

**DATED**

**2010**

**THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF  
HARINGEY (1)**

**- and -**

**HOMES FOR HARINGEY LIMITED (2)**

---

**MANAGEMENT AGREEMENT FOR  
HOUSING MANAGEMENT AND OTHER SERVICES**

---

Legal Services  
Alexandra House  
London Borough of Haringey  
8<sup>th</sup> Floor  
10 Station Road  
Wood Green  
N22 7TR

## CONTENTS

CLAUSE	PAGE
<b>PART A – PARTNERSHIP IN DELIVERY BETWEEN THE ORGANISATION AND THE COUNCIL.....</b>	<b>6</b>
1. THE BUSINESS PLAN.....	6
2. COMMITMENT TO THE COMMUNITY.....	7
3. EQUAL OPPORTUNITIES.....	8
4. TENANT INVOLVEMENT.....	8
<b>PART B – PERFORMANCE RESPONSIBILITIES OF THE COUNCIL .....</b>	<b>9</b>
5. DUTY OF BEST VALUE.....	9
<b>PART C – PERFORMANCE RESPONSIBILITIES OF THE ORGANISATION .....</b>	<b>10</b>
6. FUTURE BUSINESS PLANS .....	10
8. THE ALMO SERVICE BEST VALUE REVIEWS.....	11
9. PERFORMANCE INDICATORS .....	12
10. OFFICIAL RETURNS, HOUSING INSPECTIONS ETC.....	13
<b>PART D – STRATEGIC RESPONSIBILITIES OF THE ORGANISATION .....</b>	<b>14</b>
11. ADVICE AND SUPPORT IN DEVELOPING CORPORATE STRATEGIES AND REVIEWS IN THE COUNCIL .....	14
12. REPRESENTING PARTICIPATING THE COUNCIL IN RELATED OR PARTNERSHIP ACTIVITY.....	14
<b>PART E – STRATEGIC RESPONSIBILITIES OF THE COUNCIL .....</b>	<b>14</b>
13. CONSULTATION WITH STATUTORY AND OTHER BODIES.....	14
14. CONSULTATION WITH TENANTS.....	15
<b>PART F – RESPONSIBILITIES OF THE ORGANISATION .....</b>	<b>15</b>
15. FUNCTIONS DELEGATED.....	15
16. PROVIDING THE SERVICES.....	15
17. STATUTORY REQUIREMENTS.....	18
18. VARIATIONS TO TENANCY AGREEMENTS.....	18
19. THE ORGANISATION’S PERSONNEL .....	18
20. CONTROL AND SUPERVISION OF THE ORGANISATION’S PERSONNEL ....	19
21. USE OF ASSETS .....	20
22. CONTRACTS TO BE ADMINISTERED.....	21
23. ASSIGNMENT AND SUB-CONTRACTING ETC .....	22
24. USE OF COMPUTER SYSTEMS AND SOFTWARE.....	23
25. DATA.....	25

26.	<b>DATA PROTECTION</b> .....	25
27.	<b>CONFIDENTIALITY</b> .....	26
28.	<b>HEALTH AND SAFETY</b> .....	26
29.	<b>INSURANCES</b> .....	28
30.	<b>INSPECTION</b> .....	30
31.	<b>PROVISION OF INFORMATION</b> .....	30
32.	<b>ACCESS TO INFORMATION</b> .....	31
33.	<b>FRAUD</b> .....	32
34.	<b>FREEDOM OF INFORMATION</b> .....	33
35.	<b>COMPLAINTS AND ENQUIRIES</b> .....	33
36.	<b>LEGAL INVESTIGATIONS</b> .....	35
37.	<b>AGENCY</b> .....	36
38.	<b>SECURITY</b> .....	36
39.	<b>USE OF COUNCIL’S ASSETS</b> .....	36
	<b>PART G – RESPONSIBILITIES AND RIGHTS OF THE COUNCIL</b> .....	37
40.	<b>FAILURE TO PERFORM</b> .....	37
41.	<b>PROVISION OF INFORMATION</b> .....	37
42.	<b>ASSIGNMENT</b> .....	37
43.	<b>USE OF PREMISES</b> .....	37
44.	<b>INSPECTION</b> .....	38
45.	<b>SERVICES SUPPLIED BY THE COUNCIL</b> .....	38
46.	<b>RIGHTS OF THE COUNCIL</b> .....	38
47.	<b>RIGHT TO USE DOCUMENTS</b> .....	38
48.	<b>RIGHT TO USE PREMISES/CIVIL EMERGENCIES</b> .....	39
49.	<b>EXCLUSION OF LIABILITY</b> .....	40
50.	<b>RIGHTS AND DUTIES RESERVED</b> .....	40
	<b>PART H – FINANCIAL ARRANGEMENTS AND OTHER MATTERS</b> .....	40
51.	<b>FINANCIAL ARRANGEMENTS</b> .....	40
52.	<b>RECOVERY OF RENT AND PAYMENT OF RENT COLLECTION FEE</b> .....	41
53.	<b>RIGHT TO USE SURPLUSES</b> .....	41
54.	<b>[INTEREST ON OVERDUE PAYMENTS]</b> .....	41
55.	<b>[VALUE ADDED TAX]</b> .....	41
	<b>PART I – EMPLOYMENT AND STAFFING</b> .....	41
56.	<b>EMPLOYEES</b> .....	41
57.	<b>INFORMATION ABOUT EMPLOYEES</b> .....	47
58.	<b>RIGHT TO REPRESENTATION</b> .....	48
	<b>PART J – MONITORING AND MANAGEMENT</b> .....	48

59.	MEETINGS BETWEEN COUNCIL AND ORGANISATION .....	48
60.	COUNCIL'S REPRESENTATIVE .....	48
	<b>PART K – TMOs .....</b>	<b>49</b>
61.	TENANT MANAGEMENT ORGANISATIONS.....	49
	<b>PART L – TERM.....</b>	<b>50</b>
62.	DURATION AND RENEWAL .....	50
	<b>PART M – VARIATIONS ETC .....</b>	<b>51</b>
63.	VARIATIONS.....	51
64.	RISK MANAGEMENT .....	52
65.	TERMINATION ETC.....	52
66.	VARIATION OF CONTRACT .....	55
67.	DISPUTE RESOLUTION .....	55
	<b>PART N – NOTICES AND OTHER MATTERS.....</b>	<b>56</b>
68.	NOTICES .....	56
69.	SEVERANCE.....	56
70.	PARTNERSHIPS .....	56
71.	SURVIVAL OF THIS CONTRACT .....	56
72.	LAW.....	57
73.	CONCURRENT REMEDIES .....	57
74.	RIGHTS OF THIRD PARTIES.....	57
75.	COMMUNICATION .....	57
76.	STATUTORY RESPONSIBILITY .....	57
77.	PRIORITY OF DOCUMENTS.....	57
78.	ENTIRE AGREEMENT.....	58
	<b>PART P –TERMS USED ETC' .....</b>	<b>58</b>
79.	DEFINITIONS AND INTERPRETATION.....	58
	<b>THE FIRST SCHEDULE FORM OF LEASE/LICENCE FOR PREMISES .....</b>	<b>66</b>
	<b>THE SECOND SCHEDULE PREMISES AND OTHER PROPERTY INFORMATION .....</b>	<b>66</b>
	<b>THE THIRD SCHEDULE USE OF COUNCIL'S COMPUTERS.....</b>	<b>74</b>
	<b>AND COMPUTER SYSTEMS &amp; SOFTWARE CURRENTLY USED BY THE COUNCIL...</b>	<b>77</b>
	<b>THE FOURTH SCHEDULE ACCOUNTING PROTOCOL .....</b>	<b>92</b>
	<b>THE FIFTH SCHEDULE AUDITING PROTOCOL.....</b>	<b>97</b>

**ANNEXURES (Still working on the Annexes as indicated in the Cabinet Report)**

**ANNEX 1 – BUSINESS PLAN**

**ANNEX 2 – PERFORMANCE PROTOCOL**

**ANNEX 3 – DELEGATION AGREEMENT**

**ANNEX 4 – TENANT COMPACT**

**ANNEX 5 – EQUAL OPPORTUNITIES POLICY**

**ANNEX 6 - COUNCIL REDEPLOYMENT PROCEDURE**

**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_ 2010

**BETWEEN:**

- (1) **THE MAYOR AND BURGESSESS OF THE LONDON BOROUGH OF HARINGEY** of Civic Centre, High Road, Wood Green, London NE2 8LE (“the **Council**”); and
- (2) **HOMES FOR HARINGEY LIMITED** whose registered office is situated at River Park House, 6<sup>th</sup> Floor, 225 High Road, Wood Green N22 8HQ (“the **Organisation**”).

**WHEREAS**

- (A) The Council is the local housing authority for its area pursuant to Sections 1 and 2 of the Housing Act 1985 and pursuant to the powers contained in that Act provides housing accommodation and exercises general management, regulation and control of its housing accommodation.
- (B) Pursuant to Section 27 of the Housing Act 1985 and with the approval of the Secretary of State and pursuant also to Section 2 of the Local Government Act 2000 and all other enabling powers the Council agrees that a third party exercises such of the Council’s management and other functions as are herein specified.
- (C) The Council and the Organisation have agreed that the Organisation shall provide and the Council shall co-operate with it in providing the Services in the manner and upon the terms hereinafter set out.
- (D) The Council and the Organisation intend to work together within a spirit of mutual co-operation and partnership in order continuously to improve the Services and the way in which they are delivered.

**IT IS AGREED** as follows:-

**PART A - PARTNERSHIP IN DELIVERY BETWEEN THE ORGANISATION AND THE COUNCIL**

**1 THE BUSINESS PLAN**

The Organisation shall deliver the Business Plan.

The Business Plan:

sets all the outputs of the Organisation, the key performance requirements of the Services and includes the performance standards expected;

- I.1 includes the overall strategy of the Organisation and how the Organisation will deliver the key strategic goals of the Council and the community the Council represents;

I.2 details the financial and staffing resources required to enable the Organisation to deliver the Business Plan (see Schedule 4 – Accounting Protocol) and perform the Services with skill, care and diligence.

## **2. COMMITMENT TO THE COMMUNITY**

The Services to be carried out by the Organisation are set out in the Business Plan and are part of an important relationship between the Council and the community it represents. The Council's Community Strategy contains the key objectives of this relationship. The Organisation has a duty to help deliver those objectives. The Organisation through the Business Plan and the Annual Plan will ensure that all its policies and activities support the objectives of all relevant Council strategies ("the Strategies") including (but not exclusively) the Community Strategy and those other strategies which are entitled, relate to or are the equivalent of the following:-

- Housing;
- Economic Development;
- Anti Poverty;
- Social Inclusion;
- Crime & Disorder
- Neighbourhood Renewal
- Tenant Empowerment;
- Home Energy Efficiency;
- New Deal for Communities;
- Child Support;
- Older People;
- Supporting People;
- Health and Housing;
- Homelessness
- Waste Collection & recycling
- Young people
- Sustainability
- Education and Safeguarding Children

- Affordable Warmth Strategy
- Move on Strategy

and such other strategies which are both adopted by the Council and notified to the Organisation. For such purposes the Organisation shall:-

- 2.1 ensure all staff are trained and understand the Strategies;
- 2.2 provide information to help the Council up date and develop the Strategies;
- 2.3 demonstrate in the Annual Business Plan how resources will be used to meet the objectives of the Strategies.

### **3. EQUAL OPPORTUNITIES**

The Council has a strong commitment to equal opportunities and in providing the Services the Organisation shall operate equal opportunity policies and procedures in all aspects of its work. By implementing these policies and procedures the Organisation shall ensure that it does not discriminate against any person or other organisation on the grounds of national origin, race, ethnic origin, disability, nationality, gender, sexual orientation, age, religious belief, responsibility for dependants, unrelated criminal activities, HIV status, or any other matter which causes a person to be treated with injustice.

- 3.1 The Organisation shall follow the best professional practice in relation to equal opportunities and in particular (but without limitation) shall comply with all relevant legislation as well as statutory and other official guidance and codes of practice;
- 3.1.2 The Council's own equal opportunities policies as the same may be adopted and amended from time to time.
- 3.1.3 The Organisation shall adopt the Council's Equal Opportunity Policy which is set out in Annex 5. The Organisation shall amend the Equal Opportunity Policy from time to time (subject to the Council's approval which shall not be unreasonably withheld or delayed) to comply with legislation and best practice.
- 3.1.4 The Organisation shall provide such information as the Council may reasonably request for the purpose of assessing the Organisation's compliance with this Clause 3.

### **4. TENANT INVOLVEMENT**

The Council has a partnership with its tenants and leaseholders and to further this relationship the Organisation will honour the Council's Tenant Compact so as to support and encourage tenant involvement. The initial form of the Council's Tenant Compact forms Annex 4 and the Business Plan will include sufficient resources to ensure that the objectives of the Council's Tenant Compact are met.

- 4.1 The Council and the Organisation will work together so as to ensure that the Council's Tenant Compact is amended from time to time so far as necessary to comply with all statutory requirements and other official guidance issued from time to time and follow best professional practice.
- 4.2 The Council's Tenant Compact objectives will be reviewed and consulted upon annually and sufficient resources will be provided for in the Business Plan to deliver these objectives.
- 4.3 The Council's Tenant Compact will include strategies for involving 'difficult to reach' groups and those tenants who do not normally get involved in the management of their homes.
- 4.4 A summary of the Annual Performance Plan will be provided to the Council Representative for approval and on receipt of approval will be forwarded to every household affected in the tenants' bulletin.
- 4.5 The organisation will be committed to the Council's engagement strategy.

## **PART B – PERFORMANCE RESPONSIBILITIES OF THE COUNCIL**

### **5. DUTY OF BEST VALUE**

- 5.1 The Council has a duty of efficiency and must make arrangements to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. In discharging its responsibilities under this Agreement the Organisation must also make the same arrangements to secure Best Value.
- 5.2 The Council following the receipt of the Annual Business Plan will consider whether the Council through the Organisation should continue to exercise a particular function or service and will consider the level and the way in which it should exercise that function or service. The Council will also consider its objectives and strategies in relation to that function. Any variations to this Agreement following such consideration shall be effected in accordance with Clause 63.
- 5.3 The Annual Plan shall be agreed and the Performance Indicators Reviews shall be carried out in accordance with Clauses 7 and 8 respectively. In the event of an extension to this Agreement and wherever the Council so requests the Organisation will carry out any best value reviews of the Organisation's housing management function which the Council is required by statute to carry out.

## **PART C – PERFORMANCE RESPONSIBILITIES OF THE ORGANISATION**

### **6. FUTURE BUSINESS PLANS**

- 6.1 The Organisation shall comply with the Council’s Pre Business Plan Review timetable each year and provide the information to the Council’s Representative.
- 6.2 The Council will meet with the Organisation (through such senior representative as they respectively deem appropriate) within thirty (30) Working Days of the receipt by the Council of the draft Business Plan to review the draft Business Plan.
- 6.3 This meeting will form part of a series of meetings between the Council, and the Organisation (the “Quarterly meetings”). The Quarterly Meetings will take place once every three months (or more frequently if required by other provisions of this Agreement or otherwise reasonably requested by either the Council or the Organisation).
- 6.4 Where the Council is not satisfied with the Organisation’s performance following the review in Clause 6.2 the Council shall be entitled to issue instructions to the Organisation to implement any measures which the Council may deem necessary to perform the current Business Plan. These measures will be reflected so far as necessary in the draft Business Plan.
- 6.5 If the Organisation does not agree the changes notified to it under Clause 6.4 then the matter shall be referred under dispute resolution as discussed in Clause 67 for consideration.
- 6.6 If the Organisation and the Council are unable to agree the changes after consideration by the third party the changes notified by the Council shall be deemed to be incorporated as modifications to the draft Business Plan and the draft Business Plan as so modified shall be the current Business Plan.
- 6.7 In the event that notwithstanding any measures taken pursuant to this Clause the Organisation continues to fail to demonstrate that the Agreement and the Services represent best value the Council shall be entitled if necessary to terminate this Agreement, pursuant to Clause 65 of this Agreement.
- 6.8 There shall be one strategic meeting each year (optional) to which the elected members of the Council, Board Members of the Organisation and nominees of the relevant tenant representative body shall be invited to discuss that year’s Business Plan and review the Organisation’s performance.
- 6.9 The Organisation hereby acknowledges that it will, whenever reasonably requested to do so, attend meetings of any committee or panel of the Council exercising overview and scrutiny

functions in order to provide evidence of matters relevant to the Delivery of the Services by the Organisation. Without prejudice to the generality of the foregoing the Organisation shall make the Chief Executive (or other appropriate senior personnel) available for the purposes of giving such evidence.

- 7.1 Throughout the Contract Period the parties shall work together to ensure that the Agreement and the Organisation's performance of the Services represents value for money and best value generally and achieves continuous improvement for the benefit of the Council .
- 7.2 The submission of the Annual Business Plan by the Organisation to the Council shall be without prejudice to any monitoring or performance review which may be carried out by the Council under any of the other terms of the Agreement (including but not limited to Clause 7.4).
- 7.3 The Council will use the Annual Business Plan in compiling the Council's own annual performance plan and in conducting any of its own best value reviews (whether relating wholly or partly to housing or cross-cutting or otherwise).
- 7.4 The Organisation shall upon a written request from the Council promptly provide such written evidence or other supporting information as the Council may reasonably require to verify and audit the information and other material in the Annual Performance Plan.
- 7.5 Any disputes between the parties in relation to this Clause 7 may be referred by either party to the dispute resolution procedure in accordance with Clause 67.

## **8. THE ALMO SERVICE REVIEWS**

- 8.1 According to the timetable set out in the Annual Business Plan the Organisation shall conduct ALMO Service Reviews which enable the Council to:-
  - 8.1.1 analyse whether the Organisation should be providing the Services and the level at which the Services are provided;
  - 8.1.2 analyse the Organisation's objectives in providing the Services;
  - 8.1.3 assess the Organisation's performance in:
    - (i) providing the Services by reference to any relevant Performance Indicators
    - (ii) meeting any relevant performance standards (including Tenant Service Authority standards and standards which have been specified but do not yet apply)
    - (iii) meeting any relevant performance target

- 8.1.4 consult with other best value authorities (as defined in Section 1 of the Local Government Act 1999) and all other appropriate stakeholders and interested parties about the provision of the Services;
- 8.1.5 assess the competitiveness of the Organisation's performance in providing the Services by comparison with similar service providers;
- 8.1.6 meet the Council's statutory obligations to review all functions over a 5 year cycle;
- 8.1.7 address any other matters specified by the Secretary of State under Section 5 of the Local Government Act 1999.
- 8.1.8 Without prejudice to the specific requirements of Clause 7.1 the Organisation shall assist the Council in conducting any and all of the Council's own best value reviews (whether relating wholly or partly to housing or cross-cutting or otherwise)
- 8.1.9 At any time following any failure by the Organisation properly to perform its obligations under Clauses 6 and 7.1-7.4 the Council shall be entitled to carry out itself (or to engage a third party to carry out) a review of the Services or any part thereof, including an ALMO Service Review. The Organisation shall offer all necessary assistance to the Council and any third party in the carrying out of such review and shall attend such meetings and provide such documents and information as may reasonably be necessary for this purpose. In addition, the Organisation shall bear any reasonable costs in relation to this matter.
- 8.1.10 The Organisation shall carry out any measure reasonably required by the Council or recommended by the Secretary of State or the Audit Commission in order to achieve best value and value for money. The Organisation shall co-operate and assist fully with the Council, the Secretary of State and the Audit Commission during any best value inspection.

## 9. **PERFORMANCE INDICATORS**

- 9.1 To facilitate the maintenance, production and publication by the Council of standards of performance in accordance with the Audit Commission Act 1998 and Part I of the Local Government Act 1999, the Organisation shall keep detailed records of its performance in relation to the performance indicators as set out in the Annual Business Plan.
- 9.2 The Council shall be entitled to inspect the Organisation's records kept pursuant to Clause 9.1 upon five Working Days written notice.
- 9.3 In the event of any change in the performance information to be kept and published pursuant to the Audit Commission Act 1998, Part I of the Local Government Act 1999 or locally, the Council's Representative shall be entitled to vary, omit or add to the records to be kept by the Organisation pursuant to Clause 9.1

9.4 Whenever reasonably requested to do so by the Council the Organisation shall provide to the Council such information and data as are necessary to establish whether or to what extent the Organisation's performances of the Services matches the targets agreed in the Business Plan Best Value Performance Indicators. Without prejudice to the generality of the foregoing, the Organisation shall provide to the Council statistical returns of its performance against the Business Plan Performance Indicators on a monthly basis.

## 10. **OFFICIAL RETURNS, HOUSING INSPECTIONS ETC**

10.1 The Organisation shall keep and maintain all necessary information and shall provide all necessary assistance to enable the Council to complete all necessary returns of housing statistics and other information relating to the Services and to comply with all relevant inspection regimes including but without limitation:-

10.1.1 returns to the relevant Government body

10.1.2 information required under the Tenant Compact to be given to tenants generally (as revised from time to time);

10.1.3 Housing Revenue Subsidy claim forms;

10.1.4 Housing Investment Programme submissions and Decent Homes returns;

10.1.5 submissions or responses in respect of external inspections

10.1.6 Comprehensive Area Assessments

10.1.7 Information required by the Audit Commission or Tenants Services Authority.

10.1.8 Information required for the purposes of compliance with Value For Money Reviews, Value For Money Performance Plans, Audits and inspections and any other performance related information which may be required by the Council from time to time.

10.1.9 Information to be provided in connection with any investigation by the District Auditor, Ombudsman or similar person or bodies as described in Clause 31.1 and 10.1.7 and

10.1.10 returns to the Chartered Institute of Public Finance and Accountancy. The Organisation shall supply the Council with such assistance and information as the Council may reasonably require to enable it to allocate such expenditure as the Council may incur under this Agreement between its general fund and housing revenue accounts. The Organisation

will provide such information as the Council from time to time shall reasonably require to permit the Council to complete management reports (whether of a regular or cyclical nature) on the provision of the Services. Without prejudice to the generality of the foregoing the Organisation shall provide to the Council financial and budget management information on a monthly basis and any other consultation done on behalf of the Council.

## **PART D – STRATEGIC RESPONSIBILITIES OF THE ORGANISATION**

### **11. ADVICE AND SUPPORT IN DEVELOPING CORPORATE STRATEGIES AND REVIEWS IN THE COUNCIL**

The Organisation will be a strategic partner of the Council and a user of the Council's General Fund services. The views of the Organisation as a stakeholder, a service user and service provider will be essential in the development of the Council's corporate strategies and reviews of services. The Organisation will respond promptly to consultation requests on such corporate issues, national, regional and policy issues and will provide information as required.

### **12. PARTICIPATING IN RELATED OR PARTNERSHIP ACTIVITY**

The Organisation 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) area and other consultative foras, the Haringey Strategic Partnership, area assemblies, community safety meetings, regeneration partnerships and case conferences.

## **PART E – STRATEGIC RESPONSIBILITIES OF THE COUNCIL**

### **13. CONSULTATION WITH STATUTORY AND OTHER BODIES**

13.1 The Council's Representative shall carry out any and all consultations and negotiations with statutory or voluntary bodies in relation to such matters as shall from time to time be stipulated by the Council's Representative and the Organisation shall when required to do so by the Council's Representative provide information, advice and assistance to support such consultations or negotiations.

13.2 Subject to Clause 12 the Organisation shall carry out all other consultations or negotiations with the said statutory or voluntary bodies and shall respond to any enquiries from such

bodies in relation to the circumstances of individual tenants, leaseholders or applicants for accommodation on such a basis (as to confidentially and otherwise) as is appropriate and consistent with both the Organisation's and the Council's legal obligations and duties.

**14. CONSULTATION WITH TENANTS AND LEASEHOLDERS**

Without prejudice to its continuing obligations under Section 105 of the Housing Act 1985 the Council shall whenever reasonably requested by the Organisation to do so or otherwise as the Council shall deem appropriate in connection with the Services consult with its tenants and leaseholders about the subject-matter of this Agreement and such consultation shall be carried out by the Organisation in accordance with the delegation of functions set out in Annex 3 Delegation Agreement.

**PART F – RESPONSIBILITIES OF THE ORGANISATION**

**15. FUNCTIONS DELEGATED**

The functions delegated by the Council for the purposes of this Agreement shall be those functions or activities identified in Annex 3 Delegation Agreement as the responsibility of the Organisation.

**16. PROVIDING THE SERVICES**

16.1 In consideration of the Management Fee the Organisation shall at all times perform the Services to the satisfaction of the Council's Representative. The Organisation shall perform the Services with all due skill, care and diligence and in accordance and otherwise in compliance with:-

16.1.1 the Business Plan and in particular (but without limitation) the key performance requirements of the Services set out therein;

16.1.2 Any current approved Business Plan Performance Indicators which are relevant to the performance of the Services or any part thereof;

16.1.3 Council Guidelines and in particular (but without limitation) those relating to customer care;

16.1.4 any reasonable instructions issued to the Organisation by the Council Representative pursuant to or in connection with the Agreement;

16.1.5 any conditions upon the approval given by the Secretary of State pursuant to Section 27 of the Housing Act 1985, to delegate those functions referred to in Clause 14;

16.1.6 in a manner which shall preserve, promote and enhance and shall not prejudice the reputation and interests of the Council;

16.1.7 in good and full co-operation with any other company or consultant engaged by the Council to carry out related or relevant works or services on behalf of the Council; and

- 16.1.8 in a manner which has regard to the interests and welfare of tenants and/or residents and their Convention Rights under the Human Rights Act 1998 the management and maintenance of the Dwellings to a high standard;
- 16.1.9 all legislation.
- 16.2 The Organisation shall inform the Council's Representative promptly of and confirm in writing if the Organisation is unable or fails to provide the Services or any part thereof, or if the Organisation is aware of anything of whatsoever nature and whether or not the result of any act or omission on the part of the Council which prevents or hinders or which may prevent or hinder the Organisation from complying with the Agreement giving details of the circumstances, reasons and likely duration. The provision of information under this Clause shall not in any way release or excuse the Organisation from any of its obligations under the Agreement.
- 16.3 The Organisation shall at all times that it acts as the Council's agent comply with the Council's Standing Orders and Financial Regulations, to include observing the Council's principles and thresholds when Procurement Committee have to be involved in any decision to award a contract
- 16.4 The Organisation shall at all times during the provision of the Services allow the Council's Representative and relevant persons (whether employed by the Council or otherwise) as may from time to time be nominated by the Council's Representative access to:
- 16.4.1 all offices and work places of the Organisation for the purpose of monitoring and inspecting work being performed in order to provide the Services;
- 16.4.2 all offices and work places of the Organisation for the purpose of inspecting any or all records and documents in the possession, custody or control of the Organisation in connection with the provision of the Services;
- 16.4.3 any personnel or agents of the Organisation for the purpose of interviewing such persons in connection with the provision of the Services;
- 16.4.4 technology, resources, equipment, systems, and procedures used or proposed to be used in connection with the provision of the Services.
- 16.5 The Organisation shall at all times that it acts as the Council's agent comply with the Council's Standing Orders and Financial Regulations, and shall only change its Contract Procedure rules and Financial Procedure rules with the consent of the Council.
- 16.6 If the Organisation is unable or fails to provide the Services or any part thereof in accordance with the requirements of Clause 16.1, the Council may itself provide or may employ and pay other persons to provide the Services or any part thereof and all costs incurred thereby shall (if and to the extent the Council so determines) be reflected in a variation to the then Business Plan. The Council's rights under this Clause 16.6 shall be without prejudice to any other rights or remedies which it may possess.

- 16.7 The Organisation shall as may be necessary or desirable co-operate, liaise with, and co-ordinate its activities with those of any other companies or any company or sub-contractor employed directly or indirectly by the Council and shall provide the Services in harmony with and at no detriment to any other services provided by or on behalf of or to the Council. In particular (but without limitation) the Organisation shall take all practicable steps to ensure that at the expiry or earlier termination of this Agreement any subsequent company or the Council's own employees can immediately provide services to the Council on the same basis and to the same standard as set out herein.
- 16.8 The Organisation shall provide each year at its Annual General Meeting (AGM) to the Council's Representative a copy of its audited accounts and its un-audited accounts within six weeks of the relevant accounting reference date. In the event that the Organisation fails to provide accounts in accordance with this Clause 16.8 then, without prejudice to any other rights or remedies available to the Council, the Council's Representative or such persons as may from time to time be nominated by the Council's Representative shall be given access to all and any accounting documents and information in the possession, custody or control of the Organisation. The Organisation shall immediately provide to the Council all comments from its duly appointed external auditor whether such comments are set out in a formal letter or otherwise and whether such comments are made pursuant to relevant auditing standards or otherwise.
- 16.9 The Organisation shall maintain such quality management systems and procedures as are appropriate to enable the Organisation to ensure that the Services are always provided to the standards set out in this clause and the Organisation shall afford the Council full access to such systems and procedures for audit or other purposes. In the event that the Organisation fails to comply with this Clause the Council shall be entitled to
- 16.9.1 establish its own quality management systems and procedures, and
- 16.9.2 require the Organisation to pay for and use the same.
- 16.10 The Organisation from its own resources shall join and co-operate with the Council in such tenant consultation and liaison as the Council may reasonably require from time to time.
- 16.11 In addition to the agreed procedures for office opening and availability of staff set out in the Business Plan, the Organisation will ensure that in the event of any emergency or significant unforeseen difficulty occurring with respect to the Delivery of the Services appropriate Organisation personnel will advise the Council's Representative as a matter of urgency and will continue to take responsibility for the situation until it is agreed by the Council's Representative that responsibility may be handed over to another agency or authority or until it is resolved. The Organisation shall maintain plans to ensure the continuity of the Delivery of service in the event of an emergency and will provide those plans to the Council's Representative on request.
- 16.12 The Organisation shall not, whether itself, or by any director to be engaged in the provision of the Services, or by any person employed by it to provide the Services, solicit or accept

any gratuity, tip or any other form of money or take any reward or make any unauthorised charge for any part of the Services.

16.13 The Organisation shall not permit its interests to interfere or conflict with its duty (which the Organisation hereby acknowledges) to provide the Services in the utmost good faith.

## 17. **STATUTORY REQUIREMENTS**

Without prejudice to the particularity of other Clauses in this Agreement the Organisation shall comply with all statutory requirements to be observed and performed in connection with the Services.

## 18. **VARIATIONS TO TENANCY AGREEMENTS AND LEASES**

The Organisation shall not vary or accept or acquiesce in any variation to the Council's form of secure tenancy agreement or leases or conditions or any handbook or other provisions incorporated therein without the prior written consent of the Council.

## 19. **THE ORGANISATION'S PERSONNEL**

19.1 The Organisation shall employ sufficient persons to ensure that the Services are provided at all times and in all respects in accordance with the Agreement.

19.2 The Organisation's personnel employed in and about the provision of the Services shall be properly and sufficiently qualified, competent, skilled, honest and experienced and shall at all times exercise care in the execution of their duties and the Organisation shall ensure that such persons are properly and sufficiently instructed and supervised with regard to the provision of the Services and in particular:

19.2.1 the task or tasks such persons have to perform;

19.2.2 all relevant provisions of the Agreement;

19.2.3 all the Council's Guidelines in relation to customer care;

19.2.4 all relevant policies, rules, statutory requirements, procedures and standards and Standing Orders and Financial Regulations of the Organisation and the Council's Constitution;

19.2.5 all relevant rules, procedures, statutory requirements and EC Directives concerning health and safety, of the Organisation and including the Health and Safety Policy.

19.3 The Council's Representative shall, upon giving notice in writing, have the power to require the Organisation (but not unreasonably or vexatiously) to invoke and expeditiously apply its personnel procedures whenever it considers that any personnel of the Organisation specified in such notice, including the Organisation's Representative should be removed from the provision of the Services or a specified part thereof.

- 19.4 If the circumstances under which the Services are provided are such that any personnel of the Organisation are exempt from the provisions of Section 4(2) of the Rehabilitation of Offenders Act 1974 by virtue of the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 (as amended) then the Organisation shall ensure that all personnel engaged in the provision of the Services shall provide information in accordance with the said Act and Order about convictions which would otherwise be spent under the provisions of the said Act. The Organisation shall disclose to the Council's Representative the names and addresses and sufficient information and as appropriate all convictions of its personnel engaged in and about the provision of the Services to enable the Council to make or require the Organisation to make proper checks. The Council may require such personnel to be removed from the provision of the Services or a specified part thereof.
- 19.5 The Council shall in no circumstances be liable either to the Organisation or to such personnel in respect of any cost, expenses, liability, loss or damage occasioned by any removal effected under Clauses 19.3 and 19.4 or any ensuing disciplinary or legal proceedings. The Organisation shall fully indemnify the Council against any such claim made by such member of the Organisation's personnel and in respect of all proceedings, claims, damages, demands, fines, penalties, expenses, compensation, court or tribunal orders (including any order for reinstatement or re-engagement), awards costs and all other liabilities whatsoever.

## **20 CONTROL AND SUPERVISION OF THE ORGANISATION'S PERSONNEL**

- 20.1 The Organisation shall appoint a senior person as its representative empowered to act on behalf of the Organisation for all purposes connected with the Agreement. It is hereby agreed by the Organisation that the Organisation's Representative will be appointed by the Board and that the Organisation's Representative will be either the Chief Executive or Director of Resources of the Organisation unless either circumstances exist which prevent either officer being so appointed or the Board consider, acting reasonably, that some other officer should be appointed as the Organisations' representative whereupon the Council's consent to such an alternative appointment will be required and shall not be unreasonably withheld or delayed. Such appointment or any further appointment shall be subject to the approval of the Council. The Organisation's Representative shall not be replaced without the prior written approval of the Council, such approval not to be unreasonably withheld. Any notice, information, instruction or other communication given to the Organisation's Representative shall be deemed to have been given to the Organisation.
- 20.2 The Organisation shall forthwith give notice in writing to the Council's Representative of the identity, address and telephone numbers of the person appointed as the Organisation's Representative and of any subsequent appointment.
- 20.3 The Organisation shall forthwith give notice in writing to the Council's Representative of the identity, address and telephone numbers of any person authorised to act for any period as deputy for the Organisation's Representative and when such deputy ceases to be so authorised.

- 20.4 The Organisation shall ensure that the Organisation's Representative, or a competent deputy, duly authorised by the Organisation to act on its behalf, is present at all work places of the Organisation, where work in connection with the Services is being carried out, and available to meet the Council's Representative at all reasonable times.
- 20.5 The Organisation shall provide and shall ensure that its personnel wear at all times, when engaged in the provision of the Services, such uniform and other identification (including photographic identification) as may be specified by the Council, and shall ensure that when requested to do so any personnel of the Organisation shall disclose their identity and status as personnel of the Organisation.

## **21 USE OF PHYSICAL ASSETS**

- 21.1 The Organisation shall at all times during the Term provide and maintain all such vehicles, equipment and other assets (hereinafter together referred to as "Assets") and materials as may be necessary from time to time for the provision of the Services.
- 21.2 The Organisation shall be responsible for the maintenance and (where necessary) replacement of all Assets.
- 21.3 All Assets employed by the Organisation in the performance of the Services at any time must be either owned or hired by the Organisation 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 the Organisation 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.
- 21.4 The Organisation 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 the Organisation 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
- 21.5 The Organisation 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.
- 21.6 The Organisation 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 the Organisation of its obligations under the Agreement

- 21.7 All Assets and materials used by the Organisation shall conform to any applicable British Standard and when so requested the Organisation shall provide the Council with evidence to prove that such Assets and materials so conform
- 21.8 The Organisation shall permit the Council to inspect at any time any Assets or materials used or proposed to be used by the Organisation in the provision of the Services and the Organisation shall facilitate such inspections
- 21.9 At the expiry of the Term or upon termination of this Agreement (whichever shall first occur) the Council may serve a notice upon the Organisation requiring the Organisation 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 the Organisation and (b) the benefit of all contracts or agreements relating to the hire of the Assets
- 21.10 Upon receipt of a notice under Clause 21.9 requiring the Organisation to transfer to the Council or any Council nominee the benefit of any contract or agreement for the hire of any Assets the Organisation 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.
- 21.11 The Organisation shall cause all Assets to bear such devices, insignia or words as the Council may approve and determine.

## **22 CONTRACTS TO BE ADMINISTERED AND NOVATION OF CONTRACTS**

The Organisation shall act on behalf of the Council in administering the Contracts and shall:-

- 22.1 comply with all reasonable requirements of the Council in respect of any or all of the Contracts
- 22.2 monitor and review the performance of those carrying out the Contracts
- 22.3 take all proper steps (but not including legal action or proceedings unless so required expressly in writing by the Council) to enforce the Contracts
- 22.4 at the request of the Council supply all information including copies of any documents to the Council
- 22.5 liaise with the Council in respect of any renewal or re-letting of any of the Contracts
- 22.6 The Organisation shall if required in writing by the Council assign or novate to the Council any contract which the Organisation is a party to ("Organisation Contracts") provided the Organisation has the capacity to assign or novate such Organisation Contracts
- 22.6.1 If the Organisation does not have the capacity to assign or novate any Organisation Contracts the Organisation shall if required in writing by the Council use reasonable endeavours to ensure that such Organisation Contracts are assigned or novated to the Council

22.7 The Organisation shall include a term in any Organisation Contract entered into after [April 2010] requiring the contractor to accept an assignment or novation of the Organisation Contract to the Council within 20 working days of receiving the request from the Organisation

### **23. ASSIGNMENT AND SUB-CONTRACTING ETC**

23.1 The Organisation shall not:

23.1.1 assign the Agreement or any part thereof or the benefit or advantage of the Agreement or any part thereof;

23.1.2 sub-contract the provision of the Services or any part thereof to any person without the previous written consent of the Council's Representative and which if given shall not relieve the Organisation from any liability or obligation under the Agreement and the Organisation shall be responsible for the acts, defaults or neglect of any sub-contractors, its employees or agents in all respects as if they were the acts, defaults or neglect of the Organisation itself.

23.2 The Organisation shall ensure that any sub-contractor permitted to perform any part of the Services under Clause 23.1.2. shall be fully supplied with all necessary information about this Agreement (including any relevant instructions given by the Council's Representative to the Organisation).

23.3 The Organisation shall not carry out work for or provide services to third parties without the Council's prior written consent.

23.4 The Organisation shall include a term in any subcontract properly entered into for the purposes of this Agreement requiring payment to be made to the subcontractor by the Organisation within a specified period not exceeding twenty (20) Working Days from receipt of a valid invoice (as defined in that sub-contract).

23.5 The Organisation shall not be released from any of its obligations under this Agreement as a result of the termination of a subcontract.

23.6 The burden of indemnities in favour of the Council in Clause 29 shall be extended to the Organisation's subcontractors (and to such extent monies are received from any of its subcontractors in respect of indemnities contained in the relevant subcontract shall be held by the Organisation on trust for the Council).

23.7 Nothing in this Contract shall prohibit or prevent any subcontractor employed by the Organisation from being employed by the Council in any capacity.

23.8 Save with the Council's prior written consent, the Organisation shall not:

23.8.1 tender for or enter into any contract or arrangement (or series of related contracts or arrangements) by which the Organisation is to supply services or works to any third party; or

23.8.2 implement any material change in the Organisation's business as carried on from time to time or commence any new business not being ancillary or incidental to such business which change or new business materially adversely affects or is likely to materially adversely affect the ability of the Organisation to perform the Services in accordance with this Agreement

## **24 USE OF COMPUTER SYSTEMS AND SOFTWARE**

- 24.1 The Council shall permit the Organisation to use for the purposes of providing the Services the Council's Computer Systems and/or Council's Software as set out in the Third Schedule subject to such terms, conditions and stipulations as are set in the Third Schedule or as the Council may notify to the Organisation from time to time.
- 24.2 The Organisation shall use the Council's Computer Systems and/or Council's Software for the purposes of providing the Services and for the benefit of the Council and shall not under any circumstances (unless expressly authorised so to do by the Council's Representative) make use of the Council's Computer Systems and/or Council's Software for any third person or allow any other person to use the same
- 24.3 The Council will from time to time make available to the Organisation the technical specifications of the Council's Computer Systems and/or the Council's Software used by the Council in relation to the Undertaking
- 24.4 Without prejudice to Clause 24.9 the Organisation shall take all practicable steps to safeguard those parts of the Council's Computer Systems and the Council's Software under the control or influence of the Organisation against unauthorised access, tampering or systems failure.
- 24.5 If and to the extent that the Organisation wishes to use any other computer systems and/or software in the provision of the Services and to the extent that interface with the Council's Computer Systems and/or Council's Software is necessary so to do the Organisation shall first obtain the written consent of the Council's Representative and if such consent is given it shall be a condition thereof that the Organisation shall
- 24.5.1 ensure that such other computer systems and/or software are compatible with the Council's Computer Systems and/or the Council's Software and further will have no adverse effects on the Council's other computer systems and/or software and/or procedures;
- 24.5.2 ensure that any computer software it uses is properly licensed;
- 24.5.3 comply with all relevant requirements of any supplier of the Council's Computer systems and/or the Council's Software.
- 24.6 If at any time the Organisation believes that changes modifications or updating to the Council's Computer Systems and/or Council's Software or to its other computer systems and/or software (as the case may be) are required or would assist in the provision of the Services the Organisation may make proposals for such changes to the Council's Representative and if the

Council's Representative gives his consent to such changes it shall be a condition of such consent that

- 24.61 all rights (including licences) in or arising from such changes shall become vested in the Council insofar as they relate to the Council's Computer Systems and/or Council's Software; and
- 24.62 the Council shall be entitled to require the Organisation on termination of this Agreement by expiry of time or otherwise either to take all necessary steps (including the assignment of licences) to vest the rights in such changes and all data and information in respect of the Services and all related matters in the Council or such other person as the Council may direct or to restore the Council's Computer Systems and/or the Council's Software to the status quo ante the said changes. The cost of such changes modifications or updating shall be reflected in the relevant part of the Business Plan.
- 24.7 If at any time the Council has reason so to do (including but not limited to actual or threatened interference with or damage to the Council's Computer Systems and/or the Council's Software) the Council shall be entitled to require that the Organisation cease to use the Council's Computer Systems and/or the Council's Software and disconnect or otherwise separate the Organisation's own computer systems and/or software from the Council's Computer Systems and/or Council's Software. The Council will not exercise this right without giving as much notice as practicable (save in cases of urgency) and any appropriate variation to the Business Plan shall be dealt with in accordance with Clause 63.3 to reflect the cost of providing its own computer systems and software.
- 24.8 The Organisation shall afford access to any of the computer systems, software, databases and operations used by it pursuant to this Agreement to the Council's Representative and any person (including auditors) nominated by them for all purposes connected with the subject-matter of this Agreement and the Council's own activities.
- 24.9 The Organisation shall comply with any security policy which may from time to time be issued by the Council relating to information technology, in whatever form and of whatever nature.
- 24.10 On termination of this Agreement by expiry of time or otherwise the Organisation shall transfer all data and information in respect of the Services and all matters relating thereto within a reasonable time and with due expedition to the Council or such other person as the Council may direct and until such transfer shall on being so requested by the Council afford access to the same to the Council or such other person as the Council may authorise including but not limited to permitting use thereof and providing all data and/or information requested.

## **25 DATA**

- 25.1 Subject to the provisions of Clauses 24 and 26 the Organisation shall be entitled to access such data and information as is stored on the Council's Computer Systems as set out in the Schedule (relating to the use of Councils computer) which the Organisation may require in order to provide the Services.
- 25.2 In addition to any requirements set out in the Business Plan the Organisation will ensure that the Council's data relating to the Services is kept up-to-date.
- 25.3 Without prejudice to Clauses 24.4 and 24.9 and subject to Clause 26 the Organisation shall take all practicable steps to safeguard such data and information as is stored on the Council's Computer Systems and/or Council's Software against unauthorised access, tampering or system failure
- 25.4 The Organisation shall at all times ensure that where (following consent under Clause 24.5) the Organisation is using the Organisation's own computer systems:-
- 25.4.1 comprehensive security copies of any computerised Council Data are updated at the end of each Working Day in relation to that day and at least twice a week are stored in a secure location so as to enable the Organisation (or in the event of the default of the Organisation the Council or such other third party as the Council may appoint) to initiate and operate such alternative processing arrangements as may be necessary including (but without limitation) in the event of a partial or complete failure of the Organisation's own computer systems
- 25.4.2 adequate recovery arrangements exist to ensure that the Organisation can continue to comply without interruption with its remaining obligations under this Agreement in the event of a partial or complete failure of the Organisation's own computer systems or software

## **26 DATA PROTECTION**

- 26.1 Without prejudice to Clause 25 and subject to Clause 24.9 the Organisation shall:-
- 26.1.1 comply with its obligations under the Data Protection Act 1998 (including where appropriate giving notification to the Information Commissioner there under) the Human Rights Act 1998, the Computer Misuse Act 1990 and the Freedom of Information Act 2000 insofar as the performance of the Services and the other requirements of this Contract give rise to obligations under those Acts.
- 26.1.2 provide the Council with such information as the Council may require to satisfy itself that the Organisation is complying with the obligations referred to in Clause 26.1.1.
- 26.1.3 provide the Council with all such assistance as the Council may require to enable the Council to comply with any subject access request.

- 26.1.4 notify changes to the registrable particulars and take such other steps as may be necessary to afford the Council access to information which is required by the Council in connection with any of its statutory duties and responsibilities and for any purpose connected with this Agreement
- 26.2 Neither party shall knowingly do anything which places the other in breach of its obligations under the Data Protection Act 1998 or under the Human Rights Act 1998 or under the Freedom of Information Act 2000.

## **27 CONFIDENTIALITY**

Subject always to the provisions of the Freedom of Information Act 2000 the Organisation shall not and shall ensure that its employees agents and subcontractors shall not divulge or dispose of or part with possession custody or control of any material or information provided to the Organisation by the Council pursuant to the Agreement or prepared or obtained by the Organisation pursuant to the Agreement other than in accordance with the express written instructions of the Council's Representative.

## **28 HEALTH AND SAFETY**

- 28.1 The Organisation shall in performing the Services be responsible for the observance by itself and the Organisation's personnel of all Legislation and other legal requirements for the safety, health and welfare of the Organisation's personnel and of any other persons at premises used by the Organisation in the provision of the Services.
- 28.2 In performing the Services, the Organisation shall;
- 28.2.1 provide such facilities and comply with such requirements for the protection of the health and safety of the Organisation's personnel and users of the Services when at premises occupied by the Organisation as set out in the Business Plan;
- 28.2.2 adopt and use safe methods of work in order to protect the health and safety of the Organisation's personnel, users of the Services when at premises occupied by the Organisation;
- 28.2.3 ensure that its health and safety policy statement, procedures, codes of practice and working practices have been drawn to the attention of and are complied with by the Organisation's personnel and that supervisory personnel have a detailed knowledge thereof;
- 28.2.4 comply with the requirements as to health and safety in its Business Plan;

- 28.2.5 ensure that the Organisation's personnel, whilst on Council premises, comply with the Council's health and safety requirements applicable to those premises;
- 28.2.6 ensure that the Organisation's personnel are properly trained and instructed with regard to fire risks and precautions at the premises occupied by the Organisation and at Council premises and comply with the instructions of fire officers in relation to such matters;
- 28.2.7 ensure that safety officers are appointed and notify the Council's Representative of their names;
- 28.2.8 comply with the Health and Safety (Consultation with Employees) Regulations 1996 and consult regularly with such health and safety representatives or committees as the Organisation's personnel may appoint or establish;
- 28.2.9 nominate a person to be responsible for health and safety matters as required by the Health and Safety at Work etc Act 1974 and the Management of Health and Safety at Work Regulations 1992, such person to be notified to and agreed with the Council's Representative prior to the Commencement Date;
- 28.2.10 ensure that the Organisation's personnel have received suitable and sufficient health and safety training and are competent to carry out their respective tasks with due regard to the Organisation's obligations under health and safety Legislation;
- 28.2.11 promptly take all necessary special precautions in respect of any health and safety hazards at the premises occupied by the Organisation of which it is or may become or be made aware of by the Council's Representative, users of the Services or other third party and take all reasonably; practicable measures to remove any risks arising from such hazards
- 28.2.12 ensure that there is maintained at each premises occupied by the Organisation copies of all relevant health and safety Legislation, codes of practice and working rules for the type of Services being performed and shall permit the Organisation's personnel to use and refer to them; and
- 28.2.13 ensure that the premises occupied by the Organisation are subject to a health and safety inspection at least on a quarterly basis and that a written report is made to the safety officer upon each such inspection and a copy provided to the Council's Representative.
- 28.3 The Organisation shall
- 28.3.1 promptly provide such information and documents as the Council's Representative may from time to time request as evidence of the Organisation's compliance with its obligations under this Clause 28;

- 28.3.2 provide to the Council's Representative from time to time on written request a copy of the Organisation's current health and safety policy statement, safety codes of practice, methods of safe working practice and risk assessments;
- 28.3.3 notify the Council's representative as soon as becoming aware of any actual or threatened prosecution of or service of an enforcement notice on the Organisation for any offence pertaining to the health and safety of the Organisation's personnel or other persons or of such conviction on such prosecution and shall provide the Council's Representative with such further information or documentation as may be reasonably requested; and
- 28.3.4 permit any Safety or Environmental Health or other authorised officer of the Council to enter without prior notice any of the premises occupied by the Organisation for the purpose of inspecting the premises, equipment, consumables and materials thereon being used or proposed to be used by Organisation in the provision of the Services and co-operate with those officers in order to facilitate their inspections by permitting them to carry out such tests and take such measurements, samples, and photographs as they may consider to be necessary.
- 28.4 The Organisation shall be responsible for and shall indemnify the Council in respect of any actions proceedings or claims brought against the Council arising from the Organisation's non-compliance with this Clause 28.
- 28.5 The Organisation shall keep its health and safety policy, health and safety codes of practice and methods of working under continuous review and make any amendments necessary as a result of any change in law, or working practice or the introduction of new equipment and shall promptly notify the Council's Representative of any such amendments and comply with such revised policy, codes and methods of working in carrying out its obligations under this Agreement.
- 28.6 The Council's Representative shall be entitled to exercise the power to serve a Suspension Notice pursuant to Clause 65 in the event of a serious non-compliance by the Organisation with its obligations under the Agreement in respect of health and safety.

## **29 INSURANCES**

- 29.1 Save as otherwise provided in the Licences the Council shall during the currency of this Agreement be responsible for insuring its premises against fire, explosion, storm and damage on such terms and against such other risks as the Council shall from time to time determine.
- 29.2 The Organisation shall at all times maintain in force such policies of insurance with reputable insurers or underwriters approved by the Council as shall fully insure and indemnify the Organisation against its liability
- 29.2.1 to the Council and any employee of the Council;
- 29.2.2 to the employees of the Organisation;

- 29.2.3 to 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.
- 29.3 The Organisation shall insure against any expense, liability, loss, claim or proceedings in respect of any damage whatever to private property (real or personal) insofar as such damage is due to the negligence, omission or default of the Organisation, its employees or agents or any sub-contractor or person for whom the sub-contractor is responsible.
- 29.4 Without prejudice to the generality of this Clause 29, it is hereby agreed and declared that the Organisation shall be liable for any loss or damage whatsoever and howsoever caused to the contents of the Premises and to the full value of such contents in the event of fire.
- 29.5 The Organisation shall maintain insurance in the sum of at least £10,000,000 in respect of personal injury to or the death of any person under a contract of service with the Organisation and arising out of an incident occurring during the course of such person's employment in compliance with the Employer's Liability (Compulsory Insurance) Act 1969 and the Road Traffic Act 1988 and any statutory orders made there under.
- 29.6 The Organisation shall maintain all other insurances as may be necessary or prudent for the performance of the Agreement.
- 29.7 The Organisation shall ensure that all relevant insurance policies shall have the interest of the Council endorsed upon them or shall otherwise expressly by their terms confer their benefits upon the Council.
- 29.8 The Organisation shall at the Commencement Date and thereafter on the anniversary thereof and at such other times as the Council may reasonably require supply the Council with certified copies of all insurance policies required by any of the provisions of this Clause and with any cover notes, premium receipts or other documents necessary to show that such policies are fully maintained and otherwise comply with the Agreement.
- 29.9 If and to the extent that the Council is dissatisfied as to the adequacy of any policy of insurance effected by the Organisation pursuant to this Clause it shall give notice in writing to the Organisation to that effect and upon receipt of such notice the Organisation shall forthwith procure and effect such additional, enhanced or other insurance as the Council may require.
- 29.10 In the event that the Organisation fails to comply with a requirement of the Council in accordance with Clause 29.9 the Council shall be entitled to take either or both of the following steps:-
- 29.10.1 effect such insurances itself and reflect the costs of so doing in the then current Business Plan;
- 29.10.2 commence termination or other action in accordance with Clause 65.
- 29.11 The Council acknowledges that the Organisation may (if the Council so agrees) discharge its obligations under this Clause by procuring some or all the above insurances through or by the Council or its agents

## **30 INSPECTION**

Without prejudice to the other applicable provisions of this Agreement the Organisation shall co-operate fully with the Inspectorate and its successors in respect of the inspection of (a) the operation of this Agreement and the work of the Organisation and (b) the Council's own housing service whether in relation to the Organisation's work on behalf of the Council or the Council's own retained functions and activities.

## **31 PROVISION OF INFORMATION**

31.1 Without prejudice to the other provisions of this Agreement and subject always to the provisions of the Freedom of Information Act 2000 the Organisation shall provide all relevant information which may be required by the Council in order that the Council can act fairly, properly and in accordance with its statutory obligations in connection with the provision of the Services or the future provision of the same or any similar services and also to deal with investigations or inquiries by the Secretary of State, the District Auditor, Ombudsman and similar persons or bodies. The Council may make a request for any such information at any reasonable time and the Organisation shall comply with that request wherever possible within 5 Working Days unless there is a specific reason why this is not possible in which case a reason for the delay and date for the provision of information will be provided.

31.2 Subject to Clause 31.1 the Organisation shall consult as often as may be necessary with the Council's Representative or with such other member of the Council's retained housing staff as the Council's Representative may specify from time to time to ensure that the Services are provided and continue to be provided in a continuous and efficient manner and in accordance with the provisions of this Agreement.

31.3 The Organisation's Representative and the Council's Representative shall at a mutually convenient time and location attend the following meetings to be arranged from the Commencement Date:-

31.3.1 at least once a month to discuss operational issues;

31.3.2 at least once a month to discuss:

- (i) the manner and extent of the Organisation's provision of the Services pursuant to this Agreement and the Business Plan;
- (ii) financial and budgetary issues; and
- (iii) any other relevant issues which may arise from time to time subject to the Council's right reasonably to vary the number of such meetings by providing the Organisation with reasonable prior notice thereof

- 31.4 The Organisation shall observe and comply with any reasonable and appropriate instructions or directions given or made by the Council's Representative so as to help ensure the proper performance of the Services in accordance with the Business Plan and all such instructions or directions shall be confirmed in writing by the Council's Representative before the end of the Working Day which follows the issue of such instructions or directions.
- 31.5 The Organisation shall inform the Council's Representative immediately by telephone or email (and shall confirm in writing as soon as practicable following such call or email) of any or all of the following matters:-
- 31.5.1 any failure by the Council or its employees or agents or other persons providing services to the Council to meet obligations under this Agreement.
- 31.5.2 any acts or omissions by the Council or such other persons as are referred to in Clause 31.5.1 which prevent or hinder or are likely to prevent or hinder the Organisation from complying with its obligations under this Agreement.
- 31.5.3 any points of contention or other difficulties with any local tenants groups or comparable organisations which might prevent or hinder the Organisation from complying with its obligations under this Agreement.
- 31.6 The Organisation shall co-operate with all Council departments to enable them to perform their functions and duties either by means of the provision of information or by such other appropriate means as do not involve any material out-of-pocket expenditure or material additional staff time
- 31.7 The Organisation and the Council shall establish such mutual arrangements as may be necessary (whether by pager, mobile telephones, email or otherwise) to ensure that the liaison arrangements stipulated in this Agreement can be achieved.
- 31.8 The Organisation shall liaise with Council Members, Members of Parliament and other elected representatives in such a manner as shall be reasonably required from time to time by the Council's Representative.

## **32 ACCESS TO INFORMATION (NEW)**

- 32.1 The Organisation shall at all times throughout the Contract Period allow the Council's Representative and other duly authorised employees or agents of the Council ("Authorised Person") access on reasonable notice (save in the case of emergency or for statutory or audit purposes where no notice shall be required) to the Premises or any other place where the Services are being performed for the purpose of:
- 32.1.1 investigating, monitoring and inspecting any work performed or being performed pursuant to the provision of the Services;

- 32.1.2 inspecting taking copies of and (if necessary in the reasonable opinion of the Council's Representative or Authorised Person and subject to the provision of a receipt and duty of safekeeping) removing the originals of Service Data records and documents (including without limitation files relating to tenants and leaseholders and office accounting records) in the possession custody or control of the Organisation in connection with the provision of the Services;
- 32.1.3 inspecting the security and storage arrangements for documents and files relating to the provision of the Services;
- 32.1.4 inspecting materials, consumables and equipment used or proposed to be used in connection with the provision of the Services; and the security and storage arrangements there for;
- 32.1.5 interviewing members of the Organisation's personnel in connection with the provision of the Services; and
- 32.1.6 inspecting the Council's Computer Systems, Council's Software and the Organisation's computer systems, software, databases and other information technology resources and procedures used or proposed to be used in connection with the provision of the Services and if required by the Council's Representative, the Organisation shall make suitable provision for the use of office space within the Premises together with access to a telephone for the sole use of the Council's Representative or Authorised Person to monitor the Organisation's performance of the Services.

### **33 FRAUD –**

- 33.1 As soon as the Organisation becomes aware of or suspects any fraudulent action or malpractice in the provision of the Services or which otherwise affects it the Organisation's Representative shall notify the Council's Representative and the Council's Section 151 Officer.
- 33.2 On receiving notification under Clause 33.1 and without prejudice to the Organisation's legal liability and financial responsibility the Council's Representative shall assume and be given sole responsibility for investigating or arranging for the investigation of such fraudulent action or malpractice.
- 33.3 The Organisation shall afford all possible access and facilities to the Council's Representative and his nominees and agents when the Council's Representative carries out an investigation into any such fraudulent action or malpractice, whether the investigation arises following a notification under Clause 33.1 or as a result of the Council's Representative's own information.
- 33.4 The Council's Representative shall have the right (without prejudice to Clause 33.3) to require that the Organisation suspend from any further work ~~on~~ under this Agreement any person suspected of fraudulent action or malpractice.

- 33.5 Without prejudice to any other rights the Council may have (including but not limited to termination under Clause 65) the Council's Representative shall be entitled to require that the Organisation suspend all or any stipulated further work under this Agreement if the Council's Representative has reasonable grounds for believing that fraudulent activity or malpractice has taken place.

#### **34 COMPLAINTS AND ENQUIRIES**

- 34.1 The Organisation shall at the request of the Council's Representative, in the places and in a form approved by the Council's Representative, arrange for notices to be permanently displayed giving information as to how complaints about the provision of the Services may be made. The Organisation shall deal with any complaints received from whatever source in a prompt, courteous and efficient manner.
- 34.2 The Organisation shall keep a written record of all complaints received and of the action taken in relation to such complaints. Such records shall be kept available for inspection by the Council's Representative at all reasonable times. The Organisation shall adopt a complaint and enquires policy subject to the Council's approval. The Council will consider any request for changes and would not withhold approval if consistent with the Council's policy.
- 34.3 The Organisation shall comply with the Council's complaints policy.
- 34.4 Any costs incurred by the Council in responding to and dealing with any justified complaints about the Organisation's performance of the Services (including any matters raised with the Ombudsman) shall be reflected in a variation to the current Business Plan
- 34.5 The Organisation acknowledges that for the purposes of this Clause 34 the term "complaints" includes (without limitation) suggestions from a member of the public or an elected representative as to how the Services might or should be performed as well as personal or particular concerns about tenancies or Dwellings.
- 34.6 The Organisation shall follow the Council's procedures for responding to enquiries from elected members of the Council provide for at least the same requirement in relation to response times as the Council's procedure as the same may be varied from time to time.

#### **35 FREEDOM OF INFORMATION**

- 35.1 The Organisation agrees to use all reasonable endeavours to assist the Council to comply with its obligations imposed under the Freedom of Information Act 2000 (the "2000 Act") including (without limitation); To adhere to the legal requirements of the Act and Council's Procedure for Freedom of Information and Environmental Information Regulations
- 35.1.1 where necessary to provide the Council with reasonable assistance in complying with any Request For Information served on the Council; and deal with any request referred to them promptly – normally within one working day and

- 35.1.2 to process Information provided to the Organisation by the Council, in accordance with a records management system which complies with the Lord Chancellor's code of practice for the keeping and management of records under section 46 of the 2000 Act. and sent responses to the requestor within the legal timeframe of 20 working days and to include in the response the reference number, appropriate escalation and a summary of what information was requested and what is being provided
- 35.2 Insofar as the 2000 Act applies to the Organisation (under Section 5 of the 2000 Act or otherwise), the Organisation shall:-
- 35.2.1 comply with the 2000 Act and any associated legislation and codes of practice (including (without limitation) the Lord Chancellor's codes of practice issued under sections 45 and 46 of the 2000 Act ); and
- 35.2.2 where the Organisation receives a request to disclose Information to a third party under the 2000 Act, which relates to the Council and/or this Agreement:-
- (a) inform the Council about the Request For Information and the nature of the information being sought as soon as reasonably possible;
  - (b) consider and apply all lawful exemptions provided under the 2000 Act;
  - (c) withhold Information sought in terms of the Request For Information;
  - (d) consult with the Council prior to the disclosure of any such Information; and
  - (e) keep the Council informed about the Organisation's progress in dealing with any Request For Information and where requested by the Council, provide the Council with copies of any correspondence and documents relating to the Request For Information.
- 35.3 Where the 2000 Act does not apply to the Organisation (under Section 5 of the 2000 Act or otherwise) and the Organisation receives a Request For Information, the Organisation shall:-
- 35.3.1 promptly inform the Council about the receipt of the Request for Information; and
- 35.3.2 not disclose or release Information in response to the Request for Information without first consulting with and obtaining the consent of the Council.
- (a) To refer exemption requests to Feedback & Information Team (FIT) for consideration, in good time and at least five days before the response is due
  - (b) Any refusal to provide the information requested to be cleared by FIT, including charging requests
  - (c) For them to keep the record on the database updated with action taken and response as appropriate
  - (d) For them to send a holding letter when the response is not able to be sent within the timeframe
  - (e) To identify requests for information which need to be referred to the Council promptly and within 2 working days of receipt of the request by Homes for Haringey

- (f) If an enquiry concerns more than one service, but the majority is for Homes for Haringey to address, for them to co-ordinate the full response with input from the appropriate service within the Council

35.4 The Organisation shall indemnify the Council against all claims and proceedings and all liability, loss, costs and expenses incurred in connection therewith by the Council as a result of any breach of this Clause 34 by the Organisation, its employees, sub-contractors or agents.

## **36 LEGAL INVESTIGATIONS**

- 36.1 The Organisation immediately upon becoming aware of the same shall notify the Council's Representative of any accident, damage or breach of any statutory provision which affects or might reasonably be expected to affect the Organisation's ability to comply with the Business Plan or deliver the Services in accordance with this Agreement
- 36.2 The Organisation agrees to notify the Council's representative immediately in writing of any (i) legal proceedings which may be commenced against the Council or the Organisation and/or (ii) any threatened legal proceedings against the Council or the Organisation which reasonably appear to be potentially significant to the Council, in relation to any matter connected with or arising from the Services. The Organisation shall immediately pass on to the Council's representative any documents it receives in connection with such legal proceedings if requested to do so by the Council.
- 36.3. The Council's representative agrees to being reciprocally bound by the provisions of clause 36.2 above.
- 36.4 If requested to do so by the Council's Representative, the Organisation shall provide the Council's Representative with any relevant information in connection with any legal inquiry, arbitration or court proceedings in which the Council may become involved or any relevant disciplinary hearing internal to the Council and through the appropriate officers or employees shall give evidence in such inquiries or proceedings or hearings
- 36.5 Should any part of the Services involve the Organisation in performing duties or exercising powers under some other contract it shall upon becoming aware of anything which is likely to give rise to arbitration or litigation forthwith notify the Council's Representative of the existence of any such matter together with such particulars as are available.
- 36.6 The Organisation agrees to provide all necessary support and assistance to the Council in bringing or defending any legal proceedings in relation to any matter connected with or arising from the Services, including the provision of relevant information, documents or other data, assisting the Council in the preparation of any witness statements or other evidence required, and attending at any meetings or hearings as the Council may require.

The Council agrees that it shall deal with all legal proceedings promptly and in accordance with any applicable performance indicators and standards and in accordance with its Business Plan. The Organisation shall indemnify the Council for and against any costs, damages and

expenses (including legal costs and expenses) which may be incurred by the Council as a direct consequence of the Organisation's negligence or breach of its obligations under this Agreement and which are paid or payable by the Council pursuant to such legal proceedings.

### **37 AGENCY**

- 37.1 Neither the Organisation nor its personnel shall in any circumstances hold itself or themselves out as being the servant or agent of the Council otherwise than in circumstances expressly permitted by the Agreement.
- 37.2 Neither the Organisation nor its personnel shall in any circumstances hold itself or themselves out as being authorised to enter into any contract on behalf of the Council or in any other way to bind the Council to the performance, variation, release or discharge of any obligation otherwise than in circumstances expressly permitted by the Agreement.
- 37.3 Neither the Organisation nor its personnel shall in any circumstances hold itself or themselves out as having the power to make, vary, discharge or waive any bylaw or regulation of any kind.

### **38 SECURITY**

- 38.1 The Organisation shall maintain and shall ensure that its personnel and all its visitors maintain the security of such of the Council's Premises which it is licensed or permitted to use under Clause 41 both when in use and when not in use.
- 38.2 The Organisation shall ensure that access to the Council's Premises which it is permitted to use under Clause 41 is restricted to its personnel and visitors engaged upon or in connection with the provision of the Services.
- 38.3 The Organisation shall comply with the Council's security regulations including any made for the purpose of the Data Protection Act 1998.
- 38.4 The Organisation shall provide to any of its personnel, who shall at any time have access to any relevant Council Premises, security passes in such form as the Council may from time to time determine and issue to the Organisation.
- 38.5 The Organisation shall be responsible for the safekeeping of any keys, passes and other means of access provided to the Organisation by the Council

### **39 USE OF COUNCIL'S ASSETS**

The Council shall with effect from the Commencement Date make available to the Organisation the Council's vehicles, equipment and any other assets listed in the Second

Schedule together with any other such assets as may be made available by the Council to the Organisation (hereinafter together called "the Council's Assets") for use in connection with the Services subject to the following provisions:

- 39.1 the Organisation's obligations set out in Clauses 21.2, 21.5, 21.6, 21.7, 21.8 and 21.11 shall apply, mutatis mutandis, to the Council's Assets;
- 39.2 the Organisation will renew or replace any of the Council's Assets whenever necessary so as to ensure compliance with the Organisation's obligations under Clause 21 and all the provisions of Clause 21 shall thereupon apply to such renewals or replacements;
- 39.3 the Organisation shall be responsible for the security of such of the Council's Assets which it is permitted to use under this Clause 37 both when in use and when not in use;
- 39.4 upon the determination of this Agreement howsoever caused the Organisation shall forthwith return to the Council (or as otherwise directed by the Council) free from encumbrances the Council's Assets in good and serviceable repair and condition
- 39.5 in respect of any of the Council's Assets which are leased the Organisation shall comply with the terms and conditions of such leases and at the expiry or earlier determination of such leases return the said Council's Assets to the lessor or otherwise as the Council shall direct.

## **PART G –RESPONSIBILITIES OF THE COUNCIL. PART 1**

### **40 FAILURE TO PERFORM**

Subject always to the Organisation's general duty to mitigate its loss and to provide the Council with reasonable notice of any breach by the Council, no liability shall be incurred by the Organisation if but only to the extent that such liability would not have arisen if the Council had properly complied with its obligations under this Agreement.

### **41 PROVISION OF INFORMATION**

Subject to any legally binding constraints (whether under statute or otherwise) the Council shall use its reasonable endeavours to provide the Organisation with such information as the Organisation may properly require to enable it to comply with its obligations under this Agreement.

### **42 ASSIGNMENT**

The Council shall not assign the benefit of this Agreement save by operation of law pursuant to a statutory scheme or otherwise as directed by the Secretary of State.

### **43 USE OF PREMISES**

- 43.1 The Council shall make available to the Organisation the Premises detailed in Part I of the Third Schedule on the terms and conditions set out in the form of Licence in the Seventh Schedule. We propose to ensure all agreements are signed, if not already done so.
- 43.2 On the date hereof the Council shall grant and the Organisation shall take the Licences so as to take effect on the Commencement Date.

#### **44 INSPECTION**

The Council shall afford the Organisation all reasonable assistance in order to enable the Organisation to comply with its obligations under Clause 30.

#### **45 SERVICES SUPPLIED BY THE COUNCIL**

The Council and the Organisation shall supply to each other the services described in the Sixth Schedule (Service Level Agreement) on the terms set out therein.

### **PART G –RIGHTS OF THE COUNCIL PART 2**

#### **46 RIGHTS OF THE COUNCIL**

- 46.1 At the expiry or earlier termination of the Agreement, the Organisation shall transfer to the Council or whomsoever the Council shall direct all documents, material, data and other information (in whatever form) in its possession relating to the Agreement, together with any relevant computer software processing facilities.
- 46.2 Any and all intellectual property rights in any matter or thing developed under this Agreement or arising from the provision of the Services by the Organisation (including, without prejudice to the generality of the foregoing, any software) other than intellectual property rights belonging to a third party shall belong to the Council and the Organisation agrees that it shall procure the execution of or cause to be executed all deeds, documents and acts required to vest such intellectual property rights in the Council.

#### **47 RIGHT TO USE DOCUMENTS**

- 47.1 The ownership of and an unrestricted right to use any document produced by the Organisation, its sub-contractors and agents for all purposes shall be vested in the Council.
- 47.2 At the expiry or earlier determination of the Agreement the Organisation shall transfer all documents, materials and other information (in whatever form) in its possession to the Council or whomsoever the Council shall direct.

## **48 RIGHT TO USE PREMISES/CIVIL EMERGENCIES**

- 48.1 The Organisation shall permit the Council to use any of the Premises at any time in the event of a declaration of a civil emergency by the Council and the Organisation shall give all necessary assistance including the provision of staff to the Council in arranging emergency use.
- 48.2 Without prejudice to the provisions of Clause 47.1 the Organisation shall maintain a plan to allow for the provision of the following service, and upon the declaration of a civil emergency by the Council and at the request of the Council use its best endeavours to provide these services under the control and direction of the Council's Emergency Officer or his designated representative:-
- 48 .2.1 to make provision for persons made homeless as a result of the emergency and evacuees and to supervise and co-ordinate the efforts to secure immediate temporary accommodation for the same including the use of vacant dwellings, sheltered schemes, communal areas in community centres, and other halls and meeting places as the Organisation (having consulted with the Council) deems appropriate and in addition the Organisation shall so far as possible assist in the equipping of such places for use as temporary accommodation
- 48 .2.2 to liaise with the Council and such other organisations as the Council shall decide in order to co-ordinate action in dealing with homeless persons and evacuees
- 48.2.3 to co-ordinate and supervise the operation of the provision of temporary accommodation described in Clause 47.2.1
- 48.2.4 to set up and maintain arrangements for the reasonable protection of any property brought to any temporary accommodation by evacuees and to liaise with the police and other relevant bodies in relation to the safe custody of the same
- 48.2.5 whenever so requested by the Council to arrange for the provision of temporary accommodation for homeless persons and/or evacuees
- 48 .2.6 to manage the temporary accommodation secured pursuant to these provisions for so long as the emergency and until reasonable alternative arrangements can be provided.
- 48.2.7 to produce monthly accounts to the Council itemising its reasonable costs incurred in the provision of the services detailed in Clauses 47.2.1-6 such costs to be agreed between the parties (and thereupon treated as a variation of the Business Plan) and in default of such agreement the matter shall be resolved pursuant to the Dispute Resolution Procedure in Clause 67.
- 48.3 At the request of the Council the Organisation will attend such training sessions and/or exercises as may be specified by the Council and the number of the Organisation's employees who shall be required so to attend shall be agreed between the Council and the Organisation and in default of agreement the Council shall specify the number of the Organisation's employees to attend.

48.4 During the period when the Council is occupying the Premises the Organisation shall not be liable to the Council for any loss or damage which is directly and unavoidably attributable to the Council's occupation of the Premises and shall not be liable for any breach of this Agreement

#### **49 EXCLUSION OF LIABILITY**

49.1 The Council shall not be liable to the Organisation, whether in contract, tort or otherwise, for any loss damage or injury howsoever caused or arising out of or in connection with the provision by the Organisation of the Services or the use of or occupation by the Organisation of any of the Council's premises (including the Premises) save in relation to any deliberate or negligent act or omission of the Council or any of its employees (in the course of their employment) and in particular any such deliberate or negligent act or omission which gives rise to death or personal injury.

49.2 The Council shall not in any circumstances be liable to the Organisation for any indirect or consequential loss whatsoever, irrespective of the cause or causes of such loss.

#### **50 RIGHTS AND DUTIES RESERVED & WAIVER**

50.1 All rights, duties and powers which the Council has as a local authority or which the Council's officers have as local authority officers are expressly reserved and in particular (but without limitation) the Council reserves the right to exercise its powers as a landlord in respect of any of its properties notwithstanding the provisions of this Agreement.

50.2 Failure by the Council at any time to enforce the provisions of the Agreement or to require performance by the Organisation of any of the provisions of the Agreement shall not be construed as a waiver of or as creating an estoppel in connection with any such provision and shall not affect the validity of the Agreement or any part thereof or the right of the Council to enforce any provision in accordance with its terms.

### **PART H – FINANCIAL ARRANGEMENTS AND OTHER MATTERS**

#### **51 FINANCIAL ARRANGEMENTS**

The Organisation shall comply with all the financial arrangements described in the Accounting and Auditing Protocol

**52 RECOVERY OF RENT**

In collecting rent or other sum or sums from tenants or any other third parties on the Council's behalf, the Organisation shall proceed therewith with all due expedition and diligence and generally in accordance with all requirements of the Council's Representative. Any rent or sums so obtained shall be remitted forthwith to the Council and shall until receipt by the Council be held by the Organisation on trust for the Council. If any such other monies are temporarily paid by the Organisation into any bank, building society or other similar account, such account shall be designated as a trust account with the Council's name appearing in its title. No such monies shall be mixed with any other money. The Organisation shall keep full and proper records as to the receipt and transfer of such monies in such form as the Council's Representative may approve and shall provide whenever requested access thereto and copies thereof.

**53 RIGHT TO USE SURPLUSES**

Any surpluses generated by the Organisation shall be used in accordance with provisions of the Accounting Protocol-Schedule 4.

**54 INTEREST ON OVERDUE PAYMENTS**

Save where payment is reasonably disputed by the Council and the Organisation has been notified of such dispute, if and whenever any payment due by either party in accordance with this Agreement shall at any time remain unpaid for a space of twenty-one (21) 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 (2) per cent than the Co-operative Bank plc Base Rate 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.

**55 VALUE ADDED TAX**

All payments by either party hereto to the other 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

**PART I – EMPLOYMENT AND STAFFING**

**56 PENSIONS**

56.1 The Organisation shall pay to the Administering Authority for credit to the Scheme such contributions and payments as are due under the LGPS Regulations in respect of the Eligible Employees.

- 56.2 The Organisation shall pay to the Administering Authority for credit to the Scheme, the employee and employer pension contributions on a monthly basis in arrears. The payment must be paid to the Administering Authority within 19 days of the end of each month in which the pension contributions have been deducted. (or if different within such other prescribed time limit pursuant to section 49(8) of the Pensions Act 1995).
- 56.3 The contribution rate required to be paid by the Organisation will be assessed by an actuary appointed by the Administering Authority.
- 56.4 The Organisation shall pay to the Administering Authority for the credit to the Scheme any additional or revised contributions due under the LGPS Regulations within 30 days of receipt of a written request from the Administering Authority.
- 56.5 Any employees' AVCs or SCAVCs shall be paid direct to such approved AVC body and/or AVC insurance company selected by the Administering Authority and notified to the Organisation as soon as possible following the deduction of such contributions. In any event such contributions shall be paid within 19 days of the end of each month in which the contributions have been deducted.
- 56.6 Where the Organisation certifies that:
- 56.6.1 An Eligible Employee who is aged 50 or more or such other age as the LGPS Regulations shall specify) retiring by reason of redundancy or in the interests of efficiency; or
- 56.6.2 An Eligible Employee is voluntarily retiring with the Organisations consent on or after the age of 50 and before the age of 60 or such other age as the LGPS Regulations shall specify) ; or
- 56.6.3 An Eligible Employee is retiring on the grounds of permanent ill health or permanent infirmity of mind or body; or
- 56.6.4 The deferred benefit of an Eligible Employee is brought into payment with the Organisation's consent on or after the age of 50 and before the age of 60 or such other age as the LGPS Regulations shall specify) ; or
- 56.6.5 The deferred benefit of an Eligible Employee is brought into payment on the grounds of permanent ill health or permanent infirmity of mind or body
- 56.6.6 An Eligible Employee who has attained the age of 50 (or such other age as the LGPS Regulations shall specify), with the Admission Body's consent reduces the hours he works or grade in which he is employed and with the Admission Body's consent elects for payment.
- 56.6.7 And immediate benefits are payable under the LGPS Regulations, the Organisation shall pay to the Administering Authority for credit to the Scheme the sum notified to them in writing by the Administering Authority as representing the actuarial strain on the Scheme resulting from the immediate payment of benefits as certified by an actuary appointed by

the Administering Authority. Such sum is to be paid within 30 days of receipt of the written notification except in the case of sub-clauses 56.11.3 or 56.11.5 where the Administering Authority agrees the strain is to be met through the Organisation's employer contribution rate.

- 56.6.8 Any payment to cover the actuarial strain on the Scheme shall also apply in cases where an Eligible Employee retires with entitlement to immediate payment of reduced benefits, and the Organisation exercises its discretion to waive the actuarial reduction.
- 56.6.9 The Organisation shall indemnify the Administering Authority against any financial penalty, damages, liabilities, costs and expenses incurred by the Administering Authority or by the Scheme arising from any failure by the Organisation to comply with the terms of this Agreement, the LGPS Regulations or any overriding legislation. Such payment to is to be paid within 30 days of receipt of a written request from the Council.
- 56.10 If any sum payable under this Agreement or the LGPS Regulations by the Organisation to the Administering Authority for credit to the Scheme has not been paid ( in whole or in part) within the payment period specified in this Agreement ( or otherwise in accordance with the LGPS Regulations) the Administering Authority may require the Organisation to pay interest calculated in accordance with the LGPS Regulations on the amount remaining unpaid.
- 56.11 The Organisation undertakes that it shall be solely responsible for the payment of any compensation payable in respect of an award of retirement compensation made pursuant to the Compensation Regulations.
- 56.12 The Organisation warrant that it has formulated and published (within 3 months of the Commencement Date) a statement concerning the Organisation's policy on the exercise of its functions or discretions in accordance with the requirements of the LGPS Regulations and will keep such policy under review. Where as a result of a review the Organisation determines to amend its policy the Organisation must send a copy of the amended statement to the Administering Authority within one month of the determination;
- 56.13 The Organisation undertakes:
  - 56.13.1 To provide or procure to be provided such information as is reasonably required by the Council or the Administering Authority relating to the Organisation's participation in the Scheme including (but not limited to) details of the pay and final pay of each Eligible Employee;
  - 56.13.2 comply with the reasonable requests of the Council or the Administering Authority to enable it to comply with the requirements of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 or any other similar legislation;
  - 56.13.3 To adopt the practices and procedures relating to the operation of the Scheme as set out in the LGPS Regulations and in any employer's guide published by the Administering Authority and provided by the Administering Authority to the Organisation;

- 56.13.4 To notify the Council and the Administering Authority of each occasion on which it exercises a discretion under the LGPS Regulations and manner in which it exercises that discretion and to inform the Council and the Administering Authority before creating or reviewing any policies under the LGPS Regulations;
- 56.13.5 To notify the Administering Authority in writing of any material change in terms and conditions of employment of any of the Eligible Employees which affects the entitlement to benefits under the Scheme and of any termination of employment by virtue of redundancy or in the interests of efficiency or for any other reason;
- 56.13.6 That it shall not grant an additional period of membership to a Eligible Employee under Regulation 12 or an additional amount of pension under Regulation 13 of the Benefit Regulations save to the extent that any additional contribution as certified by an actuary appointed by the Administering Authority is paid by the Organisation to the Administering Authority for credit to the Scheme in accordance with clause 56.10;
- 56.13.7 Not to do any act or omission or thing which would prejudice the status of the Scheme with HM Revenue & Customs as a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004; and
- 56.13.8 To notify immediately the Council and the Administering Authority in writing of any matter which may affect or is likely to affect its participation in the Scheme and of any actual or proposed change in its status.
- 56.13.9 The Administering Authority will obtain such actuarial valuation and certificates as often as is required under Regulation 36 of the Administration Regulations and the Organisation shall make such contributions as is required under Regulation 38 of the Administration Regulations.
- 56.15.2 When this Agreement is terminated the Administering Authority shall obtain: -
- 56.15.2.1 an actuarial valuation as at the termination date of the liabilities of the Scheme in respect of the Eligible Employees and former Eligible Employees, and
- 56.15.2.2 a revision of any rates and adjustments certificate within the meaning of the LGPS Regulations showing the revised contributions due from the Organisation
- PROVIDED THAT in assessing the initial and any such revised contributions due, any deficiency in the funding of the pension benefits accrued at the Commencement Date in respect of the Transferring Employees shall be calculated in accordance with the liability of the Council in accordance with clause 56.5.
- 56.16 The Administering Authority shall promptly notify the Organisation in writing of any sums calculated to be due pursuant to clause 56.15 and the Organisation shall pay such sum to the Authority within 30 days of receipt of the notification.
- 56.17 Subject to clause 56.18, the Council undertakes to make payment to the Scheme in respect of such additional sum or sums as is required to be paid under clause 56.15 in circumstances

where such sums have not been paid by the Organisation in accordance with clause 56.16 by reason of the Organisation's insolvency, liquidation or winding up ("the "Payments").

- 56.18 The Organisation agrees that there shall be deducted from the Payments any sum which the Council considers to be attributable to any direct action of the Organisation including but not limited to:
  - 56.18.1 salary increases for Eligible Employees which exceed the level of increase which would have been paid had such Eligible Employees remained employees of the Council;
  - 56.18.2 granting an early retirement request in relation to an Eligible Employee on or after the Commencement Date in accordance with any discretion it has under the Scheme unless that discretion was exercised in the manner in which the Council would have exercised that discretion in respect of the Eligible Employee;
  - 56.18.3 under funding under the LGPS Regulations as a result of an Eligible Employee's employment being terminated on the grounds of efficiency or an Eligible Employee being made redundant unless, in the case of redundancy, such redundancy has been implemented with the prior consent of the Council;
  - 56.18.4 granting an augmentation of benefits in relation to an Eligible Employee on or after the Commencement Date unless that discretion was exercised with the prior consent of the Council;
  - 56.18.5 reducing or waiving any contributions due from an Eligible Employee on or after the Commencement Date unless that discretion was exercised with the prior consent of the Council;
  - 56.18.6 exercising on or after the Commencement Date any other discretion under the Scheme unless that discretion was exercised with the prior consent of the Council.
- 56.19 On expiry or termination of this Agreement, the Organisation shall:
  - 56.19.1 maintain such documents and information as will be reasonably required to manage the pension aspects of any onward transfer of any Eligible Employee (including without limitation identification of the Eligible Employees);
  - 56.19.2 promptly provide to the Council or the Administering Authority such documents and information mentioned in clause 56.19.1 which the Council or the Administering Authority may reasonably request in advance of the expiry or termination of this Agreement; and
  - 56.19.3 fully co-operate with the reasonable requests of the Council or the Administering Authority relating to any administrative tasks necessary to deal with the pension aspects of any onward transfer of any Eligible Employee.
- 56.20 The Council shall indemnify and hold harmless the Organisation against each and every cost, claim, liability, expense or demand arising out of:

- 56.20.1 anything done or omitted to be done prior to the Commencement Date by or on behalf of the Council in respect of any Transferring Employee or contract of employment, any collective agreement or any persons employed in the Undertaking including any employees which notwithstanding that it relates to employment prior to the Commencement Date is deemed by reason of transfer of the Undertaking pursuant to this Agreement to have been done or omitted to be done by or in relation to the Organisation in accordance with the Regulations;
- 56.20.2 the Council's failure to pay any of the Transferring Employees any sums properly due in respect of the period prior to the Commencement Date; and
- 56.20.3 any claim by any trade union, staff association or staff body recognised by the Council in respect of all or any of the Transferring Employees arising out of the Council's failure prior to Commencement Date to comply with its legal obligation in relation to information and consultation to or with such trade unions or staff associations or bodies save insofar as any such failure results from a failure by the Organisation to provide information pursuant to Regulation 10(3) of the Regulations.
- 56.21 The Organisation shall indemnify and hold harmless the Council against each and every cost, claim, liability, expense or demand arising out of:-
- 56.21.1 any claim or allegation by a Transferring Employee that in consequence of the transfer of the Undertaking to the Organisation there has been or will be a substantial change in such Transferring Employee's working conditions to his detriment;
- 56.21.2 any act or omission of the Organisation in relation to any Transferring Employee occurring on or after the Commencement Date and any claim for redundancy payments or protective awards and any liability for wrongful dismissal or unfair dismissal or otherwise in connection with the transfer of the employment of the Transferring Employees to the Organisation;
- 56.21.3 any claim made against the Council under Regulation 10 of the Regulations which results from a failure by the Organisation to supply information to the Council pursuant to the said Regulation;
- 56.21.4 any failure by the Organisation to provide broadly comparable retirement or death-in- service benefits for or in respect of any Transferring Employees to which such persons would have been entitled immediately before the Commencement Date.
- 56.22 The Organisation shall comply with the Workforce Matters Code.

## **STAFFING STRUCTURE**

56.24 The Organisation shall:-

56.24.2 provide details of the staffing arrangements to the Council's Representative.

56.25 The Organisation may not make significant amendments to the said staffing structure, during the Term without the prior written approval of the Council's Representative (which shall not be unreasonably withheld if the Council's Representative is satisfied that such amendments will assist in the due and proper performance of the Services).

56.26 The Organisation shall notify the Council's Representative in writing of any amendments in the said staffing structure during the Term whether or not they fall within the provisions of Clause 56.24

56.27 If so requested by the Council's Representative, the Organisation shall provide to the Council such information as is required to enable the Council to comply with its obligations under Regulation 10 of the Regulations including but without limitation details of (a) the legal, economic and social implications of the transfer of the Undertaking for the Transferring Employees and other affected employees, (b) the measures which the Organisation envisages will be taken in connection with these Transferring Employees and (c) the reasons for such measures.

56.28 The Organisation shall not within six months before the expiry of this Agreement or within such other period as the Council may notify to the Organisation pursuant to a termination notice given under Clause 65 make any changes to the terms and conditions of employment and/or the contracts of employment of any of the Organisation's employees without the Council's consent.

## **57 INFORMATION ABOUT EMPLOYEES**

The Organisation shall within six months before the expiry of this Agreement or within such other period as the Council may specify in the event of an earlier termination of this Agreement either in whole or in part and upon a continuing basis provide such information as the Council may require about the terms and conditions of employment of any employees

employed by the Organisation in connection with the provision of the Services so as to enable the Council and any third party to assess the implications (if any) of the Regulations.

## **58 RIGHT TO REPRESENTATION**

58.1 Without prejudice to its obligations under the Regulations, the Organisation shall take all appropriate steps consistent with good employer practice to ensure that its employees have appropriate representation (whether through trade unions or otherwise). The Organisation agrees to recognise those trade unions who are signatories to the relevant agreements of the National Joint Council for Local Government Services and the Joint Negotiating Committee for Chief Officers of Local Authorities for consultation and negotiations purposes.

58.2 The Organisation will comply with the terms of the trade union recognition agreement as the same may be amended from time to time.

## **PART J – MONITORING AND MANAGEMENT**

### **59 MEETINGS BETWEEN COUNCIL AND ORGANISATION - PERFORMANCE PROTOCOL**

59.1 Without prejudice to the specific provisions of this Agreement, the Council and the Organisation shall meet at such level and with such frequency as may be reasonably necessary to ensure that this Agreement is honoured and the Business Plan performed.

59.2 The Organisation will comply with the arrangements for monitoring and reporting on performance as set out in Annex 2 which the Organisation acknowledges may be varied from time to time by the Council subject to reasonable notice of such changes being given to the Organisation.

### **60 COUNCIL'S REPRESENTATIVE**

60.1 The Council's Representative shall be the person nominated in writing by the Council from time to time to act in the name of the Council for the purposes of the Agreement.

60.2 The Council's Representative shall have power to issue instructions to the Organisation on any matter relating to the provision of the Services and the Organisation shall comply therewith. If any such instruction is a variation within Clause 63 it shall be subject to the terms thereof. Provided that any delay resulting does not affect the provisions of the Services or the discharge of the Council's statutory duties the Organisation shall be entitled to object to any such instructions which would have the effect of significantly varying the fundamental nature of the Services and the Business thereof and such objection shall be referred to the Dispute Resolution procedure pursuant to clause 67.

60.3 From time to time the Council's Representative may appoint one or more representatives to act for him generally or for specified purposes or periods. Immediately any such appointment is made, the Council's Representative shall give written notice thereof to the Organisation.

## **PART K – TMOs**

### **61 TENANT MANAGEMENT ORGANISATIONS**

- 61.1 In the event that in accordance with regulations made under Section 27AB of the Housing Act 1985 any tenants propose to form a Tenant Management Organisation (as defined in Section 27AB(8) of the said Act) the Council shall be legally responsible for dealing with all aspects of such proposal.
- 61.2 The Council may pursuant to such a proposal instruct the Organisation to provide such assistance as may be required to the Council and any tenants making such proposal which assistance shall include:-
- 61.2.1 provision of information and records about the Services
  - 61.2.2 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
  - 61.2.3 attendance at meetings of such tenants and such other help or advice as the Council may require to enable the Council to fulfil its statutory obligations
- 61.3 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 61.1 the Council may issue further instructions to the Organisation requiring the Organisation to make arrangements to transfer responsibility for the Services and the Dwellings so affected to the Tenant Management Organisation in such manner and within such timescale as the Council may prescribe and the Organisation shall comply with such instructions which may include (but not be limited to):-
- 61.3.1 transferring data, records, statistics, files and other information in a format and manner prescribed by the Council
  - 61.3.2 transferring to the Tenant Management Organisation in accordance with the Regulations any staff transfer wholly or mainly engaged in the provision of services to the Tenant Management Organisation
  - 61.3.3 transferring necessary equipment and materials as may reasonably be stipulated by the Council's Representative
  - 61.3.4 establishing working arrangements with the Tenant Management Organisation
  - 61.3.5 providing any other assistance reasonably needed to enable such transfer to take place.
- 61.4 At such time as a transfer of management responsibility to a Tenant Management Organisation takes place the Council shall be entitled to vary this Agreement in accordance

with Clause 63 (giving three (3) months notice to the Organisation) and where such a Variation is made the amendment to the Business Plan in accordance with Clause 63.3 shall reflect 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 (and Clause 65.4 shall apply)

- 61.5 The Organisation will assume those responsibilities of the Council which are set out in any management agreement made between the Council and any Tenant Management Organisation 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 63
- 61.6 In the event that a Tenant Management Organisation to which responsibility for managing the Services has been transferred in accordance with this Clause 61 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 63 so as to require the Organisation 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 63.3.
- 61.7 The provisions of this Clause shall apply, mutatis mutandis, to the transfer of additional management responsibilities to an existing Tenant Management Organisation as well as any other Tenant Management Organisations.
- 61.8 The Organisation shall in complying with its obligations under this Clause 61 ensure that to the extent permitted by any existing agreement(s) with any Tenant Management Organisation the obligations to provide the Services at the level and standards required by the Agreement or otherwise prescribed by the Council are unaffected.

## **PART L – TERM**

### **62 DURATION AND RENEWAL**

- 62.1 This Agreement shall expire on 31st March 2016 with the option to extend the Agreement for a further 2 years (subject to a review of the organisation's performance) and pursuant to the following provisions of this Clause and subject to earlier termination as provided herein.
- 62.2 The Council shall be entitled (but without any obligation whatsoever) to extend the Term for one or more further periods of between one and two years, but not so as to extend the Term by more than two years in total by giving notice to this effect to the Organisation no later than twelve calendar months before the date on which the Agreement would otherwise expire pursuant to Clause 63.1.

## **PART M – VARIATIONS ETC**

### **63 VARIATIONS**

- 63.1 The Council may from time to time either unilaterally or in response to representations from the Organisation require changes (hereinafter referred to as “Variations” and each a “Variation”) to be made to the Services and accordingly may upon giving reasonable written notice thereof to the Organisation add to delete from or otherwise amend in any way the provisions of this Agreement and the Organisation shall be bound by any such Variations.
- 63.2 Reasonable notice for the purpose of Clause 63.1 shall be deemed to be either:-
- 63.2.1 three months’ notice for changes which the Council has determined will require consultation under Section 105 of the Housing Act 1985 or which it reasonably considers will result in a significant variation to the number of staff being required by the Organisation or significantly more cost being incurred by the Organisation; or
- 63.2.2 one month’s notice in any other case.
- 63.3 Where a Variation is effected a variation shall be made in relation to the current Business Plan as soon as practicable by the Council and the Organisation (both acting reasonably) by reference to any increase or reduction in the Organisation’s responsibilities and any likely increase or reduction in cost to the Organisation occasioned by such variation.
- 63.4 In the event that a Variation is effected by the Council which is not made in response to representations from the Organisation and which is likely to result in the redundancy of one or more of the Organisation’s employees engaged in the provision of the Services the Organisation shall as soon as practicable:-
- 63.4.1 identify the relevant employee or employees;
- 63.4.2 quantify and substantiate the costs which the Organisation is likely to incur by reason of the said redundancy or redundancies; and
- 63.4.3 notify the Council of the same and on receipt of such notification the Council shall, having consulted (where necessary) with the Organisation, either:-
- 63.4.4 take account of the potential redundancy costs to be incurred by the Organisation as a result of the Variation in determining the variation to the Business Plan in accordance with Clause 63.3 or (if the Council so determines)
- 63.4.5 meet the amount of the statutory redundancy entitlement of the relevant employee or employees PROVIDED THAT the Organisation shall have used its best endeavours to limit redundancy costs and the Council shall not be obliged to agree to a variation to the Business Plan which reflects the cost of more than the Council’s minimum obligation in respect of redundancy payments under the Employment Rights Act 1996, the Local Government (Compensation for Redundancy and Premature Retirement) Regulations 1995, the Redundancy Payments (Local Government) (Modification) (Amendment) Orders 1995 and

1996 and the Local Government (Compensation for Redundancy) (Amendment) Regulations 1996.

- 63.5 The Organisation shall provide to the Council such information as the Council may require to enable it to reach a determination in accordance with Clause 63.4.
- 63.6 It is hereby agreed that no change to the Business Plan will be made in respect of the Variation if there is a compensating reduction or re-organisation of any part of the Services.
- 63.7 In the event of a dispute as to how any Variation affects the Business Plan pursuant to this Clause 63 the matter shall be resolved in accordance with the Dispute Resolution Procedure set out in Clause 67.

#### **64 RISK MANAGEMENT**

- 64.1 The Council has a strong commitment to the identification and management of all risks which in particular, but not limited thereto, threaten the meeting of its strategic objectives and in providing the Services the Organisation shall have regard to the identification and management of all risks, both strategic and operational, that impact on its ability to provide the Services.
- 64.2 The Organisation shall prepare and maintain a corporate risk register, highlighting all such risks noting the assessment of the impact and likelihood of such risks and detailing the actions taken or to be taken to treat such risks.

#### **65 TERMINATION ETC.**

- 65.1 If the Organisation, its Board Members, or where applicable any director or any senior manager thereof:-
  - 65.1.1 commits a material breach of any of the Organisation's obligations under the Agreement or commits a breach of any of the Organisation's obligations under the Agreement which is not capable of being remedied;
  - 65.1.2 changes the Organisation's structure or staffing in a way which in the opinion of the Council adversely affects the ability of the Organisation to discharge its obligations under the Agreement to the Contract Standard;
  - 65.1.3 has any director or senior manager of it convicted of gross misconduct;
  - 65.1.4 becomes bankrupt, or makes a composition or arrangement with its creditors, or has a proposal for voluntary arrangements for a composition of debts, or any scheme or arrangement approved in accordance with the Insolvency Act 1986;
  - 65.1.5 has an application made under the Insolvency Act 1986 to the Court for the appointment of an administrator or an administrative receiver;

- 65.1.6 has a winding-up order made or (except for the purpose of amalgamation or reconstruction) a resolution for voluntary winding-up passed;
  - 65.1.7 has a provisional liquidator, receiver, or manager of its business or undertaking duly appointed;
  - 65.1.8 has an administrator or an administrative receiver (as defined in the Insolvency Act 1986) appointed;
  - 65.1.9 has possession taken by or on behalf of the holders of any debenture secured by a floating charge, or any property comprised in, or subject to, the floating charge;
  - 65.1.10 is in circumstances which entitle the court or a creditor to appoint, or have appointed, a receiver, a manager, an administrator or an administrative receiver, or which entitle the court to make a winding-up order then in any such circumstances the Council may (if it so decides) exercise the rights described in Clause 65.3.
- 65.2 If there is or has been any act, omission or failure by the Organisation, its Board Members, its employees, sub-contractors or agents in the performance of the Organisation's obligations under this Agreement which in the opinion of the Council delays, interrupts or prevents the performance of the Services required under this Agreement in accordance with the terms of the Agreement and any standard specified herein the Council shall, subject to Clause 65.5, be entitled (if it so wishes) to exercise the rights described in Clause 65.3.
- 65.3 In the event of any one or more of the circumstances described in Clauses 65.1 and 65.2 and, subject to clause 65.5, the Council may take any or all of the following actions:-
- 65.3.1 either provide itself or procure the provision of the whole or the relevant part of the Services until such time as (if at all) the Organisation shall demonstrate to the satisfaction of the Council that the whole or such part of the Services will be once more provided by the Organisation in accordance with the provisions hereof (and the Organisation shall bear any reasonable costs relating to this matter)
  - 65.3.2 without determining the whole of this Agreement terminate forthwith the relevant part of the Services only and thereafter itself provide or procure a third party to provide such part of the Services
  - 65.3.3 determine the whole of this Agreement and in the event of action pursuant to Clauses 65.3.1 and 65.3.2 a corresponding variation to the Business Plan shall be made in accordance with Clause 63.3
- 65.4 The Council shall act in accordance with Clauses 65.5 if the Organisation or where applicable any director or any senior manager thereof;
- 65.4.1 commits any breach of any of the Organisation's obligations under the Agreement which is in the Council's reasonable opinion is a non-material breach of the Agreement capable of being remedied or;

- 65.4.2 fails to carry out the Services or any of them with due skill and care or inadequately or otherwise than in accordance with the provisions of this Agreement.
- 65.5.1 In the event of the occurrence of one or more of the circumstances described in Clause 65.4 (“the Event”) the Council shall require the Organisation to produce a Remedial Plan within 20 Working Days
- 65.5.2 The Remedial Plan shall:
- (iv) contain an analysis by the Organisation of the reasons why the Event occurred;
  - (v) set out what steps the Organisation proposes to take to avoid a recurrence of the Event;
  - (vi) in relation to the circumstances in 6.11 identify what action the Organisation proposes to take to demonstrate that the Organisation is providing or will provide best value.
- 65.5.3 The Council shall notify the Organisation within 20 Working Days of receipt of the Remedial Plan whether it is agreed or rejected.
- 65.5.4 If the Council rejects a Remedial Plan proposed by the Organisation the Council shall give reasons. In these circumstances the Organisation shall within a further 10 Working Days propose a revised Remedial Plan taking account of the Council’s reason for rejection and any amendments proposed by the Council. The Council will then decide whether to accept or reject the revised Remedial Plan and in the absence of agreement between the parties the Council shall refer the matter to Dispute Resolution pursuant to Clause 67.
- 65.5.5 If (i) the Event leading to the production of the Remedial Plan recurs within 3 months of the implementation of the Remedial Plan; or (ii) the Services do not improve in accordance with any agreed improvement target confirmed in the Remedial Plan, or (iii) the Council has rejected a Remedial Plan in accordance with Clause 65.5.4 and no suitable Remedial Plan is subsequently submitted and approved by the Council; the Council will be entitled to exercise the rights described in Clause 65.3.
- 65.6 If the Agreement is terminated in whole or in part as provided in Clauses 65.3 the Council shall:
- 65.6.1 be entitled to reoccupy any premises and repossess any other physical resources or assets licensed, loaned, or hired to the Organisation and to exercise a lien over any of the physical resources or any other thing belonging to the Organisation and shall have full and unfettered licence over all documents for use in connection with the Services;
  - 65.6.2 be entitled to employ and pay other persons to provide and complete the provision of the Services or any part thereof and to use all such Organisation’s physical resources or other things, and all such documents for the purpose thereof

- 65.7 If the Council exercises its rights under this Clause 65 to terminate the whole or any part of the Agreement then in relation to the whole or any such part:-
- 65.7.1 the Organisation shall, unless the Council requests otherwise, forthwith cease to perform any of the Services
- 65.7.2 immediately hold all rent and other sums collected or obtained under this Agreement on trust for the Council notwithstanding any right of retention under Clause 52
- 65.7.3 hand over this Agreement to the Council without detriment to the interest of the Council's tenants or other customers of the Council.
- 65.8 The Council undertakes to exercise its power to appoint and remove board members pursuant to the Articles of Association of the Organisation only in any of the circumstances described in Clauses 65.1 and 65.2 and then only for so long as (in the Council's opinion) the relevant circumstances subsist.

## **66 VARIATION OF CONTRACT**

No deletion from, addition to, or variation of this Agreement shall be valid or of any effect unless agreed in writing and signed by the parties

## **67 DISPUTE RESOLUTION**

- 67.1 In the event of any dispute between the Council and the Organisation 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:-

Stage 1 representatives of the parties in dispute (being the officers having day to day conduct of the area to the subject of the dispute) shall meet within 3 Business Days; if they are unable to agree a unanimous resolution at such meeting or if there shall be no appropriate officers of each of the parties available to attend such meetings – then move to Stage 2.

Stage 2 the Council's Representative and the Organisation's Representative shall meet within 3 Business Days and if they are unable to agree a unanimous resolution or if both representatives are not available to attend such a meeting then move to stage 3.

Stage 3 the matter shall be referred for determination by an independent third party. The independent third party shall meet with the Council's Representative and the Organisation's Representative, or their representatives, within 3 Business Days of the referral of the dispute him/her by either of the parties in dispute.

- 67.2 In the event that any dispute remains unresolved following the completion of the procedure set out in Clause 67.1 then the view of the Council Representative shall prevail.

- 67.3 Until such time as a dispute between the Organisation and the Council is resolved pursuant to Clause 67.1. and/or 67.2 the Organisation shall continue to perform the Services in accordance with this Agreement.

## **PART N – NOTICES AND OTHER MATTERS**

### **68 NOTICES**

- 68.1 Any demand, notice, or other communication required to be given hereunder shall be sufficiently served if served personally on the addressee, or if sent by prepaid first class recorded Delivery post, by telex, electronic mail or facsimile transmission to the registered office or last known address of the party to be served therewith and if so sent shall, subject to proof to the contrary, be deemed to have been received by the addressee on the second Working Day after the date of posting or on successful transmission, as the case may be.
- 68.2 Notices served under Clause 68.1 shall be sent by first class recorded delivery mail (or equivalent) marked for the attention of the Chief Executive in respect of the Council and the Chief Executive in respect of the Organisation or such other person as may be notified in writing by the Council or the Organisation (as the case may be) to the other. All other notices shall be sent by such means as the sending party deems appropriate.

### **69 SEVERANCE**

If any provision of this Agreement shall become or shall be declared by any court of competent jurisdiction to be invalid or unenforceable in any way, such invalidity or unenforceability shall in no way impair or affect any other provision all of which shall remain in full force and effect.

### **70 PARTNERSHIPS**

Nothing in this Agreement shall be construed as establishing or implying any partnership or joint venture between the parties hereto and save as expressly provided nothing in this Agreement shall be deemed to make the Organisation the agent of the Council or authorise the Organisation (a) to incur any expenses on behalf of the Council (b) to enter into any engagement or make any representation or warranty on behalf of the Council or (c) to commit or bind the Council in any way whatsoever without in each case obtaining the Council's Representative's prior written consent.

### **71 SURVIVAL OF THIS CONTRACT**

- 71.1 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.

71.2 Insofar as any of the obligations of the Organisation 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.

## **72 LAW**

This Agreement shall be governed by and construed according to English Law.

## **73 CONCURRENT REMEDIES**

No right or remedy herein conferred upon or reserved to either party by this Agreement is exclusive of any other right or remedy provided herein or by law or equity and each such right or remedy shall be cumulative of every other right or remedy and may be enforced concurrently therewith or from time to time and shall be without prejudice to any pre-existing liabilities or obligations of the other party under this Agreement.

## **74 RIGHTS OF THIRD PARTIES**

Save where otherwise expressly or impliedly stated no express third party right and no purported third party right is conferred by this Agreement or any contract deed or instrument entered into under or in connection herewith pursuant to the Contracts (Rights of Third Parties) Act 1999.

## **75 COMMUNICATION**

The Parties acknowledge that from time to time it will be necessary and/or desirable to issue information to the press and public about the activities of the parties both in connection with this Agreement and more generally in relation to each Party's activities. Each Party will provide to the other all reasonable co-operation and assistance that may be required for the purposes of issuing/collaborating on such relevant communications.

## **76 STATUTORY RESPONSIBILITY**

Save as otherwise expressly provided nothing in this Agreement shall operate as a fetter on the Council's ability to carry out its statutory responsibilities, particularly but not limited to, its non-housing management functions.

## **77 PRIORITY OF DOCUMENTS**

77.1 Inconsistencies between any contract document between the Council and the Organisation shall be resolved in the following order of priority:

77.1.1 this Agreement;

77.1.2 the Accounting Protocol

77.1.3 all other documents to which the Organisation and the Council are parties.

**78 ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all previous agreements and understandings (if any) between the parties with respect thereto.

**PART O – TERMS USED ETC**

**79 DEFINITIONS AND INTERPRETATION**

79.1 The definitions are as follows:

“2000 Act”

Means the Freedom of Information Act 2000

“**Administering Authority**”

the London Borough of Haringey acting in its capacity as of the Scheme.

“**Administration Regulations**”

Means the Local Government Pension Scheme (Administration) Regulations 2008 and includes any regulations, statutes or other legislation amending superseding or re-enacting them.

“**Agreement**”

means this Agreement (including the Schedules and Annexes) and any variations in accordance with Clause 63.

“**ALMO Service Review**”

means the review of the Services provided by the Organisation to be produced by the Organisation and which is described in Clause 8.

“**Annual Business Plan**”

means the performance plan forming part of the Business Plan which is to be produced annually by the Organisation and which is described in Clause 6.

**“Annual General Meeting (AGM)”**

Annual ALMO Board meeting

**“Annual Sections of the Business Plan”**

means those sections of the business Plan which in accordance with Clause 6 are prepared on an annual basis.

**“Best Value”**

and “best value” both mean best value as defined in the Local Government Act 1999

**“Best Value Review”**

means a Best Value Review of the Services which is required to be conducted by the Council in accordance with Section 5 of the Local Government Act 1999

**“Benefit Regulations”**

Means the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 and includes any regulations, statutes or other legislation amending superseding or re-enacting them

**“Commencement Date”**

means 1 April 2011

**“Compensation Regulations”**

the Local Government (Discretionary Payments) Regulations 1996 and/or the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006 and includes any regulations, statutes or other legislation amending superseding or re-enacting any of them.

**“Contract Period”**

means the period beginning on the Commencement Date and continuing for five years plus two years unless (a) terminated sooner in accordance with Clause 65 or in accordance with common law or statute or (b) extended in accordance with Clause 62.

**“Contract Standard”**

means the standard to which the Services are to be provided as defined in Clause 16.

**“Contracts”**

means the contracts for goods and/or services relating to the Undertaking detailed in the First Schedule and any replacements thereof or additions thereto as notified by the Council to the Organisation.

**“Council Guidelines”**

means relevant rules, procedures, guidelines, policies, codes of practice, Standing Orders and Financial Regulations and standards of the Council currently applying or as notified to the Organisation by the Council or the Council’s Representative from time to time, as any of the same may from time to time be amended by the Council and notified to the Organisation.

**“Council’s Computer Systems”**

means the computer hardware systems owned, leased and/or operated from time to time by the Council or any third party either in whole or in part in connection with the Undertaking.

**“Council’s Data”**

means any information or data compiled by or on behalf of the Council in connection with the Services.

**“Council’s Emergency Officer”**

means the Chief Executive of the Council or such other individual as the Council may appoint from time to time

**“Council’s Equipment and Vehicles”**

means the equipment and vehicles of the Council relating to the Undertaking and listed in the Second Schedule together with any other (a) equipment as may be agreed between the Organisation and the Council in writing and/or (b) vehicles as may be transferred by the Council to the Organisation by way of sale or transfer of Vehicle Lease or otherwise and “Vehicle” shall be construed accordingly.

**“Council’s Representative”**

means the person nominated pursuant to Clause 60.

**“Council’s Software”**

means any computer software owned by or licensed to the Council relating to or used in connection with the Services.

**“Business Plan”**

means the document so entitled which describes the outputs to be achieved by means of the Services to be provided by the Organisation and any variations of such document made pursuant to Clause 63.

**“Business Plan Strategy”**

means in respect of the period up to (but not including) the first anniversary of the Commencement Date the initial Business Plan forming Annex 1 and in respect of subsequent years of the Agreement means the Business Plan strategy to be submitted by the Organisation pursuant to Clause 6.

**“Dwelling”**

means any leasehold or tenanted dwelling house to be managed by the Organisation 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 as set out in the Third Schedule 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 provided under the Enabling Acts together with any land, gardens or driveways usually enjoyed with any such sheltered accommodation.

**“Enabling Acts”**

means all those Acts which enable the Council to enter into this Agreement, including (but not limited to) the Housing Act 1985, the Local Government Act 1972 and the Local Government Act 2000

**“Eligible Employees”**

those of the Transferring Employees, and any person recruited to be engaged wholly or mainly in the provision of the Services who are active members of or who are eligible to join the Scheme on the Commencement Date and who are employed by the Organisation;

**“Guidance”**

means the guidance entitled “Guidance on Arms Length Management of Local Authority Housing” and any subsequent guidance which modifies or replaces the same.

**“Inspectorate”**

Means that part of the Audit Commission responsible for the inspection of both Registered Social Landlords and Local housing authorities and any organisation which takes over such or similar responsibilities.

**“Know-how”**

means all information (including that comprised in or derived from data, disks, tapes, manuals, source codes, flow-charts, catalogues and instructions) relating to the Undertaking and the Services.

**“Licences”**

means the licences to be granted pursuant to Clause 41 in substantially the form set out in the Seventh Schedule.

**“LGPS Regulations”**

The Administration Regulations, the Benefit Regulations and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 and includes any regulations, statutes or other legislation amending superceding or re-enacting any of them

**“Local Government Pension Scheme”**

the Local Government Pension Scheme established pursuant to regulations made by the Secretary of State in exercise of powers under sections 7 and 12 of the Superannuation Act 1972 as amended from time to time.

**“Management Fee”**

means the payments to the Organisation by the Council in consideration for the performance of the Services as more particularly described in the Sixth Schedule;

**“Organisation’s Representative”**

means the person who is to represent the Organisation appointed pursuant to Clause 20.

**“Performance Indicators”**

means the performance indicators and standards specified by the Secretary of State under Section 4 Local Government Act 1998; Audit Commission performance indicators and other information required by the Audit Commission under Sections 44-46 Audit Commission Act 1998 and the local performance indicators developed by the Council, such local performance indicators shall include all indicators upon which the Council is judged including, but not limited to, those indicators used within the Comprehensive Performance assessment process.

**“Premises”**

means the offices and other premises described in the Third Schedule and comprised in the form of Licence set out in the Seventh Schedule.

**“Regulations”**

means the Transfer of Undertakings (Protection of Employment) Regulations 1981 and shall be deemed to include (without limitation) the Acquired Rights Directive 77/187 (howsoever amended or interpreted) as it applies to the Council and/or this Agreement and/or this or any subsequent transfer of the Undertaking.

**“RPI”**

means the United Kingdom General Index of Retail Prices (All Items) or in the event that the basis of calculation of such Index shall change or if such Index ceases to be published (as to which the Council’s reasonable decision shall be conclusive) such other published index of retail prices or the value of money as the Council and the Organisation may agree PROVIDED THAT in the event that such agreement cannot be reached within twenty-one (21) Working Days of a decision by the Council the RPI shall be determined in accordance with the provisions of Clause 67.

**“Scheme”**

the Haringey Pension Fund within the Local Government Pension Scheme.

**“Services”**

means the services to be provided by the Organisation in accordance with the Agreement and includes any variations thereto made pursuant to Clause 63.

**“Standing Orders and Financial Regulations”**

means the Council’s documented orders and regulations which must be complied with by the Organisation to the extent that they apply to the subject matter of this Agreement.

**“Tenancy Conditions”**

means the conditions on the basis of which the Council's tenants occupy the Dwellings and shall be deemed to include all the Council's rights and obligations whether statutory or contractual and whether or not expressly incorporated.

**“Tenant Management Organisation”**

means a Tenant Management Organisation as defined in Section 27AB(8) of the Housing Act 1985.

**“Tenant Services Authority”**

Means the Tenant Services Authority. The TSA is the regulator of affordable housing in England.

**“Term”**

means the period commencing on the Commencement Date and expiring on 31 March 2016 subject to earlier termination or subsequent extension as herein provided.

**“Third Party”**

An agreed independent arbitrator as agreed by both parties.

**“Transferring Employees”**

means the employees occupying the posts listed in Part I of the Fourth Schedule.

**“Undertaking”**

means all of the undertaking of the provision of housing management services by the Council its servants or agents immediately before the Commencement Date.

**“Vehicle Lease”**

means any vehicle leasing or hire contract in respect of any vehicle leased or hired by the Council.

**“Working Day”**

means any day between the hours of 9.00am and 5.00pm save for Saturdays, Sundays, public holidays and other non-statutory holidays taken as public holidays by the Council and in relation to any time after 5.00pm shall mean the following Working Day.

**“Workforce Matters Code”**

means the Code of Practice on Workforce Matters in Local Authority Service Contracts annexed to the Office of the Deputy Prime Minister’s circulation 03/2003 “Local Government Act 1999: and Part 1 Best Value and Performance Improvement” as amended from time to time.

- 19.6 Reference to the Organisation’s personnel shall be deemed to include the Organisation’s directors and employees and the Organisation’s agents, sub-contractors and essential visitors (as referred to in Clause 36.2) unless the context otherwise requires.
- 19.7 The Agreement shall be governed by and construed in accordance with English Law, and the English courts shall have jurisdiction over any dispute or difference which shall arise between the Council or the Council’s Representative and the Organisation out of or in connection with the Agreement.
- 19.8 A reference to the Enabling Acts or any other 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.

- 19.9 Words 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
- 19.10 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
- 19.11 In this Agreement headings are included for ease of reference only and shall not affect this Agreement or the interpretation thereof

**IN WITNESS** whereof these presents have been executed as a Deed and delivered the day and year first before within.

**THE FIRST SCHEDULE**  
**FORM OF LEASE/LICENCE FOR PREMISES &**  
**PREMISES AND OTHER PROPERTY INFORMATION**



**LICENCE OF OFFICE PREMISES**

**THIS DEED OF LICENCE** is made the first day of April 2006

**BETWEEN:**

- (1) The Mayor and Burgesses of the London Borough of Haringey of Level 9, 10 Station Road, Alexandra House, Wood Green, N22 7TR (“**the Licensor**”); and
- (2) Homes For Haringey Limited whose registered office is situated at River Park House, 6<sup>th</sup> Floor, 225 High Road, Wood Green N22 8HQ (“**the Licensee**”).

**WHEREAS:-**

The Licensor has agreed with the Licensee to license certain offices for the period and upon the terms and for the consideration hereinafter mentioned.

**NOW IT IS HEREBY AGREED** as follows:-

1. **DEFINITIONS**

In this Licence where the context so admits the following expressions shall have the following meanings:-

“**Access Ways**”

shall mean all roads and paths, entrance halls, corridors, passages, lifts and staircases serving but not comprised in the Premises [including but not limited to the Common Parts] the use of which is necessary or desirable for obtaining access to and egress from the Designated Offices and the Parking Spaces and is within the power of the Licensor to grant;

**“Conduits”**

shall mean all or any pipes wires cables or other conducting media now laid or to be laid during the Licence Period.

**“Designated Offices”**

shall mean those parts of the Premises shown for the purposes of identification only edged red on the plan annexed hereto or any equivalent area from time to time allocated by the Licensor;

**“Facilities & Services”**

shall mean those facilities and services listed in the Schedule;

**“Licence Fee”**

shall mean [ ] ( ) per annum (and pro rata for any period less than a year);

**“Licence Period”**

shall mean the period from the date hereof until the expiration (or sooner determination) of the Principal Agreement or (if shorter):-

the date upon which any notice given by the Licensee or the Licensor pursuant to Clause 5.2 shall expire;

**“Meeting Rooms”**

shall mean the meeting rooms located at the Premises;

**“Parking Spaces”**

shall mean not less than [ ] spaces as the Licensor may from time to time allocate in the staff car park at the Premises;

**“Premises”**

shall mean the Licensor's property at [ ] or any property the Licensor may from time to time substitute (being so far as practicable equally convenient to the Licensee);

**“Principal Agreement”**

means the agreement for Housing Management and other services herewith and made between the Licensor (1) and the Licensee (2) and any contract, deed or instrument entered into between the Licensor and the Licensee under or in connection therewith;

**“Quarter Days”**

means each of 25 December, 25 March, 24 June and 29 September in any year;

- 1.1.1 Words denoting the singular shall include the plural and vice versa, words denoting the masculine gender shall include the feminine gender and vice versa and words denoting persons shall include corporations.
- 1.1.2 References to a Clause or a Schedule shall be deemed to be references to a clause of or a schedule to this Licence and references to a Sub-clause shall be deemed to be references to a sub-clause of the clause in which the reference appears.
- 1.2 Words and expressions defined in the Principal Agreement have the same meanings.
- 1.2.1 In this Licence clause headings are included for ease of reference only and shall not affect this Licence or the interpretation hereof.

**2. LICENCE**

In consideration of the payment by the Licensee of the Licence Fee, and subject to Clauses 3 and 4, the Licensor hereby grants to the Licensee (by the Licensee's members, officers, employees and permitted visitors) for the Licence Period the right (for the purpose only of giving effect to the Principal Agreement) to:-

- 2.1.1 Use the Designated Offices as offices for the purposes of the Licensee's usual business at the times specified in clause 4.5.
- 2.2 Use the Meetings Rooms upon prior reservation with the Licensor;
- 2.3 Use the Parking Spaces for the purpose of parking private motor cars.
- 2.3.1 Use (in common with others) the Access Ways for the purposes of access to and egress from the Designated Offices and the Parking Spaces.

2.3.2 Use (in common with others) the cloakrooms and lavatories forming part of or allocated to the Premises.

### 3. **THE LICENSEE'S UNDERTAKINGS**

The Licensee agrees and undertakes:-

3.1.1 To pay the Licence Fee to the Licensor quarterly in advance on the usual Quarter Days such licence fee (for the final quarter) to be calculated pro rata to the actual date of termination.

3.1.2 To keep the Designated Offices clean and tidy and clear of rubbish and to leave the same in a clean and tidy condition and free of the Licensee's furniture, equipment, goods and chattels at the end of the Licence Period.

3.1.3 Not to interfere with the Licensor's officers and employees (and all others authorised by the Licensor) use of the lavatories located within the Designated Offices.

3.1.4 Not to use the Designated Offices in such a way as to cause any nuisance, damage (fair wear and tear excepted) or material disturbance to the Premises or adjoining or neighbouring property or to the owners, occupiers or users of such adjoining or neighbouring property or whereby the Licensor shall be in breach of the terms of the lease or licence under which it holds the premises.

3.1.5 Not to act in a way which will or may result in the insurance of the Premises (or any building of which the Premises forms part) being void or voidable or in the premium for the said insurance being increased.

3.1.6 Not to act in a way which will or may constitute a breach of any statutory requirement affecting the Premises (or any building of which the Premises forms part).

3.1.7 To observe such reasonable directions rules and regulations as the Licensor may make and of which the Licensor shall notify the Licensee from time to time governing the Licensee's use of the rights granted by this Licence (and which for the avoidance of doubt may suspend or curtail such rights in the interests of security or the maintenance repair or redecoration of the Premises or the building of which they form part).

3.2 To vacate the Designated Offices at the end of the Licence Period.

3.2.1 Not save as authorised under the provisions of this Licence to permit any third party to occupy or gain possession of the Designated Offices.

3.2.2 If the premises are leased by the Licensor not to make any alterations save in accordance with prior consent of the landlord and any superior landlord and (in every case) not to make any alteration without the consent of the Licensor.

3.2.3 To pay to the Licensor such reasonable amounts as it may from time to time demand in respect of the cost of providing the Facilities and Services (and also any communal cloakrooms and lavatories) and complying with the Licensor's obligations in Clause 4

#### 4. **THE LICENSOR'S UNDERTAKINGS**

The Licensor agrees and undertakes subject always to circumstances beyond its control:-

4.1.1 To maintain and repair the structure and exterior of the Designated Offices (or in the case of leased Premises procure the landlord of the Licensor to comply with its obligations) Provided that in complying herewith the Licensor may pay due regard to its planned maintenance programme and may also omit any works reasonably considered uneconomic having regard to the life expectancy of the Premises and proposals for development;

4.2 To provide the Facilities and Services;

4.2.1 To pay all insurance premiums (on such insurances as the Licensor reasonably considers appropriate), general rates and water rates in respect of the Premises;

4.2.2 To procure from a commercial supplier a sufficient supply of electrical power to the Designated Offices, and to pay all charges in respect thereof; and

4.2.3 To permit access to the Designated Offices for the Licensee at all times during the Licence Period when the Premises are open to the Licensor's Staff (excluding security and maintenance staff) provided always that the Licensor will not unreasonably withhold its consent to any request from the Licensee for access at other times. Opening hours are to be determined by the mutual agreement of the parties.

4.2.4 In the event that the Licensee is unable to occupy or use the Designated Offices due to damage caused by a risk in respect of which the Licensor is insured the Licensor shall use reasonable endeavours to provide the Licensee with such alternative accommodation as the Licensor in its absolute discretion considers suitable at its own expense provided always that the Licensor shall not be obliged to provide such alternative accommodation if in the reasonable opinion of the Licensor the Licensee has the right to occupy any premises which the Licensor considers that it would be reasonable for the Licensee to occupy.

#### 5. **GENERAL**

5.1.1 Without prejudice to the need (if any) to obtain planning consent the Licensee shall be permitted (where the consent of any landlord or superior landlord of the Licensor has been duly granted) to erect at its own expense signs of such size and design as the Licensor may approve (such approval not to be unreasonably withheld) in positions of reasonable prominence outside the Premises and in the main reception area of the Premises and on such doors and walls in the Access Ways as the Licensee may require subject to the consent of the Licensor as to the siting thereof (such consent not to be unreasonably withheld).

- 5.1.2 This Licence may be determined by either party in accordance with the terms set out in schedule 9.
- 5.1.3 All sums payable by the Licensee to the Licensor are exclusive of VAT which shall be added at the rate (if any) from time to time applicable.
- 5.1.4 This License is personal to the Licensee and may not be assigned or its benefit otherwise conferred to a third party.

6. **NOTICES**

Any notice to be given hereunder shall be in writing and shall be sufficiently served if delivered by hand and receipted for by the recipient or sent by the Recorded Delivery Service addressed in the case of the Licensor to its Chief Executive at Level 9, 10 Station Road, Alexandra House, Wood Green, N22 7TR or in the case of the Licensee to its Chief Executive at River Park House, 6<sup>th</sup> Floor, 225 High Road, Wood Green N22 8HQ or to such other addresses as either party may from time to time notify to the other in accordance with the provisions of this Clause.

**AS WITNESS** the hands of persons duly authorised for and on behalf of the parties hereto the day and year first before written.

SIGNED on behalf of the                    )  
 THE LONDON BOROUGH                    )  
 OF HARINGEY

by:    )

.....

Duly authorised on behalf of the Council

SIGNED on behalf of .....)  
 HOMES FOR HARINGEY                    )  
 by    )

[name/capacity] duly authorised on  
 behalf of the Company

**Facilities and Services to be provided at the expense of the Licensor  
(Clause 4.2)**

1. The Licensor shall provide the Designated Offices with the following services as the Licensor reasonably considers appropriate:

- (a) Heating;
- (b) Lighting;
- (c) Caretaking;
- (d) Security

2. The Licensee shall have access to the following facilities at the Premises (so long as the Licensor provides them for its own use):

Postal facilities, such access shall not include the cost of postage;

Photocopying facilities, such access shall not include the cost of paper.

## THE SECOND SCHEDULE

### PREMISES AND OTHER PROPERTY INFORMATION

Property Address	To be transferred under Lease or licence	Name of Freeholder	Type
Lordship Lane Depot 251 Lordship Lane Lordship Lane Tottenham N17 6AA	License	Haringey Council	Depot
Ashley Road Depot Contract House Ashley Road Tottenham N17 9AY	License	Haringey Council	Depot
225 High Road River Park House Wood Green N22 8HQ	License	Haringey Council	Office
The Broadway Hornsey Town Hall Hornsey N8 9JJ	License	Haringey Council	Office
13-27 Station Road Wood Green N22 6UW	License	Haringey Council	Office
108 C Gloucester Road Broadwater Farm Tottenham N17 6GZ	License	Haringey Council	Office
Apex House 820 Seven Sisters Road Tottenham N15 5PQ	License	Haringey Council	Office
782 Tottenham High Road Tottenham N17 OBX	License	N17 Studios	Office

## THE THIRD SCHEDULE

### USE OF COUNCIL'S COMPUTERS

Data and information to be used by Organisation – and terms for doing so

The data to be used by Homes for Haringey in order to fulfil its obligations under the terms of the Management Agreement is held on a number of applications details of which can be found below. The information detailed is included within the Council's Data Protection Act Registration or where appropriate within Homes for Haringey's Data Protection Act Registration.

System name	Data Stored	Purpose
<ul style="list-style-type: none"> <li>• <b>OHMS</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Financial, Casework, Property and Person data.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Our main operational business system, enabling us to manage rent accounts, voids &amp; lettings, repairs and tenancy management issues.</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>iWorld</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Benefits System covering Council Tax benefit and Housing Benefit.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Data to assist in the management of rent accounts and rent recovery</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Optitime</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Job and scheduling data</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Manages operative work and Appointment scheduling.</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>TASK</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Repairs management data including job details and costs.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Effective job and cost management</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Homesearch</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Choice based lettings related data – property and person information</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Management of Haringey Choice Based Lettings scheme.</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>SAP</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Procurement data, personnel data and accountancy data.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff, financial and procurement management</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>COMINO</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Housing Benefit document management system</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Data to assist in the management of rent accounts and rent recovery</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Home</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Choice based</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Management of partnership</b></li> </ul>

<b>Connections</b>	<b>lettings related data – property and person information</b>	<b>based Choice Based Lettings scheme.</b>
<ul style="list-style-type: none"> <li>• <b>E Care</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Social Services person records.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Information on our clients in supported housing.</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Radius</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Payment and charges data.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Cash reciting system for finance</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Autocad Architectural Desktop</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Digital Drawings and images of the Built Environment</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Designing and maintaining buildings and the Engineering Services therein</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Vector Works</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Digital Drawings and images of the Built Environment</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Designing and maintaining buildings and the Engineering Services therein</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>CYMAP</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Thermal, Hydrodynamic and Aerodynamics design and Analysis calculation files.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Designing and maintaining buildings and the Engineering Services therein</b></li> </ul>

In addition Homes for Haringey staff will utilise a number of small Access databases which contain the following data;

<b>System Name</b>	<b>Data Stored</b>	<b>Purpose</b>
<ul style="list-style-type: none"> <li>• <b>Access Database - Home Ownership Team</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contact information on Leaseholder groups and clients and information about sales, leases and charging data.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Communication with out leaseholder groups and clients and effective management of their home ownership.</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Access Database – Stock Survey Data</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Information on the condition of the Council’s housing stock.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Efficient asset management of our stock.</b></li> </ul>
<ul style="list-style-type: none"> <li>• <b>Access Database - Tenants Participation Team Database</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contact data on our tenant participation groups and individuals.</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Communicating with our tenant participation groups and partners.</b></li> </ul>

<ul style="list-style-type: none"><li>• <b>Access Database - Community Contacts</b></li></ul>	<ul style="list-style-type: none"><li>• <b>Contact data relating to voluntary organisations operating within the Borough</b></li></ul>	<ul style="list-style-type: none"><li>• <b>Communicating with our voluntary sector partners.</b></li></ul>
---	--	--

**COMPUTER SYSTEMS AND SOFTWARE CURRENTLY USED BY THE COUNCIL**

[Including terms and conditions of use - third party

Directorate	Business Unit	Total	Directorate	Business Unit	ToBe	Total	Type	Application Name	Total	Peripheral Type	Total	Peripheral	Usage	Users
Housing Services	Director of Housing	7	Housing Services	Director of Housing	Laptop	1	Install	Active Sync 3.7.1	28	CD-R	9	CD-R	Pod	13
	Haringey Home & Building	191			Thick	1	Pod	Adobe Acrobat Professional	9	Data Projector (Laptop)	1	CD-R	Thick	8
	Housing Improvement	22			Thin	5		Adobe Photoshop 7	19	Desktop Scanner	22	CD-RW	Pod	2
	Housing Management	274		Haringey Home & Building	Laptop	18		Capella disk 4.8.6	90	Digital Camera	36	Desktop Scanner	Pod	18
<b>Grand Total</b>		<b>494</b>			Thick	55		Corel Draw 12.0	19	Digital Sender	1	Digital Camera	Pod	32
					Thin	133		FUJIFILM FINEPIX	13	DVD	1	DVD	Pod	1
				Housing Improvement	Laptop	2		Macromedia Studio MX	7	EASY Key PAC	1	Ergonomic Keyboard (PS2)	Uses	1
					Thick	10		Mavis Beacon Teaches Typing 15	1	Ergonomic Keyboard (PS2)	1	Floppy Disk Drive	Pod	30
					Thin	10		Olympus DSS Player	8	Floppy Disk Drive	18	PDA - IPAQ	Install	24
				Housing Management	Laptop	10		Omnipage Pro	3	IPAQ docking station	1	PDA - Orange SPV M1000	Install	1
					Thick	55		Paint Shop Pro 8.0	34	Laptop Docking Station	2	Specialist Display/Monitor	Thick	1
					Thin	209		Radius Reporting (Live Reporting Module) 6.03	14	PDA - IPAQ	25	Docking Station	Thick	3
					Laptop Count	31		VectorWorks 11	2	Specialist Display/Monitor	1	Digital Projector	Thick	1
					Thick Count	121	Thick	Adobe Photoshop 7	6	Wireless Keyboard	1	Digital Sender	Pod	1
					Thin Count	357		AutoCAD 2004	7	Wireless Mouse	1			
								AutoCAD LT 2002	7	<b>Grand Total</b>	<b>121</b>			
				<b>Grand Total</b>		<b>509</b>		Business Objects - Designer 5.1.4	1					
								Business Objects - Reports 5.1.4	2					
								Casewise Corporate Modeller 9.0	5					
								Cymap 10	1					
								Hire Mate 2.06	7					
								Mavis Beacon Teaches Typing 15	1					
								MS Remote Desktop 5.2	4					
								Omnipage Pro	3					
								Oracle Developer	7					
								Paint Shop Pro 8.0	1					
								POWER PAT PLUS	2					
								Q-Script 2.5	2					
								QuarkXpress 6	1					
								Radius Reporting (Live Reporting Module) 6.03	6					
								Radius Workstation 6.03	4					
								SAP Tutor (full suite)	1					
								SQL Plus	8					
								SuperStress 6.3C	5					
								VectorWorks 11	26					
								wftp 32	8					
							Thin	Civica (Host Access) 7.2g	1					
								Clarify 10.1 SR1.13	8					
								Client Index Reports Runtime 2.5.5.2.7	1					
								CRM (Siebel) 7.0	2					
								Crystal Reports For Windows Run-time - (Seagate) 10.0	8					
								Esker Tun 10.0.0	20					
								Esker Tun with FMS config file 10.0.0	12					
								Esker Tun with Hatalis config file	2					
								Esker Tun with VAX mapping 10.0.0	172					
								Framework I	3					
								GGP Various - see description	4					
								ISE Revenue (Comino) 252 SP7	42					
								iWorld 5.5.2.0.2	18					
								MS Access 2003	157					
								MS Project 2003	52					
								MS Publisher 2003	6					
								Obtree URL (Content Manager)	3					
								OHMS 33	469					
								OHMS Runtime Reports	165					
								OPTITIME	122					
								Oracle Browser 2.0 (2.0.9.2.8)	8					
								RESPOND 3.2	8					
								Respond Administrator Tool 3.2	1					
								SAP CBT 1.4	149					
								SAP EBP/ESS (Internet Explorer)	66					
								SAP GUI R3 Client 6.4	112					
								SNAP 8	13					
								Visio Standard 2003	37					

requirements]

## **THE FOURTH SCHEDULE – MANAGEMENT FEE**

### **ACCOUNTING PROTOCOL**

**between**

**HARINGEY COUNCIL**

**and**

**HOMES FOR HARINGEY**

#### **Preamble**

Homes for Haringey is an Arms Length Management Organisation (“ALMO”), a wholly owned local authority company. The Board of Homes for Haringey will manage its affairs with due regard to proper financial management and the requirements of company law.

The Board will seek and give due regard to the advice of the Council’s Chief Financial Officer, who has statutory responsibility for the management of the Council’s Housing Revenue Account.

The responsibility for the Housing Revenue Account (“HRA”) remains with the Council but the majority will be managed by Homes For Haringey in conjunction with the Council as set out in the Management Agreement and this Protocol.

There are three distinct areas within the HRA for the purpose of this Protocol:

- The Management Fee for duties undertaken by Homes for Haringey (“ALMO Budgets”);
- Council budgets for which management is delegated to Homes For Haringey (“Managed Budgets”) including Capital budgets;
- The Council’s residual HRA budgets (“Retained Budgets”) for functions that are funded by the Housing Revenue Account that will continue to be undertaken directly by the Council’s strategic housing service.

This appendix sets out the arrangements through which Homes For Haringey and the Council will co-operate for the management of the Housing Revenue Account.

## **1 Managed Budgets**

1.1 In delegating the management of budgets including within the Housing Revenue Account to Homes For Haringey there will also be a number of functions which will be managed and monitored by Homes For Haringey but accounted for directly within the HRA, including but not limited to:

- Rent Income from dwellings
- Non Dwellings income – garages/shops/land
- Energy & utility costs relating to the Housing Stock
- Tenants' & Leaseholders' Service Charge Income
- Landlord costs, HRA assets building insurance
- Grounds Maintenance
- Waste Management

1.2 These budgets are may be added to, amended, or reduced by agreement between the Council and Homes For Haringey in accordance with the terms of the Management Agreement.

1.3 Homes for Haringey will have operational freedom to vary ALMO Budgets in line with the agreed Financial Regulations of Homes For Haringey, but it will not seek to transfer budgets between ALMO Budgets and the Managed budgets without the agreement of Council.

1.4 Transfers of Managed Budgets will follow the Council's Financial Procedure Rules.

## **2 Service Level Agreements**

2.1 This protocol makes various references to SLAs. In line with guidance, all SLAs will be reviewed each year of Homes for Haringey's operation. These reviews will be in accordance with plans and timetables agreed between Homes For Haringey and the Council.

## **3 Financial Year**

3.1 Homes for Haringey's financial year shall be 1 April to 31 March the following year.

## **4 Taxation**

4.1 Homes for Haringey will be responsible for its own VAT, PAYE, Corporation Tax, and Construction Industry Tax registrations, and appropriate payment arrangements, including the submission of appropriate periodic returns to Her Majesty's Revenue & Customs and other bodies.

4.2 These functions may be performed, in whole or in part, by the Council on behalf of Homes For Haringey under SLAs.

## **5 Notification of Financial Irregularity**

- 5.1 The Council's Chief Financial Officer and Head of Audit and Risk Management shall be notified, as soon as reasonably practical, of any event of serious financial irregularity relating to either Homes for Haringey budgets, or Council budgets managed by Homes For Haringey on its behalf.

## **6 Rent Restructuring**

- 6.1 Homes for Haringey will continue to implement and monitor formula rents and service charges arising from Rent Restructuring in consultation with the Council's nominated Officer, including:
- Agreeing together the assumptions underlying, and functionality of, the annual rent budget model
  - Validation of key data issued by DCLG and local valuations
  - Monitoring progress on the implementation plan within DCLG damping and limitation rules.
  - Implementing any changes to Rent Restructuring formulae or guidance as notified by the DCLG.

## **7 Reviews of Income**

- 7.1 Homes for Haringey will, annually in line with Government guidance and the Council's practices and timetables:-
- Review, prepare, propose and implement "Rent Restructuring" rent increases
  - Review, prepare, propose and implement tenants' service charges
  - Review, prepare, propose and implement other Housing income increases

## **8 Scheme of Delegation**

- 8.1 Homes for Haringey will maintain its own scheme of delegated authority, authorised signatories and associated procedures, in respect of contractual commitments made in Homes for Haringey's name.
- 8.2 Homes for Haringey will also have a scheme of delegation that protects the Council's interests in respect of contractual commitments made on behalf of the Council, and follows the requirements of the Council's Contract Standing Orders.

## **9 Management of Capital**

- 9.1 The Council will set out its capital programme priorities within a reasonable timeframe to allow Homes for Haringey to suggest and programme such works to meet the agreed timetable.
- 9.2 The Council will arrange to make allowances (supported borrowing or capital grant) available to fund the proposed approved Capital Programme.
- 9.3 Homes for Haringey will, in accordance with the Council's financial timetables, submit an annual profile of proposed capital expenditure split into sources of finance (e.g., MRA, RCCO, Capital receipts and expected supported borrowing) for the following five years. The profile for the following 2 years will be further split into quarterly or monthly profiles as determined by the Council.
- 9.4 Homes for Haringey will provide monthly monitoring reports containing period totals for actuals and variances, year to date actual and variances, and the full year forecast of spend.

## **10 HRA Business Plan**

- 10.1 Homes for Haringey will cooperate fully with the Council in the production of Housing Revenue Account Business Plans.

## **11 Assets**

- 11.1 All fixtures/fittings and computer hardware purchased prior to the 31<sup>st</sup> March 2006 have been made available free of charge to Homes For Haringey, where not provided as part of an SLA service. All fixtures/fittings and computer hardware purchased after the 31<sup>st</sup> March 2006 are the property of Homes for Haringey.

## **12 Right to Buy Receipts**

- 12.1 The receipts from Right to Buy (and other property sales) are the income of the Council and will be banked in accordance with the Council's constitution.

## **13 Financial Procedure Rules including Contract Standing Orders**

- 13.1 Homes for Haringey will determine, and may subsequently review and amend, its own Financial Procedure Rules and Standing Orders. In doing so, Homes For Haringey will at all times seek and take due regard of the advice of the Council's Chief Financial Officer.
- 13.2 Where Homes for Haringey undertakes works and/or administers contracts on behalf of the Council, it will ensure that the Council's Constitution and Financial Procedure Rules are adhered to.

## **14 External Audit**

- 14.1 Homes for Haringey will appoint its own external auditors. In doing so, Homes for Haringey will at all times seek and take due regard of the advice of the Council's Chief Financial Officer.
- 14.2 Any issues raised in management letters by the external auditor of Homes for Haringey, or by the external auditor of the Council in relation to the HRA, will become part of an "Audit Action Plan" to be agreed between the auditor(s), Homes For Haringey, and the Council.
- 14.3 The Board of Homes for Haringey will directly or through a sub-committee of the Board receive external audit reports, together with comments from Homes for Haringey Officers and the Council's Chief Financial Officer and proposed actions in response to the recommendations of the auditors.

## **15 Internal Audit**

- 15.1 Homes for Haringey will appoint or employ an internal audit function adequate for the purpose. Internal audits will include both programmed and ad-hoc reviews of systems, procedures, and compliance. In doing so, Homes For Haringey will at all times seek and take due regard of the advice of the Council's Chief Financial Officer.
- 15.2 The Board of Homes for Haringey will directly, or through a sub-committee of the Board, receive internal audit reports, together with comments from Homes For Haringey Officers and proposed actions in response to the recommendations of the auditors.
- 15.3 Further details in respect of audit are contained in Appendix 7.

## **16 Banking Arrangements**

- 16.1 The Council will open and operate, on behalf of Homes For Haringey, a deposit-type account within the Council's family of banking arrangements.
- 16.2 The Board of Homes for Haringey shall provide to the Council the names, descriptions, and signatures of those authorised to approve transactions on this account.
- 16.3 This bank account will only be used in relation to transactions to and from Homes for Haringey.

## **17 Receipt of Council Income**

- 17.1 Homes For Haringey will ensure that all income due to and received on behalf of the Council is deposited in the Council's bank account(s) in accordance with the Council's Constitution and Financial Standing Orders.
- 17.2 Homes For Haringey will prepare and submit such periodic reconciliations of income received and banked as required by the Council's Chief Financial Officer.

## **18 Insurance**

- 18.1 Homes For Haringey will take out insurance for its own risks including;
- Public liability insurance
  - Employers liability insurance
  - Personal accident insurance
  - Official indemnity insurance
  - Directors of the Board indemnity
- 18.2 The Council will arrange material damage and liability insurance relating to the Council's housing stock and works carried out on the stock.

## **19 Risk Management**

- 19.1 Homes for Haringey will adopt a Risk Management strategy, together with such risk registers and other supporting activities as appropriate, covering the conduct of its own affairs and of the Managed Budgets. Homes for Haringey will cooperate fully with the Council in the preparation and operation of Risk Management strategies in respect of the Housing Revenue Account as a whole. In doing so, Homes for Haringey will at all times seek and take due regard of the advice of the Council's Chief Financial Officer.

## **20 Car Loans**

- 20.1 The monies due on loans outstanding at the commencement of Homes for Haringey's operations will be deducted direct from the employee's salaries by the payroll service operated by or on behalf of Homes For Haringey, and the deductions paid into the Council's bank account. The payroll service provider will provide the Council and Homes for Haringey with an annual statement of the loans outstanding and the repayments made.
- 20.2 Subject to the agreement of Homes for Haringey, the Council may elect to continue to offer Car Loans to Homes for Haringey staff on similar conditions to those offered to its own staff.

## **21 Budget Setting**

- 21.1 The Council has the statutory responsibility for the Housing Revenue Account. The day to day management of the majority of the HRA will be carried out by Homes for Haringey, which will be assisted in its duties by Council Officers. For the budget process the Council and Homes for Haringey will work together to prepare annual budgets in accordance with the Council's timetable.
- 21.2 Homes for Haringey will have due regard and co-operate with the Council's budget setting and review process, taking into account the following steps:-
- Pre Business Plan Reviews
  - Medium Term Financial Strategies (MTFS)
  - Annual Efficiency Statements
  - HRA Business Plans

- Capital Programmes

21.3 These will, where appropriate, identify separately Homes for Haringey Management Fee budget, Managed Budgets, and Retained Budgets.

## **22 Calculation of the Management Fee**

22.1 The Management Fee will be set through the MTFS. This will be the base amount for future years.

22.2 The fee will be subject to annual review and negotiations between the Council and Homes for Haringey. Such negotiations will take notice of:

- Changes in the housing stock
- The implementation of best value review recommendations
- Service improvement plans
- The size of the HRA, ensuring a balanced HRA account
- Expenditure in the current year
- Surpluses or deficits generated by Homes for Haringey
- Changes to Homes for Haringey recharges/pension contributions
- Any change in legislation or other external influences on the HRA

22.3 The Management Fee may be varied during the year, subject to good faith negotiations between the Council and Homes for Haringey, to take account of changes in the service and/or unforeseen occurrences. Such changes will be documented via a formal virements procedure. The details of any virements will be reported to the Board and appropriate Council bodies. All changes agreed in the Management Fee will be incorporated into the MTFS for the HRA.

22.4 Homes for Haringey will cooperate with the Council to ensure that the MTFS is approved in accordance with the Council's timetable for the approval of annual budgets.

## **23 Budgetary Control**

23.1 Homes for Haringey shall be responsible for controlling income and expenditure within Homes for Haringey and Managed budgets. If Homes for Haringey anticipates an overspending against ALMO and Managed budgets it should consider options to reduce costs or increase income to contain net expenditure within the overall budget. If these courses of action are not feasible, Homes for Haringey will report to the Council proposing the additional budget allocation required for the year with suggestions for re-aligning the income and expenditure within the budget allocation in the following year.

23.2 If the Council anticipates an overspend against budgets under its control it should consider options to reduce costs or increase income to contain net expenditure within the overall budget. If this course of action is not feasible the Council should prepare a report putting forward proposals for re-aligning budgets within budget allocations in forthcoming years.

- 23.3 Homes for Haringey shall provide the Council in accordance with the budget monitoring timetable a statement of actual expenditure against budget for all of the Managed budgets.

## **24 Management Accounting for ALMO Budgets**

- 24.1 Homes for Haringey will manage, monitor and control ALMO Budgets funded from the management fee for the effective and efficient delivery of its services.
- 24.2 Homes for Haringey will report periodically to the Board or a designated sub-committee the actual spend to date against managed budgets, projection to the year end, and such other monitoring information as may be required. These reports will be made available to the Council.
- 24.3 Any surpluses or deficits on the Management Fee will be reported to the Board for the Board to review the use of surpluses or potential areas of savings to be made to ensure a deficit does not occur. These reports will be made available to the Council for the Council to decide on the use of surpluses.

## **25 Management Accounting for Managed Budgets - Revenue**

- 25.1 Homes for Haringey will manage, monitor, and control Managed Budgets funded from the HRA for the effective and efficient delivery of its services.
- 25.2 Homes for Haringey will report periodically to the Board or a designated sub-committee the actual spend to date against budget, projection to the year end, and such other monitoring information as may be required, for all Managed Budgets. These reports will be made available to the Council.
- 25.3 Any actual or projected surpluses or deficits on the Managed Budgets will be reported to the Board for the Board to consider making proposals to the Council to review the use of surpluses or potential areas of savings to be made to ensure a deficit does not occur. These reports will be made available to the Council.
- 25.4 The Council's nominated Officer will be notified, as soon as reasonably practical, of any specific financial issue or problem which becomes apparent during the year which is not otherwise reported on.

## **26 Management Accounting for Managed Budgets - Capital**

- 26.1 Homes for Haringey will manage, monitor and control Capital Budgets for the effective and efficient delivery of investment.
- 26.2 Homes for Haringey will report periodically to the Board or a designated sub-committee the actual spend to date against budget, projection to the year end, and such other monitoring information as may be required, for all Capital expenditure. These reports

will be made available to the Council.

- 26.3 Any actual or projected surpluses or deficits on the Capital Programme will be reported to the Board for the Board to consider making proposals to the Council to review the use of surpluses or potential areas of savings to be made to ensure a deficit does not occur. These reports will be made available to the Council.
- 26.4 The Council's nominated Officer will be notified, as soon as reasonably practical, of any specific financial issue or problem which becomes apparent during the year which is not otherwise reported on.

## **27 Management Accounting for Retained Budgets**

- 27.1 The Council will manage, monitor and control Retained Budgets funded from the HRA for the effective and efficient delivery of its services.
- 27.2 Council Officers will report periodically to the Council's Executive or a designated sub-committee the actual spend to date against budget, projection to the year end, and such other monitoring information as may be required, for all Retained Budgets. These reports will be made available to Homes for Haringey.
- 27.3 Savings may also be made in Delegated budgets and will be recognised by the authority. The monitoring reports submitted to the Council will identify efficiencies and improved performance and the anticipated full year effect. Budgetary savings made in certain areas will be highlighted and the utilisation of these savings agreed between the Council and Homes For Haringey.

## **28 Housing Revenue Account**

- 28.1 Homes for Haringey will produce, in alignment with the Councils Corporate Budget Monitoring timetable the HRA budget monitoring report. Homes for Haringey Finance management and Council Finance management will meet periodically to discuss the reports and any variances arising month on month.

## **29 Financial Systems**

- 29.1 Homes for Haringey will use a ring fenced section of the Council's financial system ("SAP") to separately record all financial transactions relating to Homes for Haringey as a corporate entity, using a separate chart of accounts.
- 29.2 In order to ensure adequate separation from the accounts of the Council, the transactions of Homes for Haringey will be held in a separate company within SAP in a clearly defined discrete area of the system. Separate Ledgers will have been created to enable independent financial management to be carried out together with the production of

statutory accounts.

- 29.3 Homes for Haringey will have control over its own chart of accounts, setting up cost/profit centres and a hierarchy of accounts as it sees fit. Virements between ALMO Budgets will require authorisation as set out in Homes for Haringey financial governance arrangements.
- 29.4 For Managed Budgets (both capital and revenue) the income and expenditure will be recorded in the Council's HRA accounts ledgers system, currently SAP.
- 29.5 Any new revenue Cost/Profit Centre or Account codes required by Homes for Haringey within Homes for Haringey's account on SAP will be requested by Homes for Haringey staff authorised by Homes for Haringey's Director of Finance and will be set up the Council's Financial Systems team. No codes will be set up other than on the instructions of those so authorised.
- 29.6 Any new Capital codes required by Homes for Haringey within the Council's account on SAP will be requested by Homes for Haringey staff authorised by Homes for Haringey's Director of Finance and will be set up by the Council's Financial Systems team. No codes will be set up other than on the instructions of those so authorised.
- 29.7 SAP will have adequate security in place to ensure nobody (other than those properly authorised) can transfer budget or actual spend between Homes for Haringey's accounts and the Council's. The Council's and Homes for Haringey's Directors of Finance will jointly agree and authorise those members of Council and/or Homes for Haringey staff permitted to do so.
- 29.8 These arrangements may be revised during the life of the Management Agreement at the common consent of the Council and Homes for Haringey.

### **30 Payment of Suppliers against Managed Budgets**

- 30.1 Homes for Haringey will ensure that its staff comply with all the Council's relevant Financial and Contract Standing Orders in the procurement of and payment for all goods and services necessary for service delivery from Managed Budgets.
- 30.2 All transactions will be against the Council's codes on SAP, and will be identified as the Council's transactions for VAT purposes.

### **31 Payment of Suppliers against ALMO Budgets**

- 31.1 Homes for Haringey will ensure that its staff comply with its relevant Financial and Contract Standing Orders in the procurement of and payment for all goods and services necessary for service delivery from ALMO Budgets.
- 31.2 All transactions will be against ALMO codes on SAP, either directly or through holding

accounts, and will be identified as Homes for Haringey's transactions for VAT and Construction Industry Scheme purposes.

- 31.3 Where transactions are made against holding accounts, these will be accounted for on a monthly basis, and balances to be transferred agreed between Homes for Haringey and Council finance staff.

## **32 Payroll Services for Homes for Haringey staff**

- 32.1 Whilst the Council is Homes for Haringey's payroll and pension service provider, payroll transactions will be against ALMO codes on SAP, either directly or through holding accounts, and will be identified as Homes for Haringey's transactions for PAYE, National Insurance, and Pension Fund purposes.

- 32.2 Where transactions are made against holding accounts, these will be accounted for on a monthly basis, and balances to be transferred agreed between Homes for Haringey and Council finance staff.

## **33 Monthly Reconciliations**

- 33.1 On a monthly basis, the Council and Homes For Haringey will provide each other summaries and details of:
- Management Fee due to Homes For Haringey for the month, including VAT;
  - Payments made by the Council on behalf of Homes For Haringey, including VAT;
  - Payroll payments made by the Council on behalf of Homes for Haringey, including PAYE, National Insurance, Pension Fund contributions, and VAT;
  - SLA charges due to the Council, including VAT
  - Any other transactions between Homes for Haringey and the Council, including VAT.
- 33.2 Input and Output VAT will be clearly identified for both the Council and Homes for Haringey. These will be reconciled and agreed by Homes for Haringey's Director of Finance (or nominated subordinate) and the Council's Director of Finance (or nominated subordinate) within a timetable to be jointly agreed. Any failure to reach agreement will be promptly escalated for resolution.
- 33.3 The monthly balance due to/from Homes for Haringey to the Council will be charged to the credit or debit of Homes for Haringey bank account operated by the Council on behalf of Homes for Haringey.

## **34 Closure of Accounts**

- 34.1 Homes for Haringey will ensure that annual accounts will be prepared to an aligned timescale to the Council's closedown procedures and timetable. Homes for Haringey will provide the relevant financial information to the Council for incorporation in the Council's accounts as appropriate.
- 34.2 Homes for Haringey will produce Limited Company Annual Accounts and Returns in accordance with the relevant company laws and Statements of Accounting Practices.

34.3 It will also contribute in a reasonable manner to the statutory HRA format, and in any other format reasonably required by the Council's Chief Financial Officer, to be amalgamated with the Council's statutory HRA Accounts. These are to be prepared in accordance with timetable agreed with the Council's Director of Finance reflecting the statutory deadline for producing the Council's accounts.

### **35 Companies Act Requirements**

35.1 Homes for Haringey will maintain its accounts as a single company using the recorded information from the Council's financial system. It will prepare Statutory Accounts as required by the Companies Act and in a format in conformance with the Act. Homes for Haringey's Director of Finance will ensure compliance with a high standard of professional practice and the Companies Act.

### **36 Accounting Standards Compliance**

36.1 Homes for Haringey's management accounts will be prepared in conformance to the Council's and statutory accounting regulations and guidelines, including CIPFA's Best Value Code of Accounting Practice and Resource Accounting format for the HRA or such regulations operative at the time

36.2 Homes for Haringey will ensure the appropriate and regular reconciliation of financial and operational systems and such other reconciliations (holding and suspense accounts) in accordance with Homes for Haringey and the Council's financial governance arrangements. Homes for Haringey will comply with the Council's financial policies and procedures when acting on the Council's behalf.

### **37 Housing Revenue Account Subsidy Claims**

37.1 Homes for Haringey will prepare Housing Subsidy, and other Government Grant claims as required, for certification by the Council's Chief Financial Officer. Homes for Haringey and Council will cooperate to ensure that DCLG deadlines are met. The timetable below is indicative of the requirements

▪ First advance submission	31 March
▪ Second advance submission	31 August
▪ Pre audit base data return submission	31 August
▪ Audited base data return submission	31 October
▪ Pre audit final claim submission	30 Sept (Year + 1)
▪ Audited final claim submission	21 January (Year + 2)

37.2. The dates and details of these claims may vary.

37.3 Homes for Haringey must carry out any reasonable work in relation to the audit of these and any other reasonable subsidy claims.

### **38 Value For Money & Efficiency**

- 38.1 Homes for Haringey will, as part of the financial planning process, provide to the Council each year an Annual Efficiency Statement setting out efficiency gains and targets across ALMO Budgets and Managed budgets.
- 38.2 The Council will prepare and submit its Annual Efficiency Statements for the Housing Revenue Account incorporating Homes for Haringey's submissions together with its' own submissions in respect of Retained Budgets.
- 38.3 These Annual Efficiency Statements will include both forward- and backward-looking components.

### **39 Surpluses**

- 39.1 The use of HRA balances and Homes For Haringey surpluses shall be proposed by Homes For Haringey as part of the financial planning process or otherwise and reflected in the Medium Term Financial Strategy and operational and/or managed budgets and for the year(s) in question.

### **40 Members of staff on Union duties**

- 40.1 Any Homes For Haringey staff on full time union duties may act on behalf of Homes for Haringey or Council staff. Homes for Haringey will prepare and submit a claim to the Council annually for the cost of these staff's time covering non-Homes for Haringey duties, on an agreed percentage allocation.

## Appendix 1 – Responsible Officers & Contacts

<b>Ref.</b>	<b>Section</b>	<b>Council Officer Responsible</b>	<b>Homes for Haringey Officer Responsible</b>
1.	Managed Budgets	Head of Finance	Accountancy Manager
2.	Service Level Agreements	Service Managers	Service Managers
3.	Financial Year	-	Director of Finance
4.	Taxation	Finance Manager – Final Accounts	Financial Accountant
5.	Notification Of Financial Irregularity	Head of Audit and Risk Management	Director of Finance
6.	Rent Restructuring	Head of Finance	Financial Planning Manager
7.	Reviews Of Income	Head of Finance	Financial Planning Manager
8.	Scheme Of Delegation	Head of Corporate Finance	Director of Finance
9.	Management Of Capital	Head of Finance	Management Accountant
10.	HRA Business Plan	Head of Finance	Financial Planning Manager
11.	Assets	Head of Procurement	Financial Planning Manager
12.	Right To Buy Receipts	Finance Manager – Final Accounts	Management Accountant
13.	Financial Procedure Rules Including Contract Standing Orders	Head of Corporate Finance	Director of Finance
14.	External Audit	Head of Audit and Risk Management	Director of Finance
15.	Internal Audit	Head of Audit and Risk Management	Director of Finance
16.	Banking Arrangements	Treasury Manager	Financial Accountant
17.	Receipt Of Council Income	Banking & Debt Manager	Financial Accountant
18.	Insurance	Head of Audit and Risk Management	Director of Finance
19.	Risk Management	Head of Audit and Risk Management	Director of Finance

<b>Ref.</b>	<b>Section</b>	<b>Council Officer Responsible</b>	<b>Homes for Haringey Officer Responsible</b>
20.	Car Loans	Payroll Manager	Financial Accountant
21.	Budget Setting	Head of Finance	Financial Planning Manager
22.	Calculation Of The Management Fee	Head of Finance	Financial Accountant
23.	Budgetary Control	Head of Finance	Management Accountant
24.	Management Accounting For ALMO Budgets	Head of Finance	Management Accountant
25.	Management Accounting For Managed Budgets - Revenue	Head of Finance	Management Accountant
26.	Management Accounting For Managed Budgets - Capital	Head of Finance	Management Accountant
27.	Management Accounting For Retained Budgets	Head of Finance	
28.	Housing Revenue Account	Head of Finance	Financial Planning Manager
29.	Financial Systems	Financial Systems Manager	Management Accountant
30.	Payment Of Suppliers Against Managed Budgets	Financial Systems Manager	Financial Accountant
31.	Payment Of Suppliers Against ALMO Budgets	Financial Systems Manager	Management Accountant
32.	Payroll Services For Homes For Haringey Staff	Payroll Manager	Financial Accountant
33.	Monthly Reconciliations	Housing Finance Manager	Financial Accountant
34.	Closure Of Accounts	Head of Finance	Financial Accountant
35.	Companies Act Requirements	-	Financial Accountant
36.	Accounting Standards Compliance	Head of Corporate Finance	Director of Finance
37.	Treatment Of Surpluses	Head of Corporate Finance	Director of Finance
38.	Advances To Homes For Haringey	Head of Corporate Finance	Director of Finance
39.	Housing Revenue Account Subsidy Claims	Housing Finance Manager	Financial Planning Manager
40.	Value For Money & Efficiency	Housing Finance Manager	Financial Planning Manager
41.	Members of Staff on Union Duties	Housing Finance Manager	Management Accountant

## **The FIFTH SCHEDULE**

### **AUDIT PROTOCOL**

**between**

**HARINGEY COUNCIL**

**and**

**HOMES FOR HARINGEY**

#### **1. Background**

- 1.1 Homes for Haringey operates some systems on behalf of Haringey Council. Therefore the Council Chief Financial Officer's statutory responsibilities under s151 of the 1972 Local Government Act apply.
- 1.2 In order for these responsibilities to be fulfilled Homes for Haringey shall provide the Council's internal and external auditors, and such other review bodies appointed by the Council, the:
- Authority to visit premises or land belonging to the Council, or to Homes for Haringey;
  - Right of access at all times to records, documents and correspondence relating to financial or other transactions;
  - Right to require from any Homes for Haringey officer such information and explanation as they think necessary for the purpose of carrying out audit.
- 1.3 This appendix sets out the framework for delivering audit and risk management services by Internal Audit to Homes for Haringey. It recognises the fact that four audit functions need to be considered – both the Council and Homes for Haringey have internal and external audit functions. The appendix is based on the following principles:
- A need to minimise costs by avoiding duplication of audit
  - A need to ensure consistency and synergy between the various audit plans
  - The key document is the annual audit and risk management plan, which is to be agreed by the Director of Finance and the Board, following consultation with the Head of Audit and Risk Management
  - There should be one sponsor for each audit or risk management project. Normally this will be the Chief Executive, or the relevant Executive Director, but may be a Director or Head of Service of the Council where the audit relates to a retained Council HRA function (e.g., subsidy claims) or an issue raised as part of the Management Agreement liaison and review process.
  - Where Homes for Haringey is the sponsor, draft audit reports should be sent to the Chief Executive, or relevant Director, with copies provided to the Council Client. The outcome of the final report should be presented to Homes for Haringey's Finance and Audit Committee.
  - All audit functions should be performed to appropriate professional standards.
  - Budgets for internal audit and risk management work are contained within the Service Level Agreement charges to Homes for Haringey. Financial and service arrangements

will be reviewed annually by the Director of Finance .

- Audit arrangements must be satisfactory to both Homes for Haringey's and the Council's external auditors as well as internal parties.

## 2. **Internal Audit Function**

2.1 Audit and Risk Management provides an independent service which reviews and assesses the integrity of control systems and provides assurance to management on the adequacy of these arrangements. Full details of the services are provided in the Audit and Risk Management Service Level Agreement.

2.2 The following provides an overview of the working arrangements which will take effect between Internal Audit, Homes for Haringey and Haringey Council.

### 2.3 **Audit Planning**

- a) The Head of Audit and Risk Management will undertake a risk assessment and produce an initial draft annual audit plan
- b) The draft audit plan will be discussed with the Chief Executive and the Director of Finance and provided for consultation with the Council Client.
- c) The annual audit plan will be finalised (any areas of disagreement should be discussed at Homes for Haringey/ Council liaison meetings) and reported to the Finance and Audit Committee for their input and formal approval.
- d) The agreed plan will be monitored during the year and progress discussed at regular liaison meetings between Internal Audit and the Director of Finance. Any proposed revisions should be agreed and reported to the Finance and Audit Committee for approval.

### 2.4 **Individual Audits**

- a) Access/ timing etc will be agreed with the sponsor for the individual audit, in line with existing internal audit practise.
- b) Initial planning meetings for each audit will take place with the sponsor.
- c) Findings will be discussed initially with the sponsor and other relevant managers.
- d) Where the audit relates to Homes for Haringey only, a draft report will be prepared for discussion with the sponsor; where it relates to managed business, a draft report will be prepared for discussion with the sponsor, and copied for comments and feedback to the Council Client.
- e) Where the audit relates to the company only, a final report will be prepared and presented to the Chief Executive; where it relates to managed business a final report will be prepared and presented to the Chief Executive and copied to the Council Client.

- f) The outcome of the final report will be presented to the Finance and Audit Committee.
- g) Implementation of the recommendations is the responsibility of Homes for Haringey unless the audit report identifies a Council manager as responsible. Progress is to be monitored by the sponsor, in liaison with the Council Client where a Council manager is responsible. All audits are subject to a formal follow-up review. The reporting protocol for follow up reviews is in accordance with that for the original audit if required.

#### 2.5 Ad-hoc Investigations

- a) Ad-hoc investigations, which may be confidential, relate to fraud and/or corruption etc, may be requested by the Chief Executive, or by the Council Client with the agreement of Homes for Haringey.
- b) If the matter is internal to Homes for Haringey, there is no need to inform the Council Client. If it affects the Council's financial or other systems, the Council Client must be informed.
- c) If the matter is internal, a draft report will be issued to Chief Executive, but not copied to the Council Client. The Chief Executive may at his/her discretion brief the Council Client on any implications of any investigation.
- d) If the matter is not internal to the company, it will follow the process for individual audit reports outlined above, although respecting the confidentiality of the situation.

### 3. Audit Coverage

- 3.1 The annual number of audit days coverage will be agreed, in advance, between the Chief Executive and Internal Audit, and approved by the Finance and Audit Committee. The scope of overall and individual audit coverage will be agreed subsequently between the Chief Executive and Internal Audit.
- 3.2 Details of the audit coverage will be provided to the Council Client for information. Internal Audit's annual audit plan will provide details of the audit area/subject, agreed scope, indicative timing of the work and the nominated client for the work.
- 3.3 To fulfil the statutory requirements of s151, the Council has to maintain an adequate and effective audit of public funds. Such audit work may involve Homes for Haringey, who will provide the necessary support to internal and external auditors.

### 4. Quality Procedures

- 4.1 Internal Audit complies with all relevant professional statutory and best practice requirements for all areas of risk management and audit work undertaken. Operational procedures and guidance notes are in place for all internal audit and fraud investigation work. The procedures are designed to ensure the implementation of best practice at all times within Internal Audit and provide clients with a consistent and professional service.
- 4.2 All work is reviewed by a more senior auditor, manager, or in some circumstances, the Head of Audit and Risk Management. At all stages of the work, the reviewing auditor will be available to discuss any issues or concerns which Homes for Haringey officers may have.

## **5. Audit Reporting**

- 5.1 When the fieldwork for each audit project has been completed, the auditor will discuss any findings with the sponsor for the work. This provides an indication to the sponsor of the content of the draft audit report.
- 5.2 In accordance with the processes outlined in sections 2.4 and 2.5, draft reports will be discussed with the sponsor for the work within Homes for Haringey, before final reports are issued.
- 5.3 Internal Audit aim to issue a draft report within 3 weeks of the completion of the fieldwork for the audit. Draft reports are provided with an action plan which contains recommendations to address any identified risks. A deadline will be given, by which any responses to the recommendations should be provided by the sponsor. Any problems in meeting the deadline should be discussed by the sponsor with the manager for the work and a revised deadline should be agreed with Internal Audit.
- 5.4 Following receipt of the responses to the draft report, Internal Audit will issue a final report within four weeks. Reports will be issued in accordance with the processes in 2.4 and 2.5 above.

## **6. Client Feedback**

- 6.1 At the end of each piece of audit work an evaluation questionnaire is issued to the sponsor for the audit. The questionnaire includes questions on the audit process and the content of the audit report received. All responses are reviewed and any issues raised will be discussed with Homes for Haringey at an appropriate level. The results of sponsor feedback are reported as part of internal audit's performance monitoring and management systems.
- 6.2 Within the service statement, a formal complaints procedure has been documented. Internal audit work will follow this procedure for any complaints received.

## THE SIXTH SCHEDULE

### SERVICE LEVEL AGREEMENTS AND PROTOCOLS

#### 6.1 SERVICES SUPPLIED BY THE COUNCIL

6.1.1 The term '***Service Statement***' has been used to describe a relatively 'high-level' description of the service provided by each council support service. Where the council service currently makes a charge to Homes for Haringey, the service statement is known as a '***Service Statement – Service Level Agreement***'.

6.1.2 The Service Statements – Service Level Agreements generally follow a standard format covering:

- The structure and key contacts for both the user and the provider
- A brief description of the service, with references as necessary to other source documents
- Quality and performance indicators
- Expectations of the provider and the user
- Monitoring and review
- User complaints procedure
- Charges and the basis for charges
- Notice Period
- Signature

6.1.3 Where a council service is not provided specifically for Homes for Haringey, but is none the less integral to its performance and service delivery, the relationship has also been captured in a service statement. These service statements are known as '***Service Statements – Protocols***'. The format of protocols reflects the fact that there are no charges incurred by Homes for Haringey for these services.

6.1.4 The Service Statements cover the period April to March and will be reviewed each year.

6.1.5 The following services will be supplied by the Council to Homes for Haringey based on the attached specifications for the Service Statement (SLA):

- Customer services
- Communications
- Organisational Development & Learning
- Feedback Team
- Noise nuisance service
- Pest Control service
- Recreation services
- Human Resources
- Estate Lighting

- Legal service
- IT service
- Procurement service
- Property Services
- Waste management & transport service
- Corporate Finance
- Audit & Risk management
- Insurance
- Parking Service

6.1.6. The following services will be supplied by the Council to Homes for Haringey based on the attached specifications for the Service Statement (protocols):

- Neighbourhoods
- Estate Based Regeneration
- Anti social behaviour action team
- Benefits service
- Community Alarm
- Sheltered Housing Support
- Lettings service
- Housing Registration Team
- Housing Mobility Team
- Strategy
- Hearthstone Domestic Violence Service
- Housing Medical Assessment Team
- Temporary Accommodation Team

## **6.2 SERVICES SUPPLIED TO THE COUNCIL**

6.2.1 The term '*Service Statement- Service Level Agreement*' has also been used to describe a relatively 'high-level' description of the service provided by Homes for Haringey to each council department. These are in effect 'reverse' agreements, and their format follows the standard described previously:

6.2.2 The following services will be supplied by Homes for Haringey to the Council based on the specifications for the Service Statement:

- Housing Information Team
- Rent Accounting
- Former Tenant Arrears
- Management of temporary accommodation
- Voids
- Mechanical & Electrical Engineering
- Specialist works & community alarm
- Design Management & Structural Engineering
- Surveying
- General repairs & building services

- Civil Emergencies
- Out of Hours Service
- Drainage & sewers

### **6.3 Service Level Agreement – General Clauses**

6.3.1 The Arrangements for Notice Periods on all Service Level Agreements are as follows;

“Each party may terminate any service level agreement by notice to the other in writing in accordance with Clause 68 of the Management Agreement provided that such notice is given by 30th September to take effect from 1<sup>st</sup> April of the following year or where such termination is by the mutual agreement of both parties.”

6.3.2 In addition for the Service Level Agreements relating to Internal Audit, IT, Property services, Insurance, Waste Management and Customer Services the following terms apply:

“For the avoidance of doubt, where the Council is proposing to enter into new contacts, it shall consult with Homes for Haringey prior to the commencement of the procurement process and make reasonable efforts to accommodate the requirements of the organisation, such requirement to include (but not limited to) the scope, duration and quality of the procured service and specifically in the case of duration the introduction of break points that align with other related contractual agreements.”

#### **Annual Review of SLA**

6.3.3 At the next annual review of each Service Level Agreement for support services provided by Haringey Council, it should be ensured that the future allocation of costs in the event of Homes for Haringey giving notice is considered. Any revised SLA would make it clear whether it is appropriate to continue to charge the HRA for any fixed costs or overheads that cannot be reduced in a reasonable timescale, following the expiry of the relevant notice period.

**THE COMMON SEAL of THE** )  
**MAYOR AND BURGESSES OF THE** )  
**LONDON BOROUGH OF HARINGEY** )  
was hereunto affixed in the presence of:- )

**THE COMMON SEAL of** )  
**HOMES FOR HARINGEY** was )  
hereunto affixed in the presence of:- )