

LONDON BOROUGH OF HARROW

Meeting:	Tenants' and Leaseholders' Consultative Forum
Date:	3 July 2003
Subject:	Arms Length Management Organisation (ALMO) Update
Key decision:	No
Responsible Chief Officer:	Head of Housing and Environmental Health Services
Relevant Portfolio Holder:	Planning, Development and Housing Portfolio Holder
Status:	Part 1
Ward:	All
Enclosures:	Copy of the presentation to residents, March 2003 Timetable for setting up the ALMO

1. Summary/ Reason for urgency (if applicable)

- 1.1 This report provides a progress report on the setting up of the Arms Length Management Organisation to manage the Council's housing stock, and the application to the Office of the Deputy Prime Minister (ODPM) for additional capital funds.

2. Recommendations

- 2.1 **That the report be noted.**

REASON: (Not applicable as this report is for noting only).

3. Consultation with Ward Councillors

- 3.1 Ongoing as appropriate

4. Policy Context (including Relevant Previous Decisions)

- 4.1 Cabinet agreed in February 2003 that an application should be made to the ODPM for a place on the third round ALMO programme to bid for additional capital funds to improve the Council's housing stock.

4.2 This was in accordance with the Council's strategy to pursue the arms length management option for the residual stock once the transfer of the Rayners Lane estate had been successfully completed.

5. **Relevance to Corporate Priorities**

5.1 We will improve the quality of health and social care in Harrow byenabling choice and access to good quality housing.

6. **Background Information and options considered**

6.1 The most recent consultation meeting about the ALMO was held with the Harrow Federation of Tenants and Residents Associations (HFTRA) and Tenants and Residents Associations (TRAs) of the Borough in March 2003. Copies of the presentation are enclosed with this report. This meeting informed residents on the general issues about ALMOs, the timetable applicable to Harrow, and gave an opportunity for further discussion.

6.2 The Council subsequently submitted the application to the ODPM on 16 May 2003 for a place on the third round ALMO programme to obtain additional capital funding to achieve the decent homes standard for all its dwellings by 2008, against the government target of 2010, and to assist in meeting the investment gap previously identified.

6.3 The Council will learn the outcome of the application in July 2003. Residents may recall that a successful application at this stage will lead to a conditional offer of funding, subject to the housing management service achieving a 2* or good rating from the housing inspectorate on inspection once the ALMO has been operational for at least 6 months.

6.4 The implementation timetable for setting up the ALMO is enclosed with this report. Officers are working to a very tight timescale to set up the arms length company and it is proposed that it will be operational from 1 December 2003.

6.5 A shadow Board of Directors is being developed to take over the running of the company when it is operational. Currently, the five council nominees are in place, and officers are currently following up expressions of interest from tenants and leaseholders. Recruitment of the five independent board members has commenced, and initial interviews are taking place in late June. In due course, the 4 tenant and 1 leaseholder board members will be subject to election by the Council's tenants and leaseholders.

6.6 A range of consultation events will be held in the coming months to engage residents in the development of the ALMO, and regular special newsletters will be published to keep residents up to date with progress.

6.7 A telephone survey of 1009 tenants and leaseholders (about 16%) in April/May 2003, following the special ALMO edition of Homing-In, found that 63% (just under two thirds) were positively supportive of the Council's proposals to set up the ALMO, and only 9% were against it. 26% were unsure at this time. The Council is therefore confident that the majority of residents are happy with the strategy to develop the ALMO.

- 6.8 The Tenant Services Team is currently looking for new premises to provide a single service point for its residents. Initial consultation has already taken place with HFTRA on this, and will be ongoing once a potentially suitable site has been identified. This will also free up much needed accommodation on the civic centre site for other Council staff.
- 6.9 Consultation is also ongoing with staff and their trade union representatives, as staff providing the housing management service will be subject to a transfer to the new company. Residents will appreciate that this is therefore a time of considerable change for the staff, and the Council is committed to providing them with support throughout the process.
- 6.10 As part of the best value review Your Home Your Needs, there are many operational changes and improvements also ongoing throughout 2003/04 to achieve improved services. Residents are involved at various levels in the review process, and will be aware of the range of service issues being addressed across the Division.

7. **Consultation**

- 7.1 Ongoing

8. **Finance Observations**

- 8.1 Provision has been made within the housing revenue account to meet the estimated set up costs of the ALMO.

9. **Legal Observations**

- 9.1 None at this stage. Legal support will be sought as required throughout the process.

10. **Conclusion**

- 10.1 The Council is seeking ODPM approval of its application to the third round ALMO programme, to achieve additional capital funds to improve its housing stock. A decision is expected in July 2003.
- 10.2 A recent telephone survey of 16% of the Council's residents has indicated that the majority are supportive of the Council's strategy to set up and manage its housing stock through an arms length management organisation.

11. **Background Papers**

- 11.1 Cabinet paper February 2003
11.2 Telephone survey May 2003

12. **Author**

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