropriate policies in place	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Various apportionments as agreed	Cabinet	No	No
insurance claims	BC	No	BC Design and deliver STH approved operational model	Ensure policy compliance	General Fund	STH Board & Cabinet	No	No
Public relations and publicity - housing policy and strategy	BC	No	BC Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	Cabinet	No	No
Public Relations and publicity - operational housing matters	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Recovery of arrears and other charges	STH	No	Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No
Redevelopment, regeneration and renewal	BC	No	Strategy, enablement measures & interventions	Ensure BC strategic and funding compliance	General Fund	Cabinet	No	No
Refuge Resettlement Programme operational management	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed third party grant income	STH Board & Parent Board	No	Yes

Regulation of Private Rented Sector	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Relationship with Registered Providers (Development)	BC	No	Strategy, enablement measures & interventions	Ensure BC strategic and funding compliance	General Fund	Cabinet	No	No
Relationship with Registered Providers (Nominations Agreements)	STH**	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Renovation grant awards and administration	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Rent collection	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Rent Collection Policy	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Rent Setting Policy	BC	No	BC Design and deliver STH approved operational model	Ensure BC strategic and statutory compliance	HRA	STH Board & Cabinet	No	No
Responsive repairs	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Right to buy administration and approvals	STH**	No	STH Design & deliver BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board & Parent Board	No	No
Right to buy valuations	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No

Risk Assessments	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Safeguarding	BC	No	BC Design and deliver operational model	Ensure BC strategic and statutory compliance	General Fund	STH Board & Cabinet	No	No
Section 106 policy, negotiations and approvals	BC	No	BC Design and deliver operational model	Ensure BC strategic and statutory compliance	General Fund	STH Board & Cabinet	No	Yes
Selective private sector licencing & related enforcement	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Sheltered housing	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Stock condition (including house condition surveys) (Council Homes)	STH	No	Up to date stock/asset data to agreed specification	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Stock condition (including house condition surveys) (Other)	STH	Yes	Up to date stock/asset data to agreed specification	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non-HRA eligible management fee	STH Board	No	No
Successions	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Supported Housing Schemes (commissioned by BC from STH either under management agreement or other contract)	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed fee with HRA and non-HRA eligible elements as appropriate	STH Board	No	No

Temporary accommodation (including hostels and emergency accommodation)	STH	Yes	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Tenancy amendments	STH*	No	STH Design and deliver BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Tenancy management	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Tenancy Strategy	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Tenancy sustainment (operational - in tenures at directed by BC)	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed fee with HRA and non-HRA eligible elements	STH Board	No	No
Tenancy terminations	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Tenant and Leasehold engagement and consultation	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Tenant associations	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Tenant management Organisation (TMO)	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	No	Yes

Transfer requests	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Treasury management	STH	No	STH Design BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	No	Yes
Treasury management strategy	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Unfit properties enforcement	STH*	Yes	STH Design BC approved operational model	Ensure BC strategic and statutory compliance	Annually agreed non HRA eligible management fee	STH Board & Parent Board	Yes	Yes
Void and empty property management (council homes)	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Website (Housing Management)	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Website (Other Delegated Functions)	BC	No	BC Design and deliver STH approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed non HRA eligible management fee	STH Board & Cabinet	No	No
Welfare Reform /Universal Credit operational implementation & response	STH	No	STH Design and deliver operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board	No	No
Welfare Reform/Universal Credit strategic response	BC	No	Strategic position statement reviewed at least every five years	Ensure BC statutory compliance	General Fund	Cabinet	No	No
Write offs / Bad debts	STH*	No	STH Design BC approved operational model	Ensure BC strategic and statutory compliance plus STH regulatory compliance	Annually agreed HRA eligible management fee	STH Board & Parent Board	No	No

Summary of Legislation Considered Applicable to Delegated Services:

Housing Acts 1985, 1988, 1996, 2004
 Local Government and Housing Act 1989
 Public Health Acts and Building Acts
 Local Government Miscellaneous Provisions Act 1982
 Housing and Planning Act 2016
 Smoke and Carbon Monoxide (England) Regulations 2015
 Prevention of Damage by Pests Act 1949
 Housing (Management Orders and Empty Dwellings Management Orders) (Supplemental Provisions) (England) Regulations 2006
 Law of Property Act 1925
 Anti-Social Behaviour, Crime & Policing Act 2014
 Enterprise and Regulatory Reform Act 2013 and Redress Scheme Order 2014
 Housing Grants Construction and Regeneration Act 1996
 Regulatory Reform (Housing Assistance) (England and Wales) Order 2002
 Land Compensation Act 1961
 Caravan Sites and Control of Development Act 1960 Section 3
 Public Health Act 1936
 Land Compensation Act 1973
 Landlord and Tenant Act 1985
 Leasehold Reform Housing and Urban Development Act 1993
 Homelessness Reduction Act 2017
 Commonhold and Leasehold Reform Act 2002
 Rent (Agriculture) Act 1976
 Asylum and Immigration Act 1996, 2004
 Immigration and Asylum Act 1999
 Nationality, Immigration and Asylum Act 2002
 Immigration, Asylum and Nationality Act 2006
 UK Borders Act 2007
 Borders, Citizenship and Immigration Act 2009

Immigration Act 2014, 2016

United Nations Convention 1951

The Immigration and Asylum (Provision of Accommodation to Failed Asylum-Seekers) Regulations 2005

The Asylum Seekers (Reception Conditions) Regulations 2005

The Homelessness (Asylum-Seekers) (Interim Period) (England) Order 1999

Homelessness Act 2002

This is not considered an exhaustive list.

DRAFT

Schedule 2 – Services provided by the Council

(Clause 23)

SLA	Functions included	Annual costs
Legal Services	<ul style="list-style-type: none"> • Anti-social behaviour; • Tenancy and estate management services; • Income management, including former tenant arrears; • Right to Buy and Leaseholder Services; • Gas servicing; • Repairs and maintenance, including disrepair; • Estate shops; • Procurement of services; • Employment law; • Company Law; and • Freedom of Information and Environmental Information requests and Data Protection issues. 	Work charged at an agreed hourly rate
ICT	<ul style="list-style-type: none"> • Full Server support • Full first point user support • Full telephony support – provision of service including all outside calls, provision of handsets, telephone switchboard services, maintenance and support of contact centre, call reports set up. • Desktop and communication services – PC support plus network support e.g. access, email, voicemail, anti-virus software, file store provision and printer support (network related) – with additional supplement for laptops • Applications – support and development • Disaster recovery from IT perspective • 	£120,452
Internal Audit	<ul style="list-style-type: none"> • Provision of Internal Audit Services and advice and support 	£9170
Payroll	<ul style="list-style-type: none"> • Processing salary payments due • Provision of pension support – payments due, calculations and enquiries • Calculation of redundancy payments and payment of same • Payment of termination payments e.g. Settlement agreements 	£12,528
HR support	<ul style="list-style-type: none"> • Provision of monthly iTrent reports • Provision of support and advice on an ad hoc basis 	Advice is paid for based on actual usage.
Contract cleaning	<ul style="list-style-type: none"> • Cleaning and janitorial services at Six Town Housing's main office – 6 Knowsley Place, 	£39,600
Strategic Procurement Services	<ul style="list-style-type: none"> • One stop shop in respect of advice, support and guidance for all Six Town Housing's procurement related issues. 	£12,500

Stores	<ul style="list-style-type: none"> • Provision of stores service. • Provision of a supply chain function to Six Town Housing and Bury Council's housing stock. To include the supply of stocked and none stocked materials. Including any items through any purchasing consortium used by Six Town Housing and or Bury Council, including procure plus. 	£126,700
Vehicle hire - transport	<ul style="list-style-type: none"> • Vehicle Hire for R&M/Caretakers • Transport management and maintenance, plus leasing and hiring of vans 	£582,100
Grounds maintenance	<ul style="list-style-type: none"> • Provision of the grounds maintenance service, arboriculture service and associated grounds maintenance services 	£334,000

Schedule 3 – Fee Principles

(Clause 12)

- 1 The initial Fee (clause 12.1) serves as a base figure for the subsequent year, i.e. changes need to be proposed/challenged by reference to it.
- 2 Calculation of the Fee will be by reference to the base figure and the number of Services provided by Six Town (as revised from year to year and which may increase or decrease).
- 3 Fee negotiations will take account of the following generic factors:
 - 3.1 competing pressures on the HRA business plan, either because of reduced resources or increased demands;
 - 3.2 the resultant financial parameters for the Fee;
 - 3.3 any addition to, or reduction of, the Services required by the Council;
 - 3.4 any adjustment of the performance standards at which the Services are to be delivered;
 - 3.5 the additional costs to Six Town of a reduced Fee (in particular redundancies);
 - 3.6 Six Town's ability to identify and deliver efficiencies.
- 4 The Current Services Fee and the New Services Fee (both as defined in Clause 11.1 will initially be agreed on an annual basis. It is anticipated that the parties will work towards a more long term approach to the agreement of the Fee such that there will be a three year Fee cycle complemented with the annual Business Plan approval process set out in clause 16. Future fee arrangements may specify or anticipate future Fee adjustments (for example, to achieve savings, cost reductions etc.) and the Fee so adjusted will be the base figure as described in 1.
- 5 Proposals for Fee reductions (including ongoing adjustments as described in 4) will recognise the extent to which some of Six Town's costs are fixed and/or subject to external change.
- 6 The Management, Maintenance and Improvement elements of the Fee are to be treated separately. In particular:
 - 6.1 Six Town's Management costs chiefly comprise pay and pensions. Retaining staff involves meeting contractual or statutory obligations and though redundancy reduces ongoing costs there is an initial cost to be met;
 - 6.2 Maintenance costs depend on the size and nature of the Stock Maintenance and Improvement Programme and may be inflexible to the extent that they are incorporated in any contract to which the Council or Six Town is bound;
 - 6.3 Improvement costs also depend on the size and nature of the Stock Maintenance and Improvement Programme, but recognising that Six Town's administration work may not correlate reliably thereto;

- 7 Welfare reform is likely to have a significant impact on Six Town's costs and the Council's cashflow over at least the first three years.

Notwithstanding all the above, Six Town acknowledges the need to achieve more for less and to be benchmarked against comparable Arms' Length Management Organisations and registered providers of social housing facing similar challenges.

DRAFT

Schedule 4 – the Council's Assets

(Clause 34)

Schedule 5

Part 1

Partnership Pledge

This Partnership Pledge has been agreed by the Council and Six Town to set out how the partnership will work and the key principles to be adopted by all Councillors, board members and staff of both the Council and Six Town.

This is an equal partnership based on the following key values:

- Openness
- Respect
- Honesty
- Trust
- Negotiation
- Accountability

The main partnership objective is that both the Council and Six Town will work together in harmony to achieve the best results for the tenants of Bury Council.

The following key principles will underpin the partnership:

Arm's Length - The Council recognises that Six Town has responsibilities to Company's House and must operate at arm's length but at the same time Six Town recognises that it is wholly owned by the Council and the Council is the sole Shareholder. Six Town recognises the Council has a duty to monitor Six Town in relation to its operational activity, staffing issues and in relation to the delivery programme based on the agreed Management and Other Services Fee.

Delegation - Both the Council and Six Town will establish and maintain clear lines of delegation.

No surprises - Each party will inform the other of sensitive issues at the outset well before any decision is taken. Each will take account of the others views before a decision is made with the aim of reaching decisions that benefit both the Council and Six Town. Where joint decisions are necessary both the Council and Six Town will consult and take account of each other's' views to mutual benefit and will ensure a free exchange of information on such matters.

Positive attitudes - Each party will promote positive messages and attitudes at all times about each other both inside and outside the Council and Six Town.

Problem solving - The parties will adopt a joint approach to problems solving focused on achieving solutions that work for both the Council and Six Town.

Valuing each other - Each party will openly recognise and acknowledge their contribution to each other's successors.

Joint celebration of success - The Council and Six Town will positively celebrate its individual and shared successes. The Council and Six Town will mutually support each other in terms of publicity and shared success.

Mutual support - Each party will support the other to achieve common and shared objectives.

Honesty and transparency - Each party will be open and transparent in all its dealings with the other.

Sharing information - Each part will share information to enable both the Council and Six Town to make better decisions.

Part 2

Partnership Principles

- 1 The Parties act in accordance with the responsibilities and obligations set out in this Agreement, the Member Agreement and in accordance with all mutually agreed policies and procedures.
- 2 The Parties promote good governance behaviours in accordance with the governance arrangements set out in this Agreement, the Member Agreement and all mutually agreed policies and procedures.
- 3 The Council promises to commit sufficient resources to ensure appropriate oversight and effective governance of Six Town.
- 4 The Council and Six Town acknowledge their parent / subsidiary relationship and agree to co-operate to ensure mutually aligned business and operational plans, including growth strategies and investment plans.
- 5 Six Town will produce accurate and timely performance and monitoring information for review by the Council in line with this Agreement and the Member Agreement.
- 6 Six Town will strive to deliver high quality and efficient HRA services.
- 7 Six Town housing will actively seek areas of commercial growth and the Council commits to directing and supporting this in line with the Council's growth agenda.
- 8 Six Town and the Council will perform their respective obligations under this Agreement with reasonable care and appropriate skill and shall behave at all times in a manner which is conducive to achieving the strategic goals and growth objectives of Six Town and the Council.

Part 3

Relationship Principles

Schedule 6

Transferring Employees

(Clause 23)

Schedule 7

Additional Matters Requiring Council Consultation and / or Approval

- 1 Six Town agrees with the Council that:
 - 1.1 It shall consult with the Council on the development and management of the risk register for the delegated Services.
 - 1.2 It shall consult with the Council on any significant changes to the provision of the Services or policies and procedures to ensure compliance with Equality Act 2010 duties and any statutory or implied duty to consult with affected groups. Six Town shall seek approval (where appropriate) from the Council to any such changes to the provision of the Services or policies and procedures.
 - 1.3 It shall comply with the Council's constitution on financial and relevant governance matters to ensure proper administration of the Council's financial affairs under Section 151 of the Local Government Act 1972.
 - 1.4 All contracts which Six Town enters into shall comply with the contract procedure rules set out in the Council's constitution and all terms and conditions will be drafted in accordance with the Council's Social Value Policy.
 - 1.5 The Six Town board shall attend and provide information to support the Council's scrutiny committees where relevant to the Services and provide briefings for the Cabinet Member/s with relevant portfolios.
 - 1.6 Six Town shall provide such information and assistance as may be required for the Council to respond to any corporate complaints, proceedings, requests for disclosure by third parties such as the police, FOIA requests and any other statutory duties.
- 2 Six Town agrees with the Council that information and assistance shall be provided so to:
 - 2.1 Enable timely and accurate completion of the Council's budget, monitoring and final accounts processes as set out in this Management Agreement;
 - 2.2 Enable accurate accounting and monitoring of taxation;
 - 2.3 Ensure compliance with the statutory duty to provide value for money;
 - 2.4 Enable the Council, Cabinet and audit committee to have assurance over the proper administration of the financial affairs of the Council in relation to the funding of the Services and to fulfil statutory responsibilities;
 - 2.5 Ensure the Council can carry out effective and timely collection of any charges.

Bury Metropolitan Borough Council
and
Six Town Housing Limited

Member Agreement

in respect of Six Town Housing Limited

Trowers & Hamblins LLP
3 Bunhill Row
London
EC1Y 8YZ

t +44 (0)20 7423 8000
f +44 (0)20 7423 8001
www.trowers.com

Dated 2019

Parties

- (1) **Bury Metropolitan Borough Council** of the Town Hall, Knowsley Street, Bury, Lancashire BL9 0SW (the **Council**);
 - (2) **Six Town Housing Limited** (company no **04948846**) whose registered office is at 6 Knowsley Place, Angouleme Way, Bury, Lancashire, BL9 0EL (**Six Town**),
- each a **Party** and together, the **Parties**.

Introduction

- (A) Six Town was incorporated in England under the Companies Act on 30 October 2003 and the Council is the sole member of Six Town.
- (B) This Agreement sets out the terms upon which the Council will participate in Six Town as its sole member.
- (C) Other Subsidiaries may execute a Deed of Accession and become party to this Agreement from time to time.

Agreed Terms

1 Definitions and Interpretation

1.1 In this Agreement:

Articles means the articles of association of Six Town;

Business means the business of Six Town as set out in clause 2;

Business Day means a day (other than a Saturday or Sunday) on which the banks in the City of London are open for retail business. **Business Days** shall be construed accordingly;

Business Plan means Six Town's plan for delivery of the Business as updated or amended in accordance with clause 2.3;

Council means the Bury Metropolitan Borough Council and any successor body;

Deed of Accession means the deed of accession in substantially the same form as set out in Schedule 3 to this Agreement;

Director means a director of Six Town;

Group means the Council, Six Town and any other Subsidiary;

Group Member means a member of the Group from time to time;

Group Policies mean the policies set out in Schedule 4;

Initial Subsidiary means Six Town;

Management Agreement means the agreement between the Council and Six Town for the management of the Council's housing stock (amongst other things) dated on or about the date of this Agreement;

Member means the Council;

Member Consent means consent of the Member in accordance with clause 3.53.6;

Member Consent Matters means those matters listed in Schedule 1;

Parent Board means the body established by the Council to exercise the Council's role as Member of Six Town as described in this Agreement;

Partnership Protocol means the protocol set out in Part 1 (Partnership Pledge), part 2 (Partnership Principles) and part 3 (Relationship Principles) of Schedule 5 setting out the values and principles that underpin the relationship between the Member and Six Town;

Right to Manage is the right exercisable pursuant to the Housing (Right to Manage) Regulations 2008 (or predecessor legislation) as amended from time to time;

TMO means a tenant management organisation established pursuant to the Right to Manage;

Subsidiary means any body corporate which is wholly owned by the Member or another Group Member and accedes to this Agreement as a Subsidiary. Six Town is an **Initial Subsidiary**; and

United Kingdom means the geographical area of the United Kingdom of Great Britain and Northern Ireland as at the date of this Agreement.

1.2 A reference to a statutory provision includes a reference to:

- 1.2.1 a statutory amendment, consolidation or re-enactment (whether before or after the date of this Agreement),
- 1.2.2 statutory instruments or subordinate legislation (as defined in section 21(1) of the Interpretation Act 1978) or orders made under the statutory provision (whether made before or after the date of this Agreement), and
- 1.2.3 statutory provisions of which the statutory provision is an amendment, consolidation or re-enactment.

1.3 Reference to:

- 1.3.1 a person includes a legal or natural person, partnership, trust, company, government or local authority department or other body (whether corporate or unincorporate),
- 1.3.2 a statutory or regulatory body shall include its successors and any substituted body,
- 1.3.3 an individual includes, where appropriate, his personal representatives,

1.3.4 the singular includes the plural and vice versa, and

1.3.5 one gender includes all genders.

1.4 Unless otherwise stated, a reference to a clause or schedule is a reference to a clause or schedule to this Agreement and a reference to this Agreement includes its schedules.

1.5 Clause headings in this Agreement are for ease of reference only and do not affect its construction.

1.6 In construing this Agreement the so-called ejusdem generis rule does not apply and accordingly the interpretation of general words shall not be restricted by words indicating a particular class or particular examples.

1.7 Where a provision of this Agreement imposes an obligation, cost or liability on the Parties, that obligation, cost or liability shall be construed as being against those Parties jointly and severally, and where a provision of this Agreement gives a claim, benefit or right to the Parties, that claim, benefit or right attaches to those Parties jointly.

1.8 Where a consent and/or permission is required under this Agreement from one Party to the other that consent and/or permission shall not be unreasonably withheld or delayed.

2 **Business**

2.1 The Parties agree to adhere to the principles set out in the Partnership Protocol.

2.2 The Business of Six Town shall be:

2.2.1 to carry out all housing management activity in relation to the Council's housing stock (other than where alternative arrangements have been made relating to a TMO pursuant to the Right to Manage);

2.2.2 to perform the other functions and activities as set out in the Management Agreement;

2.2.3 to carry out such other activities from time to time as are permitted and/or contemplated within the Business Plan including its activities relevant to its status as a registered provider of social housing,

together with any activities reasonably incidental to the above.

2.3 Six Town shall send the current Business Plan to the Member when available (and in any event not less than once per calendar year) and invite the Member to provide comments on the proposed Business Plan.

2.4 The Member will respond to Six Town on the proposed Business Plan as soon as reasonably practicable (and in any event within three months) following receipt. Subject to the receipt of Member Consent from the Member before the end of each accounting period, Six Town shall (in accordance with this Agreement) consider and, if appropriate, adopt an updated and revised Business Plan. No adoption, variation or replacement of any Business Plan shall take effect unless such adoption, variation or replacement has received Member Consent and followed the review processes described in clauses 5 and 6 of the Management Agreement.

- 2.5 Each Business Plan shall be substantially in the format of the previous Business Plan (unless otherwise stipulated by the Council).
- 2.6 Notwithstanding any other provision of this clause 2, following the requisite approval by the Directors of a new proposed Business Plan or an amended or updated and revised Business Plan, such draft Business Plan shall become, or such amended or updated Business Plan shall become, the Business Plan for the relevant accounting periods. For any period when a proposed Business Plan has not been approved and adopted by the Directors as stipulated in clause 2.4 and otherwise in accordance with this Agreement the relevant existing Business Plan shall continue to be the Business Plan of Six Town.
- 2.7 Six Town shall not acquire any property either within or outside the Council's administrative area or carryout any business that is not in the Business Plan without Member Consent.
- 3 **Conduct of Six Town's Affairs**
- 3.1 Meetings of the Directors shall be held no less than four times in every year and at not longer than three monthly intervals.
- 3.2 With the exception of those matters requiring Member Consent pursuant to clause 3.5, the management of Six Town shall be vested in the Directors. For the avoidance of doubt, the Directors shall appoint a managing director (or Chief Executive Officer) on such terms as they may think fit (providing that no such appointment shall be made without Member Consent) who shall be responsible for the day to day management of the Business within the terms of the Business Plan and this Agreement and perform such duties as may be delegated to him/her by the Directors. The Directors may also remove such managing director and appoint a replacement on such terms as they may think fit providing that no such removal and appointment shall be made without Member Consent.
- 3.3 Without prejudice to the generality of the foregoing, the Directors will determine the manner in which the Business is to be carried out, subject to the (a) Business Plan, (b) those matters requiring Member Consent pursuant to clause 3.5, (c) requirement for the Business of Six Town to be fully aligned with the Council's own procedures and strategic objectives and (d) any other express provisions of this Agreement. In particular, the Directors shall exercise all voting rights and other powers of control available to them in relation to Six Town so as to procure (in so far as they are able in the exercise of such rights and powers) that, at all times during the term of this Agreement, Six Town shall:
- 3.3.1 carry on and conduct its Business and affairs in a proper and efficient manner, in accordance with both the Business Plan and good business practices, and
- 3.3.2 transact its Business in a manner commensurate with the Council's strategic objectives and ambitions for growth.
- 3.4 If Six Town requires any approval, consent or licence for the carrying on of its Business in the manner in which it is from time to time carried on or proposed to be carried on, Six Town will obtain and maintain the same in full force and effect.
- 3.5 Six Town shall ensure that none of the Member Consent Matters shall be carried out without the prior consent in writing of the Member.

- 3.6 Six Town shall permit the chair of its board to discuss (or request that another Director discusses) the affairs, finances and accounts of Six Town with any designated officers and executives of the Member at any time. All books, records, accounts and documents relating to the Business and the affairs of Six Town shall be open to the inspection of any such person, who shall be entitled to make any copies thereof as he or she deems appropriate to keep the Member properly informed about the Business and affairs of Six Town or to protect its interests as Member.
- 3.7 Six Town agrees with the Member that it will:
- 3.7.1 maintain effective and appropriate control systems in relation to the financial, accounting and record-keeping functions of Six Town;
- 3.7.2 report to the Parent Board within ten Business Days of each Quarter with:
- (a) such information as may reasonably be required to demonstrate Six Town's delivery of the Services.
- (b) without prejudice to the generality of clause 3.7.2(a), the information referred to in clause 3.7.2(a) will include details of performance against the KPIs, formal complaints made by tenants, leaseholders and other residents directly affected by the Services, and such other information as is considered necessary by the Council (acting reasonably) to assess the compliance with the Management Agreement by Six Town.
- 3.7.3 The parties (acting reasonably) shall from time to time agree the format for the reports required under clause 3.7.2(a) together with the process by which such reports and information will be reviewed by the Parent Board. This process will be notified by the Council to Six Town but will involve direct discussion between Six Town and the Parent Board to review the performance of Six Town in delivering the Services, the compliance with the Partnership Protocol and in particular the Council's growth agenda and include "deep dive" reviews on issues of relevance and importance to the Council and Six Town.
- 3.7.4 Six Town will otherwise keep the Member informed of the progress of Six Town's Business and affairs and in particular will procure that the Member is given such information and such access to the officers, employees and premises of Six Town as it may reasonably require.
- 3.8 Six Town shall not breach nor cause the Council to be in breach of the Local Authorities (Companies) Order 1995.
- 4 **Group Policies**
- 4.1 The Council shall have the power to adopt such policies and standards (after consultation with the Group Members) which relate to all Group Members and which it shall designate as Group Policies as it shall reasonably consider appropriate from time to time to ensure compliance with: (a) any statutory or regulatory requirements applicable to the Group or any Group Member; (b) financial and business probity and efficiency; (c) good governance practice; (d) risk assessment; and (e) each Group Member carrying on its business in accordance with its own corporate plan which shall recognise the Group's corporate plan, policies and standards. All matters of operational policy relating to a Group Member's

business shall not be a matter for Group Policy and the Group Member shall have the right to set its own operational policies and amend these from time to time.

4.2 The Council will consult with Group Members on all Group Policies and will consider suggestions and recommendations from Group Members for new or revised policies and will consult within the Group on the same and shall act reasonably in consenting to an individual Group Member varying such policies where there are reasonable grounds for doing so ("**Agreed Local Variations**").

4.3 Each Group Member covenants to carry on its business in accordance with the Group Policies subject to Agreed Local Variations from time to time and subject to any individual variation or waiver of such Group Policies given by the Council from time to time.

5 **Covenants**

Six Town covenants to the Member in accordance with the terms of Schedule 2.

6 **Subsidiaries acceding to this Agreement**

Each Subsidiary of the Council (save for the Initial Subsidiary) shall enter into a Deed of Accession and shall have all the rights and obligations as if it were an original party to this Agreement.

7 **Termination**

7.1 This Agreement shall terminate upon:

7.1.1 the written agreement of the Parties in accordance with the terms agreed; or

7.1.2 when a resolution is passed by the Member or creditors of Six Town, or any order made by a court or other competent body or person instituting a process that shall lead to Six Town being wound up and its assets being distributed among the creditors, Member or other contributors; or

7.1.3 Six Town ceasing to carry on its Business; or

7.1.4 Six Town being convicted of a criminal offence; or

7.1.5 the termination of the Management Agreement; or

7.1.6 the Member giving not less than 90 days written notice to Six Town of the date on which all or part of this Agreement will terminate.

8 **No Partnership**

Nothing in this Agreement gives rise to a partnership between the Parties or constitutes one Party being the agent of another.

9 **Contracts (Rights of Third Parties) Act 1999**

9.1 Unless the right of enforcement is expressly granted, it is not intended that a third party, other than a lawful successor in title or a lawful assignee, should have the right to enforce a provision of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.

- 9.2 The Parties may rescind or vary this Agreement without the consent of a third party to whom an express right to enforce any of its terms has been provided.

10 **Waiver**

- 10.1 The rights of each of the Parties in respect of a breach of this Agreement shall not be affected by completing, by rescinding, or failing to rescind, this Agreement, or by failing to exercise, or delaying in exercising, a right or remedy, or by anything else, except a specific authorised written waiver or release. A single or partial exercise of a right or remedy provided by this Agreement or by law does not prevent its further exercise or the exercise of another right or remedy.

- 10.2 Waiver of a breach of a term of this Agreement, or of a default under it, does not constitute a waiver of another breach or default nor affect the other terms of this Agreement.

- 10.3 The rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies.

11 **Variation**

A purported variation of this Agreement is not effective unless in writing and signed by or on behalf of each of the Parties.

12 **Invalidity**

If a provision of this Agreement is held to be illegal or unenforceable, in whole or in part, under an enactment or rule of law, it shall to that extent be deemed not to form part of this Agreement and the enforceability of the remainder of this Agreement shall not be affected. The Parties agree to negotiate in good faith to agree the terms of a mutually satisfactory provision to be substituted for the provision found to be illegal or unenforceable.

13 **Status of this Agreement**

In the event of any ambiguity or discrepancy between the provisions of this Agreement and the Articles and the Management Agreement, then it is the intention of the Member that the provisions of the Management Agreement shall prevail. Accordingly, the Member shall take all available steps and do all practicable acts and things as may be necessary or desirable, including, without limitation, exercising all voting and other rights and powers of control available to it in relation to Six Town, so as to give effect to the provisions of this Agreement and shall further if necessary procure (insofar as it is able to do so by the exercise of those rights and powers) any required amendment to the Articles.

14 **Consents**

- 14.1 Consents, notices, approvals or agreements to be given by the Member under this Agreement shall be given in writing.

- 14.2 Where this Agreement provides that a matter is subject to the consent, approval or Agreement of any Party then (except as expressly provided otherwise), it shall be in the absolute discretion of the Party concerned as to whether (and if so, on what terms and conditions) the consent, approval or agreement is made.

15 Communications

15.1 Any notice or other communication under or in connection with this Agreement shall be in writing and shall be delivered personally or sent by first-class post (and by air mail if overseas) or by facsimile or by email as follows:

15.1.1 if to the Council, to:

Address: Town Hall, Knowsley Street, Bury, Lancashire BL9 0SW

Email: P.Patterson@bury.gov.uk

marked for the attention of Paul Patterson

15.1.2 if to Six Town, to:

Address: 6 Knowsley Place, Angouleme Way, Bury, Lancashire, BL9 0EL

Email: S.McCambridge@bury.gov.uk

marked for the attention of Sharon McCambridge

or to such other person, address, or fax number or email as any Party may specify by notice in writing to the other.

15.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

15.2.1 if delivered personally, when left at the address referred to in clause 15.1;

15.2.2 if sent by mail, other than airmail, two Business Days after posting it;

15.2.3 if sent by email, when sent provided there has been no communication by the recipient to the senders that the email has not been received,

15.2.4 provided always that a notice given in accordance with the above but received on a day which is not a Business Day or after business hours on a Business Day will only be deemed to be given on the next Business Day.

15.3 The original of any notice or other communication by fax shall be forwarded to the recipient(s) but the non-arrival of that original shall not affect the validity of the notice or other communication by fax.

16 Counterparts

16.1 This Agreement may be executed in a number of counterparts and by the Parties on different counterparts, but shall not be effective until each Party has executed at least one counterpart.

16.2 Each counterpart, when executed, shall be an original, but all the counterparts together constitute the same document.

17 **Governing Law and Jurisdiction**

- 17.1 This Agreement and the rights and obligations of the Parties shall be governed by and construed in accordance with the laws of England.
- 17.2 The Parties irrevocably submit to the exclusive jurisdiction of the courts of England in respect of any dispute or claim arising out of or in connection with this Agreement or any of the documents to be executed pursuant to this Agreement or their subject matter or formation (including non-contractual disputes or claims).

This Deed has been executed as a deed and delivered on the date stated at the beginning of this Deed.

Schedule 1

Member Consent Matters

Six Town shall not, unless it has Member Consent:

- 1 vary in any respect its Articles; or
- 2 permit the registration of any person as a member of Six Town other than the Member; or
- 3 adopt or amend its Business Plan; or
- 4 appoint or remove a managing director or chief executive;
- 5 issue any loan capital or enter into any commitment with any person with respect to the issue of any loan capital; or
- 6 make any borrowing; or
- 7 pass any resolution for its winding up or present any petition for its administration (unless it has become insolvent); or
- 8 engage in any business other than as contemplated by the Business Plan or defray any monies other than in good faith for the purposes of or in connection with the carrying on of such business; or
- 9 form any Subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not); or
- 10 close down any business operation, or dispose of any material asset unless in each case such closure or disposal is expressly contemplated by the Business Plan; or
- 11 amalgamate or merge with any other company or business undertaking; or
- 12 alter its name or registered office; or
- 13 enter into any transaction or arrangement of any nature whatsoever (including, for the avoidance of doubt, a service contract) with any of its Directors or any person who is connected (within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010) to any of its Directors whether or not any other person shall be party to such transaction or arrangement; or
- 14 enter into any arrangement, contract or transaction outside the normal course of its business or otherwise than on arm's length terms; or
- 15 create or permit to be created any mortgage, charge, encumbrance or other security interest whatsoever on any material asset or its business in whole or in part;
- 16 change either:
 - 16.1 its statutory auditors; or
 - 16.2 its financial year end; or

- 17 make or permit to be made any material change in the accounting policies and principles adopted by Six Town in the preparation of its accounts except as may be required to ensure compliance with relevant accounting standards under the CA 2006 or any other generally accepted accounting principles in the United Kingdom; or
- 18 make any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity (other than in the normal course of trading); or
- 19 give any guarantee, suretyship or indemnity to secure the liability of any person or assume the obligations of any person outside the scope of its Business Plan; or
- 20 factor or assign any of its book debts; or
- 21 establish or amend any bonus or other incentive scheme of any nature for Directors, officers or employees; or
- 22 establish or amend any pension scheme or grant any pension rights to any Director, officer, employee, former Director, officer or employee, or any member of any such person's family; or
- 23 dismiss any Director; or
- 24 make any agreement with any revenue or tax authorities or make any claim, disclaimer, election or consent for tax purposes if the effect of this is that its solvency may be imperilled, or it may require additional funding in order to undertake its Business Plan; or
- 25 acquire any land or assets not set out in the current Business Plan.

Schedule 2

Six Town Covenants

Six Town covenants with the Member as follows:

- 1 Only to acquire land or assets or carry out additional service from those set out in the Management Agreement if any such acquisition and/or service provision is in accordance with the Business Plan and the Member has given consent.
- 2 It will conduct its Business in a manner commensurate with the Council's strategic objectives.
- 3 To comply with the Financial Regulations, Contracts Standing Orders, Board Member Expenses Policy and an Executive Performance Appraisal Framework.

Schedule 3

Deed of Accession

Deed of Accession

dated [] 20[]

By [] a company incorporated in England and Wales (registered number []) whose registered office is at [] (the **New Subsidiary**) in favour of the persons whose names and addresses are set out in the Schedule to this Deed (the **Continuing Parties**).

Introduction

- (A) This Deed is supplemental to a Member Agreement dated 20[] between [insert details] (the **Member Agreement**) and to [insert details of any subsequent Deeds of Adherence or Amendment].
- (B) Provision is made in the Member Agreement for the New Subsidiary to accede as a party thereto as a further Subsidiary and it has agreed to do so.

Agreed terms

- 1 The New Subsidiary confirms that it has been given a copy of the Member Agreement and covenants with the Continuing Parties to observe, perform and be bound by every provision of the Member Agreement in the capacity of a Subsidiary with effect from the date of this Deed.
- 2 Unless the context requires otherwise, words and expressions defined in the Management Agreement shall have the same meanings when used in this Deed.
- 3 This Deed shall be governed by and construed in accordance with English law.

This Deed of Adherence has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule

[Insert names and addresses of Continuing Parties]

Schedule 4

Group Policies

None at the date of this Agreement

Schedule 5

Part 1

Partnership Pledge

This Partnership Pledge has been agreed by the Council and Six Town to set out how the partnership will work and the key principles to be adopted by all Councillors, board members and staff of both the Council and Six Town.

This is an equal partnership based on the following key values:

- Openness
- Respect
- Honesty
- Trust
- Negotiation
- Accountability

The main partnership objective is that both the Council and Six Town will work together in harmony to achieve the best results for the tenants of Bury Council.

The following key principles will underpin the partnership:

Arm's Length - The Council recognises that Six Town has responsibilities to Company's House and must operate at arm's length but at the same time Six Town recognises that it is wholly owned by the Council and the Council is the sole Shareholder. Six Town recognises the Council has a duty to monitor Six Town in relation to its operational activity, staffing issues and in relation to the delivery programme based on the agreed Management Fee.

Delegation - Both the Council and Six Town will establish and maintain clear lines of delegation.

No surprises - Each party will inform the other of sensitive issues at the outset well before any decision is taken. Each will take account of the others views before a decision is made with the aim of reaching decisions that benefit both the Council and Six Town. Where joint decisions are necessary both the Council and Six Town will consult and take account of each other's' views to mutual benefit and will ensure a free exchange of information on such matters.

Positive attitudes - Each party will promote positive messages and attitudes at all times about each other both inside and outside the Council and Six Town.

Problem solving - The parties will adopt a joint approach to problems solving focused on achieving solutions that work for both the Council and Six Town.

Valuing each other - Each party will openly recognise and acknowledge their contribution to each other's successors.

Joint celebration of success - The Council and Six Town will positively celebrate its individual and shared successes. The Council and Six Town will mutually support each other in terms of publicity and shared success.

Mutual support - Each party will support the other to achieve common and shared objectives.

Honesty and transparency - Each party will be open and transparent in all its dealings with the other.

Sharing information - Each part will share information to enable both the Council and Six Town to make better decisions.

Part 2

Partnership Principles

- 1 The Parties act in accordance with the responsibilities and obligations set out in this Agreement, the Member Agreement and in accordance with all mutually agreed policies and procedures.
- 2 The Parties promote good governance behaviours in accordance with the governance arrangements set out in this Agreement, the Member Agreement and all mutually agreed policies and procedures.
- 3 The Council promises to commit sufficient resources to ensure appropriate oversight and effective governance of Six Town.
- 4 The Council and Six Town acknowledge their parent / subsidiary relationship and agree to co-operate to ensure mutually aligned business and operational plans, including growth strategies and investment plans.
- 5 Six Town will produce accurate and timely performance and monitoring information for review by the Council in line with this Agreement and the Member Agreement.
- 6 Six Town will strive to deliver high quality and efficient HRA services.
- 7 Six Town housing will actively seek areas of commercial growth and the Council commits to directing and supporting this in line with the Council's growth agenda.
- 8 Six Town and the Council will perform their respective obligations under the Management Agreement with reasonable care and appropriate skill and shall behave at all times in a manner which is conducive to achieving the strategic goals and growth objectives of Six Town and the Council.

Part 3

Relationship Principles

In witness whereof the parties have executed this Agreement as a deed.

The **Common Seal** of)
Bury Metropolitan Borough Council)
was hereunto)
affixed in the presence of:)

.....
Authorised Signatory

executed as a deed by)
Six Town Housing Limited)
)
acting by:)

a director in the presence of:
Director

Witness signature

Name

Address

Appendix 3 - Report on the proposed new Management Agreement and Member Agreement between Bury Metropolitan Borough Council and Six Town Housing

The new form of Management Agreement will be shorter, more output-based than the current Management Agreement. This reflects not only the need to up-date the provisions but also the fact that the relationship between Bury Council (the **Council**) and Six Town Housing (**Six Town**) is a mature one and is to be based on partnership principles. This section of the report summarises the main provisions of the draft Management Agreement. All capitalised terms have the same meaning as defined in the Management Agreement, unless otherwise stated.

1 Clause 2 - Partnership

1.1 The Council and Six Town (the **Parties**) agree to adhere to the principles set out in the Partnership Protocol. This is set out at Schedule 5 and is in three parts; Part 1 contains the Partnership Pledge and Part 2 contains the Partnership Principles and Part 3 contains the Relationship Principles.

1.2 The Partnership Pledge is the same as the Partnership Pledge in the current Management Agreement. The Parties agree to work together based on shared values of openness, respect, honesty, trust, negotiation and accountability. A number of key principles for the relationship are specified, including contracting on arm's length terms, establishing clear lines of delegation, operating on a 'no surprises basis', promoting a positive attitude, working together to solve problems, valuing each other, celebrating success jointly, mutual support and sharing information.

1.3 The Partnership Principles are distilled from the partnership arrangements agreed between the Council and Six Town during the development stage of the new working relationship. They include:

1.3.1 acting in accordance with the obligations and responsibilities set out in the Management Agreement;

1.3.2 promoting good governance behaviours;

1.3.3 the Council promising to commit sufficient resources to ensure appropriate oversight and effective governance of Six Town;

1.3.4 Six Town promising to produce accurate and timely performance monitoring information; and

1.3.5 the delivery of high quality and efficient HRA services, alongside seeking areas of commercial growth.

1.4 The Relationship Principles set out the vision and ground rules of the future relationship between the Council and Six Town. It sets out historic issues that have been brought to the fore by a review undertaken by Savills, and how Altair will work with Council and Six Town to embed best practice solutions to the issues identified by Savills.

2 Clause 3 – Six Town Services

2.1 Six Town will provide the Services as set out in the Specification. The Specification is being finalised but this will comprise the current housing management functions and the

new service areas that are being transferred to Six Town. The Key Performance Indicators / targets which Six Town Housing is required to achieve will be included in the Specification, following agreement under clause 3.2 within 3 months of the date of the Management Agreement being entered into.

- 2.2 Provision has also been made at clause 3.4 for both the Council and Six Town to agree over the course of the first year appropriate operational requirements in relation to the new service areas which are to be transferred. If these cannot be agreed, the dispute resolution provisions at clause 40 are applicable.

3 **Clause 4 - Future Six Town Services**

The Council and Six Town will maintain a list of possible future services to be provided by Six Town. The addition of such Services to those provided by Six Town will be discussed on a regular basis and if agreed will be incorporated in the Specification.

4 **Clause 5 – Review of Services**

The Services will be reviewed to ensure that they are aligned with and help to deliver Council strategies. KPI/targets will also be reviewed as part of this process. They need to be realistic, i.e. to reflect service standards achieved by ALMOs in comparable circumstances elsewhere and the resources made available to Six Town by the Council.

5 **Clause 6 – Variation to Services**

- 5.1 The Services can be be varied by the Council on the giving of at least six months' notice, expiring on 31 March each year. The Services can also be varied outside of this time period if the Council, acting reasonably, believes that this is required by the prevailing circumstances. The Council is also able to vary the Services (giving Six Town as much notice as possible) in the event that the Right to Manage is exercised or formal steps are taken against Six Town by the Regulator of Social Housing.

- 5.2 The Right to Manage is a right exercisable under the Housing (Right to Manage) Regulations 2008. Under this right, council tenants can collectively group together to exercise the right to manage their own homes through a tenant management organisation (**TMO**). Six Town will be familiar with the Springs TMO which has operated in the Bury area since 1996.

- 5.3 The discussions about varying the Services should be commenced no later than 1 July each year. If a variation is not agreed it will be determined in accordance with the dispute resolution procedure (see paragraph 38 below). The nature and extent of the variation to the Services must result in a commensurate variation in the Fee (see paragraph 11 below).

6 **Clause 7 – Stock maintenance and Improvement**

- 6.1 Six Town will assist the Council in delivering the Stock Maintenance and Improvement Programme by administering or letting third party contracts and carrying out Works itself through its DLO. The Programme will be reviewed by the Parties as part of the Business Planning process and, as with the other Services, the Stock Maintenance and Improvement Programme will take account of any variation in the Works element of the Fee.

- 6.2 The first Stock Maintenance and Improvement Programme shall be the programme that has been agreed by the Parties as at the date the Management Agreement is entered into. It will be reviewed on a yearly basis and through the Business Plan approval process set out in clause 16.

7 **Clause 8 - Maintenance Works Contracts**

- 7.1 Six Town will carry out Works Contracts through its DLO, and/or will let and/or administer, Works Contracts as the Parties deems necessary to deliver the Maintenance element of the Stock Maintenance and Improvement Programme following the expiry / termination of the current arrangement.

- 7.2 In the procurement of any Maintenance Works Contracts Six Town must comply with all applicable European Union and other regulations and take reasonable steps to adhere to best procurement practice and achieve value for money. The Council agrees that the cost of complying with this clause is an additional cost for Six Town which will be reflected in the Fee.

8 **Clause 9 – Improvement Works Contracts**

Six Town will carry out through its DLO / administer / let the Works Contracts to deliver the Improvement element of the Stock Maintenance and Improvement Programme.

9 **Clause 10 – Provision of Information**

- 9.1 Six Town must provide the Council with any information the Council reasonably require to demonstrate Six Town's delivery of the Services. This should include the performance against the KPIs, formal complaints made by tenants, leaseholders and other residents directly affected by the Services.

- 9.2 The Parties are to agree the format of the reports to be provided to the Council, and the Parties will discuss the process by which these reports will be reviewed by the Council. The process will involve direct discussion between Six Town and the Parent Board and will assess Six Town's compliance with the Partnership Protocol and alignment with the Council's growth agenda. It may also include 'deep dive' reviews on issues of relevance and importance to the Council and Six Town.

10 **Clause 11 – Additional Matters Requiring Council Consultation and / or Approval**

Six Town agrees with the Council that the matters set out in Schedule 7 (see paragraph 47 below) shall require consultation with and / or the approval of the Council.

11 **Clause 12 – Fee**

- 11.1 From 1 June 2019 to 31 March 2020 the Current Services Fee and the New Services Fee will be paid by the Council to Six Town. The Current Services Fee is £10,882,166 which is the agreed fee for current Services for the 19/20 Financial Year (£13,058,600) pro-rated for a 10 month period. The New Service Fee is yet to be agreed, but it will be agreed by the Council and Six Town prior to the date that the Management Agreement becomes effective (see paragraph 11.3).

- 11.2 The New Services Fee is the additional amount which will be paid to Six Town in consideration for them performing the additional services which are transferring to Six

Town for the first time under this Management Agreement from 1 June. This amount will be calculated on the following basis: an amount which represents the employee costs for the transferring employees plus an amount which represents additional costs to Six Town for performing the additional services, less an amount which represents in-year efficiency savings to be realised by Six Town.

11.3 The intention is that the Management Agreement will be signed by the Council and Six Town as soon as it has been approved by Cabinet. Trowers & Hamlins will then hold the executed documents on behalf of the parties, and once the parties have agreed the New Services Fee and that the Management Agreement can be completed, Trowers & Hamlins will insert the fee and date the document, at which point it will come into effect.

11.4 The Fee Principles in Schedule 3 will be used to agree the Fee (the total of the Management and Other Services Fee, Maintenance Services Fee, Improvement Services Fee and / or Works Fees) for the period from 1 April 2020 onwards.

11.5 The Fee can be varied in accordance with the procedure set out in clause 12.4. Discussions to vary the fee should commence no later than 1 July each year and the discussions should be based on the Schedule 3 Fee Principles. Any variation in the Fee should be commensurate with a corresponding variation in the Services provided. If a variation to the Fee cannot be agreed or is disputed, the dispute resolution clause (clause 40) applies. The Fee should be paid monthly in advance, and it is CPI index linked on an annual basis.

12 **Clause 13 – Surpluses and reserves**

12.1 Six Town is able to use available surpluses and reserves as agreed with the Council in the Business Plan. Surpluses / reserves will only be deemed to be available if this is consistent with generally accepted accounting practices or with confirmation from Six Town's auditors.

12.2 Six Town is to be incentivised to outperform the Business Plan. How Six Town will be incentivised will be discussed as part of the Business Plan approval process set out in clause 16. Six Town must keep the Council informed about how they use surpluses and reserves.

13 **Clause 14 – Additional income-generation**

13.1 Six Town can pursue and exploit opportunities for income generation with third parties, providing that:

13.1.1 they are consistent with Six Town's objects;

13.1.2 they can be legally pursued by a wholly owned subsidiary;

13.1.3 Six Town's ability to perform its obligations under the Management Agreement is not adversely affected;

13.1.4 any such activity would not result in the opportunities / income generation being equal to or greater than 15% of Six Town's annual turnover (securing Six Town's 'Teckal status'); and

- 13.1.5 any such arrangements are approved by Six Town's board and recorded at the next meeting between Six Town and the Council.

14 Clauses 15 and 16 - Continuous Improvement and Improvement of Service Delivery and year-on-year cost efficiencies

- 14.1 The Parties commit to the principle of continuous improvement and to delivering improvement in the delivery of the Services and the Stock maintenance and Improvement Programme. Improvement of the delivery of Services will be brought about through the monitoring of KPIs. Six Town will endeavour to achieve year-on-year efficiencies by delivering the Services for less than the Fee.

15 Clause 17 – Business Plan, Services and Stock maintenance and Improvement Programme

- 15.1 Each year the Parties will agree priorities for improvements in the delivery of the Services and the Stock Maintenance and Improvement Programme which should be reflected in the Business Plan.

- 15.2 Six Town shall send the current Business Plan to the Council when available (and at least once per calendar year) and invite the Council to provide comments on the proposed Business Plan.

- 15.3 The Council will respond to Six Town on the proposed Business Plan as soon as reasonably practicable (but within three months). Six Town then should consider and, if appropriate, adopt an updated and revised Business Plan. The adoption / variation / amendment of the Business Plan requires the consent of the Council.

- 15.4 If a proposed Business Plan has not been approved and adopted by Six Town as stipulated in accordance with the process set out in clause 16, then the relevant current Business Plan continues in operation until a new / amended one is agreed. If a Business Plan cannot be agreed, this would be subject to the dispute resolution process set out at clause 40.

16 Clause 18- Assisting the Council's new build programme

Six Town agrees to work with and support the Council to maximise opportunities for carrying out new development within the HRA by contributing to design meetings, providing relevant information about the neighbourhoods where new developments are planned and assisting in consultation and community cohesion requirements relevant to new developments. The Council agrees to keep Six Town informed of any proposed new development within the HRA so that Six Town is able to prepare to support the Council accordingly.

17 Clause 19 – Working with Vulnerable People

- 17.1 The transfer of the new services to Six Town for the first time under the Management Agreement will mean that Six Town will be working with vulnerable people in the housing assessment process, homelessness assessments and signposting and support provision. This is in addition to the work that Six Town already does with vulnerable people in connection with its housing management functions and in particular in its tenancy

sustainment activities. Six Town agrees to provide a person-centred and holistic approach in its dealings with vulnerable people.

17.2 It is acknowledged that the eviction of vulnerable tenants is to be used as a last resort.

18 **Clause 20 - TMOs**

18.1 In the event that any tenants propose to form a Tenant Management Organisation under the Right to Manage, the Council shall be legally responsible for dealing with all aspects of such a proposal, and Six Town agree to provide such assistance as the Council may require. If the Right to Manage is exercised, the Council may instruct Six Town to make arrangements to transfer responsibility for the Services in relation to the Right to Manage Dwellings to a TMO.

18.2 If such a transfer goes ahead then a variation in Fee shall be considered / enacted.

19 **Clause 21 – The governance of Six Town**

The Parties acknowledge that the Member Agreement sets out the parent / subsidiary relationship to which Six Town is subject and that the governance arrangements will be kept under review so that Six Town is best able to deliver the Services under the Management Agreement.

20 **Clause 22 – Changes in Six Town's role and activities**

The Parties acknowledge that Six Town's activities will be subject to change including changes resulting from regulatory or statutory requirements, tenant and/or leaseholder expectations, Council policy objectives and different approaches required when working with vulnerable people in connection with the new service areas transferring to Six Town. Any such changes will be the given effect by the variation procedures described above and set out in clauses 5 and 6 (with any variation to the Fee in accordance with clause 12).

21 **Clause 23 – Services provided by the Council**

The Council agrees to provide the services set out in Schedule 2 to the Council for the fees set out therein. Six Town agrees to consult with and give at least twelve months prior notice to the Council if it decides not to renew or extend any service level agreement or service contract with the Council.

22 **Clause 24 - Council's financial support for Six Town**

The Council will provide the evidence / support required to enable Six Town's auditors to confirm to Six Town's board that Six Town is and will continue to be able to meet its debts as they fall due. The Council agrees that whether through the Fee or otherwise, it will ensure that Six Town is able to discharge its liabilities for the pension costs attributable to Six Town's past, present and future employees.

23 **Clause 25 – The HRA ring-fence**

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

24 **Clause 26 – Council responsibilities and entitlements**

This clause acknowledges that the Council remains statutorily responsible for the HRA, will set rents and other charges for its tenants and leaseholders (including service charges) will determine the Fee, may vary the Services and can review KPIs.

25 **Clause 27 – Section 151 duty**

This clause acknowledges that the Council's Finance Director has statutory duties under Section 151 of the Local Government Act 1972 and that nothing in the Management Agreement should be construed as preventing the Section 151 officer from doing what is required in order for them to discharge those duties.

26 **Clause 28 – Management of the HRA**

The Council will undertake the day-to-day management of the HRA and Six Town will provide all advice and assistance reasonably required by the Council to enable it to manage the HRA and on how to make best use of the resources within the HRA.

27 **Clause 29 – Section 105 Consultation and tenant and leaseholder involvement**

Six Town agrees to assist the Council in the discharge of the consultation obligations under Section 105 of the 1985 Act. This is the Council's duty to consult with secure tenants who are likely to be substantially affected by a matter of housing management.

28 **Clause 30 – Representing the Council**

Six Town will work with the Council's Representative, other agencies, bodies and organisations. This will include in partnerships, foras and projects. It includes the Gateway Protection Programme, the Afghan Resettlement Programme and Greater Manchester Combined Authority groups / committees.

29 **Clause 31 – Regulatory Standards**

29.1 Six Town agrees to work with and support the Council to ensure that the Council is able to comply with the Regulator's regulatory requirements if the Regulator's remit is extended with regard to local authorities.

29.2 The Council and Six Town agree to work together in good faith to develop KPIs that seek to measure (in a way that is commensurate with the size of Six Town as a small Registered Provider) the compliance by Six Town with the Governance and Financial Viability Standard applicable to Registered Providers.

30 **Clause 32 – Term**

The Management Agreement begins on the Commencement Date (1 June 2019) and shall expire on 31 May 2029 unless it is terminated earlier under clause 35.

31 **Clause 33 - TUPE**

31.1 This provision sets out the application of the Transfer of Undertakings (Protection of Employment) Regulations 2006, and how this applies to those employees transferring from the Council to Six Town. It includes a Council indemnity under which the Council

promises to indemnify Six Town in full from and against all costs, claims, liabilities, expenses or demands (including legal costs) suffered by Six Town in relation to the Council's or any of its subcontractors' acts or omissions in relation to the Transferring Employees prior to the Commencement Date, any claim by an employee or former employee of the Council who is not a Transferring Employee, any representations made by the Council in relation to employment by Six Town (save for any representation made in relation to information given by Six Town).

31.2 There is also a Six Town indemnity where Six Town agree to indemnify the Council and keep the Council indemnified in full from and against all costs, claims, liabilities, expenses or demands (including all legal costs) whether direct, indirect or consequential awarded against or incurred or paid by the Council as a result of or in connection with any claims arising from any act, fault or omission of Six Town in connection with the Transferring Employees or any representative thereof on or after the Commencement Date or any step or measure that Six Town envisages in relation to employees affected by Management Agreement (save for claims arising as a result of the Council's failure to inform those employees of the measures envisaged by Six Town).

31.3 Clause 33.5 sets out procedure for dealing with the expiry or early termination of the Management Agreement with regard to TUPE.

32 **Clause 34 - Use of Assets**

32.1 This clause provides that Six Town will maintain any vehicles, equipment and other assets (set out at Schedule 4) which might be necessary for the provision of the Services. Six Town are responsible for the maintenance and, where necessary, replacement of all such Assets. Any hire contracts entered into by Six Town must be capable of assignment to the Council, or an organisation nominated by the Council.

32.2 Six Town is responsible for any licensing, payments, fees, taxes and insurance that might be required in connection with the Assets. Six Town must make sure that the Assets bear any devices, insignia or words that the Council direct.

33 **Clause 35 - Termination**

The Council is entitled to terminate the Management Agreement if Six Town fails to comply with it or, in the Council's reasonable opinion, there is a serious and substantiated risk that it will shortly fail to comply. This is subject to Six Town's entitlement to a reasonable opportunity to remedy an actual or anticipated failure and a failure to comply with KPIs/targets will be deemed to be capable of remedy. If the Council becomes entitled to terminate it can do so in respect of the whole or part of the Agreement and can either provide the Services itself or procure that a third party does so. In compliance with the requirements of the regulator) the Agreement includes termination provisions to enable the Right to Manage to be exercised and for the regulator to direct the transfer of management functions.

34 **Clause 36 – Freedom of Information**

This clause acknowledges that both the Council and Six Town are subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004.

Both parties agree to co-operate with the other in meeting their respective obligations under this legislation.

35 **Clause 37 – Whistleblowing**

This clause provides that Six Town must ensure that it has a Whistleblowing procedure which specifies a senior manager responsible for ensuring the independence and probity of the whistleblowing process. Six Town confirms that the Council is authorised as a person to whom its staff may make a qualifying disclosure under the Public Interest Disclosure Act 1998.

36 **Clause 38 – Access to Information**

On the provision of appropriate notice and in accordance with the Data Protection Laws, Six Town agree to give the Council and persons authorised by the Council access to any information reasonably required by the Council.

37 **Clause 39 - Insurances etc.**

Six Town must maintain insurance policies with reputable insurers or underwriters which indemnify Six Town's liability to the Council and any employee of the Council, the employees of Six Town and any other person in the sum of at least £10,000,000. The Council must insure itself against all usual risks associated with its housing stock and acknowledges that Six Town has no liability for that. Six Town must also maintain business continuity policies and procedures.

38 **Clause 40 – Dispute Resolution**

The Management Agreement contains a dispute resolution procedure designed to facilitate agreement between the parties or allow an external expert to resolve matters; but before the expert intervenes the Council has the opportunity to make a decision which is final and binding. There is also a fast track dispute resolution process whereby the Parties can proceed straight from a meeting of the Representatives of the Parties to determination by an Expert.

39 **Clause 41 – Data Protection Law**

The Parties agree to comply with the requirements of the Data Protection Law. This includes the Data Protection Act 2018 and the General Data Protection Regulation (EU) 2016/679. The provisions of clause 41 remain applicable following the expiry or termination of the Management Agreement.

40 **Clause 42 – Regulator**

The Management Agreement is subject to the regulator's right to direct the variation or termination of it.

Clauses 43 to 56 – Various

40.1 These clauses provide as follows:

40.1.1 Six Town will comply with housing and related legislation as set out in the Specification, and will also comply with all Other Legislation.

- 40.1.2 Payments due by any Party to another Party are subject to VAT (where VAT is applicable).
- 40.1.3 Interest is due on any (non-disputed) payments which are overdue under the Management Agreement. The interest rate to be applied the number which is two percent above the base rate of the Bank of England on the date which the sum first became payable.
- 40.1.4 Nothing in the Management Agreement creates a partnership between the Parties or makes Six Town an agent of the Council.
- 40.1.5 Any rights or powers of the Council under the Management Agreement which shall or may be exercised after the termination or expiry of the Management Agreement (and are expressed as such) survive and remain in full force and effect notwithstanding termination or expiry. Any obligations of Six Town provided for in the Management Agreement which remain to be discharged after the termination or expiry of the Management Agreement remain in full force and effect notwithstanding termination or expiry.
- 40.1.6 If any provision of the Management Agreement is declared invalid or unenforceable then the other provisions of the Management Agreement remain in full force and effect.
- 40.1.7 No Party can assign the Management Agreement or any of their rights under it to any other Party.
- 40.1.8 Notices under the Management Agreement must be served personally on the other party or sent by prepaid first class post to the addresses given at the head of Management Agreement. They can also be served by email to the central email addresses given on the parties' websites and they are deemed to have been received on the second working day after the day of posting or on successful transmission.
- 40.1.9 The application of the Contracts (Rights of Third Parties) Act 1999 is excluded.
- 40.1.10 No right or remedy for either Party under the Management Agreement is exclusive of any other right or remedy and each right or remedy is cumulative and enforceable concurrently and is without prejudice to pre-existing obligations.
- 40.1.11 The Management Agreement can only be varied as set out in the Management Agreement and it must be in writing, executed and delivered as a deed.
- 40.1.12 The Parties agree to keep the subject matter of the Management Agreement confidential subject only to statutory duties and usual contractual obligations. The Council acknowledges that despite Six Town's status as the Council's subsidiary, Six Town may have commercial interests which are confidential to Six Town.

40.1.13 In the event of any ambiguity or discrepancy between the provisions of the Management Agreement, the Articles, and the Member Agreement, the terms of the Management Agreement will prevail.

40.1.14 The Management Agreement is governed and construed according to English Law.

41 **Schedule 1 – Specification / Six Town's Services**

41.1 This includes various services / functions / activities which will be undertaken by Six Town on behalf of the Council. The Specification sets out whether this is a service / function newly delegated to the Council, how it is funded, what the governance arrangement is and whether there is any third party fee income. Some of the new services to be provided under this Management Agreement include:

- 41.1.1 Allocations policy and procedure;
- 41.1.2 Allocation of Council housing;
- 41.1.3 Clearance of Council Homes;
- 41.1.4 Closure orders;
- 41.1.5 Community development strategy;
- 41.1.6 Complaints policy and complaints handling;
- 41.1.7 Demolition orders;
- 41.1.8 Specified adaptations;
- 41.1.9 Empty homes interventions;
- 41.1.10 Home improvement services;
- 41.1.11 Homelessness Greater Manchester strategic representation;
- 41.1.12 Housing advice, assessment, prevention and solutions;
- 41.1.13 HMO specified activities;
- 41.1.14 Letting agent regulation;
- 41.1.15 Licencing and enforcement specified activities;
- 41.1.16 Neighbourhood plans;
- 41.1.17 Prohibition orders;
- 41.1.18 Refugee resettlement programme;
- 41.1.19 Regulation of private rental sector;
- 41.1.20 Renovation grant awards and administration;

- 41.1.21 Stock condition surveys;
- 41.1.22 Temporary accommodation; and
- 41.1.23 Unfit properties enforcement.

42 **Schedule 2 - Services provided by the Council**

These include legal services, ICT, internal audit, payroll, HR support, contract cleaning, strategic procurement services, stores, vehicle hire, transport and grounds maintenance.

43 **Schedule 3 - Fee Principles**

This sets out the principles on which fee discussions will be based. They include taking into account the competing pressures on the HRA business plan, any increase or reduction in the Services provided, any adjustment in the performance standards which the Services are delivered at and Six Town's ability to identify and deliver efficiencies.

44 **Schedule 4 – the Council's Assets**

This sets out a list of the Council's assets which are to be used by Six Town as set out in clause 34.

45 **Schedule 5 – The Partnership Protocol**

The main provisions of this are set out paragraph 1 above.

46 **Schedule 6 – Transferring Employees**

This is a list of those employees transferring under TUPE legislation.

47 **Schedule 7 – Additional Matters Requiring Council Constitution and / or Approval**

47.1 This sets out a range of matters on which Six Town is required to consult and / or seek the approval of the Council:

47.2 Six Town agrees with the Council that:

- 47.2.1 It shall consult with the Council on the development and management of the risk register for the delegated Services.
- 47.2.2 It shall consult with the Council on any significant changes to the provision of the Services or policies and procedures to ensure compliance with Equality Act 2010 duties and any statutory or implied duty to consult with affected groups. Six Town shall seek approval (where appropriate) from the Council to any such changes to the provision of the Services or policies and procedures.
- 47.2.3 It shall comply with the Council's constitution on financial and relevant governance matters to ensure proper administration of the Council's financial affairs under Section 151 of the Local Government Act 1972.

- 47.2.4 All contracts which Six Town enters into shall comply with the contract procedure rules set out in the Council's constitution and all terms and conditions will be drafted in accordance with the Council's Social Value Policy.
 - 47.2.5 The Six Town board shall attend and provide information to support the Council's scrutiny committees where relevant to the Services and provide briefings for the Cabinet Member/s with relevant portfolios.
 - 47.2.6 Six Town shall provide such information and assistance as may be required for the Council to respond to any corporate complaints, proceedings, requests for disclosure by third parties such as the police, FOIA requests and any other statutory duties.
- 47.3 Six Town agrees with the Council that information and assistance shall be provided so to:
- 47.3.1 Enable timely and accurate completion of the Council's budget, monitoring and final accounts processes as set out in this Management Agreement;
 - 47.3.2 Enable accurate accounting and monitoring of taxation;
 - 47.3.3 Ensure compliance with the statutory duty to provide value for money;
 - 47.3.4 Enable the Council, Cabinet and audit committee to have assurance over the proper administration of the financial affairs of the Council in relation to the funding of the Services and to fulfil statutory responsibilities;
 - 47.3.5 Ensure the Council can carry out effective and timely collection of any charges.

Main Terms of the Member Agreement

The Member Agreement is intended to encapsulate the parent/subsidiary relationship between the Council and Six Town Housing.

1 Clause 2 – Business

- 1.1 The parties agree to adhere to the principles set out in the Schedule 5 Partnership Protocol (the same as is set out above for the Management Agreement). The Business of Six Town is described as being:
 - 1.1.1 to carry out all housing management activity in relation to the Council's housing stock (other than where alternative arrangements have been made relating to a Tenant Management Organisation pursuant to the Right to Manage);
 - 1.1.2 to perform the other functions and activities as set out in the Management Agreement;
 - 1.1.3 to carry out such other activities from time to time as are permitted and/or contemplated within the Business Plan including its activities relevant to its status as a registered provider of social housing,

together with any activities reasonably incidental to the above.

- 1.2 The Business Plan approval / review process is the same as set out in clause 16 of the Management Agreement, which is explained above at paragraph 15.

- 1.3 Six Town agrees not to acquire any property either within or outside the Council's administrative area or carryout any business that is not in the Business Plan without the Council's consent.

2 **Clause 3 – Conduct of Six Town's Affairs**

- 2.1 This clause sets out certain governance arrangements of Six Town. The Directors must meet no less four times each year at not more than three monthly intervals.

- 2.2 All matters of management of Six Town are vested in the Directors, except for those matters which require consent of the Council. These matters are set out in Schedule 1. The Directors can appoint and/or remove a chief executive officer for Six Town (with consent of the Council).

- 2.3 Directors will determine the manner in which the Business is carried out in accordance with the Business Plan, the Member Consent matters, alignment with the Council's own procedures and strategic objectives and the contents of the Member Agreement.

- 2.4 The chair of the Six Town board (or another Director) can discuss the affairs, finances and accounts of Six Town with designated officers and executives of the Council.

- 2.5 Six Town agrees to maintain effective and appropriate control systems in relation to the financial, accounts and record keeping functions of Six Town. Six Town also agrees to report to the Parent board within ten business days of each Quarter with such information as may reasonably be required to demonstrate Six Town's delivery of the Services. This will include details of performance against KPIs and formal complaints. The parties will agree the format of these reports, and the review process will be notified by the Council to Six Town.

3 **Clause 4 – Group Policies**

This clause will have greater application once the envisaged Group Structure has been set up. The purpose of this clause is to enable the Council to propose, where relevant, a degree of consistency amongst subsidiary companies of which the Council is parent. The Council has to power to adopt policies and standards (after consultation with the Group Members) which relate to all Group Members. These will ensure compliance with statutory and regulatory requirements which are applicable to the Group or any Group Member. They may also cover financial and business probity and efficiency, good governance practice, risk assessment and each Group member carrying on its business in accordance with its own corporate plan. Matters of operational policy will not be the subject matter of Group Policies. Agreed Local Variations will be permitted to the Group Policies where there are reasonable grounds for this.

4 **Clause 5 – Covenants**

- 4.1 Six Town covenants to the Council that it will adhere to the terms set out in Schedule 2. These covenants are as follows:

- 4.1.1 Only to acquire land or assets or carry out additional service from those set out in the Management Agreement if any such acquisition and/or service provision is in accordance with the Business Plan and the Council has given consent.
- 4.1.2 It will conduct its Business in a manner commensurate with the Council's strategic objectives.
- 4.1.3 To comply with the Financial Regulations, Contractual Standing Orders, Board Member Expenses Policy and an Executive Performance Appraisal Framework.

5 Clause 6 - Subsidiaries acceding to this Agreement

This clause links with the form of Deed of Accession set out at Schedule 3. It is a mechanism by which new Group Members accede to the Member Agreement as if it had always been a party to it, agreeing to keep all of its terms.

6 Clause 7 – Termination

6.1 The Member Agreement can be terminated in the following circumstances:

- 6.1.1 the written agreement of the Parties;
- 6.1.2 when a resolution is passed by the Member or creditors of Six Town, or any order made by a court or other competent body or person instituting a process that shall lead to Six Town being wound up and its assets being distributed among the creditors, the Council or other contributors;
- 6.1.3 Six Town ceases to carry on its Business;
- 6.1.4 Six Town is convicted of a criminal offence;
- 6.1.5 the termination of the Management Agreement;
- 6.1.6 the Council giving not less than 90 days written notice to Six Town of the date on which all or part of the Member Agreement will terminate.

7 Clauses 8 to 17 – Various

7.1 These clauses provide as follows:

- 7.1.1 Nothing in the Member Agreement creates a partnership between the Parties or makes one Party an agent of the other.
- 7.1.2 The application of the Contracts (Rights of Third Parties) Act 1999 is excluded.
- 7.1.3 The rights of each Party to the Member Agreement are not affected by completing, rescinding, failing to rescind, or failing / delaying exercising a right or remedy available to it. Waiver of a breach of a term of the Member Agreement, or a default under it, does not constitute a waiver or another breach or default of the Member Agreement.

- 7.1.4 Any rights or powers of the Council under the Management Agreement which shall or may be exercised after the termination or expiry of the Management Agreement (and are expressed as such) survive and remain in full force and effect notwithstanding termination or expiry. Any obligations of Six Town provided for in the Management Agreement which remain to be discharged after the termination or expiry of the Management Agreement remain in full force and effect notwithstanding termination or expiry.
- 7.1.5 The Member Agreement can only be varied as set out in the Member Agreement and any variation must be in writing, and signed on behalf of each Party.
- 7.1.6 If any provision of the Management Agreement is declared invalid or unenforceable then the other provisions of the Management Agreement remain in full force and effect. The Parties are to negotiate a replacement term in good faith which can be substituted for any provision found to be illegal or unenforceable.
- 7.1.7 In the event of any ambiguity or discrepancy between the provisions of the Management Agreement, the Articles, and the Member Agreement, the terms of the Management Agreement will prevail.
- 7.1.8 Consents, notices, approvals or agreements to be given by the Council must be given in writing. Where the Member Agreement provides that a matter is subject to the consent, approval or agreement of a Party, it shall be in the absolute discretion of the Party concerned as to whether (and if so, on what terms and conditions) the consent, approval or agreement is made.
- 7.1.9 Notices under the Member Agreement should be sent in writing (personally, by post or email) to the named persons and addresses set out in clause 15.
- 7.1.1 The Member Agreement is governed and construed according to English Law and the Parties submit to the exclusive jurisdiction of the English Courts.

8 **Schedule 1 – Member Consent Matters**

- 8.1 Please refer to the full list of Member Consent Matters, which are 25 in total. The following are some of the included matters:
 - 8.1.1 varying Six Town's Articles;
 - 8.1.2 permitting the registration of any person as a member of Six Town other than the Council;
 - 8.1.3 adopting or amending its Business Plan;
 - 8.1.4 appointing or removing a management director or chief executive;
 - 8.1.5 make any borrowing; or
 - 8.1.6 passing any resolution for its winding up or present any petition for its administration (unless it has become insolvent); or

- 8.1.7 engaging in any business other than as contemplated by the Business Plan or defray any monies other than in good faith for the purposes of or in connection with the carrying on of such business; or
- 8.1.8 forming any Subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not); or
- 8.1.9 amalgamating or merging with any other company or business undertaking; or
- 8.1.10 making any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or grant any credit (other than in the normal course of trading) or give any guarantee (other than in the normal course of trading) or indemnity (other than in the normal course of trading); or
- 8.1.11 dismissing any Director; or
- 8.1.12 acquiring any land or assets not set out in the current Business Plan.

9 Schedule 2 – Covenants

These are set out above at paragraph 4.

10 Schedule 3 - Deed of Accession

This is discussed above at paragraph 5.

11 Schedule 4 – Group Policies

There are none at this stage.

12 Schedule 5 - Partnership Protocol

This is the same as set out at paragraph 1 above for the Management Agreement.

This report has been prepared for Bury Council only and is not to be shared with or relied upon by third parties without our prior written consent. We understand that this report will be shared with Six Town Housing.

Trowers and Hamlins LLP

April 2019

This page is intentionally left blank

Appendix 4 – Summary of Comments Received From Consultation

DATE RECEIVED	COMMENTS	RESPONSE
11/03/19	Tenant telephone and asked for late partner's details to be removed for future correspondence.	Apology given for any upset caused. Matter passed to STH to be investigated and request actioned.
11/03/19	Tenant did not understand what the letter meant. Tenant reported concerns about repairs works at sheltered scheme where resident, his treatment by STH staff re ASB, diary sheets, and treatment by Support at Home staff. Tenant became very angry and stated he was coming to Bury today and would buy plastic wallets to store this and all future correspondence in. Conversation ended.	No further action appropriate.
11/03/19	Tenant telephoned as she was not happy with service she has received from STH and Support at Home in relation to management of her sheltered scheme.	Tenant agreed that no further action needed as result of this conversation as complaints already going down other channels, but appreciated time taken to listen to her.
11/03/19	Response received to state consultation letter posted was unnecessary. Felt there is no reason why the information it contained could not have been sent by email and that they had sent 'cease and desist' letters to STH to stop paper correspondence.	Response sent via email on 15/03/19 acknowledging receipt of email and that the matter forwarded to Six Town Housing to investigate concerns further.
11/03/19	Response received stating: Thank you for your letter dated 8th March 2019 advising on changes to the management of Bury MBC housing stock. I very strongly disagree with this proposal as the current executive management team is not fit for purpose and should not be given any extra responsibilities whatsoever.	Response sent via email on 15.03.19 to thank tenant for comments which have been noted. (The Council has considered this comment, but based on Six Town Housing's performance over a number of years, it is believed that they have the capability to manage current and additional services. Therefore, there are no changes to the proposals to sign a new contract with and transfer additional services to Six Town Housing.)

DATE RECEIVED	COMMENTS	RESPONSE
11/03/19	Consultation completed with name and address. No comment was left.	No further action needed.
12/03/19	Tenant responded to state STH did not need new management as they are not currently fit for purpose. Tenant complained that STH has not answered the phone in the last 3 weeks. Tenant collapsed 3 weeks ago and the police were called by neighbour and they had to damage door to get in. Tenant tried to call STH to repair this as he does not feel safe in house and is barricading self in.	Details have been passed to STH to respond as matter of urgency.
13/03/19	Tenant telephone and asked for late partner's details to be removed for future correspondence.	Apology given for any upset caused. Passed to Springs Tenant Management Organisation for investigation and name taken off any future correspondence.
13/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 13/03/19.
13/03/19	Tenant telephoned with repair.	Directed to STH.
13/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 13/03/19.
13/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 13/03/19.
13/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 13/03/19.
13/03/19	Tenant called, was very aggressive and confused by the letter. Thought was being evicted as the letter mentions the Accommodation Team and what they do (e.g. give advice to homeless people).	Full explanation of the letter given 13/03/19.
13/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 13/03/19.

DATE RECEIVED	COMMENTS	RESPONSE
13/03/19	Tenant has sent a letter in and has asked for all relevant information that applies to his current circumstances in regards to the new contract and rehousing options.	Letter sent 14.03.19 to advise position on waiting list remained unaffected by the proposals.
13/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 13/03/19.
13/03/19	Consultation completed with name and address. No comment was left.	No further action needed.
13/03/19	<p>The new arrangement is a very good idea. Six Town housing are now better able to allocate housing themselves, rather than Bury Council. This enables them to relate more to the rulings on percentages of a good social mix of backgrounds. Example, persons with Psychological problems (without drug & alcohol addiction), those suffering with alcohol and drug use etc., those with physical disabilities and those that in general are of good health. I believe that Six Town Housing would and could take a better approach to allocating homes in a different way.</p> <p>Love the idea that most things relating to housing and others are now under one roof. I think there could be much progress made in many areas, since Six Town Housing are very active, on the ground, so to speak, more aware first hand as to what is needed, where it is needed and without having to and fro between themselves and the Council, means more time spent on other things.</p>	Response sent via email on 15.03.19 thanking tenant for comments.

DATE RECEIVED	COMMENTS	RESPONSE
13/03/19	Tenant telephone and asked for late partner's details to be removed for future correspondence.	Apology given for any upset caused. Matter passed to STH to be investigated and request actioned.
14/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 14/03/19.
14/03/19	Tenant did not understand what the letter meant.	Full explanation of the letter given 14/03/19.
14/03/19	Concerns raised about STH's failure to deal with anti-social behaviour issue and about them being given more areas of responsibility.	<p>Acknowledgement sent via email on 15/03/19.</p> <p>(The Council has considered this comment, but based on Six Town Housing's performance over a number of years, it is believed that they have the capability to manage current and additional services. Therefore, there are no changes to the proposals to sign a new contract with and transfer additional services to Six Town Housing.)</p>
14.03.19	Request for clarity on responsibilities as tenant reported experiences where STH refer matter to Council, who then refer back to STH.	Acknowledgement sent via email on 15/03/19.
14.03.19	Concerns raised that consultation letters only sent to tenants and not wider service users. Stated they were going to their MP.	The Council is only required to contact tenants individually. However, there has been additional consultation with the local community and other service users through the Council's website and social media.

DATE RECEIVED	COMMENTS	RESPONSE
14.03.19	I feel that Six Town are taking on more than they can cope with. Staff dealing with clients who are homeless etc. need to be dealt with some empathy. There is also some element of where and how people are housed. And how the staff deal with the after care of tenants who need support. The staff need to be trained to a good level and their customer service should be knowledgeable as to dealing with the many problems of housing people bring. Especially clients who have had erratic lives and who may need to support to 'fit in ' their community. Tenants will not be able to sustain their tenancies if support is not given. They need to nurture tenants and not keep moving problems on from one area to another.	<p>Acknowledgement sent via email on 15/03/19.</p> <p>(The Council has considered this comment, but based on Six Town Housing's performance over a number of years, it is believed that they have the capability to manage current and additional services. Therefore, there are no changes to the proposals to sign a new contract with and transfer additional services to Six Town Housing.)</p>
15.03.19	Tenant telephoned to complain about the grids being blocked and that the road is flooded. Asked that something be done as he has already spoken to ward councillor about a month ago and has not heard anything back from that.	Referred as a Casework issue on the 15.03.19 for further action.
18.03.19	I think it's very unfair that single working people cannot go on your list to have opportunity of cheaper rents. Other towns have housing associations running social housing. It is nothing to do with the council, lots of money raised by building new homes and selling them at a profit then building fab accommodation for people to rent. Waiting list open to anyone regardless of circumstances. Properties put Bury Council to shame. You should look at this idea as it works fab.	<p>Acknowledgement sent via email on 19/03/19.</p> <p>(The Council has considered this comment, but based on Six Town Housing's performance over a number of years, it is believed that they have the capability to manage current and additional services. Therefore, there are no changes to the proposals to sign a new contract with and transfer additional services to Six Town Housing.)</p>

DATE RECEIVED	COMMENTS	RESPONSE
07.04.19	<p>(two separate responses sent by same individual)</p> <p>1) I think this is over restrictive - all Council Tax payers and residents whether they are a current service user or not should have an opportunity to respond. The choice above implies that they do not.</p> <p>2) I think the above choices may restrict some people from responding. The consultation should be open to all Council Tax payers and potential service users. Six Town Housing is a high cost, low quality, poor customer focussed organisation and it's astonishing that the Council is proposing to entrust additional Council services to a failing organisation - this is reward for failure. There are existing organisations that both perform housing management and rent collection services at a fraction of the cost of STH and some of these organisations have existing expertise and proven track record in identifying, acquiring and developing sites for new build - why pump public money into a failed organisation? A number of other authorities have taken housing management back in house and created special investment vehicles to develop sites - Bury seems to wish to continue the incestuous and unhealthy relationship with STH and where failure will not be properly addressed.</p> <p>I understand that there is no proposal to strip out the failed strategic management of STH what does this say about any confidence Tax payers should have in the current proposals?</p>	<p>Response sent via email on 08.04.19 to thank individual for comments which have been noted.</p> <p>(The Council has considered these comments, but based on Six Town Housing's performance over a number of years, it is believed that they have the capability to manage current and additional services. Therefore, there are no changes to the proposals to sign a new contract with and transfer additional services to Six Town Housing.)</p>

DATE RECEIVED	COMMENTS	RESPONSE
	<p>There will be a lack of clarity for Tax payers in how the new service is being funded with a blurring of funding between Revenue Support Grant and Housing Revenue Account - how can Tax payers and tenants be sure of good value and, indeed, what they are paying for.</p> <p>Already residents are unclear on which services are provided by the Council and where accountability lies and how to complain about services. This proposal will simply compound the situation.</p> <p>I know that some staff are vehemently opposed to being forced to work for a private limited company but they are simply being told that they will have to move or lose their jobs - hardly a recipe for a new working relationship.</p> <p>Thanks for this opportunity to comment on the proposals.</p>	

This page is intentionally left blank

Appendix 5 - Schedule –Delegated to Six Town Housing (the services are more specifically set out in the Management Agreement Specification)

	Function	Legislative Provision	Delegated to
1.	To serve notices and take appropriate enforcement action in relation to the repair and safety of defective, unfit, sub-standard and non-decent housing under Housing, Public Health legislation and Building Act legislation.	Housing Acts 1985, 1988 and 1996, Local Government and Housing Act 1989 and Housing Act 2004, Public Health Acts and Building Act. Local Government Miscellaneous Provisions Act 1982. Housing and Planning Act 2016, Smoke and Carbon Monoxide (England) Regulations 2015, Prevention Damage by Pests Act 1949	STH
2.	To carry out the licensing of Houses in Multiple Occupation and the determination and levying of appropriate fees.	Housing Act 2004 Housing (Management Orders and Empty Dwelling Management Orders) (Supplemental Provisions) (England) Regulations 2006	STH
3.	Empty Property Enforcement Compulsory Purchase Orders and Notices Enforced Sales Empty Dwelling Management Orders Open to access?	Housing Act 2004, Law of Property Act 1925, Local Government Miscellaneous Provisions Act 1982; Prevention Damage by Pests Act 1949 Anti-Social Behaviour, Crime & Policing Act 2014	STH
4.	Regulation of letting Agents and property management agencies	Enterprise and Regulatory Reform Act 2013 and Redress Scheme Order 2014	STH

5.	To make Management Orders, Control Orders and Direction Orders and the service of other notices to control standards and overcrowding in Houses in multiple occupation.	Housing Acts 1985, 2004, Local Government and Housing Act 1989 and associated legislation	<i>STH</i>
6.	To carry out the approval and payment of Renovation (Empty Property), Disabled Facilities, Common Parts, Houses in Multiple Occupation, Relocation Grants and Home Repairs Assistance grants.	Local Government and Housing Act 1989, Housing Grants Construction and Regeneration Act 1996, and the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 and associated legislation.	<i>STH</i>
7.	To make payment of compensation in relation to unfit properties (including the payment of disturbance and home loss payments).	Land Compensation Act 1961 and associated legislation	<i>STH</i>
8.	To make and remove Demolition Orders and Closing Orders and the protection of buildings for housing purposes. Also the taking of action in relation to ruinous, dilapidated or dangerous buildings for housing purposes.	Housing, Building Acts and Local Government (Miscellaneous Provisions) legislation	<i>STH</i>
9.	To agree loans and the payment of fees for loan payments and the provision of other financial assistance to improve living conditions and for housing purposes	Regulatory Reform (Housing Assistance) (England and Wales) order 2002.	<i>STH</i>
10.	To take action under the Housing Act 2004 in relation to the Health and Safety Rating System.		<i>STH</i>

11.	To determine applications for capital subsidy towards social housing provision in accordance with approved policies and to authorise approved expenditure; agree requisite nomination rights where appropriate.		<i>STH</i>
12.	To authorise expenditure within delegated cash limits on the repair, maintenance and improvement of those properties leased or managed on behalf of the Council.		<i>STH</i>
13.	Inspect all privately owned residential caravan sites (including park home sites) and holiday sites to ensure they are fit for purpose. Liaise with the Council on the licensing of all campsites	Caravan Sites and Control of Development Act 1960 Section 3 Public Health Act 1936	<i>STH/Council</i>
14.	To prevent people displaced by compulsory purchase (or a housing order) from becoming homeless.	Land Compensation Act 1973	<i>STH</i>
15.	To provide the terms and conditions of the statutory Right to Buy scheme.	Housing Act 1985 Part V	<i>STH</i>
16.	Ensure council rents are spent for the benefit of council tenants.	Housing Act 1985	<i>STH</i>
17.	Ensure that social housing is not disposed of to the detriment of housing needs.	Housing Act 1985	<i>STH</i>

18.	To protect the rights of tenants.	Housing Act 1985	<i>STH</i>
19.	Ensure leaseholders have access to minimum levels of information about their service charge payments; are aware of their right/obligations on service charges and have input into the procurement process leading to payment of service charges	Landlord and Tenant Act 1985	<i>STH</i>
20.	Ensure that leaseholders of flats have access to information that may be required when exercising enfranchisement rights.	Leasehold Reform Housing and Urban Development Act 1993 as amended	<i>STH</i>
21.	Enable collective rights for enfranchisement of flats to proceed.	Housing Act 1996 Part VII	<i>STH</i>
22.	Give grants to disabled persons (subject to means testing and up to a prescribed maximum) to allow them to adapt their homes to meet their needs.	Housing Grants, Construction and Regeneration Act 1996	<i>STH</i>
23.	Give discretionary grants to disabled persons (subject to means testing and up to a prescribed maximum) to allow them to adapt their homes to meet their needs.	Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.	<i>STH</i>
24.	Ability to impose conditions on disabled facilities grants relating to repayment	The Housing Grants, Construction and Regeneration Act 1996, Disabled Facilities Grant (Conditions relating to approval or payment of Grant) General Consent 2008	<i>STH</i>
25.	Application to determine if accommodation is suitable for the	Housing Act 1985 (as amended) and Part 1 of the Housing Act 2004	<i>STH</i>

	purpose of immigration to the United Kingdom (immigration inspections)		
26.	Clearance areas	Housing Act 2004	<i>STH</i>
27.	Take action/measures for reducing homelessness and for connected purposes and take reasonable steps to help prevent any eligible person threatened with homelessness from becoming homeless	Housing Act 1996 Part VII as amended, Homelessness Reduction Act 2017	<i>STH</i>
28.	Carry out an assessment in all case where an eligible applicant is homeless or threatened with homelessness		<i>STH</i>
29.	Make arrangements to ensure that social services are aware of cases where applicants with children may be ineligible for assistance, intentionally homeless, or intentionally threatened with homelessness.	Housing Act 1996 Part VII as amended	<i>STH</i>
30.	Secure accommodation pending inquiries in cases where they have reason to believe the applicant may be eligible for assistance	Housing Act 1996 Part VII as amended	<i>STH</i>

31.	Secure accommodation for an applicant pending resolution of a referral to another authority	Housing Act 1996 Part VII as amended	<i>STH</i>
32.	Secure accommodation within their own district so far as reasonably practicable	Housing Act 1996 Part VII as amended	<i>STH</i>
33.	Take reasonable steps to mitigate loss or damage to applicant's property where no other suitable arrangements have been made (and duty to secure accommodation is owed)	Housing Act 1996 Part VII as amended	<i>STH</i>
34.	Ensure that long leaseholders are aware when ground rent is due.	Commonhold and Leasehold Reform Act 2002	<i>STH</i>
35.	Ensure long leaseholders are aware of their rights and obligations when receiving demands for service charges.	Commonhold and Leasehold Reform Act 2002	<i>STH</i>
36.	Review the condition of all housing stock in its area.	Housing Act 2004	<i>STH</i>
37.	Inspect a dwelling to see if there are any hazards (under the Housing Health and Safety Rating System).	Housing Act 2004	<i>STH</i>
38.	Take action where condition of a property can cause a risk to health of occupant.	Housing Act 2004	<i>STH</i>
39.	Consult with the fire and rescue authority for the area where a fire	Housing Act 2004	<i>STH</i>

	hazard exists before taking enforcement action.		
40.	Revoke improvement notice and prohibition order, as appropriate, in specified circumstances.	Housing Act 2004	<i>STH</i>
41.	Consider any application for re-housing a protected occupier of a dwelling for which vacant possession is needed to house a person employed in agriculture.	Rent (Agriculture) Act 1976	<i>STH</i>
42.	Refugee Resettlement Programmes and Gateway Protection Programme (subject to any legislative prescription/restrictions or the prohibition on assignment of any relevant contracts)		<i>STH</i>
43.	Immigration and Asylum functions under legislative provisions (subject to any legislative prescription/restrictions or prohibitions on assignment of relevant contracts)	Asylum and Immigration Act 1996 Immigration and Asylum Act 1999 Nationality, Immigration and Asylum Act 2002 Asylum and Immigration Act 2004 Immigration, Asylum and Nationality Act 2006 UK Borders Act 2007 Borders, Citizenship and Immigration Act 2009 Immigration Act 2014 Immigration Act 2016 United Nations Convention 1951	<i>STH</i>

		<p>The Immigration and Asylum (Provision of Accommodation to Failed Asylum-Seekers) Regulations 2005</p> <p>The Asylum Seekers (Reception Conditions) Regulations 2005</p> <p>The Homelessness (Asylum-Seekers) (Interim Period) (England) Order 1999</p> <p>(Children Act in relation to unaccompanied asylum seeking children and children;</p> <p>Disability Acts; legislation relating to Adult health and Social care and all legislation relating to failed asylum seekers requiring support under health and social legislation)</p>	
44.	Measures to promote the prevention and reduction of homelessness	<p>Housing Act 1996 (as amended by the Homelessness Act 2002), Part 7 (preventing and reducing homelessness)</p> <p>Homelessness Act 2002, s2 (Homelessness Review) and s3 (Strategies)</p> <p>The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002, (SI 2002/1860)</p>	<i>STH</i>
45.	Assist in developing and implementing affordable housing policy within the Local Plan		<i>STH and Council</i>

Appendix 6 - Schedule – Retained Functions/Matters

The functions which will be retained by the Council are shown below. These are matters which the Council is not seeking to delegate to Six Town Housing.

Function
Allocations functions
Decisions as to classes of persons qualifying for allocations
Adopting or altering the allocation scheme
Information about the allocation scheme (Section 168 Housing Act 1996)
Homelessness functions
Duty to provide advisory services (Section 179 Housing Act 1996)
Assistance for voluntary organisations (Section 180 Housing Act 1996)
Co-operation between relevant housing authorities and bodies (Section 213 Housing Act 1996)
Duty to carry out a homelessness review, formulate a homelessness strategy and publish (Homelessness Act 2002)
Duty to publish a homelessness strategy every five years (Homelessness Act 2002)
Duty to modify and review the Homelessness strategy within statutory timeframe (Homelessness Act 2002)
Affordable Housing (Section 106 Planning Pre-Planning, Policy implementation, post planning
Ensure local authorities understand the housing needs of their communities and have regard to any special needs or carry out reviews of accommodation needs
To provide terms and conditions of the statutory Right

Additions

To be consulted on the development and management of the Risk Register for the Services delegated

To be consulted on and where appropriate to approve any significant changes to the provision of the Services or policies and procedures, to ensure compliance with the Equality Act 2010 duties and any statutory or implied duty to consult with affected groups

Compliance with the Council's Constitution on financial and relevant governance matters to ensure proper administration of the Council's financial affairs under Section 151 of the Local Government Act 1972. All contracts entered into must comply with the Contract Procedure Rules set out in the Council's Constitution and all terms and conditions will be drafted in accordance with the Council's Social Value Policy

Information and assistance shall be provided as to:

Enable timely and accurate completion of the Council's budget, monitoring and final accounts processes as set out in the Management Agreement

To enable accurate accounting and monitoring of taxation

To ensure compliance with the statutory duty to provide value for money

To enable the Council, Cabinet and Audit Committee to have assurance over the proper administration of the financial affairs of the Council in relation to the funding of the Services and to fulfil statutory responsibilities

Six Town Housing shall provide information and support to ensure the Council can carry out effective and timely collection of any charges

The Six Town Housing Board shall attend and provide information to support the Council's Scrutiny Committees where relevant to the Services and provide briefings for the Cabinet Member/s with relevant portfolios

Six Town Housing will provide such information and assistance as may be required for the Council to respond to any corporate complaints, proceedings, requests for disclosure by third parties such as the Police, FOI Act requests and any other statutory duties.

Appendix 7 – Glossary

Best Value	- to improve local services in terms of both cost and quality.
KPI	- Key Performance Indicators which will be used, in part, to measure and assess the performance of Six Town Housing.
Parent Board	- the body created by BC as part of the housing investment and governance structure and that means by which it exercises its business planning for growth and day to day business oversight and support of the Council's subsidiary company Six Town Housing
Right to Manage	- the right of tenants and leaseholders to take responsibility to manage their estate.
Section 27 approval	- the approval that is required from the secretary of State in order for a Local Authority to enter into a Housing management agreement, the process for which is administered by the Regulator Of Social Housing
Teckal	- an exemption from public procurement for the award of contracts by a public authority to a separate entity provided certain requirements are met
TUPE	- refers to the "Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014". The TUPE rules apply to organisations of all sizes and protect employees' rights when the organisation or service they work for transfers to a new employer. When TUPE applies, the employees of the outgoing employer automatically become employees of the incoming employer at the point of transfer. They carry with them their continuous service from the outgoing employer, and should

continue to enjoy the same terms and conditions of employment with the incoming employer.



Equality Analysis Form

The following questions will document the effect of your service or proposed policy, procedure, working practice, strategy or decision (hereafter referred to as 'policy') on equality, and demonstrate that you have paid due regard to the Public Sector Equality Duty.

1. RESPONSIBILITY

Department	Business, Growth & Infrastructure / Communities & Wellbeing	
Service	Housing	
Proposed policy	New Housing Management Agreement	
Date	17 th April 2019	
Officer responsible for the 'policy' and for completing the equality analysis	Name	Marcus Connor
	Post Title	Corporate Policy Manager
	Contact Number	0161 253 6252
	Signature	
	Date	14 March 2019

2. AIMS

What is the purpose of the policy/service and what is it intended to achieve?	<p>To renew the housing management contract with the current service provider, Six Town Housing, and to transfer a number of services currently provided by the Council.</p> <p>To improve synergy in the delivery of services. To provide one point of contact for all operational housing services. To enhance the Council's and Six Town Housing's capacity and resilience to support the Council's ambitions for business growth and to become self-reliant. To improve the customer offer and experience.</p>
Who are the main stakeholders?	<p>The Council Council's Golden Shareholder Elected Members Six Town Housing and its Board Relevant Government Offices</p>

3. ESTABLISHING RELEVANCE TO EQUALITY

3a. Using the drop down lists below, please advise whether the policy/service has either a positive or negative effect on any groups of people with protected equality characteristics.

If you answer yes to any question, please also explain why and how that group of people will be affected.

Protected equality characteristic	Positive effect (Yes/No)	Negative effect (Yes/No)	Explanation
Race	No	No	
Disability	Yes	No	As part of the Council's growth ambitions, there focus of providing housing options to support people with particular needs and so enable them to live more independently will result in a positive effect for this customer group.
Gender	No	No	
Gender reassignment	No	No	
Age	Yes	No	As part of the Council's growth ambitions, there focus of providing housing options to support people with particular needs and so enable them to live more independently will result in a positive effect for this customer group.
Sexual orientation	No	No	
Religion or belief	No	No	
Caring responsibilities	Yes	No	As part of the Council's growth ambitions, there focus of providing housing options to support people with particular needs and so enable them to live more independently will result in a positive effect for this customer group.
Pregnancy or maternity	No	No	
Marriage or civil partnership	No	No	

3b. Using the drop down lists below, please advise whether or not our policy/service has relevance to the Public Sector Equality Duty. If you answer yes to any question, please explain why.

General Public Sector Equality Duties	Relevance (Yes/No)	Reason for the relevance
Need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010	Yes	All services will be mindful of the Equality Act when being provided, developed or reviewed. There is no impact on staffing numbers as a result of the review, hence no impact on staff related equality matters.
Need to advance equality of opportunity between people who share a protected characteristic and those who do not (eg. by removing or minimising disadvantages or meeting needs)	Yes	Specific housing options will be identified for customers with particular housing needs as part of the Council's ambitions for growth. Therefore, the housing offer will more effectively meet the needs of some of the protected characteristic groups.
Need to foster good relations between people who share a protected characteristic and those who do not (eg. by tackling prejudice or promoting understanding)	Yes	Specific housing schemes for customers with special housing needs will foster good relations. Existing schemes, such as Redbank, have resulted in greater integration of older people with the wider community, thus promoting greater independence in the former.

If you answered 'YES' to any of the questions in 3a and 3b

Go straight to Question 4

If you answered 'NO' to all of the questions in 3a and 3b

Go to Question 3c and do not answer questions 4-6

3c. If you have answered 'No' to all the questions in 3a and 3b please explain why you feel that your policy/service has no relevance to equality.

Not applicable

4. EQUALITY INFORMATION AND ENGAGEMENT

4a. For a service plan, please list what equality information you currently have available (including a list of all EAs carried out on existing policies/procedures/strategies),

OR for a new/changed policy or practice please list what equality information you considered and engagement you have carried out in relation to it.

Please provide a link if the information is published on the web and advise when it was last updated?

(NB. Equality information can be both qualitative and quantitative. It includes knowledge of service users, satisfaction rates, compliments and complaints, the results of surveys or other engagement activities and should be broken down by equality characteristics where relevant.)

Details of the equality information or engagement	Internet link if published	Date last updated
Housing Needs & Demands Assessment 2011/12	https://www.bury.gov.uk/CHttpHandler.ashx?id=9830&p=0	2012

4b. Are there any information gaps, and if so how do you plan to tackle them?

Ongoing customer satisfaction surveys; Estate Profiling; future Housing Needs Surveys.

5. CONCLUSIONS OF THE EQUALITY ANALYSIS

What will the likely overall effect of your policy/service plan be on equality?	Increased housing options, especially for people with special housing needs. Streamlined and easier to understand processes and structures. Continued recognition of Equality Act in development of policies and procedures.
If you identified any negative effects (see questions 3a) or discrimination what measures have you put in place to remove or mitigate them?	Not applicable.
Have you identified any further ways that you can advance equality of opportunity and/or foster good relations? If so, please give details.	Extra Care housing schemes have increased interaction with the community for their residents (older people). Similar initiatives for schemes for other client groups will have similar beneficial effects.
What steps do you intend to take now in respect of the implementation of your policy/service plan?	Signing of management agreement, secretary of state approval, transfer of staff, implementation of new ways of working.

6. MONITORING AND REVIEW

If you intend to proceed with your policy/service plan, please detail what monitoring arrangements (if appropriate) you will put in place to monitor the ongoing effects. Please also state when the policy/service plan will be reviewed.

Through STH's Annual Report / Business Plan for Council.
Internal monitoring at STH.

COPIES OF THIS EQUALITY ANALYSIS FORM SHOULD BE ATTACHED TO ANY REPORTS/SERVICE PLANS AND ALSO SENT TO YOUR DEPARTMENTAL EQUALITY REPRESENTATIVE FOR RECORDING.

4

**MINUTES OF THE MEETING OF THE GM COMBINED AUTHORITY HELD ON 1 MARCH
2019 AT MANCHESTER TOWN HALL**

PRESENT:

GM Mayor	Andy Burnham (In the Chair)
Bolton	Councillor Linda Thomas
Bury	Councillor Rishi Shori
Manchester	Councillor Richard Leese
Oldham	Councillor Sean Fielding
Rochdale	Councillor Allen Brett
Salford	City Mayor Paul Dennett
Stockport	Councillor Alex Ganotis
Tameside	Councillor Brenda Warrington
Trafford	Councillor Andrew Western
Wigan	Councillor David Molyneux

OTHER MEMBERS IN ATTENDANCE:

Manchester	Councillor Angeliki Stogia
Rochdale	Councillor Janet Emsley
Rochdale	Councillor Sara Rowbotham
TfGMC	Councillor Mark Aldred

OFFICERS IN ATTENDANCE:

GMCA – Chief Executive	Eamonn Boylan
GMCA - Deputy Chief Executive	Andrew Lightfoot
GMCA – Monitoring Officer	Liz Treacy
GMCA – Treasurer	Richard Paver
Office of the GM Mayor	Kevin Lee
Bolton	Tony Oakman
Bury	Geoff Little
Oldham	Helen Lockwood
Manchester	Joanne Roney
Rochdale	Steve Rumbelow
Salford	Jim Taylor
Stockport	Pam Smith
Tameside	Ian Saxon
Wigan	Alison McKenzie-Folan
Chair of the Advisory Committee for the Institute of Global Homelessness	Dame Louise Casey

BOLTON
BURY

MANCHESTER
OLDHAM

ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

TfGM	Simon Warburton
GMCA	Julie Connor
GMCA	Simon Nokes
GMCA	Claire Norman
GMCA	Jamie Fallon
GMCA	Nicola Ward

GMCA 59/19 APOLOGIES

RESOLVED /-

That apologies were received and noted from Carolyn Wilkins (Helen Lockwood attending) and Steven Pleasant (Ian Saxon attending).

GMCA 60/19 CHAIR’S ANNOUNCEMENTS AND URGENT BUSINESS

There were no Chair’s announcements or urgent business items.

GMCA 61/19 DECLARATIONS OF INTEREST

There were no declarations of interest made in relation to any item on the agenda.

GMCA 62/19 MINUTES OF THE GMCA MEETING HELD ON 15 FEBRUARY 2019

The minutes of the meeting held on 15 February 2019 were submitted for consideration.

RESOLVED /-

That the minutes of the meeting of the GMCA held on 15 February 2019 be approved as a correct record.

GMCA 63/19 MINUTES OF THE GMCA OVERVIEW AND SCRUTINY COMMITTEES – FEBRUARY 2019

RESOLVED/-

1. That the minutes of the Economy, Business Growth and Skills Overview and Scrutiny Committee held 8 February 2019 be noted.
2. That the minutes of the Corporate Issues & Reform Overview and Scrutiny Committee held 12 February 2019 be noted.
3. That the minutes of the Housing, Planning & Environment Overview and Scrutiny Committee held 14 February 2019 be noted.

GMCA 64/19

**HOMELESSNESS – PROPOSAL TO ALLOCATE FUNDING TO LOCAL
AUTHORITIES FOR PROVISION OF THE A BED EVERY NIGHT
PROGRAMME**

The GM Mayor, Andy Burnham gave an update on work being undertaken across GM to tackle the issue of homelessness and thanked each of the Local Authorities for their support on this agenda that had resulted in many people being supported into housing over recent months. He explained how the 'A Bed Every Night' programme was moving into its next phase and that the report proposed to extend the current scheme until the end of April 2019.

Officers had undertaken a cost benefit analysis of the programme, which had begun to suggest that the programme costs were less than the equivalent service costs, and that reverting back to a 'do nothing' approach would be of further considerable widespread cost to GM.

Dame Louise Casey, Advisory Committee Chair for the Institute of Global Homelessness, had been invited to review GM's current approach to Homelessness and Rough Sleeping. Her background in the Government's Rough Sleepers Unit had a significant impact on the national picture from 1997 onwards and the Mayor had welcomed her external review.

Dame Casey reported that unfortunately from 2010 there had been a national increase in the number of rough sleepers every year, which she felt, could be strongly attributed to the changes in the benefit system, the hospital focussed health service, and the lack of Government commitment to tackling these determinants to homelessness.

GM had been recruited as one of the 12 vanguard areas to work with the Institute of Global Homelessness and was joining a host of other Cities across the world that had the potential to make positive global significance including Brussels, Bangalore and Sydney.

Her review had highlighted the strengths of GM's approach, but also areas where there could be improvements to ensure stronger provision or more emphasis on prevention.

Members welcomed the comments made by Dame Casey and agreed that homelessness was symptomatic of a failing system underpinned by a seeming lack of compassion from Government. An undersupply of affordable housing, poor welfare reform, a lack of mental health services, a reduction in debt advice support services and other factors had resulted in significant austerity across the UK that required Government to move towards a holistic approach to systems thinking.

The GMCA paid recognition to the vital support of the voluntary and faith sectors in delivering 'A Bed Every Night' and the Mayor also extended his thanks for all the work they had undertaken to ensure the greatest level of provision was available across GM.

Dame Casey added that the data gathered from 'A Bed Every Night' would give GM moral authority to go back to Government and evidence where further funding was needed and where their support was required.

In summary, the Mayor added that GM would continue to be a vanguard for the Institute and thanked Dame Casey for her support and the opportunity for a review of GM's work in this area.

RESOLVED/-

1. That the costs and proposed existing contributions to be made by GM Local Authorities be noted.
2. That authority be delegated to the GMCA Treasurer to allocate funding to local providers to cover approved and specified costs incurred in the 'A Bed Every Night' programme, where these costs have been assessed and approved by each GM Local Authority and confirmed by GMCA.
3. That that the allocation of £1m from the Trailblazer funding to be utilised to deliver Hub provision under the 'A Bed Every Night' programme be approved and that it be noted and agreed that Mayor would allocate £1.1m from the Mayoral Priority budget.
4. That it be noted and agreed that the Mayor make grants to GM Local Authorities on the basis outlined in section 3.9 of this report, and that authority be delegated to the GMCA Treasurer to allocate funding to cover approved and specified costs.
5. That the proposal to extend the delivery of the 'A Bed Every Night' programme initially until 30th April 2019, be approved, pending further discussions to secure a long-term funding platform and that it be noted that the Mayor of GM has allocated up to £250k from the 2019/20 Mayoral Priorities budget and an equal sum from Police & Crime Commission resources.
6. That the proposal to utilise £745k of funding from the Trailblazer programme to Manchester City Council for the development of the Longford Centre as a cross-boundary Hub, fulfilling Theme 2 of the Trailblazer programme be agreed.
7. That the slides, which detail the findings of Dame Louise Casey, be circulated to members of the GMCA.

8. That thanks be recorded to the voluntary and faith sector along with GM Local Authorities for their support and dedication to the 'A Bed Every Night' programme.

GMCA 65/19

CLEAN AIR PLAN – OUTLINE BUSINESS CASE

Councillor Alex Ganotis, Portfolio Lead for the Green City Region, introduced a report that outlined the key features of GM's feasibility study and the Clean Air Plan Outline Business Case, developed collectively by all GM Local Authorities and coordinated by TfGM in line with Government direction and guidance.

He reminded members of the GMCA that the development of a Clean Air Plan was a Government requirement to bring air quality to legal levels as soon as possible and that the deadline for the submission of the Outline Business Case was the end of March.

As background to the report, he commented that in GM over 1200 people die every year as a direct or in-direct result of poor air quality and as a public health issue the GMCA has a moral responsibility to address. A report presented in October 2018 highlighted 152 stretches of road in GM that exceeded national legal levels, many of which were located in areas of deprivation, resulting in a further determinant to poorer life chances for those communities.

GM had taken a socially inclusive approach in their production of the Outline Business Case that looked to minimise the impact on the economy, jobs and the finances of residents. It had been determined that the 'Clean Air Zone' option was the only option available to GM that would allow the required levels to be achieved, introduced on a phased approach, to buses and taxis by 2021 and to light good vehicles by 2023 (to give the market time to adjust). Private vehicles would not be included within the clean air zone, given 80% were already compliant, the remaining 20% were not required to be included to achieve the legal compliance levels. The socio-economic impact study had further identified that the inclusion of private vehicles would disproportionately impact on the most deprived communities.

The draft Outline Business Case was conditional, and would only be introduced with the financial support of Government to help bring vehicles to compliance and where possible to avoid any penalty charge.

Recent press coverage had included some inaccuracies arising from comments from the bus sector, as they had made no reference to the support offered by Government to support the retro-fitting of buses to ensure compliancy. It was important for the bus industry to recognise their role in minimising the emissions of buses that contribute to poor air quality. Furthermore, it was also crucial for Highways England to engage as part of the solution and recognise the role that motorways must play in reducing the levels of Nitrogen Dioxide.

Once the Outline Business Case was agreed, there would be a series of public engagement activities undertaken in May and then a full public consultation in advance of the co-design of the full business case in Autumn 2019.

Members of the GMCA agreed that the financial support of Government was vital to ensure the successful delivery of the clean air agenda, and echoed the view that Highways England must be part of the solution.

RESOLVED/-

1. That it be noted that the GM Local Authorities were working together to address nitrogen dioxide exceedances at the roadside and that it is predicted that there will be 250 points of exceedance across 152 road links and all ten local authority areas in 2021.
2. That it be noted that Government required GM to undertake a feasibility study and as part of that study, to submit an Outline Business Case (OBC) by the end of March 2019.
3. That it be noted that further stakeholder engagement and public consultation was an essential element of the process to help inform and refine ongoing work to produce a Final Business Case by the end of the calendar year.
4. That it be noted that significant financial support from Government would be required to deliver the measures described in the OBC in a way that contributes to GMCA's wider economic, social and environmental objectives.
5. That the GMCA commend to all GM Local Authorities both the collaborative approach adopted to meet GM's NO2 challenge and the key features of the OBC, as set out in this report, noting that the decision-making with regard to the OBC was for each constituent Local Authority to undertake.
6. That GM's clear expectation of Government be reconfirmed in place in support of this plan as follows:
 - a) Clear arrangements and funding to develop workable, local vehicle scrappage / upgrade measures
 - b) Short term effective interventions in vehicle and technology manufacturing and distribution, led by national Government with local authorities
 - c) Replacement of non-compliant buses
 - d) A clear instruction to Highways England with regard to air pollution from the strategic highway network in GM
7. That thanks be recorded to officers at TfGM and the Local Authorities for their support to Cllr Alex Ganotis in the work to date to deliver the Clean Air Plan Outline Business Case.

GMCA 66/19

GM 5 YEAR ENVIRONMENT PLAN

Councillor Alex Ganotis, Portfolio Lead for Green City Region, presented a draft of the GM's 5 Year Environment Plan which sets out the actions needed to achieve carbon neutrality by 2038, helping GM to achieve its contribution to bringing global temperatures down as soon as possible.

Buildings, energy, transport and natural capital were all included within the 5 Year Plan, and a series of detailed thematic plans would be developed following its consideration by a number of bodies, including the Green Summit, with final approval by the GMCA on 29 March 2019.

The report set out the scale of the challenge and how officers of GM would track progress to ensure delivering the Plan was in track, which would ultimately also have wider benefits for health, housing and employment. He added that GM Local Authorities have a key role to play in the support of the Plan, specifically leading by example, convening partners for change and developing the right local policies.

The GM Mayor recognised that the Plan had significant ambitions, which were vital to ensuring our desire to be a leading city region in this area, and welcomed the support of all the GM Local Authorities.

RESOLVED/-

1. That the content of the draft Plan be noted.
2. That authority be delegated to the Chief Executive of GMCA, in consultation with Cllr Alex Ganotis, the Portfolio lead for Green City Region, to make any further amendments to the draft Plan in advance of the Green Summit on 25th March
3. That it be agreed that the draft Plan would be published for the Green Summit on 25 March, with a final version submitted to the GMCA on 29 March 2019 for approval.

GMCA 67/19

URBAN INNOVATIVE ACTION – 'IGNITION PROJECT' CONTRACTING WITH EUROPEAN COMMISSION – REQUEST FOR APPROVAL

Councillor Alex Ganotis, Portfolio Lead for the Green City Region, took members through a report advising that the GMCA had been successful in attracting an award of £4m European funding for the 'Ignition' Urban Innovation Action (UIA). The scheme provided the opportunity for GM to identify pipelines of natural capital (green/blue infrastructure) climate adaptation projects which could be attractive to private investors, creating the mechanisms and confidence for investments to be made in nature-based solutions.

He reported that work on project planning, legal, finance and contract issues were nearing completion. However, the GMCA were requested to formally approve the acceptance of this funding to enter into contract before the UK leaves the EU at the end of March. This project would be a key component in the delivery of the Natural Capital Plan over the next three years.

RESOLVED/-

1. That the projects background, outputs and opportunities, costs and risk management and mitigation measures be noted.
2. That authority be delegated to the Chief Executive of the GMCA, in consultation with Cllr Alex Ganotis as the Portfolio Lead for Green City Region, to finalise the arrangements for implementing this project, including awarding the project partners (Annex 01) funding as outlined in Annex 2.
3. That authority be delegated to the GMCA Treasurer to enter into the grant agreement with the EU before the end of March 2019.
4. That authority be delegated to the GMCA Monitoring Officer to put in place all necessary legal documentation to implement the project, including the relevant 'back to back' contracts with partners as outlined in para 3.2.

GMCA 68/19

TOWN CENTRE CHALLENGE: FUTURE HIGH STREETS FUND PROSPECTUS

The GM Mayor, Andy Burnham took members through a report that provided an overview of the Future High Streets Fund prospectus and outlined the proposed submissions for multi-functioning town centres by the GM Authorities, recognising that these proposals will make a significant contribution to the delivery of additional homes over the next five years.

Members of the GMCA added that these sites were often brownfield sites that with the Mayoral Development Corporation powers would have the potential to be obtained for remediation works to be undertaken to unlock further potential housing development sites.

The Mayor added that GM was in a strong position to bid for these funds which would bring in additional funding to further support the town centre regeneration agenda.

RESOLVED/-

1. That the report be noted.

2. That GMCA agree to support the proposed bids outlined in Section 6 and Appendix 1.
3. That an update on the outcome of the bids be submitted to a future meeting of the GMCA.

GMCA 69/19

GM FULL FIBRE PROGRAMME - IMPLEMENTATION

Councillor Andrew Western, Portfolio Lead for Digital City Region, introduced a report that provided an update on the successful GM bid to Government's Department for Digital Culture Media and Sport (DCMS) for £23.8m Local Full Fibre Networks funding (LFFN) in March 2018.

He reported that the programme had reached the procurement stage to establish a north and south framework for the implementation of full fibre that would require all Local Authorities in GM to plan for a future capital investment. This would enable an increase of coverage from 2% to 25% within the next three years, giving GM the best coverage in the whole of the UK.

RESOLVED/-

1. That an investment of £1.46M capital from GMCA (Fire & Rescue Service) and £3.384M capital from GMCA (TfGM Urban Traffic Management Control) be approved.
2. That all GM Local Authority partners be requested to make provision for their respective capital investment commitments before the end of March 2019, with formal financial approvals in place before the contracts were awarded in July 2019. Noting that this capital investment was in place of revenue costs for connectivity over a minimum of 20 years.
3. That all GM Local Authority partners be requested to ensure that local project and contract management support was in place for the programme.
4. That it be noted that following the procurement exercise, the £20.465m Department for Digital, Culture, Media & Sport (DCMS) grant for Local Full Fibre Network (LFFN) would be allocated between the GM Local Authorities and the GMCA to maximise full fibre site coverage across each GM Local Authority and GMCA agreement will be sought to the final grant allocations.
5. That the allocation of £835,000, from the DCMS LFFN grant, to Manchester City Council for Public Building Service Upgrade be agreed.
6. That the proposed approach to procurement and contract management be agreed, namely that:

- The GMCA will be the Framework Authority and will contract directly with the supplier for the delivery of its network connectivity for UTMCA assets and Fire and Rescue Service sites.
 - The GM Prospectus is put in place by July 2019, which is a joint agreement by local authorities, and the GMCA to adopt common processes and criteria to utilities infrastructure delivery to minimise barriers to investment and reduce roll out costs of utilities works across GM.
 - Participating Local Authorities and the GMCA are requested to agree, and be party to, the Inter Authority Agreement to formalise their participation in the GM Full Fibre Programme and secure Government (DCMS) LFFN grant funding.
7. That authority be delegated to GMCA Treasurer, in consultation with the Cllr Andrew Western, Portfolio Lead for Digital City Region, to approve the selection of up to 2 providers under single supplier framework contracts, to be used by the GMCA and also each participating Local Authority to enter into a contract in their own right for their locality.
 8. That authority be delegated to the GMCA Monitoring Officer to put in place appropriate legal and Inter Authority Agreements.
 9. That it be noted that Clinical Commissioning Group assets were no longer part of this project, having secured fibre infrastructure via an alternative route.

GMCA 70/19

GM GOOD EMPLOYMENT CHARTER

The GM Mayor, Andy Burnham introduced a report seeking agreement from the GMCA to establish a GM Good Employment Charter, based on the model developed through co-design with employers, employees and others. The Charter was currently being taken through a consultation period with local businesses, and had been further informed by the recent Independent Prosperity Review. The report further set out how the Charter is planned to be developed to an implementation phase.

Councillor Richard Leese added that the initial shape of the Charter had been shaped through effective consultation and highlighted three key elements; the option for a supporter businesses who are not ready to adopt the full charter, a high threshold for membership, and the requirement to have active advocates for the Charter.

RESOLVED/-

1. That the model for the GM Good Employment Charter, as set out in the paper, be agreed.
2. That it be agreed that when the detailed work on implementation was complete, a further paper will be submitted to the GMCA, with full revenue

implications and identifying funding sources, which could include a limited amount from retained Business Rates as a short term funding source.

GMCA 71/19

WORKING WELL (SPECIALIST EMPLOYMENT SUPPORT)

Councillor Sean Fielding, Portfolio Lead for Education, Skills & Apprenticeships, presented a report seeking approval to commence the procurement process for the Working Well: Specialist Employment Service for people with learning disabilities, autistic people and people with severe mental illness. The report further provided an overview of the proposed service model and delivery expectations, funding arrangements, the procurement process and governance.

Across the UK, there were less than 50% of people with a disability in employment, compared to 80% of people without a disability, which was an inequality to be addressed, and the Specialist Employment Support programme would allow for over 1300 people in GM to be supported to access employment over the next three years. The scheme was funded jointly through EU funds and contributions from GM Local Authorities and if approved, was scheduled to begin in September 2019.

The GM Mayor added that this scheme would take Working Well to the next stage and help GM improve the life experiences of people with disabilities, in particular he highlighted the fact that only 3% of people with learning disabilities in GM were in employment, echoing the current lack of support to access employment opportunities.

RESOLVED/-

1. That the £4m funding package, as detailed in section 5 of the report be noted, and that it be agreed that the GMCA to proceed with the procurement of the Working Well: Specialist Employment Service.
2. That authority be delegated to the GMCA Chief Executive and GMCA Treasurer, in consultation with the Chief Executive Portfolio Lead for Education, Skills, Work and Apprenticeships, to take all necessary steps to procure the service.
3. That thanks be recorded to Cllr Sean Fielding for the work undertaken to take the Working Well Programme to this next stage.

GMCA 72/19

NORTHERN AND TRANSPENNINE EXPRESS RAIL PERFORMANCE

The GM Mayor Andy Burnham reported that although statistics contained in the report looked to intimate an improvement in rail performance, passenger experience remained poor, with continued reports of overcrowding, cancellations, a reduced weekend service and frequently used short-formed trains.

He re-iterated that the May timetable would be the final opportunity for train operators to evidence an improved service before calls would be made to remove the franchises of any operator who was not meeting the required service standards.

Members of the GMCA supported the Mayor in this approach, and expressed further concern that the May timetable would not provide the resolutions as promised by operators. In relation to the union disputes and minimal Sunday services, members urged that the GMCA take a strong stance that this poor level of service to passengers across GM could not continue.

The GM Mayor agreed to continue to raise these issues at the Transport for the North meetings, and echo the points raised by members especially in relation to the May timetable change being the final opportunity for operators to make the required level of improvements.

RESOLVED/-

1. That the report be noted.
2. That the Mayor would take comments regarding the continued unsatisfactory performance of the rail network to the next meeting of Transport for the North.