Department for
Communities and
Local Government

Modular Management Agreement for Tenant Management Organisations

December 2013
Department for Communities and Local Government

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An individual Agreement entered into by a Tenant Management Organisation and a Council will consist of:

i) the non-optional clauses of the Modular Management Agreement;

ii) the optional clauses in the Modular Management Agreement chosen by the parties, within the constraints specified in the Modular Management Agreement;

iii) Annexes;

iv) the Schedules referred to in the Modular Management Agreement and listed in the Contents at the end of each Chapter, after the list of the clauses constituting that Chapter.

The Schedules have to comply with the statutory guidance, given under the Housing (Right to Manage) Regulations 2012 by the Secretary of State, and this is set out in the Guidance on the Schedules. This publication also contains non-statutory guidance, prepared by DCLG. The non-statutory guidance which, unlike the statutory guidance, is not binding, is intended to assist Tenant Management Organisations and Councils to prepare the Schedules to their individual Agreements.

This agreement

is made the 3rd April 2018

BETWEEN the London Borough of Southwark and Wrayburn Community Organisation Ltd.

(Name of local housing authority) (called "the Council" in this Agreement)

(Name of Tenant Management Organisation) (called "the Tenant Management Organisation" in this Agreement)

This Agreement is made under section 27 of the Housing Act 1985 and the Housing (Right to Manage) Regulations 2012.

The Council agrees for the Tenant Management Organisation to exercise, in relation to –

a) those of its dwellings as are specified in Schedule 1 to Chapter 1 of this Agreement; and

b) other land specified in that Schedule, being land held for a related purpose, such of the Council's management functions as are specified in this Agreement, on the terms set out in it.

The Council and the Tenant Management Organisation agree to act in accordance with the terms of this Agreement.

Terms that appear in Bold Letters are defined in Chapter 9.

This Agreement is sealed with the Council's common seal with the authority of the Council.

Signed .....
Borough Solicitor/Chief Executive

This Agreement is sealed with the Tenant Management Organisation's common seal by resolution of the Tenant Management Organisation.

Signed ..... Committee Member

Signed ..... Committee Member

Note: the sealing clause is to be adapted as appropriate.

This Modular Management Agreement for Tenant Management Organisations is approved by the Secretary of State under regulation 16(2) of the Housing (Right to Manage) Regulations 2012, and replaces that approved in 1994.

Clause 18(1)(f) of Chapter 1 of the 1994 Modular Management Agreement permits a Tenant Management Organisation and a local housing authority to agree to vary an agreement they have entered into on the basis of the 1994 Modular Management Agreement, to conform to this Modular Management Agreement.

Chapter 1

General Provisions of the Agreement

1 Parties to the Agreement

1.1 This Agreement is made between the Council and the Tenant Management Organisation.

2 The Council and the Property

2.1 The Council is a local housing authority under Part 2 of the Housing Act 1985. The Council is the freehold or leasehold owner of the **Property** which constitutes the subject-matter of this Agreement and has management functions in respect of it. The dwellings and land constituting the **Property** are listed in Schedule 1 **(Property included in the Management Agreement**) and in this Agreement, unless a contrary intention appears:

a) a reference to a dwelling shall be construed as a reference to a dwelling listed in that Schedule (a “Property dwelling”);

b) a reference to a tenant, leaseholder, freeholder or lawful occupier shall be construed as a reference to a tenant, leaseholder, freeholder or lawful occupier of a **Property dwelling**.

3 The Tenant Management Organisation

3.1 The **Tenant Management Organisation** is a Community Benefit Society an organisation registered under the provisions of the **Co-operative and Community Benefit Societies Act 2014**. The **Tenant Management Organisation’s** constitution is set out in Annex A.

3.2 While this Agreement is in force the **Tenant Management Organisation** will not amend its constitution without first getting the Council’s permission in writing. The Council will not withhold or delay giving its permission without good reason. At no time may the **Tenant Management Organisation** amend its constitution so that it no longer meets the conditions in regulation 4 (1) of the **Right to Manage Regulations**.

4 Statement of Exercise of Management Functions under the Right To Manage

4.1 The Council agrees for the **Tenant Management Organisation** to carry out those of its management functions as are specified in this Agreement, which is derived entirely from the **Modular Management Agreement** that has been

approved by the Secretary of State under regulation 16 (2)) of the **Right to Manage Regulations**.

4.2 Nothing in this Agreement gives the **Tenant Management Organisation** any ownership or other legal rights, or imposes any obligations in respect of the **Property** other than the right to manage and maintain the **Property**. Nothing in this Agreement affects the Council's legal relationship with its tenants or leaseholders and the Council retains its statutory, contractual and common law obligations to them and all other clauses in this Agreement are subject to this clause.

5 Starting Date

5.1 *(**Option A:** The same **Starting Date** for all functions exercised by the **Tenant Management Organisation**.)*The **Tenant Management Organisation** will exercise the functions it has agreed to exercise under this Agreement from the **Starting Date** of 3rd April 2018 until the date on which this Agreement is ended in accordance with clause 20.

6 The Tenant Management Organisation's Exercise of Management Functions

6.1 The **Tenant Management Organisation** will carry out management functions for the **Property** in accordance with the terms of this Agreement.

6.2 In carrying out these functions the **Tenant Management Organisation** will comply with the Council's legal obligations.

6.3 The **Tenant Management Organisation** may, with the consent of the Council, appoint another person to carry out management functions.

6.4 The **Tenant Management Organisation** agrees to exercise its functions in accordance with the performance standards set out in the Schedule to Chapter 8.The **Tenant Management Organisation** also agrees that in exercising its functions it will have regard to the duties of the Council to meet the requirements of a best value authority under the provisions of Part I of the Local Government Act 1999 and orders made under that Part.

6.5 The **Tenant Management Organisation** will comply with obligations imposed by law on the Council in so far as such obligations apply to the **Tenant Management Organisation**, and obligations imposed by law on the **Tenant Management Organisation**.

7 Insurance

7.1 The Council will insure against the following risks:

Cover for the structure and communal parts of the building for damage caused by:

- fire, explosion lightning or earthquake
- smoke
- riot, civil commotion, strikes, labour or political disturbances
- malicious damage
- collision by aircraft, other aerial devices, any vehicle (or articles dropped from them) or animal
- storm or flood
- escape of water from any fixed tank, fish-tank, pipe or appliance and damage caused to such by bursting or freezing
- falling trees or branches (and removing any fallen trees or branches which cause damage to the buildings) or telegraph poles or lampposts
- theft or attempted theft
- subsidence or ground heave of the site on which the buildings stand, or landslip
- leakage of oil from any fixed oil-fires installation including smoke and/or smudge damage arising from defective vaporisation
- breakage or collapse of television or radio signal receiving apparatus

7.2 The Council remains liable for risks it has not insured against. It will not pass on to the Tenant Management Organisation any costs that arise from not insuring against those risks.

7.3 The **Tenant Management Organisation** will arrange insurance with an insurer approved by the Council, a level that the Council may reasonably require covering the following risks arising out its obligations under this Agreement:

The following insurances should be effected by TMOs:

a) Public Liability at a minimum limit of indemnity of £5m as the TMO is acting as a managing agent for the council
b) Employers Liability at a minimum limit of indemnity of £10m
c) Fidelity Guarantee at a limit of indemnity related to the financial income under the TMOs direct control
d) Material Damage in respect of contents for the TMO office
e) Business Interruption for the increased cost of working risk
f) Loss of Money including PA Assault cover with limits related again to the financial income under the TMO direct control
g) Directors and Officers Liability Insurance (where the board includes either council employees or councillors)

8 Exclusion of Section 27(13) of The Housing Act 1985 and general Indemnity

8.1 The Council and the **Tenant Management Organisation** agree, under the provisions of section 27(15)(a) of the Housing Act 1985, that the provisions of section 27(13) of that Act do not apply to any management function of the

Council exercisable by the **Tenant Management Organisation** under this Agreement. Accordingly, the **Tenant Management Organisation** will indemnify the Council against any loss or damage which the Council suffers as a result of an error or failure by the **Tenant Management Organisation** in fulfilling its obligations under this Agreement or as a result of such an error or failure by another person appointed by the **Tenant Management Organisation** in accordance with clause 6.3.

8.2 Subject to the provisions of clause 1 of Chapter 7 in respect of the transfer of employees, the Council will indemnify the Tenant Management Organisation against any loss or damage which the Tenant Management Organisation suffers as a result of an error or failure by the Council in fulfilling its obligations under this Agreement or as a result of such an error or failure by a contractor.

9 Confidentiality

9.1 The **Tenant Management Organisation** will treat as strictly confidential all information in its possession in relation to tenants, leaseholders and freeholders of a dwelling. The **Tenant Management Organisation will** use such information only for the purpose of fulfilling its obligations under this Agreement. The **Tenant Management Organisation** will not give the information to or permit it to be seen by any other person or organisation except with the express advance written consent of the tenant, leaseholder or freeholder concerned, unless it is required to do so by law.

9.2 The Council will treat all information about tenants, leaseholders and freeholders of a dwelling as strictly confidential except where it is necessary for the Council to use such information to fulfil its statutory obligations.

9.3 In fulfilling their respective obligations under this Agreement the Council and the **Tenant Management Organisation** will register if necessary as data users and comply with the requirements of the Data Protection Act 1998 or the General Data Protection Regulations.

9.4 The **Tenant Management Organisation** agrees to publish a Code of Confidentiality.

10 Equal Opportunities

10.1 The **Tenant Management Organisation** will act in accordance with its **Equalities and Diversity Policy and Procedures** set out in Schedule 2. The **Tenant Management Organisation** will operate equal opportunities policies and procedures in exercising all of its functions under this Agreement. By implementing equal opportunities policies and procedures the **Tenant Management Organisation** will ensure that it does not discriminate against any person. The protected characteristics groups referred to Equalities Act 2010 are disability, gender reassignment, marriage and civil partnership, race, religion or

belief, sex and sexual orientation. This includes criminal convictions, HIV and AIDs, class and appearances.

10.2 The **Tenant Management Organisation** will have regard to any current guidance issued with central government approval.

10.3 The **Tenant Management Organisation** will supply the following persons with a statement of the **Tenant Management Organisation's Equalities and Diversity Policy and Procedures**:

a) every member of the **Tenant Management Organisation**;

b) every person applying for a tenancy of a dwelling; and

c) any other person requesting a copy, upon payment of a reasonable charge.

10.4 The **Tenant Management Organisation** will keep proper records of the implementation of its **Equalities and Diversity Policies and Procedures** in all aspects of its work including:

a) the letting of vacant dwellings and the admission of members;

b) the employment of staff;

c) committee membership;

d) racial, neighbourhood or other harassment and tenancy disputes;

e) the appointment of and employment of contractors or consultants; and

f) the delivery of services to the tenants and leaseholders of dwellings.

11 Training

11.1 So that the **Tenant Management Organisation** has the necessary skills and knowledge to fulfil its obligations under this Agreement the **Tenant Management Organisation** will ensure that its members, committee members and staff have access to training opportunities, including training in:

a) Tenant Management Organisation rules, committee skills and democratic decision making;

b) understanding of the meaning of equality of opportunity and how the Tenant Management Organisation puts its equalities and diversity policies into practice;

c) the **Tenant Management Organisation's** obligations and the performance standards referred to in this Agreement; and

d) the skills and knowledge required to enable the **Tenant Management Organisation** to fulfil its obligations to the standards referred to in this Agreement or the statutory guidance.

11.2 The **Tenant Management Organisation** will have reasonable access to training run by the Council which is necessary for the **Tenant Management Organisation** to fulfil its obligations under this Agreement, including training on new legislation, council policies and procedures and the Council's management systems which the **Tenant Management Organisation** has adopted.

11.3 The Council will, within the resources available to it, make every effort to meet any written request for assistance to enable the **Tenant Management Organisation** to fulfil its training obligations as set out in clause 11.1.

11.4 The **Tenant Management Organisation** will prepare a training plan at the beginning of each financial year. A report on the training undertaken by **Tenant Management Organisation** members and staff in the previous twelve months will be presented at the **Tenant Management Organisation's** AGM. A copy of this report will be sent to the Council.

12 Information to Tenants

12.1 The **Tenant Management Organisation** will provide the tenants and leaseholders of dwellings with information about the workings of the **Tenant Management Organisation**.

13 Conflicts of Interest

13.1 The **Tenant Management Organisation** will provide in its standing orders that a committee member, officer or employee of the **Tenant Management Organisation** will declare any private or personal interest in any matter related to the carrying out of his or her obligations or functions. A person who has declared such an interest will neither attend the discussion leading to a decision on the matter nor vote on it. The **Tenant Management Organisation** will, in reaching its decision on the matter, ensure that corrupt, undue or unfair personal gain is avoided.

13.2 Committee members and officers of the **Tenant Management Organisation** will declare their personal business interests in a register of interests, which will be kept up to date. The register will be kept at the **Tenant Management Organisation's** main office. It will be open to inspection during the **Tenant Management Organisation's** normal office hours by any person wishing to inspect the register, subject to reasonable notice being given.

14 Right To Represent

14.1 Where a tenant, leaseholder or freeholder requests the **Tenant Management Organisation** to act as his or her representative in dealings with the Council, the Council will accept the **Tenant Management Organisation** as such a representative.

14.2 Where the **Tenant Management Organisation** requests the Council to recognise it to represent the collective interests of its members, the Council will comply with that request.

15 Council's Right of Access to Dwellings

15.1 The Council will have the right of access to a dwelling to carry out the management functions it retains under this Agreement or in accordance with its legal obligations. The Council will give the **Tenant Management Organisation** four hours' notice (except in emergency where immediate access without notice is reasonably required).

15.2 Where the Council exercises its right of access to a dwelling under a tenancy or leasehold agreement, it will give notice to the **Tenant Management Organisation** at the same time as it gives notice to the tenant or leaseholder.

15.3 In exercising a right of access the Council will cause as little disturbance, nuisance or annoyance as possible to residents in a dwelling and will make good to the **Tenant Management Organisation's** reasonable satisfaction any damage caused in exercising the right.

15.4 Nothing in this clause gives the Council the right to enter any tenanted part of a dwelling unless this is permitted under the relevant tenancy agreement.

16 Interpretation of this Agreement and General Provisions

16.1 Where a clause in this Agreement has the words "clause not included" this indicates that an optional clause in the **Modular Management Agreement** has not been chosen. This keeps the numbering of clauses in this Agreement the same as in the **Modular Management Agreement.**

16.2 All of the Schedules in this Agreement are agreed between the Council and the **Tenant Management Organisation** and, except where a Schedule is constituted by a list of property items or services or it is otherwise stated, are in accordance with guidance given by the Secretary of State under regulation 16 of the **Right to Manage Regulations** and contained in the Guidance on the Schedules.

16.3 The **Tenant Management Organisation** is required to operate in an open and transparent way. The **Tenant Management Organisation** constitution must ensure that all tenants and leaseholders are entitled to become members and

require the Board to be fully accountable to its members. The **Tenant Management Organisation** must publish a Code of Governance, which has regard to the Code of Governance for Tenant Management Organisations published by the National Federation of Tenant Management Organisations. The Code of Governance should incorporate policies requiring transparency in relation to, for example: confidentiality, conflicts of interest, minutes of meetings and finance.

16.4 The following interpretation provisions in relation to this Agreement apply:

a) a reference in this Agreement to an Act of Parliament or a Statutory Instrument is a reference to that Act or Statutory Instrument as amended from time to time;

b) a reference to a numbered clause in a Chapter is, unless a different Chapter is specified in relation to that clause, a reference to the clause bearing that number in that Chapter, and a reference to a numbered Schedule in a Chapter is, unless a different Chapter is specified in relation to that Schedule, a reference to the Schedule bearing that number to that Chapter;

c) words in the singular include the plural, and *vice versa*;

d) words importing the masculine gender include the feminine, and *vice versa*; and

e) where the Agreement provides that a party to the Agreement "will" perform some action, this is to be interpreted as providing that that party accepts as a term of this Agreement that it will perform that action, and that failure to do so will constitute a breach of the Agreement.

17 Decision to Continue this Agreement

17.1 At each Annual General Meeting after the second anniversary of the **Starting Date**, the **Tenant Management Organisation** will consider a resolution stating that it wishes to continue managing the **Property** under the terms of this Agreement. Should such a resolution be rejected by a simple majority vote at the Annual General Meeting, the **Tenant Management Organisation** will hold a Special General Meeting within 30 days to consider the giving of the three months' notice of termination of this Agreement under the provisions of clause 20.2.4 below.

17.2. At least every five years the **Tenant Management Organisation** will consult with all the tenants and leaseholders of dwellings, through either a secret ballot or an anonymous questionnaire, whether this Agreement should continue. The purpose of the consultation will be to ascertain:

a) opinion as to the effectiveness of the **Tenant Management Organisation** as manager of the **Property**; and

b) whether:

i) the majority of those responding; and

ii) the majority of secure tenants responding, wish the **Tenant Management Organisation** to continue as manager of the **Property** under this Agreement.

17.3 If the majority of those responding to the consultation and a majority of secure tenants responding do not wish the **Tenant Management Organisation** to continue as manager of the **Property,** the **Tenant Management Organisation** will have the right to hold a secret ballot within three months of the date on which the outcome of the consultation is announced.

17.4 The **Tenant Management Organisation** will inform the Council of the result of any consultation exercise under clause 17.2 above within 21 days of the date of the ballot or, as the case may be, within 21 days of the closing date for returning the questionnaire. If a ballot is held under clause 17.3 and the majority of those voting and a majority of secure tenants voting still do not wish the **Tenant Management Organisation** to continue as manager of the **Property** the **Tenant Management Organisation** will give notice to end the Agreement under clause 20.2.4.

18 Variations to this Agreement

18.1 This Agreement may by varied in the following ways:

a) by the **Tenant Management Organisation**:

i) obtaining certification by an **Approved Assessor** that, in relation to additional management functions that the **Tenant Management Organisation** wishes to exercise which are included as options in the **Modular Management Agreement**, the **Tenant Management Organisation** has the required level of competence; and

ii) then giving the Council at least four months written notice, or such other period as may be agreed, that it has decided by a simple majority vote at a general meeting to take on those management functions, in which case this Agreement will be varied by adopting the appropriate clauses of the **Modular Management Agreement**.

b) by the **Tenant Management Organisation**, giving the Council at least four months written notice, or such other period as may be agreed, that it has decided by a simple majority vote at a general meeting to cease exercising a management function specified in this Agreement and that it wishes the Council to resume exercising that management function. The Agreement will be varied by adopting the appropriate optional clauses in the **Modular Management Agreement**;

c) by the Council and the **Tenant Management Organisation** agreeing to replace or amend a Schedule to this Agreement, provided that the new or amended Schedule satisfies the requirements that were satisfied by the Schedule being replaced or amended;

d) by the Council and the **Tenant Management Organisation** agreeing to vary the Agreement by selecting different options from the **Modular Management Agreement**;

e) by the Council and the **Tenant Management Organisation** agreeing, under clause 10.2 of Chapter 2, that the Council will take over the **Estate Services** that have been provided by the **Tenant Management Organisation**;

f) where the Secretary of State modifies the **Modular Management Agreement**:

i) where the modifications are required in consequence of a change in primary or subordinate legislation, by the **Tenant Management Organisation** or the Council giving notice to the other party requesting that the clauses in this Agreement requiring to be modified be replaced by the modified clauses;

ii) where the modifications do not fall within paragraph (i), by the **Tenant Management Organisation** and the Council agreeing to replace the clauses in this Agreement corresponding to the modified clauses with those clauses.

Modifications within either paragraph (i) or (ii) may also include the renumbering of clauses in this Agreement that are identical in content with clauses in the modified **Modular Management Agreement** in accordance with the numbering in that **Modular Management Agreement**;

g) by the Council terminating the operation of Option C or Option D of clause 3 of Chapter 6 in accordance with the provisions of clause 3.10 of Option C or, as the case may be, clause 3.11 of Option D.

Where the variation falls within paragraphs (a) to (f) the Agreement as varied will come into force on a date agreed by the Council and the **Tenant Management Organisation**.

18.2 Variations to the Agreement in accordance with clauses 18.1 a), b), d), e) And f) will be effected by a Deed of Variation signed and sealed by the council and the **Tenant Management Organisation.** The variations will come into effect at the date specified in the Deed of Variation. The Deed of Variation will state the adjustment to the **Allowances**, if any, arising from the variation made.

18.3 The Council and the **Tenant Management Organisation** agree that the effect of:

a) a tenant of a dwelling exercising the **Right to Buy** his or her home under the provisions of Part 5 of the Housing Act 1985;

b) a leaseholder exercising the **Right to Enfranchise** under the Leasehold Reform, Housing and Urban Development Act 1993; or

c) the application of regulation 9(4)(b) of the **Right to Manage Regulations**, which permits a further proposal notice under the **Right to Manage** to be served by tenants in **Tenant Management Organisations** which manage more than 2,500 homes to form their own smaller **Tenant Management Organisation**, will be to vary this Agreement in the appropriate manner solely by virtue of this clause. Such a variation will come into effect, together with the necessary adjustments to the **Allowances**, from the date on which the **Right to Buy** or the **Right to Enfranchise** purchase is completed or the relevant **Starting Date** of the management agreement under the **Right to Manage** comes into force.

19 Failure To Perform [Link to Chapter 7 and Chapter 8]

19.1 Without affecting any other rights the Council may have under this Agreement or in law the following provisions of this clause will apply where the Council is of the opinion that there has been a failure to perform by the **Tenant Management Organisation**.

19.2 Subject to the provisions of clause 19.9, in the event of the **Tenant Management Organisation** failing to exercise a management function or a management task to the performance standards referred to in clause 1 of Chapter 8, or where there has been a financial breach by the **Tenant Management Organisation**, the Council will work with the **Tenant Management Organisation** to develop, agree and implement an **Improvement Plan** to improve the performance in order to reach those standards or prevent serious financial breaches.

19.3 In order to assist with the development of an **Improvement Plan** with which the **Tenant Management Organisation** is in agreement, the Council may, in the first instance, appoint an independent person to advise on the performance standards of the **Tenant Management Organisation**, the action proposed by the Council, and the views of and to recommend to the Council and the **Tenant Management Organisation** the steps that should be taken, to be included in the **Improvement Plan**, to deal with the problems that have arisen. The consent of the **Tenant Management Organisation** is required that the person proposed by the Council for these purposes may so act, but such consent is not to be unreasonably withheld.

19.4 In the event of the **Tenant Management Organisation** failing to implement the **Improvement Plan** (including such failure following the appointment of an independent person in accordance with clause 19.3 and any recommendations

made by him), the Council may serve a **Breach Notice** on the **Tenant Management Organisation**. Within 21 days of receipt of a **Breach Notice** the **Tenant Management Organisation** will remedy the breach or notify the Council in writing why it cannot remedy the breach within this period, and specify the date by which the breach will be remedied.

19.5 If the breach is not remedied within 21 days of receipt of a **Breach Notice**, or within such other reasonable period as specified in the notice, or the Council does not accept the adequacy of the reasons given by the **Tenant Management Organisation** why it cannot remedy the breach within this period, or does not accept the date specified by the **Tenant Management Organisation** as the date by which the breach will be remedied, the Council may serve a **Warning Notice**, warning the **Tenant Management Organisation** that unless the breach is remedied within a specified period the functions specified will be removed from the functions being exercised by the **Tenant Management Organisation**.

19.6 If the **Tenant Management Organisation** has not corrected the breach within the specified period of receiving the **Warning Notice**, the Council may in writing terminate the **Tenant Management Organisation's** exercise of the functions specified in the **Breach Notice** and **Warning Notice** from a specified date. The **Tenant Management Organisation** will have to wait 24 months (or such shorter period as the Council may decide) before it can resume exercising the functions by virtue of the application of clause 18.1.a).

19.7 Without affecting any other rights the **Tenant Management Organisation** may have under this Agreement or at law:

19.7.1 if the Council does not fulfil any of its obligations in respect of management functions not being exercised by the **Tenant Management Organisation** under this Agreement or its obligations under this Agreement, the **Tenant Management Organisation** may serve a **Failure Notice** on the Council; and

19.7.2 within 21 days of receipt of a **Failure Notice** the Council will remedy the failure or notify the **Tenant Management Organisation** in writing why the Council cannot remedy the failure within this period and specify the date by which the failure will be remedied.

19.8 In the event of any management function becoming exercised again by the Council under the terms of clause 19.6 the **Allowances** will be reduced by an amount (calculated in accordance with Schedule 1 to Chapter 5) which reflects the reduction in the number of management functions exercised by the **Tenant Management Organisation**.

19.9 Where the Council is satisfied that there are serious failings of the **Tenant Management Organisation** as described in clause 6.7 of Chapter 8, the Council may serve a **Supervision Notice** in respect of all of the **Tenant Management Organisation's** management functions or those of its

management functions that are specified in the **Supervision Notice**. The provisions of Schedule 3 (**Supervision Notice Policy and Procedure)** shall apply to **Supervision Notices** and the action that can be taken after a **Supervision Notice** has been served.

19.10 The effect of the service of a **Supervision Notice** is that the relevant management functions become exercisable by direction of the Council from such date as is specified in the Notice and for such period as is specified in the Notice, unless the Council specifies a shorter period after the Notice has been served.

The initial period specified in the Notice shall not exceed six months, and the Council may on the expiry of the initial period specify an additional period not exceeding three months and, when that period expires, a further additional period not exceeding three months.

19.11 Where the Council proposes to serve a **Supervision Notice** on the **Tenant Management Organisation**, in a case where a **Special Review** has not taken place, the **Tenant Management Organisation** may require the Council to appoint an independent person to advise on the reasonableness of the Council's action in all of the circumstances of the case and make recommendations on the content of the proposed **Supervision Notice**. The Council will appoint an independent person when required to do so by the **Tenant Management Organisation**, and will accept any recommendations made by him unless it is satisfied that there are exceptional circumstances which make it inappropriate for it to do so. The provisions of Schedule 3 will apply to the appointment of the independent person and the procedures to be followed by him. The consent of the **Tenant Management Organisation** is required that the person proposed by the Council for these purposes may so act, but such consent is not to be unreasonably withheld.

19.12 Where the relevant conditions set out in the **Supervision Notice** are satisfied, the Council will restore to the **Tenant Management Organisation** the exercise of those functions specified in the **Supervision Notice** in respect of which the relevant conditions are satisfied, by serving a **Supervision Termination Notice** on the **Tenant Management Organisation**, which will specify the date from which the exercise of those functions will be restored.

20 Ending this Agreement

20.1 This Agreement will continue until ended in one of the ways set out in this clause.

20.2 This Agreement will end:

20.2.1 upon service of a written notice by the Council if the **Tenant Management Organisation**:

a) becomes insolvent;

b) has a receiver appointed;

c) makes an arrangement with its creditors; or

d) passes a resolution for voluntary winding up.

20.2.2 if the **Tenant Management Organisation** has passed a resolution to end this Agreement at a duly General Meeting and the Council agrees in writing that it will end on a date agreed by the parties;

20.2.3 if the **Tenant Management Organisation** has passed a resolution to end this Agreement at a duly convened General Meeting and gives the Council at least three months' written notice of the date on which the Agreement will end;

20.2.4 if the **Tenant Management Organisation,** having failed to secure a mandate to continue as manager of the **Property** under clause 17, gives the Council three months' written notice to end this Agreement;

20.2.5 on the expiry of three months' written notice given to the **Tenant Management Organisation** by the Council if the **Tenant Management Organisation** has received a **Warning Notice** from the Council under the provisions of clause 19.5, and either:

i) the **Tenant Management Organisation** has failed to remedy the breach or initiate the necessary action to remedy the breach to the reasonable satisfaction of the Council, or

ii) the **Tenant Management Organisation** has not taken the necessary steps to transfer the relevant functions to the Council under clause 18.1b).

20.2.6 on the expiry of the period specified in a **Supervision Notice** under clause 19.9, including any further period that is specified, where the relevant conditions set out in the Notice have not been satisfied by the **Tenant Management Organisation**. The Council will give the **Tenant Management Organisation** at least three months' notice in writing at the end of the initial period or the first additional period, that a **Supervision Termination Notice** is not to be served on it.

20.2.7 if the Council sells or transfers its ownership or interest in the **Property**; or

20.2.8 on the date a **Right to Enfranchise** purchase is completed, if the **Tenant Management Organisation** has given the Council at least one month's written notice that the reduction in the number of dwellings or the change in its obligations is such that the **Tenant Management Organisation** wishes to end the Agreement.

20.3 Prior to the sale or transfer of its ownership or interest in the **Property** and consequent ending of this Agreement under clause 20.2.7, the Council undertakes to use its best endeavours to ensure that the successor landlord enters into a similar agreement with the **Tenant Management Organisation**.

20.4 Any notice to end this Agreement will expire on the last day of a month unless given under clause 20.2.3.

20.5 If this Agreement ends the Council will within one month of the date on which the Agreement ends give written notice to the Secretary of State.

20.6 The ending of this Agreement will not affect any rights or liabilities of the **Tenant Management Organisation** or the Council that have arisen under this Agreement before the date on which it ends including, in particular, the following rights or liabilities:

a) Chapter 1, clause 8: the general indemnities;

b) Chapter 3, clause 9: the payment of rent due;

c) Chapter 4, clause 8: the payment of service charges and ground rent collected;

d) Chapter 5, clause 8.3 and 9.2: the payment of the balance of funds; and

e) Chapter 7, clause 1: the indemnity in respect of staff.

20.7 If this Agreement ends the **Tenant Management Organisation** will within three months of the end of this Agreement produce an account and balance sheet as at the date on which this Agreement ends.

20.8 If this Agreement ends any monies paid to the **Tenant Management Organisation** to carry out its management functions under this Agreement that remain in the **Tenant Management Organisation** accounts (except the surplus account) once creditors have been paid will be returned to the Council within **3** months.

20.9 If this Agreement ends the **Tenant Management Organisation** will as soon as is reasonably practicable hand over to the Council such information and records as the Council may reasonably require for the future management of the **Property**.

20.10 If this Agreement ends the **Tenant Management Organisation** will as soon as is reasonably practicable hand over to the Council any property listed under Paragraph 3 of Schedule 1 which is owned by the Council.

Chapter 1

Schedules

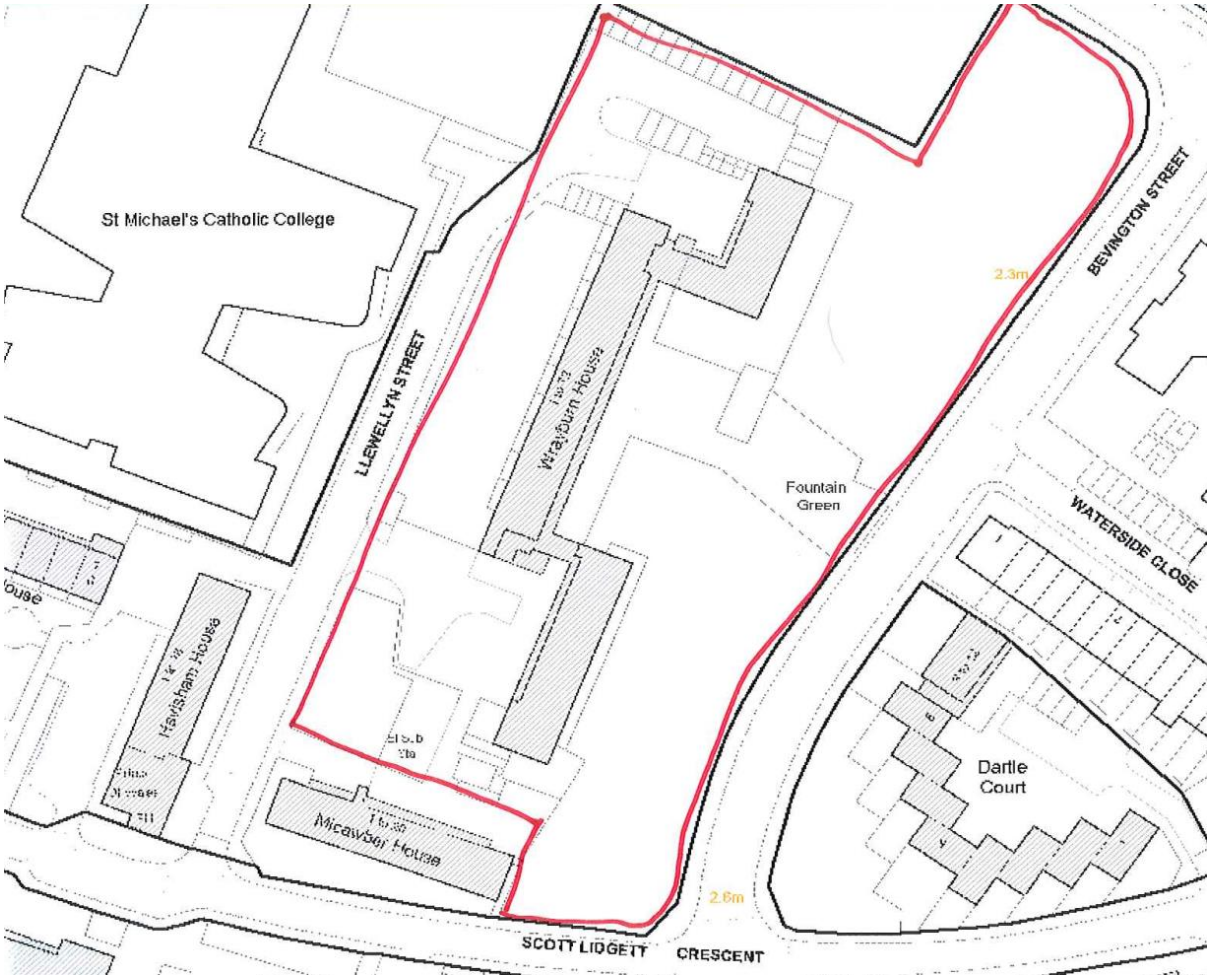
Schedule 1:
Property included in the management agreement clause 2

1. List of dwellings included in this agreement, by postal address tenure and type:

No.	Block	Estate	Road	Tenure	Type
1	Wrayburn House	Dickens	Llwellyn Road	Tenant	
2	Wrayburn House	Dickens	Llwellyn Road	Tenant	
3	Wrayburn House	Dickens	Llwellyn Road	Tenant	
4	Wrayburn House	Dickens	Llwellyn Road	Tenant	
5	Wrayburn House	Dickens	Llwellyn Road	Tenant	
6	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
7	Wrayburn House	Dickens	Llwellyn Road	Tenant	
8	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
9	Wrayburn House	Dickens	Llwellyn Road	Tenant	
10	Wrayburn House	Dickens	Llwellyn Road	Tenant	
11	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
12	Wrayburn House	Dickens	Llwellyn Road	Tenant	
13	Wrayburn House	Dickens	Llwellyn Road	Tenant	
14	Wrayburn House	Dickens	Llwellyn Road	Tenant	
15	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
16	Wrayburn House	Dickens	Llwellyn Road	Tenant	
17	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
18	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
19	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
20	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
21	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
22	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
23	Wrayburn House	Dickens	Llwellyn Road	Tenant	
24	Wrayburn House	Dickens	Llwellyn Road	Tenant	
25	Wrayburn House	Dickens	Llwellyn Road	Tenant	
26	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
27	Wrayburn House	Dickens	Llwellyn Road	Tenant	
28	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
29	Wrayburn House	Dickens	Llwellyn Road	Tenant	
30	Wrayburn House	Dickens	Llwellyn Road	Tenant	
31	Wrayburn House	Dickens	Llwellyn Road	Tenant	
32	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
33	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
34	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
35	Wrayburn House	Dickens	Llwellyn Road	Tenant	
36	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	

37	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
38	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
39	Wrayburn House	Dickens	Llwellyn Road	Tenant	
40	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
41	Wrayburn House	Dickens	Llwellyn Road	Tenant	
42	Wrayburn House	Dickens	Llwellyn Road	Tenant	
43	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
44	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
45	Wrayburn House	Dickens	Llwellyn Road	Tenant	
46	Wrayburn House	Dickens	Llwellyn Road	Tenant	
47	Wrayburn House	Dickens	Llwellyn Road	Tenant	
48	Wrayburn House	Dickens	Llwellyn Road	Tenant	
49	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
50	Wrayburn House	Dickens	Llwellyn Road	Tenant	
51	Wrayburn House	Dickens	Llwellyn Road	Tenant	
52	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
53	Wrayburn House	Dickens	Llwellyn Road	Tenant	
54	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
55	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
56	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
57	Wrayburn House	Dickens	Llwellyn Road	Tenant	
58	Wrayburn House	Dickens	Llwellyn Road	Tenant	
59	Wrayburn House	Dickens	Llwellyn Road	Tenant	
60	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
61	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
62	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
63	Wrayburn House	Dickens	Llwellyn Road	Tenant	
64	Wrayburn House	Dickens	Llwellyn Road	Tenant	
65	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
66	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
67	Wrayburn House	Dickens	Llwellyn Road	Tenant	
68	Wrayburn House	Dickens	Llwellyn Road	Tenant	
69	Wrayburn House	Dickens	Llwellyn Road	Tenant	
70	Wrayburn House	Dickens	Llwellyn Road	Tenant	
71	Wrayburn House	Dickens	Llwellyn Road	Leaseholder	
72	Wrayburn House	Dickens	Llwellyn Road	Tenant	

Wrayburn Community Organisation - area of benefit



Chapter 1

Schedule 2:

Wrayburn Community Organisation

Equal Opportunities Policy

The TMO wholeheartedly supports the principle of equal opportunities in all aspects of its operation, service delivery and employment, and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic or national origin, religious belief, age, gender, sexual orientation, marital status or disability. The TMO believes that it is in the best interests of the organisation that all individuals are treated fairly and equally and that no individual, being they employees, potential employees, members or residents, suffers direct or indirect discrimination.

Statutory Obligations

The Equality Act 2010 replaces the previous anti-discrimination laws with a single Act. In line with the Act we will actively work towards promoting good relations, eliminating discrimination in relation to the following groups:

- Disability
- Gender reassignment
- Pregnancy and maternity
- Race – including ethnic or national origins,
- Colour or nationality
- Religion or belief – including lack of belief
- Sex
- Sexual orientation

The TMO's equal opportunities policy and practice is also informed by the Commission for Racial Equalities Code of Practice in Rented Housing and other professional guidance relevant to its operation and activities

Objectives

The purpose of the equal opportunities policy is to enable the TMO to meet its aims:

- To deliver a fair and equal service to all residents living on the Property
- To reflect and respond to the social and cultural diversity of the community in its processes and activities
- To encourage the active participation of all individuals and groups living on the estates
- To ensure that residents have equal access to meetings and information concerning the operation and actions of the TMO
- To increase awareness of the TMO and its activities among all residents, particularly members of disadvantaged communities
- To ensure fair and equal treatment of all employees and potential employees, and that contractors conform to the TMO's equal opportunities requirements
- To ensure that no resident, member or employee of the TMO suffers discrimination

The TMO recognises that creating a community which is tolerant and understanding means actively challenging discrimination and taking positive action to encourage the active involvement of disadvantaged and minority groups in all aspects of its work.

In doing so it will have regard to the needs and aspirations of all those who face discrimination and disadvantage, including but not restricted to:

- people with mental or physical disabilities
- gay men and lesbians
- black and other ethnic minority tenants and residents
- religious groups
- people without formal qualifications
- people whose first language is not English
- women
- single parents
- people with responsibility for dependants
- people who are HIV positive
- ex-offenders
- people who do shift work/work nights
- the homeless
- people with mental health problems or a history of mental health problems
- people with other health problems
- young people
- old people
- the unemployed / those on low incomes

Procedures for ensuring that the Organisation is representative, democratic and accountable

All lawful residents over 18 years of age living on the estate are eligible to become members of the TMO attend general meetings and put their names forward for election to the Management Committee.

Upon joining the TMO, all new members will receive information about the ethos and rules of the organisation and the importance of ensuring equality of opportunity

The Management Committee of the TMO has the delegated responsibility to ensure the Equal Opportunities Policy and Procedures are implemented and monitored.

The Management Committee will review and monitor procedures for informing and involving new and existing members

The Secretary will make regular reports to the Management Committee on membership levels and participation.

Any significant change in the TMO's policy and procedures must be referred to a general meeting of the TMO's membership. This also needs to be approved by the Council

Procedures for promoting and encouraging equal access and active membership of the Organisation for all individuals and sections of the community.

The Secretary will ensure that all new residents are informed of the opportunity to become a member and participate in thee TMO's affairs.

All new residents will be given a copy of the TMO's handbook.

The Secretary will ensure that all residents are informed and given the opportunity to participate in the TMO's ongoing training programme.

All members of the TMO and employees are expected to comply with the principles set out in this policy, the TMO's Code of Conduct and Code of Confidentiality.

The Management Committee will ensure that no person or groups of persons are excluded from participating, either directly or indirectly. To this end, the Committee will regularly review its practices in respect of;

- the venues where meetings are held
- the times that meetings are held

To ensure that access is suitable for disabled people and to give all residents equal opportunities for participation. The Management Committee will also assess any special needs, such as childcare facilities, translations, escorts to and from meetings etc. that anyone may require in order to assist them in participating in the activities of the TMO
.
All residents of the estate may attend meetings of the Management Committee and General Meetings.

The provision of information about the TMO and its activities

Details of all General Meetings and events organised by the Organisation will be sent to all residents of the estate in a timely manner.

All residents will also be sent a copy of the TMO's Annual Report and the minutes of General Meetings.

All residents will be sent the regular newsletter informing them of the TMO's activities, including summaries of the main points from Management Committee meetings.

All the TMO's written communications with residents will be in plain English

Consultation and participation

The Management Committee is responsible for ensuring that all residents are informed of and consulted about the activities of the TMO and that residents' views are heard and taken into account.

It is the duty of the TMO Manager to provide residents with assistance in obtaining any information they legitimately require about the TMO's activities. The Manager also has a duty to advise the Management Committee where policies, procedures and practice require further consultation with residents.

A summary of all consultations will be sent to all residents or included in the newsletter.

The Management Committee will ensure that no person or group of persons is unlawfully prevented or restricted from participating in meetings, either directly or indirectly.

All those who attend and participate in any meeting or event organised by the TMO will be expected to conduct themselves in a way that respects the rights of all other persons, in particular, persons belonging to those groups identified above.

Composition of the Management Committee

The Secretary of the TMO is responsible for ensuring that the Annual General Meeting and nominations for election to the Management Committee are published according to the constitution, and suitably publicised.

All new Management Committee members must undergo a programme of induction training, which includes knowledge of the aims and objectives, policies and procedures of the TMO.

All Management Committee members have overall responsibility for ensuring that that the policies and procedures of the TMO are implemented in an equitable manner and that the special needs of disadvantaged groups are taken into account in the running of the TMO

The officers and Management Committee members of the TMO will liaise with other groups/ agencies/organisations to support the development and implementation of the TMO's equal opportunities policy and procedures.

The TMO will monitor the composition of the community and endeavour to ensure the committee represents the community in terms of residency, ethnicity and other significant sub groups

The TMO as a provider of services

The TMO provides housing and related services to the residents of the estate fairly and without discrimination, in accordance with the letter and spirit of the TMO's Equal opportunities Policy.

The Management Committee will conduct regular reviews of service provision to ensure compliance with the TMO's Equal Opportunities policy and will consider the equalities implications of all proposals for a significant change in service provision, policy and procedures.

The Management Committee is responsible for ensuring that all residents have access to appropriate information about the services provided by the TMO

Repairs and Maintenance

The TMO will take individual circumstances into account when considering whether or not any repair is urgent, and priority may be given to those households where occupants include young children, elderly, housebound or disabled people.

The circumstances of individuals will be taken into account in respect of recharging for repairs due to negligence or abuse, and in respect of providing repairs or redecoration which are normally the resident's responsibility. Any repair arising from racial harassment or related activity will be treated as an emergency.

All employees and contractors are required to conduct themselves in a respectful, polite, non-sexist, non-racist manner in their dealings with all residents and authorised occupants who are members of their households.

Office accessibility

The TMO will ensure that office opening times are published, residents notified of any changes and that an adequate out-of-hours service is available.

The TMO will take all reasonable steps to make the Office accessible to all residents.

Consultation and participation'

The TMO employs a range of methods (such as residents' survey, meetings, feedback forms, suggestion box, complaints monitoring) to receive feedback on the performance of the TMO and to assess levels of resident satisfaction with the services it provides.

The TMO will ensure that the views of a representative range of different household types are taken into account when new policies or procedures are being considered or re-designed.

The TMO will take active steps to involve 'hard to reach' groups in the running and activities of the TMO.

The TMO as an employer
Recruitment and appointment of staff

In accordance with our employment policies and the Management Agreement, all vacant posts will be advertised.

A copy of the job description, person specification, equal opportunities policy, background information about the TMO and an application form will be sent to each applicant.

All applicants will be scored against pre-determined criteria and applicants with the highest score will be selected for interview.

Interview panels will consist of 3 or more people appointed by the Management Committee. As far as possible, the panel will be representative of the TMO's membership, but may include people with specialist expertise.

No person related in any way to any applicant may be appointed to serve on the panel

Failure on the part of a panel member or applicant to disclose a known relationship constitutes grounds for dismissal of the offending applicant if appointed.

Access to Training

The TMO has a programme for the induction, on-going training and development for all staff.

All staff will be actively encouraged to participate in training for further career development.

Job descriptions and person specifications will not discriminate directly or indirectly against any individual or group of people.

Grievance and disciplinary proceedings

All contracts of employment include a copy of the TMO's grievance and disciplinary policy these proceedings will normally be conducted in the same manner as the Complaints Procedure

Contractors

The TMO will maintain a list of approved building contractors. The list will be reviewed annually to assess the performance of those included. This assessment will be based on the reliability of services provided, standard of work completed, costs, proper regard to current Health and Safety legislation, good practice, safe working and equal opportunities.

Equal opportunities considerations include the behaviour of contractors towards residents, staff and members. All contractors included on the approved list must have clear written policies in respect of both equal opportunities and health and safety at work available for inspection by the Organisation.

Breaches of the equal opportunities policy and procedures

Any breach or complaint concerning the TMO's equal opportunities policy or procedures will be dealt with through the TMO's Complaints Procedure.

Employees, officers or members may be subject to disciplinary action in respect of any proven breach of the TMO's equal opportunities policy or failure to take appropriate remedial action to address such a breach.

Monitoring and review of equal opportunities policies and procedures

The TMO will monitor its equal opportunities policy every two years to ensure that:

- The Organisation's aims and objectives are being fulfilled
- Information is up-to-date

The following areas will be monitored:

- The standard of repair service provided to each household
- The standard of service provided generally to each household
- The representativeness of the membership of the TMO in relation to the resident body of the Property
- The representativeness of the Management Committee
- The needs of disadvantaged groups and the appropriateness of the TMO's policies and procedures
- The inclusion of contractors on approved list and compliance with equal opportunities.

Information will be collected in the following ways:

- Resident satisfaction slips
- Management complaints
- Residents' survey
- Regular reports to the Management Committee
- Regular updating of the household database.

For the purposes of monitoring compliance with the TMO's equal opportunities policy, the following information will be collected about each household and updated annually:

- Disability
- Gender reassignment
- Pregnancy and maternity
- Race – including ethnic or national origins,
- Colour or nationality
- Religion or belief – including lack of belief
- Sex
- Sexual orientation

All reports to the Management Committee will comment on the implications for the TMO's equal opportunities policy. An Equal Opportunities monitoring report will be made to the TMO's Annual General Meeting. This report will identify issues and make recommendations.

Adopted	**Review**
1 November 2016	March 2019

Chapter 1
Schedule 3

Supervision Notice Policy and Procedure Clause 19

1. Definition of serious failing

1.1 In accordance with chapter 1, clause 19 the Council will seek to serve a Supervision Notice on the TMO in the event that there is a serious failing in the financial performance, management or organisation of the TMO.

1.2 Such action will not be taken by the Council unless an agreed Improvement Plan has not remedied the failing, and the service of a Breach Notice and Warning Notice have also not remedied the failing, or where the Council is satisfied that there are serious failings identified as a result of a Special Review carried out under the provisions of Chapter 8, Clause 7.8.

1.3 Areas of the TMOs performance which would be considered a serious failing include:

- Failure to pay rent monies due to the Council within 14 days of receipt of an invoice on more than two occasions in a twelve month period;
- Failure to allow the Council to carry out annual review of the TMO Equal Opportunities Policy and Procedures
- Failure to hold an Annual General Meeting within 6 months of the end of the financial year;
- Deregistration as an Community Benefit Society;
- Failure to invite the Council's nominated member (where relevant) to meetings;
- Failure to conduct a continuation ballot within 3 months of the date at which it falls due;
- The TMO's rent collection rate falling below 90%;
- Failure to operate within the TMO's Financial Procedures;
- Failure to give the Council's monitoring officer a copy of the signed audited accounts (with no qualification, and with a copy of auditor's letter) within 6 months of the end of the TMO's financial year;
- Failure to submit returns to the Financial Conduct Authority within the specified time;
- Failure to draw up an annual budget;
- Retention of a surplus deemed excessive in the light of the Property's known needs;
- Failure to notify the Council of details of bank accounts and signatories;
- Appointment of staff without going through an agreed recruitment process;
- Where the TMO committee has ceased to operate in a lawful or meaningful way and has no immediate plans to remedy the situation quickly;

- Where the TMO has mismanaged its housing management functions so that even most basic services are not being provided to tenants, and it has no immediate plans to remedy the situation (for example, where there is a significant increase in the level of complaints from tenants about services provided by the TMO);
- Where the TMO is taking decisions that are outside its powers and/or unlawful, and/or appears to be trading whilst insolvent;
- Where the TMO has consistently and over a long period of time failed to remedy problems which have been identified and agreed as needing action and as a result the service to tenants is being materially affected;
- An adverse annual external audit, an adverse internal audit report by the Council or TMO failure to produce audited accounts within the timeframe specified in the TMO's constitution;
- Serious performance failures identified as a result of the regular monitoring visits or meetings and through performance indicator information provided by the TMO to the council;
- Consistent, continuing TMO failure to provide agreed monitoring information, provide agenda sets or allow council representatives to attend committee meetings;
- Failure to allow the Council to carry out a review under the management agreement [Chapter 8 Clause 7].
- Failure to provide adequate insurance cover against all risks specified in the management agreement.

1.4 The information gained from any review meeting shall inform the content of the Supervision Notice

2. Service of Supervision Notice Procedure

2.1 Where the Council is satisfied that there are serious failings of the TMO, as described in 1) above, the Council may undertake a Special Review under the provisions of Chapter 8, clause 7. If the findings of this review confirm failings in the TMO's performance the Council may serve a Supervision Notice as detailed in Clause 3 of this schedule.

2.2 The Special Review may take place as part of an Improvement Plan as allowed under Chapter 1, clause 19.2. The Supervision Notice may be served if, in the view of the person conducting the Special Review, the failings are sufficiently serious as to override the requirement to serve a Breach Notice.

2.3 Where a Special Review has not taken place the TMO may request the Council to appoint an independent person to advice on the reasonableness of its intention to serve a Supervision Notice.

2.4 Where the TMO so requests the appointment of an independent person, such a person must be familiar with the work of TMOs and should be a member of one of the following groups

- National Federation of TMOs (NFTMO)
- Local Authority Co-operative Officers Group (LACOG)
- MHCLG approved development agency (Lead Advisors)

The appointed person must provide a report on the reasonableness of the service of the Supervision Notice within seven calendar days and the Council will meet the costs of the work undertaken. The report of the Independent person must comment on

- the reasonableness of the Notice
- the content of the Notice

2.5 Where there are recommendations on the content of the Notice, these should be

- clear
- realistic
- achievable within a reasonable time scale
- have regard to the circumstances of the case

In the event of a dispute on the submitted costs, Communities and Local Government shall be asked to provide guidance.

2.6 The TMO's consent must be given to the independent person appointed and such consent shall not be unreasonably withheld.

2.7 Both the Council and the TMO will accept the recommendations of the independent person.

2.8 The service of the Supervision Notice must be approved by the Strategic Director of Housing and will be served on both the Chair and the Secretary of the TMO.

3. Supervision Notice Content

3.1 The Supervision Notice will include:

- A description of the serious problem or failing.
- The date on which the Notice is to come into effect, specifying the period of the operation of the Notice (the initial period must not exceed 6 months but may be extended for an additional period not exceeding 3 months.
- When that period expires it may be extended by a further additional period not exceeding 3 months.
- A description of action already taken by the Council or the TMO to remedy the problem or failing.
- Specific action, by the Council or the TMO, which is reasonably required to resolve the problem or remedy the failure.
- The timetable for implementing the proposed action.
- How progress will be monitored and reviewed.

- How decisions on termination or extension of the Notice are to be determined and implemented.

3.2 Actions which may be specified in the Supervision Notice to remedy the serious failings are:

- Providing additional information, advice, training and help to the TMO.
- Strengthening the TMO's monitoring arrangements.
- Reviewing and strengthening the TMO's financial and reporting systems and procedures.
- Providing time-limited additional management support to the TMO.
- Strengthening the TMO Board.

This list is not exhaustive.

3.3 During the period of the Notice the TMO shall be able to continue its management functions under the management agreement under the direction of the Council.

4. Reviewing Progress and terminating the Supervision Notice

4.1 The progress of the specified action in the Supervision Notice will be monitored at monthly meetings between the Council and the TMO. The Council will be represented at these meetings by the Council's monitoring officer and Liaison Officer. Action agreed at these meetings will be given to named officers from both the Council and the TMO to implement.

4.2 Each meeting shall receive a jointly agreed report from the Council's monitoring officer and Liaison Officer, and the TMO Manager setting out the agreed targets, the work undertaken to date to achieve these targets, exception reports where targets have not been met and proposals for achieving future targets.

4.3 Where targets have not been met the Council must consider any change in circumstances and how realistic such targets are. The Council will then indicate the revised timescales, if any. It may also decide to extend the period of the Supervision Notice in accordance with clause 19.10.

4.4 Where, following a review meeting, the Council accepts that the failing has been remedied, the Council's monitoring officer shall write to the TMO Secretary within 7 days of the review meeting, serving a Supervision Termination Notice, in accordance with Clause 19.12. This notice will inform the TMO that the Supervision will come to an end on a specified date. If it is decided that the management agreement should be ended in accordance with Clause 20.2.6, the Council will give the TMO at least three months notice in writing that a Supervision Termination Notice is not to be served at the end of the initial period of the Supervision, or the first additional period.

4.5 At the end of each period of Supervision the Council shall provide a written update to all residents of the Property. This will include details of the standards to be achieved, the timescale for achieving them and progress towards achieving them. Any decision to terminate the Management Agreement must be communicated to all residents within 48 hours of the TMO being informed.

Annex A

The Cooperative and Community Benefit Act 2014

Rules of Wrayburn Community Organisation

RULES of: Wrayburn Community Organisation

Registered under the Co-operative and Community Benefit Societies Act 2014

Register No. .....

MODEL RULES 2011
National Housing Federation

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The National Housing Federation Company Secretaries Forum

These rules have been modified in the light of practical experience and changes to legislation. Various options that were in the 2005 model have been deleted and one new option included. The following substantial changes have been made from the 2005 version:

A2	Housing and social housing as defined by the Housing and Regeneration Act 2008 at G15.19
B2.4	Enter into derivatives-defined in section G15.20
B3	Banking Act now the Financial Services and Markets Act (FSMA) 2000
C6.4 – C6.5	Removal from the board
C11	Removed references to percentage of tenants able to be admitted as shareholding
C14.7-11	Ceasing to be a shareholder
C21	Methods of communicating
C22	Percentage agreement to hold a general meeting
C28	Appointment and use of proxies at general meetings
C35	Resolutions at general meetings
C36	Requisite majorities at general meetings
D1	Role of the board – key functions aligned to the Excellence in governance code for members 2010
D1.9	Introduces appraisal in overall board functions
D2.1	Numbers on the board
D2.2	Reference to percentage of residents on board taken out and inclusion of percentage of employees on board
D4	Clarified need to sign annual statement, standard of conduct and obligations and penalties for not signing
D8.1 – D8.10	Reasons for not remaining a board member
D9.2	Percentage of board members needed to pass a resolution to remove a board member
D11-15	Term of office and election to board
D16	Deletion of references to candidates for the board and inclusion of quorum wording and flexibility for board to set quorum
D17-D27	Interests including financial interests and grant of benefits with society or group members
D30	Availability of certain board statements
D32	Reserving certain powers for the board
D39	How meetings of the board can take place
E1	Appointment and powers of the chair and vice chair
E3	Second vote for the chair in the case of equality of votes
E8	Appointment of the deputy company secretary
F3	Appointment of the auditor
F12	Borrowing amounts increased
F14-F15	Borrowing

G3	Disputes – updated wording and references to National Housing Federation involvement deleted
G12.3	Written resolution to amend or rescind rules
G14.3	Compliance with Housing and Regeneration Act 2008 regarding gifts
G15.6	References to chair to include the vice chair
G15.7	Definition of regulator
G15.8	Definition of registrar
G15.14	Definition of 'resident' and use of word resident instead of 'tenant'
G15.19	Definition of social housing
G15.20	Definition of derivatives
G15.21	Definition of 'group member'
Option 2	Powers of society
Option 3	Subsidiary (previous option 8)
Option 4	Shareholding ending when board member resigns (previous option 11)

In addition two minor amendments have been made to B2.1 and G12.3 to the Model Rules 2011 resulting in this version.

Options and further guidance

Part O of these rules includes a range of options to meet a range of different needs. Unless deleted, each option forms part of the rules to be registered. Similarly, any words in [square brackets] form part of the rules unless deleted.

If none of the options are used, the resulting base model is for a charitable Industrial and Provident society.

A separate publication from the Federation is also available, which gives guidance on the use of the rules and options. Advice is also available on the telephone from staff of the Registrations team.

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PART A NAME AND OBJECTS

Name

A1 The name of the society shall be Wrayburn Community Organisation Community Organisation

Limited ("the society").

Objects

A2 The society is formed for the benefit of the community. Its objects shall be to carry on for the benefit of the community:

A2.1 the business of providing, maintaining and managing housing and associated amenities and any services that contribute to wider regeneration including the creation of employment, the advancement of education and training, relief of poverty, the provision of public amenities and recreational facilities, and the promotion of public safety and the prevention of crime within the Area of benefit.

A2.2 In carrying out these objects the society shall promote equality of opportunity by eliminating discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010.

Non-profit

A3 The society shall not trade for profit.

A4 Nothing shall be paid or transferred by way of profit to shareholders of the society.

PART B POWERS OF SOCIETY, BOARD, AND SHAREHOLDERS

Powers

B1 The society shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient to achieve its objects, except as expressly prohibited in these rules.

B2 Without limiting its general powers the society shall have power to:

B2.1 carry out works to buildings;

B2.2 help any charity or other body not trading for profit in relation to housing and related services;

B2.3 subject to rules F12, F13, and F14, borrow money or issue bonds, notes loan stock or any other debt instrument or enter

into any transaction having the commercial effect of a borrowing;

B2.4 enter into and perform any derivative transaction on such terms as the society thinks fit for the purpose of hedging or otherwise managing any treasury risk or other financial exposure of the society;

B2.5 subject to rule F15, invest the funds of the society;

B3 The society shall not have power to receive money on deposit in any way which would require authorisation under the Financial Services and Markets Act 2000 or any other authority required by statute unless it has such authorisation.

Powers of the board

B4 The business of the society shall be directed by the board.

B5 Apart from those powers which must be exercised in general meeting:

B5.1 by statute; or

B5.2 under these rules

all the powers of the society may be exercised by the board for and in the name of the society.

B6 The board shall have power to delegate, in writing, subject to rules D31-36, the exercise of any of its powers to committees and to employees of the society on such terms as it determines. Such delegation may include any of the powers and discretions of the board.

Limited powers of shareholders in general meeting

B7 The society in general meetings can only exercise the powers of the society expressly reserved to it by these rules or by statute.

General

B8 The certificate of an officer of the society that a power has been properly exercised shall be conclusive as between the society and any third party acting in good faith.

B9 A person acting in good faith who does not have actual notice of these rules or the society's regulations shall not be concerned to see or enquire if the board's powers are restricted by such rules or regulations.

Obligations of shareholders

C1 All shareholders agree to be bound by the obligations on them as set out in these rules. When acting as shareholders they shall act, at all times in the interests of the society and for the benefit of the community, as guardians of the objects of the society.

Nature of shares

C2 The society's share capital shall be raised by the issue of shares. Each share has the nominal value of one pound which shall carry no right to interest, dividend or bonus.

C3 Shares are not transferrable or withdrawable.

C4 When a shareholder ceases to be a shareholder or is expelled from the society, his or her share shall be cancelled. The amount paid up on that share shall become the property of the society.

Nature of shareholders

C5 A shareholder of the society is a tenant or resident within the area of benefit whose name and address is entered in the register of shareholders.

C6 The following cannot be shareholders:

- C6.1 a minor;
- C6.2 a person who has been expelled as a shareholder, unless authorised by special resolution at a general meeting;
- C6.3 an employee of the society or an employee of any other group member;
- C6.4 a person who has been removed by the board in accordance with rule D9;
- C6.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have.
- C6.6 They cease to be a tenant or resident within the area of benefit.

C9 No shareholder shall hold more than one share and each share shall carry only one vote.

C10 A share cannot be held jointly.

Admission of shareholders

C11 Any lawful tenant or resident aged 18 years or over who lives in the Area of benefit can apply to become a shareholder of the society. The board shall set, review and publish its policies and objectives for admitting new shareholders. The board shall only admit new shareholders in accordance with such policies.

C12 An applicant for a share shall apply to the society's registered office:

C12.1 providing their name and address; andC12.2pay the sum of one pound (which shall be returned to them if the application is not approved).

C13 Every application shall be considered by the board in accordance with rule C11. The board has the power in its absolute discretion to accept or reject the application. If the application is approved, the name of the applicant and the other necessary particulars shall be entered in the register of shareholders. One share in the society shall be issued to the applicant.

Ending of shareholding

C14 A shareholder shall cease to be a shareholder if:

C14.1 they die; or

C14.2 they are expelled under rule C15; or

C14.3 they withdraw from the society by giving one month's notice to the secretary; or

C14.45 they cease to be a shareholder under rule C6;

C15 A shareholder may only be expelled by a special resolution at a special general meeting called by the board.

C15.1 The board must give the shareholder at least one month's notice in writing of the general meeting. The notice to the shareholders must set out the particulars of the complaint of conduct detrimental to the society and must request the shareholder to attend the meeting to answer the complaint.

C15.2 At the general meeting called for this purpose the shareholders shall consider the evidence presented by the board and by the shareholder (if any). The meeting may take place without the attendance of the shareholder.

C15.3 If the resolution to expel the shareholder is passed in accordance with this rule, the shareholder shall immediately cease to be a shareholder.

C15.4 No member expelled from membership shall be re-admitted within three years. A member may only be readmitted by a resolution carried by a majority of not less than two-thirds of

the shareholders voting at any general meeting of which due notice has been given.

Annual general meeting

C16 The society shall hold a general meeting called the annual general meeting within six calendar months after the close of each of its financial years or such later date as may be permitted by law.

C17 The functions of the annual general meeting shall be:

C17.1 to receive the annual report which shall contain:

- the revenue accounts and balance sheets for the last accounting period
- the auditor's report (if one is required by law) on those accounts and balance sheets
- the board's report on the affairs of the society;

C17.2 subject to rules F3 and F4, to appoint the auditor (if one is required by law);

C17.3 to elect (or re-elect) board members if applicable;

C17.4 to transact any other general business of the society set out in the notice convening the meeting including any business that requires a special resolution.

Special general meetings

C18 All general meetings other than annual general meetings shall be special general meetings and shall be convened either:

C18.1 upon an order of the board; or

C18.2 upon a written requisition signed by one-tenth of the shareholders (to a maximum of twenty-five but not less than three) stating the business for which the meeting is to be convened; or

C18.3 if within twenty-eight days after delivery of a requisition to the secretary a meeting is not convened, the members who have signed the requisition may convene a meeting.

C19 A special general meeting shall not transact any business that is not set out in the notice convening the meeting.

Calling a general meeting

C20 All general meetings shall be convened by at least fourteen clear days' written notice posted or delivered or sent by fax or electronic communication to every member at the address, fax number or electronic communication address given in the share register. The

notice shall state whether the meeting is an annual general meeting or special general meeting, the time, date and place of the meeting, and the business for which it is convened.

C21 Any accidental failure to get any notice to any shareholder shall not invalidate the proceedings at that general meeting. A notice or communication sent by post to a shareholder at their address shown in the register of shareholders shall be deemed to have arrived two days after being posted and any sent by fax or electronic communication shall be deemed to have been served when received provided that in respect of a fax it is legible and in respect of an electronic communication, it is in a readable form.

C22 Seventy-five per cent of shareholders may agree, by consenting in writing, or by electronic communication, to a general meeting being held with less notice than required by rule C20.

Proceedings at general meetings

C23 Before any general meeting can start its business there must be a quorum present. A quorum is one-quarter of all shareholders or 15 shareholders, whichever is the lesser. -

C24 A meeting held as a result of a shareholder's requisition will be dissolved if too few shareholders are present half an hour after the meeting is scheduled to begin.

C25 All other general meetings with too few shareholders will be adjourned to the same day, at the same time and at the registered office in the following week. If less than the number of shareholders set out in C23 are present within half an hour of the time the adjourned meeting is scheduled to have started, those shareholders present shall carry out the business of the meeting.

C26 The chair of any general meeting can:

C26.1 take the business of the meeting in any order that the chair may decide; and

C26.2 adjourn the meeting if the majority of the shareholders present in person or by proxy agree. An adjourned meeting can only deal with matters adjourned from the original meeting. An adjourned meeting is a continuation of the original meeting. The date of all resolutions passed is the date they were passed (as opposed to the date of the original meeting). There is no need to give notice of an adjournment or to give notice of the business to be transacted.

C27 At all general meetings of the society the chair of the board shall preside. If there is no such chair or if the chair is not present or is unwilling to act, the vice chair (if any) shall chair the meeting, failing which the shareholders present shall elect a shareholder to chair the

meeting. The person elected shall be a member of the board if one is present and willing to act.

Proxies

C28 Any shareholder entitled to attend and vote at a general meeting may appoint another person, whether or not a shareholder, as their proxy to attend and vote on their behalf. A proxy can be appointed by delivering a written appointment which may be electronic, to the registered office, or such other place as may be selected by the board and stated in the meeting notice, at least five days before the date of the meeting at which the proxy is authorised to vote. It must be signed or approved and sent by the shareholder or a duly authorised attorney. Any proxy form delivered late shall be invalid. Any question as to the validity of a proxy shall be determined by the chair of the meeting whose decision shall be final. A person acting as a proxy shall only act as a proxy for one shareholder.

Voting

C29 Subject to the provisions of these rules or of any statute, a resolution put to the vote at a general meeting shall, except where a ballot is demanded or directed, be decided upon a show of hands.

C30 On a show of hands every shareholder present in person and on a ballot every shareholder present in person or by proxy shall have one vote. In the case of an equality of votes the resolution should fail.

C31 Unless a ballot is demanded (either before or immediately after the vote), a declaration by the chair that a resolution on a show of hands has been carried or lost, unanimously or by a particular majority, is conclusive. An entry made to that effect in the book containing the minutes of the proceedings of the society shall be conclusive evidence of that fact.

C32 Any question as to the acceptability of any vote whether tendered personally or by proxy, shall be determined by the chair of the meeting, whose decision shall be final.

C33 A ballot on a resolution may be demanded by any three shareholders at a meeting (in person or by proxy) or directed by the chair (and such demand or direction may be withdrawn). A ballot may be demanded or directed after a vote on the show of hands, and in that case the resolution shall be decided by the ballot.

C34 A ballot shall be taken at such time and in such manner as the chair shall direct. The result of such a ballot shall be deemed to be the resolution of the society in general meeting.

Representatives and Nominees

C35 Under the provisions of these rules (including rules A3, A4, C3 and C5) no shareholder is entitled to the property of the Society in that capacity, and in the event of death of a person shall cease to be a Shareholder, their share shall be cancelled and the amount paid up on that share shall become the property of the Society. The following make provisions for representatives and nominees taking into account the provisions of these rules:

C35.1 The Act provides that a shareholder may nominate a person or persons to whom property in the Society at the time of his/her death shall be transferred. As any such share will have been cancelled, no person so nominated under the Act shall be entitled to any property of that Shareholder on their Death.

C35.2 No property shall be capable of transfer to any personal representative of a deceased Shareholder.

C36 Upon a claim being made by a trustee in bankruptcy of a bankrupt Shareholder to the share held by that Shareholder, the Society shall transfer such share to which the trustee is entitled and as the trustee in bankruptcy may direct them.

PART D THE BOARD

Functions

D1 The society shall have a board (in these rules referred to as "the board") who shall direct the affairs of the society in accordance with its objects and rules and ensure that its functions are properly performed. Amongst its functions shall be to:

D1.1 set and ensure compliance with the values, vision mission and strategic objectives of the society, ensuring its long term success;

D1.2 appoint, and if necessary, dismiss the chief executive/lead officer and approve his or her salary, benefits and terms of employment;

D1.3 satisfy itself as to the integrity of financial information, approving each year's budget and business plan and annual accounts prior to publication;

D1.4 establish, oversee and review annually a framework of delegation and systems of internal control;

D1.5 establish and oversee a risk management framework in order to safeguard the assets of the society;

D1.6 take appropriate advice;

D1.7 ensure at all times that the society if registered with the regulator as a provider of social housing, takes account of any obligation imposed upon the society by the regulator in exercise of its powers;

D1.8 satisfy itself that the society's affairs are conducted in accordance with generally accepted standards of performance and propriety; and

D1.9 establish and operate a performance appraisal system for the board, the chair and individual board members.

Composition of the board

D2 D2.1 The board shall consist of between seven and twelve board members (including co-optees) as may be determined by the board. A majority of board members shall always be capable of appointment or election by the shareholders.

D2.2 No employee of the society may be appointed (or co-opted) to the board.

D3 Only shareholders and co-optees can be board members.

D4 D4.1 The board shall make available the obligations (including the expected standards of conduct) of every board member (including co-optees) to the board and to the society. The board shall review and may amend the obligations of board members from time to time.

D4.2 No board member (including co-optees) may act as such until they have signed and delivered to the board a statement, confirming that they will meet their obligations (including the expected standards of conduct) to the board and to the society. The board may vary the form of statement from time to time.

D4.3 Any board member who has not signed such statement without good cause within one month of election or appointment to the board or, if later, within one month of adoption of these rules, shall immediately cease to be a board member.

D5 The board may appoint co-optees to serve on the board on such terms as the board resolves and may remove such co-optees. A co-optee may act in all respects as a board member, but they cannot take part in the deliberations nor vote on the election of officers of the society nor any matter directly affecting shareholders.

D6 For the purposes of these rules and of the Act, a co-optee is not included in the expression "board member" or "member of the board". For the purposes of the Housing and Regeneration Act 2008, a co-optee is an officer.

D7 Not more than two co-optees can be appointed to the board or to any committee at any one time.

D8 No one can become or remain a board member or co-optee at any time if:

D8.1 they are disqualified from acting as a director of a company for any reason; or

D8.2 they have been convicted of an indictable offence which is not, or cannot be, spent; or

D8.3 a composition is made with that person's creditors generally in satisfaction of that person's debts; or

D8.4 they are not a shareholder (unless they are a co-optee); or

D8.5 they have absented themselves from three consecutive meetings of the board in one rolling twelve-month period without special leave of absence from the board; or

D8.6 a registered medical practitioner who is treating that person gives a written opinion to the society stating that that person has become physically or mentally incapable of acting as a board member and may remain so for more than three months; or

D8.7 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

D8.8 they are an employee

D9 A board member may be removed from the board:

D9.1 by a special resolution at a general meeting; or

D9.2 by a resolution passed by two-thirds of the board members, excluding the board member subject of the proposed removal and excluding co-optees, provided the following conditions are satisfied:

- at least fourteen days' notice of the proposed resolution has been given to all board members; and
- the notice sets out in writing the alleged breach(es) of the member's obligations in accordance with rule D4.1; and
- the board is satisfied that the allegation(s) is or are true.

D10 Whenever the number of board members and co-optees is less than permitted by these rules, the board may appoint a further board member in addition to the board's power to co-opt. Any board member so appointed shall retire at the next annual general meeting.

Terms of office and election to the board

D11 Completed nomination forms to stand for election to the board must be received by the society not less than two days before the date set for the annual general meeting. Nomination forms must include: the name and address of the person being nominated; a signed statement by the person nominated of their willingness to stand for election; and the name, address and signature of the shareholder making the nomination.

D12 Each board member elected under rule D14 shall be elected for a fixed term of office expiring at the conclusion of an annual general meeting (each a "fixed term"). The fixed term shall be for a term of three annual general meetings unless the board has set a lower number of annual general meetings for the relevant board member on their election. No fixed term shall be set which would cause the relevant board member to serve beyond their ninth consecutive annual general meeting.

D13

D13.1 At every annual general meeting each board member who has served their fixed term shall retire from office. Any board member who retires from office at an annual general meeting under this rule D13 shall be eligible for re-election subject to any restrictions contained in these rules.

D13.2 Any board member retiring under rule D13.1 having completed nine years' continuous service on either the board of the society and/or the board of a group member shall not be eligible for re-election until the next following annual general meeting or, if later, for at least twelve months after completing such service.

D14

D14.1 Board members will be elected in accordance with election procedures set from time to time by the board.

D14.2 The board shall set and publish selection criteria in relation to candidates wishing to stand for election as board members including a statement of the skills, qualities and experience required by the board amongst its members. These may provide for prospective candidates to be approved by the board before they are eligible to stand to election as board members.

D14.3 The board, in accordance with the election procedures set under rule D14.1 shall endeavour to ensure that the board possesses the quality, skills, competencies and experience which the board has from time to time determined that it requires.

D14.4 If at elections for board members the number of candidates for election as board members does not exceed the number of vacancies on the board the chair shall declare those

candidates to have been duly elected. If the number of candidates exceeds the number of vacancies the meeting shall elect the board members by ballot in such a manner as the chair directs and in accordance with the procedures set under rule D14.1.

D14.5 In an election for candidates wishing to be board members at a general meeting every shareholder present in person or by proxy shall have one vote for every vacancy but shall not give more than one vote to any one candidate.

D15 D15.1 Any candidate for election to the board as a board member under Rule D14 shall submit a written statement to the society in such form as the board from time to time determines. It shall set out the candidate's full name, address and why they are standing for election to the board.

D15.2 In addition, a candidate who is not retiring as a board member must be nominated by a shareholder.

D15.3 The statement and nomination shall be delivered to the society in accordance with the procedures set under rule D14.

Quorum for the board

D16 D16.1 Five board members shall form a quorum. The board may determine a higher number or impose additional requirements.

D16.2 If the number and make up of board members falls below the number and make up necessary for a quorum, the remaining board members may continue to act as the board for a maximum period of six months and the provisions of D16.2 shall be suspended for that time. At the end of that time the only power that the board may exercise shall be to bring the number and make up of board members up to that required by these rules.

Board members' interests

D17 No board member, co-optee or member of a committee shall have any financial interest in any contract or other transaction with the society or with any other group member, or be granted a benefit by the society, unless such interest or benefit:

D17.1 is expressly permitted by these rules or under any determination or guidance by the regulator from time to time; or

D17.2 would not be in breach of, and would not be inconsistent with, any determination, guidance, standard or code published by the regulator or any code of conduct and/or governance adopted by the board.

D18 Any board member, co-optee or member of a committee, having an interest in any arrangement between the society and someone else shall disclose their interest, before the matter is discussed by the board or any committee. Such disclosure must comply with any code of conduct and/or governance adopted by the board from time to time. Unless it is expressly permitted by these rules they shall not remain present (unless requested to do so by the board or committee), and they shall not have any vote on the matter in question.

D19 Subject to rule D20, if a question arises at a meeting of board members or of a committee of board members as to the right of a board member to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair, whose ruling in relation to any board member other than the chair is to be final and conclusive.

D20 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the board members at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

D21 Any decision of the board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.

D22 Every board member, co-optee and member of a committee shall ensure that the secretary at all times has a list of:

D22.1 all other bodies in which they have an interest as:

- a director or officer or
- a member of a firm or
- an official or elected member of any statutory body or
- the owner or controller of more than two per cent of a company the shares in which are publicly quoted or more than ten per cent of any other company;

D22.2 any property owned or managed by the society which they occupy; or

D22.3 any other significant or material interest.

D23 If requested by a majority of the board or members of a committee at a meeting convened specially for the purpose, a board member, co-optee or member of a committee failing to disclose an interest as required by these rules shall vacate their office either permanently or for a period of time as the board directs.

D24 *A board member may not receive remuneration, fees, allowances or recompense for loss of earnings to board members, co-optees or members of committees. Notwithstanding rule D17, the society may:*

D24.1 pay properly authorised expenses to board members, co-optees and members of committees when actually incurred on the society's business;

D24.2 pay insurance premiums in respect of insurance taken out to insure officers and employees; and

D24.3 grant benefits to board members, co-optees and members of committees; provided that any such payment or benefit is in accordance with any code of conduct and/or governance adopted by the board from time to time.

D25 A board member, co-optee or member of a committee shall not have an interest for the purpose of rules D17 to D22 as a board member, director or officer of any other group member.

D26 Board members, co-optees or members of committees who are tenants or residents of the society or any other group member shall be deemed not to have an interest for the purpose of rules D17 to D22 in any decision affecting all or a substantial group of residents of the society or of any other group member.

D27 The grant of a tenancy which is consistent with any applicable guidance, determination, standard or code of practice of the regulator (or any code of conduct and/or governance of the board from time to time, adopted by the board) to a board member or member of a committee is not the grant of a benefit for the purpose of rule D17.

Meetings of the board

D28 The board shall meet at least six times every calendar year. At least seven days' written notice (sent by post, fax or electronic communication) of the date and place of every board meeting shall be given by the secretary to all board members and co-optees. The board may meet on shorter notice where not less than seventy-five per cent of the board members so agree.

D29 Meetings of the board may be called by the secretary, or by the chair, or by two board members who give written notice to the secretary specifying the business to be carried out. The secretary shall send a written notice to all board members and co-optees to the board as soon as possible after receipt of such a request. Pursuant to the request, the secretary shall call a meeting on at least seven days' notice but not more than fourteen days' notice to discuss the

specified business. If the secretary fails to call such a meeting then the chair or two board members, whichever is the case, shall call such a meeting.

Availability of certain board statements

D30 The board shall agree and make available:

- the board's statement of the values and objectives of the society;
- a statement of the current obligations of board members to the board and the society;
- the policy for admitting new shareholders.

The board may vary the form of these statements from time to time.

Management and delegation

D31 The board may delegate any powers under written terms of reference to its committees or to officers or employees. Those powers shall be exercised in accordance with any written instructions given by the board.

D32 The board may reserve to itself certain significant matters that cannot be delegated to committees or employees.

D33 The membership of any committee shall be determined by the board. Every committee shall include one board member or co-optee to the board. The board will appoint the chair of any committee and shall specify the quorum.

D34 All acts and proceedings of any committee shall be reported to the board.

D35 No committee can incur expenditure on behalf of the society unless at least one board member or co-optee of the board on the committee has voted in favour of the resolution and the board has previously approved a budget for the relevant expenditure.

D36 For the purposes of the Housing and Regeneration Act 2008 any member of a committee shall be an officer.

Miscellaneous provisions

D37 All decisions taken at a board or any committee meeting in good faith shall be valid even if it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of the members at a meeting.

D38 A resolution sent to all board members or all members of a committee and signed, or confirmed electronically by three-quarters of the board members or three-quarters of the members of a committee shall be as valid and effective as if it had been passed at a properly called and

constituted meeting of the board or committee and may consist of documents in the same form and signed or confirmed electronically by one or more persons.

D39 Meetings of the board or a committee can take place in any manner and through any medium which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to be present at the meeting and whether or not all are assembled in one place.

D40 Notice may be given to board members by post, fax or electronic communication at the last address for such communication given to the secretary. The accidental failure to give notice to a board member or the failure of the board member to receive such notice shall not invalidate the proceedings of the board.

PART E CHAIR, VICE CHAIR, CHIEF EXECUTIVE, SECRETARY AND OTHER OFFICERS

The chair

E1 The society shall have a chair, who shall chair board meetings, and shall be elected by the board on such terms as the board determines. The society may also have a vice chair who, in the chair's absence, shall act as the chair and have the chair's powers and duties and who shall be elected by the board. The arrangements for election and removal of any vice chair shall be determined by the board.

E2 The first item of business for any board meeting when there is no chair (or vice chair) or the chair (or vice chair) is not present shall be to elect a chair for the purpose of the meeting. The chair shall at all times be a shareholder and a board member and cannot be an employee.

E3 The chair shall not have a casting vote.

E The chair of the society may be removed at a board meeting called for that purpose provided the resolution is passed by at least two-thirds of the members of the board present and voting at the meeting.

The chair's responsibilities

E5 The chair shall seek to ensure that:

E5.1 the board's business and the society's general meetings are conducted efficiently;

E5.2 all board members are given the opportunity to express their views;

E5.3 a constructive working relationship is established with, and support provided to, the chief executive/lead officer (if any);

E5.4 the board delegates sufficient authority to its committees, the chair, the chief executive/lead officer (if any), and others to enable the business of the society to be carried on effectively between board meetings;

E5.5 the board receives professional advice when needed;

E5.6 the society is represented as required;

E5.7 the society's affairs are conducted in accordance with generally accepted codes of performance and propriety; and

E5.8 there is a clear division of responsibilities between the board and the paid staff.

E6 The board shall seek to ensure that there is a written statement of the chair's responsibilities which shall be agreed with the board, and reviewed from time to time.

The chief executive

E7 The society may have a chief executive/lead officer appointed by the board. The chief executive/lead officer shall be appointed with a written and signed contract of employment, which shall include a clear statement of the duties of the chief executive.

The secretary

E8 The society shall have a secretary who shall be appointed by the board and who may be an employee. The board may also appoint a deputy secretary (who may also be an employee) to act as secretary in the secretary's absence. The secretary shall in particular:

E8.1 summon and attend all meetings of the society and the board and keep the minutes of those meetings;

E8.2 keep the registers and other books determined by the board;

E8.3 make any returns on behalf of the society to the Financial Conduct Authority;

E8.4 have charge of the seal (if any) of the society; and

E8.5 be responsible for ensuring the compliance of the society with these rules.

Other officers

E9 The board may designate as officers such other executives, internal auditor and staff of the society on such terms (including pay) as it from time to time decides.

Miscellaneous

E10 Every officer or employee shall be indemnified by the society for any amount reasonably incurred in the discharge of their duty.

E11 Except for the consequences of their own dishonesty or negligence no officer or employee shall be liable for any losses suffered by the society or any group member.

PART F FINANCIAL CONTROL AND AUDIT

Auditor

F1 The society, if required by law to do so, shall appoint an auditor to act in each financial year. They must be qualified as provided by part 42 of the Companies Act 2006.

F2 The following cannot act as auditor:

F2.1 an officer or employee of the society;

F2.2 a person employed by or employer of, or the partner of, an officer or employee of the society.

F3 The society's auditor may be appointed by the board or by a resolution of shareholders.

F4 Where an auditor is appointed to audit the accounts for the preceding year, they shall be re-appointed to audit the current year's as well unless:

F4.1 a general meeting has appointed someone else to act or has resolved that the auditor cannot act; or

F4.2 the auditor does not want to act and has told the society so in writing; or

F4.3 the person is not qualified or falls within rule F2 (above); or

F4.4 the auditor has become incapable of acting; or

F4.5 notice to appoint another auditor has been given.

F5 F5.1 No less than twenty-eight days' notice shall be given for a resolution to appoint another person as auditor, or to forbid a retiring auditor being re-appointed;

F5.2 the society shall send a copy of the resolution to the retiring auditor and also give notice to its shareholders at the same time and in the same manner, if possible;

F5.3 if not, the society shall give notice by advertising in a local newspaper at least 14 days before the proposed meeting. The retiring auditor can make representations to the society which must be notified to its shareholders under Section 95 of the Co-operative and Community Benefit Societies Act 2014.

Auditor's duties

F6 The findings of the auditor shall be reported to the society, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014.

F7 The board shall produce the revenue account and balance sheet audited by the auditor, if required, and the auditor's report, if

required, at each annual general meeting. The board shall also produce its report on the affairs of the society which shall be signed by the person chairing the meeting which adopts the report.

Accounting requirements

F8 The end of the accounting year must be a date allowed by the registrar.

F9 The society shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Section 76 of the Co-operative and Community Benefit Societies Act 2014.s 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968.

F10 The society shall establish and maintain satisfactory systems of control of its books of account, its cash and all its receipts and payments.

Annual returns and balance sheets

F11 Every year, within the time period specified by legislation, the secretary shall send the society's annual return to the registrar. The return shall be prepared in accordance with the period specified in the Act, or such other date allowed by the registrar and shall be lodged within the period required by law. The annual return shall be accompanied by the auditor's report, if required, for the period of the return and the accounts and balance sheets to which it refers.

Borrowing

F12 The total borrowings of the society at any time shall not exceed £5 million (five million) pounds sterling or such a larger sum as the society determines from time to time in general meeting. For the purpose of this rule F12, any amount of the society's borrowings in any currency other than pounds sterling (as may be permitted or not prohibited by the regulator from time to time) shall be converted to sterling at the exchange rate or rates applicable under the related derivative transaction or transactions by which the society has hedged its exposure to currency exchange rate movements in relation to the principal amount of such borrowings.

F13 The rate of interest payable at the time terms of borrowing are agreed on any money borrowed shall not exceed the rate of interest which, in the opinion of the board, is reasonable having regard to the terms of the loan. The board may delegate the determination of the said interest rate within specified limits to an officer, board member or a committee.

F14 F14.1 In respect of any proposed borrowing, for the purposes of rule F12 and in relation to the amount remaining un discharged of

any deferred interest or index-linked monies or amounts on any deep discounted security previously borrowed by the society, the amount of such pre-existing borrowing shall be deemed to be the amount required to repay such pre-existing borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing;

F14.2 for the purposes of rule F13 in respect of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of such proposed borrowing receivable by the society at the time of the proposed borrowing; and

F14.3 no person dealing in good faith with the society shall be concerned to know whether rule F12 or F13 or this rule F14 have been complied with.

Investment

F15 The funds of the society may be invested by the board in such manner as it determines.

Application of surpluses

F16 Any surpluses shall be applied in pursuance of the society's objects.

Registered office and name

G1 The society's registered office is:

139 Jamaica Road, London SE16 4SH

G2 The society's registered name must:

G2.1 be placed prominently outside every office or place of business; and

G2.2 be engraved on its seal; and

G2.3 be stated on its business letters, notices, advertisements, official publications, cheques, invoices, website and any other formal corporate communication whether electronic or otherwise.

Disputes

G3 Any dispute on a matter covered by the rules shall be referred by either party to a suitably qualified independent mediator for settlement. The mediator shall be appointed by agreement between the parties or, in default of agreement, by the Centre for Effective Dispute Resolution whether the disagreement be as to the qualifications, the identity of the mediator or otherwise. The mediation will be conducted in accordance with the requirements of the mediator. Both parties will be obliged to comply and co-operate with this procedure at each stage and to share equally the costs of appointment of the relevant mediator as referred to above. Costs thereafter will be borne as the mediator will determine. Where the dispute is not resolved by mediation, any claim shall be dealt with in the county court which shall have sole jurisdiction over any dispute arising under the rules.

Minutes, seal, registers and books

G4 The minutes of all general meetings and all board and committee meetings shall be recorded, agreed at the relevant subsequent meeting and signed by the chair of the subsequent meeting and stored safely.

G5 The secretary shall keep the seal. It shall not be used except under the board's authority. It must be affixed by one board member signing and the secretary countersigning or in such other way as the board

resolves. The board may in the alternative authorise the execution of deeds in any other way permitted by law.

G6 The society must keep at its registered office:

G6.1 the register of shareholders showing:

- the names and addresses of all the shareholders and
- a statement of all the shares held by each board or committee member and the amount paid for them and
- a statement of other property in the society held by the shareholder and
- the date that each shareholder was entered in the register of shareholders;

G6.2 a duplicate register of shareholders showing the names and addresses of shareholders and the date they became shareholders;

G6.3 a register of the names and addresses of the officers, their offices and the dates on which they assumed those offices as well as a duplicate;

G6.4 a register of holders of any loan;

G6.5 a register of mortgages and charges on land; and

G6.6 a copy of the rules of the society.

G7 The society must display a copy of its latest balance sheet and auditor's report (if one is required by law) at its registered office.

G8 The society shall give to all shareholders on request copies of its last annual return with the auditor's report (if one is required by law) on the accounts contained in the return, free of charge.

G9 The secretary shall give a copy of the rules of the society to any person on demand who pays such reasonable sum as permitted by law.

Statutory applications to the registrar

G10 Ten shareholders can apply to the Financial Conduct Authority to appoint an accountant to inspect the books of the society, provided all ten have been shareholders of the society for a twelve-month period immediately before their application.

G11 The shareholders may apply to the registrar in order to get the affairs of the society inspected or to call a special general meeting. One hundred shareholders, or one-tenth of the shareholders, whichever is the lesser, must make the application.

Amendment of rules

G12 G12.1 The rules of the society may be rescinded or amended, [but not so as to stop the society being a charity].

G12.2 The rules may only be amended by a resolution put before the shareholders by the board and approved by at least two-thirds of the board prior to approval by the shareholders.

G12.3 Rules A2; A3; A4; B1; B2; B3; C2; C3; D16; D28; G12 and G14 can only be amended or rescinded by way of a written resolution or by three-fourths of the votes cast at a general meeting. Any other rule can be rescinded or amended by two-thirds of the votes cast at a general meeting or by way of a written resolution.

G12.4 Amended rules shall be registered with the registrar as soon as possible after the amendment has been made. An amended rule is not valid until it is registered.

Dissolution

G13 The society may be dissolved by a three-fourths majority of shareholders who sign an instrument of dissolution in the prescribed format by winding-up under the Act.

G14 G14.1 Any property that remains, after the society is wound-up or dissolved and all debts and liabilities dealt with, the shareholders may resolve to give or transfer to another [charitable] body with objects similar to that of the society;

G14.2 if no such institution exists, the property shall be transferred or given to a Charitable Trust.

Interpretation of terms

G15 In these rules, including this rule, unless the subject matter or context is inconsistent:

G15.1 words importing the singular or plural shall include the plural and singular respectively;

G15.2 words importing gender shall include the male and female genders;

G15.3 "amendment of rules" shall include the making of a new rule and the rescission of a rule, and "amended" in relation to rules shall be construed accordingly;

G15.4 "the society" shall mean the society of which these are the registered rules;

G15.5 "board" shall mean the board appointed in accordance with Part D and "board member" or "member of the board" shall

mean a member of the board for the time being but shall not include a person co-opted to the board under rule D5;

G15.6 “chair” shall, save in rule E1 and where applicable, include the vice chair;

G15.7 “regulator” means the body defined as the Office for Tenants and Social Landlords operating as the Tenant Services Authority or, if in Wales, the Housing Directorate of the Welsh Assembly Government or any statutory successor to or any assignee of any or all of their relevant functions from time to time;

G15.8 “registrar” means the Financial Conduct Authority or any statutory successor to or any assignee of any or all of its relevant functions from time to time;

G15.9 "officer" shall include the chair and secretary of the society and any board member for the time being and such other persons as the board may appoint under rule E9;

G15.10 "property" shall include all real and personal estate (including loan stock certificates, books and papers);

G15.11 "register of shareholders" means the register kept in accordance with rule G6.1;

G15.12 "secretary" means the officer appointed by the board to be the secretary of the society or other person authorised by the board to act as the secretary's deputy;

G15.13 "shareholder" shall mean one of the persons referred to in rule C5 and means "member" as defined by the Act;

G15.14 "resident" means a person who alone or jointly with others holds a tenancy, lease or licence to occupy the society’s premises for residential use or the premises of anybody whose accounts must be consolidated with the society’s or any other group member;

G15.15 "the Act" shall mean the Co-operative and Community Benefit Societies Act 2014;

G15.16 "these rules" shall mean the registered rules of the society for the time being;

G15.17 references to any provision in any Act shall include reference to such provision as from time to time amended, varied, replaced, extended or re-enacted and to any orders or regulations made under such provision;

G15.18 "special resolution" means a resolution at a general meeting passed by a two-thirds majority of all shareholders who vote in person or by proxy;

G15.19 social housing means low cost rental accommodation and low cost home ownership accommodation as defined in section 68 and social housing as defined in section 77 of the Housing and Regeneration Act 2008.

G15.20 “derivative transaction” means any transaction which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, or any combination of these transactions.

Annex B

Code of Governance
Wrayburn Community Organisation

We understand our Mission

Our mission

is to work in partnership with the Council and our tenants and leaseholders to provide a good, consistent, value for money housing management service based on tenants needs from a local office within our Area of Benefit. We will deliver a professional service with quality assured policies procedures and information technology, we will respond to the needs of our community. We will ensure that local control will lead to better housing services

In doing this our TMO

- acts in accordance with our Constitution, and
- promotes inclusion, equality and respect for diversity in accordance with our equality and diversity policy
- promotes council housing and being a good employer to our staff

We are In Control

1. The Board is in control of the business. Board members must work together, in the interest of the TMO as a whole.

2. The Board is responsible for all actions taken by the TMO. This includes the responsibility to ensure that the TMO acts in accordance with the law and regulations and with its contracts, including its management agreements with landlords. The Board will therefore make sure that it is fully aware of its legal responsibilities and will seek expert advice where necessary, for example concerning health, safety and employment.

3. Action on behalf of the TMO can only be taken as authorised in the Board minutes where all decisions are recorded. The Board decides who can make decisions, and take action, on behalf of the TMO. This authority may be given to any of

    - Officers and Board members, staff,
    - sub committees and working groups of members, and
    - agents and contractors.

4. The Board records delegated authority in its scheme of delegation which is regularly reviewed and kept up to date. Where authority or responsibility is given to Officers or to a sub committee or other group, the Board agrees written terms of reference clearly showing what this authority or responsibility is and what records and reports are to be produced. TMO staff are recruited, appointed and instructed by the Board and act only with the authority of the Board in accordance with their job descriptions and the TMO's staffing procedures.

5. If a decision is needed that is not authorised in accordance with delegated powers, then the matter is referred to the Board for decision.

6. In an emergency, essential action may be authorised by the Chair and Manager. Such cases must be reported to the next Board meeting which will consider if the action was justified by a genuine emergency and whether policies or schemes of delegation should be reviewed.

7. The Board meets regularly not less than 6 times per year. In conducting its business, the Board follows its code of conduct.

8. At meetings, the Board

    - considers business on the agenda
    - receives reports which enable it to monitor the performance of the TMO.

9. To prepare properly, Board members receive

    - written reports and information to help make decisions after considering facts and options
    - training including using national and local training programmes when available

10. The TMO's Officers include a Chairperson, Secretary and Treasurer, who are appointed or elected in accordance with the Constitution. Their roles, and the method of selection, are in the Officers' role descriptions.

11. Board members, officers and staff may not receive money, goods or services except for

    - expenses paid in accordance with the expenses policy
    - salary paid to staff under contracts of employment.

12. Any other gifts or benefits must be recorded in the register of gifts and hospitality.

13. A conflict of interest is any situation where a Board member (including a close relative or friend, or an organisation which the Board member belongs to) might make a gain from a Board decision, over and above the ordinary benefit to any user of the TMO's services. These conflicts of interest are dealt with in accordance with our conflicts of interest policy

14. The Board is in control of the TMO's finances. The Board sets a budget each year and reviews income and expenditure compared with this budget. No goods or services may be ordered and no money spent without Board approval. The Board delegates authority to receive, commit and spend money in accordance with its financial standing orders. The Board is responsible for ensuring that accounts are prepared, audited and presented in accordance with the law and the TMO's standing orders and management agreements, that the TMO manages its income and expenditure properly and legally, and that we plan and conduct TMO business to ensure good value for money with accountability to members, residents and landlords.

15. All actions and decisions must be in accordance with the TMO's policies. These are periodically reviewed to ensure that they are up to date and complied with.

16. The Board reviews and monitors the TMO's activity and performance through the routine reports presented regularly to Board meetings. These reports include ways to measure the performance of the TMO.

17. To ensure that a competent Board will continue into the future, the Board has a succession strategy. It regularly reviews its own membership and seeks to recruit new members by

    - co-opting where necessary to ensure that the Board has the skills it needs,
    - encouraging participation and attracting new candidates to stand for election

18. The Board is responsible for all staff, agents and contractors working on behalf of the TMO. Staff are recruited and employed in accordance with the TMO's policies and procedures and their contracts of employment. The Board ensures that staff are properly supervised, supported, trained and rewarded, and are given clear and realistic objectives in line with the Board's plans and strategies.

19. Contractors and agents are recruited in accordance with the TMO's procurement policies and procedures. They have written contracts or terms of reference and are suitably insured for their liabilities to the TMO.

20. The Board recognises and values the services of all the TMO's staff, contractors and agents, and regularly monitors and reviews their powers and performance.

We are In Touch

1. The Board is open about its business. We consult about services, priorities, significant changes and future plans and strategy. We listen and answer to the people and bodies who are entitled to take an interest in our business:

    - our members,
    - residents of the homes we manage,
    - landlords,
    - the wider community

2. All TMO documents are public and are available on request, except for any information that is properly kept private and is therefore covered by the TMO's code of confidentiality.

3. The constitution says who is entitled to become a member, and how members are accepted. We seek to attract as many people as possible to become members, in accordance with the membership policy. Members hold us to account by:

    - electing the Board,
    - being able to attend General Meetings (meetings of all members) which take place in accordance with the constitution.

4. Residents are the people who live in the homes we manage, especially including tenants and leaseholders who have legal rights to occupy homes and to become members of the TMO. The Board encourages all eligible people to become members with a vote at General Meetings. The Board regularly reviews its success in achieving maximum membership.

5. Where residents choose not to apply for membership, this does not alter our commitment to ensuring that all tenants, leaseholders and other users of our services enjoy the best possible standards and opportunities for consultation.

6. Residents can scrutinise the services they receive, by checking published information including performance results and the TMO's annual report. Residents are encouraged to give feedback on the services they receive through meetings and consultation, and to make complaints in accordance with the Complaints Policy.

7. The Board may also offer formal, independent scrutiny arrangements so that tenants and leaseholders may review performance and services, and make recommendations for the Board to consider.

8. We manage services on behalf of one or more landlords in accordance with our management agreements. Under these agreements, we provide reports and information so that landlords can monitor our performance. The Board responds promptly and openly to requests, suggestions and proposals from landlords, and take part in formal liaison arrangements.

9. We are a democratic, community organisation responsible for spending public money on local services. While working primarily for the benefit of our members and residents, we aim also to promote harmony and a good quality of life in the wider community.

10. We support participation in shaping services in our neighbourhood. We respond promptly and willingly to comments and requests for information from members and officers of public authorities. We strive to promote an inclusive, democratic society and to serve the national movement for tenant management.

11. We work with a range of local stakeholders, agencies, community groups, networks and partnerships , for example:

    - the local council(s);
    - Community Council;
    - the National Federation of TMOs.

We are Strategic

The Board thinks about and sets the TMO's strategy.

1. We consider and review plans, objectives, resources and governance, taking account of opportunities to improve and grow services, and of pressures from inside and outside. We look a number of years ahead. Our strategy is based on a realistic view of the resources available to us – money, people and

our ability to manage. We try to use these resources as effectively as possible to achieve our objectives.

2. We prepare an annual business plan with aims and objectives for each year, working towards our longer term strategic aims. Our annual business plan takes account of our budget, our available cash, our staffing and contracting arrangements, and our methods for controlling and directing these. We aim to get the best use from the resources we have available.

3. We consider risks and plan to provide resources to cope with these risks. Where we are able to build up reserves and surpluses, we use these prudently to secure our future and to provide improved or extra services, in line with priorities set by residents through consultation, as allowed by our constitution and our management agreements.

   Our strategy, policies and annual business plan are used to guide staff and others responsible for day to day work.

4. We monitor performance and progress against our strategy and annual business plan, and revise details accordingly.

5. We consult on and publish our strategy and we encourage comment and discussion about how well we are doing in meeting it.

6. We keep our own performance, as a Board, under review. We regularly review and assess our work to check that we are working in accordance with this Code of Governance and that we have the skills and knowledge required to operate as an effective board. We develop action and training plans to address

Adopted	**Review**
12 November 2016	December 2018

WRAYBURN COMMUNITY ORGANISATION BOARD AND COMMIITTEE MEMBERS

CODE OF CONDUCT

Scope

Board and Committee Members are expected to adhere to the highest standards of conduct. This Code sets standards which will enable members to maintain the values and mission of Wrayburn Community Organisation Limited and to protect themselves, the organisation and its staff from misunderstanding and criticism. This Code applies to all Board and Committee members of the organisation.

General conduct and behavior

1. As representatives of the TMO, Board Members must promote and uphold its values, policies and decisions, including those for equality and diversity and must not do anything which actually or potentially may put its reputation at risk.

2. Board Members must act only in the interest of their organisation and not on behalf of any constituency, political, or interest group, and not for personal interest or benefit. The organisations resources, including IT equipment, will not be used for any other purpose than for the direct benefit of the TMO.

3. Board Members must act with integrity and in a professional manner. They must not place themselves under an obligation that might influence or be perceived to influence, the conduct of their duties.

4. Board Members need to be meticulous about declaring all relevant personal interests and those of any person or body closely connected with them. They must ensure that their private interests or personal opinions do not influence their decisions or interfere with their work. They must not use their position to obtain personal gain for themselves directly or for their family, friends or associates

5. Board Members are required to sign and uphold this Code of Conduct.

Obligations and responsibilities

6. The role of the Board and its sub committees is to ensure that the day-to-day business of WCO TMO is conducted properly and in fulfillment of any Management Agreement signed with the Council. All Board Members must always be aware of their responsibilities towards members, residents and employees. Each Board Member has a duty to act in the best interests of the organisation.

7. Before they can act, Board Members are required to sign a statement accepting their obligations and responsibilities. These include representing the values and objectives of the TMO, upholding the TMO‟s policies and reputation, contributing to and sharing responsibility for Board and committee decisions. Conduct which is materially in breach of any obligation set by the Board for all its members may lead to removal from the board.

8. When reaching decisions, a Board Member must have regard to any relevant advice provided to him or her by the organisation's staff or advisors acting in pursuance of their duties.

9. Board members must commit to attend meetings; failure to attend regularly may lead to removal from the Board. Attendance will be reviewed on a quarterly basis and if any member has missed 3 consecutive meetings, without good reason, they will be required to step down. Any member who in a twelve-month period misses 50% of meetings may be required to step down, subject to the Board confirming this.

Declaring and handling interests

10. Board Members need to pay particular care to the management of personal interests, and in particular to actual, potential or perceived conflicts of interest in order to protect the TMO from any appearance of impropriety. All current and potential Board members are asked to complete a declaration of interest form.

11. Board members should disclose all relevant personal interests whether pecuniary or non pecuniary relating to themselves or any body closely connected to them, whether profit making or voluntary. This includes family members such as spouse or partner and close relatives, as well as close friends and business colleagues. Relevant personal interests may take many forms, some of the usual ones are:

- Employment, ownership or significant shareholding in a company or partnership providing products or services to the TMO.
- Significant ownership of land and/or property in the area of operation of the TMO;
- Tenancy or leasehold interest of a property owned or managed by the TMO;
- Membership of a campaigning, residents‟ or community organisation which has interest in the business or operation of the TMO;
- Membership of a local authority, another public body, or another association or unregistered “not for profit” body with interests in the area of operation of the TMO
- Membership of political parties and pressure groups should always be declared.

12. Two members of the same household cannot be Officers of Board at the same time. No more than two members of an ‘extended’ family, even if living in separate properties, can serve on the Board at the same time. For the purpose of this clause, an extended family consists of adult brothers, sisters, daughters and sons.

13. Board Members have a responsibility to notify the Board immediately of any changes that occur in either their own interests or those of a person closely connected to them.

14. Board Members should ensure that when an item of business arises at a meeting in which they or a person closely connected to them have an interest, this is declared and where possible notified to the Chair of the meeting at its commencement as an initial agenda item. The Chair should notify the Board if any such interest occurs that

affects them. The Board should consider the action necessary to avoid any real or perceived conflict arising.

15. Members should declare an interest in anything in which they have or could reasonably be perceived to have an interest. The test is whether an interest might reasonably be thought to have influenced the outcome, as well as whether it actually did.

16. All relevant declarations of interest given before or during meetings and the action taken by the individual board members to prevent a conflict from arising will be recorded in the minutes.

17. Where the declared interest is a financial one or where personal benefit may arise or be seen to arise, Board Members should take no part in the discussion of the item or the decision.

18. Board Members must use the agreed procedure for reporting repairs and pursuing any other enquiries relating to their own property.

Conduct of meetings

19. The Board shall take decisions on the basis of a simple majority of those present and eligible to vote. Minority voters must always be prepared to accept a majority decision.

20. Board members are expected to prepare for and attend meetings. Failure to attend meetings or to offer apologies can lead to removal from office.

21. Board and Committee meetings will be conducted in a constructive and supportive atmosphere. Board members who chair a meeting will do so in a manner that encourages debate and comment from all members during a meeting.

22. Board members are expected to contribute to and share responsibility for Board and committee decisions. Board members who persistently obstruct, hinder or impede the business of meetings or the performance by any board member or officer of the TMO of their duties, or who engage in conduct detrimental to the TMOs interests, whether or not at a board or committee meeting may be determined as having engaged in conduct that could lead to removal.

23. Board Members have the responsibility to conduct themselves in a way that does not cause offence to others or limit in any way the ability of other members to participate fully. This includes sexist, racist, or other derogatory remarks or actions, behaviour that intimidates people, interrupting or speaking while others are speaking or are wishing to speak. Members must never personalise issues and must recognise that everybody is entitled to express their point of view.

24. Every Board Member shares responsibility for the decisions made by the board as a whole. No Board Members should act on behalf or belong to any other interest group within the resident population which may have conflicting aims unless by agreement with the Board.

25. Board Members and co-opted Members must not use their status or board time to persistently act in their own self-interest. Members must recognise that everybody is entitled to express their point of view.

26. Any recommendations made by a subcommittee on major areas or in disputes must be referred to the Board for a decision. If appropriate, as in the case of major policy changes, they should be referred to a general meeting. No subcommittee will take any decision which will commit the TMO to extra expenditure outside of the approved budget.

27. Board members must attend and participate in reviews linked to individual performance or that of the whole Board or committee, as well as training sessions and other events.

Use of Information

28. Board members must not disclose confidential information concerning the TMO, its tenants and staff. Failure to comply with this rule may lead to action being taken by the Board and possible removal from the Board.

Contractors and Consultants

29. Under legislation, anyone who is (or has been in the last twelve months) a principal proprietor (or close relative) of a firm trading for profit with whom the TMO does business, cannot join as a Board member of the TMO.

30. The TMO is also prohibited from paying contractors and consultants of firms trading for profit if a TMO Board member (or close relatives) is a principal proprietor. Board members should note that a declaration of interest by itself is not enough to make a breach of this policy lawful.

31. Board members must not gain any special advantage by virtue of their Board or committee membership, if they use the services of a consultant, contractor, professional adviser or other individual or firm that also works for the TMO. Where a Board member uses the services of any of the TMO‟s approved contractors, consultants or suppliers of bulk goods or services the arrangement should be declared, in advance, to the Board.

Employment

32. The TMO cannot employ Board members (or their close relatives) or those who have been Board members.

33. All Board Members should at all times be courteous to employees and contractors and provide them with a safe working environment. They should seek to assist and actively support employees and contractors to provide the best possible housing service to residents.

34. If a Board Member wishes to make a complaint against an employee or contractor it must be raised either at a Board meeting or brought to the attention of the Chair if the matter is urgent

35. Board Members (other than a delegated Staff Liaison Officer) will not have access to personal and individual files of employees.

36. Board Members can only give direct instructions to employees or contractors if authorised to do so by Board. All instructions arising from decisions made by the Board, to be given to employees or contractors, will be made to the TMO Manager.

Remuneration of Board & Committee Members

37. All Board and Committee members do not receive remuneration.

38. The TMO will reimburse all Board members‟ out-of-pocket expenses properly incurred in the business of the organisation where these have been agreed beforehand.

39. It is unacceptable for personal gifts to be solicited by Board members from another individual or organisation. Gifts of cash must never be accepted. Only small personal gifts e.g. diaries, calendars may be accepted by a Board member where refusal might offend. All gifts and hospitality received are recorded in a register

Reporting issues of serious concern

40. Board Members who wish to raise issues of serious concern should do so through the Chair. If this is not appropriate, the matter should be raised with the Secretary. The TMO will ensure that Board members who report in good faith, issues of serious concern are protected from reprisal and or victimisation.

Summary

41. Board Members are expected to conduct the affairs of the TMO in accordance with the law, all regulatory requirements, the Constitution and the spirit of this Code which requires a separation between organisational and private interests.

42. Failure to sign the Code of Conduct will be deemed negative conduct. Failure to sign any revision to the Code of Conduct means the Board members ceases to hold office.

Principles of conduct

43. A Board Member must adhere to the following principles of conduct when acting in any way which is connected to or relates to the business of Wrayburn Community Organisation.

- It operates according to high ethical standards, explicit values and the organisations Code of Governance and Conduct.
- Board Members should be accountable to the Council and the organisations shareholders for their actions and the manner in which they carry out their responsibilities, and should co-operate fully and honestly with any audit or scrutiny in relation to their role as Board Member.
- Board Members should be as open as possible about their actions and those of TMO and should be prepared to give reasons for those actions.
- Board Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability.
- Board Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.
- Board Members may take account of the view of others, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.
- Board Members should uphold the law
- Board Members should do whatever they are able to do to ensure that the TMO uses its resources prudently and in accordance with the law.

I understand and accept the Code of Conduct for Board Members and understand that failure to uphold the Code of Conduct may be deemed negative conduct and be dealt with under the Constitution

As a member of the TMO Board (and/or it's sub committees/s), I declare that I have read and agree to abide by this Code of Conduct

NAME.....

DATE……

SIGNATURE.....

Revised	
Sept 2017	Sept 2019

Annex C - The TMO's Insurance Responsibilities

The TMO is required to have its own insurance to cover risks arising from its responsibilities and operation (Chapter 1 Clause 7.3), including

- Public Liability Insurance to a minimum limit of Indemnity of £5million
- Employers Liability Insurance at a minimum limit of Indemnity of £10million
- Fidelity Guarantee Insurance at a limit of Indemnity for the amount of **either** the rental income (net of Housing Benefit) held by the TMO in the 6 months period before it is paid over to the Council **or** the level of the amount held in the TMO's Reserve and Surplus accounts (i.e. the balance in all accounts that would return to the Council in the event of closure), whichever is the greater.
    - Where a Surplus Fund (which would be retained by the TMO in the event of closure) is specifically identified as such in the audited accounts, inclusion of cover for this in the calculation of the limit of indemnity is recommended, but not required.
    - Fidelity Guarantee cover should include all elected officers of the TMO Board, all cheque signatories and any TMO member who may have the ability to misappropriate goods or money.
- Directors and Officer Insurance should the TMO's Board include either Council Employees or Councillors.
- Material Damage Insurance in respect of the contents of the TMO's office and other TMO property
- Business interruption Insurance to cover the increased cost of working in the event of an interruption to the TMO's business
- Insurance covering loss of money arising from an assault on a member of staff (PA Assault cover) to the maximum value of cash you would hold on behalf of the Council at any one time; for TMOs that don't collect cash at all, this will therefore be optional.

The TMO agrees to indemnify the LB Southwark against any loss or damage which it may suffer as a result of the omission or failure of the TMO or that of its duly authorised Employees or Agents to fulfil the responsibilities as under the agreement.

The TMO will provide the council with a copy of each year's policy schedule, specifying the amount of cover for each risk and the annual premium payable. This should be immediately following renewal, and written confirmation from

the insurance company concerned, that the premium has actually been paid, will also be provided. The manager will give the board a report on insurance provision every year, at the first board meeting following renewal of the policy (or at the last board meeting before renewal is due, if changes are proposed).

Chapter 2

Repairs, Maintenance and Services Provision

Clause 4.2 of Chapter 1 provides for all of the Council's statutory, contractual and common law obligations to tenants and leaseholders to be unaffected on the coming into force of this Agreement. Accordingly the Council's repairing obligations under, for example, the tenancy agreement or lease, section 4 of the Defective Premises Act 1972, or section 11 of the Landlord and Tenant Act 1985 remain unchanged. This Chapter deals with the exercise by the **Tenant Management Organisation** *of* ***Management Functions*** *the* **Tenant Management Organisation** *has agreed to take on from the Council which arise from the Council's repairing obligations to its tenants and leaseholders. The Chapter also deals with the arrangements between the Council and the* **Tenant Management Organisation** *for* ***Major Works****, which may extend beyond fulfilment of the Council's repairing obligations to its tenants and leaseholders, and a number of other matters. Note should be made of the protection that Government intends to provide for public sector leaseholders, through a financial cap that limits the liability of such leaseholders whose homes are included in major works programmes that are funded by Government*

1 Functions of the Tenant Management Organisation in respect of responsive and planned maintenance repairs

*(****Option B:*** *The* **Tenant Management Organisation** *may carry out those classes of* ***Responsive*** *and* ***Planned Maintenance Repairs*** *that it wishes providing that the division of repair functions is practicable. The* ***Allowances*** *[Chapter 5, clause 1] must be adequate to cover the repair works the* **Tenant Management Organisation** *takes on.)*

1.1 The **Tenant Management Organisation** will exercise **Management Functions** in respect of the classes of **Responsive** and **Planned Maintenance Repairs** listed in Annex A to Schedule 1 (**Functions and Performance Standards of the Tenant Management Organisation and the Council in respect of Repairs)**, being classes of repair that it is practicable for the **Tenant Management Organisation** to carry out, subject to the provisions of clauses 8 and 9 and the provisions in relation to classes of repair included in a **Major Works** programme.

1.2 Nothing in this clause will impose upon the **Tenant Management Organisation** an obligation to repair, redecorate or maintain:

1.2.1 any fixture, fitting or appliance provided by a tenant, leaseholder or freeholder as an alteration or improvement except where the Council would be under an obligation to repair, redecorate or maintain it;

1.2.2 any part of a **Property dwelling** or any fixture, fitting or appliance in a **Property dwelling** which is in need of repair or maintenance because of any defect in the design or construction of the **Property dwelling** or the manufacture of any fitting, appliance or component part (unless funds for such repairs have been included in the **Allowances**, see Chapter 5 clause 1); or

1.2.3 any part of a **Property dwelling** or any fixture, fitting or appliance which a tenant, leaseholder or freeholder is under an obligation to maintain under his or her tenancy, lease or freehold transfer.

1.3 The **Tenant Management Organisation** agrees to make good any damage and to carry out repairs to any dwelling (including redecoration) which may be needed as a result of the **Tenant Management Organisation** carrying out the **Responsive** and **Planned Maintenance Repairs** it has agreed to carry out under this clause.

1.4 The **Tenant Management Organisation** will carry out repairs that would otherwise be carried out by the Council under Option B, clause 2.1 where the expected cost of those repairs is less than an amount agreed in writing by the Council and the **Tenant Management Organisation**.

2 Function of the Council in respect of repairs

*(**Option B:** The Council continues to exercise some of its repairing functions.)*

2.1 Subject to Option B, clause 1.4, the Council will carry out all repairs to any dwelling that are not listed in Annex A to Schedule 1 that are within its repairing obligations as landlord, or under the terms of a freehold transfer. Such repairs include, but are not restricted to, those listed in Annex B to Schedule 1.

2.2 The Council agrees to make good any damage and to carry out repairs to any dwelling (including redecoration) which may be needed as a result of the Council carrying out repairs under this clause.

3 Failure to repair

3.1 In carrying out repairs under clause 1, the **Tenant Management Organisation** will meet the standards and time scales agreed between it and the Council and set out in Schedule 1.

3.2 In carrying out repairs under clause 2, the Council will meet the standards and time scales agreed between it and the **Tenant Management Organisation** and set out in Schedule 1.

3.3 If, in the opinion of the **Tenant Management Organisation**, the Council is not carrying out a repair that it has agreed to carry out or which is within its repairing obligation as landlord, or is not meeting the standards and time scales set out in Schedule 1, the **Tenant Management Organisation** may inform the Council in writing of the repair required in a **Repair Notice.**

3.4 If, in the opinion of the Council, the **Tenant Management Organisation** is not carrying out a repair that it has agreed to carry out or is not meeting the standards and time scales set out in Schedule 1, the Council may inform the **Tenant Management Organisation** in writing of the repair required in a **Repair Notice.**

3.5 If a **Repair Notice** is served under clause 3.3 or clause 3.4, the repair will be carried out in accordance with the standards and time scales set out in Schedule 1.

3.6 If the repair specified in the **Repair Notice** is not completed within the time scales set out in Schedule 1, the party who served the notice will have the right to carry out the repair and recover from the other party any costs reasonably incurred in carrying out the repair.

4 Major Works: Initiation by the Council

4.1 The Council may draw up proposals for **Major Works** for cyclical redecoration and associated repairs, structural repairs, renewal of components, fixtures or fittings, and improvements to dwellings if it considers them to be necessary or desirable.

4.2 If the Council decides that **Major Works** are necessary or desirable the Council will inform the **Tenant Management Organisation** and provide the **Tenant Management Organisation** with details of the Council's proposals.

4.3 The **Tenant Management Organisation** will consult with tenants, leaseholders and freeholders over **Major Works** proposals, complying with the requirements under sections 20 and 20ZA of the Landlord and Tenant Act 1985, unless the Council is undertaking consultation under clause 5 of Chapter 4 and clause 15 of Chapter 7. If applicable the **Tenant Management Organisation** will carry out statutory consultation in accordance with clause 15 option B of Chapter 7 and non-statutory consultation in accordance with clause 16 of Chapter 7. In finalising its response, the Tenant Management Organisation will take into account any comments tenants, leaseholders or freeholders may make.

4.4 The Council will give proper consideration to the **Tenant Management Organisation's** response to **Major Works** proposals and to any changes which the **Tenant Management Organisation** may suggest. [Link to clause 6.]

5 Requests for Major Works by the Tenant Management Organisation

5.1 The **Tenant Management Organisation** may request the Council to draw up proposals for **Major Works and** the provisions of clause 4.1 will apply to such a request.

5.2 Each year the Council will advise the **Tenant Management Organisation** of the information that the Council reasonably requires to consider a request under clause 5.1 and the timetable for such requests to be considered. A reasonable period will be specified for that information to be provided.

5.3 Before submitting a request under clause 5.1, the **Tenant Management Organisation** will consult any tenants, leaseholders and freeholders who may be affected by the proposed **Major Works**. In finalising its request the **Tenant Management Organisation** will take into account any comments tenants, leaseholders or freeholders may make. The **Tenant Management Organisation** will carry out consultation in accordance with clause 16 of Chapter 7.

5.4 The Council will give full and fair consideration to a request under clause 5.1. In deciding whether to accept the request, the Council will give equal consideration to the need for repairs or improvements to the **Property** as it gives to the need for repairs or improvements to other properties in the Council's housing stock.

6 Major Works

*(**Option A:** The Council carries out **Major Works** but agrees to consult the **Tenant Management Organisation** in relation to them.)[Link to clause 8.]*

6.1 If the Council intends to undertake **Major Works**, the Council will consult the **Tenant Management Organisation** about its proposals (including the nature and scope of the works, the proposed contract terms and conditions and the methods by which it intends that the works should be carried out), in accordance with the provisions set out in Schedule 2 (**Procedure for Consultation on Major Works)**.

The **Tenant Management Organisation** may request the Council to amend its proposals or to include specific terms and conditions in contracts for the **Major Works.** The Council will give reasoned consideration to any requests made by the **Tenant Management Organisation** under the consultation procedure under this clause. Where the Council has reason for not complying with such a request, the Council will, as soon as is reasonably practicable, give the **Tenant Management Organisation** a written explanation.

6.2 At least 28 days before inviting tenders for the proposed **Major Works**, the Council will send to the **Tenant Management Organisation** for approval details of:

a) the **Major Works** proposed;

b) the intended programme for the **Major Works**;

c) the access arrangements required for the **Major Works**; and

d) the contractors from whom the Council intends to invite tenders for the **Major Works**; and request the **Tenant Management Organisation** to nominate contractors to be included on the tender list. The Council will not refuse any such nomination without good reason.

6.3 Within 28 days of receiving tenders for the **Major Works** the Council will submit for the **Tenant Management Organisation** approval details of:

a) the tenders received for the **Major Works**;

b) the contractor or contractors whose tender or tenders the Council intends to accept for the **Major Works**; and

c) the date upon which the contractor intends to commence the **Major Works**.

6.4 The Council will not commence **Major Works** without approval from the **Tenant Management Organisation.** The **Tenant Management Organisation** will not withhold or delay approval of the request from the Council for approval without good reasons.

6.5 The **Tenant Management Organisation** will be kept fully informed of the progress of the works, invited to attend site meetings with contractors and council officers, and be given an opportunity to express its views throughout. On completion of the works, it will be invited to handover meetings and be asked for its views on the resolution of residual problems, in accordance with the provisions of Schedule 2.

6.6 This clause is subject to the provisions of clause 7, and in a case falling within clause 7 the Council will consult the **Tenant Management Organisation** throughout all stages of the process leading to a **Partnering Contract** between the Council and a third party for the carrying out of **Major Works** which affect the **Property**.

7 Partnering contracts made by the council with third parties in respect of major works

7.1 The provisions of clause 6 do not prevent the Council from entering into a **Partnering Contract** for the carrying out of **Major Works** by third parties,

and the provisions of that clause do not apply in so far as they are not compatible with the arrangements made by the Council and the third party.

7.2 Where the Council proposes to enter into such a **Partnering Contract** which affects the **Property**, it will consult with and involve the **Tenant Management Organisation** at an early stage and throughout the process and give proper regard to the views of the **Tenant Management Organisation** at all stages.

8 Replacement repairs

8.1 Unless a repair is specifically included within Option C of clause 6 or within Option D of that clause, the Council will be under an obligation to replace and renew (whether as part of a planned maintenance programme or otherwise) all component parts of **Property dwellings** which:

a) have deteriorated to the extent that repair would be ineffective and uneconomic;

b) require replacement to ensure the safety of persons using the **Property dwellings**; or

c) require replacement or renewal as part of the modernisation or improvement of the **Property dwellings**.

8.2 The **Tenant Management Organisation** and the Council will determine whether a case falls within paragraph a) of clause 8.1, in accordance with the procedure set out in Schedule 1.

9 Repairs covered by the Council's buildings insurance

*(**Option B:** The Council makes claims for repairs covered by the Council's buildings insurance policy, but the **Tenant Management Organisation** carries out such repairs if they are included in the repairs listed in Annex A to Schedule 1* (**Tenant Management Organisation** *repairs)*

9.1 The Council will administer all insurance claims for **Insurance Repairs** to the **Property** which arise from events (such as storm damage, subsidence, fire damage, damage caused by burglary or vandalism and consequential damage caused by flooding, burst or leaking pipes) which are covered by the risks the Council has insured against as set out in clause 7 of Chapter 1.

9.2 As soon as practicable after the **Starting Date,** the Council will provide the **Tenant Management Organisation** with a copy of its buildings insurance policy and a simple guide as to the types of repairs that are **Insurance Repairs**, including the action needed to avoid invalidating insurance claims, particularly if a dwelling is void and left vacant for more

than one month. The arrangements for undertaking **Insurance Repairs** are set out in Schedule 5.

9.3 If the **Tenant Management Organisation** considers that a repair that falls within the list of repairs in Annex A to Schedule 1 is an **Insurance Repair**, the **Tenant Management Organisation** will immediately notify the Council in writing of that fact and follow the procedure for carrying out an **Insurance Repair** set out in Schedule 5.

9.4 If the Council receives a notice from the **Tenant Management Organisation** under clause 9.3 or is otherwise aware that an **Insurance Repair** is needed, the Council will follow the procedure for administering claims and carrying out any emergency temporary repairs set out in Schedule 5. Where the **Insurance Repair** is a repair which falls within the list of repairs in Annex B to Schedule 1, the Council will follow the procedure for carrying out **Insurance Repairs** set out in Schedule 5.

9.5 The **Tenant Management Organisation** will, as soon as is reasonably practicable after receiving a request from the Council, provide the Council with any information which the Council may reasonably require in order to make or pursue a claim to its insurers for the cost of an **Insurance Repair.**

10 Provision of estates services

*(**Option B:** The **Tenant Management Organisation** provides some or all **Estate Services** for the **Property** which are management functions of the Council under section 27 of the Housing Act 1985 providing that, where the **Tenant Management Organisation** carries out some, but not all, of the **Estate Services,** the division of estate service functions is practicable.)*

10.1 The **Tenant Management Organisation** agrees to provide the **Tenant Management Organisation's Estate Services** listed in Annex A to Schedule 6 (**Functions and Performance Standards of the Tenant Management Organisation and the Council in respect of Estate Services)** and to comply with the performance standards set out in that Schedule.

10.2 The **Tenant Management Organisation** will inform the Council in writing if the **Tenant Management Organisation** is unable to provide any of the **Tenant Management Organisation's Estate Services** for seven days or more. The notice will inform the Council of the service the **Tenant Management Organisation** is unable to provide, the period of time for which the service will be unavailable and the reason why the **Tenant Management Organisation** is unable to provide the service. The Council will provide the services the **Tenant Management Organisation** is unable to provide and bill the **Tenant Management Organisation** accordingly.

Service of notice under this clause does not in itself end or alter the **Tenant Management Organisation's** obligation under this Agreement to provide the **Tenant Management Organisation's Estate Services**, but where the Council and the **Tenant Management Organisation** agree that the **Tenant Management Organisation** will not be able to resume provision of those services within a reasonable period, the Council may take over those services and reduce the **Allowances** accordingly.

10.3 The Council will provide all **Estate Services** not provided by the **Tenant Management Organisation** in accordance with clause 10.1, including the services listed in Annex B to Schedule 6, and to comply with the performance standards set out in that Schedule.

11 Technical advice

11.1 The Council will provide the **Tenant Management Organisation** with adequate access to technical advice to enable the **Tenant Management Organisation** to carry out its obligations under this Agreement.

12 Right to improve and leaseholder improvements

(Clause for approving or refusing improvement requests.)

12.1 The **Tenant Management Organisation** and Council agree to follow the **Improvements Policy and Procedure** set out in Schedule 7 if the Council or the **Tenant Management Organisation** has been served with an **Improvement Notice**, requesting consent to make improvements served by either a tenant (who has the right to improve his or her dwelling under section 97 of the Housing Act 1985) or a leaseholder (who has the right to improve under the terms of the lease).

12.2 If the Council or, as the case may be, the **Tenant Management Organisation** consider that consent for the improvement proposed in an **Improvement Notice** should be refused or granted subject to conditions, the Council or, as the case may be, the **Tenant Management Organisation** will inform all parties in writing of the reasons for that decision in accordance with the time limits set out in the relevant legislation or, where no time limit is set, as soon as is reasonably practicable.

13 Right to repair

(Clause for administering the right of secure and introductory tenants to have repairs carried out.)

13.1 If a tenant of a dwelling submits a **Right to Repair Claim** under the **Right to Repair Regulations** the Council and the **Tenant Management Organisation** agree to follow the procedures set out in Schedule 8 (**Right to Repair Policy and Procedure)**.

13.2 The **Tenant Management Organisation** agrees to meet any claims under the **Right to Repair Regulations** for compensation for failure to carry out repairs it has agreed to carry out in accordance with clause 1.

13.3 The Council agrees to meet any claims under the **Right to Repair Regulations** for compensation for failure to carry out repairs it has agreed to carry out in accordance with clause 2.

Chapter 2
Schedule 1

Functions and Performance Standards of the TMO and the Council in Respect of Repairs Clauses 1& 2

a) Responsive and Planned Maintenance Repairs

TMO responsibilities
The TMO is responsible for the responsive repairs set out in annex A (whether or not the dwelling is occupied)

Council responsibilities
The Council is responsible for the responsive and planned repairs:

b) Set out in Annex B
c) Any repairs not listed in either Annex A or Annex B
d) Any repairs that fall within the definition of Major Works
e) Any repairs set out in Annex A that would otherwise be carried out by the TMO where the expected cost of those repairs is more than £1,000.

f) Management of Repairs

a. Reporting repairs

(i) For those repairs for which the TMO has responsibility listed in **Annex A** Tenants will report repairs by; visiting the TMO Office during opening hours or by telephone. All repairs will be logged and a receipt provided.

(ii) For those repairs for which the Council has responsibility listed above or in **Annex B** Tenants will report repairs by either contacting the TMO office (which will forward the request to the Council), or by contacting the Council directly by telephone or email

(iii) For emergency repairs outside of office hours the tenant will contact the Council's emergency out of hours service by telephoning the 020 7525 26000. **The Council is responsible for all emergency out of hours services**

(iv) Gas leaks to be reported to the National Grid by telephoning 0800 111 999

b. The priorities, time scales and standards for completing each category of repair.

(v) The TMO will try to provide a faster repair service to tenants;

- Over 60
- Recognised as disabled and covered by the Equality Act 2010
- Who require works as a result of harassment or domestic violence

(vi) For those repairs for which the TMO has responsibility the following priorities will be set.

1. **Priority 1 Emergency** shall be completed within 24 hours. Repairs deemed to be an emergency are;

- Uncontrollable leaking from water or heating pipes, tank, cistern, or cylinder inside flats;
- A tap which is fully opened and cannot be turned off
- Total loss of cold water supply (except where due to water supply companies)
- Blocked toilet or where toilet cannot be used and is the only one in dwelling;
- Blocked sink, basin or bath tenant cannot clear;
- Total or partial loss of gas supply
- Total loss of electric power supply in a home, unless due to the actions of the power supply company.
- Live bare wires in an accessible position
- Checking electrics after water penetration in a home
- Total loss of heating and/or hot water between 31st October and 1st May (The engineer will call within 48 hours for periods after 1st May and before 31st October)
- Damage to flat door locks where this has caused a security risk
- Broken glazing where the damage constitutes a security risk.

2. **Priority 2 repairs** will be completed within one week and are

- Partial loss of cold water
- Controllable leaks from pipes, tanks and cisterns inside flats
- A tap which cannot be turned off or on;
- Partial loss of electric power
- Unsafe power or lighting socket or electrical fitting in home
- Extractor fan in kitchen or bathroom not working
- Partial loss of heating or hot water;
- Loose or detached banisters or hand rails in home
- Relaxing above the ground floor

3. **Priority 3 repairs** will be completed within one month and include all repairs for which the TMO has responsibility for as set out in **Annex A** and not listed above.

4. **Priority 4 repairs** are those not listed above which may be prioritised due to;

- A commitment to assist vulnerable residents in line with the TMOs equal opportunities policy Chapter 1 Schedule 2.
- Repairs arising from harassment, domestic violence or offensive graffiti

c. Planned Maintenance

The Council is responsible for planned maintenance and will provide the TMO with 6 months notice of any planned maintenance works on the estate.

The Council will arrange annually for gas regular servicing of gas appliances for tenants.

d. Re-servicing void properties

The TMO will re-service all voids according to the procedure within the timescales currently used by the Council outlined below.

The TMO will carry out such repairs as are its responsibility in **Annex A** to this schedule. The Council will carry out such repairs as are its responsibility in **Annex B** to this schedule and where replacements are required.

The TMO will inform the Area Office where the repairs are the result of insured damage to the property and will reach agreement about who should carry out the works, having regard to whether repair or replacement of components is required and the responsibilities set out in **Annex A** and **Annex B** of this schedule.

Day 1

- If keys not received by 12.00 noon, to chase keys, extra week charged and lock changed
- Contractor to inspect and issue works order within 48 hours
- Contractor to cut extra set of keys
- Contact contractor for gas inspection

Day 3

- Landlord's Gas Safety Record received
- Keys to contractor with void papers for commencement of works

Day 18 (2 days before target date)

- Receiving keys on time
- Post inspection completed
- Make property ready so can be advertised by the Council

Day 20 Releasing the property for offer:

- All keys back
- All paperwork in place
- Viewing letter to be sent to successful applicants

Day 21 Confirmation of offers:

Day 21 – 26 Accompanied viewings

In relation to void properties the TMO is responsible for the same range of repairs as defined in section 1 above and subject to the exclusions for renewals.

The TMO will arrange an inspection of the property as soon as it is notified that the tenant is vacating the property. This inspection will be carried out before the property is voided or no more than three days after the property is vacated by the outgoing tenant.

The inspection will identify all works which are required to be carried out to bring the property to a re-serviceable condition, who is responsible for carrying out the works and the order in which works are to be completed. A target date for completion of the works will be agreed and a provisional budget including any re-decoration allowance payments which are the responsibility of the TMO (decoration allowances may be offered to incoming tenants if it is Council policy to do so at the time and then only at a level similar to that provided by the Council). A copy of the inspection report will be retained by the TMO. The TMO will re-charge the Council for any Council responsibility works it is authorised to carry out by the Council. The terms of payment for any such payments will be 28 days from the date when any invoice and required supporting information is provided.

Voids re-servicing work may include the following (this is a summary – see Annex A for further details):

- removal and storage of the previous tenant's goods
- repairs
- valeting and lock changes
- electrical test and provision of a test certificate
- gas pressure test and provision of a test certificate
- decoration of the interior

e. Upkeep of Communal Areas

In accordance with the responsibilities set out in Annex A to this schedule, the TMO is responsible for the repair and maintenance of communal areas of buildings

The TMO will inspect communal areas on a monthly basis and report repairs to the management committee

The TMO Manager will make regular reports to the Committee on the upkeep and repair of Communal Areas.

Resident's views on the upkeep and repair of Communal Areas will be obtained by a regular self-completion questionnaire/survey.

f. A Code of conduct for repair staff and contractors

TMO staff and contractors carrying out work on its behalf will be required to work to the TMO's code of conduct and the conditions set out in Chapter one schedule 2 (equal opportunities) of this agreement.

TMO staff and contractors carrying out work on the estate will report to the estate office on arrival and before leaving on completion of works.

g. Compliance with health and safety requirements

1 Introduction

- The TMO will ensure it works within the Health and Safety at Work Act 1974 and that any contractors working for the TMO will provide the TMO with evidence of their own Company safety policies, methods of works, risk assessment, competence as appropriate.
- The TMO will also encourage contractors to adopt working practices in line with the council's Health and Safety policy.
- The TMO will comply with any reasonable direction from Southwark's Health and Safety Team.
- The Act places a duty on employers to ensure that the health, safety and welfare at work of all their employees is adequately safeguarded.
- They must provide and maintain safety equipment and safe systems at work.
- Employers must also ensure that materials are properly stored, handled, used and transported.
- The employee also has a number of specific responsibilities including taking care of their own health and safety and that of other persons.
- This is also a legal requirement under the HSWA 74. The employer must provide basic training to staff to enable them to do this.

2 Training

- The TMO should arrange basic health and safety training for all their staff. These must include care and responsibilities under the HASAWA 74.
- Where staff are involved in any form of lifting or carrying of objects manual handling training must be arranged.
- In the event of staff being deployed in the handling of poisonous substances and chemicals the TMO must also arrange for appropriate training to be delivered.
- Staff who use visual display computer equipment are also required to receive an individual assessment and appropriate adjustments made.
- The TMO will need to give consideration to the appointment of a first aider.
- The appointed person will be entitled to receive free training to enable them to fulfil this statutory responsibility.

3 Risk assessments

Risk assessments need to be carried out in the following circumstances:

- Assessments of each individual area of work activity.
- any specific changes to job descriptions, typically resulting from restructuring or alterations to work duties
- Lone working arrangements for risks during normal working hours
- Working anti-social hours e.g evening and weekends
- Correct usage of dangerous substances, pesticides and chemicals

4 Lone Working

There may be some unavoidable occasions when staff are left alone in the office. It is the TMO Manager's overall responsibility to monitor lone working and ensure that

measures are in place to deal with such circumstances. Staff must be provided with a contact person in an event of an emergency, this will normally be the TMO Manager or his/her deputy. An example of an emergency situation is a fire or flood affecting the office premises, however, staff will be encouraged to use their discretion in such sensitive matters.

In the event of no Manager being available (due to annual leave sickness, etc) the emergency telephone numbers of nominated TMO committee members must be made available to all staff. This information should be easily accessible to all TMO employees and a copy posted on the staff notice board.

If the TMO Manager, or other member of the management team, are alone in the office they should contact a nominated committee member in the event of an emergency situation.

5 Handling of incidents

The range of potential incidents will include both the internal and external environment e.g. potential incidents whilst visiting an estate. This can affect both staff and the public for which the TMO has specific responsibility under the HASWA 74. The TMO should take account of the following potential risks when drafting risk assessments:

- spillage of dangerous substances or chemicals to include pesticides
- bombs or threats of criminal damage or harm
- dangerous building or structures including asbestos and needle handling
- clarify reporting lines and key contacts

6 Reporting Incidents

Staff should report incidents (both verbal and physical) to their Line Manager as soon as possible. These should be recorded in the staff accident book in accordance with RIDDOR (Reporting of Diseases and Dangerous Occurrences Regulation 1995). This includes work related deaths, major injuries, work related illness (including stress) and dangerous occurrences. The Incident Contact Centre (ICC) can be contacted for advice and support on 0345 300 9923.

The Manager should also arrange counselling (with the employees consent) depending on the nature of the incident.

Further information is available from the Health and Safety Executive website on http://www.hse.gov.uk

h. Compensation

Tenants will be able to claim compensation from the TMO in the following circumstances:

- If there has been any damage to their property due to the TMO's neglect;
- If the TMO's staff or contractors have failed to take reasonable care in respect of their possessions and decorations;
- Where the failure to remedy a defect within the TMO's prescribed time limit has caused hardship or additional cost to them.

Compensation claims should be sent in writing to the TMO's office stating the basis on which the claim is made and the nature and amount of any compensation sought, using the TMO's management complaint procedure. The TMO will acknowledge the claim in writing within five working days, stating:

- Whether or not it agrees the claim or
- Rejects the claim, giving reasons, or
- How and within what period the claim will be investigated.

If a tenant is dissatisfied with the TMO's response to the compensation claim, the tenant may request that the TMO's Board considers the claim itself or refers the claim to the Council's complaints procedure.

i. Arrangements for monitoring the repairs service

The TMO will use a variety of methods to measure the quality of its repairs service, including;

- Pre-inspections and post-inspections
- Tenant Satisfaction – With all repairs, contractors will be required to return a "Job Satisfaction" slip signed by the resident before payment can be made.

Tenants will be asked to complete a satisfaction slip on the completion of each repair. The satisfaction slip will provide tenants with the opportunity to comment on the speed and quality of the service.

The TMO will undertake a periodic self-completion questionnaire of all tenants to measure tenant satisfaction with the range of services provided by the TMO and the Council, and tenants' views about how services might be improved.

Regular monitoring reports will be made to the management committee. This will include the following;

- Number and type of jobs prioritised within each response category
- Number and type of jobs not being completed within response category
- Expenditure in relation to budget
- Quality of repair work undertaken
- Level of tenant satisfaction with work, including details of complaints and compensation claims
- Recommendations for improving the economy, efficiency and effectiveness of the service.

Chapter 2
Schedule 1
Annex A
WRAYBURN COMMUNITY ORGANISATION
Repair Responsibilities

Wrayburn Community Organisation is responsible for the repairs and for work on void properties and for repairs to communal areas of buildings and the estate listed in this Annex A except where the work constitutes Major Works or is the responsibility of the Council (in accordance with Annex B and Chapter 2 Clause 1 & 2).

1 Repairs responsibilities for dwellings managed by the TMO and let on periodic tenancies:

Plumbing and heating systems:

- cold water systems beyond the main stopcock in each dwelling including pipes, valves, stopcocks, overflows, cold water storage tanks and insulation of these systems

- the Council's plumbed fittings including baths, sinks, basins, WC suites, taps and waste pipes where they are Council issue or put in by a previous tenant

- the electrical services from the electricity board's meter including internal wiring, conduits, socket outlets, switches, light fittings and ventilation systems supplied by the Council

Internal fittings and fixtures, including:

- window sills and window ironmongery

- internal doors and door ironmongery

- cupboards and kitchen units

- architraves and skirting

- staircases and balustrades- internal non- load bearing partitions and internal surfaces of internal load bearing and external walls including their plastered finishes

- reglazing of broken windows to dwellings which breakages are not due to damage or neglect by the tenant

- redecorating of void dwellings if required for re-letting

- refurbishment of voids up to £10,000 per dwelling

2. The TMO's repair responsibilities for homes let on periodic secure tenancies or fixed term secure tenancies and flats sold on long leases (where such repairs are in the lease)

- external windows, window frames, doors, door frames, ironmongery, window fittings, soffits and bargeboards
- *the common parts of the buildings in the* **PROPERTY** *including*:
- staircases and landings and repair of steps outside blocks
- doors, windows and their ironmongery and glazing
- refuse chutes and chambers
- floor finishes
- internal non-load bearing partitions and internal surfaces of external walls including their plastered finishes
- store, sheds and community facilities
- Maintenance, repair and replacement of notice boards and estate signs
- All fencing including perimeter fencing
- Repair and maintenance of all lamp posts on the estate
- Door Entry system

Chapter 2
Schedule 1
Annex B

Council's Repair Responsibilities

All works to be carried out in accordance with the Tenancy Agreement and the Council's polices and procedures.

Categories of repairs that are the responsibility of the Council:

The Council is responsible for all categories of repairs which are not the TMO's responsibility, as defined in Annex A.

Repair responsibilities for dwellings managed by the TMO let on periodic tenancies or sold on long leases including;

- The fabric and the external structures of buildings, including brickwork, pointing, lintels, the external walls and their openings and all load bearing, party and structural walls and floor structural stability
- the roof structure and roof covering and roof ladders
- the rainwater system including gutters, down pipes/ external stacks and fixings.
- the vertical soil sacks and vent pipes above ground level
- the surface water and foul sewers including gullies, access chambers and their covers
- the water mains from the supply pipe to the stop taps in each dwelling cold water tanks
- hot water systems and heating including boilers, radiators, pipe work, hot water storage tanks, pumps, feed and expansion tanks, insulation and annual servicing of these systems
- gas mains from the main supply pipe to the meter in each dwelling
- The gas supply pipe work from the meter to any appliance and any gas fittings or appliances supplied by the Council and annual servicing of these fixtures and fittings
- electrical supplies to electricity board meter
- Maintenance and repair of external lighting other than changing of bulbs as stated in Schedule 6 annex A
- floors, including joists and floorboards
- asbestos lead piping removal, asbestos survey and removals
- foot paths, pavements, roads and hard standing areas including parking areas, not adopted for maintenance by the Council under its statutory powers as Highway Authority

- Roof mounted extractor fans and servicing ventilation in flats
- Retaining walls at the base of grassed slopes
- External/internal soil stacks for blocks of flats
- Security and fire-fighting or protection systems
- Aerials and associated wires
- All drainage, sewerage, gas, electricity and any other utility services located below ground level
- Lift including motors, hoists, cables, door shaft and associated plants or machinery if any
- Lightening Conductors
- Dry Risers & Testing
- Garages
- TMO Office at 136 Jamaica Road
- any other area not explicitly delegated in Annex A

Chapter 2
Schedule 2

Consultation on Major Works Clause 6 Option B

Procedure for Consultation on Major Works

All major works will be the responsibility of the Council. **All works costing above £10,000 will be considered as major works.**

Statutory Consultation with secure tenants

- The Council will consult with the TMO as soon as it is aware that major works will be undertaken on properties contained within Chapter One Schedule One.
- Notwithstanding statutory obligations set out below with regards to lessees, the Council will meet with a Project Group elected from the TMO to discuss development and implementation of the scheme.
- The Project Group may contain members who are not members of the TMO, for example local councillors, co-opted advisors and TMO employees.
- The Project Group will ensure a report is made to every TMO management committee meeting during the life of the works.

The Project Group will participate in and contribute to the development of policy and strategy in regards to;

- The pre-planning of the works.
- Resident consultation.
- The specification and selection of contractors.
- Monitoring of work in progress.

Statutory Leaseholder Consultation

There are strict guidelines that Southwark Council must abide by when consulting lessees about major works. These guidelines are set out in Section 20 of the Landlord and Tenant Act 1985 (as amended). Section 151 of the Common hold and Leasehold Reform Act 2002 introduces amendments to the consultation process.

The Three-Stage Consultation Process

Stage 1

Southwark Council is required to consult with lessees where it plans to carry out works that would cost individual leaseholders more than £250 each.

The Council is required to provide a notice of the proposed works to a Recognised Tenants Associations (RTA) or TMO, if one exists, and to all leaseholders involved.

The notice must describe the works to be carried out. Alternatively, leaseholders must be informed where and when they can inspect the documents describing the proposed works. Leaseholders are allowed to take copies of the notice, free of charge.

Lessees have 30 days to make observations on the proposed works and the Council must consider any observations made.

In addition, the Council may be required to invite all leaseholders involved in the works to nominate a contractor. If the lessees exercise this right the Council must ask the contractor who received the highest number of nominations to provide an estimate. Lessees are not permitted to nominate a contractor if the works are to be advertised in the Official Journal of the European Union.

Stage 2

Southwark Council is required to provide lessees with at least two estimates for the works, one of which must be from a contractor wholly unconnected to the Council. Where a nominated contractor provides an estimate this must be included as one of the minimum of two estimates.

The Council must give the estimate to the TMO or TRA if one exists, and to all lessees involved. Alternatively, lessees must be told where the estimates can be inspected. If the documents are unavailable for inspection then the leaseholders are entitled to receive copies free of charge.

The second stage Section 20 Notice must contain the following information:

- Details of the estimates received.
- An invitation to lessees to comment on the estimates.
- The name and address of the person to whom those observations may be sent.
- The date when those observations must be received, which must be at least 30 days from the date the Notice is served.
- A copy of the estimates received, or information on where the estimates may be inspected.

Stage 3

Once the Council has formally awarded the contract, it may have to write to the TMO or TRA if one exists, and to all of the lessees involved, informing them which contractor the work has been awarded to and the reasons why. The Council must also provide details of all the observations received and their response to them.

This is not necessary in cases where the contract has been awarded to a nominated contractor or the contractor who supplied the lowest estimate.

Handover of Works

When the Council has received a certificate of completion of works there will be a joint inspection with the Council's consultant and a nominee of the Project Group. A list of any defects and snagging will be made at this time and will be the responsibility

of the Council. The TMO will assist the Council by reporting any defects during the ensuing defects period.

Chapter 2
Schedule 3

Procedures and Performance Standards for Entering into and Supervising Major Works Clause 6 Option A

All supervision of major works will remain the responsibility of the Council.

Chapter 2
Schedule 4:

The TMOs Major Works Functions Clause 6 Option B

None

Chapter 2
Schedule 5

Procedure for Repairs Arising from Events Covered by the Council's Building Insurance Clause 9

Summary of the Councils Buildings Insurance Policy

Dwellings let on a secure tenancy are insured for the following risks. For these risks there is an excess of £750,000.

- fire, explosion lightning or earthquake
- smoke
- riot, civil commotion, strikes, labour or political disturbances
- malicious damage
- collision by aircraft, other aerial devices, any vehicle (or articles dropped from them) or animal
- storm or flood
- escape of water from any fixed tank, fish-tank, pipe or appliance and damage caused to such by bursting or freezing
- falling trees or branches (and removing any fallen trees or branches which cause damage to the buildings) or telegraph poles or lampposts
- theft or attempted theft
- subsidence or ground heave of the site on which the buildings stand, or landslip
- leakage of oil from any fixed oil-fires installation including smoke and/or smudge damage arising from defective vaporisation
- breakage or collapse of television or radio signal receiving apparatus

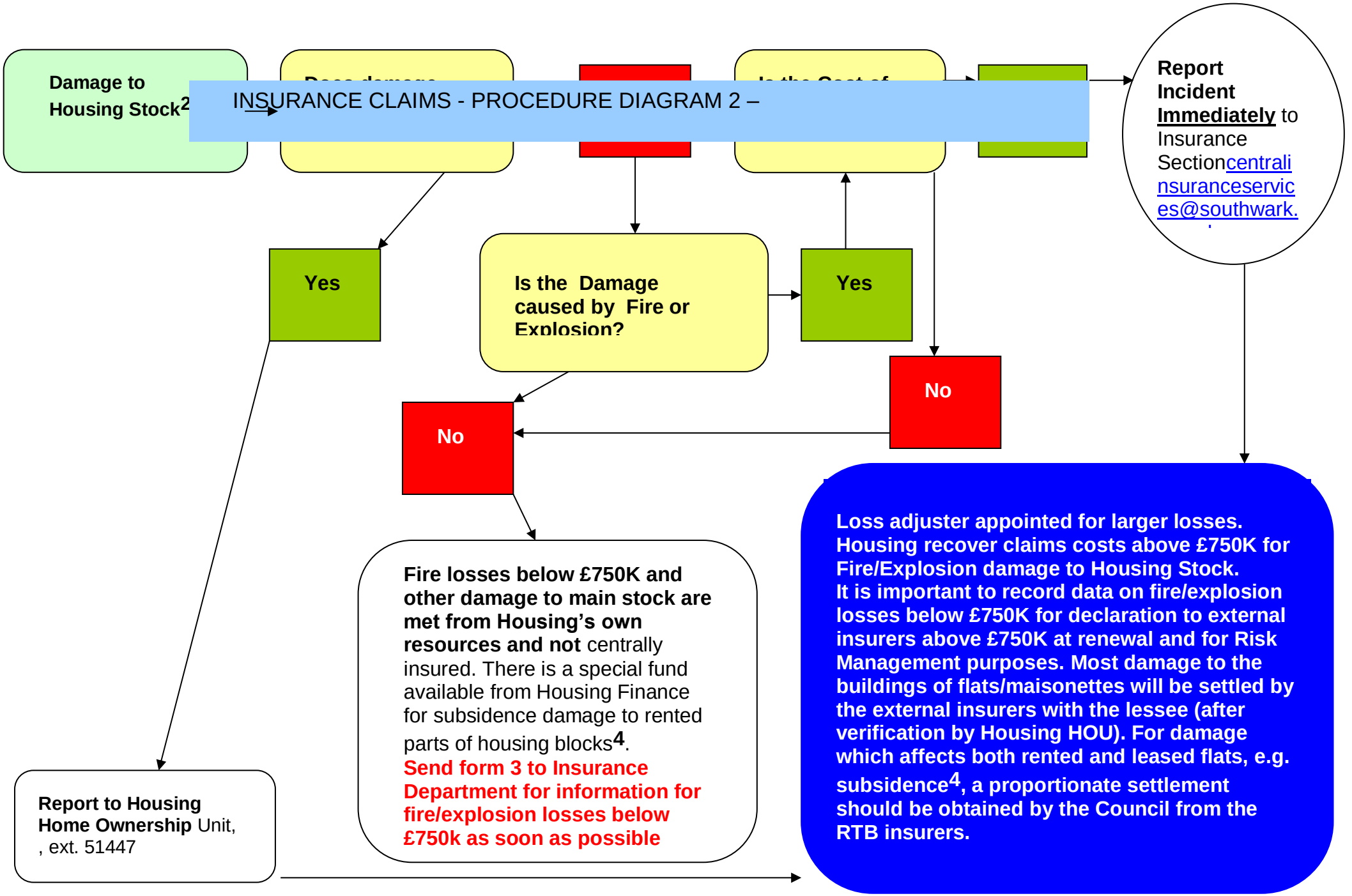
Tenants or leaseholders are not covered for day to day maintenance or repairs that are caused by wear and tear.

Dwellings let on a long lease are insured for a comprehensive range of perils (including accidental damage) with an excess of £1,000 (limited to £2,500 in total for a building comprising more than one housing unit) applies to each incident of loss or damage.

Details of Buildings Insurance for leaseholders are contained in the Southwark Council booklet "Summary of Cover and Statement of Policy Cover Buildings Insurance"

1. The procedure for making insurance repair claims

Please see the attached diagram.


Damage to Housing Stock[2]
INSURANCE CLAIMS - PROCEDURE DIAGRAM 2 –
Report Incident Immediately to Insurance Sectioncentralinsuranceservices@southwark.
Yes
Is the Damage caused by Fire or Explosion?
Yes
No
No
Report to Housing Home Ownership Unit, , ext. 51447
Fire losses below £750K and other damage to main stock are met from Housing's own resources and not centrally insured. There is a special fund available from Housing Finance for subsidence damage to rented parts of housing blocks[4].
Send form 3 to Insurance Department for information for fire/explosion losses below £750k as soon as possible
Loss adjuster appointed for larger losses. Housing recover claims costs above £750K for Fire/Explosion damage to Housing Stock.
It is important to record data on fire/explosion losses below £750K for declaration to external insurers above £750K at renewal and for Risk Management purposes. Most damage to the buildings of flats/maisonettes will be settled by the external insurers with the lessee (after verification by Housing HOU). For damage which affects both rented and leased flats, e.g. subsidence[4], a proportionate settlement should be obtained by the Council from the RTB insurers.

Chapter 2
Schedule 6

Functions and the Performance Standards of the TMO and the Council in Respect of Estate Services Clause 10 Option B

The TMO's responsibilities for specific services are listed in Annex A, to this schedule.

The Council's responsibilities for specific services are listed in Annex B to this schedule.

Management of TMO Estate Services

1. The performance standards for estate services

a. Inspections – The TMO will check all external and internal communal areas regularly and not less than weekly and order repairs as required. This includes security systems, walkways, rubbish chutes, drains, paladins, electrical intake cupboards and bulb changing.

A TMO member in each block will also check the block regularly and report any repairs to TMO staff.

b. Cleaning – The TMO will weekly sweep and wash down stairs and landings and wipe internal ledges (window grills every three months.)

The TMO will at least weekly sweep and clean the TMO office. The windows will be cleaned monthly.
Areas which have been fouled will be washed and disinfected as quickly as possible following notification.
The TMO will remove graffiti within 24 hours. Graffiti of a racist or offensive nature will be given priority.

c. Rubbish disposal and abandoned vehicles – The TMO will:

- Clean and disinfect bin areas once a week
- Arrange for high pressure cleaning as required
- Notify the Council to remove dumped bulk refuse and any other rubbish as soon as it is noticed.
- Notify the Council to arrange for abandoned vehicles to be removed.

d. Footpaths, grassed areas, hedges and shrubs – The TMO will maintain these areas and to keep them clean and tidy.
Litter picking, leaf clearance and spot cleaning of paths done as required by TMO staff.
The TMO will aim to sweep steps and main access path to blocks weekly.
Grassed areas cut as required, in accordance to growth with grass cuttings swept up.

e. Mechanical and electrical equipment The TMO will arrange for the annual servicing and testing of entry phones

f. Sustainability –The TMO will have regard to the impact on the environment of cleaning materials, weed killers and other chemicals used on the estate. Where possible the TMO will use products that have the least impact on the environment.

2. Monitoring Arrangements.

a. Communal areas will be inspected regularly as part of TMO staff duties.
b. A full inspection of the estate will be done monthly with TMO staff accompanied by a TMO committee member.
c. A record log will be kept of daily and monthly checks
d. The TMO manager will be responsible for ensuring staff are trained in all Health & Safety procedures relating to their tasks.
e. TMO staff will make regular reports to the committee concerning the upkeep and security of the communal areas.
f. Residents' views on the condition of the communal areas will be obtained via a regular self-completion questionnaire survey.

Management of Council Retained Estate Services

1. **Performance standards of estate services.**

    a. The council will deliver and manage its services in line with the provisions contained within the Conditions of Tenancy and the Tenants Handbook

Chapter 2
Schedule 6
Annex A

The TMO's responsibility for specific services

1. Service Responsibilities

a. The services the TMO shall be responsible for providing for flats or houses let on periodic tenancies, flats sold on long leases and freehold houses or houses sold on long leases:

- Cleaning the common parts of the property including;
  - Staircases and landings (including walls, banisters and ceilings)
  - Window grilled, doors, floors, lights and light fittings
- Cleaning bins, refuse chutes and bin stores
- Cleaning the TMO office
- The replacement of light bulbs in communal areas
- The general upkeep of the common grounds and gardens of the Property including;
  - Clearing litter from the estate
  - Cleaning all footpaths, roads, pavements and hard ground areas, including parking areas, and the pathway between the blocks
  - Cleaning storage sheds
  - Cutting and maintaining communal grassed areas and maintaining flower beds and shrubs
  - cleaning and removal of graffiti on common parts of the Property.

Chapter 2
Schedule 6
Annex B

The Council's Responsibilities for Specific Services

1. **Services the Council will retain responsibility for providing for flats or houses let on periodic tenancies, flats sold on long leases and freehold houses or houses sold on long leases**

Services not delegated to the TMO under chapter 2, clause 10, Annex A, including;

- Clearing drains periodically between flats/houses and main drain
- The electricity supply for lighting the common parts
- Pest control
- Removal of abandoned cars and bulk refuse
- Maintenance to trees located within the Property
- Clearing and repairs and maintenance of garages

Chapter 2
Schedule 7

Improvements Policy and Procedure — Clause 12

1. Introduction

A secure tenant has the right under the Housing Act 1985 to carry out improvements after obtaining the written permission from the Council. The granting of such permission remains a Council and not a TMO function. However, the TMO will receive such notices on behalf of the Council and will make a recommendation about whether the **Improvement Notice** should be given consent and what conditions should be attached to that consent.

The term improvement means any alteration or addition to the premises and includes but is not limited to:

- Any alteration or addition to the Council's fixtures and fittings
- Any alteration or addition connected to the provision of any services to the premises (e.g. water, gas or electricity supply and any supply of central heating).
- The erection of any wireless, television or citizen's band radio aerial or TV satellite dish.
- The carrying out of external decorations.
- The erection or construction of any permanent or temporary building, structure or installation such as greenhouse, shed, garage, pond or pool in any garden to the premises.

2. Process

a. If an **Improvement Notice** is served directly on the Council the Council shall forward it to the TMO within 7 days.

b. Within 14 days of receiving an **Improvement Notice** the TMO shall forward the notice to the Council and inform the Council in writing whether the TMO considers that the Council should:

   - consent to the improvement proposed.
   - refuse consent to the improvement proposed; or
   - grant consent, subject to conditions.

c. The TMO will at the same time provide the Council with reasons for this advice.

d. The Council shall give consideration to the request and the advice received from the TMO and will produce a written statement to the TMO and the individual serving the **Improvement Notice** of its decision together with the reasons for that decision.

Leaseholders are required to seek permission for improvements from the Council's Home Ownership Unit – see Chapter 6 Schedule 11

Chapter 2
Schedule 8

Right to Repair Policy Clause 13

The TMO is responsible for administering the Right to Repair for those repairs for which it has responsibility and listed in Chapter 2, schedule 1 annex A.

The Council is responsible for administering the Right to Repair for those repairs for which it is responsible and listed in Chapter 2, schedule 1 annex B. Details of how this will be done are found in the Conditions of Tenancy and the Tenants Handbook.

Under the Secure Tenants of Local Housing Authorities (Right to Repair) Regulations 1994, secure tenants have the right to certain repairs within certain timescales (up to the value of £250) if they are likely to affect health, safety or security.

The Right to Repair Scheme applies only to Qualifying Repairs shown in this table.

Repair	Prescribed period to complete repair in working days
Total loss of electric power	**1**
Partial loss of electric power	**3**
Unsafe power of lighting socket or electric fitting	**1**
Total loss of water supply	**1**
Partial loss of water supply	**3**
Blocked flue to open fire or boiler	**1**
Total or partial loss of space or water heating between 31st October & 1st May	**1**
Total or partial loss of space or water heating between 30th April & 1st November	**3**
Blocked or leaking foul drain, soil stack or toilet pan (where there is no other working toilet in the house) Toilet not flushing (where there is no other working toilet in the house)	**3**
Blocked sink, bath or basin	**3**
Taps which cannot be turned	**3**

Leaking from water or heating pipe, tank or cistern	**1**
Insecure external window, door or lock	**1**
Loose or detached banister or hand rail	**3**
Rotten timber flooring or stair tread	**3**
Leaking roof	**7**
Door entry phone not working	**7**
Mechanical extractor fan in internal kitchen or bathroom not working	**7**

If the Repair is not completed on time.

Secure Tenants can ask the TMO to appoint a second contractor to carry out the repair and be given a second Target Completion Date. If the repair is not completed by the second Target Completion Date Secure Tenants may be able to claim up to £10.00 compensation, plus a further £2.00 for each day's delay in completing the repair, up to a maximum of £50.00 total compensation.

Exceptions to the Right to Repair Scheme

Compensation under the Right to Repair cannot be sought for repairs:

- Costing more than £250.
- For which the TMO or the Council are not responsible.
- Where the TMO or the Council has been informed that the tenant no longer want the repair carrying out.
- Where the tenant has not given access to the property, despite being requested to do so.

In all cases, the TMOs repair response times are better than or match the Right to Repair scheme times.

The TMO will undertake the following for reported repairs qualifying under the Right to Repair:

1. The TMO will ensure that the contractor is aware of the target time for this repair.

2. The TMO will ensure that the person reporting the repair is aware that this is a qualifying repair and that the person reporting the repair knows what the target time is.

3. If the repair is not carried out within the target time the person reporting the repair must inform the TMO. The TMO will consider all the facts relating to this and if necessary re-order the repair or engage a second contractor to carry out the works.

4. If at the second attempt the repair is not carried out within the target time the resident will receive £10 in compensation. For every day they wait they will receive a further £2. Please note that where a secure tenant is in arrears this compensation will be paid into their rent account.

5. The maximum compensation for any single repair is £50.

Chapter 3

Rent (including Tenant Service Charges)

1 Confidentiality and procedures

1.1 The **Tenant Management Organisation** will treat as strictly confidential all information in its possession about **Rent** accounts. Only the employees or officers of the **Tenant Management Organisation** dealing with the management of **Rent** accounts will have access to **Rent** accounts records and information which are capable of revealing the identity of any tenant or leaseholder. Information given to a committee of the **Tenant Management Organisation** which has overall oversight of the management of Rent accounts or to a general meeting of the **Tenant Management Organisation** with such oversight will be provided in a manner that does not reveal the identity of any person in arrears. All information concerning **Rent** accounts will be used only for the purpose of managing **Rent** accounts and controlling arrears.

1.2 The **Arrears Prevention and Control Procedures** are set out in the Schedule 1.

2 Rent collection from tenants

*(**Option B:** The **Tenant Management Organisation** administers the collection of rent into the Council's bank account. The **Tenant Management Organisation** also agrees to manage rent arrears.)*

2.1 The **Tenant Management Organisation** is authorised to administer the collection of **Rents** due from tenants and agrees to do so. For the purposes of this clause **Rent** includes any charges made for the provision of services under clause 10 of Chapter 2.

2.2 All **Rent** received will be paid by into the Council's bank account and will be credited to **Rent** account records within the period specified in Schedule 1 (**Rent Collection and Arrears Control Procedure**).

2.3 The **Tenant Management Organisation** will for each rental payment period (as specified in the **Tenancy Agreement**) and not less frequently than once each month –

a) calculate the arrears or advance balance on each **Rent** account;

3 Rent arrears control

*(**Option C:** The **Tenant Management Organisation** manages rent arrears, but may request the Council to deal with serious arrears cases.)*

3.1 The **Tenant Management Organisation** will take prompt action to recover any arrears of **Rent** and will seek to prevent arrears becoming serious by managing cases of arrears in accordance with the provisions of Schedule 1.

3.2 If the **Tenant Management Organisation** has, in any particular case of arrears:

a) exhausted the procedures available to it set out in Schedule 1 and considers that action needs to be taken which the **Tenant Management Organisation** is unable to take, the **Tenant Management Organisation** will hand back the functions of **Rent** collection and arrears control of that case to the Council; or

b) not exhausted the procedures available to it set out in Schedule 1, it may either:

i) continue to control the arrears in accordance with the provisions of the Schedule; or

ii) hand back to the Council the **Rent** collection and arrears control of that case if the **Tenant Management Organisation** considers that to control arrears, action needs to be taken which would be more effectively taken by the Council.

3.3 The **Tenant Management Organisation** agrees to give the Council at least seven days' written notice of the date that **Rent** will be due on any arrears cases handed back under clause 3.2. The notice will contain the name and address of the tenant in arrears and the amount of the arrears. The **Tenant Management Organisation** also agrees to provide the Council with any information the Council reasonably needs to control the arrears.

3.4 The Council and not the **Tenant Management Organisation** will manage any arrears that accrue after the date the Council takes over the management of the arrears. The Council may take whatever action it considers necessary in accordance with its normal practice to control or recover the arrears. Any money recovered by the Council will be used in the following order of priority:

i) to meet any costs awarded to the Council by a Court in legal action taken to recover the arrears if such costs have not been otherwise recovered;

ii) to pay off arrears which accrued after the **Rent** due date on which the Council took over management of the arrears case in question;

iii) if a balance remains, it is to be deducted from the next rent payment due from the **Tenant Management Organisation** to the Council under clause 9.

3.5 If the Council succeeds in controlling the arrears case handed back under clause 3.2 and all arrears of **Rent** are repaid the Council will return that case to the **Tenant Management Organisation**. The Council will give the **Tenant Management Organisation** at least seven days' written notice of the **Rent** due date from which the **Tenant Management Organisation** will resume collecting **Rent** for the **Rent** account specified in the notice.

3.6 The Council will notify the **Tenant Management Organisation** in writing within seven days if the Council:

a) serves a Notice Seeking Possession or a Notice to Quit, or notice of other intended court proceedings;

b) begins proceedings in a county court; or

c) obtains a court order, and of the terms of such an order.

4 Collection of arrears due at the at the starting date

*(**Option B:** The **Tenant Management Organisation** manages rent arrears and collects rent arrears which accrue after the **Starting Date** of this Agreement.)*

4.1 Within 14 days of the **Starting Date** the Council will provide the **Tenant Management Organisation** with a statement of the balance of all **Rent** accounts for all properties (including non domestic properties) for which the **Tenant Management Organisation** has agreed to exercise management functions, identifying all clear **Rent a**ccounts. The clear **Rent** accounts will include:

i) the accounts with a nil balance at the **Starting Date**; and

ii) the accounts with an outstanding balance which amounts to less than two weeks' rent due, at the last rent due date before the **Starting Date**.

4.2 The **Tenant Management Organisation** will take prompt action to recover all rent due in accordance with the provisions of Schedule 1.

4.3 All monies collected by the **Tenant Management Organisation** from a tenant in arrears which accrue after the **Starting Date** will be first used to meet current **Rent** due after the **Starting Date** and then used to reduce any outstanding balance of a rent account mentioned in clause 4.1**,** until such date as the tenant ceases to be in arrears. The **Tenant Management Organisation** will pay any outstanding balances of rent accounts to the Council in accordance with the procedure and timescale set out in Schedule 1.

5 Former tenants' arrears

*(**Option A:** The Council manages the collection of the debts of former tenants.)*

5.1 The Council will be responsible for the collection of debts from former tenants.

6 Housing benefit payments

Housing benefit is being replaced by Universal Credit for new claimants from October 2013 and for all claimants by 2017. Universal Credit will be paid directly to the claimant in most circumstances. In this case clause 6A will necessarily apply.

*(**Option A:** The Council collects **Rents** and manages rent arrears or the **Tenant Management Organisation** collects rent but Universal Credit is paid directly to the claimant.)*

6.1 Clause not included.

7 Setting rent payable by tenants

7.1 The Council will set the **Rents**, applying the same formula as it applies in setting the rents for similar dwellings to the **Property dwellings** in its own housing stock and in accordance with the Council's Rent Setting Policy having regard to Government's guidance on rents for social housing) and in accordance with the Council's Rent Setting Policy..

7.2 In setting the **Rents** the Council will not (unless required to do so by statute) take account of:

a) the rental value of any improvements to the **Property dwellings** financed by the **Tenant Management Organisation** out of the **Tenant Management Organisation's Surplus Fund**, (see clause 10 of Chapter 5); or

b) any other benefits which have or may come from the management of the **Property dwellings** by the **Tenant Management Organisation**.

7.3 Where the **Tenant Management Organisation,** after consultation with tenants, decides that additional services should be provided, or that additional services being provided should no longer be provided, the **Tenant Management Organisation** may request the Council to make appropriate adjustments in the **Rent** and the Council will give reasonable consideration to all such requests**.** The Council will make appropriate adjustments in accordance with the provisions of Schedule 2 (**Tenant Service Charge Procedure)**. If the **Tenant Management Organisation** decides to add the provision of additional **Estate Services** to its management functions (clause 10 of Chapter 2), the cost for providing the services may be included in the tenant service charge in the **Rents** and included in the **Allowances** (Chapter 5, clause 1).

7.4 The Council will notify the **Tenant Management Organisation** in writing of the **Total Rent** which the Council requires from the **Property Dwellings** for each rental period.

7.5 The Council will set the **Total Rent** by:

a) calculating the core rent and tenant service charge elements which the Council would charge for **Property Dwellings** by comparison with the core rent and tenant service charge elements charged for similar dwellings let on similar terms and conditions (see clause 7.1); and

b) including the tenant service charge required by the **Tenant Management Organisation**, if appropriate, for additional services under clause 7.3.

7.6 The Council will give the **Tenant Management Organisation** a written statement showing how the **Total Rent** has been calculated.

7.7 The core rent and tenant service charge elements will be set by the Council and the **Tenant Management Organisation** in a way which complies with the obligations set out in sections 24(1) and 24(3) of the Housing Act 1985 (that rents are reasonable and proportionate) and takes account of all other relevant considerations.

8 Notification of rent charges

*(**Option A:** The Council notifies tenants directly and notifies the **Tenant Management Organisation** at the same time.)*

8.1 The Council will give each tenant at least 4 weeks' written notice of change in his or her Rent, and at the same time give written notice to the **Tenant Management Organisation** of those changes in **Rent**.

9 Payment to the Council of rent due

*(**Option B:** The Council will inform the **Tenant Management Organisation** of the level of rent collection expected**.**) [Only use if clause 2, Option B is chosen.]*

9.1 The **Tenant Management Organisation** will administer the collection of rent as provided for and in the manner set out in clause 2, Option B.

9.2 The Council will send one or more rent statements to the **Tenant Management Organisation** in accordance with the provisions of Schedule 1. The rent statement will show the **Net Rent** amount due from the **Tenant Management Organisation** for the previous quarter and the amount collected. The **Net Rent** will be calculated as follows:

9.2.1 the **Rent** due for each rent period less:

a) any **Rents** waived under clause 12;

b) in the first period of each **Financial Year** the **Voids Percentage Amount** for the coming year calculated in accordance with the provisions of clause 10;

c) clause not included.

(Option 2: use only if clause 3, Option C is chosen.)

d) the **Rents** from tenants whose **Rent** accounts have been handed back to the Council (under clause 3) or **Rent** recovered by the Council;

10 Voids allowances

*(**Option C:** The **Tenant Management Organisation** collects rent and manages rent arrears and selects tenants)*

10.1 In calculating the **Net Rent** at the end of the first quarter of each **Financial Year** the **Voids Percentage Amount** of the total money collectable by the **Tenant Management Organisation** will be deducted as in clause 9.2.1b. The deduction is for rent losses from vacant dwellings while re-letting occurs and bad debts from **Rent** arrears which the **Tenant Management Organisation** is unable to recover.

10.2 The **Voids Percentage** will be adjusted if the total amount collectable by the **Tenant Management Organisation** from rents of dwellings changes during the **Financial Year**. The adjustment will be made in the rent demand under clause 9.2 at the end of the quarter in which the **Rents** were changed.

10.3 If the actual voids during any **Financial Year** result in a loss which is less than the **Voids Percentage Amount**, the **Tenant Management Organisation** will be entitled to keep the balance of the **Voids Percentage Amount**. If the loss from actual voids during any **Financial Year** is greater than the **Voids Percentage Amount**, the **Tenant Management Organisation** will be liable for the additional loss to the Council unless the Council expressly waives liability under clause 12.

11 Bad debts/write offs

*(**Option B:** The **Tenant Management Organisation** manages rent arrears, and there is provision for write-off of bad debts)*

11.1 The Council and the **Tenant Management Organisation** agree to the procedure for dealing with bad debts and write-offs of former and current tenants set out in Schedule 1.

12 Voids and rents waivers

*(**Option B:** The **Tenant Management Organisation** manages voids, and/ or selects tenants, collects rent and manages rent arrears.)*

12.1 The **Tenant Management Organisation** will not be liable for any **Void Losses** or loss of rental income which occur for the following reasons:

a) a dwelling is void and unfit for occupation because of damage by fire or other risks covered by the Council's buildings insurance;

b) a dwelling is void and unfit for occupation because the Council has failed to comply with its repairing obligations (see Chapter 2);

c) a dwelling is void because the Council has not complied with the time limits specified in Chapter 6, clause 3, Options B and C;

d) the **Tenant Management Organisation** has, with the consent of or under instructions from the Council, kept one or more dwellings vacant for major repairs or improvements or for any other reason;

ii) the collection of **Rent Arrears** in a particular case has been handed back to the Council (see clause 3.4);

12.2 The **Tenant Management Organisation** will give written notice to the Council claiming a voids waiver or rents waiver as soon as the **Tenant Management Organisation** is aware that a case falls within clause 12.1.

12.3 The Council will waive:

a) Void Losses in excess of the Voids Percentage Amount provided for in clause 10; and

b) loss of rental income; if the additional losses have occurred for any of the reasons set out in clause 12.1.

Chapter 3:

Schedules

Schedule 1:

Rent collection and arrears control procedure clause 2,3,4,5 and 6
Note: Any exchange of information must be in accordance with the General Data Protection Regulations/Data protection act 1998

General
The Council retains the responsibility for setting TMO rents. Tenants are bound by the terms of the LB Southwark Tenancy Agreement/Conditions of Tenancy. All information relating to rents, Housing Benefit and service charges will be subject to the confidentiality clause 1.4 of Chapter 3 of this Agreement

1. Rent collection arrangements
The TMO is responsible for the collection of rents into the Council's bank account. Tenants living in TMO managed properties will use the same payment methods as tenants living in directly managed properties. The TMO is responsible through its staff for monitoring payments made on rent accounts and taking action on rent arrears.

The TMO will ensure that all tenants are clearly informed about how to pay their rent and will provide assistance to tenants to understand and set up payment methods Tenants must pay rent and other charges that are due in advance on Monday in each week, or by such other arrangements as agreed with the Council. It is the responsibility of individual tenants to ensure that that their rent is paid

2. Recording rent payments
The TMO will maintain secure confidential files to hold rent entitlements.

The TMO will maintain a record of tenant service charges due and paid. The TMO will maintain a record of rent due and rent paid. The TMO must ensure that tenants rent records are accurate and up to date.

Rent payments will be automatically credited to the tenants rent account and recorded on the Council's computer system to which TMO staff will have access. This system (I-World) will be used by the TMO to maintain rent accounts including amendments to reflect new lettings, mutual exchanges, successions, assignments and voids.

Each quarter the TMO will send to all secure tenants a statement of rent payments. And housing benefit payments Notices to tenants, of any increase or decrease in rents will be sent out by the TMO. The Council will notify the TMO, in writing, of any increase or decrease in rents or service charges In time for the TMO to give tenants Statutory notice

The TMO does not accept cash payments.

Any changes to payment methods will be agreed with Southwark Council and all tenants informed accordingly

3. Universal Credit.
Universal credit will be paid directly to the claimant in most circumstances. Non-working age households where claimants have reached the qualifying age for Pension Credit will continue to receive Housing benefit from their council

The TMO will ensure that all tenants understand when and how to apply for Universal Credit. The TMO will ensure that tenants are informed that they are responsible for their Universal Credit claim. The TMO Manager will be responsible for ensuring regular communication with Southwark Housing Benefit section and Council Tax department and other agencies such as DSS Benefit Agency and Employment Services in serving the interest of its residents

The TMO will provide benefit advice and information on debt counselling to any tenant or leaseholder who asks for it.

4. Advice on welfare benefits
The TMO must advise those residents that it is aware are on welfare benefits that agencies such as Social Services, DSS, Age Concern, , etc. are available to offer advice. Where it is able to do so, the TMO will offer such advice and support.

However, whilst application forms may be available from the TMO Office, it shall remain the sole responsibility of the claimant to apply for welfare benefits or renewals as appropriate.

5. Procedure for Tenants In Arrears.
5.1 Arrears recovery procedures for Introductory Tenants differ from those for secure tenants. In such cases the TMO will follow the "Introductory Tenancies Guide to Arrears Recovery" produced by London Borough of Southwark.

5.2 **The TMO is responsible through its staff for monitoring rent accounts and taking action on rent arrears.** The TMO shall take prompt action to recover any arrears of rent and seek to prevent arrears serious cases by managing arrears in accordance with the Council's policy and procedure for rent arrears control other than when varied by agreement of the Council.

5.3 Members of the Finance Sub-committee and the Management Board shall be informed of the overall arrears position including statistics of recovery action taken. All information and reporting statistics will ensure anonymity.

5.4 If the TMO is unable to recover arrears over 6 weeks following the Council's Rent Arrears procedure, it shall be authorised to notify the Council and pass the responsibility for case management back to the income team of the Council

5.5 Court proceedings for the recovery of rent will be taken by the Council.

6. Terminating Non-Secure Tenancies and Licences (excluding Introductory Tenancies)
The Council shall terminate all non-secure tenancies and or sheds by means of serving Notice to Quit in the approved form. Where the Council serves a Notice of Seeking Possession on a secure tenant or a Notice to Quit on a non-secure tenant, a Notice to Quit shall also be served at the same **time,** in respect of any garage, parking space or shed rented by the tenant. If the tenant has not substantially rescued their accommodation rent arrears when the Notice expires, then the Council shall also repossess the non residential property.

7. Documentation
To implement this procedure the Council shall complete the standard Council documentation.

8. Former Tenants' Arrears, Bad Debts and Write-offs
Former Tenants owing arrears will remain the responsibility of Southwark Council.

9. Arrears due at the Starting Date clause 4
The Council must include the information required for the Tenant Management Organisation to undertake its responsibilities under options B and C of Clause 4, subject to any data protection requirements.

10. Monitoring and Review Arrangements
The TMO will provide quarterly monitoring reports to the Management Board (and more frequently if so requested by the Board) setting out the overall rent collection position and statistics on recovery action taken (not identifying specific cases). The TMO will include its performance against the rent collection key performance indicators set out in Chapter 8 schedule in monitoring reports to the Council. The Council will have access to performance data through the Council's rent account computer system.

Causes of rent arrears

The causes of rent arrears are many and varied. Research carried out by the Office of the Deputy Prime Minister (now MHCLG) identified a number of underlying causes:

- Changes in employment status
- Relationship breakdown
- Return of an adult son or daughter
- Death of a partner
- Vulnerable tenant with support needs
- Young single people who lack family support, and those with substance misuse problems
- Low income families especially lone parent households
- Lifestyle of those unconcerned about running up debts

The TMO Manager should interview all new tenants at the sign up appointment. Clear advice should be given to the tenant about the need to pay rent in advance, the amount of rent due, what services the rent pays for, and the impact on the service if tenants do not pay. Introductory tenants must understand that they have a 12 month probationary period, which may be extended by a further 6 months.

A detailed income analysis must be undertaken to ascertain the tenant's ability to pay and the risk of default, even if they are in receipt of welfare benefit. It is also good practice to obtain employment details and other relevant information.

Advice should be given on Universal Credit request/transfer forms must be completed, and where necessary e-benefit appointments made with Housing Benefits. The tenant should be given advice

on the documents required to progress their claim. If the tenant has an existing Southwark tenancy, a name change form should be completed rather than the full housing benefit form.

The TMO Manager should use the opportunity of this initial contact with the tenant to determine if there are any issues of "vulnerability". Where relevant, details of social workers, probation officers, resettlement officer, outreach officers etc should be requested and recorded.

Where the tenant is supported at the sign up by a resettlement worker, or other support agencies, a New Tenant Plan should be agreed at the sign up. This plan will detail the level of support to be given to the tenant in the first months of the tenancy.

Contact with the tenant should then be sustained throughout the debt recovery process. All methods of contact must be tried before considering the progression of legal action against the tenant.

Assistance should be given to the tenant to ensure that any Housing Benefit claim is resolved.

Where necessary the tenant should be referred to SUSTAIN and/or voluntary advice agencies

Methods of contacting tenants include:

Home visits	These may be planned and/or unannounced
Office interviews	These may be set up in advance by writing to a tenant, or upon request. Out of hours appointments should be made where requested.
Telephone contacts	These should include the use of home and work telephone numbers and mobile numbers. Details of contact numbers must be noted on the I World system for future use.
E-mail	This may be an effective method of contact for some tenants who have access to the internet.
Texting	This may be useful to initiate contact with a tenant. Do not use a personal mobile phone to text a tenant.
In writing	letters must be clear, concise and available in all formats if required. All letters should be typed. Handwriting should be used only for officer's signatures.

Basic principles for making agreements with tenants

All discussions with tenants concerning agreements to pay arrears should involve reiteration of the one basic message about rent: **For a tenant, rent is the most important of all debts.**

Tenants making agreements are required not only to begin paying all the rent due, but also to pay even more towards the arrears. This often has quite drastic effects on former spending patterns but tenants must balance the 'hardship' caused against the knowledge that non payment can result in the loss of their home.

Paying rent must come before other priority debts, just as a residential mortgage would. Priority debts include:

Priority debts	Ultimate action available to get money back
Rent	Eviction
Gas/Electricity	supply cut off
Council tax arrears	bailiffs/imprisonment
Magistrates court fines	bailiffs/imprisonment
Maintenance arrears	bailiffs/imprisonment
Hire purchase	repossession of goods

Rent takes precedence over non-priority debts such as bank debts and overdrafts; debts to door-to-door callers and moneylenders; catalogues; credit cards and store cards; satellite and leisure services.

When can an agreement be made?
agreements must not cut across any existing court order. Neither should they be made if they would prejudice pending or on going legal proceedings. The two occasions where they can be made are summarised as follows:

Secure Tenants: any time prior to the issue of a Possession Order. However 'if the tenant complies with an agreement made after the issue of proceedings to pay the current rent and a reasonable amount towards arrears, the landlord should agree to postpone court proceedings so long as the tenant keeps to such agreement. In practice this will mean an adjournment on terms. It is important to note that the usual procedure, after the issue of proceedings, will be that, if a tenant proposes a reasonable undertaking to pay, this will be acknowledged by letter. This letter does not accept the proposal as an agreement, but notes it as a possible basis on which to seek a Postponed Possession Order.

Introductory Tenants: any time prior to the service of a Notice to Terminate.

In the event of a change in financial circumstances, tenants/tolerated trespassers or indeed the Income Officer can apply to the Court to vary an existing court order. This cannot be done by an agreement outside of the court process, since the landlord's legal position would be compromised.

The reason for the use of the postponed order is that the tenancy remains secure because the order does not specify a possession date. Since the judiciary considers this to be equitable and in the interests of natural justice, and as this was the original intention behind suspended orders, postponed orders are now the norm.

Note that Section 299 and Schedule 11 of the Housing and Regeneration Act 2008 makes provision with regard to Tolerated Trespasser status. This will have the effect of greatly reducing the likelihood of Tolerated Trespassers being created as a result of Court judgements, since it will provide that secure tenancies will end only when a possession order is enacted

How should an agreement be made?

In the early stages, with arrears below say £100.00, agreements can be attempted by letter or telephone. This type of brief contact is appropriate especially where, for instance, only the Water Rate is effectively outstanding. Once made, the agreement must be confirmed in writing. It is highly desirable for there to be an additional signed acknowledgement from the tenant. Agreements should be paid by either direct debit or standing order and only where there is no qualifying bank account should an exception be made.

There are two key factors in determining acceptable agreement repayments:

Affordable: the amount must reflect what a tenant can pay after maximising their income, and reducing expenditure to a reasonable and prudent level. This spending level may well be substantially below what the tenant is accustomed to. For those tenants dependent on benefits £3.80 is the most that can be paid currently towards arrears in a week, and this will be reviewed in line with legislation.

Appropriate to debt: the larger the debt, the bigger the repayment. For secure tenants, the norm is for the debt to be cleared within 12 months. For an introductory tenant, the period would be shorter than this, depending on how long the tenancy has been running.

Agreed payments must be checked regularly to ensure that immediately a payment is missed, the Income Officer responds in the same week with appropriate action. Tenants conforming to agreements should still be contacted periodically. This allows appreciation to be expressed that they are making the promised payments. The contact will also serve as a reminder that the agreement is checked every week, reinforcing all the previous messages to the tenant on the priority of rent, and the care taken to monitor agreements.

In the event of a missed payment, and the tenant having failed to instigate prior contact, Income Officers should prepare to 'move on to the next stage' of the escalation policy, and immediately attempt to inform the tenant.

If the tenant responds positively, and regrets that the agreement was broken, it is probable that the optimum course would be to record a reasonable proposal to pay using a letter. However, this would be on the basis that the process has moved to the next stage. In the present example, this would probably be an application for a Postponed Possession Order.

Procedure for dealing with tenants in arrears

Letters for the secure tenancy

For the secure tenancy: Letter 1

The letter invites the tenant to make contact to explain their circumstances and to clear the debt. It is not necessary to wait for this letter to be sent before making contact with the tenant.

For the secure tenancy: Appointment Letter – Letter 2

This letter is designed to follow Letter 1, and is intended to be sent to those tenants who have not responded to letter 1, or who did respond, but have not rectified the arrears on their rent account.

Hand Back to the Council of Responsibility for Arrears

All attempts should be made to interview the tenant prior to hand back of a case to the London Borough of Southwark, at which time:

- the accuracy of the debt should be confirmed
- checks have been undertaken to ensure that there are no outstanding housing benefit issues (*refer to HB process*)
- an undertaking to clear the arrears has been sought and this undertaking has been broken

A hand back should not be made:

- where the tenant is keeping to an agreement
- where the amount owed represents less than 6 weeks' arrears of rent
- Until the Area Office has been made aware of the proposal to hand back, the handover checklist, which forms an appendix to this Schedule has been completed, and the tenant has been advised of the decision in writing.

12.0 Introduction to Rent Income Maximisation and Relationship between the Council and the TMO

12.1 Rent income maximisation is a core element of the Council's business plan. Effective income management helps to improve rent collection and prevent tenants from building up significant levels of debt.

12.2 The Housing Act 1985 s.27 (a) (b) empowers the London Borough of Southwark to delegate its landlord housing management functions to Tenant Management Organisations (TMOs). The functions taken on by the TMO are negotiated with the London Borough of Southwark and a management agreement is put in place to regulate the contractual relationship between the Council and the TMO.

12.3 The existing management agreements delegate the collection of rent lawfully due to the landlord to the TMOs and requires TMOs to hand back rent arrears cases of six or more weeks to the London Borough of Southwark for management and enforcement proceedings where necessary.

12.4 Under the current management agreements with the Council, the TMOs are awarded a 2% void and bad debt allowance and therefore only required to pay the Council 98% of the rent due.

12.5 Where the TMO tenant clears all the rent arrears and maintains a credit equivalent to one month's rent, the rent account is returned to the TMO.

13.0 Aims of Procedure

1 To facilitate the transfer of rent arrears management responsibility from the TMO to the Area Housing Office when the tenant is in rent arrears of six weeks or more.

2 To aid the return of the management of the rent account when the TMO tenant clears all the rent arrears and maintains a clear rent account for a period of one calendar month.

3 To facilitate monthly liaison between TMO and the AHO Income Manager to review all rent hand back arrears cases of six weeks or more.

4 To develop a central database of all TMO rent arrears hand back and provide a monthly report to the Tenant Management Initiative (TMI) Team.

5 To develop and maintain a consistently high standard of practice in rent arrears management and share good practice.

14.0 TMO management of rent arrears and the rent arrears protocol

14.1 The Council's Rent Arrears Protocol provides a framework for TMO

Managers/Officers and tenants to work together to address the cause(s) of rent arrears and to clear the arrears without any need for referral to the Area Housing Office for management and enforcement.

14.2 However even after working with the tenant(s), and ensuring that the protocol has been followed, some tenants fail to pay their rent and keep to agreements so their rent accounts will have to be handed back to the Council.

14.3 Once an agreement has been made to hand back the rent account to the Council, the TMO Manager/Officer will write to the tenant advising them of their intention to hand back the rent account and the provisional effective date of hand back.

15.0 TMO checklist of actions and documents prior to handover

The TMO must provide:-

15.1 A detailed chronology of events and actions that have been taken to recover the arrears needs to be put together for ease of reference. A paginated bundle is preferable.

15.1A current accurate legal tenancy agreement/deed – this is important especially if there has been a change in the status of the tenancy e.g. joint to sole, sole to joint, deed of succession, deed of assignment etc.

15.1.1 Copies of all letters sent to tenant(s) regarding the rent arrears and all rent arrears recovery letters; detailed notes of telephone discussions relating to the recovery of the rent arrears; detailed notes of all home visits and copies of all agreements reached with the tenant to clear the rent arrears.

15.2 Details of the up to date household composition, including names and dates of birth of occupants in the home and their relationship with the tenant(s).

15.3 Details of the Immigration status of occupants. They may be eligible for help by Social Services under s.21 of the National Assistance Act 1948, or they may be referred to the National Asylum Support Scheme (NASS). If children are involved, assistance may be available under s.17 of the Children Act 1989

15.4 Rent statements relating to only rent lawfully due to be paid by the tenant(s). Rent statements should be cross checked with dates of assignments and successions to avoid any potential legal issues regarding the lawfulness of the rent and/or arrears being demanded.

The TMO must check:-

15.5 That all rents paid by the tenant(s) have been correctly recorded, and that all DWP direct deductions from benefits are in place before referral to the Area Housing Office

15.6 If there are no outstanding housing benefit payments due to the tenant(s).

15.7 Any potential issues of disrepair to avoid any potential disrepair counter claim for breach of landlord repairing obligations pursuant to s.11 of the Landlord and Tenant Act 1985, s.79 of the Environmental Protection Act 1990 or the Defective Premises Act 1972.

15.8 Rent arrears owed by the former tenant (in cases of succession and assignment) cases must be discounted from the rent arrears figures as this is not rent lawfully due in legal possession proceedings.

16.0 TMO rent arrears hand backs to the AHO checklist

1. Under the terms of the LB Southwark management agreements, affected TMOs should hand back to the council the rent account of a tenant(s) in arrears of six or more weeks.

2. The TMO must provide immediate notice to the Council of its intention to hand back the tenant(s) rent arrears account, to the AHO Income Manager for them to instigate legal action where necessary.

3. All hand backs to the Council for rent arrears management must be made by completing the hand back to the council pro-forma Part 1, to the AHO Income Manager. TMO must attach to the form copies of the tenant(s) rent statements from the beginning of the last financial year and copies of documents set out on paragraph 4.0.

4. The TMO must inform the tenant in writing that the rent account has been handed back to the council for collection and management, and provide correct details of where to pay rent and clear the arrears on the account.

5. Upon receipt of the referral, the AHO Income Manager will liaise with the Tenant Management Initiative Team to create a new rent account, and transfer the arrears balance of the TMO tenant to the new rent account on iWorld.

6. AHO Income Manager to check that the rent charged by the TMO is accurate and lawful, and any additional charges for entry phones, water rates and communal heating charges are all correct.

17.0 Management of rent account by Area Housing Office

17.1 The AHO Income Manager will confirm to the TMO tenant in writing:

- That the rent account has been transferred to the Council for management.
- That all rent payments must be made to the Council using the new account details, how and where payments should be made.
- Of the name and contact details of the Income Officer in the area office.

17.2 The AHO Income Team will manage all aspects of rent collection and arrears recovery including direct communication with the tenant.

The AHO Income Manager will:

17.3 Send a monthly progress report to the TMO and a copy to the TMI Monitoring

17.4 Officer. Reports to include the following:

- Hand back start date.
- Arrears at hand back.
- Current arrears balance.
- Repayment agreement.
- Housing benefit action.
- Confirmation of action taken and other general comments.

17.5 Arrange regular meetings with the TMO to answer any queries and provide other Information which the TMO may require from time to time.

18.0 **Hand back Returns to the TMO**

18.1 The AHO Income Manager will give at least one month's notice to the TMO of the hand back return. Details will be reported in the commentary field of the monthly report. The rent account will be at least one month in credit and the tenant(s) will have maintained regular and timely payments to it.

18.2 The tenant(s) will have paid in full any costs awarded to the Council by a Court in any legal action taken to recover the arrears.

18.3 The account will be returned to the TMO by completing 'Hand back Return to TMO pro-forma Part 2. An official hand back date will be mutually agreed between the AHO Income Manager, the TMO and the Central Finance Team.

18.4 The AHO Income Manager must provide:-

- A detailed chronology of events and actions that have been taken to recover the arrears needs to be put together for ease of reference. A paginated bundle is preferable.
- Copies of all letters sent to tenant(s) regarding the rent arrears and all rent arrears recovery letters; detailed notes of telephone discussions relating to the recovery of the rent arrears; detailed notes of all home visits and copies of all agreements reached with the tenant to clear the rent arrears.
- Rent statements relating to only rent lawfully due to be paid by the tenant(s).

18.5 The AHO Income Manager will confirm with the TMI Team that the responsibility for managing the TMO rent account previously set up on iWorld has been returned to the TMO, and authorize the suspension/closure of that iWorld rent account.

18.6 The TMI Team will set up another rent account under the TMO account for the purposes of charging to the rent demand.

18.7 The TMI Team will confirm the suspension/closure of the old account in

writing to the AHO Income Manager.

18.8 The TMI Team will confirm the opening of the new account in writing to the TMO Manager/ Officer and confirm the opening credit balance.

19.0 Reimbursing the TMO monies owed up to hand back

19.1 The Council will return all payments due to the TMO from the date the TMO rent account management was handed back to the AHO Income Team for management, to the date the account is returned to the TMO.

19.2 The Area Income Manager will complete and endorse Part 3 of the clear rent account hand back return form: reimbursement of monies owed to TMOs. The form will provide the following information:

- Hand back start date.
- Arrears total at date of hand back to the AHO Income Team.
- Details of all legal/court costs paid.
- Payments to be reimbursed to the TMO.
- Date clear rent account handed back the TMO.
- Date of notification to the TMI Finance Manager.

19.3 The clear rent account hand back return form will be sent to the Finance Manager in the TMI Team to determine payments due to the TMO. A copy will also be sent to the TMO Manager/Officer.

19.4 The TMI Finance Manager will calculate and authorize all payments due to the TMO. All payments due to the TMO will be made by the quarterly rent demand payments to TMOs.

19.5 The entire reimbursement process to the TMO should be no longer than one calendar month from the date the AHO Income Manager hands back the clear TMO rent account to the TMO.

19.6 The TMO should note that any money recovered by the Council will be disbursed in the following order of priority:

- Firstly, to meet any costs awarded to the Council by a Court in legal action taken to recover the arrears where such costs have not been otherwise recovered;
- Secondly, to pay off arrears which accrued after the Rent due date on which the Council took over management of the arrears case in question;
- Thirdly, if a balance remains, it would be deducted from the quarterly rent demand by the TMI Finance Manager.

19.7 The Area Housing Income Team will provide an itemised debt recovery cost to include all disbursements to the TMI Finance Manager no later than five working days from the date the clear TMO rent account is handed back to the TMO.

19.8 All payments due to the TMO will be paid by the quarterly rent demand. The TMI Finance Manager will provide a statement of accounts showing payments due to the Council and the TMO.

20.0 warrant of execution and vacant possession

20.1 Area Housing Income Manager will:

- Notify the TMO when an application has been made for a warrant of eviction.
- (Upon receipt of an eviction date), notify the TMO of the eviction date and the expected time of arrival for the court bailiff to carry out the eviction.
- Arrange for a carpenter to attend to force entry where necessary
- Sign the bailiff's warrant of execution and hand over vacant possession of the property to the TMO officer and the rent hand back will take effect on the following Monday.

20.2 The TMO Manager/Officer will be responsible for taking an inventory of the items left in the property and arrange storage of the chattels found in the property in line with s.41 of the Local Government Miscellaneous Provisions Act 1982. The TMO must also take photos of all chattels left in the property.

20.2.1 The AHO Income Manager will confirm with the TMI Finance Manager that the responsibility for managing the TMO rent account previously set up on iWorld has been returned to the TMO following the eviction, and authorize the suspension/closure of the relevant IWorld rent account.

20.3 The TMI Finance Manager will set up another rent account under the TMO account for the purposes of charging to the rent demand.

20.4 The TMI Finance Manager will confirm the suspension/closure of the old account in writing to the AHO Income Manager and provide a copy to the TMO Manager/Officer.

20.5 The TMI Finance Manager will confirm the opening of the new account in writing to the TMO Manager/ Officer and confirm the opening credit balance.

TMO	*Area*

Appendix A

Handover Checklist – TMO's to Area Office (Part 1)

Name of Tenant(s)	Address
Telephone No	Names & DOB of Occupants
Email	
Mobile	
Associated accounts (e.g. garage)	Action taken on associated accounts
TMO rent account number	Arrears figure at handback
The TMO officer handing over the case is	The officer at Area Office dealing with the arrears case is
Copy of tenancy agreement attached? Y/N **(essential)**	List of Agreements
Photocopies of agreements attached? Y/N	
Copy of income and outgoings pro forma attached? Y/N	Action Taken (including method e.g. telephone/home visit etc & date)
Written confirmation of contacts attached? Y/N	
Rent statements attached? Y/N **(essential)**	Method of payment by tenant (standing order/cash office etc)
Housing Benefit disclaimer enclosed? Y/N	Medical and social factors affecting payment of rent (e.g. OAP, mental illness)
Copy of letter advising tenant arrears case is to be handed back to council? Y/N	
Reason given for non-payment of rent?	

Signed by TMO Manager/Officer	Date
Signed by Income Manager/Team Leader	Date

TMO	*Area*

Handover Checklist – TMO's to Area Office (Part 2)

Name of Tenant(s)	Address
Telephone No	Names & DOB of Occupants
Email	
Mobile	
Associated accounts (e.g. garage)	Action taken on associated accounts
Housing Management rent account number	Arrears figure at hand back
The Income Team Leader handing over the case is:	

Attached list of visits, interviews, agreements, letters? Y/N		Attached list of legal action taken? Y/N	
Copy of income and outgoings pro forma attached? Y/N		Was the tenant evicted? Y/N	
Is the rent account now clear? Y/N		Has the tenant now left the property? Y/N	
Rent statements attached? Y/N **(essential)**		Copy of letter advising tenant arrears case is to be handed back to TMO? Y/N	
Is the tenant claiming housing benefit? Y/N		Method of payment by tenant (standing order/cash office etc.	
Any other comments?			

Signed by Income Manager/Team Leader	Date
Signed by TMO Manager/Officer	Date

TMO	*Area*

Handover Checklist – TMO's to Area Office

(Part 3) – Reimbursement of Monies Owed to TMO

Name of Tenant(s)	Address
Handback Start Date	Arrears Total at Date of Handback
Date Account Returned to TMO	Total Value of Monies to be Reimbursed
Date TMI Finance Manager notified	

Approved by CIT Manager	Date
Payment Approved by TMI Finance Manager	Date

Chapter 3
Schedule 2

Tenant Service Charge Procedure **Clause 7**

The Council will provide to the TMO a breakdown of tenant services for which it charges (such as grounds maintenance, cleaning, communal electricity etc). The TMO cannot set the core rent but may consult tenants on changes to services, including proposals to reduce services or provide additional estate services, and may seek an increase in charges, where appropriate. This may include requesting increased service charges to cover the provision of additional estates services.

The TMO may request the Council to vary the tenant service charge element of the Total Rent if the element of service charge relates to a service provided by the TMO.

Before any variation can be made to service charges, the TMO must demonstrate that it has fully consulted with all tenants within the property, not just its membership, about changes to those services which result in a change to the level of tenant service charges.

The TMO must formally request the approval of
the Council of any proposed changes with relevant supporting information as requested by the Council. This may be budget forecasts, audited accounts, invoices, credit notes etc. This information must be provided within the timescales set out by the Council to enable it to make the necessary changes to rent levels.

Consultation with residents

Consultation with tenants should take the form of individual notification with an agreed consultation period to enable tenants to make responses to the TMO. The TMO should take all responses into account before making its decision at a Management Board meeting which is open for all tenants to attend and speak or a General Meeting depending on the level of the variation. If the variation is likely to result in an average increase to tenant service charges in excess of an amount to be agreed with the Council (25 pence weekly) then the matter must be considered at a General Meeting to which all tenants have been invited and have received notification that the matter is to be considered.

Impact on Housing Benefit

The TMO and the Council will consider the impact on housing benefit of any changes to the level of tenant service charges. Any such proposed changes will require the approval of the Council which will not be withheld unreasonably. The TMO must demonstrate that it has consulted with tenants and given due consideration to their responses.

Chapter 4

Leaseholder and Freeholder Service Charges

(This Chapter includes provisions on freeholders who have a legal obligation to pay for services, such as the upkeep of communal areas).

1 Confidentiality and procedures

1.1 The **Tenant Management Organisation** will treat as strictly confidential all information in its possession about **Service Charges** accounts. Only the employees or officers of the **Tenant Management Organisation** dealing with management of **Service Charges** accounts will have access to **Service Charge** accounts/records and information which are capable of revealing the identity of any leaseholder or freeholder. Information given to a committee of the **Tenant Management Organisation** which has overall oversight of the management of **Service Charges** accounts, or to a general meeting of the **Tenant Management Organisation** with such oversight, will be provided in a way that does not reveal the identity of any person in arrears. All information concerning **Service Charges** accounts will be used only for the purpose of managing **Service Charges** accounts and controlling arrears.

1.2 The **Tenant Management Organisation** and the Council agree that **Service Charges** will be dealt with in accordance with the **Service Charges Procedure** set out in the Schedule.

2 Information

2.1 The **Tenant Management Organisation** agrees to keep accurate information on the **Service Charges** for those services it provides to leasehold and freehold dwellings. The service charges will be calculated on an estimated and an actual basis in accordance with the terms of the leases or freehold transfers.

2.2 Where the **Tenant Management Organisation** and the Council have agreed under clause 3, Option B, that the **Tenant Management Organisation** will calculate **Service Charges**, send out **Service Charge** demands and collect **Service Charges**, the **Tenant Management Organisation** will treat the obligations of the Council under sections 21 of the Landlord and Tenant Act 1985 (regular statements of account) and section 22 of that Act (inspection etc. of documents) as its obligations, and act accordingly.

3 Service charges: calculation, sending of demands and collection

(***Option A****:* The Council calculates all the **service charges** (including where appropriate ground rents), sends service charge demands to leaseholders and freeholders and collects service charges.)

3.1 The Council will:

a) calculate all **Service Charges** for the services provided to leasehold and freehold dwellings, set in accordance with the provisions of the lease or transfer;

b) send service charge demands; and

c) collect S**ervice Charges**.

3.2 The **Tenant Management Organisation** will maintain its records and accounts books in such a way as will enable the Council to comply with its obligations under section 22 of the Landlord and Tenant Act 1985 (inspection etc. of documents) and for it to calculate **Service Charges** for services provided by the **Tenant Management Organisation**.

3.3 The Council and the **Tenant Management Organisation** will each ensure that all invoices and credit notes relating to the services provided by it have proper records and audit trails and comply with the provisions of the Schedule.

3.4 The Council will calculate the **Service Charges** within the periods set out in the Schedule, and provide the **Tenant Management Organisation** with a schedule of all such charges and calculations within the periods set out in the Schedule and at least 14 days before service charge demands are sent.

4 Service charges and ground rent arrears

(Option A*: The Council manages all* ***Service Charge*** *and* ***Ground Rent*** *arrears.)*

4.1 The Council will manage all Service Charge and Ground Rent arrears, including recovery action in respect of all service charges, in accordance with the provisions of the Schedule.

5 Consultation provisions under the Landlord and Tenant Act 1985 (as amended) relating to service charges where both the Council and the Tenant Management Organisation provide services

(Option A*: Both the Council and the* ***Tenant Management Organisation*** *provide services, but it is the Council that complies with the consultation requirements.)*

5.1 Both the Council and the **Tenant Management Organisation** provide services, but the parties agree that it is the Council that will comply with the consultation requirements.

6 Supplementary provisions in relation to clause 5

6.1 Each party will provide the other party with information in its possession required by the other party to fulfil that party's consultation requirements. The **Tenant Management Organisation** will, in relation to consultation with tenants and leaseholders, treat the consultation requirements of sections 20 and 20ZA of the Landlord and Tenant Act 1985 and of regulations made under those sections as requirements directed at it.

7 Other provisions of the Landlord and tenant Act 1985 relating to other service charges

*(**Option A:** The Council supplies regular statements of account under section 21 of the Landlord and Tenant Act 1985 and notices to accompany demands for **Service Charges** under section 21B of that Act.)*

7.1 The Council will supply regular statements of account to tenants and leaseholders under section 21 of the Landlord and Tenant Act 1985, and notices to accompany demands for **Service Charges** under section 21B of that Act in accordance with the provisions of those sections and of the regulations made under them.

7.2 The **Tenant Management Organisation** will provide information in its possession to the Council that is required by the Council to enable it comply with the provisions of clause 7.1.

8 *(**Option A:** The Council collects all **Service Charges** and **Ground Rents**, and arrears).*

8.1 Clause not included.

9 Financial incentives and penalties in relation to collection of service charge arrears

9.1 Where the **Tenant Management Organisation** manages service charge arrears, the Council and the **Tenant Management Organisation** agree that the financial incentive and penalty scheme set out in the Schedule will operate.

Chapter 4:
Schedules

Service Charges Procedure

1 Calculation of Charges **Clause 3**

The Council's lease requires leaseholders to pay a fair proportion of the costs and expenses as set out in the lease. Further, the Council may adopt any reasonable method of ascertaining the said proportion of costs and expenses and may adopt different methods in relation to different items of these costs and expenses.

The cost of each service recharged to homeowners is based on payments made to each contractor providing the service. An additional charge is added to recover any management costs incurred in providing each individual service.

Costs are apportioned by allocating a weighting by units for each property. Each property is allocated a weighting of four units (bathroom, kitchen, living room and hallway) with an extra unit added per bedroom. These units are then totalled to give a total for the block. The total block cost of each service is divided by the total units to give a cost per weighting unit. This unit cost is finally multiplied by the number of units in each individual property to give the charge for each property. Where costs are incurred on the estate, the same methodology is used except that a total unit cost for the estate is calculated. This means that leaseholders with larger properties pay more than those with smaller properties in the same block.

The methodology described above is that currently used by the Council. Due to changes in legislation, Leasehold Valuation Tribunal (LVT) rulings, case law, agreements with Leasehold Council or changes in best practice, the methodology may change in future. .

Books and records

The TMO is responsible for keeping books and records which should comply with current legislative, audit and service charge requirementsand must use the Council's computer systems for all services including repairs and maintenance and accounts for all expenditure within the Council's systems since the Council holds the management and maintenance allowances in a ring fenced account within the Housing Revenue Account.

Service charge requirements

Although the records are kept on the Council systems, it is still the responsibility of the TMO to keep detailed records of all expenditure and ensure its accuracy to enable the Council to compile service charge bills. Records must be inputted onto the Council's computer system within 28 days. For service charge purposes each category of expenditure must be broken down firstly between;

1. Communal costs (costs for services for which both council tenants and homeowners benefit) and
2. Non-communal costs (where only council tenants benefit)

Secondly by;

1. Block

2. Estate

The TMO must keep all invoices and all other documents for a statutory minimum period of six years plus the current financial year and these must be made available to the Council within five working days of being requested.

Other documents to be retained must include:

1. Records by Cleaning and grounds maintenance staff or contractors of time spent on cleaning each block and estate
2. A breakdown by office staff of their time spent on work done on each of the service charge headings; a breakdown of management costs and the proportion which they consider should be recovered from homeowners.
3. Timesheet records for work carried out by staff. Timesheets are to be broken down by each member of staff on the time spent on various types of work between communal and non communal work i.e. dealing with tenants, leaseholders, communal cleaning etc. Monthly and annual summaries of work must be made available to the Council.

2. Billing and Collection arrangements Clause 3

The Council is responsible for the construction, billing and collection of service charges based on information supplied by the TMO (Chapter 4 Clause 3 Option A)

Estimated bills should be sent out by the Council by the end of March each year, to comply with the terms of the lease.

Actual bills should be sent out by the Council by the end of September each year.

The Council will rely on information recorded by the TMO on the Council's computer systems or any other books and records kept by them to compile the service charge bills to leaseholders. The TMO manager will be asked to verify these costs and charges. The Council may require the TMO to justify the service charge costs, to comment on the reasonableness of standards or to explain why costs were incurred. TMO staff attendance may also be required at the First Tier Tribunal to give evidence to justify the costs incurred.

Estimated service charges

The TMO will submit to the Council its following year's budgets by the end of January each year (subject to having received notification of the management and maintenance allowances) and these will be used for service charge purposes. The budgets will be broken down by communal and non-communal costs and between blocks and estates.

The Council will set the TMO's annual budget up on the Council's financial systems (SAP), (If the Council system does not allow for this then the TMO will provide the detailed budgets required in a format acceptable by the Council) The TMO will provide the Council within any additional information required to construct these estimated service charges or for any other purposes. This time scale can be varied by agreement.

Actual service charges

The TMO will accurately record all service chargeable expenditure on the Council's computer systems to enable the Council to access all the information it requires for service charge purposes. The Council may seek additional clarification and verification of these costs (normally via Wrayburn Community Organisation).

In the unlikely event that there is other expenditure funded from the TMO's own bank account which may impact upon service charges, the TMO shall inform the Council by the end of July each year in the format prescribed by the Council (a sample of which is attached). TheTMO will use its professional accountants to prepare any of this additional information which should be produced with the annual financial statements and accounts.

The TMO will provide the Council within five working days any additional information required to construct the actual service charges or for any other purposes deemed necessary by the Council.
The TMO will provide all information required to enable the Council to carry out the appropriate statutory consultation on qualifying repair works costing any leaseholder more than £250 (inclusive of management and administration fees).

3 Arrears Procedures **Clause 4,8**

Three letters requesting payment are sent before mortgagees are approached if no satisfactory response is received from the service charge payer. These stages must be completed before any legal action is considered.

4 Consultation requirements **clause 5 and 6**

Statutory Leaseholder Consultation

There are strict guidelines that Southwark Council must abide by when consulting lessees about major works. These guidelines are set out in Section 20 of the Landlord and Tenant Act 1985 (as amended). Section 151 of the Common hold and Leasehold Reform Act 2002 introduces amendments to the consultation process.

The Three-Stage Consultation Process

Stage 1

Southwark Council is required to consult with lessees where it plans to carry out works that would cost individual leaseholders more than £250 each.

The Council is required to provide a notice of the proposed works to a Recognised Tenants Associations (RTA) or TMO, if one exists, and to all leaseholders involved. The notice must describe the works to be carried out. Alternatively, leaseholders must be informed where and when they can inspect the documents describing the proposed works. Leaseholders are allowed to take copies of the notice, free of charge.

Lessees have 30 days to make observations on the proposed works and the Council must consider any observations made.

In addition, the Council may be required to invite all leaseholders involved in the works to nominate a contractor. If the lessees exercise this right the Council must ask the contractor who received the highest number of nominations to provide an estimate. Lessees are not permitted to nominate a contractor if the works are to be advertised in the Official Journal of the European Union.

Stage 2

Southwark Council is required to provide lessees with at least two estimates for the works, one of which must be from a contractor wholly unconnected to the Council. Where a nominated contractor provides an estimate this must be included as one of the minimum of two estimates.

The Council must give the estimate to the TMO or TRA if one exists, and to all lessees involved. Alternatively, lessees must be told where the estimates can be inspected. If the documents are unavailable for inspection then the leaseholders are entitled to receive copies free of charge.

The second stage Section 20 Notice must contain the following information:

- Details of the estimates received.
- An invitation to lessees to comment on the estimates.
- The name and address of the person to whom those observations may be sent.
- The date when those observations must be received, which must be at least 30 days from the date the Notice is served.
- A copy of the estimates received, or information on where the estimates may be inspected.

Stage 3

Once the Council has formally awarded the contract, it may have to write to the TMO or TRA if one exists, and to all of the lessees involved, informing them which contractor the work has been awarded to and the reasons why. The Council must also provide details of all the observations received and their response to them.

This is not necessary in cases where the contract has been awarded to a nominated contractor or the contractor who supplied the lowest estimate.

5 Regular Statements of account under s21 of the Landlord and Tenant Act 1985 (as amended)

The Council will arrange for quarterly statements to be sent to all service charge payers.

6 Payment to the Council of service charges and/or arrears collection

The Council is responsible for collecting all monies due for service charges and will maintain accounts of all transactions

7 Financial Incentives and Penalties **Clause 9**

As Wrayburn Community Organisation has no responsibility for collection of Service Charges or arrears so incentives and penalties are not required.

Chapter 5

Financial Management

1 Calculation of allowances

1.1 The **Allowances** to be paid by the Council to the **Tenant Management Organisation** (whether directly or indirectly) under clause 2 are to be the aggregate of:

a) the sums calculated in accordance with the method of calculation set out in the statutory guidance given by the Secretary of State set out in **Right to Manage Guidance: Calculating Allowances for Tenant Management Organisations**, [2012] utilising such data as are relevant for the purposes of the calculation; and

b) the amount (if any) for additional services included at the **Tenant Management Organisation's** request in the **Rent** or **Service Charge** (see Chapter 3, clause 7 and Chapter 4, clause 3).

1.2 The amounts calculated in accordance with paragraph (a) of clause 1.1 and included under paragraph (b) of clause 1.1 are set out in Schedule 1 (**Calculation and Payment of Allowances)**. These amounts will be adjusted annually in accordance with the statutory guidance given by the Secretary of State in **Right to Manage Guidance: Calculating Allowances for Tenant Management Organisations** [2012].

1.3 The Council will give the **Tenant Management Organisation** at least three' months' notice of the proposed change in the amount falling within paragraph (a) of clause 1.1 for the following financial year. Any change in the **Allowances** will come into effect from the beginning of the following **Financial Year** and will be implemented over such period as may be agreed by the **Tenant Management Organisation** in accordance with the provisions of Schedule 1.

1.4 At least two months before the beginning of each **Financial Year** the **Tenant Management Organisation** will in writing inform the Council of the **Allowance** it calculates it requires falling within paragraph (b) of clause 1.1 for the coming **Financial Year**. The **Tenant Management Organisation** will state the reasons for any increase or decrease in the amount it calculates it requires compared with the corresponding amount for the previous **Financial Year**.

1.5 Either party may seek a review of the **Allowances** being paid in accordance with clause 1.1 and the provisions of Schedule 1 and such a review will be conducted in accordance with the Guidance Calculating Allowances for **Tenant Management Organisations**. Any change in **Allowances** following such a review will come into effect from the beginning of the following **Financial Year** and will be implemented over such a period as may be agreed by the **Tenant Management Organisation** and the Council in accordance with the provisions of Schedule 1.

2 Payment of allowances

*(**Option B:** The **Allowances** are paid to the **Tenant Management Organisation**.)*

2.1 The Council will pay the **Tenant Management Organisation** the **Allowances** in instalments in advance in accordance with the agreement between the parties as to **Financial Procedures** set out in Schedule 2.

2.2 Where this Agreement ends in the course of a **Financial Year**, the **Allowances** payable in respect of the period from the start of that **Financial Year** to the date this Agreement ends shall be the **Allowances** payable in respect of that **Financial Year** multiplied by ***x/365*** (or, in the case of a leap year, ***x/366***), where ***x*** is the number of days from the start of that **Financial Year** to the last day this Agreement is in force.

2.3 Value Added Tax at the standard rate shall be charged to the Council on the **Allowances** payable to the **Tenant Management Organisation** under this Agreement.

3 Payment of management and maintenance costs and administrative expenses incurred by the Tenant Management Organisation

*(**Option B: Tenant Management Organisation** has its own bank account and receives **Allowances** from the Council, or retains allowances from rental income or has agreed a self financing arrangement*

3.1 The **Tenant Management Organisation** is authorised to incur **Management and Maintenance Costs** and administrative expenses in the exercise of its **Management Functions** under this Agreement. The **Tenant Management Organisation** will act in accordance with the provisions of Schedule 2 for all payments of such costs and expenses.

4 The Tenant Management Organisation's banking arrangements

*(**Option B: Tenant Management Organisation** has such accounts as it sees fit, and notifies Council of account details.)*

4.1 The **Tenant Management Organisation** will open any bank or building society accounts as it considers necessary. The **Tenant Management Organisation** will inform the Council of any bank or building society accounts it opens.

4.2 The **Tenant Management Organisation** will inform the Council in writing of the names and addresses of persons authorised to act as signatories on the account and report any changes to those signatories at the time of change. Any cheque drawn on the **Tenant Management Organisation's** account will require a minimum of two signatories.

4.3 The **Tenant Management Organisation** will notify the Council in writing of the account name and number into which the Council is to pay the **Allowances.**

5 Financial control and accounting standards

5.1 The **Tenant Management Organisation** will conduct its financial affairs in accordance with the provisions set out in Schedule 2.

5.2 The **Tenant Management Organisation** will account for income and expenditure in accordance with the accounting standards set out in Schedule 3 (**Accounts and Audit**).

5.3 The **Tenant Management Organisation** will provide the Council with the following financial information:

a) the **Tenant Management Organisation's** budget for the coming **Financial Year** before the beginning of each **Financial Year**;

b) the **Tenant Management Organisation's** quarterly revenue report within six weeks of the end of each quarter;

c) the **Tenant Management Organisation's** accounts and balance sheet for the previous **Financial Year** audited by a qualified auditor within six months of the end of each **Financial Year**;

d) the **Tenant Management Organisation's** auditor's management letter within one month of receipt; and

e) information on leaseholder charges, in accordance with the provisions of the Schedule to chapter 4 as to how the information is to be provided and within which period it is to be provided.

5.4 The **Tenant Management Organisation's** correspondence, files, books and records of accounts that relate to the management of the **Property** dwellings and the **Tenant Management Organisation's** financial procedures manuals will be available to inspection for audit purposes by the Council's internal audit staff, the Council's external auditor, and the Audit Commission. Reasonable notice that such inspection is desired is to be given by the party desiring it.

6 Financial year

*[**Tenant Management Organisation's** financial year should be the same as the Council financial year.]*

6.1 The **Tenant Management Organisation's Financial Year** will be from 1st April to 31st March of the following year.

7 Restriction on Investments

7.1 The **Tenant Management Organisation** shall not, without the prior consent of the Council, invest surplus cash balances in any form of investment other than a secure short term deposit account. Any money so invested shall be capable of being

withdrawn by the **Tenant Management Organisation** giving not more than 3 months' notice of withdrawal.

8 Reserve funds

*(**Option B:** The **Tenant Management Organisation** has bank account(s) to meet **Management and Maintenance Costs**.)*

8.1 The **Tenant Management Organisation** will set up a **Reserve Fund** to meet the following potential liabilities:

a) anticipated costs in future years resulting from under-spending on repairs and services;

b) known commitments for future work in addition to the **Major Works Account** (if any); and

c) a contingency against costs arising from unforeseen circumstances.

The **Tenant Management Organisation's** auditor will certify any amount put into the **Reserve Fund** as an adequate amount to be put aside. The **Reserve Fund** will be shown on the **Tenant Management Organisation's** balance sheet at the end of each **Financial Year**.

8.2 The **Reserve Fund** will be used to meet costs in enabling the **Tenant Management Organisation** to exercise its **Management Functions** under this Agreement in relation to the potential liabilities mentioned in clause 8.1.

8.3 If a credit balance remains in the **Reserve Fund** when this Agreement ends the balance will be paid over to the Council.

9 Major works account

*(**Option A:** The **Tenant Management Organisation** has no **Major Works** account.)*

9.1 Clause not included.

10 Financial report and surplus fund

*(**Option B:** Management and maintenance costs are paid by the **Tenant Management Organisation**.)*

10.1 Within six months of the end of each **Financial Year** the **Tenant Management Organisation** will produce audited **Annual Accounts** for the past **Financial Year** which show:

a) a statement of the **Tenant Management Organisation's** income and expenditure;

b) the assets and liabilities of the **Tenant Management Organisation**, other than items included under paragraph a);

c) the **Major Works Account** (if any);

d) the **Reserve Fund** (if any); and

e) the **Surplus Fund** provided for in this clause.

10.2 If the **Annual Accounts** show a surplus of assets over liabilities, the balance will be transferred to the **Surplus Fund** or the **Reserve Fund**, and the **Tenant Management Organisation** will report on the **Surplus Fund** at its Annual General Meeting. The **Surplus Fund** will be shown on the **Tenant Management Organisation's** balance sheet.

10.3 The **Surplus Fund** may be used by the **Tenant Management Organisation** for any purpose permitted by the **Tenant Management Organisation's** constitution and shall be used for producing audited accounts under clause 10.5.

10.4 Any balance in the **Surplus Fund** will be carried forward from one year to the next.

10.5 If this Agreement ends the **Tenant Management Organisation** will, subject to clause 10.6, produce audited accounts as at the date on which this Agreement ends within three months of that date. The **Tenant Management Organisation** will send a copy of these accounts to the Council within three days of their production.

10.6 If there is no **Surplus Fund** on the date this Agreement ends or the balance in the **Surplus Fund** is not sufficient to pay in full for the production of audited accounts, the accounts will be produced at the direction of the council.

10.7 If a **Surplus Fund** balance remains when this Agreement ends the **Surplus Fund** will be used as the **Tenant Management Organisation** directs. The balance in the **Surplus Fund** can be used by the **Tenant Management Organisation** for any purpose permitted by the **Tenant Management Organisation's** constitution.

10.8 The **Tenant Management Organisation** will within 12 months of the end of this Agreement decide how the **Surplus Fund** balance is to be spent and inform the Council of its decision.

10.9 Where the **Tenant Management Organisation** is wound up or dissolved, any of the **Surplus Fund** remaining after satisfaction of all the **Tenant Management Organisation's** debts and liabilities will be disposed of in accordance with the **Tenant Management Organisation's** constitution. The **Tenant Management Organisation** will inform the Council of the decision.

11 Loans to the Tenant Management Organisation

11.1 The Council may provide the **Tenant Management Organisation** a loan or an overdraft guarantee.

11.2 If the Council refuses a request from the **Tenant Management Organisation** for assistance under this clause the Council will give the **Tenant Management Organisation** written reasons for refusing the **Tenant Management Organisation's** request.

12 Interest on late payments

*(**Option B:** The **Tenant Management Organisation** and the Council agree to pay interest on late payments.)*

12.1 The **Tenant Management Organisation** agrees to pay interest on any late payment due to the Council under this Agreement. Interest will be paid in accordance with the Late Payment of Commercial Debts (Interest) Act 1998, as amended, from the date on which the payment was due to the date on which the Council receives the payment.

12.2 The Council agrees to pay interest to the **Tenant Management Organisation** on the net amount of any late payment under this Agreement. The net amount is the late payment less any rent collected and held by the **Tenant Management Organisation** at the date the payment from the Council was due. Interest will be paid in accordance with the Late Payment of Commercial Debts (Interest) Act 1998, as amended, from the date on which the payment was due to the date on which the **Tenant Management Organisation** receives the payment.

13 Set off of payments

*(**Option B:** The Council and the **Tenant Management Organisation** are entitled to deduct money owed from payments due.)*

13.1 If any payment under this Agreement due from the **Tenant Management Organisation** to the Council is late or withheld by more than one month the Council may, subject to clause 13.4, deduct the outstanding amount (together with interest due under clause 12) from any money owed to the **Tenant Management Organisation**.

13.2 If any payment under this Agreement due from the Council to the **Tenant Management Organisation** is late or withheld by more than one month the **Tenant Management Organisation** may, subject to clause 13.4, deduct the outstanding amount (together with interest due under clause 12) from any money owed to the Council.

13.3 Interest on any payment under clause 12 will stop on the date that the right of set off is used.

13.4 No deduction under clause 13.1 or 13.2 shall be made unless at least two weeks' written notice by the party proposing to make the deduction to the other party is given.

14 Registration for VAT

14.1 The **Tenant Management Organisation** will comply with the legal requirements to register with HM Customs and Excise for Value Added Tax.

Chapter 5 Schedule 1

Calculation and Payment of Allowances *Clause 1*

1. Calculation of Allowances

The allowances have been calculated in accordance with the Statutory Guidance set out in *"Calculating Allowances for Tenant Management Organisations"* issued under Regulation 18 (*SI No. 1821)* by the Secretary of State under the Housing (Right to Manage) Regulations 2012 which provides that any person exercising functions under those regulations shall act in accordance with any guidance given by the Secretary of State.

The basic principle behind these allowances is that they are based as far as possible on the Council's own expenditure at the time the TMO went "live". This is actual expenditure in the case of the supervision and management and the running costs or historic expenditure in the case of responsive repair or planned maintenance. Subsequent changes have been made over time based on a range of factors including the TMO's actual management and maintenance expenditure.

The exceptions are:

- a) Exceptional repairs (examples listed below) where the Council and the TMO need to negotiate an appropriate figure [e.g. repairs to the structure of the dwelling or block of dwellings where the cost of rectifying a single defect exceeds £1,000 repairs to void dwellings where the cost exceeds£10,000)
- b) Committee administration, training and tenant communication (i.e. **not** office costs such as rent, business rates, utilities etc), where there will be a flat rate payment of £5,000 plus £10 per dwelling (including long leases) served by the TMO. Based on the number of dwellings in Wrayburn Community Organisation TMO this sum amounts to £6,630, adjusted annually

The allowances are split between an element to cover services provided to tenants and an element for leaseholder services. The leaseholder services element is to be paid initially on the basis of the TMO's estimated budget for the financial year and adjusted annually to reflect the TMO's actual expenditure on services to Leaseholders when the TMO's audited accounts are available, and based on the breakdown of information provided in accordance with the Schedule to Chapter 4 of the Management Agreement

The allowances paid to Wrayburn Community Organisation TMO were based on cost falling to the HRA for the provision of housing management services on the Wrayburn Community Organisation Estate.

Wrayburn Community Organisation Estate TMO allowances were apportioned on a pro rata basis, where the total number of homes managed by the TMO is compared to the total number of properties within the HRA.

Subsequent annual adjustments have been made in line with the Housing Management Regulations 2012, and the Government's Guide to calculating Allowances

Summary of the Property and facilities used in calculating apportionments:

Stock	Tenancies	Leases and Freeholders with service charges	Total	Source and Date
In HRA	40, 480	16409	56,889	Housing Finance and HOU

The Annexes attached to this Schedule, show the detailed breakdown of the allowances calculation, and as far as is possible, how each element of the methodology described in *Calculating Allowances for TMOs* has been addressed, based on the checklist in that guidance.

Key considerations are:

- Inclusion of the costs of non-strategic services provided by council staff, however indirectly, which will be undertaken by the TMO. The areas included are: Area Office staff, Finance, Information Technology, Human Resources, cashiers, commissioning and Southwark Technical Services

- The separation of costs, where applicable, between tenants and lessees based on actual service charges

- Ensuring that the estimate for Responsive and Planned Maintenance Repairs is reasonable and that the Agreement takes account of unexpectedly high expenditure due to unforeseen repair costs or an above average numbers of voids requiring re-servicing. This has been based on the past 5 years' actual costs, with the highest and lowest annual costs removed, and uplifted for inflation as reflected in the London Borough of Southwark budgets.

- Ensuring that the TMO has sufficient to cover overheads such as office accommodation. This is included within the tenancy management allowance.

- The inclusion of the full range of relevant corporate support services. This could include Building (Office) administration, Environmental Health, Finance, Legal Services, Personnel and IT. This is included in the Tenancy Management allowance, but excludes any strategic services which have not been delegated to the Co-operative.

2. Adjustments to Allowances

Allowances will be reviewed annually and adjusted in line with increase in budgets, which in turn take into account the effect of Retail Price Index changes, and to take into account increases and changes in costs, income from rents and HRA subsidy (if any) and the number of homes managed by the TMO

The annual review will also take into account changes in the ratio of tenants and lessees resulting from Right to Buy or any other sales schemes run by the Council, voluntary disposals and demolitions or acquisitions.

Adjustments are made in accordance with Calculating Allowances for Tenant Management Organisations.

The Council will give the TMO at least three months notice of any change in the allowance for the following year and agree a procedure and time table for implementing the change. The time

table will allow a sufficient period for negotiation with the TMO on the proposed change and for agreement to be reached on how it will be implemented

- Changes in the amount which are less than 5% of the total allowance will be introduced from the following quarter unless the TMO shows that this may cause serious problems;
- Changes in the amount which are 5% or more of the allowance will be phased in over a longer period, taking into account the degree of impact of change on the TMO's operations and effectiveness.

3. Review of Allowances

It will be open to either the Council or the TMO to seek a review of the allowances where either the Council's costs have reduced significantly for a similar mix of homes or for the stock overall, or where a TMO's costs have increased significantly. In doing so a similar range of services, provided for a similar range of homes should be used. The comparator properties must be ones remaining under the Council's management

4. Payment of Allowances

Allowances will be paid to the TMO in Quarterly instalments and in advance on the following dates:

1st April
1st July
1st October
1st January

Prior to the scheduled date for each quarterly payment the TMO will submit an invoice for the sum due, together with a (separate) invoice for payment of VAT generated by the Allowance. The element of the allowance which is based on the TMO's estimated costs rechargeable to leaseholders will be paid in quarterly instalments as part of the management allowances.

Once the Actual Costs of rechargeable leaseholder services for the previous Financial Year has been verified (no later than 31st October), the Council will make an appropriate adjustment to the next quarterly management allowance payment. This adjustment will reflect the difference between the estimated annual budget and the actual expenditure in the previous year.

5. Start-up costs

Annex A - Breakdown of Allowance

Principal elements of allowance at start date for Wrayburn Community Organisation TMO

Nature - Source	Wrayburn TMO - Allowance 2017/18	Amount	Allowance 18-19
Staff Costs	Rent Collection	69.11	2,557.00
Staff Costs	Other Payroll Costs	18.37	680.00
Staff Costs	Tenancy Management	113.47	4,198.00
Decoration Allowance	Decoration Allowance	6.60	244.00
Removal Expenses	Removal Expenses	15.41	570.00
Operations	Overheads	8.44	312.00
Repairs	Compensation Repairs	8.38	310.00
Repairs	Overheads	6.80	252.00
	IT Costs	600.00	1,200.00
	50 per user per month - Iworld - Outlook - Citrix	-600.00	-1,200.00
SLA	Insurance liability	19.96	1,437.00
SLA	Audit	4.58	330.00
SLA	Human Resources SLA	5.02	361.00
SLA	Property SLA	7.93	571.00
SLA	I&D SLA	2.81	202.00
SLA	FTSS	5.19	373.00
SLA	Customer Services	41.41	2,982.00
	Committee and Communication Allowance		5,720.00
Estate Cleaning & GM	Estate Cleaning		14,182.00
Estate Cleaning & GM	Grounds Maintenance		2,142.00
Cleaning Variations	Cleaning Variations	3.26	121.00
Staff Costs - Repairs	Repairs	54.02	1,999.00
Repairs	Repairs		8,970.00
Staff Costs - Voids	Voids under £10,000	515.54	516.00
Voids	Voids under £10,000		7,263.00
Staff Costs - Estate Lighting	Estate Lighting < £1,000	1.20	44.00
Estate Lighting	Estate Lighting < £1,000	16.83	623.00

Estimated leaseholder allowance	Estate Cleaning		13,415
	Grounds Maintenance		2,026
	Estate Lighting		224
	Repairs		1,824
	TOTAL		**74,448**

Annex L: Tenant Element of allowances

	TENANT ELEMENT OF ALLOWANCES IN DETAIL
Management of repairs and maintenance [**staffing plus overheads]**	Receiving and recording repairs Pre and post inspection of routine repairs Managing programmed repairs Preparation of specifications for exceptional and programmed repairs Preparation of specifications for improvements and modernisation Routine repairs contracts Exceptional repairs contracts Programmed repairs contracts Improvements and modernisation contracts Management of estate services Arranging payments to contractors Investment programme
Tenancy management **[staffing plus overheads]**	Administration of grant of tenancies Management of the breaches of tenancy Taking action to deal with unlawful occupation Management of void dwellings Administration of the Right to Exchange Administration of transfers Administration of applications to sublet Administration of the Right to Succession Giving consent Right to Buy and Sales Residents' disputes Anti Social Behaviour and Harassment
Collection of rents **[staffing plus overheads]**	Collection of rents from tenants Collection of rents from former tenants Collection of misc. debts from tenants Collection of rents from arrears cases Notification of rents
Committee and communications	All
Insurance	All relevant
Audit	External
Other services	Office rent
Maintenance	Cleaning of un adopted highways, footpaths and other hard surfaces Programmed grounds/tree maintenance

Other services	Heating Fuel Electricity Pest control Aerial rental
Day to day repairs	All repairs
Maintenance	Programmed servicing/inspection of gas appliances Lift inspections and follow up repair works Repairs to un adopted external estate lighting Testing & treating communal water tanks Inspection of play equipment Programmed inspection & repairs to lightning conductors Programmed external decoration Other planned maintenance

Chapter 5
Schedule 2

Financial Procedures Wrayburn Community Organisation

1 Principles of Financial Control by the TMO

1.1 The objectives of these procedures are to ensure that the finances for the TMO are fully recorded, payments only made within the guidelines approved by the Management Committee, and that monies put aside for specific purposes are used for that purpose. Tenants will be kept informed of the overall financial position of the TMO and have access to the detailed records.

1.2 Controls will be adopted to minimise the possibility of fraud or embezzlement.

1.3 The policy is designed to be:

- Forward looking by using procedures for setting up and approving budgets
- Preventative of error or fraud by use of controls to ensure that payments are only made for legitimate reasons, and are reviewed in order to identify any irregularities. The TMO expects its members and staff to exercise sound financial management and for the TMO to be financially viable while meeting its overall objectives

1.4 The Treasurer has overall responsibility for ensuring that controls and procedures are suitable and applied. This statement does not absolve the officers of the TMO from their responsibilities, as directors or trustees, for ensuring that proper controls and procedures are used.

2 Changing the Procedures

2.1 The procedures and limits in this document may be changed in the following way:

- Proposed changes should be made in the form of an amendment to these procedures. These are to be submitted to the Management Committee for approval
- A copy is to be sent to the Council's Tenant Management Team who has the right to veto the change
- This can only be overridden by a general meeting of TMO members during which the views of the Tenant Management Team must be presented
- The Treasurer is responsible for keeping financial procedures under review and recommending changes.

3 Record Keeping

3.1 The Treasurer is responsible for ensuring that cash transactions are recorded. Records should be updated at least every month and reconciled to the bank account. Bank transactions should also be reconciled monthly.

4 Banking Arrangements, Borrowing and Investments

4.1 The TMO may open any bank or building society account as it considers necessary. The TMO will inform the Council of any bank or building society account it opens

4.2 The Treasurer is responsible for ensuring that bank account arrangements are appropriate for the needs of the TMO. For the purpose of this document, both bank and building society accounts are called bank accounts. All such accounts must be in the name of the TMO. The name of the bank branch, account numbers, and the names and addresses of account signatories must be advised to the Council at the same time as the bank is informed of any changes.

4.3 Cheques or withdrawal slips shall only be signed by the agreed signatories where the expenditure has been properly authorised. There shall be three authorised signatories to the account. All payments or withdrawals require two signatories. For amounts over £1000 one of the signatories must be the Chair or Treasurer of the TMO. For amounts over £5000 cheque signatories must include the Chair and Treasurer of the TMO. Unplanned spend over £2500 should be presented and agreed by the Finance and Procurement Sub Committee and then ratified by the Management Committee. The bank signatories may not be related to each other, nor may they be from the same dwelling. The Management Committee must approve bank signatories and this must be recorded in its minutes. The necessary mandate forms must be completed and returned to the bank by the Treasurer. Any mid-year changes to the signatories must be agreed by the Management Committee and notified to the Council at the same time as the bank is being notified

4.4 The Treasurer is responsible for ensuring that a cash book (electronic) is used to record the TMO's transactions and the bank statements are reconciled to the cash book within one month of the end of each quarter. The bank reconciliations should clearly identify bank charges and clearly audit any instances of transfers between accounts.

4.5 The Treasurer is responsible for ensuring all receipts (Payments to the TMO) and cheques issued will be promptly banked and recorded in the cash book appropriately. This work may be delegated to a member of staff. Appropriately.

4.6 The Treasurer shall report monthly or at each Management Committee meeting (which ever is the later), the balance at the bank for each account.

5 Borrowing

5.1 Borrowing may only be arranged if the source of funds for it to be repaid is clearly identified and set out to the persons approving it. The Management Committee must agree any such borrowing. Committee decisions should be based on expert external advice on the TMO capacity to meet repayments.

5.2 Loans to cover delays of up to one month in receiving the allowance from the Council may be agreed by the TMO Board. Loans to cover longer periods or greater amounts must be approved once a cash flow forecast has been sent to all committee members.

5.3 The maximum amount which may be borrowed may not exceed six times the monthly allowance equivalent. The Tenant Management Initiatives Team must be advised when a Banking facility is being negotiated.

6 Investments

6.1 The TMO shall not, without the prior consent of the Council, invest surplus cash balances in any form of investment other than a secure short term deposit account. Any money invested shall be capable of being withdrawn by the TMO giving not more than 3 months notice of withdrawal. This is a requirement of the Management Agreement.

6.2 Having obtained committee approval the Treasurer is responsible for investing surplus funds after considering when the funds will be needed, possible contingencies, the returns obtainable and any penalties due on early withdrawals.

7 Budgetary Control

7.1 The Treasurer is responsible for ensuring the preparation of a budget. S/he shall be assisted in this role by the TMO Manager. The Budget must be approved by the Management Committee before the start of each financial year and by a general meeting at the earliest opportunity.

7.2 The Budget must set out the sources of income, and expenditure. The Treasurer must send a copy of the budget to the Council before the commencement of the financial year. This is a requirement of the Management Agreement.

7.3 Changes to the budget can be made by the Finance and Procurement Sub-Committee /management committee and subsequently approved by a general meeting. Changes are defined as anything which would cause the annual expenditure to exceed the annual allowance, a reserve in surplus to become a deficit, or any change between budget headings set out at the end of this Schedule of 10% or 10% of the annual allowance, whichever is the greater.

7.4 The Treasurer is responsible for monitoring performance against budget and for reporting on this to the Management Committee at every meeting or at least quarterly. The report should be as laid out at the end of this Schedule and show for each heading:

- the budget to date
- actual expenditure to date
- variance
- expected total expenditure for the year
- total budget for the year

7.5 The report should also include a memorandum of expected expenditure as part of the quarterly report. There shall be explanatory notes for each sub-heading in the report with detailed explanation for any under-spend or overspend or anticipation of overspend. The report will set out any items where expenditure is committed but where an invoice or other form of request for payment has not yet been received.

8 Members Expenses

8.1 Expenses incurred by members to further the aims of the TMO may be met by the TMO provided that such costs have been approved in advance by the Management Committee. Such reimbursements may only be for costs actually incurred.

8.2 General allowances shall not be paid.

8.3 Expenses may include travel, subsistence, and carers' allowances. Loss of earnings are not eligible for reimbursement. It is part of the constitution of the TMO that members of the committee may receive no reward for work that they perform on behalf of the association except as to their legitimate expenses.

8.4 When expenses are incurred by a cheque signatory, the claim must be signed by two other authorised persons and backed by an authorisation sheet with attached evidence.

8.5 Any expense which results in those sums being charged to UK income tax must be declared to the Secretary as such amounts must also be declared in the annual return.

8.6 TMO members of the committee must exclude themselves from meetings when a matter may be discussed or a decision made which would have financial implications for that member or a member of his/her family. They should not take part in any decision which would result in a material benefit directly to themselves, a member of their household or a member of their family.

8.7 Where the TMO contracts work to be performed by a tenant, it must be approved by the Management Committee. All committee members who are either related to the tenant or have a business arrangement with the tenant must declare an interest and may not take part in the discussions. Agreements for tenants to undertake paid work for the TMO must be in its minutes and the relevant name recorded. Payments will only be made on production of an invoice (PAYE or Construction Industry Tax Deductions and any other statutory deductions will be made where relevant)

8.8 Members may be given advanced payment for planned expenditure for work related to the work of the TMO. Such advances may not be made more than one month before the cost is incurred. Advances may not be made for the purpose of buying shares in the TMO as this would be against the law.

8.9 Claims for expenses by members which are not notified to the TMO within one year of their being incurred may not be claimed except at the discretion of the Management Committee.

8.10 Car and public transport allowances and fares shall not be paid to staff for their normal travel to work, or to TMO Board members for their normal travel to TMO Board and General meetings.

9 Orders and Payments

9.1 Orders

9.1.1 Written orders must be raised for any repairs or other works ordered. This is a requirement of the Management Agreement.

9.1.2 The designated TMO staff member/s may order work or materials up to a designated amount not exceeding £1000 provided that the work has been budgeted for and that the budget heading is not exceeded. Such staff shall be designated by the Management Committee as to their name or job position, amount, period that the authority is valid and any other conditions. Such authorisations shall be recorded in its minutes by the Management Committee and given in writing to the staff concerned**.**

9.1.3 Work or materials costing more than authorised limits must be approved by at least two cheque signatories. Such ad hoc authorisations are to be written on a copy of the order. Such authorisation may not be given by someone whose dwelling obtains a direct benefit from the work unless it is part of a programmed repair scheme already approved by the Management Committee.

9.1.4 Where work is to be performed by a contractor which is expected to cost more than £1000 and less than £5000, at least two quotations for the work must be obtained. Three quotes must be obtained for works to the value of £5000 to £10,000.If the lowest quote is not selected, a written explanation must be recorded on the documentation. These quotations shall be written quotations which must be kept on record.

9.1.5 The Treasure shall report annually on:

- details of the number of staff employed, job titles, and any changes during the year
- A summary of each contract for works costed at more than 1% of the annual allowance, setting out the nature of the contract, start date, completion date, pre-contract estimate, and the estimated final cost

9.2 Payments

9.2.1 Payments are made by the cheque signatories. Signatories shall sign the invoice or equivalent supporting documentation as evidence that they checked that:

- The order was authorised where applicable;
- An invoice supports the claim (except in the case of advance payments or payments for which the recipient signs a receipt); and
- There is supporting evidence that the service or goods were satisfactorily received such that payment is now due (which may be a letter of satisfaction from a tenant; or a committee member or member of staff signing the document to say that the goods or services were satisfactorily received).

9.2.2 All payments by cheque must be recorded in the cheque book stubs and must be recorded against the relevant payment in the cash book and any other electronic budgeting spreadsheet held by the TMO.

9.2.3 Spoilt cheques must be defaced and kept.

9.2.4 Cheques may not be signed unless the payee and the amount have been written on the cheque.

9.2.5 Personal cheques must not be cashed.

10 Internet Banking and Payments

10.1 Should the TMO decide to introduce internet banking, including payment of accounts by internet, it will draft a clear procedure which takes into account the requirement to minimise the risk of fraud or embezzlement and which complies with the bank's guidance on internet banking. Prior to entering into the use of the internet for banking the TMO must submit its procedure to the Council for approval. Such approval must not be unreasonably delayed

11 Payment by BACS

11.1 Should the TMO wish to introduce payment by BACS, it will draft a clear procedure which takes into account the requirement to minimise the risk of fraud or embezzlement, and which complies with the bank's guidance on internet banking. Prior to entering into the use of the internet for banking the TMO must submit its procedure to the Council for approval. Such approval must not be unreasonably delayed

12 Payroll

12.1 Payroll payments shall be made monthly. These payments must be approved by the Treasurer.

12.2 Timesheets will be prepared, signed by the member of staff concerned, and approved by the Chair or other committee member designated by the Chair.

12.3 The Management Committee may delegate, to either a designated member of staff or Committee member, authority to approve overtime. Such a decision must be minuted and a

budget set. Overtime required for an emergency repair may be authorised in arrears. Overtime must be clearly identified on the timesheet.

12.4 Full records are to be kept of tax deductions, National Insurance deductions, and other statutory deductions.

13 Pre Payment Card

13.1 The TMO will not operate a petty cash system. To enable day to day business they shall put in place a pre-payment card. This card may be held by those persons whom the Management Committee sees fit. The amounts and the person's name or job title holding the card are to be minuted. The maximum balance on the card at any one time shall be £200.

13.2 Pre-payment cards are to be held on a modified imprest system. That is, at any time the amount on the card will be represented by either a issuer balance or by vouchers representing the expenditure. The cheque signatories confirm the value of the vouchers presented before any further monies are added to the card to return it to a balance of £200. Where receipts are not available for the prey payment expenditure, the claimant will sign a voucher stating the amount, date and purpose of the expenditure. All expenditure must be backed by a pre-payment statement.

13.3 Except for amounts which are less than the values of the pre-payment float authorised, all payments will be by cheque unless prior approval has been obtained from the Management Committee.

13.4 The Treasurer shall report quarterly to the Management Committee for the pre-payment card: :

- Who holds it
- The amount
- The total of expenditure incurred

13.5 The Treasurer has the right to conduct a surprise count of the pre-payment card expenditure at any reasonable time or frequency.

14 Rent Accounting

14.1 Rent accounts will be maintained using the Councils IWorld system. Collection and receipt of rent arrangements will remain the same as current arrangements for rent collection by the Council. No cash or cheque rent payments will be taken or held by the TMO.

14.2 Every tenant may request a rent statement at any time. Rent statements will be sent quarterly to every tenant.

14.3 A rental income report will be submitted to the Management Committee quarterly detailing the level of rent collection on each account (not identified), the level of arrears and action taken on each account.

14.4 All rent records should be retained and any supporting documents, notices and agreements uploaded to the Councils EDMS (or other appointed) system.

15 Other Income

15.1 The TMO Manager shall raise an invoice to the Council quarterly for the amount due under the agreed management and maintenance allowance.

15.2 Monthly, the TMO Manager shall review all job tickets for rechargeable repairs and raise invoices as appropriate.

15.3 Where work is being recharged, the cost of materials and stores consumed and work shall be at current replacement prices.

15.4 A Committee member shall approve the invoices before dispatch.

15.5 Credit notes shall be authorised in the same way as a cheque.

16 Cash Handling

16.1 The TMO does not accept rent payments in cash at the TMO offices

16.2 The TMO shall aim to minimise all cash handling the amount of the TMOs cash in the TMO office or in the charge of TMO staff or members

16.3 No one person or location shall hold cash over a normal banking day.

16.4 The Treasurer will report annually on:

- the amount of cash held which was not placed on deposit after 1 banking day
- the average rate of interest obtained for cash held on deposit

17 VAT

17.1 Procedure for VAT will comply with the requirements of HM Revenue and Customs.

18 Insurance

18.1 The TMO will arrange insurance with an insurer approved by the Council, to a level that the Council may reasonably require covering the following risks arising out its obligations under this Agreement:

a) claims by third parties (public liability insurance);
b) claims by the TMO's Staff (employer's liability insurance);

c) the dishonesty of the TMO's Staff or the TMO's officers (fidelity guarantee insurance);

d) the loss through fire or theft of property belonging to the Council in or on the Property which the TMO has custody of because of its duties and responsibilities in this Agreement, with the exception of items covered by the Council under Clause 7.1d above

e) office insurance including business disruption and legal expenses

f) such other risks in respect of the TMO's responsibilities under this Agreement as the Council may from time to time reasonably require.

19 Surplus Fund

19.1 Surplus or deficits for prior years transfers to or from current years costs met out of reserve fund (items costing over 1% of the annual allowance to be separately itemised) Costs met out of surplus fund.

20 Financial Statements

20.1 The TMO will follow best practice and produce an annual audited financial statements.

20.2 The TMO manager shall provide the TMO Board with monthly statements of income and expenditure against each of the budget heads. At each committee meeting the TMO manager shall provide for each budget head:

- a statement of actual and committed expenditure and income for the month and to date
- a report on actual and committed expenditure compared with the budget profile to date and any over/under spend against budget

21 Quarterly Financial Performance Report for Management Committee

Narrative	Budget to Date	Actual Expenditure	Variance or Contracted	Committed Total for the Year	Predicted Outturn

INCOME

- Estate Services income
- Repairs and maintenance allowance
- Management allowance
- Other allowances
- Other non financial income (e.g. recharged work)
- Other income (e.g. interest received)

TOTAL INCOME

EXPENDITURE

- Repairs
- Employee costs
- Materials
- Contractors
- Other costs
- Cleaning and caretaking
- Employee and staff costs
- Materials contractors other costs
- Administration employee and staff costs, rent, other costs
- Fixed assets Purchases individually listed if costing more than 1% of annual allowance
- Others by categories of type of asset e.g. office equipment, cleaning equipment tools for repairs

TOTAL EXPENDITURE

Accounts, Annual Return, Community Benefit Society Report and Audit

Wrayburn Community Organisation Limited is a Community Benefit Society Registered under the Co-operative and Community Benefit Societies Act 2014

The society shall keep proper books of account detailing its transactions, its assets and its liabilities, in accordance with Section 76 of the Co-operative and Community Benefit Societies Act 2014.s 1 and 2 of the Friendly and Industrial and Provident Societies Act 1968

The Directors shall comply with the requirements of the Companies Acts as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of: the annual reports; annual returns; and the annual statements of account.

1 Annual Accounts

1.1 Within three months of the financial year-end, the Treasurer shall ensure that an income and expenditure account and a balance sheet are produced for the past financial year.

1.2 The accounts must be signed by the Chair, Secretary and Treasurer to indicate their satisfaction, and that they present a true statement of the affairs of the Association. The accounts must be presented to the TMO's annual general meeting.

1.3 A signed copy of the audited accounts must be sent to Companies House within six months of the year-end. A signed copy of the audited accounts must be sent to the Council within six months of the year-end.

1.4 As a minimum, the Council requires the accounts to include the information set out in Annex A. It is required by the Management Agreement that a comparison is provided between the costs authorised by the TMO and the allowances, any liabilities are provided for, and that the reserve and surplus funds are shown.

1.5 When preparing the accounts and annual return, consideration must be given to Statements of Auditing Standards. Attention is also drawn to Auditing Standards and Guidelines with particular reference to the Auditor's Operational Standard and to the Guidelines headed 'Accounting Systems' and 'Internal Controls'. Negative values shall be shown in brackets.

1.6 Accounting information should be in such detail as to provide the requisite level of analysis and, as a minimum, the annual accounts must include income and expenditure for those headings listed at the end of Financial Procedures, which is required for quarterly reports to the Management Committee.

1.7 The annual accounts or their notes shall contain a statement of the accounting policies. The accounts shall be prepared on an accruals basis using historic cost accounting conventions.

1.8 The annual accounts must include income, exclusive of VAT, comprising of allowances, insurance repair work, rechargeable work and other fees

1.9 Any amount charged to revenue to provide for renewal of fixed assets shall be separately shown, even if it is also shown under depreciation. The amount charged shall be clearly reconciled to the balance sheet amount for depreciation

1.10 Fixed assets will be depreciated over their useful lives.

1.11 Stores will be valued at the lower of cost or net realisable value. Stores will be used on a first in first out basis. (Note that this is for the purposes of accounting only)

1.12 Any material transactions which are not of a sort normally undertaken by the Association or otherwise of an exceptional or non-recurrent nature

1.13 Any material change in accounting policy

1.14 Any special circumstances which affect liability in respect of taxation of profits, income or capital gains for the financial year or succeeding financial years.

1.15 The basis for computing the corporation tax charge in the accounts.

1.16 Staff costs shall include:

- Salaries
- Wages
- Accrued holiday pay
- Redundancy pay
- National insurance contributions
- Ordinary superannuating contributions
- Industrial training levy

1.17 Payments to committee members shall include any payments paid to or receivable by any committee member either in cash or in kind. This includes expenses paid by way of an allowance, but not those which meet the actual cost incurred. This includes payment made for loss of office and pensions.

1.18 Any material contingent liabilities not provided for must be estimated and an outline of the circumstances given.

1.19 Liabilities which are secured on the TMO's assets shall be separately stated.

1.20 The aggregate amount set aside for capital works contracted but not provided and the amount that the Management Committee has authorised.

1.21 Investments held at the year end, including the name of the investment company, the type of the investment, and the amount.

1.22 Any other financially significant matters.

1.23 Abbreviated annual reports

Each year a summary of the annual report must be sent out to all tenants. The contents of this is at the discretion of the Management Committee, but must contain the total of expenditure during the year, the surplus or deficit for the year, the total reserves held and a statement that the detailed accounts are available on request.

2 Audit

2.1.1 The audit must comply with the relevant statutory provisions contained in the Companies Act 2006.

2.1.2 The auditor shall be appointed annually by the members. In the case of any auditor qualified under Section 7 of the 1968 Act, then the provisions of Sections 5 and 6 apply to the auditor's appointment or removal. The Management Committee is obliged every four years to obtain quotations for the work and assess the level of service provided. It is at the Management Committee's discretion to recommend to the members that the contract with the existing auditors should be extended.

2.1.3 The name of the auditor shall be available to members from the minutes of the meetings.

2.1.4 The auditor shall be invited to all General Meetings and shall be given access to the books and accounts and all other information that s/he might reasonably require.

2.1.5 The audit report must be framed with regard to approved auditing standards and must be signed. It must state that it is in accordance with the relevant section of the Companies Act 2006

2.1.6 The findings of the auditor shall be reported to the society, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014.

2.1.7 The board shall produce the revenue account and balance sheet audited by the auditor, if required, and the auditor's report, if required, at each annual general meeting. The board shall also produce its report on the affairs of the society which shall be signed by the person chairing the meeting which adopts the report

2.1.8 The Treasurer is responsible for ensuring that the accounts and audit report are available in time for the TMO Secretary to submit them to the Financial Services Authority with the annual return.

2.1.9 An abridged version of the accounts and audit opinion must be sent to all members. A full set shall be available from the registered office on request to members. The contents of the auditor's management letter must be made available to all members of the Management Committee. In the first instance, it shall be sent by the auditors to the Chair of the Management Committee. Within one month a copy must be sent to the Council.

2.2 Other Matters

Under the various laws:

- The books of accounts must be kept in line with statutory requirements.
- The records to support individual accounting transactions must be kept for 7 years.
- Records to prove that controls were applied over the affairs of the Association must be kept the audit opinion has been signed for the year to which they relate.

3 Provision of Information

3.1 The TMO and the Council will provide timely financial information to enable the other party to carry out its responsibilities under the Agreement. This will include:

- Accounting information set out in such a way as to enable accurate service charge billing and collection for leaseholders (and tenants service charges where relevant) laid out in a format

that is compatible with the Requirements of the Schedule to Chapter 4 of the Management Agreement.

- Budget forecast before the beginning of each financial year.
- Audited accounts within 6 months of the end of each financial year.
- Quarterly revenue statements within 6 weeks of the end of each quarter.
- Quarterly rent collection reports within one month of the end of each quarter.

3.2 The Council will provide the TMO with an estimate of the management and maintenance allowances for the forthcoming financial year at least 6 weeks prior to the start of the financial year to enable the TMO to compile its budget. If there is any proposed significant change, the Council will consult with the TMO as soon as is practically possible and give due consideration to phasing over a period of years any significant decreases in the allowances which are likely to have an impact on the provision of services by the TMO.

4 Reserve Fund

4.1 The TMO has a Reserve Fund to enable it to exercise its Management Functions under this Agreement through meeting the following potential liabilities:

- Anticipated costs in future years resulting from under-spending on repairs and services.
- Known commitments for future work instead of or in addition to a major Works account.
- Contingency against costs arising from unforeseen circumstances.

4.2 The TMO's auditor will certify that any amount put into the Reserve Fund is an adequate amount to put aside. The Reserve Fund will be shown on the TMO's balance sheet at the end of each financial year.

4.3 If a credit balance remains in the Reserve Fund when this Agreement ends, the balance will be paid over to the Council.

5 Surplus Fund

5.1 If the Annual Accounts show a surplus of assets over liabilities, the balance will be transferred either to the Reserve Fund or the Surplus Fund. The normal practice should be for the balance to be transferred to the Reserve Fund unless a sound business case has been made for transferring to the Surplus Fund.

5.2 The TMO will report on the Surplus Fund at the Annual general meeting and the Surplus Fund will be shown on the TMO's balance sheet.

5.3 The Surplus Fund can be used for any purpose permitted by the TMO's Constitution, including the production of accounts. Any balance in the Surplus Fund will be carried forward from one year to the next.

5.4 The TMO will consult on the use of its Surplus Fund with all of its membership either through a General Meeting or at the AGM or through a survey or such other method it deems appropriate.

5.5 The Surplus Fund should be incorporated into the TMO's Business Plan and used to enable the TMO to improve services, strengthen capacity and promote resident involvement.

5.6 If a Surplus Fund balance remains when this Agreement ends, the Fund will be used at the direction of the TMO within 12 months of the ending of this Agreement and the TMO will inform the Council of its decision.

5.7 If the TMO is wound up or dissolved, any balance in the Surplus Fund remaining after the satisfaction of all the TMO's debts and liabilities will be disposed of in accordance with the TMO's Constitution.

6 Restriction on Investments

6.1 The TMO shall not, without prior consent of the Council, invest surplus cash balances in any form of investment other than a secure short-term deposit account. Any money so invested shall be capable of being withdrawn by the TMO giving not more than 3 months notice.

7 Annual Timetable

Month	Action
Dec	Information for calculating allowances to be provided by the Council
Dec	Draft budget prepared.
Jan	Draft budget agreed by Management Committee.
Jan	Budget of expenses, which will be recharged to leaseholders to be submitted to the Council
31 March	Financial Year End
1st April	Abbreviated budget and highlights presented to members with statement that full details are available on request.
1st April	Budget submitted to Council.
Monthly	Treasurer to report balances held at bank and deposits to Management Committee.
Monthly	Treasurer to ensure that books of accounts are written up and that cash book is reconciled to the bank statement.
Quarterly + 1 month	Treasurer to report to Management Committee on budget performance as described in Appendix 2.
Quarterly + 6 week	Quarterly revenue report and performance indicators to be submitted to the Council.
May	Draft accounts to be available.
May	Accounts to be signed by Chair, Secretary and Treasurer.
June	Financial performance indicators to be published and sent to Secretary of State, the Council, every tenant and every leaseholder.
June	Accounts to be audited.
30 June	Accounts, audit report, statistical return and annual return sent to

	Companies House
July	Information for Actual Service charges to be provided to the Council
Sept	Accounts, annual report, audit report and management submitted to the Council
Sept	Abbreviated annual report to be sent to residents with statement that full report is available on request.
Sept	Review of performance indicators with the Council.
Sept	Hold Annual General Meeting (28 days prior to this agenda to be sent (on to al members). Annual General Meeting to include report of Review Meeting
5 years	Council shall review the TMO's standards of financial control and financial viability.

NB: All tasks must be done by the end of the month shown but can be done in earlier months.

Chapter 5
Schedule 3 Annex A
Accounting Information

1 Income and Expenditure

Income
- Local Authority allowances or contributions (See Note 2)
- Share sales
- Income from residents
- Investment Income
- Donations
- Other Income

Expenditure
- Repairs and Maintenance & Cleaning Expenses
- Management Expenses
- Interest on loans and overdrafts
- Other Expenditure

Surplus (deficit) for year
- Movements to and from reserves

2 Balance Sheet

Fixed Assets
- Equipment fixtures and fittings
- Office furniture and equipment
- Vehicles

Current Assets
- Investments
- Allowances owed
- Other Debtors
- Cash at bank and in hand
- Other current assets

Less Current Liabilities
- Bank loans and overdrafts
- Other short term loans
- Sundry Creditors
- Other current liabilities

Net Current Assets

Represented By
- Share Capital
- Major works fund
- Reserve fund
- Surplus fund

3 Notes to the Accounts

Note 1 The accounting policies.

Note 2 The sources of income shall separately identify:-

General management
- Lessee only services
- Tenant only services
- Services to all residents

Special services

Repairs & maintenance
- Day-to-day/general R&M (including internal decs)
- Cyclical repairs (including external decs & structural repairs)

Rents, rates, taxes & other charges
- Lease rentals
- Council tax on vacant property
- Rates/water rates on non-HRA dwellings

Committee & communications

Other non-financial income (e.g.; recharged work)

Other Income (e.g.; interest received)

Total as in the accounts

Note 3 The management expenses shall separately identify:-

Repairs:
- Employee Costs
- Materials
- Contractors
- Other Costs

Cleaning, caretaking, and green services:
- Employee Costs
- Materials
- Contractors
- Other Costs

Administration:
- Employee Costs
- Rent
- Emoluments of Committee Members
- Remuneration of Auditors
- Depreciation (see also Note 5)
- Other

Total (reconciling to the figure in the accounts)

Note 4 Fixed assets. These are to be shown by categories of type of asset that is: office equipment, cleaning equipment, tools for repairs, vehicles etc.

- Value at cost at start of year.
- Purchases individually listed if costing more than 1% of annual allowance less disposals during year,
- Purchases individually listed if costing more than 1% of annual allowance.
- Cost values at end of year.
- Depreciation at start of year.
- Provision during year less adjustment for disposals.
- Total depreciation at end of year.

- Book amount at end of year per balance sheet.

Note 5 Loans are to be broken down as follows:
- Secured long term loans
- Unsecured long term loans
- Loans made by shareholders
- Bank and other loans and overdrafts

For each material loan indicate the dates or periods of repayment of loans and the method of repayment e.g.: whether by annual or other periodic instalments or upon maturity.

Note 6 Analysis of investments.

Name of investment, maturity in periods of three months and market value if different.

Note 7 Financial or other fees and advantages of committee members
- For services as committee members
- For other services

Note 8 Financial or other fees and advantages of employees (emoluments).

The number of employees with several financial or other fees and advantages, excluding pension scheme contributions, in bands or £5000 multiples.

Note 9 Members and share capital.

Number of members and paid up share capital:-
- At the beginning of the year
- Admitted during the year
- Membership ceasing during the year
- At the end of the year

Note 10 Movements in reserves. For each type of reserve or surplus fund, excluding depreciation:-

- Surplus or deficits for prior years
- Transfers to or from current years
- Costs met out of fund (items costing over 1% of the annual allowance to be separately itemised).
- Surplus or (deficit) carried forward

Note 12 Details of Management Committee members and Officers during the year:-
- Names and office of officers during the year
- Name and address of auditors
- Name and address of the TMO's bankers
- Names of committee members and their period of office during the year.

Adopted	**Review**
6 December 2016	December 2018

Chapter 6

Tenancy Management

1 Information to housing applicants and/or new tenants

1.1 The Council will provide information about **Tenant Management Organisations** in its literature.

1.2 The **Tenant Management Organisation** will provide the Council with an information leaflet about what it is and what it does.

1.3 The Council will give housing applicants the opportunity to state if they would like to be housed in a **Property dwelling**.

1.4 The procedure for introductory meetings for applicants including at accompanied viewings of dwellings is set out in Schedule 1 (**Introductory Meetings for Housing Applicants and/or New Tenants**).The procedure for introductory meetings with new tenants is also set out in Schedule 1.

2 Consultation between the Tenant Management Organisation and the Council

2.1 The Council will consult with the **Tenant Management Organisation** before adopting or altering its allocation scheme under section 167 of the Housing Act 1996.

2.2 The **Tenant Management Organisation** may at any time make suggestions to the Council about alterations to the Council's allocation scheme under section 167 of the Housing Act 1996, and may, in particular, put forward detailed proposals in relation to a **Local Lettings Policy** being operated by the Council as part of its allocations scheme.

2.3 The Council undertakes to give serious consideration to all suggestions and proposals made by the **Tenant Management Organisation** under clause 2.2.

2.4 The **Tenant Management Organisation** will consult with the Council in respect of any application falling under clauses 13 to 19 that requires the resolution of complex issues of law or fact.

2.5 The **Tenant Management Organisation** may, if the Council so requests, monitor the operation of a **Local Lettings Policy** as it relates to the **Property dwellings**, and where the **Tenant Management Organisation** does carry out such monitoring, it will keep the Council informed of its findings.

2.6 The **Tenant Management Organisation** will assist the Council in the development of the Council's **Anti-Social Behaviour Policies and Procedures** and will operate the

procedures, with particular reference to the sharing of information, the handling and monitoring of complaints, and dealing appropriately with anti-social conduct.

2.7 The Council will assist the **Tenant Management Organisation** to liaise with local partners dealing with crime reduction matters, to ensure that the manner in which the **Tenant Management Organisation** performs its functions under this Agreement links with local action to address crime and disorder. To here

3 Selection of tenants of vacant property dwellings

*(**Option A:** The Council selects tenants of vacant **Property dwellings** in accordance with its published allocation scheme, with no involvement on the part of the **Tenant Management Organisation**.)*

3.1 The Council will select the tenant of a vacant **Property dwelling** in accordance with its published allocation scheme, or transfer policy where relevant, with no involvement on the part of the **Tenant Management Organisation**.

3.2 Where a person has been selected as a tenant of a vacant **Property dwelling**, either the Council or the **Tenant Management Organisation** will carry out all the necessary administrative procedures prior to the grant of the tenancy in accordance with the provisions of Schedule 2 (**Selection of Tenants Policy and Procedure**).

3.3 The length of the tenancy and the succession rights applicable will be determined by the Council in line with its Tenancy Policy.

3.4 The tenancy granted by the Council will be in the form of the **Tenancy Agreement** set out in Annex A to this Chapter.

4 Transfers

*(**Option C:** Administration of transfer applications is decided on a case by case basis.)*

4.1 Where a tenant of a **Property dwelling** applies for a transfer to another dwelling, whether or not that dwelling is one within the scope of this Agreement, the Council and the **Tenant Management Organisation** will decide which of them will carry out all the administrative tasks, and conduct all the investigations that are required before a transfer application can be approved, and which of them is to provide all reasonable assistance to the tenant.

5 Introductory tenancies

*5 (**Option C:** The* **Tenant Management Organisation** *monitors **Introductory Tenancies**.) [Can only be chosen if the Council has **Introductory Tenancies**.]*

5.1 The **Tenant Management Organisation** will monitor **Introductory Tenancies** in accordance with the procedure set out in Schedule 3.

6 Variations to the tenancy agreement

*(**Option A:** Variations to the terms of a tenancy can only be initiated by the Council.)*

6.1 Only the Council can propose changes to the terms of any **Tenancy Agreement**.

6.2 If the Council proposes to change the terms of the **Tenancy Agreement** (other than changes to **Rent**, see Chapter 3, clause 7) the Council will give the **Tenant Management Organisation** a written **Tenancy Variation Notice** detailing the changes proposed.

6.3 To enable the **Tenant Management Organisation** to consult its members on changes proposed by the Council, the **Tenancy Variation Notice** will be served on the **Tenant Management Organisation** at least 56 days in advance of the date on which the Council intends to serve a preliminary notice of variation on secure tenants required by section 103(2) of the Housing Act 1985.

6.4 If the Council serves a **Tenancy Variation Notice** on the **Tenant Management Organisation**, the **Tenant Management Organisation** may within 28 days submit its views in writing to the Council on the change(s) proposed. The Council will give a reasoned written response to the **Tenant Management Organisation's** views before serving the preliminary notice of variation of tenancy on secure tenants.

6.5 The new **Tenancy Agreement** with the date that it comes into effect will then be substituted for the former **Tenancy Agreement** at Annex A.

7 Breach of a tenancy agreement, term of a lease, or covenant in a freehold transfer

*(**Option B:** The Council serves notices at the **Tenant Management Organisation's** request, but has discretion not to serve notices.)*

7.1 In carrying out its housing management functions under this Agreement, the **Tenant Management Organisation** will adopt recommended good practice, having regard to guidance published by the relevant authorities and the Chartered Institute of Housing

7.2 If the **Tenant Management Organisation** considers that, on a ground other than **Rent** or **Service Charge** arrears:

a) a tenant is in breach of the tenancy;

b) a leaseholder is in breach of the lease; or

c) a freeholder is in breach of a covenant on the freehold transfer, the **Tenant Management Organisation** may serve a written **Notice of Breach** on the Council requesting the Council to serve a notice or take such other action as the **Tenant Management Organisation** considers appropriate in accordance with the

provisions of Schedule 5 (**Breach of tenancy agreement, term of a lease, or covenant in a freehold transfer**).

7.3 The **Tenant Management Organisation** will not serve a **Notice of Breach** on the Council unless the **Tenant Management Organisation** has taken reasonable steps to remedy the alleged breach. If the steps taken by the **Tenant Management Organisation** have not been effective, it will explain the reasons why they have not been effective in the **Notice of Breach** served on the Council under clause 7.2.

7.4 Where the **Tenant Management Organisation** serves a **Notice of Breach**, it will provide the information and assistance necessary for the Council to fulfil its obligations under this clause.

7.5 On receiving a **Notice of Breach** the Council will either:

a) serve the notice or take the action requested by the **Tenant Management Organisation**; or

b) refuse the **Tenant Management Organisation's** request.

7.6 If the Council agrees to the **Tenant Management Organisation's** request, it will take all reasonable steps to secure a remedy of the breach or proceed with the action requested by the **Tenant Management Organisation** in the **Notice of Breach**.

7.7 If the Council refuses the **Tenant Management Organisation's** request, the Council will within seven days inform the **Tenant Management Organisation** of its decision and the reasons for it.

7.8 If the **Tenant Management Organisation** considers its request has been unreasonably refused the provisions of clause 18 of Chapter 7 will apply.

7.9 Where the Council has not received a **Notice of Breach** from the **Tenant Management Organisation**, it will not take any of the actions mentioned or referred to in this clause without consulting the **Tenant Management Organisation** on the action proposed and the reasons for it.

8 Ending and renewing flexible tenancies

*(**Option B**: The Council makes decisions following discussion with the **Tenant Management Organisation**)*

8.1 The Council determines whether flexible tenancies should or should not be renewed at the end of the fixed term in line with its Tenancy Policy, following discussion with the **Tenant Management Organisation** about how the policy should be applied in the case under consideration.

8.2 The Council informs the **Tenant Management Organisation** where it intends, following discussion, not to renew a flexible tenancy within one week of providing this

information to the tenant affected in line with its duty under Section 107D(3) of the Housing Act 1985.

9 Anti social behaviour and harassment

*(**Option B:** The **Tenant Management Organisation** is authorised to deal with anti-social behaviour and harassment.)*

9.1 The **Tenant Management Organisation** will investigate and take action to deal with complaints of anti-social behaviour and harassment, including in particular harassment on grounds of race, sexuality, religion or disability, which affects any resident of a **Property dwelling**, in accordance with the provisions set out in Schedule 6.

10 Residents' disputes

*(**Option B:** The **Tenant Management Organisation** is authorised to deal with disputes.)*

10.1 If the **Tenant Management Organisation** receives from any lawful resident of a **Property dwelling** a written **Complaint** requesting the **Tenant Management Organisation** to take action against another person, the **Tenant Management Organisation** will investigate the **Complaint** within 21 days (or such other time limit as may be reasonable in the circumstances). The **Tenant Management Organisation** will decide whether the matter complained of is a **Breach** of the tenancy agreement or, as the case may be, term of the lease or freehold covenant.

10.2 If the **Tenant Management Organisation** considers that the matter complained of constitutes a **Breach**, the **Tenant Management Organisation** will take action to ensure that the breach is remedied (see clause 7).

10.3 If the **Tenant Management Organisation** considers that the matter complained of does not constitute a **Breach**, the **Tenant Management Organisation** will try to resolve the dispute by following the **Residents' Disputes Policy and Procedure** set out in Schedule 7.

11 Unlawful occupation

*(**Option B:** The **Tenant Management Organisation** investigates unlawful occupation and informs the Council.)*

11.1 If the **Tenant Management Organisation**:

a) has reason to believe that a **Property dwelling** is sublet without consent or occupied unlawfully; or

b) receives written evidence from the Council that the Council considers that a **Property dwelling** is occupied unlawfully, the **Tenant Management Organisation** will:

i) carry out an investigation to determine whether or not the dwelling is unlawfully occupied; and

ii) within 28 days inform the Council of the results of its investigation and recommend any action the Council needs to take.

11.2 If, having carried out the investigation, the **Tenant Management Organisation** decides that the dwelling is unlawfully occupied, the Council will take such legal action as may be necessary to end the unlawful occupation and deal with the perpetrators.

12 Void dwellings

*(**Option B:** The* **Tenant Management Organisation** *manages void dwellings.)*

12.1 The **Tenant Management Organisation** will inform tenants that tenants wishing to end their tenancy should inform the **Tenant Management Organisation**, and will manage any **Property dwelling** that becomes and remains vacant for any reason.

12.2 The **Tenant Management Organisation** will take such actions as may reasonably be necessary to secure a vacant dwelling against unlawful occupation and to protect it from damage and deterioration.

12.3 If repairs are needed to any vacant dwelling to make the dwelling fit for re-letting or for any other purpose, each of the repairs required will be carried out by the **Tenant Management Organisation** or, as the case may be, by the Council, in accordance with whichever party has the obligation to carry out the repair in question under Chapter 2 of this Agreement.

13 Right to exchange

*(**Option B:** The **Tenant Management Organisation** administers the Right to Exchange.)*

13.1 The **Tenant Management Organisation** is authorised to receive **Application to Exchange** notices from secure tenants who have the Right to Exchange under section 92 of the Housing Act 1985 and section 158 of the Localism Act 2011, and to administer exchanges, in accordance with the provisions of Schedule 8.

14 Right to assign to restricted category of persons

*(**Option B:** The* **Tenant Management Organisation** *administers the assignment.)*

14.1 The **Tenant Management Organisation** is authorised to receive applications for voluntary assignments of secure tenancies, under section 91 of the Housing Act 1985, to persons who would be qualified to succeed to the tenancy if the tenant had died immediately before that assignment, and to administer such assignments, in accordance with the provisions of Schedule 9 (a) (Voluntary Assignments: Policy and Procedures).

15 Applications to sublet

*(**Option B:** The **Tenant Management Organisation** administers applications from tenants to sublet.)*

15.1 The ***Tenant Management Organisation*** will process and, where appropriate, approve applications for subletting from secure tenants of **Property dwellings** made under section 93 of the Housing Act 1985.

15.2 The **Tenant Management Organisation** will, in deciding whether to give consent to subletting, act in accordance with the provisions of Schedule 10. The **Tenant Management Organisation** will, on request, provide any tenant of a **Property dwelling** with a copy of the current **Subletting Policy** [on payment of a reasonable charge]/[free of charge].

15.3 When giving consent, the ***Tenant Management Organisation*** will inform the council of its decision. Where the Council requires further information for the purposes of determining whether the consents have been given in accordance with the **Subletting Policy**, the **Tenant Management Organisation** shall provide that information.

16 Right of succession

*(**Option B:** The **Tenant Management Organisation** administers the Right of Succession.)*

16.1 The **Tenant Management Organisation** will administer any **Claim to the Right of Succession** of a person claiming that he or she is qualified to succeed to the tenancy of a **Property** dwelling under sections 86A to 90 of the Housing Act 1985. The **Tenant Management Organisation** will in administering such claims act in accordance with the Council's policy which is set out at Annex B and is available free of charge from the **Tenant Management Organisation**.

16.2 The **Tenant Management Organisation** will within 14 days of receiving a **Claim to the Right of Succession** inform the Council in writing that the claim has been made.

16.3 The **Tenant Management Organisation** will within 28 days of receiving a **Claim to the Right of Succession** send the Council a **Right of Succession Notice** stating whether or not the **Tenant Management Organisation** intends to accept the claim. The **Tenant Management Organisation** will not accept any claim earlier than the seventh day after the date on which it sent the **Right of Succession Notice** to the Council.

16.4 If the Council considers that the **Tenant Management Organisation** has not correctly applied the **Right of Succession Policy** the Council may, within seven days of the date on which it received the **Right of Succession Notice**:

a) in a case where the **Tenant Management Organisation** has accepted the **Right of Succession**, request the **Tenant Management Organisation** in writing to refuse

the **Claim to the Right of Succession** giving reasons why the Council considers that the claim should be refused; or

b) in a case where the **Tenant Management Organisation** has refused the **Right of Succession**, request the **Tenant Management Organisation** in writing to accept the **Claim to the Right of Succession** giving reasons why the Council considers that the claim should be accepted. The Council will make the final decision after taking into account comments made by the **Tenant Management Organisation**.

17 Giving consents

*[Both the **Tenant Management Organisation** and the Council have giving of consent functions.]*

17.1 The Council will consider applications for consent from tenants or leaseholders of **Property** dwellings and give or, as the case may be, refuse consent in respect of the matters listed in paragraph 1 of Schedule 11 (**Giving Consents**).

17.2 The **Tenant Management Organisation** will consider applications for consent from tenants or leaseholders of **Property** dwellings and give or, as the case may be, refuse consent in respect of the matters listed in paragraph 1 of Schedule 11.

17.3 Where consent is required in respect of a matter that is not listed in Schedule 11, the **Tenant Management Organisation** and the Council will agree as to which of them should consider the application, and Schedule 11 will be amended accordingly in accordance with the provisions of clause 18.1 c) of Chapter 1.

17.4 Where the **Tenant Management Organisation** and the Council are unable to reach agreement under clause 17.3, the provisions of clause 18 of Chapter 7 will be applied.

18 Right to buy and sales

*(**Option B:** The **Tenant Management Organisation** collects **Rent** and manages **Rent Arrears**.) Link to Chapter 3,clause 2, Options B and C and Chapter 3, clause 3, Options C, D and E.*

18.1.1 The Council will consult the **Tenant Management Organisation** about the general terms and conditions of sale of **Property** dwellings. The Council will:

a) provide the **Tenant Management Organisation** with a copy of the terms and conditions of sale; and

b) give the **Tenant Management Organisation** not less than one month's advance written notice of any proposed change to the terms and conditions of sale.

18.1.2 The **Tenant Management Organisation** may request the Council to alter any of the terms and conditions of sale which directly affects the **Tenant Management Organisation's** exercise of its management functions under this Agreement. The

Council will not refuse to make or delay in making the alteration requested without good reason.

18.2 The Council will within 14 days notify the **Tenant Management Organisation** in writing of any of the following:

a) the receipt of a notice from a tenant under section 122 of the Housing Act 1985 claiming to exercise the **Right to Buy**;

b) the service of a notice by the Council under section 124 of the Housing Act 1985 admitting or denying the **Right to Buy**;

c) the service of a notice by the Council under section 125 of the Housing Act 1985 notifying the tenant of the purchase price to be paid in exercising the **Right to Buy** and of other matters;

d) the service of a notice by the Council under section 140 or 141 of the Housing Act 1985 requiring the tenant to complete;

e) the receipt of any notice from a tenant served under section 144 of the Housing Act 1985 claiming to exercise the right to acquire on rent to mortgage terms;

f) the receipt of a notice from a tenant under section 153A of the Housing Act 1985 of an initial notice of delay, or the service of a counter-notice by the Council under that section; and

g) the receipt of a notice from a tenant under section 122 of the Housing Act 1985 withdrawing a claim to exercise the **Right to Buy**.

18.3 The Council will keep the **Tenant Management Organisation** informed of the progress of the claim at each major stage.

*(Option 1: The **Tenant Management Organisation** can not terminate tenancies.)*

18.4 Within 14 days of receiving a written request from the Council, the **Tenant Management Organisation** will supply any information the Council may reasonably require in order to comply with its obligations under Part 5 of the Housing Act 1985.

19 Enquiries before exchange of contracts

*(**Option B:** The **Tenant Management Organisation** deals with pre-contract enquiries.)*

19.1 The **Tenant Management Organisation** will deal with enquiries before exchange of contracts in accordance with the provisions of Schedule 12 (**Enquiries before exchange of contracts**), and be entitled to charge for this service in accordance with paragraph 3 of that Schedule.

20 Use of property

20.1 The **Tenant Management Organisation** will obtain the written consent of the Council before it:

a) permits any **Property dwelling** to be used other than as a private dwelling;

b) grants to the occupiers of any land or buildings which adjoins any part of the **Property** any right to use any part of the **Property** or services in or under any part of the **Property** or admit any claim to such a right;

c) sells or permits the sale of alcohol anywhere in the **Property**;

d) displays or permits the display of any advertisement anywhere in the **Property**; or

e) permits any other areas within the **Property** to be used for other than their original purpose at the **Starting Date**.

20.2 The **Tenant Management Organisation** will obtain written consent from the Council before it rehabilitates, modernises, alters, or improves any existing structure forming part of the **Property** or constructs any new building. This consent will not be withheld without good reason.

Chapter 6: Schedules

Chapter 6: Schedule 1

Introductory Meetings for Housing Applicants and new tenants Clause 1

1. The Council's Allocations Officer will verify whether there are any applicants interested in any vacant property on Wrayburn CO estate through the Council's Choice Based Lettings Scheme.

2. The Council is responsible for contacting applicants and nominating the applicants to the TMO.

3. The TMO will supply a stock of introductory letters or leaflets to the Council explaining about the TMO and its role and will be advised when viewings are going to take place and the TMO Manager or a member of staff will aim to accompany all applicants on viewings.

4. The TMO will be notified of the applicant's contact details as soon as the Council has offered the property to the applicant. The TMO will make an appointment with the applicant to carry out an accompanied view, attend the TMO office to sign the tenancy agreement, collect the keys and attend an introductory meeting with the TMO Manager and where possible a TMO committee member.

5. The introductory meeting will be used as an opportunity for the new tenant to find out more about the TMO's policies, procedures and services and how the TMO is working on behalf of the Council through a Management Agreement. It will also be an opportunity to encourage prospective applicants to become a member of the TMO by completing a membership application form

6. Any applicant for housing who does not attend an introductory meeting will be told that they will **not** be excluded from being considered for the allocation of the property.

7. The TMO is responsible for notifying the Council whether a particular applicant has accepted the property and the tenancy commencement date.

Chapter 6: Schedule 2

Selection of Tenants Policy and Procedure Clause 3

Option A: The Council selects tenants of vacant **Property dwellings** in accordance with its published allocation scheme, with no involvement on the part of the **TMO**.

1. Principles involved in allocating tenancies

Choice Based Lettings

LB Southwark operates a Choice Based Lettings system

The Council is responsible for maintaining the Housing Register and managing the Choice Based Lettings system including:

- Advertising available properties and selection criteria
- Providing feedback to bidders
- Ensuring information published about properties is accurate
- Providing neighbourhood information
- Publishing the lettings results
- Meeting the needs of applicants and potential applicants from vulnerable groups
- Providing advice and support to customers on using the Choice Based Lettings system

The Council advertises vacant property on the estate and produces a shortlist of applicants for the property.

Applicants for council housing are required to register on the Council's Housing Register.

Applicants are assessed according to criteria outlined in the Council's Lettings Policy and assigned into one of four priority bands.

When a property is advertised, applicants will be shortlisted according to highest priority and date registered on the Housing Register.

When a property becomes vacant on the estate and the void property has a ready to let date, the TMO will fax, post or email the property details to the Housing Options team in the Council.

2. Selection Procedure

Within 5 working days the Housing Options team in the Council will draw up a shortlist of applicants for the property and will write to each applicant;

- Informing them that they have been shortlisted and their position on the shortlist
- Enclosing details of the property and further information about the TMO (including contact details)
- Telling them that they will shortly be contacted the TMO to arrange an introductory meeting and to carry out the accompanied viewing with representatives of the TMO.

In accordance with the Council's Lettings Policy, applicants will be informed that failure to view to the property will result in their application being withdrawn.

Within 2 working days of receiving the shortlist of applicants, the TMO will write to the applicants with details of when they can view the property, and provide further information about the TMO and its role in managing the block.

The TMO will give Housing Options at least 5 working days notice of the viewing times in order to enable attendance by a representative of the Housing Options team.

The viewing of the property will be carried out in accordance with the TMOs and the Council's Equal Opportunities and Confidentiality policies.

The Council will make available to the TMO all information about applicants for the property which Council allocation officers would have access to.

The TMO will inform Housing Options before offering the tenancy to an applicant, who will be the applicant with the highest priority.

The Council will write to unsuccessful applicants informing them that they have not been offered the property and informing them of their right to appeal against this decision.

3. Exceptional circumstances

Prior to granting a tenancy, the TMO will provide the selected applicant with details of the;

- Property
- Lettable minimum standard
- Tenancy agreement
- Sign-up procedure

and offer them opportunity to become a member of the TMO. The TMO will also ensure that outstanding repairs issues are addressed. This information will be provided to the TMO by the Council.

Monitoring

The TMO will keep the written records of all correspondence/notes of communications with applicants and Housing Options regarding the letting for at least one year after the interview date.

The TMO will make these documents available to the Council on request.

- A representative of the Council's Housing Options Team may attend the viewing of the property.
- Transfers (any TMO involvement)
- Decisions and a right to review – how, who is responsible, how communicated Termination (B,C,D
- Choice Based Lettings – describe roles and responsibilities
- Tenancy sign up and settling in visits – roles and responsibilities
- Tenancy Audits

Chapter 6: Schedule 3

Introductory Tenancies Policy and Procedure Clause 5 Option C

1 INTRODUCTION

a. The Housing Act 1996 Section 124 gives Local Authorities discretionary powers to establish introductory tenancies within their areas.

1.2 BACKGROUND

2.1 This policy and procedure guide is based upon the statutory provisions of the Housing Act 1996 and the good practice guidance of the LGA Introductory Tenancies Working Group.

2.2 Section 124 of the Housing Act states 'every periodic tenancy, shall, if it were otherwise be a secure tenancy, be an introductory tenancy (from the implementation date) unless

- immediately before the tenancy was entered into the tenant was a secure tenant of the same or another dwelling-house or
- an assured tenant of a registered social landlord (RSL)

2.3 Section 125 states that the 'trial' period is for one year extended by the duration of any proceedings for possession if commenced within that year. Provided that the Council has not commenced possession proceedings the introductory tenancy automatically becomes a secure tenancy on the expiry of the one year trial period.

2.4 The main difference between a secure tenancy and an introductory tenancy is the legal process if the tenant breaches of their tenancy agreement, normally for rent arrears and/or anti-social behaviour.

2.5 A secure tenancy can only be ended by the County Court if the judge considers it 'reasonable' to do so: it is therefore at the court's discretion. Ending an introductory tenancy is mandatory for the court so long as the landlord has correctly followed procedure and undertaken an internal review process (if requested by the tenant). In this sense an introductory tenancy is 'less' secure.

2.6 There are also other 'rights' that do not become effective until after the expiry of the trial period. The table below shows the main similarities and differences between introductory and secure tenancies:

Right	Secure Tenancy	Introductory Tenancy
Succession to family members	Yes	Yes
Right to Repair	Yes	Yes
Right to be consulted on housing management issues	Yes	Yes
Right to Assign	Yes	Yes
Right to Buy	Yes	No (period counts towards discount)

Right to take in lodgers	Yes	No
Right to sub-let	Yes	No
Right to improve	Yes	No
Right to exchange	Yes	No
Right to vote prior to transfer to new landlord	Yes	No
Right to be consulted on delegated housing management	Yes	No
Right to participate in housing management contract monitoring	Yes	No

3 POLICY

3.1 The overall policy for managing breaches of both introductory and secure tenancies is that any action should be timely, proportionate and transparent using an escalation of interventions. The procedures for dealing with introductory tenants uses the framework of the existing 'Into the New Millennium Rent Policy & Procedure Guide' and the 'Tackling Anti-Social Behaviour Taking on the Case Procedure' for the initial action but differs in the legal approach.

3.2 A Notice of Termination (NTT) (see Appendix B) is served (rather than a Notice Seeking Possession) when a tenant breaches their tenancy agreement and warning letter(s) do not remedy the breach by the tenant. The NTT provides a right for the tenant to request an internal Review. Once this has been undertaken and if the decision to end the tenancy is confirmed the County Court must grant an Outright Possession Order (OPO), subject to being satisfied that the NTT and the review procedures were properly carried out.

3.3 The Notice of Termination is therefore a significant legal document which will result in eviction if upheld upon Review or not challenged by the tenant.

3.4 In deciding whether such a Notice is appropriate the vulnerability of the tenant must also be taken into account and addressed. Vulnerability can include the following:

a) as defined by Section 189c Housing Act 1996
b) 'in need' as defined by the Children's Act 1989
c) assessed as needing services under the National Health Service & Community Care Act 1990
d) those who do not speak English as their first language
e) disability- as defined by the Disability Discrimination Act 2002

3.5 In cases of anti-social behaviour case officers must also be aware of malicious allegations based upon prejudice.

4 PROCEDURE

4.1 The starting point for the introductory tenancy scheme is the revised tenancy agreement and the sign-up procedure. The tenancy agreement has been amended to include a clause on introductory tenancies.

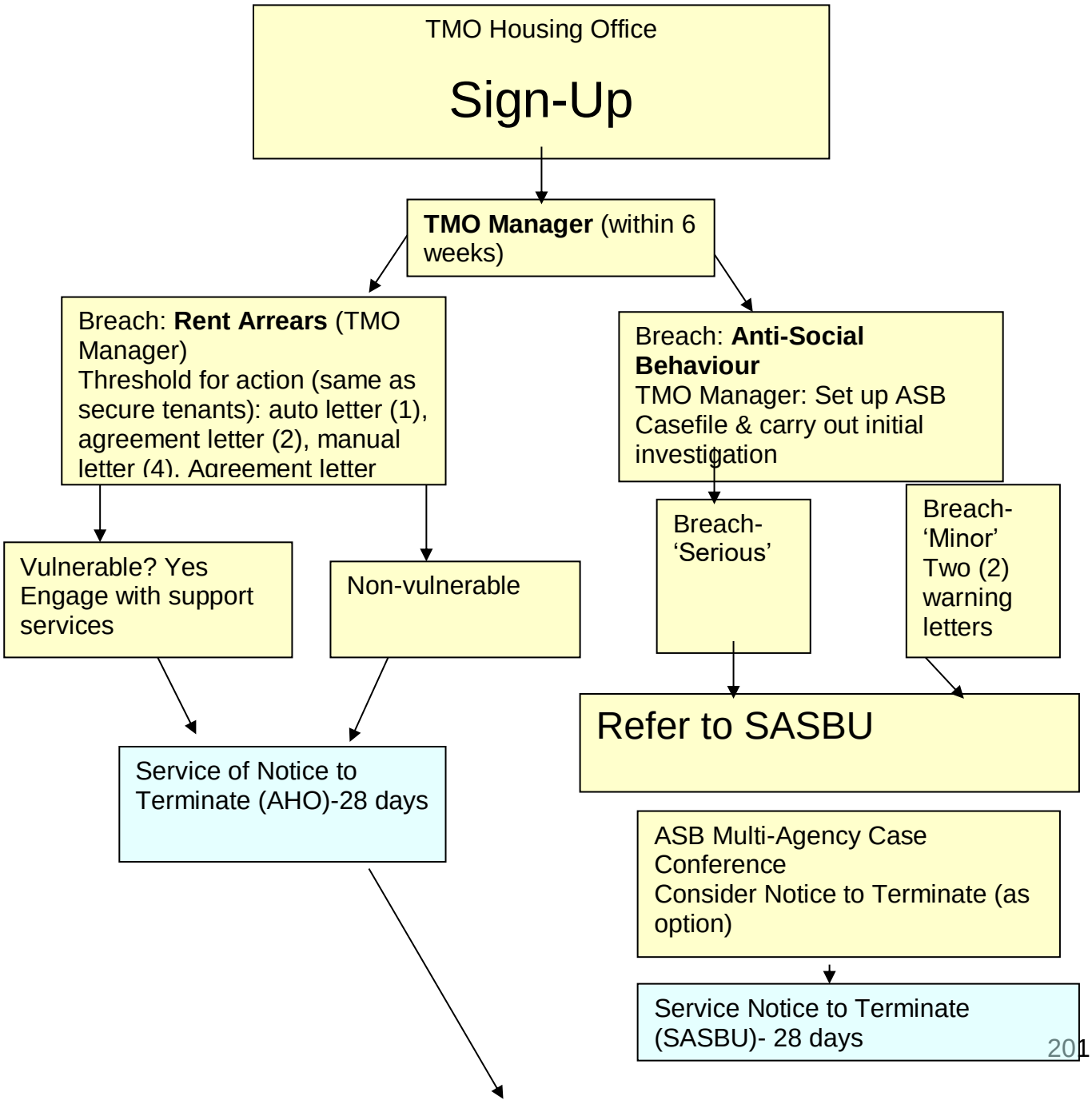
4.2 The meaning of the introductory tenancy must be fully explained at the sign-up stage, using the Introductory Tenancy leaflet, so that new tenant(s) clearly understand the Council's strategy and powers for dealing with anti-social behaviour and rent arrears and the consequences of breaching the clauses in the Introductory Tenancy.

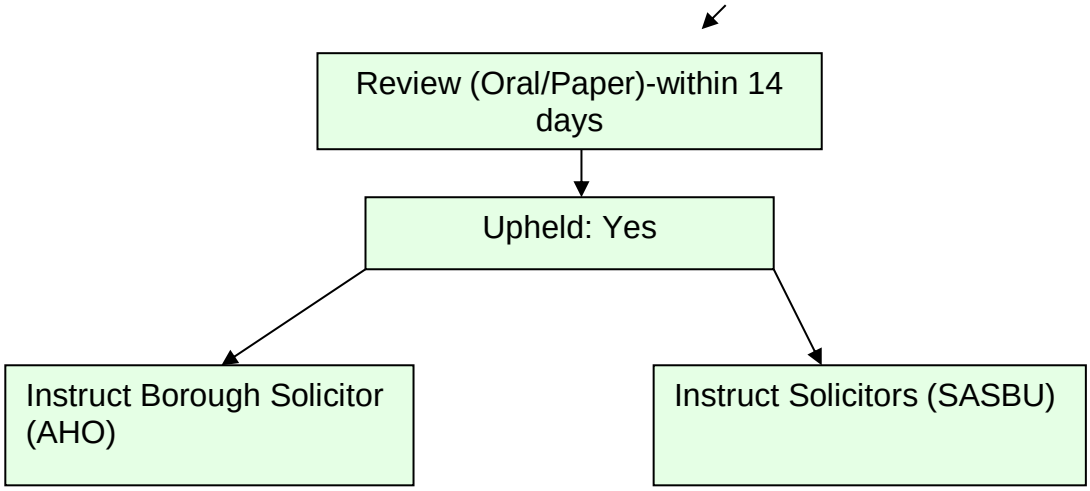
4.3 The tenancy check list should be completed to confirm that this has been done and the leaflet 'Introductory Tenancies' given to the tenant. The leaflet includes information about the terms of the tenancy agreement, the provisions of the Act and the provisions of the Landlord & Tenant Act 1985 as they relate to the landlord's repairing obligations.

4.4 The existing six-week follow up visit should be used to both assist the tenant in their early days of moving into their new home and to reinforce levels of expectation regarding the conduct of their tenancy.

4.5 The procedure for rent arrears and anti-social behaviour take different routes to the service of a Notice of Termination should this be necessary as illustrated by the following process map:

PROCESS MAP





5 RENT ARREARS PROCEDURE

Cross Reference with 'Into the New Millennium Rent Policy & Procedure Guide' (Italicised)

5.1 The arrears IT system (IHS) generates one automatic letter when arrears first occur on the rent account. If the arrear continue to increase or there is no contact then the officer should send a personalised 'Letter 4' making a specific appointment (see Appendix A). This should be done before an account gets more than four weeks in arrears, if payments are irregular or water rates are not being paid. (Pg 32/ 2 The Process paras 2.1 & 2.2)

5.2 Should the tenant

- fail to keep the appointment
- fail to clear the debt
- breach any agreement they have made

then a Notice of Termination should be referred to the Council for the Council to serve (this is the same threshold for an NSP)

6 ANTI-SOCIAL BEHAVIOUR PROCEDURE

Cross Reference with the' Tackling Anti-Social Behaviour Taking on the Case Procedure '(Italicised)

6.1 Initial complaints against an introductory tenant should be investigated in the same way as complaints against secure tenants (as with rent arrears). An anti-social behaviour casefile should be set up; the victim and the perpetrator interviewed and local resolution attempted using the action plan process. (Sections 2,3 & 5)

6.2 It is important that the timescales in the procedure are kept to with the review meeting after 28 days the opportunity to decide whether or not a Notice of Termination is appropriate. If the (alleged) perpetrator is not co-operating or despite a warning letter there has been no improvement in the behaviour then the case should be immediately referred by the TMO to Southwark Anti-Social Behaviour Unit (SASBU) using the referral form in the ASB casefile. (Pgs 13-15)

6.3 SASBU will convene a problem-solving case conference at which the option of serving a Notice of Termination will be considered. The threshold for service will be the same as for a Notice of Seeking Possession (NSP).

6.4 In both rent arrears and anti-social behaviour cases the service of a Notice of Termination should be considered where a Notice Seeking Possession would be served on a secure tenant.

7 NOTICE OF TERMINATION & REVIEW PROCESS

7.5 There are no provisions for Suspended Possession Orders against introductory tenants and a Notice of Termination should be served on the understanding that the court must grant a Possession Order and that eviction must be enforced unless the tenant applies for a Review and the senior officer/Review Panel do not agree to issue proceedings.

7.6 Service of a Notice of Termination the notice and accompanying information leaflet must be carried out by hand. A copy of the notice should be retained on the house file signed and dated by the officer who served it confirming it was served by hand. The notice will include the following information

- The reasons for the decision to apply to the Court for a Possession order
- Information on the tenant's right to request a review of the Councils decision
- Details of when legal action will commence if the review decision is not in the tenants favour
- The date by which a review will be completed and when the tenant will be notified of the result

7.7 The tenant must be made aware of their rights to request a review and a standard reply form 'Request for Review' must be included with the notice. (See Appendix D) The principles of the Review process apply to any circumstances in which Possession Proceedings are being undertaken against an Introductory Tenant.

7.8 Once a Notice to Terminate has been served we must wait until it is known whether a tenant wishes to exercise their right to review and for the notice to expire before we proceed with an application to the Court. The tenant has fourteen (14) days from the date of service in which to request a review.

7.9 A request for a Review will be made to the Area Housing Office/SASBU/central operations manager using the completed template (see Appendix E), for the necessary meeting arrangements to be made and for the AHO/SASBU and panel officers to be notified.

7.10 The AHO/SASBU/central operations team will notify the introductory tenant of the date, time and place of the review hearing ten days prior to the hearing enclosing a bundle of evidence to be relied upon at the hearing (including the AHO/ SASBU Report for the Review) (see Appendices G & H) . The review must be completed before that date given to the tenant as that date after which proceedings are due to commence (see procedure on Service on Notice of Termination). Although review requests would normally be made by the introductory tenant themselves, requests can be made by others acting on the tenants behalf e.g. in cases where the tenant is vulnerable and has special needs or for whom English is not their first language. The request for Review should however be countersigned by the tenant themselves.

7.11 If following service of Notice the tenant has not requested a review within the 14 day period the tenant should be immediately advised in writing that on the expiry of the notice their case will be referred to Court. (See Appendix F)

8 REVIEW

8.1 The review will usually be conducted as a 'paper' review by the authority unless the tenant informs the authority that they wish to have an 'oral' hearing. At an oral hearing the tenant or their representatives will present their review in person calling on witnesses as they see appropriate.

8.2 In either case the tenant should complete the Request for Review form (see Appendix D) which was included with the Notice. They should be advised to set out the basis they have for seeking the review. If requesting an oral hearing the tenant should advise the authority if they are to be legally represented.

8.3 The Authority will need to take into account the fact that presenting a case to a review panel may be a daunting task for a tenant. Others may find it difficult to frame a convincing written case because they are illiterate or have learning difficulties. The review process should take these facts in to account and permit the tenant to seek whatever reasonable support they wish to enable them to present their case.

9 Preparing for a Review

9.1 On receipt of a Request for Review the housing/resident officer or income officer or SASBU officer will check that the form has been completed fully by the tenant and establish the type of hearing requested. The review request should be logged and the central operations manager advised so that a review hearing date can be arranged.

9.2 A Case History should be completed by the income officer in arrears cases or by the appropriate SASBU officer in other cases. (See Appendix H) The case history will include a summary of the action that has been taken and the reasons why a Possession Order is being sought. The case history should be comprehensive outlining all relevant facts to the case. Only those details included in the case history can be used as evidence at the panel hearing. Hearsay evidence can be used but again must be included in the case history. The case history should be checked and countersigned by the housing/resident manager or SASBU manager who will forward the documentation to the central operations manager to arrange the Tenancy Review Panel hearing date or a senior officer paper review.

9.4 In anti-social behaviour cases care must be taken not to distribute confidential documents including third party, agency or witness statements where permission has not be given for these to be used. The presentation of evidence should be the same as that for a court hearing and should be bundled up by SASBU's solicitors. The SASBU manager will arrange for this documentation to be sent to the tenant along with the confirmation of the arrangements for the hearing.

10 Arranging Review Dates

10.1 At least ten days notice should be given of the review date to allow the tenant to prepare their case. Adequate time should be set aside to deal with more complex cases especially where this might involve anti-social behaviour. Where a case involves both rent arrears and anti-social behaviour the relevant housing operations manager and SASBU manager will agree who is the lead.

11 Presenting the Case

11.1 The officer presenting the case should be senior to the officer who made the decision to serve a Notice to Terminate. Under the Scheme of Delegation (see Appendix G) an income/housing/resident officer can make the decision to serve a Notice to Terminate. Presentation of case at a panel hearing will be by a Income Team Leader or housing/resident manager. For anti-social behaviour cases it will be a senior ASB officer.

11.2 The chair of the Review Panel will outline to all parties the procedure to be followed for the hearing. The officer (as above) will present a summary of the evidence against the tenant to the review panel. In the case of an oral hearing the Introductory tenant or his/her representative will then have the opportunity to question the officer about the evidence presented. The panel will then question the officer on the action that has been taken and the reasons why possession has been sought. The review panel will use this opportunity to clarify and record any issues of concern.

11.3 The Introductory Tenant with his/her representative will then present their case and call any witnesses with supporting evidence. The officer will also have opportunity to question the introductory tenant on the evidence he/she has given to the Review panel. The Panel will then be able to question the introductory tenant and their witnesses to verify the facts and resolve any areas of dispute. The officer will make a final statement to the Panel on the case against the introductory tenant. The introductory tenant or his/her representative will then be asked to make a final statement.

11.4 In cases where the tenant fails to attend the hearing the review panel can decide whether it is appropriate to continue with the review. The introductory tenant should be allowed to apply for a postponement in exceptional circumstances but only if a review date and notification of the decision can be carried out before the end of the prescribed notice period.

12 The Tenancy Review Panel

12.1 The composition of the panel may vary according to the type of case being considered at review. Generally the Review Panel will consist of one housing/resident manager, one representative from SUSTAIN and another manager.

12.2 The authority must ensure that the review procedure is carried out by an ‘independent’ person or body within the local authority and not by any person involved in the original decision to seek possession. Any manager/officer sitting on the Panel should not be involved in the direct management of the cases on which they will make a review decision.

12.3 The Panels role to consider the facts before it and confine their deliberations to matters which are relevant to the authority’s decision. The purpose of the review panel is to ensure that

- The notice has been correctly served including all the relevant information.
- The case has been handled correctly at all stages and in line with the Councils Procedures
- It is appropriate in terms of the evidence provided and the proportionate in terms of seriousness evict the tenant.

If the panel are satisfied on a balance of probabilities that the tenant is in breach of their tenancy conditions or s/he were in breach of their tenancy conditions and that the breach is likely to occur again, then authority to seek a Possession Order should be confirmed.

13 The Outcome

13.1 Written notes of the review meeting will be made and the Chair will record the Panels view and decision. (see Appendix I). The Panel will confirm the outcome of the review in writing to the introductory tenant within five (5) days of the hearing outlining their reasons for their decision. (see Appendix J). The reasons must be given in sufficient detail to enable the Court to assess the decision making process. The tenant will also be advised as to their right to a judicial review.

13.2 Where the review has been rejected the income Team Leader or housing/resident manager or Senior ASB officer should immediately issue proceedings to Court.

13.3 Where the tenants 'appeal' is upheld the Notice will be withdrawn and the Introductory Tenancy will continue. Another notice can be served against the tenant at any time after the review hearing provided there are valid reasons for doing so.

14 REFERRAL TO COURT

14.1 Referrals for legal action, including service of a Notice to Terminate, should be made to SASBU in cases of anti-social behaviour. In cases of rent arrears the area housing office/central operations team may use Southwark Legal Services or apply direct to the Court using the DIY procedures currently in place. For rent arrears possessions the income officer or Income Team Leader will attend Court; for anti-social behaviour case a Senior ASB officer will attend.

14.2 In all instances the Introductory Tenant should be advised in writing that the Council has requested a possession hearing to seek their eviction and that is likely that they will be intentionally homeless.

14.3 Where using the DIY procedure the income officer should ensure that Form N5 ' Claim form for Possession of Property' is completed indicating that the tenancy is an ' introductory tenancy 'and that Possession is claimed under The Housing Act 1996 Section 127 and 128. Where using Southwark Legal Services form LHRA CREF should be used ensuring that the form is clearly marked 'Introductory Tenancy 'at sections 2,4,6 and 11.

14.4 The Court is required to grant a Possession Order, provided that it is satisfied that the Notice and review procedures were carried out correctly. The only discretion available to the Court will be to postpone the date for giving up possession for up to 14 days and in cases of exceptional hardship for up to six weeks.

14.5 Judicial Review

The tenant has the right to request to a judicial review of the panel's decision to proceed with legal action for Possession. The request must be made within 3 months of the date the decision was made. The judicial review can only be made on the basis that the panel did not come to its decision in a reasonable manner i.e. that the panel took in to account factors which were irrelevant or failed to consider matters that had a direct bearing on the tenants case.

15 MONITORING

15.1 The impact of the introductory tenancy scheme must be monitored to ensure that its effects are not discriminatory. All Local Authorities that have implemented such a scheme must publish an annual report to include data on the number of:

- introductory tenancies created
- notices served and type of breach
- reviews where the decision to serve a notice is upheld (by category)
- reviews where the decision to serve a notice is not upheld (by category)
- court hearings applied for
- court orders obtained and refused (by category)
- eviction warrants obtained (by category) and refused (by category)
- evictions carried out (by category)

CHECKLIST WHEN SUBMITTING REQUEST FOR INTRODUCTORY TENANCY REVIEW

When submitting a request for an Intro Tenancy Review the following must be included

- A copy of Letter 4 (Appendix A), sent to the tenant signed and dated
- Copy of the original, signed and dated NTT letter (Appendix B) and
- Copy of the Tenants Request for Review completed and signed by the tenant (Appendix D)
- Completed AHO/SASBU Request for Review (Appendix E)
- Completed AHO / SASBU Report (Appendix H)
- Copy of the original Intro Tenancy Agreement
- The most recent Rent Account Statement
- Any diary notes pertaining to the tenancy

(Appendices are lifted from the Introductory Tenancies Policy and Procedures Manual)

Chapter 6: Schedule 4

Tenancy Agreement Changes Procedure Clause 6

1.0 Tenant Consultation

1.1 These procedures include both non-statutory and statutory consultation on proposed changes in the tenancy agreement and will commence not less than 56 days after the service by either party of a Tenancy Variation Notice in line with Clause 6 of Chapter 6 of the Management Agreement

Prior to Service of Preliminary Notice of Variation:

Proposals and information:

1.2 The Council shall write to all secure tenants explaining what change is proposed and why. This letter will include details about the consultation arrangements set out in this paragraph, how tenants can find further information, respond to the proposal and the deadline for submitting observations to the Council.

Response from Tenants

1.3 Tenants responses should be made to the Council within the period of consultation set out by the Council and in line with Section 103 of the Housing Act 1985

Forums and decision making process

1.4 The Council may also choose to consult residents by calling a meeting to which all secure tenants are invited to discuss the proposed variation. Notes of the meeting will be made and passed on to the Management Committee and included with tenants' comments. Following the closure of the consultation, the Council will review the comments of tenants.

2.0 Service of Notices

2.1 Procedure prior to serving a Notice of Variation

2.2 If, after the closure of the consultation period, the Council agrees to continue with the process of amending the Tenancy Agreement, the Council will administer the variation by either:

a) Obtaining secure tenants' written agreement to the variation (see Section 102 (1) of the Housing Act 1985); or

b) serving the Preliminary Notice of Variation. Before serving the Notice of Variation, the Council shall:

a) Give reasoned consideration to comments made by secure tenants to the variation proposed in the Preliminary Notice of Variation; and

b) Give to the TMO a written report on the comments made by secure tenants to the variation proposed in the Preliminary Notice of Variation and the Councils reasoned response to the comments made.

2.3 If, having given reasoned consideration to the comments made by secure tenants to the variation proposed in the Preliminary Notice of Variation, the Council decides that the variation proposed needs to be amended, the Council shall obtain the TMO's written consent to the amended variation, which consent shall not be unreasonably withheld or

delayed, before serving on secure tenants the Notice of Variation of the terms of their tenancy (see Section 103(4) of the Housing Act 1985).

2.4 If the proposed variation has been amended prior to serving the Notice of Variation, the Council will write to all secure tenants outlining and explaining the amended proposal.

2.5 If the Tenancy Agreement is varied under this clause, the Tenancy Agreement in Annexe A of this Chapter shall be replaced with a copy of the Tenancy Agreement containing the variation. The date on which the change comes into effect shall be noted on the revised Tenancy Agreement.

2. 6 Content of a Preliminary Notice of Variation on tenants:
The information included in the Notice shall be

- the intention to serve a notice of variation
- specifying the proposed variation and its effect, and
- inviting the tenant to comment on the proposed variation within such time, specified in the notice, as the Council considers reasonable

2.7 The notice will also provide details of the consultation arrangements described in paragraph 1 of this schedule

2.8 Content of a Notice of Variation on Tenants
The information included in the Notice shall be

- the variation effected by it, and
- The date on which it comes into effect a (minimum of 28 days from the date of service).

2.9 The notice will also provide details of the consultation arrangements described in paragraph 1 of this schedule *The information provided in the Preliminary Notice of Variation and the Notice of variation must, where applicable, comply with the provisions of sections 102 and 103 of the Housing Act 1985*

Chapter 6: Schedule 5

Breach of a Tenancy Agreement, Term of a Lease, or Covenant in a Freehold Transfer Clause 7

This schedule is consistent with the Council's policies and procedures for dealing with breaches of tenancy.

1.0 Definition of Breach

1.1 Any breach of the Council's Tenancy Agreement or Lease Agreement will be deemed to constitute a breach of tenancy. This may include anti-social behaviour, harassment of any kind, unlawful occupancy or any other matter the Council deems to be a breach of tenancy.

2.0 Investigation of Allegations

2.1 The TMO Manager will investigate any allegations of a breach of tenancy as matter of urgency. Allegations of violent behaviour or harassment will be treated as a priority and investigated immediately.

2.2 Complainants will be asked to detail complaints in writing or during an interview at which notes will be taken.

2.3 The TMO Manager will conduct any necessary interviews with alleged perpetrators, victims and witnesses. As much consideration as possible will be given to victims of an alleged breach of tenancy, such as home interview, telephone interview, working with a trusted community or other organisation, referral to Victim Support.

2.4 If it is believed that an interviewee may present violent or aggressive behaviour, the interview should be conducted by two members of staff. If necessary, the TMO Manager may request advice or the attendance by Council officers.

2.5 When arranging interviews, TMO staff will inform interviewees of their right to be accompanied by a person of their choice and to have a translator/interpreter present if required.

2.5 Interviews and all other aspects of the investigation will be carried out in accordance with the TMO's confidentiality policies.

2.6 Whenever practicable, the TMO Manager will endeavour to remedy the alleged breach through persuasion and voluntary agreement.

2.7 At all times during the investigation, TMO staff will keep accurate written records of contacts, statements and all other steps taken to investigate the breach of tenancy

2.8 Following the investigation, if the TMO Manager concludes that no breach has occurred, the complainant will be notified of this decision

Determination that a Breach of Tenancy has been Committed

3.0 Rights of Persons where an allegation is made or a Notice served

Appeal

3.1 Before pursuing formal action, if the TMO Manager concludes that a breach of tenancy has occurred, when notifying the perpetrator of this finding, he/she will provide information about how this decision can be appealed.

3.2 A tenant or leaseholder who has been deemed to have committed a tenancy breach has the right to appeal against this decision to a Panel made up of the TMO Manager and two members of the Management Committee. A hearing must be requested in writing and the TMO must arrange for the hearing to take place and notify the tenant of the time and date of the hearing within 10 working days of an appeal being requested.

3.3 The appeal hearing will review the investigation and hear representations from the alleged perpetrator and others, and will determine whether or not the conclusion of the Manager's investigation was correct.

Agreement

3.4 Following the investigation, if an agreement has been reached with the perpetrator to resolve the breach, this agreement must be notified to the perpetrator in writing and the complainant notified that an investigation has been conducted and undertakings made to remedy the breach.

3.5 Following thorough investigation of the complaint, which has concluded that a tenant or leaseholder has committed a breach of tenancy, and the TMO has been unable to secure an agreement to remedy the breach and have exhausted other options in seeking to have breaches of tenancy, lease or covenant remedied, the TMO may serv notice upon the Council to request that they serve formal notices on the tenant, leaseholder or freeholder as appropriate to secure legal enforcement of the terms of the tenancy, lease or covenant, up to and including notices to terminate and seek possession. These could include :

- Notice Seeking Possession (tenanted properties)
- Notice to Quit (tenanted Properties)
- Other Notices as advised by the Council

The notices will contain:-

- The name and address of the tenant, leaseholder, freeholder deemed to be in breach.
- The nature of the alleged breach.
- An account of the investigation carried out by the TMO, including notes or transcripts of interview conducted.
- The attempts the TMO has made to secure a voluntary remedy of the breach.
- The reasons why the TMO believes it is not reasonable to continue seeking to secure a voluntary remedy.

4.0 Role of Council

4.1 The Council will agree and initiate all legal proceedings. The Council will respond in 10 working days agreeing or rejecting the TMO's proposal to serve legal proceedings giving reasons for requiring more time. In responding to the TMO, account will be taken of the urgency of particular situations.

4.2 If the Council objects to the request from the TMO to serve legal proceedings they will provide their reasons and detail any alternative action which they will subsequently take responsibility for

5.0 Application for Court Proceedings

5.1 If the nuisance persists, immediately after expiry of the NSP, the TMO will notify the Council accordingly.

5.2 If the Council objects to further legal action being taken, it will provide reasons.

5.3 Where a court action if followed by Outright Possession Order, Suspended Possession Order or Eviction, the Council will follow its laid down procedures for such action.

5.4 In the case of a leaseholder where the breach is established the appropriate action, including, if necessary, the service of Section 146 Notice, by the Home Ownership Unit will be taken.

6.0 Monitoring

6.1 The TMO Manager will record all cases of alleged breach of tenancy and action taken, and report quarterly to the Management Committee.

Chapter 6: Schedule 6

Anti-Social Behaviour and Harassment Policy and Procedure Clause 8

INTRODUCTION

The Safer Southwark Partnership (SSP) vision is:

"To make Southwark a safe place to live, work and visit"

Resident Services, in partnership with Southwark's Antisocial Behaviour Unit (SASBU) and other agencies, is taking clear steps to deal with antisocial behaviour (ASB), nuisance and harassment, in line with recent changes in legislation, so that residents can enjoy a comfortable and safe environment.

This procedure covers the council response to initial reports of low level antisocial behaviour and how serious cases should be escalated to Southwark Anti Social Behaviour Unit.

It outlines the process for dealing with reports of antisocial behaviour, from receipt of a report of antisocial behaviour until the case is either closed or referred to the relevant agencies.

Most cases dealt with by Resident Services will involve at least one tenant (perpetrator, victim or witness); advice should be sought from SASBU in cases where the perpetrator is not a council tenant.

This procedure also defines a clear referral process and outlines what actions can be taken using the existing and new powers under the ASB, Crime and Policing Act 2014.

AIMS OF PROCEDURE

- To take effective action to assist those who are affected by or are victims of ASB
- To offer customers the best possible service in relation to ASB by gaining their confidence, not raising expectations, being realistic, keeping them informed and working with them to resolve problems
- To minimise the effects of ASB on the physical appearance of estates
- To highlight the need for early intervention in cases of low level ASB to avoid escalation into serious incidents
- To provide clear and consistent procedures across all Area Housing Offices
- To effectively resolve problems and enforce the clauses within the tenancy agreement
- To minimise the negative effects of ASB on the reputation of estates
- To be an integral part of our commitment to tenancy support, reducing conflict and where possible, reaching agreed solutions to ASB
- To ensure preventative work is an integral part of the housing officer's role
- To increase usage of APP to report and record ASB

WHO SHOULD READ THIS PROCEDURE

Area Housing Managers, Housing Managers, TMO Managers Housing Officers, and Enforcement Officers

LEGISLATIVE FRAMEWORK

The **Housing Act 1996**

• The **Crime and Disorder Act 1998**: places a duty on councils to work with the police and other partners in tackling crime and disorder.

• The **Human Rights Act 1998**: requires that action taken is reasonable and fair in response to the type of behaviours committed.

• The **Equality Act 2010**: prohibits unlawful discrimination against the nine protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

• The **Anti Social Behaviour Crime and Policing Act 2014**: streamlines the legal powers available to local authorities to deal with ASB and introduces a Community Trigger, giving victims the ability to demand a review of their case where the defined threshold is met.

• The **Care Act 2014**: puts adult safeguarding on a legal footing and greatly expands the scope of duties on the local authority as it relates to adult safeguarding.

2. OVERVIEW

2.1. Introduction

Antisocial behaviour causes fear and anxiety in the community and it is essential that the council has clear and robust procedures for managing it. The antisocial behaviour procedure sets to standardise the way antisocial behaviour cases are dealt with by the council so that residents receive a consistent service. Our commitment is to:

• Take effective action to assist those who are affected by or are victims of ASB.

• Offer customers the best possible service in relation to ASB by gaining their confidence, not raising expectations, being realistic, keeping them informed and working with them to resolve problems.

• Take a victim-centred approach ensuring that cases are risk-assessed so that appropriate action is taken to protect and support victims and witnesses.

• Highlight the need for early intervention in cases of low-level ASB to avoid escalation into serious incidents, identifying suitable households for referral to Family Focus Plus in line with the Trouble Families agenda.

• Understand the council's duties to vulnerable victims, in line with the Equalities Act and to signpost individuals to support agencies as required.

• Take a multi-agency approach to tackling ASB cases, whether in dealing with complex households or working to resolve area based ASB affecting the wider community.

• Work to resolve ASB and support tenants so as to avoid eviction.

• Ensure preventative work is an integral part of the Resident Services Officer's role.

2.2. Defining antisocial behaviour

The council has issued clear guidelines (see **Tenants' Handbook**) on being a good neighbour, with the responsibility on tenants to respect their neighbours and their environment, particularly shared areas. Tenants are responsible for;

• their own behaviour

• the behaviour of any person living in the tenancy

• the behaviour of any person visiting the tenancy

• the behaviour of any pets belonging to the tenant, occupants or visitors.

The term "antisocial behaviour" includes a range of nuisances, defined by the ASB, Crime and Policing Act 2014 as

• *Acting in a manner that caused or was likely to cause harassment, alarm or distress.*

• *Engaging in behaviour which causes or is likely to cause a nuisance or annoyance to a person residing in, visiting or otherwise engaging in lawful activity.*

These definitions underpin the threshold required to apply for tenancy enforcement or injunctive relief to be sought through the courts.

In addition, an individual may be deemed to have acted in an antisocial manner and be subject to possession proceedings utilising the Absolute Ground for Possession for the most serious cases and where antisocial behaviour has been proven by another court. This applies where the tenant, a member of the tenant's household or a person visiting the property has:

• Been convicted of a serious housing related offence in the locality of the tenancy.

• Breached a civil injunction under section 1 of the ASB Crime and Policing Act.

• Been convicted for a breach of a criminal behaviour order.

• Been subject to a Closure Order.

• Been convicted of an abatement notice or order under S80 (noise).

Tenants have a statutory right to request a review of the landlord's decision to seek possession under the new absolute grounds (***Appendix 2 – Request for review***).

The council will take a robust, flexible and proactive approach towards the use of tools and powers against perpetrators in order to protect victims. Officers will adopt risk-based approaches to interventions and will exercise professional judgement when assessing how to respond. This is particularly relevant at a time of diminishing resources.

3. ASSESSMENT & RESPONSE

3.1. Receiving a report of ASB

A report of antisocial behaviour may be received from a resident, the police, other departments and/or voluntary or other statutory agencies on behalf of a client. ASB reports can be received in person, direct phone call through the call centre, or via email.

In order to assess the risk and nature of response, the officer receiving a report of ASB should establish the following:

- Contact details (taken in confidence)
- When did the incident happen?
- When did it start?
- When did it end?
- What happened?
- Where did it happen?

The initial officer receiving a report should be courteous, sensitive and responsive in responding to the reporter. The officer should advise that the TMO Manager will contact the reporter within no more than five working days, based on a risk assessment of the incident.

Reports not received by the TMO, an RSO or SASBU officer should be emailed to sasbu@southwark.gov.uk who will refer the matter to the TMO to respond to.

3.2. Assessing & referring a report of ASB

The council has published minimum standards underlining its commitment to responding to reports of ASB:

- **Category 1 ASB (high risk cases)**

  The TMO Manager will visit or call the reporter within **24 hours** of receiving the report; cases may include hate-related incidents, physical violence or threats of violence, harassment, intimidation or threatening behaviour, crack houses.

- **Category 2 ASB (medium risk cases)**

  The TMO Manager will write (email/letter), visit or call within **three working days**. Examples may include misuse of public spaces, noise, vandalism, garden nuisance.

- **Category 3 ASB (low risk cases).**

  The TMO Manager will write (email/letter), visit or call within **five working days**.
  The TMO Managershould assess the nature of risk and refer or respond as appropriate.. All cases should be recorded on APP case monitoring system; TMO Managers should also record on EDMS (info@work system) as an **RSFNOTE** memo or **RSASB** document type, and associated documents uploaded.

In cases of threats of harm or allegations of threats of harm being made, TMO Managers should seek clarification from SASBU and/or the RSM immediately.

3.3. Initial interview & risk assessment

The TMO Manager will complete a **Risk Assessment Scorecard (*Appendix 3*)** during the initial interview with the reporter so that risks in the case can be managed effectively. The risk assessment should be uploaded to APP.

The reporter is asked to consent that the information given for the risk assessment be shared with other council agencies or services. If further personal information is to be shared with external agencies additional formal consent should be obtained, either through the agency's standard consent procedures or by completing the **Consent Form (*Appendix 4*).**

If appropriate, the officer should enquire whether or not a person requires translation or interpretation assistance. Officers should try to use existing council resources where possible in order to save costs.

It is not appropriate to use children as interpreters. If a family member or friend attends to translate, an offer of a translator should still be made, where relevant, with particular consideration made to the nature of the incident/s or reports. (*For more information see the council's Translation and Interpreting Service page on the Source.)*

If the reporter or the alleged perpetrator is considered to be vulnerable and they do not have a support/care package in place, the case officer must ensure that safeguarding checks are made. The officer should inform the departmental/divisional safeguarding lead and, where appropriate, referrals should be made to:

• Mental health services

• Adult social care

• SUSTAIN

A vulnerable victim is generally described as someone who is more susceptible to ASB due some or all of the following factors (taking into account any views expressed by the victim):

- They are under the age of 17 at the time of the anti-social behaviour
- They suffer from a mental disorder within the meaning of the Mental Health Act 1983
- They have a physical disability or are suffering from a physical disorder
- They have repeatedly and persistently been the victim of anti-social behaviour in the past.

In serious cases, and where the Risk Assessment Scorecard scores highly, a referral should be made to the Community MARAC, managed by SASBU ***(see The Source for the Marac Referral Form).***

The TMO Manager should seek clarification and advice from a divisional/departmental safeguarding lead (see *Safeguarding Adults Policy and Procedure* for more information).

If there are concerns, reports or evidence of child neglect or abuse, in all cases the TMO Manager will:

- Notify Children's Social Services immediately.
- Make a formal referral to Children's Services using a *CAF Referral Form* or inform the lead worker of the concerns (if there is already a current case open and an allocated social worker).
- Inform the relevant parent and/or guardian of any CAF referral made unless to do so would put the child at greater risk of harm.
- Inform their team leader and divisional/departmental safeguarding lead.

(See the *London Safeguarding Children Board: Child Protection Procedures and Practice Guidance*).

4. CASE MANAGEMENT

4.1. Guidelines for case management

The council aims to take a problem-solving approach to resolving complex ASB cases and will work to find sustainable solutions through a multi agency approach. In all cases the RSO or SASBU officer will:

- Assess incidents involving violence, threats of violence or hate crime in line with the Council's minimum standards.
- Identify vulnerable victims and perpetrators and measure the risks posed to them in order that the most appropriate action can be taken. The **Risk Assessment Matrix** should be used for this purpose.
- Discuss with residents their expectations on how a case is to be managed and be clear from the outset of the likely outcomes that can be achieved, including timescales.
- Encourage the victim or witness to keep an **ASB Diary** (***Appendix 5***); refer to the diary guidance notes and explain that this could be used to build a case for enforcement.
- Update the victim or witness on a regular basis to notify of progress. This may be done by phone, email, letter, or in person (and should be recorded on APP).
- Contact residents when their ASB cases are ready to be closed and allow the victim or witness to assess how they feel their case has been managed.

4.2. Personal Safeguarding

TMO Managers, RSOs and SASBU officers must observe the guidance for *Preventing and Alleviating Violence, Aggressive Behaviour and Harassment within the Workplace* and the

Lone Working Policy, Guidelines and Procedures. In any areas of doubt or concern, liaise with a team leader for guidance.

Southwark recognises that the management of an ASB case may involve undertaking some element of risk. Before any appointment with a reporter, witness or an alleged perpetrator, staff members should consider the case history of that person (where information is held) and whether they have been flagged as violent or potentially violent (see *Potentially Violent & Aggressive Customer Procedure*).

TMO Managers, RSOs and SASBU officers must also consider for their own safety:

- the nature of the report
- the suitability and appropriateness of a home or outside office visit
- holding an office appointment
- whether to visit or hold office appointment with a colleague present
- whether any special arrangements should be arranged prior to appointment (e.g. police presence/accompaniment).

TMO Managers, RSOs and SASBU officers must ensure that their manager and colleagues know where they are going and how long their visit or appointment is expected to take. They should carry a mobile telephone and ensure that it is charged. If they are not returning to the office, they must call their manager or a colleague within the office to inform them that there visit is completed.

If the TMO Manager, RSO or SASBU officer has any doubts or concerns on any of the above, they should speak to their line manger, another manager in the absence of line manager, and/or the departmental safeguarding lead.

4.3. Managing complex/serious cases

Where a number of agencies are involved, the TMO Manager RSO or SASBU officer managing the case should arrange a problem-solving case conference; here information can be shared and an action plan put together to deal with the issues. Partners who may be invited include:

- Police
- Noise and nuisance team
- Community wardens
- Social care
- Mediation service providers
- Youth offending team
- Mental health services

4.4. Additional measures when dealing with cases with large-scale impacts

In cases which affect residents' ability to enjoy public spaces and/or peace and quiet in their home, the local police team should be informed and be part of any action plan devised to deal with the issue.

In such cases the TMO Manager may ask for a multi-agency problem profile to be drawn up via the Partnership Tasking Group (PTG). The PTG meets fortnightly and tasks wardens, local police teams, parking, licencing or other officers to respond to area- based ASB.

TMO Managersshould refer requests to the PTG through the Resident Services Manager representative.

5. REMEDIES

5.1. Non-legal remedies

The TMO Manager will consider the most appropriate and proportionate remedy to deal with any case (in the majority of cases involving legal enforcement this will be the SASBU officer). In all instances the officer dealing will consult victims and witnesses and review the risks associated with the case*.*

In many cases the officer dealing may consider a non legal remedy suitable to resolve the ASB. This may include:

- Interviewing the alleged perpetrator to address behaviour.
- Sending warning letters to advise of concerns.
- Drawing up an acceptable behaviour or good neighbour contract.
- Referring to mediation services *(see below).*
- Requesting professional witness services *(see below).*
- Referring to other services such as mental health, social care, SUSTAIN, Family Focus Plus or others as appropriate.

All officers should take care to ensure that any action taken is not discriminatory under the Equalities Act 2010 or the Public Sector Equalities Duty. The **Equality Act 2010 checklist *(Appendix 11)*** should be completed to ensure compliance in respect of actions taken.

5.2. Mediation services

An ASB case may be suitable for mediation in one or more of these circumstances:

- The TMO Manager is unable to resolve an ongoing neighbour dispute through normal resident services intervention and management.
- An existing neighbour dispute has suddenly escalated and requires urgent attention and management of the situation by an experienced third-party.

• Council officers are not perceived as impartial by one or both parties in a dispute.

Before making a referral for mediation TMO Managers should ensure that:

• Guidelines for referral for professional witnessing have also been considered if the case involves a noise dispute.
• All parties have (informally) agreed to take part in mediation.
• The RSM has agreed the case for referral for mediation.

The **Mediation Services referral form *(Appendix 7)*** should be completed by the referring officer.

If the referral for mediation has been accepted by the mediation lead, the **Opening Letter *(Appendix 8)*** should be sent to all parties concerned.

5.3. Professional witnessing services

Professional witness services are used by the council in particular for the resolution of reports of antisocial behaviour involving noise disturbance. The service provides an independent SIA-licensed operative to attend an address in order to listen for antisocial behaviour of any kind. The operative attends the complainant's address and remains there for a period of time sufficient to witness any antisocial behaviour. The operative then produces a witness statement setting out their findings, which may then be used in court proceedings if required.

An ASB case may be suitable for professional witnessing if all of the following circumstances apply:

• The council is unable to resolve an ongoing neighbour dispute through normal resident services intervention and management.
• The case is suitable for professional witnessing (eg. concerns noise nuisance).
• The parties have been offered mediation or mediation is not considered appropriate.
• Prior notice has been given to the alleged perpetrator ***(Appendix 10)*** and informal agreement obtained from complainant.
• The RSM has agreed the case for referral for professional witnessing (where the referral is from the RSO).

The **Professional Witnessing Services referral form *(Appendix 9)*** should be completed by the referring officer.

5.4. Legal remedies

Where the report of ASB is very serious and enforcement action is required, the matter should be referred to SASBU which will take stronger enforcement action if appropriate.

On receipt of a referral SASBU will review the case and actions previously taken. In some cases a further case conference may be required and additional non legal interventions considered.

If enforcement action is required SASBU may consider the following enforcement activities:

- Civil injunctions.
- Criminal Behaviour Orders.
- Tenancy possession (discretionary grounds).
- Tenancy possession (mandatory grounds).
- Termination or extension of introductory tenancies.
- Closure Order (for the most troublesome premises).

It is incumbent on the TMO Manager, RSO or SASBU officer to ensure that all actions taken on a case are updated on APP so that residents can check the progress of cases at any time.

The **Equalities Act 2010 checklist** ***(Appendix 11)*** should be completed prior to legal action in order to demonstrate compliance with the council's equalities duties.

5.5. The Community Trigger

The Community Trigger gives victims the ability to demand action, starting with a review of their case, where the locally defined threshold is met. The threshold for Southwark and other London boroughs is three reports of ASB in the previous six month period. When a request to use the Community Trigger is received, agencies must decide whether the threshold has been met and communicate this to the victim. If the threshold is met a case review will be undertaken by all partner agencies to review actions taken and decide whether additional actions are possible.

The purpose of the reviews is to encourage a problem-solving approach aimed at dealing with some of the most persistent, complex cases of antisocial behaviour. SASBU will lead on bringing together partner agencies and report to the PTG and other forums on Community Trigger cases.

6. CASE CLOSURE

6.1. Closing a case

Cases should be consistently maintained and not allowed to drift. The Risk Assessment Matrix should be regularly updated: this enables the officer managing the case to make a well-informed judgement as to when to close the case.

Cases should be **investigated and resolved with 90 days** unless involved in litigation, where timescales will be dependent on court time. Cases should where possible be closed with the agreement of the reporter/witness and followed up with written confirmation. A closure letter should always be sent by the case officer ***(see APP standard letter)*** outlining why the case has been closed and the action that was taken to resolve (or attempt to resolve) the report/s giving the reporter an opportunity to comment on the service they have received.

It is important to maintain accurate records and to record the reason for closure, notifying relevant partners at the same time. Case closure should not come as a surprise to the victim if regular contact has been maintained.

If the victim experiences a reoccurrence of issues the case may be reopened and a new risk assessment completed.

In some instances where the ASB case has been closed, a vulnerable person may still require support from the officer managing the case or from support agencies. This should be co-ordinated as part of the case closure process.

A case should only be closed where it is:

- Resolved to the tenant's satisfaction
- Resolved to the landlord's satisfaction
- Unresolved but no further action can be taken
- Uncorroborated

TMO Managers should use their discretion and professional judgement to keep cases open where there is no evidence that the ASB case has been resolved even if there have been no further incidents of ASB reported within 8 weeks of the last report (i.e. incidents that occur at certain times of the year). In these cases, the ***final decision to be made by the TMO Manager.***

TMO Managers will carry out the following actions to close a case:

1. Send a closure letter to the reporter
2. Close case on APP, recording date and time when closing letter was sent
3. Scan documents whenever possible and upload into the APP system for easy access to all those concerned.
4. Upload case documents to the info@work EDMS system.

6.2. Cases resolved to tenant's satisfaction

Action has been taken by the investigating officer to address the reports in line with actions agreed with the reporter **and** No further allegations were made by the same reporter against the same alleged perpetrator(s) within 8 weeks of the action being taken.

or

There has been a significant improvement in behaviour for which the te tenant is satisfied or wishes for the case to be closed.

6.3. Cases resolved to the landlord's satisfaction

No reports received either from the reporter or about any alleged perpetrator/s within an eight week period.

6.4. Cases unresolved but no further action can be taken

Cases may be closed where reports of ASB continue to be received, but:

Neither party is at serious risk (e.g. violence has not been used or threatened) **and**
The case is unlikely to meet the threshold for referral to SASBU
and
All reasonable action has been taken
and
No further action can be taken by the Resident Services Officer

6.5. Uncorroborated cases

Cases may be closed where after investigating no evidence has been found to support the complaint.

6.6. Closing cases referred to other agencies

Cases referred to other agencies, such as mediation, SASBU, environmental enforcement, Sustain, etc., will not be closed until confirmation of a successful outcome has been received from the agency or lead officer. TMO Managers***will record on APP receiving confirmation of closure, outcome and any further actions required, if applicable.***

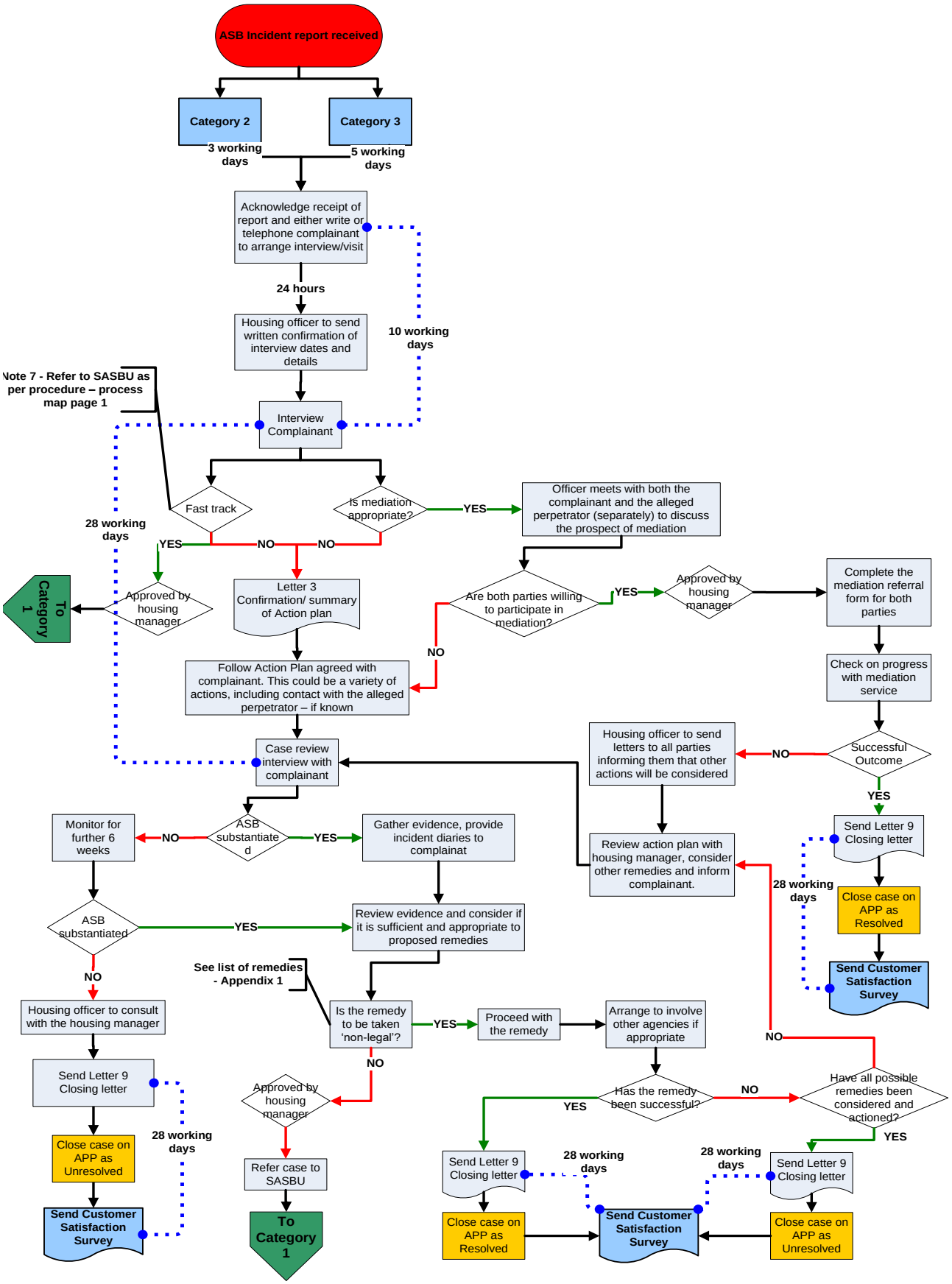
If the case has not been successfully resolved to the tenant's satisfaction and is referred back to housing, the TMO Manager will agree the best course of action.

If any party remains dissatisfied with the council's response to a report of ASB, they should be referred to the council complaints procedure.

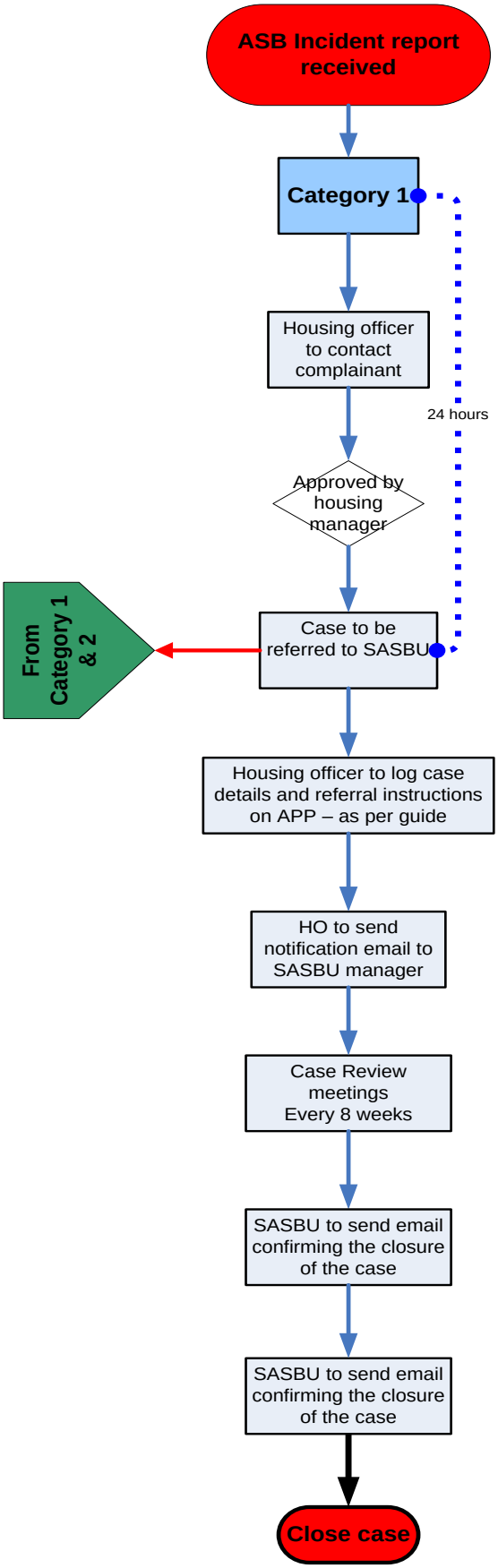
6.7. Customer feedback

The Customer Resolution team carry out ASB satisfaction surveys, conducted by telephone on a monthly basis for all closed cases recorded on APP for the previous month. The survey (based on HouseMark StarT benchmarking) consists of six questions asked of the complainant and 13 answers recorded by the contact centre officer ***(Appendix 6).***

PROCESS MAP – CATEGORY 2 & 3



PROCESS MAP – ASB CATEGORY 1



PROCEDURE OUTLINE

1. RECEIVING A REPORT

A report of antisocial behaviour can be received from a resident, the police, other departments, voluntary or other statutory agency.

ASB reports can be received in person, direct phone call from a tenant, via CRM ticket through the call centre, or via email.

TMO Managers will complete the initial report form in the ASB case file as soon as a report is received.

TMO Managers will send an acknowledgement letter (Letter 1- see Appendix 3) as soon as possible but not later than 3 working days after receiving the report.

The acknowledgement letter will provide and/or confirm the interview date, time and location as well as the officer's name and contact details.

2. LOGGING A REPORT ON APP

TMO Managers will log all ASB reports on APP within 3 working days of receiving the initial reports as per APP guide. All details contained in the Initial Report form should be entered on APP.

Before entering data in APP, the **TMO Managers** will:

- Verify address details on iWorld
- Verify post code by following the verification procedures on APP guide. This will reduce the chances of duplication
-
- If dealing with an existing case follow instructions of how to update ASB records as per APP guide.

Cases must be logged under the correct client group and each subsequent incident and action is to be recorded in line with the APP user guide. This will provide an audit trail in respect of case management and will provide performance management information.

TMO Managers will log all contact with complainants, alleged perpetrators, witnesses or partner agencies whether by phone, visit, email or letter on APP. **TMO Managers** will use the APP action diary to schedule the date and time of actions to be taken as per APP guide.

TMO Managers will record on APP every category of ASB reported by a complainant in each case*.* This means that multiple categories of ASB may need to be recorded for an individual case; for example, one ASB case may involve noise; domestic abuse, vandalism and damage to property. This approach is essential to ensure that an accurate picture of ASB is built up.

Antisocial behaviour complainants can be perpetrators of ASB as well as victims. Similarly, ASB alleged perpetrators can also be complainants. This can be a common occurrence and can be identified in each ASB case. **TMO Managers** will monitor such cases, and investigate further to determine the correct action to be taken. Actions should be taken when and as necessary to avoid escalation. **In cases where an ASB report is made against a complainant, a new case will be logged and then linked to original report as per APP guide.**

3. INVESTIGATING A CASE

TMO Managerswill start the investigation by:

- Checking APP and the tenant file to build a profile of complainant
- Contacting the complainant as per timescales below:
-
    - **Category 1 ASB (High risk cases)**: a **TMO Managers** will contact these complainants within 24 hours of receiving the report; these cases will be fast-tracked to SASBU within 24 hours/one working day of receipt. Case referral via APP, export link and attach on email to SASBU manager,
    - **Category 2 ASB (Medium risk cases):** contact complainant (email, letter, visit or call) within 3 working days -. Log date and outcomes of contact on APP
    - **Category 3 ASB (Low risk cases):** contact complainant (email, letter, visit or call) within 5 working days -. Log date and outcomes of contact on APP

See Appendix 1 for itemised categories breakdown

TMO Managers will establish if the incident has been motivated by discrimination / victimisation on the grounds of race, disability, sexual orientation, age, religion or creed. These cases will be fast tracked to SASBU within 24 hours / one working day of having established that the incident has been motivated by any of the issues mentioned above.

In noise related reports complainants are to be advised to contact the noise team when noise levels increase in severity and frequency and / or occur during the night.

If the complainant or the alleged perpetrator is considered to be a vulnerable tenant and they do not have a support/care package in place, **TMO Managers** will liaise with the **Sustain Team** (**Referral form – Appendix 7**) who will provide support, to help the vulnerable person to retain their tenancy or signpost to the relevant agency. Vulnerabilities include mental and physical health, physical and learning disabilities, single parents, young and elderly people, people with substance problems including alcohol, refugees and asylum seekers and people whose first language is not English.

In some instances the **TMO Managers** may feel that a tenant is at risk of coming to harm. In these cases the housing officer should fast track the case to SASBU.

4. INTERVIEW PROCEDURE

It is essential to check the vulnerable and violent register and choose a secure setting. Consider an additional officer to be in attendance. If a home visit, ensure risk assessment and reporting system is in place as per the environment and housing lone working policy. **TMO Managers*****should check thoroughly the complainant and the alleged perpetrator's house file. If the alleged perpetrator is not a council tenant or leaseholder, the case should be referred to SASBU.***

4.1. Interviewing the complainant / witness

To be set up within 10 working days of initial contact

It is good practice is to have questions prepared in advance; these will be based on evidence you have obtained. The main purpose of the interview is to get a clearer picture of the incident.

TMO Managers must be careful if asking questions about serious criminal matters as such questions can only be asked in accordance with Police and Criminal Evidence Act (PACE) requirements. If any information regarding involvement in criminal matters is received it must be shared with the police and the alleged perpetrator must be aware of this. In these cases seek advice from the police.

At the interview **TMO Managers** will:

- Undertake a risk assessment, and consider whether this could escalate and also issues regarding vulnerability or violence
- Discuss confidentiality and information sharing. Complainant to sign the authorisation/disclosure form (**Appendix 4**)
- Offer support to the complainant. Provide a copy of Southwark's victim and witness charter
- Discuss mediation and /or referral to other agencies
- Discuss evidence requirements and who will collect it. Provide complainant with an incident diary
- Aim to spend 90% listening and 10% talking with complainant
- Agree an action plan. Any actions to be undertaken must be agreed and signed for by the tenant and the housing officer. Tenant to be provided with a signed copy of the action plan
- Agree review date, within 28 days of interview, and make appointment
- **TMO Managers** will be rational and provide complainant with realistic expectations about resolving the case

Following the interview, **TMO Managers** will investigate the complaint thoroughly. This may include:

- discussing the matter with the alleged perpetrator, if known
- seeking information from other residents or witnesses

- discussing the case with other agencies
- information exchange with relevant agencies
- letter drop in the block to obtain evidence

4.2. Incident Diary

TMO Managers ***will provide the complainant with incident diaries (Appendix 9) during the interview; explain its importance and how to fill them properly.***

TMO Managers will explain to the complainant exactly the sort of information they should write down in the incident diary. The diary must be completed properly as it will be the basis of evidence if further legal action is taken. The diary should record specific incidents that the complainants, or other people, have witnessed themselves. Each person should complete their own incident diary sheet.

TMO Managerswill advise the complainant that a diary that's written at the time of the incident, dated and signed is contemporaneous. This means it can be used by a witness as a memory aid to give evidence in court.

TMO Managerswill maintain close contact with complainant throughout the process of evidence gathering, either by phone, email or letter (**Letter 9 – see Appendix 3**), reinforcing the fact that their case is being taken seriously.

Incident diaries will be reviewed in the second interview. However, the complainant will be advised to send the incident diaries to the housing officer if these are completed before the interview.

4.3. Interviewing the alleged perpetrator

It is essential to check the vulnerable and/or violent register and choose a secure setting. Consider an additional officer to be in attendance. If a home visit, ensure risk assessment and reporting system is in place as per the environment and housing lone working policy. **TMO Managers** ***should check thoroughly the complainant and the alleged perpetrator's house file. If the alleged perpetrator is not a council tenant or leaseholder, the case should be referred to SASBU.***

The **TMO Managers**will try to be objective. The purpose of the interview is to discuss allegations received, gain perspective on the situation and explain why the behaviour is unacceptable & highlight enforcement options that could be used if the behaviour does not cease.

At the interview **TMO Managers** will

- Use a conciliatory approach until there is evidence to support the complaint
- Inform the alleged perpetrator of the background to the complaint that has been made about them

- The alleged perpetrator will have the opportunity to share their version of events providing a complete picture of the complain
- Explain the council's policies and procedures on antisocial behaviour. This will give the alleged perpetrator an idea of what to expect
- Agree an action plan. Any actions to be undertaken must be agreed and signed for by the tenant and the **TMO Managers**. Tenant to be provided with a signed copy of the action plan. Send letter 6 (Appendix 3) confirming agreed actions
- Discuss confidentiality and information sharing. Tenant to sign the authorisation/disclosure form (Appendix 4)
- Advise the alleged perpetrator of the legal powers and sanctions available in such cases and the possible consequences if the behaviour was to continue or escalate
- Stress the seriousness with which Southwark Council views the nuisance or harassment of its tenants or residents. Show available leaflets or highlight elements of the tenancy agreement
- Aim to spend about 50/50 listening and talking with alleged perpetrator
- Advise the alleged perpetrator they can seek independent legal advice if they wish
- When the **TMO Managers** suspects that the alleged perpetrator is vulnerable, appropriate referral should be made

Once a good understanding of the case has been obtained and a view as to whether the complaint is substantiated,* TMO Managers *will decide actions that are proportionate to the behaviour and risk posed.

4.4. When the perpetrator is unknown

TMO Managers *will send a block letter requesting information and witnesses. (Letter 4 - See* Appendix 3 of the Council's procedures on ASB on the intranet*)*

In these cases **TMO Managers**are to work closely with environmental enforcement officers, community wardens and ASB champions to gather intelligence and other evidence that may substantiate the report.

TMO Managers to update the complainant on progress of investigation and case to be monitored as per procedure timescales. If the ASB report cannot be substantiated due to lack of evidence, housing officers to consult with their managers before closing the case.

5. REMEDIES

TMO Managers will consider the evidence, information exchanged with other agencies and the risk posed to the victim and then decide the most appropriate remedy to protect the victim and reduce the ASB (**see list of remedies - Appendix 2)**.

In cases when referring to other agencies, such as mediation, is identified as the best remedy, referrals will be made as early as possible in order to avoid escalation.
Where a complaint of antisocial behaviour involving ASB is substantiated by SASBU and the alleged perpetrator is a council tenant; this is considered to be a serious breach of the tenancy agreement. SASBU in liaison with the **TMO Managers**, in their role as landlord,

will decide if the breach is sufficiently serious for SASBU to commence possession proceedings against the alleged perpetrator.

6. CASE REVIEW MEETING

TMO Managers*will meet with the complainant 28 days after the initial interview.*

TMO Managerswill:

- Inform the complainant of the outcome of the investigation and discuss actions available
- Provide the complainant with an update on any other action that you have taken that was set out in the action plan and ask the complainant for information on actions that they had agreed to undertake.

6.1. Where the complaint has been substantiated

- Undertake a further risk assessment
- Discuss referrals to support agencies and any additional support requirements
- Discuss further evidence requirements and who will collect it, provide additional incident diary if appropriate
- Agree enforcement action to be taken against the alleged perpetrator where appropriate.
- Agree action plan 2, if applicable
- Agree to contact either by phone, visit or email within 28 days, and schedule the date

6.2. Where the ASB has not been substantiated

- The complainant will be given an opportunity to record any further occurrences of ASB in an incident diary for not more than **a further** 6 weeks.
- If the complainant does not want to complete a further incident diary or no further evidence is presented after three months the case will be closed

In some instances the complaints may be difficult to substantiate particularly where the issue is one of domestic noise. Advice will be taken from the Community Safety Enforcement Team and efforts will be made to corroborate the complaints.

7. ESCALATION OF A CASE

It is possible for ASB to escalate and for violence to be threatened or even a violent act to occur.

Where the dispute escalates in this way the case **MUST** be fast tracked to SASBU when:

- The complainant states that they have fears for their own safety, they are afraid to return home or their children or dependants living with them have fears about their own safety

- The officer has tried all of the non-legal measures; the ASB has been substantiated and is continuing
- The case is discussed at the monitoring meeting (held every 8 weeks) and it is agreed with SASBU that the case should be transferred to them

8. REFERRING CASES TO SASBU VIA APP

TMO Managers*will refer cases to SASBU via APP by following instructions on APP guide.*

An email will be sent to caseworker and copy email to the appropriate SASBU officers to alert them of the referral. A summary of the case, to be exported from APP, will be attached to the email. Case will be allocated to the respective officer who will carry out the investigation.

Caseworker will change the investigating officer field on APP as per guide, ticking the case as either accepted or referred back to the area housing office. In case of referring back cases to the area housing office, SASBU caseworker will send an email to the **TMO Managers** advising of reasons for rejecting the case.

SASBU officer will send an acknowledgement email informing the referring **TMO Managers** their contact details.

TMO Managers will record referral to SASBU in their action diaries

SASBU officer will keep the **TMO Managers** informed of any progress or substantial action to be taken, i.e. injunctions, ASBOs, etc.

TMO Managers and the SASBU officer will meet every 8 weeks to review progress on cases referred.

9. REFERRING CASES TO MEDIATION

Where it is considered that mediation may be appropriate, it is important that it is pursued before starting any other remedies, whether legal or non-legal.

TMO Managers to refer cases to Southwark Mediation Centre by using the form provided **(Appendix 6).**

TMO Managerswill check progress with mediator if no feedback after four weeks. Make further progress checks as necessary until either successfully resolved, or it is concluded that mediation has failed to resolve the issue(s).

There are no standard letters for failure of mediation as circumstances may vary considerably. **TMO Managers**will write to all parties and explain what actions, if any are proposed from this point. It may be appropriate for the letter to be a ‘holding’ situation with the promise of further contact when options have been re-considered. For some cases this might mean a complete re-visit of the action plan. In these circumstances the **TMO Managers** should be involved.

For successful mediation, **TMO Managers** will amend the standard closing letter (**letter 10 – See Appendix 3**) congratulating all parties. Where it is felt that this letter does not suit the circumstances alternative letters should be devised along the same lines.

10. CLOSING THE CASE

10.1. Cases are resolved to tenant's satisfaction (Resolved cases)

A case has been successfully completed where no further allegations were made by the same victim against the same alleged perpetrator(s) as a result of action by the TMO within 3 months of the action being taken.

TMO Managers should use their discretion to keep cases open where there is no evidence that the ASB case has been resolved even if there have been no further incidents of ASB reported within 3 months of the last report (i.e. incidents that occur at certain times of the year) In these cases, the ***final decision to be made by the TMO housing manager.***

10.2. Cases are resolved to the landlord's satisfaction

Unresolved cases:

- Reports of ASB are continually received
- Neither party is at serious risk e.g. violence has not been used or threatened
- Case is unlikely to meet the threshold for referral to SASBU

***Case will be closed when no further action can be taken by the* TMO Managers**

Uncorroborated cases

- No further reports are received over a period of 3 months
- After investigating no evidence has been found to support the complaint

Where possible, agreement between **TMO Managers**and complainants that a case has been resolved will be sought. However, it is important to realise that some complainants have unrealistic expectations and refuse to close the case. In these cases, the final decision should be made by the TMO housing manager, all efforts will be made to explain to the complainant the reasons for closing the case (**Letter 10 – See Appendix 3**) and offer them support and information on actions that can be taken by them if they wish to do so. For example, talking action under Environmental Protection Act 1990 Section 82

After a decision to close a case has been reached , a closing letter to complainant will be sent (*Letter 10 – See Appendix 3*).

10.3. Closing cases referred to other agencies

Cases referred to other agencies, such as: mediation, SASBU, environmental enforcement, Sustain, etc., will not be closed until confirmation of a successful outcome has been received

from the agency in question. **TMO Managers will record on APP receiving confirmation of closure, outcome and any further actions required, if applicable.**

If the case has not been successfully resolved to the tenant's satisfaction and is referred back to housing, **TMO Managerswill** make a decision as to what will be the best course of action.

If any party remains dissatisfied with our response to a report of ASB, the Complaints Procedure should be explained.

10.4. After closing the case

TMO Managers will

- Close case on APP, recording date and time when closing letter was sent as per guide
- Send customer satisfaction survey (**Appendix 5**) to be sent 28 days after closing the case. Customer satisfaction survey to be downloaded from APP as per APP guide.
- Record on APP when customer satisfaction survey is sent
- Scan documents whenever possible and upload into the system for easy access to all those concerned

10.5. Sending customer satisfaction surveys (CSS)

Customer satisfaction surveys to be sent 28 days after sending the closing letter.

TMO Managers will

- Set target date to send CSS on APP (Action code - JCS) as soon as the closing letter is sent
- Send the CSS within the 28 days timescale by adding the correct code to action diary, downloading the survey and translation strip (Action code - JCK) from APP.
- Include a self addressed envelop by printing a label using the address below and attaching it to the envelope

FREEPOST RSCE-TGHU-CUZB,
Southwark Council,
Quality Improvement Team
3/3 Area D, Business Support Services,
160 Tooley Street, London SE1 2TZ**.**

Quality Improvement Team will receive the surveys, analyse and provide monthly reports to the area housing offices.

10.6. Sending CSC checklist:

- Customer Satisfaction Survey covering letter ☐
- Customer satisfaction Survey ☐
- Translation Strip ☐
- Self Addressed envelop ☐

All appendices referred to in this Schedule are located in the Low Level Anti-Social Behaviour Procedure Manual and are subject to periodic review and updating. A copy of the Manual has been provided to the TMO and copies can be obtained on request from the Tenant Management Initiatives Team.

Chapter 6: Schedule 7

Residents' Disputes Policy and Procedure clause 9

Applies to both secure and introductory tenancies and lessees

1 Scope of the Policy

The Resident's Disputes Procedure is available to all lawful residents of the TMO who have a complaint about another resident of the TMO, which does not involve allegations of threats of violence, intimidation or abuse. In such cases, it would be more appropriate to use the Anti-Social Behaviour and Harassment Procedure (Chapter 6, Schedule 6). This policy should also be read in conjunction with the TMOs Complaints Procedure (Chapter 7, Schedule 4).

Residents are also entitled to use Southwark Council's procedures for addressing disputes between neighbours. However, residents are encouraged to seek to resolve disputes within the framework of the TMO.

2 Procedure for Making a Complaint

A resident can make a complaint in writing, in person, by telephone or by email to the TMO office. Any complaint should set out the

- Nature of the complaint
- Details of the complainant
- Details of the resident being complained about

The TMO will assist any resident in making a complaint, including arranging for translation or interpretation.

In the interests of fairness and accuracy, the TMO will also assist any resident responding to a complaint.

3 Procedure for Investigating and Deciding Complaints

Complaints will be investigated in a timely manner (usually within 21 days). The investigation of a complaint will be carried out by the TMO Manager, and may involve:

- Interview with the complainant
- Interview with the resident(s) about whom the complaint has been made
- Interviews with witnesses
- Obtaining evidence, such as photographs
- Review of tenancy files
- Liaising with Council officers or staff from other agencies
- Any other reasonable steps necessary to be enable a fair decision to be reached regarding the validity of the complaint

At the conclusion of the investigation, the TMO Manager will decide on whether the complaint has been substantiated and what action should be taken. Wherever possible, the TMO shall endeavour to seek resolution of neighbour disputes through voluntary agreements or through mediation.

If however, it is shown that there has been a breach of the conditions of tenancy, or a term of the

lease of freehold covenant, then the process detailed in Chapter 6 Schedule 4 (**Breach of a Tenancy Agreement, Term of a Lease, or Covenant in a Freehold Transfer) will apply.**

4 The Rights of Both Parties to the Complaint

The complaint will be dealt with in accordance with the TMO's Equal Opportunities and Confidentiality policies. Both parties to a complaint have rights in respect of confidentiality, representation, the right to be accompanied during an interview by a friend, witness or advocate, and the right to be supported by a translator or interpreter.

When interviewing the complainant and the resident(s) about whom a complaint has been made, TMO staff will clearly explain the procedure to be followed and the rights of the parties.

At the conclusion of the investigation, both parties to the complaint will be informed of the decision of the TMO Manager and of their right to appeal against the decision.

Appeals

If either party to the complaint wishes to pursue the matter further, the TMO will direct them to the appropriate Council office.

5 Record Keeping and Monitoring Arrangements

For a minimum of six years, the TMO will keep detailed records relating to complaints, including

- Complaints forms
- Interview recordings/transcripts/notes
- Correspondence
- Evidence sought and obtained
- Agreements
- Decisions
- Referrals
- Appeals

The TMO Manager will ensure that all complaints and investigations are reported quarterly to the Management Committee and the Council. Reports to the Management Committee should conform to the TMO's Confidentiality policy.

Each year the Management Committee will review the Residents' Disputes Policy and Procedure.

Chapter 6: Schedule 8

Applies to Secure and Assured Tenants Only. Introductory Tenants are excluded

1. Responding to Requests for a Mutual Exchange

The TMO Manager is responsible for dealing with all applications for mutual exchange.

In acknowledging receipt of an application, the TMO will inform the applicant of their rights, including that he/she/they will receive a written decision within 42 days which may outline the grounds on which the application has been refused and the right of the applicant to appeal to the Council and the County Court.

Where the landlord fails to reply to a request for Mutual Exchange within 42 days, consent for the exchange will be deemed to have been given; the tenant has the right by application to the County Court to compel the landlord to fulfil its statutory obligation. In these circumstances the landlord can still withhold the exchange until any rent arrears are cleared or any other tenancy breach is put right.

On receipt of an application for a Mutual Exchange the TMO will also notify the Council within 14 days, that an application has been made. The TMO will also provide the Council with relevant details of the application.

Within 28 days of receipt of an application, the TMO will notify the Council whether it proposes to accept or deny the application, and the reasons for its decision

If the Council does not agree with the TMOs decision it will notify the TMO within 7 days, giving its reasons, to enable the TMO to notify the applicants within the 42 day deadline. Should the Council fail to respond, the TMO will proceed to deal with the application in line with its decision.

Legislation:
The Housing Act 1985 Section 92 states that any tenant with a secure/assured tenancy can apply to mutually exchange their tenancy with another secure/assured tenant. Consent for Mutual Exchange cannot be withheld except on one or more grounds set out in Schedule 3 of the Housing Act 1985.

Who can mutually Exchange?
Exchange can take place between the following:

- A secure tenant from Southwark Council
- A secure tenant from another Local Authority
- An assured tenant from a Registered Social Landlord

2. Grounds for Refusal

Consent for a mutual exchange may be withheld for the following reasons:

Ground 1 Possession Order Outstanding:

Either the tenant or the assignee has had an outright or suspended possession order against them.

Ground 2 **Possession Proceedings Outstanding or NSP in force.**
Possession Proceedings have started (Grounds 1-6 of Schedule 2 of the Housing Act 1985) on either the tenant or the assignee, there has been a Notice Seeking Possession served, or a court order is in place against the tenant or the proposed assignee based on anti-social behaviour

Ground 3 **Under Occupation**:
The accommodation afforded by the property is substantially larger (1 or more bedrooms) than required by the assignee.

Ground 4 **Suitability (too small)**
The extent of the property is not reasonably suitable to the needs of the assignee and family, i.e. the accommodation is too small for the assignee.

Ground 5 **Non-housing accommodation or employment:**
The property is let because of non-housing or employment purposes

Ground 6 **Conflicts with Charitable aims:**
The landlord is a charity and the assignee's occupation would conflict with the objects of the charity

Ground 7 **Accommodation designed for the disabled**:
The property has design features for the physically disabled, and on assignment there would be no disabled person living there.

Ground 8 **Housing Association Accommodation for specific Circumstances:**
A Housing Association or Housing Trust property provided for people whose circumstances make it difficult for them to satisfy the need for housing, and on assignment there would no longer be such a person living there.

Ground 9 **Accommodation designated for Special Needs Groups**:
The property is let to a person(s) with special needs and a social service or special facility is provided in close proximity to the dwelling, and on assignment there would no longer be such a person living there.

Ground 10 **Management Agreement**:
The property is subject to a management agreement under which the manager is a Housing Association of which at least half the members are tenants of properties subject to the agreement, at least half the tenants of the properties are members of the Association and the proposed assignee is not, and is not willing to become a member of the Association.

3. Grounds for Conditional Consent

Conditions may include the discharge of rent arrears and/or other outstanding breaches of tenancy obligation which must be remedied.

If, during the property inspection, any repairs are identified which are a result of a breach of the tenant's duty of care (and not fair wear and tear) consent may be given on condition that repairs are completed satisfactorily.

4. Notification Requirements

The TMO will notify the exchanging authority and the applicants of the decision within 42 days, and will at the same time provide a copy of the decision to the Council. If the TMO, acting on behalf of the London Borough of Southwark, should fail to notify the applicants of the decision within 42 days, and consent for the exchange is therefore deemed to have been given, the TMO must write to the Council with an explanation for its failure to respond.

In these circumstances the Council will consider what action is appropriate in the circumstances, and may request the TMO to hand back the future administration of this service whether through service of a breach notice or by agreement with the TMO

Examples of model letters and checklist templates can be found in the London Borough of Southwark on line Source library

Chapter 6: Schedule 9

Voluntary Assignment Procedure **Clause 14**

Introduction to Assignment

Assignment is the legal transfer of a tenancy by the tenant, to another person, via a Deed of Assignment. For the assignment to be valid there are a number of legal requirements that must be met.

This procedure will outline all activities within the assignment process from the request to assign a property to the final sign up procedure of the assignee.

The Legality of Assignments

The Housing Act 1985 Section 91 states that, there are only 3 legal ways in which a tenancy can be assigned. These are outlined below:

- By transfer to a potential successor.
- By court on settlement of divorce, nullity or judicial separation.
- By mutual exchange (**See Mutual Exchange Procedure**).

Aims of Procedure

- To ensure our tenants can exercise their rights.
- To provide clear and consistent procedures used in all Area Housing Offices.
- To give guidance to staff on implementing the Council's policy.
- To make the work of the Housing Officers more efficient.
- To protect the Council's interests.

Policy

- Housing policy guide assignment policy

Roles and Responsibilities

Area Housing Manager – Responsible for ensuring the procedure is implemented in their area.
Housing Manager – Final approver for cases of assignment.
Housing Officer – Responsible for carrying out the assignment procedure.

Assignment to a Potential Successor

Secure and introductory tenants have the statutory right to assign a tenancy to a person who would be qualified to succeed on their death. The following list covers all the persons who would have a right to succeed:

- The tenant's married partner or civil partner.
- The tenant's partner living as if they were a married couple or civil partner of the tenant, with proof of 12 months residency.
- A qualifying member of the family with proof of at least 12 months residency.

For a person to qualify as a member of the family for the purposes of assignment, they must be one of the following:

- Parent or child.
- Grand parent or grand child.
- Brother or Sister.
- Uncle or Aunt.
- Nephew or niece.
- Step relation or half relation.

This list is exhaustive, and cannot be added to.

Note: Where the tenant is no longer in occupation the right to assign is lost. However, where the Council is satisfied that the person would have carried out a valid assignment if they had been aware of their rights to do so an assignment may still be permitted. These cases will be referred to the housing manager.

Proof of Identity and Residency

The onus lies with the assignee to prove their identity and that they meet the principal home and/or the 12 month resident requirement.

Please refer to the Proof of Identity and Residency Document List in Appendix 6. If you are in doubt with regards to the evidence provided, please refer to your Housing Manager.

Adapted Properties and Supported Housing

We can not refuse an assignment of a tenancy where an assignee becomes the tenant of a specially adapted or supported housing property for use by a person with disabilities or someone with special needs, which are not required by the assignee.

However, where appropriate we can use the Housing Act 1985 Schedule 2, grounds 13 and 15 to gain possession once the assignment has taken place.

Possession under grounds 13 and 15 can only be granted if the ground is proven and the court is satisfied that it is both **reasonable** to make an order and that **suitable accommodation** will be available. Serving a Notice Seeking Possession under these grounds must be approved by your Housing Manager.

In all cases, prior to serving a Notice Seeking Possession, alternative accommodation must be offered. Referring the assignee to the Council's "Small is Beautiful" scheme is good practice.

Under-occupation

We cannot refuse an assignment of a tenancy on the grounds of under-occupation. In all instances, TMO Housing Managers must encourage the assignee to register for a transfer

to a more suitable property. Referring the assignee to the Council's "Small is Beautiful" scheme is good practice.

Assignment by Court Order

This can take place as part of divorce, separation or dissolution proceedings under the following:

- Section 24 of the Matrimonial Causes Act 1973.
- Section 17(1) of the Matrimonial and Family Proceedings Act 1984.
- Schedule 1 of the Children Act 1989.
- Schedule 5 and Schedule 7 of the Civil Partnership Act 2004.
- Schedule 7 of the Family Law Act 1996.
- Or any other applicable official court order.

Where the court does make an order of assignment of tenancy, the Council should receive clear instructions from the court or from solicitors acting in the case.

Where an Assignment Cannot Take Place

Assignment must not take place where:

- The person the tenancy is being assigned to is not a Potential Successor as defined by the lists on page 3 of the Council's policy and procedures on Assignments.
- There isn't sufficient proof that the qualifying family member has lived with the tenant for at least 12 months

An assignment cannot take place where the tenant has no further succession rights. This occurs when the tenant:

- Succeeded to the tenancy after 3rd October 1980.
- Was a joint tenant and became a sole tenant (following the death of the other joint tenant).
- Had a tenancy assigned to them by a court order and the original tenant was a successor.
- Had the tenancy assigned to them by way of Mutual Exchange, and had succeeded to their previous tenancy.

With regards to the above, the law only allows for one Succession.

Rent Arrears

We cannot refuse an assignment due to rent arrears. Prior to approving the assignment, it should be strongly encouraged for the assignor to clear their rent arrears.

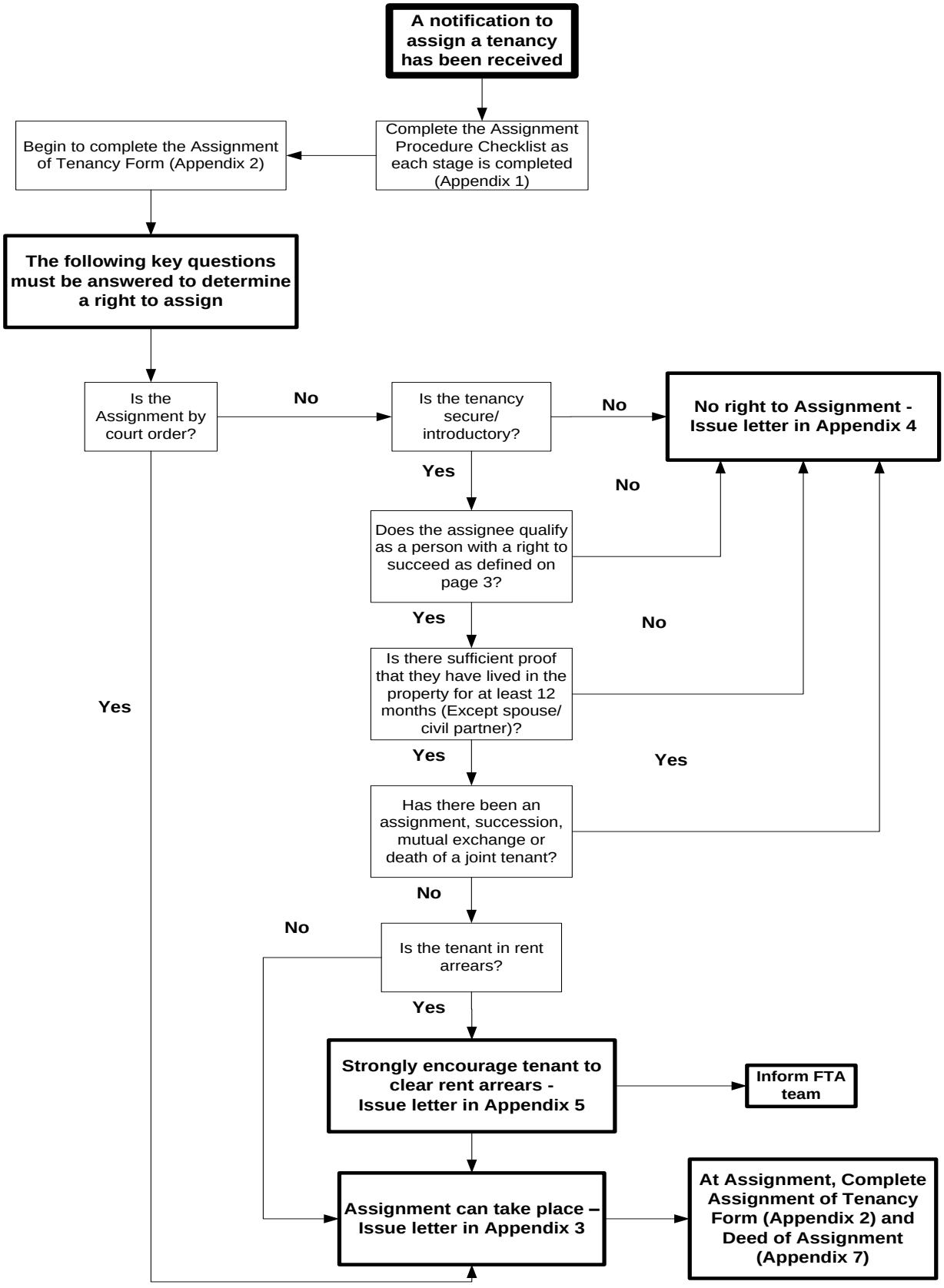
If upon assignment there are rent arrears, this will become a Former Tenant's Arrears (FTA) issue. The FTA team must be informed that the assignor is in rent arrears so they can begin the process of recovering the rent.

Deed of Assignment

If a tenant approaches the Housing Office notifying us they want to assign their tenancy, inform them that a Deed of Assignment is required and that we can provide this legal document free.

If a tenant approaches the Housing Office in possession of a Deed of Assignment from a Solicitor, the validity of the document must be ascertained before carrying out the assignment process.

Assignment Process



Assignment Process
When a tenant notifies us of an intention to assign their tenancy, the following must be carried out:

- Complete the Assignment Procedure Checklist (Appendix 1) at each stage.
- Complete the Assignment of Tenancy Form (Appendix 2).
- Issue the relevant letters (Appendix 3-4).
- If the assignor is in rent arrears, issue the letter in Appendix 5.

Assignment Approval
When an Assignment has been approved by the TMO Housing Manager, a letter of approval (Appendix 3) must be issued to the tenant inviting the assignor and assignee to the TMO Housing Office to complete the process.

Assignment
At the assignment, both the assignor and the assignee must be present. The following steps must be carried out:

- Section 4 of the Assignment of Tenancy Form must be completed.
- Inform the assignor and assignee that their photo will be taken.
- Make copies of proof of identity and address documents of both assignor and assignee and file in house file.
- The Deed of Assignment must be completed (Appendix 7).
- Ask the new tenant to complete Tenant's Equalities Data Collection Form (Appendix 14).
- The Deed of Assignment must be attached to the existing Tenancy Agreement and a copy given to the new tenant, and a copy filed in the house file.

If the assignor is unable to travel to the TMO Housing Office to complete the process, suitable arrangements should be made so that this can be completed at the property.

Assignment Refusal
If an Assignment has been refused by the TMO Housing Manager, a letter of refusal (Appendix 4) must be issued stating the reasons for refusal.

i-World Procedure
The assignee must be added to the tenancy on iWorld. The following must be done when adding the assignee to the tenancy:

- Enter the start date of the tenancy (date of assignment).
- Ensure that the "Statutory Successor" box is ticked.

Once this has been carried out, the tenant must now be removed from the tenancy. Three things must be done when removing the tenant from the tenancy:

- Enter the end date (date of assignment).
- Select termination reason (assignment).
- Select the new main tenant for the tenancy (the assignee).

Please refer to Appendix 9 for a step by step guide with screenshots on how to carry out this procedure

Rent Account

After the Assignment procedure is completed, inform the Income Officer of the change of tenant. If there are any outstanding rent arrears, this will become an FTA issue.

All appendices referred to in this Schedule are located in the Assignment Procedure Manual and are subject to periodic review and updating. A copy of the Manual has been provided to the TMO and copies can be obtained on request from the Tenant Management Initiatives Team.

Chapter 6: Schedule 10

Subletting

Subletting Policy **Clause 15**

Introduction
Subletting means to lease or rent all or part of another's property. Southwark's tenants have a right according to Clause 12(2) of the tenancy agreement to sub-let part of their accommodation as long as the Council's consent has been obtained in writing.

Clause 12(2) states that, where a written request to sub-let has been made, then the Council must reply within four weeks. It also states that the Council must not unreasonably refuse permission or attach conditions to consent.

Generally, a sub-tenant will have exclusive possession of part of the tenant's accommodation and may perhaps have a lock on their bedroom / bed-sit door. If they have a separate kitchen / living room then this may indicate a sub letting arrangement.

Sub-tenants may also have letting agreements and will generally have clear 'arms length' living arrangements, rather than being 'part of the family'.

Aim
To state clearly the procedure for permitting a tenant to sub-let.

Scope
This covers a situation where a tenant wishes let out part of their property.

Related Procedures
Anti social behaviour procedure

Level of Authorisation
TMO Housing Manager is the approver of requests to sublet.

Procedure

Written request for permission to sub-let
. The TMO Housing Manager must establish what part of the dwelling is to be sublet, to whom and to how many individuals. A home visit will then be carried out to verify information given.

Permission to sub-let will be given in writing by the TMO housing manager within four weeks of the request. If permission is to be refused, the tenant will be notified in writing, also within four weeks, stating the reasons.

Sub-letting can potentially create complications for both the secure tenant and the sub-letting tenant, therefore the Council would rarely grant permission to allow sub-letting and officers should be cautious about any such application.

The tenant must always inform Council Tax and Housing Benefit of any changes to occupancy.

Reasons to refuse permission

Requests to sublet will be refused where:

- subletting would result in overcrowding,
- Where the Council intends to carry out extensive works to the dwelling.
- If tenants wants to sublet the whole property

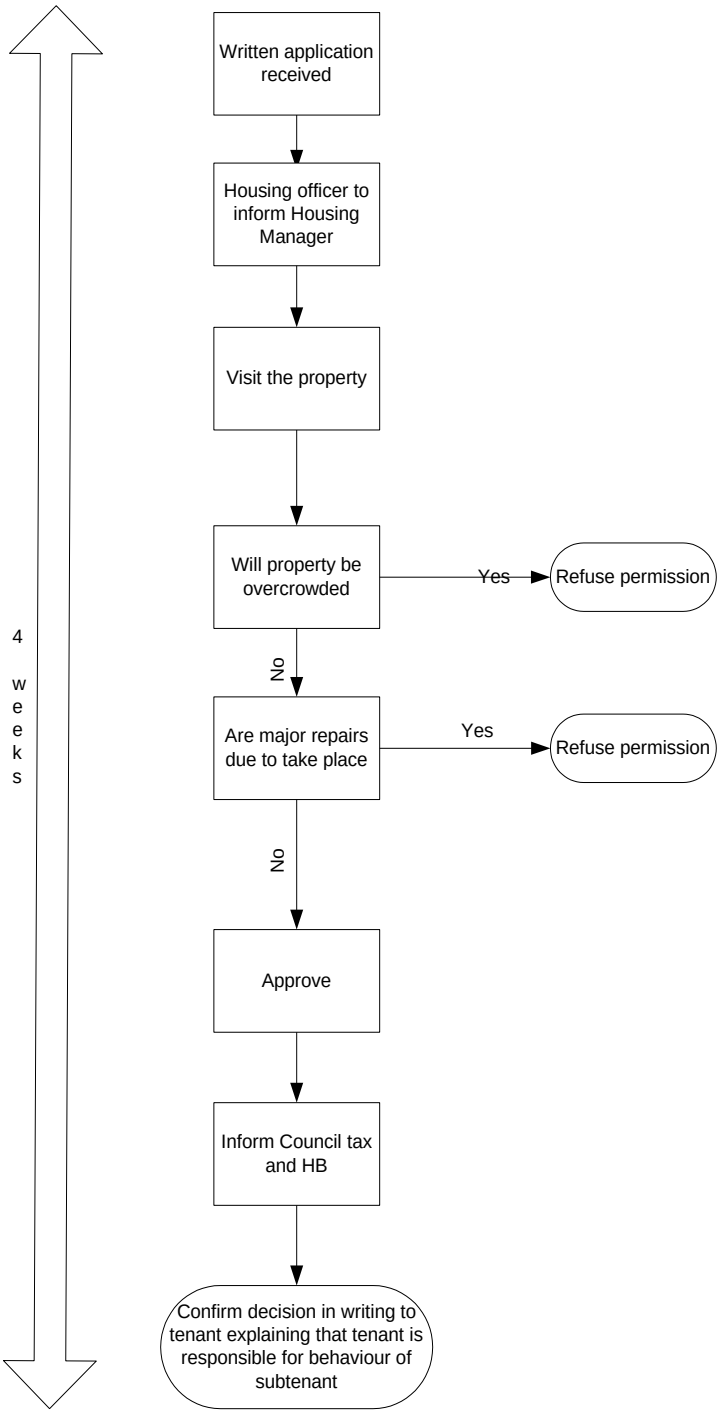
Responsibility of sub tenants

The tenant is responsible for the actions of the sub-tenant; this includes Anti Social Behaviour (ASB), and has responsibility for the removal of the tenants when this is necessary.

Council's liability for sub tenants

The Council will accept no liability for sub-tenants, should they remain in occupation on the departure of the tenant. They will be treated as unauthorised occupants and advised to register on the housing register and referred to Housing Options if there is some question of priority need. At the determination of a main tenancy, all sub-tenancies automatically come to an end.

Process Map


Written application received
Housing officer to inform Housing Manager
Visit the property
Will property be overcrowded
Yes
Refuse permission
No
Are major repairs due to take place
Yes
Refuse permission
No
Approve
Inform Council tax and HB
Confirm decision in writing to tenant explaining that tenant is responsible for behaviour of subtenant
4 weeks

Chapter 6: Schedule 11

Giving Consents **Clause 16**

Applies to Secure and Introductory tenants and lessees

1. Areas for which consent is required

Tenants, leaseholders and freeholders are required to obtain the consent of the TMO or the Council in a number of areas.

Areas for which consent is required include;

- Keeping pets
- Parking permit
- Alterations to the inside of a property
- Alterations to the outside of a property
- Changes to pipe work, central or other heating
- Erection of a satellite dish or other equipment to the outside of a building
- Any other matters requiring consent resulting from changes in law, the Tenancy Agreement or Council.

2. Applications to obtain consent
Tenants should apply to the TMO in writing. The application must include the details of the matter for which consent is sought and all relevant supporting information.

Leaseholders and Freeholders should make their application via the TMO to Southwark's Home Ownership Unit, in accordance with the Council's Home Ownership Unit's procedure note Permission Request (below).

3. Dealing with applications
The TMO will normally be the organisation which grants or refuses consent. The TMO Manager is responsible for dealing with requests for consent and will liaise with Southwark Council on those matters which he/she feels to be appropriate and to ensure that his/her decision is consistent with LBS policy.

If the Council receives a request for a consent, it will forward this request to the TMO office for consideration.

The TMO will respond to a request for consent within four weeks by writing to the tenant/leaseholder notifying him/her:

- If the consent has been given
- What conditions have been attached to the consent
- The reason(s) why consent has been refused
- If applicable, the procedure by which the tenant can appeal the decision to refuse consent.

The TMO must comply with the provisions of the tenancy agreement when considering a request for consent.

The TMO will notify the Home Ownership Unit of its decision in respect of a leaseholder/freeholder within 5 working days of reaching the decision.

If the TMO refuses consent, the tenant/leaseholder/freeholder can request a review of this decision through Southwark Council's Arbitration Procedure.

4. PERMISSION REQUESTS

Procedure Notes

Before carrying out any internal works to their property Leaseholders and Freeholders of properties on estates must seek the Council's consent.

Please refer to the guidance notes for information regarding Permission Requests

Step	Points to note / action	√
Enquiry	• An enquiry may be made in one of three ways: a) By e-mail b) By telephone c) In writing • If the applicant is making the enquiry by telephone then make a note of the applicant's name and the property address • Inform the applicant we will write to them explaining our procedure for dealing with permission requests. Remind the applicant they must pay the Council's administration fee before any request is considered and pay any service charge arrears prior to completion. • If the application is requesting retrospective consent to an alteration then the fee for the Council's consent will be the maximum fee payable.	
Standard Letter	• Confirm the applicant is the leaseholder / freeholder of the property on I-world. • Review the procedure notes for Permission Requests (Below)) • Within ten working days of receiving a request send the applicant our standard letter attaching the following forms: a) Acceptance Form b) Asbestos guidance form (to follow) c) Ethnic monitoring form (to follow) and update the Disposals spreadsheet	

	• File a copy of the letter in a plastic wallet the Disposals filing cabinet – do not create a folder until the administration fee is paid	
Payment of fees	• Once the cheque, acceptance form, ethnic monitoring form and plans / drawings of the proposed alterations have been received send the applicant a receipt within five working days and update the Disposals spreadsheet • Check whether the applicant has service charge arrears on I-world. If there are arrears send an e-mail to the Collections Manager and he will arrange for the arrears to be paid. Consent is not to be granted unless service charge arrears are paid.	
Repairs team	• Within three working days of sending the receipt identify which Area Housing Office the property falls under by checking the Excel spreadsheet *(To be updated)* and update the Disposals spreadsheet • Review the works the applicant is proposing. Send an instruction form, GSI map and the drawings / plans supplied by the applicant on the following basis: a) If the works relate to heating, send the documentation to the Mechanical Engineers b) For any other alterations send the paperwork to the Repairs and Maintenance Manager and update the Disposals spreadsheet • Retain a copy of the instruction form and all other documentation on file. In addition, print off a copy of the lease or transfer of the property for the file – you can view these documents by accessing Merlin (• If the name on the lease does not match the name of the applicant then print off a copy of the registered title by logging on to the HM Land Registry website • If the name of the applicant does not match the registered owner then e-mail the leaseholder requesting clarification. • If the applicant is requesting permission to carry out works to the structure of the Property or remove internal walls then inform the leaseholder the matter will be dealt with by	

	Licence for Alterations with the applicant being responsible for the legal fees (*standard letter*).	
Area Housing Office	• A decision should be made within 15 working days. If a decision has not been received after 15 working days send an e-mail to either the Repairs and Maintenance Manger or the Mechanical Engineer, inform the applicant by e-mail and update the Disposals spreadsheet • If no response has been received from the area housing office following the above letter send a further e-mail to the Repairs and Maintenance Manager or the Mechanical Engineer every 10 working days, inform the applicant by e-mail and update the Disposals spreadsheet	
Decision	• When we are notified of the decision write to the applicant as follows: a) If permission is refused then send the applicant our standard letter inserting the reason for the refusal (*to follow*) and update the Disposals spreadsheet b) If permission is granted without conditions, send an e-mail to the Collections Manager to confirm any service charge arrears have been collected. If there are no arrears send the applicant an approval letter (*to follow*) and update the Disposals spreadsheet. If the applicant has service charge arrears e-mail the applicant stating consent will not be given until the service charge arrears have been cleared. When the Collections Manager has confirmed the service charge arrears have been cleared send the applicant an approval letter and update the Disposals spreadsheet c) If permission is granted subject to conditions being met, send the applicant our approval letter completing the section detailing the conditions *(to follow*) and update the Disposals spreadsheet. When the applicant meets the conditions then retain copies of any relevant documentation on file *(and forward the originals to the repairs manager / mechanical engineer for approval)*. d) Send an e-mail to the Collections Manager to confirm any service charge arrears have been collected. If there are no arrears send the applicant an approval letter (*to follow*) and update the Disposals spreadsheet. If the applicant has service charge arrears e-mail the applicant stating consent will not be given until the	

	service charge arrears have been cleared. When the Collections Manager has confirmed the service charge arrears have been cleared send the applicant an approval letter and update the Disposals spreadsheet e) If permission is granted subject to conditions and Licence for Alterations then send the applicant our standard letter completing the section detailing the conditions (*to follow*) and update the Disposals spreadsheet. In addition, pass the file to the Residential Conveyancing Officer who will instruct external solicitors to draft the Licence. The Residential Conveyancing Officer will inform you once the Licence for Alterations is complete update the Disposals spreadsheet	
Post completion	• If the leaseholder's works is increasing the number of bedrooms in the property notify the Assignments team as this will affect the service charge. • Following completion the file is to be placed in the Disposals cabinet and ultimately archived.	

ALTERATIONS GUIDE

If you own a lease of your property then you are responsible for maintaining and repairing the internal parts of the property. This repairing obligation includes your central heating system unless the property is connected to a communal heating system. Your lease also makes you responsible for the maintenance of the Council's fixtures and fittings which includes the kitchen and bathroom fittings (i.e. cupboards, bath, toilet). Please note that the maintenance of the windows and external doors, the roof, the main fabric of the building and all common areas is the responsibility of the Council.

Under the terms of your lease you will require the Council's permission if you wish to carry out any alterations or improvements affecting:-

a) the Council's fixtures and fittings (including the removal of fitted cupboards); or
b) the heating system at the property; or
c) the exterior of the building; or
d) the structure of the building (including the removal of internal walls).

In most cases where a leaseholder wishes to carry out improvements to their property i.e. renew their kitchen units or central heating system, we will agree to the works. However, you should always request formal permission as in some instances we may ask you to provide an appropriate certificate to confirm that the work has been carried out in accordance with prevailing regulations. If you intend to make structural alterations to your property you must provide us with plans showing the proposed alterations.

Please note that fees are payable with regard to permission requests and these are detailed below. If extensive works are proposed you may be required to enter into a new lease to ensure that the lease correctly defines the property and sets out the maintenance responsibilities. In this case you would also be responsible for the Council's legal costs.

Alterations and Improvements Permissions Procedure
Your request for the Council's permission should be sent to the Home Ownership Unit. The Home Ownership Unit will then instruct the Area Housing Office or Tenant Management Organisation to decide whether or not to grant permission.

Step 1 – How to apply
If you want to make an alteration or improvement to your property you should request the Council's consent and contact:

Home Ownership Unit
Tel: 020 7525 1400
Email: hsg.homeownership@southwark.gov

Please clearly state the works you are proposing and if this involves any alteration or addition to the property you should also enclose four sets of plans.

Step 2 – The Council's response
If there is no obvious reason why we should not agree to your request the matter will be referred to the Area Housing Office or Tenant Management Organisation. We will write to acknowledge receipt of your request and give you an indication of any fees which may be payable. If your request concerns a 'like for like' replacement then it is probable that the only fee payable will be our administration fee (detailed below). However, if you are proposing alterations or construction works there may be additional fees.

Step 3 – The Area Housing Office/Tenant Management Organisation's decision
If the Council agrees to your request, and the request concerns a 'like for like' replacement, then we will write to inform you and let you know any conditions that you must comply with. For instance, if you propose to replace your boiler we will require a copy of any certificates issued in relation to the work in accordance with the gas safe register and building control regulations. Similarly, if you are changing or replacing any of the electrical circuits in the property we will require a copy of the certificate issued by an NICEIC approved contractor.

Step 4 – Carrying out the works
Once permission has been granted you may commence the works. However, you should note that if we have agreed to works which affect the structure of the building we will require occasional access to inspect progress and ensure that the agreed specification is being followed.

Once the works have been completed you should notify the Home Ownership Unit and send a copy of any certificates or guarantees we have requested.

Fees

The Council charges an administration fee for granting consent for alterations and the level of the fee will depend on the permission being sought:

For a basic ‘like for like’ replacement of, for example, kitchen or bathroom fittings - £29.00
For replacement of central heating and/or hot water boilers (and associated fittings) - £58.00
For alterations, adaptations or improvements involving the structure of the building - £203.00

Chapter 6: Schedule 12

Right to buy: Enquiries before exchange of contracts Clause 18

The TMO will deal with pre-contract enquiries.

1. Making Enquiries
The TMO tenant who expresses interest in carrying out the Right to Buy their property or purchase under any other scheme operated by the London Borough of Southwark may obtain application forms from the TMO Housing Office and will be advised to contact the Council's Home Ownership Unit

2 Responding to Enquiries
The TMO will complete the details required by the Home Ownership Unit as set out in the following form, and will comply with the timescales indicated by the Home Ownership Unit for completion of the form:

London Borough Southwark –Home Ownership Unit – Form V1 **Right to Buy Verification Form for AO – Tenancy Details**

3. Charges
The TMO is entitled to make a reasonable charge for this service based on the Manager's hourly rate plus an administrative on cost of 25% provided that the total cost does not exceed £50

The TMO is also entitled to make a similar charge where this service is provided to the purchaser or purchaser's solicitor, when an existing lease is to be assigned.

Chapter 6 Annex A

The Council's Tenancy Agreement (April 2014)

These are your new Conditions of Tenancy, effective from 1 April 2014.

Conditions of Tenancy

Introduction

Whether or not a particular condition specifically says so, you are responsible for your behaviour and for that of persons living with you, residing in or visiting the property: accordingly, the obligations imposed on you by this agreement apply to you and persons living in or visiting the property.

Tenancy

Your tenancy

1a You shall have quiet enjoyment of the property without any interruption by the Council except as permitted under this agreement or otherwise under the law. ('Quiet enjoyment' - see Definitions).

1b Provided that you occupy the property as your only or principal home, you will be a secure or introductory tenant. If there are joint tenants the tenancy is a secure, or an introductory, tenancy so long as at least one of the tenants occupies the property as their only or principal home.

1c The question of whether a tenancy is secure or introductory is determined under the Housing Act 1985 and the Housing Act 1996.

Ending your tenancy

2a We can only end the tenancy and take back the property in line with the law and we reserve the right to take appropriate action in respect of any breach of the tenancy. (There are details about this, including the current 'grounds for possession', in the Tenants' Handbook).

2b Any notice served by us on you shall be taken as served if left at the property or sent to the property by ordinary prepaid post.

When you end the tenancy

3a You may end the tenancy by giving us at least four weeks' written notice to quit ending on a Monday. Written notice must be given to a designated office or customer contact point.

3b At the end of the tenancy you must make sure you and everyone living with you moves out and that we are given vacant possession. You must leave the property ready for occupation with all fixtures and fittings clean and tidy and in as good a state as they were at the beginning of the tenancy, as charges may apply. Fair wear and tear and any damage resulting from our failure to carry out our obligations are excepted. ('Fair wear and tear' - see Definitions).

If one joint tenant leaves

4 A joint tenant may end the tenancy by giving us four weeks' written notice to quit in accordance with clause 3a, above.

Rent

Your rent and charges

5a You must pay the rent and other charges on a Monday and weekly in advance or by other arrangements we have agreed with you in writing.

5b If you fall into arrears of rent and/or other charges we may go to court and ask for a possession order which could ultimately lead to your eviction. We also reserve the right to take alternative legal action if we consider it appropriate.

Changes to rent and charges

6a We can change the amount of rent or other charges for the property without your agreement.
6b If we change the rent or other charges we will serve you with a written notice of variation stating the new amounts and the date the change is to take effect, which shall not be less than four weeks from service of the notice.

6c If before the date specified in the notice of variation, you give us notice to quit, the change will not take effect unless, with our written agreement, you withdraw your notice to quit before the date so specified.

6d You must leave the property and give vacant possession to us on the day your notice to quit ends. If you do not we shall be entitled to recover charges for your use and occupation equal to the varied rent and other charges from the date it takes effect until we obtain possession of the property.

6e We undertake to consult with the Tenant Council before seeking to change your rent and other charges, except for water charges which are set by the water provider.

Changing this agreement

Notice of proposed changes

7a If we plan to make changes to the Conditions of Tenancy, other than to rent or other charges, we shall give you notice in writing and give you at least 28 days to comment. This is known as a
'preliminary notice.'

Considering your comments

7b We must consider any comments you have made in reply to the 'preliminary notice'.

7c We shall also consult on such proposed changes with the Tenant Council and shall consider any comments made.

Notice of changes

7d After completing this process we will give you at least four weeks' notice in writing of the changes to be made, and the date the changes will take effect. This is known as a 'notice of variation.'

Your rights

Lodgers

8a Secure tenants may take in lodgers, paying or non paying, provided it does not cause overcrowding in contravention of the law. If you do take in lodgers you must inform us within a reasonable time. (There are details about this in the Tenants' Handbook). ('Overcrowding' and 'Lodger'- see Definitions).

Subletting

8b You must not sublet or part with possession of the WHOLE of the property.

8c If you are a secure tenant you may SUBLET or part with possession of PART of the property but must first obtain our written agreement, which is not to be unreasonably withheld.

Assignment

8d You may assign (hand over) your tenancy in line with the relevant law. (There are details about this in the Tenants' Handbook).

Succession

9 On the death of a tenant the tenancy will only be passed on to another person in line with the relevant law. (There are details about this in the Tenants' Handbook).

Being responsible

Nuisance

10a You must not feed any pigeons on the estate or in the locality of the property. ('Estate' – see Definitions).

Antisocial behaviour

10b You and persons residing in or visiting the property must act in a reasonable manner and must not do anything which causes nuisance, annoyance, distress, or alarm to other persons residing, visiting or otherwise engaging in a lawful activity in the locality, or cause damage to their property or possessions

.

10c You and persons residing in or visiting the property must act in a reasonable manner and must not threaten, abuse, assault or otherwise interfere with or obstruct our officers, agents or contractors in the lawful execution of their duties in relation to the tenancy or otherwise as a consequence of their employment with us, whether in working hours or outside working hours and whether or not at, or in the locality of, the property. You and persons residing in or visiting the property must not do anything to cause damage to our property whether or not at, or in the locality of, the property.

Discrimination

10d You must not discriminate, intimidate, harass or abuse anyone because of their age; race; sex; disability; religion and belief; marriage and civil partnership; pregnancy and maternity; sexual orientation, or gender reassignment.

Repairing vehicles

10e You must not carry out motor vehicle repairs in or near the property or garage which cause nuisance, annoyance or offence to anyone.

Noise

10f You must keep noise, however caused, at a level which does not disturb other people.

Parties

10g You must not cause or allow a 'pay party' to be held at the property. ('Pay party' – see Definitions).

10h You must not cause, allow or do anything that would result in any party at the property being advertised, promoted or otherwise communicated to persons who are not family or friends of, known to and identified by, you, whether through the press, social media or by any other means.

Security

Communal areas

11a You must not use the communal areas of the block or estate for anything other than access, rest and quiet recreation (unless otherwise designated).

Closed circuit television (CCTV)

11b If there is a door entry system, CCTV and/or other means of ensuring block security, you must not break the shared security by allowing strangers access to the block. ('Block' - see Definitions).

Restricted areas

11c You must not enter any restricted areas including, but not limited to, lift rooms, water tank rooms, roofs and roof spaces.

Animals

Dangerous animals

12a You must not keep or allow in the property or within its boundary any animal which we determine to be dangerous, injurious to health, a nuisance or otherwise unsuitable. ('Animal' and 'Unsuitable' - see Definitions).

Nuisance from animals

12b You are responsible for the behaviour of your animal and any animal you have allowed in the property or within its boundary at all times and you must not cause or allow the animal to cause nuisance or annoyance by excessive barking, or other noise, or aggressive or other behaviour.

Proper care and control

12c You must make sure your animal's faeces are properly disposed of and that any animal kept by you is microchipped where the law indicates this is required.

Health and safety

Fire

13a You must not cause or allow fire exits, for routes, from the property or in any communal area, to be blocked or obstructed, or otherwise to act so as to create a health and safety risk.

13b You must make sure that any fire check doors internal to the dwelling fit securely and are in working order and report any faults to us.

13c You must not fit any security grilles, metal bars or covers to any doors or windows without our permission.

13d You must not use barbecues on balconies or in any other part of the property or premises which is unsuitable for their use.

13e We will undertake our statutory and contractual responsibilities, including fire risk assessments to make sure the health and safety of our tenants is not put at risk.

Waste

Recycling and rubbish

14a It is your responsibility to make sure that rubbish and unwanted items are properly disposed of and any rubbish or recycling must be placed in the designated area on the agreed day of collection in line with our instructions.
14b You must keep all garden space, balconies, window boxes and yards of the dwelling neat and tidy and free from rubbish, vermin and other nuisances.

Domestic violence

15 You must not behave in a controlling, coercive, threatening or abusive way to, or use or threaten to use violence against, any other person allowed to live in the property that may or does prevent them continuing to live peaceably in the property. (‘Controlling and coercive behaviour’ - see Definitions).

Parking

16 You may only park a vehicle in a designated area and this must be in line with any parking scheme in place and the Council has the right to take action, including moving vehicles and issuing penalties and charges in accordance with these schemes. (‘Vehicle’ – see Definitions).

Occupying your home

Annual tenancy check

17a You will permit us, as your landlord, to carry out an annual tenancy check

17b You must satisfy us on an annual basis that you are occupying the property as your only or principal home.

17c You must provide during the annual tenancy check, or within seven days of our written request, material required by us for the purpose of verifying that you are occupying the property and that it is your only or principal home.

Being absent in excess of 42 days

17d You must not be absent from the property for a continuous period of more than 42 days without first telling us in writing. Written notice must be given to a designated office or customer contact point.

Use of the property

17e You must not use or allow the property to be used other than as your own private dwelling.

17f You must not cause or allow the storage or use in the property including the communal areas, private balcony, store or a garage, which is an integral part of the property, any liquid petroleum and paraffin (e.g. Calor gas) containers or cylinders, or dangerous chemicals, gases or materials or any other inflammable materials or gases.

Access

Access by us

18a You must allow access to the property to allow our officers, contractors or agents to carry out any inspection, safety check, treatment, repairs, major works or improvements that we are required, or entitled, to carry out to the property (including fixtures and fittings), or to the building or estate in which the property is situated, or any other adjoining land in the Council's control.

Notice of access

18b We will give you 24 hours' notice that entry is required to the property unless immediate entry is necessary in an emergency. If you repeatedly fail to provide access, whether by refusing or otherwise, we may ask the courts for an order that allows us, our contractors or agents, to force entry to the property.

Emergencies and forced entry

18c If immediate entry is necessary we may need to enter the property without notice or consent. We will not do this unless there is an emergency and we need to take urgent action relating to the property, proportionate to the circumstances.

18d Where forced entry is necessary you will be liable for the costs, including making the property secure, unless you had good reason to fail to provide access.

Taking care of the property

19a You must use the property (including its fixtures and fittings) carefully, and take reasonable care of it.

19b You are responsible for decorating the interior of the property.

19c You will be required to repay us the cost of any repair or replacement to the property, block or estate resulting from your negligence or failure to comply with condition 14a or 19a.

Cleaning

20 We shall take reasonable steps to keep the estate and common parts clean and tidy.

Repairs

21 We will normally carry out our repairs within the timescales laid down in our service standards in your Tenants' Handbook. This may not be the case if a major works project, which includes the identified repairs, is due to start within a reasonable period, and any delay will not have an adverse impact on your Right to Repair, our legal obligations, or any health and safety issue.

Maintenance

22a We shall keep in repair the structure and exterior of the property and common parts and communal facilities to block and estate. This will include: drains; gutters and external pipes; service roads; designated play areas; entrances; entrance halls; staircases; roofs, and fire fighting equipment. Subject to reasonable expenditure and consultation this may also apply to the following, if they affect your enjoyment of the property, or common parts: lifts; communal TV aerials; entry phones; communal lighting; refuse collection facilities; communal heating, and ventilation services.

22b We shall renew, repair or keep in proper working order all of our installations, whether inside or outside the property, that directly or indirectly supply water, gas and electricity to, and for, sanitation to your home (including basins, sinks, baths and other sanitary items) and for heating the water supply and property.

Major works

23 We have the right to carry out works of repair, replacement, renewal or improvement which we are not required to perform by condition 22 but which we decide

to carry out to improve the property or the building or estate in which it is situated or which are works to be carried out to a number of properties as part of a planned programme of works.

Compensation

24 You should tell us at the designated customer contact point of any problems with the state of repair of the property and common parts as soon as it is possible. If we fail to carry out our repairing responsibilities you will be entitled to fair and reasonable compensation, which may be deducted from any debt outstanding to us.

Making improvements

25a You must not make any improvement to the property without first obtaining written consent from us, which will not be unreasonably withheld but may be subject to conditions. ('Improvement' - see Definitions).

25b Where you seek permission to install new flooring or coverings, particularly laminate, wooden or similar flooring, we will consider the potential noise nuisance for others and we reserve the right to make our permission, if granted, conditional on you taking such steps as are necessary and may be specified to ensure proper sound insulation.

25c I f you fail to comply with requirements to ensure proper sound insulation or other conditions of consent we will consider taking legal action to seek the appropriate remedy which may include (but is not limited to) entering the premises to carry out the necessary work. If such action is taken, we shall charge you for this.

25d At the end of the tenancy, a secure tenant may be entitled to compensation for improvements carried out with our consent, in line with the relevant law. (There are details about this in the Tenants' Handbook).

Information

26 We will manage and disclose information in line with the relevant law applicable to data protection and access to information. (There is more about this in the Tenants' Handbook).

Arbitration

27 We will maintain an arbitration tribunal and panel to resolve certain disputes between you and us and both parties will be bound by the decision of the tribunal. (There is more about this in the Tenants' Handbook).

Definitions

You, your and **the tenant** means every person who signs the tenancy agreement or has entered into a deed of assignment or succession.

We, us, our and **the Council** means the London Borough of Southwark.

Property means the dwelling house and any land let together with the dwelling house.

Quiet enjoyment refers to the right to undisturbed enjoyment of your home, where we as your landlord, or our agents, shall not interfere with your right to possession of, and to, the lawful use and enjoyment of your home. Enjoyment in this context means to have the use and benefit of the property.

Fair wear and tear arises from reasonable use of the dwelling by the tenant and the ordinary operation of natural forces. Fair wear and tear is deterioration occurring through normal daily use, but not any deterioration caused by your negligence.

Overcrowding is where the number of people sleeping in the property contravenes the room or space standards of, or numbers permitted by, the relevant law. There is more information about this in the Tenants' Handbook.

Lodger means a person who: is not named in your tenancy agreement as authorised to live in the property; is not a member of your immediate family; and who does not have part of the property for their use only.

Estate means the area consisting of council dwellings where the property is situated.

Pay party refers to a gathering of paying persons in council property, premises, or land, where music is played or performed, for which no permission has been granted by the council and where admission in payment or kind has been charged or sought.

Block means the building containing flats and maisonettes.

Animal covers all animals, including: birds; reptiles; and insects.

Unsuitable animal includes any animal which is inappropriate having regard to the nature of the property and the needs of the animal, including any animals with the propensity to exhibit aggressive and/or intimidatory behaviour.

Controlling and coercive behaviour is a range of acts designed to make a person subordinate and/ or dependent by isolating them from sources of support, exploiting their resources and capacities for personal gain, depriving them of the means needed for independence, resistance and escape and regulating their everyday behaviour.

Vehicle is a mechanically propelled motor vehicle intended or adapted for use on roads.

Common parts means any part of the building of which the property let to you forms part and any other premises which you are entitled, under the terms of the tenancy, to use in common with the occupiers of other properties let by us.

Improvement means adding to, removing from, or in any way altering or changing the property, our fixtures or fittings, or the provision of services. It includes, but is not limited to, putting up any aerial or satellite dish, decorating the outside of the property, or the replacement or installation of floor coverings.

Chapter 6

The Council's Succession Procedure Annex B

Introduction
Succession of tenancy is the legal transfer of a tenancy to another person, when the tenant dies. For the Succession to be valid there are a number of legal requirements that must be met. This procedure will outline all activities within the Succession process from the request to Succeed to a property to the final sign up procedure of the Successor.

The Legality of Successions
The Housing Act 1985 Section 87 states that, a person has a statutory right to succeed to a tenancy if they occupied the property as their only or principal home at the time of the tenant's death. This is subject to certain legal requirements (See Who can be a Potential Successor on page 3). This applies to both secure and introductory tenancies.

The law provides for one succession only.

Who can be a Potential Successor?
Survivorship – Joint Tenancies
On the death of one joint tenant, the other tenant succeeds to the tenancy. This is called survivorship. This occurs automatically at the point of death and does not require our approval.

Statutory Succession
The following list covers all the persons who would have a statutory right to succeed in order of priority:

- The tenant's married partner or civil partner.
- The tenant's partner living as if they were a married couple or civil partner of the tenant.
- A qualifying member of the family with proof of at least 12 months residency prior to the tenant's death.

For a person to qualify as a member of the family for the purposes of Succession, they must be one of the following:

- Parent or child.
- Grand parent or grand child.
- Brother or Sister.
- Uncle or Aunt.
- Nephew or niece.
- Step relation or half relation.

This list is exhaustive, and cannot be added to.

Multiple Qualifiers to Succession
If more than one person may be entitled to succeed and there is no married, civil, or co-habiting partner who is entitled to succeed, then the other members of the tenant's family must decide between themselves who is to succeed.

If this cannot be agreed, Southwark Council will consider each claim to the succession and make the decision based on the following criteria:

- Age of the successors.
- Who will make best use of the property.
- Financial resources (if information is available).

If it is still unclear as to who should be chosen to succeed, inform the area manager of the current situation and provide all the information available. The area manager will make the final decision.

Proof of Identity and Residency
The onus lies with the potential successor to prove their identity and that they meet the principal home and/or the 12 month resident requirement. Ask the potential successor for as much documentation as possible from different sources to reduce the chances of fraud.

Please refer to the Proof of Identity and Residency Document List in Appendix 7. If you are in doubt with regards to the evidence provided, please refer to your Resident services manager.

Situations may arise where certain qualifiers to succession are unable to provide sufficient evidence to prove 12 month residency. This may occur with vulnerable or elderly people. In these specific cases Resident officers are encouraged to assist with gathering evidence.

Adapted Properties and Supported Housing
We cannot refuse the succession to a tenancy where the successor becomes the tenant of a specially adapted or supported housing property for use by a person with disabilities or someone with special needs, which are not required by the successor. However, where appropriate we can use the Housing Act 1985 Schedule 2, grounds 13 and 15 to gain possession once the Succession has taken place.

Possession under grounds 13 and 15 can only be granted if the ground is proven and the court is satisfied that it is both **reasonable** to make an order and that **suitable accommodation** will be available. Serving a Notice Seeking Possession under these grounds must be approved by your Resident services manager.

In all cases, prior to serving a Notice Seeking Possession, alternative accommodation must be offered. Referring the assignee to the Council's "Small is Beautiful" scheme is good practice.

Under-occupation
We cannot refuse the succession to a tenancy on the grounds of under-occupation. However, once the succession has taken place, where appropriate we can take action using Schedule 2, Ground 16 of the Housing Act 1985.

This allows us to serve a Notice Seeking Possession if the successor succeeded to the property as a member of the family, and not a spouse, and the property is larger than they need. Notice of proceedings must be served more than 6 months but less than 12 months after the death of the tenant.

Possession under ground 16 can only be granted if the ground is proven and the court is satisfied that it is both **reasonable** to make an order and that **suitable accommodation** will be available.

Serving a Notice Seeking Possession under these grounds must be approved by the Resident Services Manager.

In all cases, prior to serving a Notice Seeking Possession, alternative accommodation must be offered. Referring the assignee to the Council's "Small is Beautiful" scheme is good practice.

Where Succession Cannot Take Place

Succession must not take place where:

- The person applying to succeed to the tenancy is not a Potential Successor as defined by the lists on page 3.
- There isn't sufficient proof that the qualifying family member has lived with the deceased tenant for at least 12 months prior to the tenant's death.

No Further Succession Rights

A succession cannot take place where the original tenant:

- Succeeded to the tenancy after 3rd October 1980.
- Was a joint tenant and became a sole tenant (following the death of the other joint tenant).
- Had a tenancy assigned to them by a court order and the original tenant was a successor.
- Had the tenancy assigned to them by way of Mutual Exchange, and had succeeded to their previous tenancy.

With regards to the above, the law only allows for one Succession.

Illegal Occupation

Occupants who have had their application to succeed rejected may still be residing in the property. As the tenancy does not automatically end on the death of the tenant, we are not entitled to possession while the tenancy is still in existence.

On the death of the tenant a Notice To Quit must be served on the property and to the executor or personal representatives of the deceased tenant. If a tenant dies intestate, the Notice To Quit must be served on the property and to the Public Trustees Office.

The Public Trustee Office contact details are:
The Public Trustee
PO BOX 3010
London
WC2A 1AX
Telephone: 020 7911 7127
Fax: 020 7911 7105

Rent Arrears
If the succession is claimed by way of survivorship (death of one joint tenant) the remaining joint tenant becomes liable for the rent arrears.

Any rent arrears on a tenancy that has been succeeded to by way of statutory succession (not including survivorship) become a debt owed by the deceased tenant's estate and cannot be claimed from the successor. This becomes a Former Tenant's Arrears (FTA) issue, and the FTA team must be informed so they can begin the process of recovering the debt from the estate, or consider it for write off.

Death Certificate

Death Registered in Southwark

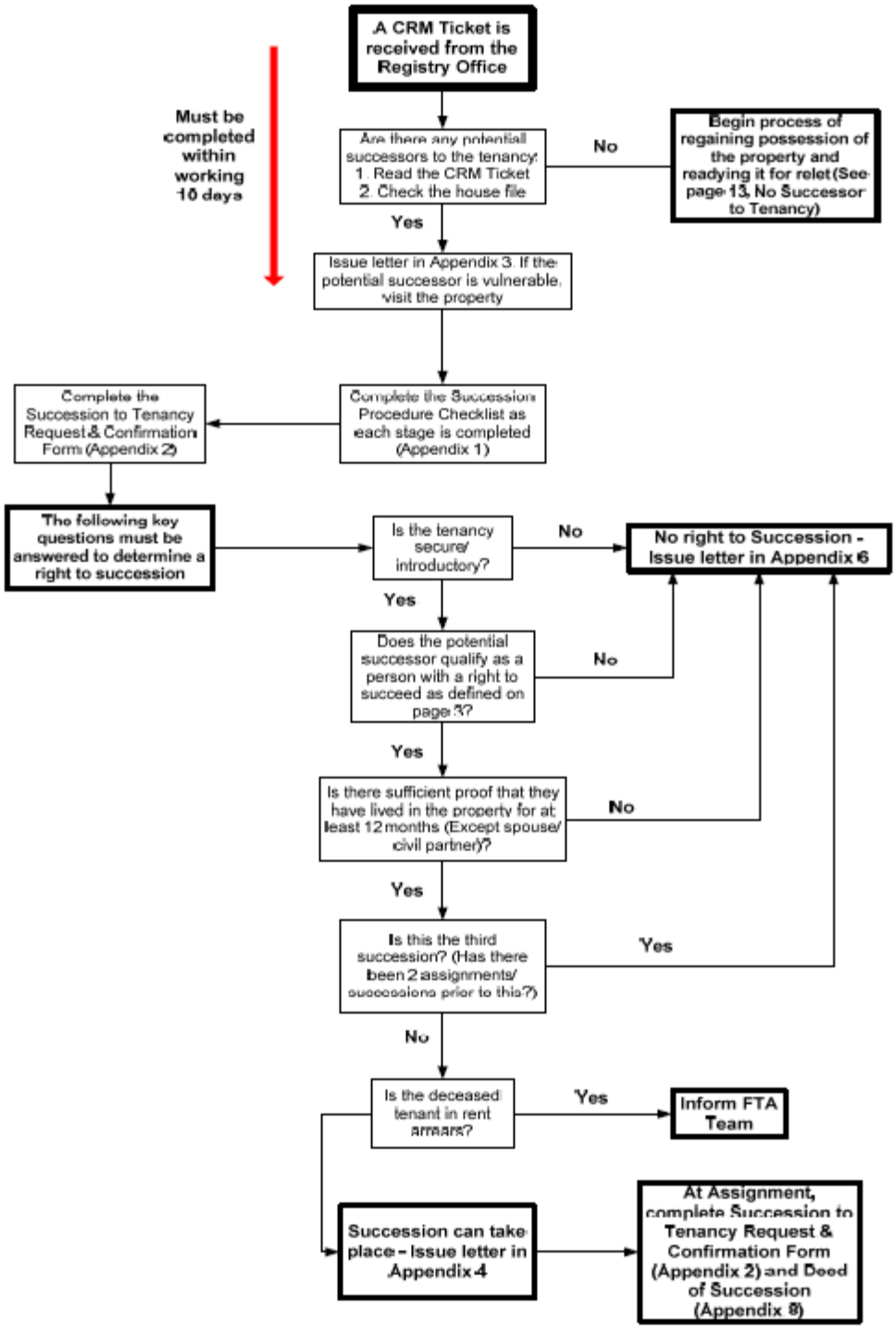
If the bereaved takes up the offer of the “Tell Us Once” scheme while the death is being registered at the Southwark Register Office, a CRM ticket will be issued, informing the Area Housing Office of the death. In this instance a copy of the tenant’s Death Certificate is not required as evidence of the death. The notification and verification from the Southwark Register Office is sufficient.

There shouldn’t be any circumstances where a copy of the Death Certificate is required. If for any reason Housing Management still requires a copy of the Death Certificate, the Register Office must be approached for a copy. The onus is on Southwark Housing Management to obtain a copy from the Register Office, and not to demand a copy from the bereaved. If the bereaved declines to take up the “Tell Us Once” service, then we can ask them for a copy of the Death Certificate.

Death Registered Outside of Southwark

If the death was registered outside of the Borough, a copy of the Death Certificate must be obtained from the potential successor.

Succession Process – CRM Ticket



Succession Process – A Potential Successor Contacts the TMO Housing Office

Succession Process

There are two ways that Southwark Housing Management can become aware of the death of a tenant and potential successors:

- A CRM ticket is received from the Southwark Registry Office.

- A potential successor contacts the Area Housing Office CRM Ticket

CRM Ticket
In accordance with Southwark Council's "Tell Us Once" scheme, when the Housing Office receives a CRM ticket from the Registry Office, the following must be carried out:

- The Resident officer assigned must begin investigating the tenancy and determine if there are any potential successors to the tenancy:

  1. Read the CRM Ticket for information

  2. Check the house file for other occupants living at the property

- If a potential successor is identified, issue letter in Appendix 3, or if the person is identified as vulnerable, visit the property. The CRM Ticket must be responded to within **10 working days** of receipt.

- If the potential successor has expressed a wish to succeed to the tenancy, complete the Succession Procedure Checklist (Appendix 1) at each stage.

- Complete the Succession to Tenancy Request & Confirmation Form (Appendix 2).

- Issue the relevant letters (Appendix 4-6).

A Potential Successor Contacts the Area Housing Office

When a potential successor contacts the Housing Office with a request to succeed to a tenancy, the following must be carried out:

- Complete the Succession Procedure Checklist (Appendix 1) at each stage.

- Complete the Succession to Tenancy Request & Confirmation Form (Appendix 2).

- Issue the relevant letters (Appendix 4-6).

Succession Confirmation

When the right to succeed has been confirmed by the Resident services manager, a letter of confirmation (Appendix 4) must be issued inviting the successor to the Area Housing Office to complete the process.

Tenancy Succession

At the tenancy succession, the following must be carried out:

- If this is a second succession, inform the successor that this does not constitute a new tenancy, and no new rights to succession are granted.

- Section 4 of the Succession to Tenancy Request & Confirmation Form must be completed by the successor.

- Inform the successor that their photo will be taken.

- Make copies of proof of identity and address documents of the successor and file in house file.

- The Deed of Succession must be completed (Appendix 8).

- Ask the new tenant to complete Tenant's Equalities Data Collection Form (Appendix 9).

- The Deed of Succession must be attached to the existing Tenancy Agreement and a copy given to the new tenant, and a copy filed in the house file.

If the successor is unable to travel to the Area Housing Office to complete the process, suitable arrangements should be made so that this can be completed at the property.

Joint Tenancy - Survivorship
If the tenancy is a joint tenancy, the succession occurs automatically at the point of death and does not require our approval. However it is good practice to inform the remaining joint tenant that succession has occurred, and that they are still liable for any rent arrears; issue letter in Appendix 5. A Deed of Succession (Appendix 8) is not required for Survivorship; attach a copy of the letter (Appendix 5) to the Tenancy Agreement on the house file as proof of succession via Survivorship.

Succession Refusal
If a Succession has been refused by the Resident services manager, a letter of refusal (Appendix 6) must be issued stating the reasons for refusal.

No Successor to Tenancy
If no successor to the tenancy has been identified, follow the Housing Management procedures on regaining possession of the property and readying the property for relet.

A Notice to Quit must be served on the property and to the executor or personal representatives of the deceased tenant. If a tenant dies intestate, the Notice To Quit must be served on the property and to the Public Trustees Office, contact details can be found on page 8.

i-World Procedure

Survivorship
If the deceased tenant was a joint tenant, the procedure on iWorld is to remove the deceased tenant's name from the tenancy, and make the remaining person the sole tenant. Please refer to Appendix 10 for screenshots on how to carry out this procedure.

Statutory Succession
Where the successor is not a joint tenant, the successor must be added to the tenancy on iWorld. The following must be done when adding the successor to the tenancy:

- Enter the start date of the tenancy (date previous tenant died).

- Ensure that the "Statutory Successor" box is ticked.

Once this has been carried out, the deceased tenant must now be removed from the tenancy.

Three things must be done when removing the deceased tenant from the tenancy:

- Enter the end date (date the tenant died).

- Select termination reason (deceased).
- Select the new main tenant for the tenancy (the successor).

Please refer to Appendix 10 for screenshots on how to carry out this procedure

Rent Account
The Income Officer needs to be informed of the death of the tenant. The tenant's rent account is amended on iWorld to reflect the successor's name. Any arrears owing at the time of death must be taken off the rent account and placed into a succession account.

The Income Team must then create a succession account where the debt of the deceased must be added.

The FTA team must be informed of the death of the tenant and a write off form (see appendix 11) must be completed with the death certificate, succession document and rent balance at the date of death.

All appendices referred to in this Schedule are located in the Succession Procedure Manual and are subject to periodic review and updating. A copy of the Manual has been provided to the TMO and copies can be obtained on request from the Tenant Management Initiatives Team.

Chapter 7

Staffing and Management of the Relationship between the Tenant Management Organisation and the Council

Note on clause 1 and TUPE

In any particular set of circumstances, TUPE (the transfer of undertakings protection of employment provisions set out in the Transfer of Undertakings (Protection of Employment) Regulations 1981) will or will not apply, depending on the facts of the case and the applicable law. Accordingly, it is not possible for the **Tenant Management Organisation** *and the Council to freely choose whether or not TUPE applies: rather, it is a matter of deciding whether it does or does not apply. It is only in the most exceptional circumstances that TUPE will not apply. Accordingly, there are three possible scenarios:*

i) *TUPE does not apply;*

ii) *TUPE applies but there is no actual transfer of staff from the Council to the* ***Tenant Management Organisation****;*

iii) *TUPE applies and there is a transfer of staff from the Council to the* ***Tenant Management Organisation****.*

Where scenario (i) or (ii) applies, there is no need for an individual Agreement to make any provision. Accordingly, only scenario (iii) is dealt with, in clause 1 below.

1 The transfer of staff from the Council to the Tenant Management Organisation where there is a transfer of an undertaking by the virtue of the Transfer of Undertakings (Protection of Employment) regulations 1981

[to be used only where TUPE does not apply and there is no transfer of staff from the Council to the ***Tenant Management Organisation****.]*

1.1 Clause not included.

2 Employment of staff (other than those transferring under clause 1)

2.1 The duties of any staff employed by the **Tenant Management Organisation** and their terms and conditions of employment (including salaries and rates of pay) will be decided by the **Tenant Management Organisation.** The **Tenant Management**

Organisation's recruitment policy, disciplinary procedures, and standard terms and conditions for staff are set out in the Annex.

2.2 In employing the Staff the **Tenant Management Organisation** will comply with:

a) the **Tenant Management Organisation's** Equalities and Diversity Policy and Procedures (see Chapter 1 clause 10); and

b) the obligations imposed by statute.

3 Secondment of Council staff to the Tenant Management Organisation

*(**Option A:** Secondment option is not chosen.)*

3.1 Clause not included.

4 Employment of contractors

*(**Option B:** The **Tenant Management Organisation** establishes its own list of approved contractors.)*

4.1 The **Tenant Management Organisation** will establish a **Tenant Management Organisation Approved List** of contractors to provide the services the **Tenant Management Organisation** considers it needs to contract out in order to fulfil its obligations under this Agreement. The **Tenant Management Organisation** will not enter into a contract with any contractor who is not on the **Tenant Management Organisation's Approved List**.

4.2 The **Tenant Management Organisation** will only appoint contractors to the **Tenant Management Organisation's Approved List** who:

a) have the capacity to do work required by the **Tenant Management Organisation** to an acceptable standard of quality;

b) have adequate public and employer's liability insurance or professional indemnity insurance if appropriate;

c) give the **Tenant Management Organisation** an undertaking to comply with obligations imposed
by statute;

d) if they are to repair or service electrical installations, are registered with the National Inspection Council for Electrical Installation Contractors or another equivalent body in another Member State of the European Union; and

e) if they are to service or install gas appliances, are registered on the Gas Safe Register or another equivalent body in another Member State of the European Union.

4.3 The **Tenant Management Organisation** will only enter into a contract for management, support, repairs or other services, or for **Major Works**, with a contractor on the **Tenant Management Organisation's Approved List**.

4.4 The Council may request the **Tenant Management Organisation** to include a contractor on the **Tenant Management Organisation's Approved List**, and inclusion in response to such a request will not be refused or delayed without good reason. If the **Tenant Management Organisation** refuses to include a contractor requested by the Council on the **Tenant Management Organisation's Approved List** the **Tenant Management Organisation** will notify the Council in writing of the reasons for the refusal.

4.5 The Council may request the **Tenant Management Organisation** to remove a contractor from the **Tenant Management Organisation's Approved List**. The request will be in writing and will state the reasons why the Council considers that the contractor should be removed from the **Tenant Management Organisation's Approved List**. The **Tenant Management Organisation** will give proper consideration to a request from the Council and will within three months of receiving the request inform the Council in writing of the **Tenant Management Organisation's** decision. If the **Tenant Management Organisation** decides not to remove the contractor from the **Tenant Management Organisation's Approved List**, the **Tenant Management Organisation** will give the Council written reasons for the **Tenant Management Organisation's** decision.

4.6 In any case where EU Directive 77/62 (award of public supply contracts), 71/305 (award of public works contracts), or 92/50 (award of public service contracts) ("a public contract Directive") applies, the provisions of this clause will not apply to the extent that they are incompatible with obligations arising under a public contract Directive, or with measures implementing a public contract Directive in the United Kingdom.

5 Access to Council officers

5.1 The Council will ensure the **Tenant Management Organisation** has access to all the Council officers with whom the **Tenant Management Organisation** requires or is likely to require contact in order to fulfil its obligations under this Agreement. A **List of Council Officers** will be sent to the **Tenant Management Organisation** by the **Starting Date** and updated when necessary.

6 Liaison officers

6.1 On or before the **Starting Date** the Council will nominate an officer from the staff concerned with the management of the Council's housing to be the **Liaison Officer** between the Council and the **Tenant Management Organisation**. The **Liaison Officer** will be the **Tenant Management Organisation's** first point of contact on day to day matters concerning the operation of this Agreement and the obligations of the **Tenant Management Organisation** and the Council under this Agreement. Any changes to the work of the liaison officer will be with the agreement of both parties. The role and

the responsibilities of the **Liaison Officer** are set out in Schedule 3 (**Liaison Officer Role and Responsibilities**).

6.2 The Council may by written notice to the **Tenant Management Organisation** change the **Liaison Officer**.

6.3 If invited to do so by the **Tenant Management Organisation**, the **Liaison Officer** may attend and speak (but not vote) at all meetings of the **Tenant Management Organisation**, its committees or subcommittees. The **Tenant Management Organisation** will send the **Liaison Officer** copies of all agendas, papers and minutes of general meetings, committee meetings and subcommittee meetings.

6.4 The Council will be open and accountable in all dealings concerning the **Tenant Management Organisation** and the operation of this Agreement except where this would involve a breach of confidentiality or contravene the Data Protection Act 1998.

6.5 By the **Starting Date** the **Tenant Management Organisation** will nominate either a member of the Management Committee or a member of staff to be the **Tenant Management Organisation Liaison Officer.** The **Tenant Management Organisation Liaison Officer** will be the Council's first point of contact on day to day matters concerning the operation of this Agreement and the obligations of the **Tenant Management Organisation** and the Council under this Agreement.

6.6 The **Tenant Management Organisation** may change the **Tenant Management Organisation Liaison Officer** by written notice to the Council.

7 Tenant Management Organisation Liaison committee

*[A **Tenant Management Organisation Liaison Committee** meets to discuss strategic issues and general policy concerning **Tenant Management Organisation's** and not the performance of individual **Tenant Management Organisations**.]*

7.1 Where there is more than one **Tenant Management Organisation** managing the Council stock, the Council will establish a Joint **Tenant Management Organisation Liaison Committee**. The Council will decide the terms of reference of the **Tenant Management Organisation Liaison Committee,** after consultation with the **Tenant Management Organisations** managing the Council's stock, and the Committee will meet at least twice a year. The Council will decide which elected councillors or officers will represent the Council as the **Council's Representatives** on the **Tenant Management Organisation Liaison Committee**.

7.2 The **Tenant Management Organisation Liaison Committee** will discuss strategic issues and matters of general policy that relate to **Tenant Management Organisations**, but not the performance of individual **Tenant Management Organisations**.

7.3 The **Tenant Management Organisation** may send representatives to each meeting of the **Tenant Management Organisation Liaison Committee**.

7.4 The **Tenant Management Organisation** will be entitled to meet the **Council's Representatives** other than at a **Tenant Management Organisation Liaison Committee** meeting at least once a year.

8 The Council's nominee

*(**Option A:** Council does not have nomination rights.)*

8.1 Clause not included.

9 Help to the Tenant Management Organisation

9.1 The Council will consider all written requests made by the **Tenant Management Organisation** for help in carrying out any of the obligations of the **Tenant Management Organisation** under this Agreement.

9.2 Where a request for help is made by the **Tenant Management Organisation** under this clause the Council will consider the **Tenant Management Organisation's** request and give the **Tenant Management Organisation** written notice of the Council's decision within 21 days of receipt of the request, and:

a) if it is within the power of the Council and the Council is reasonably able to do so, grant the **Tenant Management Organisation's** request, subject to such terms and conditions (including payment) as the Council may reasonably require; or

b) if it refuses the request, give reasons why the Council cannot grant the request in its written notice.

9.3 Where the Council agrees to a request for help, the terms and conditions will be confirmed in writing between the Council and the **Tenant Management Organisation**.

9.4 The Council agrees to respond to all correspondence from the **Tenant Management Organisation** on matters other than those falling within clause 9.1 within a period that is reasonable for the item of correspondence concerned.

10 Service of notices

10.1 Any notice served by the Council or the **Tenant Management Organisation** under the following clauses:

a) Chapter 1, clause 19 (notices relating to failure to perform);

b) Chapter 1, clause 20 (notices relating to the ending of this Agreement);

c) Chapter 3, clause 3 (notices relating to rent arrears control);

d) this Chapter, clause 18 (notices relating to dispute or arbitration); and

e) Chapter 6, clause 18 (notices relating to Right to Buy applications).

will either be served by hand and receipt acknowledged by the Council's nominated **Liaison Officer** (or in the **Liaison Officer's** absence by a more senior officer) or be sent by recorded delivery post to the **Council's Offices** or, as the case may be, to the **Tenant Management Organisation Secretary or Chair at the Tenant Management Organisation's Registered Office**.

10.2 All other written notices may be served by post, and service is deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice and to have been effected at the time at which the letter would be delivered in the ordinary course of post. In the event of a dispute arising as to the service of a notice the burden of proof of posting will rest with the sender.

10.3 Except for the notices mentioned in clause 10.1, any notice or letter which the **Tenant Management Organisation** sends to the Council under the terms of this Agreement is to be sent to the Council's appropriate Chief Officer at the **Council's Offices**. Any notice or letter which the Council sends to the **Tenant Management Organisation** under the terms of this Agreement is to be sent to the Secretary of the **Tenant Management Organisation** at the **Tenant Management Organisation's Registered Office**.

11 Misdirected notices

11.1 The **Tenant Management Organisation** will within five working days pass on to the Council any notice or application concerning a **Property dwelling** served on the **Tenant Management Organisation** in respect of a matter for which it does not exercise management functions under this Agreement.

11.2 The Council will within five working days pass on to the **Tenant Management Organisation** any notice or application concerning a **Property dwelling** served on the Council in respect of a matter for which the **Tenant Management Organisation** exercises management functions under this Agreement.

12 Notice of legal proceedings

12.1 The Council will within five working days notify the **Tenant Management Organisation** of the commencement of any legal proceedings that may affect the exercise of the **Tenant Management Organisation's** management functions under this Agreement and of every step that has been taken in such proceedings and the outcome of each such step.

12.2 The **Tenant Management Organisation** will within five working days notify the Council of the commencement of any legal proceedings that may affect the Council as owner of the **Property** and of every step that has been taken in such proceedings and the outcome of each such step.

13 Information to be provided

13.1 The **Tenant Management Organisation** will provide the Council with any information the Council may require in order to comply with the obligations imposed on the Council by law, including any information required the Regulator, or the Council's Internal or external Auditor to carry out their duties.

13.2 The Council will provide the **Tenant Management Organisation** with any information the **Tenant Management Organisation** may reasonably request in order for it to carry out its management functions under this Agreement.

14 Changes in management or ownership

14.1 The Council will consult and involve the **Tenant Management Organisation** at an early stage of any discussions or proposals to transfer or dispose of its interest in the whole or part of the **Property** or to transfer its management functions in respect of its housing stock to another provider, including any proposal to set up an Arms Length Management Organisation.

14.2 The **Tenant Management Organisation** will inform the Council in writing as soon as possible if:

a) the **Tenant Management Organisation** resolves to investigate a transfer of ownership of the **Property**; and

b) the **Tenant Management Organisation** resolves to be the nominee purchaser in an application made by the qualifying tenants under section 13 of the Leasehold Reform, Housing and Urban Development Act 1993 (leasehold enfranchisement) claiming to exercise the **Right to Enfranchise**.

14.3 The Council will inform the **Tenant Management Organisation** in writing as soon as possible:

a) of the progress of a matter mentioned in clause 14.1; and

b) if it receives any notice under section 13 of the Leasehold Reform Housing and Urban Development Act 1993 (leasehold enfranchisement) that any person is claiming the **Right to Enfranchise**.

15 Statutory consultation

*(**Option A:** The Council carries out statutory consultation.)*

15.1 Subject to the provisions of clauses 5 and 6 of Chapter 4, the Council will carry out consultation with tenants or leaseholders required by statute ("statutory consultation").

16 Non-statutory consultation

16.1 The Council or the **Tenant Management Organisation** may carry out such non-statutory consultation with the lawful residents of **Tenant Management Organisation Property dwellings** as they consider desirable in relation to any matter within the scope of this Agreement.

16.2 Where the Council or the **Tenant Management Organisation** wishes to carry out non-statutory consultation, it will inform the other party that it proposes to carry out such consultation, and the matters on which it wishes to consult. The other party will provide such information and assistance as the party carrying out the consultation may reasonably require.

17 Complaints about the Tenant Management Organisation's or council's performance as manager of the property dwellings

17.1 If a tenant, leaseholder or freeholder makes a complaint about the performance of the **Tenant Management Organisation** or the Council in managing the dwelling, the **Management Complaint** will be investigated in accordance with the **Management Complaints Policy and Procedure** set out in Schedule 4.

17.2 The **Tenant Management Organisation** will provide the Council with the assistance and information it may reasonably require in dealing with a Housing Ombudsman' Service investigation of a **Management Complaint** about the **Tenant Management Organisation's** performance as manager of the **Property**.

18 Disputes and arbitration

18.1 Subject to the provisions of clause 18.2, if a dispute between the Council and the **Tenant Management Organisation** arises out of the operation of this Agreement, the Council or, as the case may be, the **Tenant Management Organisation** may serve on the other party a **Notice of Dispute**, whether or not this clause is referred to in the relevant clause of the Agreement. The notice will state the nature of the dispute and the action the aggrieved party wishes the other party to take in order to resolve it.

18.2 Where a case falls within clause 19 of Chapter 1 (failure to perform), a **Notice of Dispute** may only be served:

i) by the **Tenant Management Organisation** following the service of a **Breach Notice** on it by the Council;

ii) by the Council following the service of a **Failure Notice** on it by the **Tenant Management Organisation**; and

iii) where one party does not accept the reasons that have been given by the other party as to why, following service of the Notice, it is not able to comply with the requirements of the Notice.

*(Option 1: **Tenant Management Organisations** run by a Management Committee.)*

18.3 If the Council serves a **Notice of Dispute** on the **Tenant Management Organisation**, the **Tenant Management Organisation** will, within 14 days of receiving it, consider the dispute at a Management Committee meeting. The **Tenant Management Organisation** will inform the Council in writing of its response and the action (if any) it intends to take to resolve the dispute within seven days of the Management Committee Meeting.

Provisions common to Option 1 and Option 2

18.4 If the Council is not satisfied with the **Tenant Management Organisation's** response to the **Notice of Dispute**, the Council may in writing:

a) request the **Tenant Management Organisation** to give reasoned consideration as to whether the dispute could be settled by mediation or some other form of alternative dispute resolution and to respond in writing within seven days of the request; or

b) request the **Tenant Management Organisation** to convene a Special General Meeting to consider the dispute. The **Tenant Management Organisation** will within seven days of receiving the request convene a Special General Meeting to be held on the earliest date which complies with the notice provisions of the **Tenant Management Organisation's** constitution for such a meeting. The **Tenant Management Organisation** will inform the Council of its final response and the action (if any) that it intends to take to resolve the dispute within seven days of the Special General Meeting.

18.5 If the **Tenant Management Organisation** serves a **Notice of Dispute** on the Council, the appropriate Chief Officer of the Council will consider the dispute within 14 days of receiving the **Notice of Dispute**. The Council will inform the **Tenant Management Organisation** in writing of its response and the action (if any) it intends to take to resolve the dispute within 21 days of receiving the **Notice of Dispute**.

18.6 If the **Tenant Management Organisation** is not satisfied with the Council's response to the **Notice of Dispute**, the **Tenant Management Organisation** may in writing:

a) request the Council to give reasoned consideration as to whether the dispute could be settled by mediation or some other form of alternative dispute resolution and to respond in writing within seven days of the request; or

b) request the Council to consider the dispute at the next meeting of the appropriate Council body. The meeting will consider the dispute and will inform the **Tenant Management Organisation** in writing of the Council's final response and the action (if any) that the Council intends to take to resolve the dispute within seven days of the meeting.

18.7 The provisions of Schedule 5 (**Alternative Dispute Resolution Procedure**) will apply where a request has been made under clause 18(4)(a) or 18(6)(a).

18.8 If after the above disputes procedure has been followed the dispute remains unresolved or one party does not follow the dispute process, the Council or, as the case may be, the **Tenant Management Organisation** may refer the dispute to arbitration under the Arbitration Act 1996, giving notice in writing to the other party.

18.9 Applications for arbitration will be made to the Chartered Institute of Arbitrators in accordance with the **Arbitration Scheme** in Schedule 6. The arbitrator will be appointed and the arbitration procedure carried out in accordance with Schedule 6. The decision of the arbitrator will be binding on the **Tenant Management Organisation** and the Council.

18.10 Nothing in this clause will limit the right of the Council or the **Tenant Management Organisation** to pursue other lawful remedies, including ending this Agreement under clause 20 of Chapter 1, in the event of the Council or the **Tenant Management Organisation** failing to carry out their respective management functions under this Agreement.

19 Information to the Secretary of State

19.1 The Council and the **Tenant Management Organisation** will provide the Secretary of State with any information the Secretary of State may reasonably require about the **Tenant Management Organisation** or the working of this Agreement.

Chapter 7: Schedule 1

Staff Transferred under the Transfer of Undertakings (Protection of Employment) Regulations 1981 (TUPE) Clause 1

There are no staff transferring under this agreement from the Council to the TMO

Chapter 7: Schedule 2

Secondment Arrangements for Council Staff Clause 3 Option A

There are no secondment arrangements under this Agreement

Chapter 7: Schedule 3

Chapter 7: Schedule 3

Liaison Officer Role and Responsibility Clause 6

1. The role of the Liaison Officer

In Southwark there is a Central Tenant Management Team. Additionally, there are other housing functions carried out centrally with specialist staff of their own with whom the TMO needs to liaise. Consequently, the TMO need to liaise with different officers depending on their remit.

2. Council Functions under the Agreement

Responsibility of the Area Liaison Officer

The Area Housing Office – for which the Area Liaison Officer is the key contact – has responsibility for the following functions:

- The more expensive and complex repair functions the TMO has not taken on – including major works, structural and infrastructural work, replacement programmes, and repairs covered by buildings insurance, gas servicing (if not carried out by the TMO)
- Breaches of the tenancy agreement and any legal action arising from this –issues such as unauthorised occupation, subletting, and neighbour nuisance will very often be referred back to the Area Office.
- Administration of transfers
- Training for TMO workers – who should routinely be included in any training provision for neighbourhood staff
- The Area Liaison Officer will be the principal contact between the Council and the TMO on all routine, day-to-day matters.

Responsibility of Tenant Management Team

All of the following are the responsibility of the Tenant Management Team:

- Monitoring and the provision of support to TMOs (committees and paid staff)
- Receipt of all TMO agendas, papers and minutes of general meetings, committee meetings and sub-committee meetings, including annual reports, audited accounts, and newsletters
- The development of new TMOs
- Variations to Management Agreements and/or TMO Rules
- Resolution of questions of interpretation of Management Agreements

Reviewing arrangements

Responsibility of Centrally-Based Staff

Specialist central functions are as set out below:

Function	Dealt with by	Officer currently dealing
Quarterly payments of allowances	Tenant Management Initiatives Team	TMI Finance Manager
Rent accounts	Housing Rent Accounts Team	TMI Finance Manager
Calculation of Allowances	Tenant management Initiatives Team	TMI Finance Manager
Rent arrears hand backs (where TMO has exhausted its powers under the Management Agreement)	Housing Central Rent Income	TMI Finance Manager
Right to Buy and other sales schemes	Home Ownership Unit	Head of Home Ownership Unit.
Housing Benefits	Revenues and Benefit Team	TBC
Housing Register – nominations & lettings	Housing Options	Principal Housing Needs Officer
Consultation and related matters	Community Engagement	Resident Involvement Manager

A few areas have shared responsibility:

Function	Dealt with by
Leasehold service charges and other leasehold management issues including formal action under the terms of the lease	Area Office/Home Ownership Unit
TMO Training	Area Office/Resident Involvement/Tenant Management Initiatives

Chapter 7: Schedule 4

Management Complaints Policy and Procedure Clause 16

Complaints Policy & Members Enquiries

Scope of the Complaints Policy:

WCO is committed to providing high quality, efficient and effective services to all its residents and applicants for our services. However, WCO recognises that from time to time people may have cause to express dissatisfaction with its services.

WCO values all feedback and will respond to all complaints and other enquiries made about its services, in order that it can review the services it provides and the way in which it provides them. Any lawful resident of the TMO who has a complaint against the TMO, or those acting on its behalf, and has been unable to resolve the issue after discussion or correspondence with the TMO staff, may use the Complaints Procedure.

The Complaints Policy and Procedure is linked with other TMO policies, including:

- Repair Performance Standards
- Performance Standards for Estate Services
- Tenancy Management policies

Any resident who has a complaint against the Council, or those acting on its behalf, should use the Council's own complaints procedure. Complaints about the Council which are made to the TMO will be passed to the Council within 3 days.

Types of Complaint Covered under this Policy:

The Complaints Procedure is appropriate in the following circumstances:

- Complaints about any service provided by the TMO, such as;
    - o repairs undertaken to a dwelling or the communal areas;
    - o the standard of caretaking and cleaning
    - o the rent collection service
    - o how the TMO deals with tenancy management issues
- Complaints about the behaviour or performance of an employee of the TMO, or anyone acting on the TMO's behalf;
- Claims for compensation for disrepair or loss of services provided by the TMO
- Complaints about the behaviour or performance of a member of the Management Committee

What is not a complaint:

- Requesting a service or reporting a repair.
- Complaints made more than 6 months after the resident first became aware of the issue they wish to complain about will not normally be considered.

• Cases of Domestic Violence; Harassment/Anti-Social Behaviour Disputes between residents are not subject to the Complaints Policy, but are dealt with separately under our ASB policy.

The following types of complaint, if not resolvable locally, should be referred to the Council:

- Complaints about rent levels or service charges;
- Complaints about the construction of service charges
- Complaints about services provided directly by the Council – e.g. gas service; bin collections;
- street lighting; trees; car parking; etc.
- Complaints about the behaviour or performance of an employee of the Council, or anyone
- acting on the Council's behalf such as a contractor appointed by the Council;
- Claims for compensation for disrepair or loss of services provided by the Council
- Anonymous complaints will not be dealt with under this policy; they will be noted and depending on the content, may be acted upon.

Making a complaint:

All complaints must be made in writing.

The TMO's Manager will provide assistance to those who require help in putting their complaint in writing. If the Manager is the subject of the complaint, the complainant should be referred to the Secretary of the TMO. Complaints should normally be addressed to:

TMO Manager or the Secretary at -

Wrayburn Community Organisation

139 Jamaica Road

London SE16 4SH

Email - wcomanager@outlook.com

The Complainant's Rights:

Confidentiality: All complaints made about the TMO's services, or those acting on its behalf, will be treated in the strictest confidence. The full report of any investigation will only be available to the Manager or, if it relates to the manager or actions of the Management Committee, it will be available to the Chair/Secretary of the TMO.

Rights of Representation and Support:

• The complainant may be represented by any person of their choice.

• The complainant may be accompanied during any interview or investigation by a friend, witness or advocate.

• The complainant has the right to the assistance of a translator or interpreter, if required

• Where the complainant requires the help of a translator or interpreter, a contribution may be made to any costs at the discretion of the Management Committee of the TMO.

Investigation of Complaints

Stage one – Manager/ Secretary

Complaints will be investigated by the TMO Manager or, where appropriate, the Secretary of the TMO or a person appointed by the Secretary.

The person responsible for investigating a complaint may use face-to-face interviews, and other evidence – such as police, medical, environmental health records, surveyor reports, referrals to/from other authorities – to reach a fair decision on the complaint.

The person responsible for the investigation will compile a detailed report with the following contents:

- The nature of the complaint(s) and how it/they relate(s) to the TMO's responsibilities and standards of performance;
- Details of those providing evidence about the complaint
- The evidence or statements provided;
- The conclusion and recommendations of the investigating officer
- A document summarising the complaint, investigation and conclusion

The TMO Manager/Secretary will acknowledge all complaints within 5 working days of receipt. The TMO will notify the complainant in writing of its conclusions within 15 working days of receiving the complaint.

In acknowledging the complaint, the TMO will provide the complainant with the contact details of the investigating officer and the deadline for the completion of the investigation.

The outcome of all complaints, together with outstanding complaints, must be reported to each meeting of the Management Committee.

How Decisions will be Taken and Communicated:

When the response to the complaint has been decided, it should be included in the summary document and sent to the complainant.

The summary should state whether or not the complaint has been upheld.

If the complaint has been upheld, the summary should state:

- What action will be recommended to the Management Committee to rectify the cause of the complaint;
- What compensation, if any, will be recommended to the Management Committee.

If the complaint is not upheld, the summary document should state:

- The main grounds on which the complaint has not been upheld and (if applicable) the main grounds on which the claim for compensation has not been upheld.

Stage two – Chairperson

If the complainant remains dissatisfied, they will be able to ask for the complaint to be considered as a formal stage 2 complaint within two calendar months from the date of WCO decision on stage 1 giving the reasons why the decision is unacceptable. A stage 2 complaint will be dealt with by the Chairperson or another Board Member appointed by the Chairperson. A full written response will be sent within a maximum of fifteen working days.

Stage three - Southwark Council

If the complainant remains dissatisfied at stage 2, they will be able to ask for the complaint to be considered as a formal stage 3 complaint within two calendar months from the date of WCO decision on stage 2, giving the reasons why the decision is unacceptable, in writing to;

The Principal Complaints Officer; Performance and Compliance Section;

London Borough of Southwark; Tooley Street; London SE1

Tel: 020 7525 2209; Fax: 020 7525 3189

The appeal will be dealt with in line with Southwark Council's Complaints Procedure

Record Keeping and Monitoring:

A record of the investigation will be kept on the tenancy file of the resident making the complaint and is confidential to the tenancy file

The TMO Manager will keep a summary sheet of each complaint showing

- The nature of the complaint
- How it was dealt with
- The response times
- The service area complained about
- The outcome of the complaint
- Whether the decision was appealed, and outcome

A report outlining all complaints will be presented to the Management Committee quarterly.

An annual review of performance and of the Complaints Procedure will be carried out by the TMO

Board. A copy of this review with KPI's will be sent to Southwark Council.

Members Enquiries:

This part of the policy includes enquiries from

- Members of Parliament
- Member of the European Parliament for the London Constituency,
- Ministers of the Crown,
- Members of the Greater London Authority for Southwark,
- the Mayor of London's Office
- Members of the Council of the London Borough of Southwark.

Members enquiries will be replied to within 10 working days of receipt at WCO.

Adopted	**Reviewed**
January 2018	**September 2018**

Chapter 7: Schedule 5

Alternative Dispute Resolution Procedure Clause 18

The Procedure is voluntary and provides a framework for resolving disputes between Southwark Council and the TMO. Where, after following the process, it is not possible to achieve resolution, the dispute can be taken to outside arbitration.

Where possible, the TMO will seek to resolve a dispute through mediation. The TMO and the Council may use any other mediation process or service to resolve a dispute, subject to agreement between of both parties.

Stages of the Procedure

The Alternative Disputes Resolution Procedure is to be used when other means have been exhausted. The Procedure is run by a Volunteer Panel led by a Central Co-ordinator.

Stage One – Initial Assessment

Both the TMO and the Council submit the grounds of the dispute to the Central Co-ordinator

If use of the Procedure is deemed appropriate, the Central Co-ordinator will pass the details of the dispute to 2 members of the Volunteer Panel. Cases which the Co-ordinator will normally refer automatically include:

- A dispute that has already gone to mediation and has still not been resolved
- The Council has served a Breach Notice on the TMO, which the TMO considers unfair
- The TMO has served a failure Notice on the Council to which the Council has not responded satisfactorily
- The Council believes that a Special Review is required and has agreed that it may be undertaken under this Procedure
- The Council has a served a Supervision Notice on the TMO and has agreed that the Volunteer Panel can monitor its implementation
- Any other situation in which there is a dispute of a serious nature

The Panel members will interview both parties to the dispute and complete an initial evaluation, including

- A description of the issues in dispute
- Reference to the appropriate part of the Management Agreement
- Action taken so far to resolve the dispute
- The scope for mediation
- Action required to rectify or solve the problem

The Panel members' report will be sent to the parties to the dispute by the Central Co-ordinator.

The Central Co-ordinator will arrange for a meeting between the parties and the Volunteer Panel members to discuss the report with the aim of reaching a resolution to the dispute.

If agreement cannot be reached, within one month of the completion of the Initial Assessment, the case will be referred to Stage Two. It is expected that only a small proportion of disputes will be referred.

Stage Two – Disputes Panel
The Disputes Panel will consist of members of the Volunteer Panel, but not those involved in Stage One, unless with the consent of both parties to the dispute.

The Disputes Panel will enable both parties to present their side of the dispute and will attempt to address all outstanding issues.

The Disputes Panel will make a ruling.

If the final ruling is not accepted by both parties to the dispute, the case can be taken to Stage Three.

Stage Three- Appeals Panel
The Appeals Panel will be convened within one month of the Disputes Panel's ruling. It will consist of three members of the Volunteer Panel, who have not been involved with the case during previous stages.

The Appeals Panel will consider the Initial Assessment report and the recommendations and the Disputes Panel's, and will interview both parties to the dispute in order to reach an amicable resolution to all outstanding issues.

The Appeals Panel will make a final ruling.

If the dispute has still not been resolved to both parties' satisfaction, the case can be dealt with through the Chartered Institute of Arbitration Scheme for Local Housing Authorities and TMO's (Schedule 7 to this Chapter).

Chapter 7: Schedule 6

Arbitration Procedure Clause 18

The TMO will use The Chartered Institute of Arbitrators Arbitration Scheme form Local Housing Authorities and Tenant Management Organisations

1 Introduction

1.1 This scheme, which has been approved by the Office of the Deputy Prime Minister (ODPM), applies to disputes between a Local Housing Authority (Authority) and a Tenant Management Organisation (TMO) arising under either:
   (a) regulation 4 of the Housing (Right to Manage) Regulations 1994; or
   (b) an agreement entered into pursuant to regulations 1 to 10 or regulation 11 (agreements entered into voluntarily) of those Regulations.

1.2 Arbitrations under these rules may be conducted:
   (a) Using written submissions and documentary evidence only without a hearing; or
   (b) With both written submissions and an oral hearing.

2 Scope of the scheme

2.1 The scheme uses arbitration as a method of resolving disputes between an Authority and a TMO under regulation 4 of the Housing (Right to Manage) Regulations 1994 or an agreement entered into pursuant to regulations 1 to 10 or regulation 11 (agreements entered into voluntarily) of those Regulations.

2.2 *Applications for arbitration under the scheme in respect of a dispute do not relieve any party from any obligation it may have to pay the other party or parties any other amounts which are due and are not in dispute.*

2.3 The scheme is intended to allow the parties to present their case without the need for legal representation, although parties may be represented by a third party of their choosing at their own expense if any, and after notification to the other party or parties to the dispute.

2.4 The arbitrator will have the right to call for additional evidence on any relevant matter, from any party, in writing or orally, if he / she deems it necessary to do so in order to reach a resolution of the dispute in accordance with relevant law, the 1996 Arbitration Act and any contract or agreement in existence between the parties.

2.5 The Institute administers the scheme independently and the appointment of the arbitrator under the scheme is within the Institute's exclusive and unfettered control. Arbitrators chosen for appointment have been approved by the Secretary of State for the purpose of acting as an arbitrator in connection with the Housing (Right to Manage) Regulations 1994.

3 Making an application

3.1 Applications for arbitration must be made on the designated application form, available from The Chartered Institute of Arbitrators, The International Arbitration and Mediation Centre, 12 Bloomsbury Square, London, WC1A 2LP. Telephone 020-7421-7444; Fax 020-7404-4023; email drs@arbitrators.org.3.2 The Institute will appoint an arbitrator from its panel of arbitrators specifically created for this scheme, and inform the parties at an appropriate time in the proceedings.

3.3 Whilst making the application either party can elect for it to proceed under a documents-only procedure designed to offer quick and cost-effective decisions where the matters are not too complex.

3.4 Alternatively, either party can request an oral hearing.

3.5 Both parties will submit with the application form a case fee the amount of which is specified on the application form.

4 The arbitration procedure

4.1 In making an application the party making the application (the claimant) will submit its application and full claim with supporting evidence with the application form.

4.2 Upon receipt of the application and full claim the Institute will forward a copy to the other party (the respondent) who will be given 21 days by the Institute to set out its defence.

4.3 The claimant will be sent a copy of the defence and will be allowed a 14 day period in which to submit comments on the defence.

4.4 No extensions of time are allowed under the documents-only arbitration process, except by consent of both parties and the arbitrator (if appointed at that stage).

4.5 If it was indicated on the application form that the matter would be dealt with under documents-only arbitration, the arbitrator will make his / her award within 14 days of receipt of all relevant case papers. The Institute will publish the award to the parties.

4.6 If it was indicated on the application form that an oral hearing is required, the Institute will forward the complete case file to the arbitrator and arrange an oral hearing with the parties.

4.7 The oral hearing will be held at the premises of the Authority or other mutually agreed location, and is limited to and will not exceed 4 hours in duration. The arbitrator shall determine all matters of procedure and evidence in relation to the hearing.

4.8 If the arbitrator requires further information in order to reach an award, he / she may require the provision of any further documents, information or submissions that he / she considers would assist him / her in the decision and will use the most timely and appropriate form of written or verbal communication to seek and obtain such evidence. If the party or parties do not make that additional evidence available within the time prescribed by the arbitrator, he / she may proceed on the basis only of the evidence already before him / her.

4.9 The Institute will publish the arbitrator's award, with reasons, after the arbitrator has considered all submissions and evidence, including oral evidence, if any.

5. The award

5.1 Any award made under the scheme is legally binding on all parties, and can only be challenged within the statutory time limits on the following grounds:

(a) a challenge to the substantive jurisdiction;

(b) a claim of serious irregularity;

(c) an appeal on a point of law.

Legal advice should be sought if further information about these grounds and the procedures for challenging an award are desired.

5.2 Any payment indicated in the award must be made directly between the parties within 21 days of its publication and not through the arbitrator or the Institute.

6 Arbitrator's powers

6.1 The arbitrator shall be and remain at all times during the arbitration independent of the parties, and have regard only to the relevant law, statutory guidance given by the Secretary of State and the agreement between the parties.

6.2 The arbitrator should also act expeditiously, and in a way that provides a fair award in resolution of the dispute.

6.3 The arbitrator may, in his / her absolute discretion, refuse to consider documents or other evidence not submitted within timescales set down by the scheme or given by him / her in direction to the parties.

6.4 The arbitrator shall have full jurisdiction to decide his / her jurisdiction in the event of a dispute about jurisdiction arising.

6.5 In addition to the arbitrator's powers mentioned in 6.1 to 6.4 above, the arbitrator shall also have the power to:

(a) allow submission of further evidence and the amendment of the claim or defence;
(b) order the parties to produce goods, documents or property for inspection;
(c) conduct such enquiries as may appear to the arbitrator to be desirable;
(d) receive and take into account any oral or written evidence as the arbitrator shall decide to be relevant;
(e) at the expense of the Authority, appoint an expert to report on specific issues or take legal advice;
(f) award interest whether or not claimed;
(g) proceed with the arbitration if either party fails to comply with these rules or with the arbitrator's directions, or if either party fails to attend any meeting or inspection ordered by the arbitrator but only after giving that party written notice;
(h) terminate the arbitration if the arbitrator considers the case to be incapable of resolution under the scheme or if the parties settle their dispute prior to an award. If the case is settled the parties must immediately inform the Institute

in writing of the terms of the settlement and the arbitrator shall record them in an agreed award enforceable under the 1996 Arbitration Act;

(i) determine any question of law arising in the arbitration.

6.6 In addition to the powers conferred by these rules, the arbitrator shall have the widest discretion permitted by law to resolve the dispute in a fair, just, speedy, economical and final manner in accordance with natural justice.

7 Arbitration costs

7.1 The parties will pay the arbitrator's fees to the Institute as determined by the arbitrator in the award.

7.2 The Institute's administration fee is the registration fee paid by the parties when an application for arbitration is submitted. Details of the level of registration fee are available on the scheme application form.

7.3 The arbitrator's fee is £500 plus VAT for a documents-only arbitration, and £1,000 plus VAT where there is an oral hearing. Where there is an oral hearing the arbitrator will have considered the papers submitted to-date in the arbitration prior to the hearing.

7.4 The arbitrator shall have a discretion to order one party to reimburse all or part of the other party's registration fee to that party.

7.5 No legal proceedings may be brought by one party against the other for recovery of costs incurred during the arbitration.

8 Confidentiality

8.1 No party involved in any arbitration under the scheme, nor the Institute or the arbitrator shall disclose explicit details of the proceedings, award, and reasons for the award to any third party to the case.

8.2 Notwithstanding 8.1, all parties, in agreeing to the resolution of disputes under the scheme, give permission to the Institute to gather, retain and publish statistical and other information on such disputes whilst preserving the anonymity of parties.

9 Reservation of service

9.1 The Institute reserves the right to decline an individual request to appoint an arbitrator.

10 Miscellaneous

10.1 With reference to section 57 of the 1996 Arbitration Act, the arbitrator may on his own initiative, or on the request of one of the parties:-

(a) correct an award as to remove any clerical mistake or error arising from an accidental slip or omission or clarify or remove any ambiguity in the award; or

(b) make an additional award to deal with any claim (including a claim for interest or costs), which was presented to the arbitrator but was not dealt with in the award.

10.2 Nothing herein shall prevent the parties agreeing to settle the differences or dispute arising out of the agreement without recourse to arbitration.

10.3 Nothing herein shall prevent the parties from appealing the award to the High Court in terms of the 1996 Arbitration Act, should the need arise.

10.4 If necessary the Institute shall appoint a substitute arbitrator and shall notify the parties accordingly.

10.5 The scheme is subject to revision and amendment from time to time. The edition of the scheme in force at the time the dispute arises shall govern any arbitration under the scheme.

10.6 Neither the Institute nor the arbitrator can enter into any correspondence regarding an award issued under the scheme.

10.7 Neither the Institute nor the arbitrator shall be liable to any party for any act or omission in connection with the arbitration conducted under these rules.

APPLICATION FORM
ARBITRATION SCHEME FOR LOCAL HOUSING AUTHORITIES AND TENANT MANAGEMENT ORGANISATIONS (2004 Edition)

Please read the scheme's rules carefully before you fill in and return this form.

1 TMO's contact details

Full name of TMO:
Address:
Daytime phone number: Mobile:
Fax:
E-mail address:

2 Authority's contact details

Full name of Authority: Address: Daytime phone number: Mobile: Fax: E-mail address:

cation of the dispute, stating the issues for arbitration and amount in dispute. **The party making the application (the claimant) must also submit to the Institute two copies of their full claim when the application is submitted**.

4 Registration Fees

In the event of the application being for a documents-only arbitration:

- A cheque for the sum of £125 plus VAT is attached from each party

In the event of the application being for an oral hearing:

- A cheque for the sum of £200 plus VAT is attached from each party

5 Declaration

Please read the statements below before signing this form.

- We have read and understood the Arbitration Scheme for Local Housing Authorities and Tenant Management Organisations.

- We are applying for you to appoint an independent arbitrator, in accordance with the rules of the Arbitration Scheme for Local Housing Authorities and Tenant Management Organisations.
- We understand that the independent arbitrator's award is legally binding.
- We have attached the relevant registration fees in accordance with section 4 above.

TMO's signature:

Date: / /

Authority's signature:

Date: / /

Now return this form to:

Dispute Resolution Services
The Chartered Institute of Arbitrators
12 Bloomsbury Square
London WC1A 2LP

Annexe: The Recruitment Policy (Appendix A), Disciplinary Procedure (Appendix B) & Standard Terms & Conditions for Staff (Appendix C)

Appendix A

WCO RECRUITMENT POLICY

Policy Statement

Wrayburn Community Organisation TMO is an equal opportunities employer and in accordance with the Equality and Diversity Policy, aims to ensure that no employee or job applicant receives less favourable treatment on the basis of race, colour, nationality, ethnic or national origins, religious, sex or sexual orientation, gender reassignment, marital status, disability or age, or is disadvantaged by requirements that cannot be shown to be justifiable.

Management of Recruitment

1. Recruitment will be managed in line with all legislative requirements, especially with regard to equal opportunities and associated anti-discrimination legislation, in order to lessen any risk to the Company, and its employees.

2. The TMO Secretary has overall responsibility for the recruitment process, ensuring the implementation of non-discriminatory practices, and equal opportunities for all applicants. The TMO Secretary will ensure;

    - A recruitment timetable is in place
    - The position is advertised
    - Applicants are provided with recruitment packs
    - A panel is established to shortlist and interview applicants All vacant posts must be advertised, whether internally only or a combination of internal or external advertising.

3. A copy of the job description, person specification, background information about the TMO and an application form will be sent to each applicant. All recruitment packs will include a copy of the TMO's Equality and Diversity Policy.

4. The panel must be approved by the Management Committee and should be composed of TMO members, a majority of whom must be members of the Management Committee.

5. When recruiting a senior member of staff, the Chair of the Panel should be the Chair of the Management Committee.

6. All members of the Panel will give due regard to the TMO's Equality and Diversity Policy throughout the recruitment process.

7. No member of the TMO who is related in any way to any applicant may participate in any stage of the selection process. Failure on the part of any panel member to disclose a known relationship with an applicant constitutes a breach of the TMO's Code of conduct and may lead to expulsion from the TMO membership. Failure of any applicant to disclose a known relationship constitutes grounds for gross misconduct which may lead to dismissal should the applicant be appointed.

8. Wrayburn Community Organisation TMO aims to ensure:

    I. Selection criteria for both employing new staff, or promoting existing staff will be based on the individual's ability to perform the job for which s/he is being considered.
    II. Applicants will be scored against pre-determined criteria for which evidence can be gained from a written application, and the applicants with the most points will be invited for interview.
    III. The company will train, develop and promote staff on the basis of merit and ability.
    IV. Applicants have the opportunity to request reasonable adjustments, should these be required, to enable them to attend interview and/or take part in selection tasks.
    V. Managers refrain from the use of general health related questions. However, questions in the following circumstances may be used;
        - To help the manager decide whether reasonable adjustments during the selection process are required by the applicant
        - To help the manager decide whether an applicant can carry out a function that is essential (intrinsic) to the job
        - To monitor diversity among people making applications for jobs o To take positive action to assist disabled people
        - To assure the manager that a candidate has the disability where the job genuinely requires the jobholder to have a disability.
        - The fair recruitment of employees from outside the EU or support those from the accession states (so called A8 states) within the EU who have employment requirements placed on them by the UK government.
        - That proof of identity and the right to live and work in the UK checks are undertaken in accordance with the requirements of the Immigration, Asylum and Nationality Act 2006.

9. In addition, the selection panel will ensure the reason for short-listing (and not short-listing) applicants is recorded. Full records of the recruitment process and the reasons for decisions will be kept for a minimum 6 month period following the end of the recruitment process.

Employment of Agency Workers _

1. Recruitment or employment agencies will not be used for advertising permanent posts, although they may be used to provide temporary cover, subject to the agreement of the Management Committee.

2. Wrayburn Community Organisation TMO will ensure all Agency Workers and contract staff receives fair and consistent treatment in accordance with the Agency Workers Regulations 2011.

3. From day one, the Agency Worker will have the right to be given equal support and opportunity when applying for a permanent position within Wrayburn Community Organisation TMO.

4. Following 12 weeks continuous service, Agency Workers will have the right to equal treatment, comparable with employees directly employed by Wrayburn Community Organisation TMO. This includes; pay; work related bonus; working hours; overtime; breaks; rest periods; holidays; and access to training and collective facilities, such as childcare and car parking.

5. However, the temporary worker is not entitled to company pension rights, company sick pay, and company bonus.

Probationary Period

1. All offers of employment with Wrayburn Community Organisation TMO are subject to the successful completion of a minimum three month probationary period, satisfactory information given on the medical questionnaire, and the receipt of at least 2 satisfactory references. Every effort will be made with each new employee to ensure sufficient explanation of the job, training, and coaching during this time.

2. The probationary period may be extended up to a further three months to take account of any specific issues such as a change in job role, pre-booked annual holiday, or sickness absence lasting more than two weeks. A review meeting will be arranged at the end of this extension of time. However, if the employee does not successfully complete the probationary period, a decision may be made to terminate the employment with Wrayburn Community Organisation TMO.

3. Timekeeping, attendance, competence, and performance will be monitored during the probationary period. If at any point during the probationary period it is thought that the employee is not suitable for employment, Wrayburn Community Organisation TMO reserve the right to terminate employment, using the notice period as scheduled within the employee's contract of employment. At the end of the probationary period a review meeting will be arranged, and if the employee has been successful in completing this probationary period, a letter detailing continued employment will be issued as confirmation.

4. During the probationary period, entitlement to holidays will accrue as normal in accordance with the Holiday Leave Policy. New starters are requested to limit holiday to no more than 5 continuous days during the probationary period. However, where holidays are already booked, the TMO will honour the time off required by the new employee. Entitlement to paid sickness absence during the probationary period is limited to Statutory Sick Pay.

Adopted	**Review**
12 November 2016	September 2018

Appendix B

WCO Grievance & Disciplinary Procedure

WRAYBURN COMMUNITY ORGANISATION LIMITED

Grievance Procedure

1. The object of this procedure is to provide an employee who considers that he or she has a grievance with an opportunity to have it examined quickly and effectively and, where possible, at the earliest practicable moment and at the first level of management. However, nothing in this procedure is intended to prevent you from informally raising any matter you may wish to mention. Informal discussion can frequently solve problems without the need for a written record. When you wish to raise a formal grievance you should normally do so in writing from the outset.

2. This procedure has been drawn up to establish the appropriate steps to be followed when pursuing and dealing with a grievance. The procedure contains a total of 3 stages. However, it is the aim of the procedure to settle matters at the earliest practicable moment, and it is not anticipated that all grievances will go through all procedural stages.

Stage 1

An employee feeling aggrieved on any matter affecting his or her employment should discuss the problem initially with the Chair or another office holder if the Chair is conflicted. Making it clear that the first stage of the Grievance Procedure is being invoked. The Chair will attempt to resolve the issue, consulting other colleagues where necessary, but should reply to the grievance as soon as possible and in any case within 5 working days from the time the grievance was first raised.

Stage 2

If the employee with the grievance is not satisfied with the reply from the Chair (or committee member contacted) has not received a reply within 5 working days, he or she may request a meeting with other Officers of the TMO. On receipt of such a request the officers of the TMO shall make arrangements to hear the grievance. The hearing should be held within 10 working days of the grievance being raised. The TMO's decision shall be given to the employee concerned as soon as possible and not later than 10 working days from the complaint being heard by them.

Stage 3

If the employee is still dissatisfied, he or she may appeal in writing to the TMO. Appeals should be addressed to the Chair (or Board if Chair is conflicted). Within 28 days of receipt of this letter, a hearing between the employee and a panel appointed by the TMO will take

place. The decision of this panel will be given to the employee concerned as soon as possible, and within not less than 28 days from the hearing. The decision of the panel will be final. An employee may be accompanied by a representative of his or her choice during any stage of the grievance procedure.

Disciplinary Procedure

A) Introduction

1. It is necessary to have a minimum number of rules in the interests of the TMO.
2. The rules set standards of performance and behaviour (these are outlined in the employee's appraisals and contracts) whilst the procedures are designed to help promote fairness and order in the treatment of individuals. It is our aim that the rules and procedures should emphasise and encourage improvement in the conduct of individuals, where they are failing to meet the required standards, and not be seen merely as a means of punishment.
3. Every effort will be made to ensure that any action taken under this procedure is fair, with the employee (s) being given the opportunity to state their case and appeal against any decision that s/he considers to be unjust.
4. The following rules and procedures should ensure that: -

a. the correct procedure is used when requiring the employee to attend a disciplinary hearing;

b. the employee is fully aware of the standards of performance, action and behaviour required of them;

c. disciplinary action, where necessary, is taken speedily and in a fair, uniform and consistent manner;

d. disciplinary action will only be taken after careful investigation of the facts and the opportunity to present employees of side of the case. On some occasions temporary suspension on contractual pay may be necessary in order that an uninterrupted investigation can take place. This must not be regarded as disciplinary action or a penalty of any kind;

e. other than for an "off the record" informal reprimand, employee has the right to be accompanied by a representative at all stages of the formal disciplinary process;

f. employees will not be dismissed for a first breach of discipline, except in the case of gross misconduct; and

g. if a disciplinary action is taken against an employee, s/he will receive an explanation of the penalty imposed and will have the right to appeal against the findings and the penalty.

B) The Procedure:
Minor faults (conduct) will be dealt with informally but where the matter is more serious the following procedure will be used:

1. Stage 1 – Oral Warning (informal)
If conduct or performance is unsatisfactory, the employee will be given an ORAL WARNING by his or her line manager outlining the reason (s) for the warning and what improvement expected and by when. This can be by way of an email and it will be disregarded only after six months, if no further action is required.

2. Stage 2 – Written Warning (Formal)
If the offence is of a serious nature or if there is no improvement in standards after oral warning or if a further offence occurs, a WRITTEN WARNING will be given which will include the reason for the warning and a note of what improvement is required and by when. A copy of this will be kept in the employees file for six months and then disregarded if conduct is satisfactory.

3. Stage 3 – Final Written Warning
If conduct or performance remain unsatisfactory or the offence warrants only one written warning, a FINAL WRITTEN WARNING will be given making it clear that any recurrence of the offence or other serious misconduct or failure to improve performance within six months will result in dismissal. (In exceptional cases the period may be longer) After this period the warning will be disregarded.

4. Stage 4 – Dismissal
If conduct or performance is still unsatisfactory and/or the employee fails to reach agreed standards DISMISSAL will normally result. The decision to dismiss can only be made by the Board in consultation with Southwark. The employee will be given written notice of dismissal with the reasons outlined and will be notified of their right to appeal.

Adopted	**Review**
6 February 2018	February 2020

Appendix C

WRITTEN STATEMENT OF CONTRACT OF EMPLOYMENT

CONTRACT OF EMPLOYMENT

THIS CONTRACT INCORPORATES THE TERMS AND CONDITIONS OF EMPLOYMENT YOU ARE ENTITLED TO IN ACCORDANCE WITH SECTION ONE OF THE EMPLOYMENT RIGHTS ACT 1996

Your Employer is Wrayburn Community Organisation Ltd of 41 Wrayburn House, Llewellyn Street, London SE16 4XA

1. Name:

Job Title TMO Manager

2. Range of Duties

The principal accountabilities are listed in the job summary, a copy of which has already been provided to you. In addition, you are required to perform at the appropriate level of responsibility, whether specifically contained in the job summary or not, which is consistent with your grade and is reasonable in all the circumstances having regard to exigencies of the service, your experience, abilities and aptitudes, and all other relevant matters.

WCO reserves the right to restructure and reorganise itself in any way which it considers appropriate to meet its obligations and to meet its policy objectives. This may result in changes to your job content and/or location and possibly redeployment or redundancy.

3. Hours and place of Work

Your basic working hours will total a minimum of 17 hours per week, spread as agreed with the Chair of WCO Board. Your normal place of work will be 139 Jamaica Road SE16 4SH.

The requirements of the service will determine whatever hours are necessary to fulfil the full duties of the post. You are required to attend meetings outside normal working hours wherever this is necessary for the effective performance of the job.

WCO will agree prior to work undertaken, on an as needed basis, any provisions or working overtime and/or time of in lieu-time. It is not assumed that this will be a regular occurrence and the in most cases time of in lieu will be the preferred option.

4. Remuneration

Salary:

Your commencing salary will be £17,212 per annum (£35,436 FTE inclusive of London weighting).

Your salary will be reviewed every year upon the anniversary of your appointment. This will be paid in 12 equal monthly instalments in arrears into your bank account by credit transfer on the last working day of each month.

Basic salary range: £33437 to £37300. per annum (on pro rata to hours worked), This range consists of a number of incremental increases that you may be granted annually dependent upon performance. You will be notified separately on how your performance will be assessed and how this will affect your annual review.

5. Method of Payment

Your salary will be paid monthly into a bank/building society account of your choice on the 28th of every month. If you do not hold such an account it is a requirement of your employment that you open one.

6. Increments

Your incremental date will be the anniversary date of your appointment in each year until the maximum of the range is reached. The decision whether to implement any increment will be based on satisfactory performance. Salary progression within a grade may be subject to other factors which will be made known to you upon your appointment.

7. Annual Leave

Your basic annual leave entitlement will be calculated as an hourly amount equivalent to 25 days annually for a 35 hour week pro rata.

In addition, you are entitled to public holidays or bank holidays on a pro rata basis.

The annual leave year runs from 1st April to 31st March the following year. While every effort will be made to enable you to take your annual leave at the time of your own choice, all leave is subject to the exigencies of the service. Leave must therefore be approved in advance (and before holiday bookings are made).

The entitlement of annual leave for any leave year shall be taken during that year or forfeited.
On the termination of employment, your annual leave entitlement will be calculated up to the date of termination. Any annual leave taken in excess of your entitlement will be deducted from the final salary payment. No payment will be made for any annual leave (non statutory) accrued but not taken where the employee is summarily dismissed from WCO's employ for gross misconduct.

8. Unauthorised Absence from Work

Unauthorised absence from work is a breach of WCO rules and may also result in the withdrawal of salary payments for the period of absence.. (See section 13)

9. Termination

You are entitled to receive from WCO, and are required to give WCO, 8 weeks' notice of termination of employment once you have completed your probation period.

Period of notice	Minimum Notice
During probationary period	1 week.
After probation	8 weeks

Periods of notice mentioned above will be subject to any longer statutory periods

The only exception to the above period of notice is where a disciplinary panel decides to summarily dismiss you from WCO's employ for gross misconduct.

WCO shall have the right during your period of notice or any part thereof to place you on special paid leave.

10. Period of Continuous Employment

The date of commencement of this contract of employment is 7th November 2017.

This start date is the date of commencement of this contract of employment with WCO,
No employment with a previous employer counts as part of your period of continuous employment

11. Pension

Wrayburn Community Organisation Limited will offer you access to a stakeholders Pension Scheme of your choice. The company will take and pay contributions from your wages into a stakeholder pension scheme. This arrangement will continue until you ask us to stop or you stop paying into the funds at regular intervals or you leave WCO's employment. WCO will match the employee's contribution towards the adopted scheme up to a maximum of 4% of salary.

12. Sickness

A copy of the current sickness absence procedure will be provided to you on your first day of service. This includes:

- Wrayburn Community Organisation Ltd has an obligation to pay Statutory Sick Pay (SSP) on behalf of the Social Security Benefits Office (DSS), to those employees who are eligible to receive it up to a maximum 28 weeks.
- Therefore where company sick pay is not applicable, employees will receive SSP only, which includes the first three days of sickness absence being unpaid.
- Company sick pay entitlement is applicable for employees who have successfully passed their probationary period.
- Once the full company sick pay provision has been exhausted in any 12 month rolling period, the employee must complete a sickness absence free period of 9 months before being entitled to receive company sick pay again.
- Company sick pay entitles the employee to 8 weeks full pay, followed by 4 weeks half pay

13. Disciplinary/Capability Procedure

Breaches of WCO rules will be dealt with using WCO's disciplinary procedure copies of which can be found at the WCO office and in your induction pack. A copy of the current procedure will be provided to you during your induction. It guarantees employees the right to a fair hearing, to know what allegations they are required to answer, to put their case to a disciplinary panel (or in the case of capability, the Chair), to present evidence and call witnesses, to question the management case and cross-examine any management witnesses. WCO reserves the right to review the administrative arrangements contained in its employment procedures, a change of policy will not be carried out without direction of the full board

14. Employee Complaints Procedure

This procedure is for dealing with grievances and discrimination/harassment/ victimisation complaints and applies to all categories of staff. A copy of the current procedure will be provided to you during your service. It is designed to enable an employee or a group of employees to raise a complaint and have it settled as quickly and locally as possible. While WCO reserves the right to review the administrative arrangements contained in its employment procedures, a change of policy will not be carried out without full direction of the management board.

15. Confidentiality

You shall not communicate to the public, press, television or any outside agency the contents of any documents relating to WCO or the proceedings of any Committee meeting unless required by law or authorised by your Manager/Chair to do so. Any unauthorised communication of this nature by you will be a breach of WCO rules (see Section 13).

16. Gifts and/or Payments

The acceptance of gifts and/or payments from members of the public or any other source for services rendered or to be provided by you whilst engaged on WCO business is illegal and a breach of WCO rules (see Section 13).

17. Inventions

All patents, trademarks and other rights in any invention, device or concept (or any novel, improvement or modification of an existing invention, device or concept) created or developed by you during the term of your employment and within one year thereafter and arising from or related to your employment shall belong to WCO subject only to any rights which may be acquired by you under the Patents Act 1977 or any statutory modifications thereof.

18. Copyright

WCO shall be the legal and beneficial owner of the copyright in and all other rights to the results of the development of and the application of all work produced by you during your period of employment.

19 Activities Outside Normal Working Hours

Any outside employment, either paid or unpaid, must not in the view of this WCO conflict with or react detrimentally to WCO's interest or in any way weaken public confidence in the conduct of this WCO's business.

It is a requirement of your employment that you notify your manager/Chair of any employment with another employer so that your average weekly working hours may be monitored in compliance with the Working Time Regulations 1998.

20. Health and Safety At Work

WCO wishes to ensure that all employees are fully aware of their own duties under the Health and Safety At Work Act and associated legislation. You will be provided with WCO's safety policy and any associated procedures when you have joined the service. Individuals disregarding their duties and responsibilities under the Act will be in breach of WCO rules (see Section 13).

21. Equal Opportunities

WCO is an equal opportunity employer and all employees are required to comply with WCO's equal opportunities policy. A copy of this document will be made available to you on commencement of your employment. Failure to comply will be a breach of WCO rules (see Section 13).

Acts of discrimination, harassment or victimisation against employees, clients or members of the public on the grounds of race, colour, creed, ethnic or national origin, disability, age, sex, sexual orientation or marital status will be a breach of WCO rules (see Section 13).

22 General Conditions

In the event of a personal claim for loss of earnings that has been approved by a court of law WCO will be reimbursed for any payments they male covering this period except for statutory sick pay.

23. Overpayment of Salary and Expenses

This contract is subject to the condition that WCO has the right to make deductions from your salary in circumstances where there has been an overpayment of salary in excess of your contractual entitlement, or in the case of expenses the amount of reimbursement due to you.

When it is intended to make such deductions you will be notified in advance and will be invited to make any representations that you may wish about the matter, including the frequency and amounts of the deductions. The overpayment will be deducted in the shortest reasonable timescale.

24. Job Evaluation

WCO reserves the absolute discretion to apply any one or more job evaluation scheme(s) to posts within WCO and to alter any job evaluation scheme(s) at any time. The job evaluation scheme within WCO and how the resultant grades are remunerated are matters entirely for the decision of WCO. WCO will regularly review its grading scheme/system and how grades are remunerated to ensure that the scheme and all grade rates continue to conform to WCO policy and objectives. For the avoidance of doubt, the job evaluation scheme and decisions on grading are policy issues and not contractual issues.

25 Professional Indemnity

WCO will indemnify all employees of WCO against the whole or part of any damages, costs or legal expenses which any such employee incurs where they acted in good faith and honestly believed that the act complained of was within their power and that their duty as an employee required or entitled them to do it. Such indemnity shall extend to responsibilities arising from duties performed by an employee by virtue of their employment with WCO on behalf of other bodies.

The indemnity will not extend to loss or damage directly or indirectly caused by or arising from:

fraud, dishonesty or a criminal offence on the part of the employee;
any neglect, error or omission by the employee otherwise than in the course of their duties; and liability in respect of surcharges made by the District Auditor.

The indemnity will not apply if an employee, without the written authority of WCO, admits liability or negotiates or attempts a settlement of any claim.

26. Data Protection

By signing this contract you agree to WCO processing "sensitive personal data" as defined in the Data Protection Act 1998 and in accordance with WCO's registration with the Data Protection Commissioner for the purpose of monitoring the workforce profile of its staff.

By signing this contract you also agree to WCO disclosing relevant personal information to appropriate third parties for data matching purposes to detect and prevent fraud, subject to such disclosures being in accordance with WCO's registration with the Data Protection Commissioner.

27. Variation

WCO reserves a right to vary the terms of this contract at any time by using one of the following procedures, as appropriate.

- To implement changes as a result of National or Provincial agreements – WCO shall notify the employees in writing of the variation which shall then be implemented from the agreed date.
- To implement a WCO-wide or local change to the terms of employment by a collective agreement by writing to the relevant employees proposing the variation and clearly specifying the reasons for the proposed variation and giving the date from which the variation will take place. Following consultation on the proposed variation, any resulting variations will then be set out in writing to all employees and be implemented from the relevant date.

28. **Probation Period**

All offers of employment with Wrayburn Community Organisation WCO are subject to the successful completion of a minimum three month probationary period

The probationary period may be extended up to a further three months to take account of any specific issues such as a change in job role, pre-booked annual holiday, or sickness absence lasting more than two weeks. A review meeting will be arranged at the end of this extension of time. However, if the employee does not successfully complete the probationary period, a decision may be made to terminate the employment with Wrayburn Community Organisation WCO

29. Additional Terms and Conditions of Service Applicable to Your Employment are:

None

30. Commencement of Contract of Employment

The date of commencement of this contract of employment is subject to:

Your acceptance of the terms and conditions contained within this contract of employment;

Signed for and on behalf of WCO Ltd :

Date :

ACCEPTANCE NOTE

I accept the appointment on the terms and conditions of service set out in the contract of employment of which this is a copy.

Signature: .....

Date: .....

Chapter 8

Performance, Monitoring and Reviewing of Standards

1 The Tenant Management Organisation's performance standards

1.1 In carrying out its management functions under this Agreement the **Tenant Management Organisation** agrees to comply with the policies, procedures and performance standards set out in the Schedules to this Agreement.

1.2 To ensure that the **Tenant Management Organisation** complies with the provisions of clause 1.1 the **Tenant Management Organisation** agrees to set the **Tenant Management Organisation's Key Performance Indicators** (**"KPIs"**), which enable the **Tenant Management Organisation** to measure its performance against the standards it is required to achieve. The **Key Performance Indicators** will be set in accordance with the provisions of the Schedule.

1.3 The **Tenant Management Organisation** agrees to provide information to enable the Council to monitor the effective performance of the **Tenant Management Organisation**.

1.4 The **Tenant Management Organisation's Key Performance Indicators** will:

a) be set in consultation with the Council;

b) take into account the length of time the **Tenant Management Organisation** has managed the **Property** dwellings under this Agreement, the size of the **Tenant Management Organisation** and any local circumstances, which may affect performance;

c) broadly reflect the targets set by the Council for the management and maintenance of the comparator area specified in the Annex which is under the Council's direct management or managed by another organisation;

d) include targets set by the **Tenant Management Organisation** to reflect local circumstances; and

e) include, at the **Starting Date**, the performance indicators listed in the Schedule, which can be varied as provided for in the Schedule.

2 The Council's performance standards

2.1 In carrying out its management functions under this Agreement the Council agrees to comply with the performance standards set out in the Schedules to this Agreement when carrying out, in relation to the **Property**, those of its management functions that are not, under this Agreement, being exercised by the **Tenant Management Organisation**.

2.2 To demonstrate that the Council is complying with its obligations under clause 2.1 the Council will set out the **Council's Key Performance Indicators,** which enable it to measure its performance.

2.3 The **Council's Key Performance Indicators** will be set in accordance with the provisions of the Schedule, and can be varied as provided for in the Schedule.

3 Regular monitoring and development meetings

3.1 The **Tenant Management Organisation** will provide such information and access to records as the Council may reasonably need to monitor the **Tenant Management Organisation's** performance.

3.2 The Council and **Tenant Management Organisation** should agree on the frequency of any periodic monitoring meetings for the purposes of:

a) monitoring the performance of the **Tenant Management Organisation** in carrying out its management functions under this Agreement; and

b) monitoring the performance of the Council in carrying out its management functions under this Agreement.

Each party will provide the other party with sufficient information, including finance information and information on **Key Performace Indicator's**, no less than 14 days before the date of the meeting to enable monitoring to be properly carried out.

3.3 In light of the periodic monitoring meetings, the **Tenant Management Organisation** and council should agree on any follow up action. Where it is agreed that the council will prepare a report which evaluates the **Tenant Management Organisation** and its own performance, this should be sent to the Tenant Management Organisation committee, and its contents fed into the council's internal monitoring arrangements.

3.4 The Council will ensure that the obligations imposed on the **Tenant Management Organisation** under this Chapter are not so onerous as to prevent the **Tenant Management Organisation** from fulfilling its obligations under this Agreement or to impair its ability to fulfil those obligations.

4 Annual review

4.1 The Council and **Tenant Management Organisation** should agree on the frequency with which the **Tenant Management Organisation** reviews its performance, and the arrangements for such a review. This should not be more frequently than once per year, and should involve the **Tenant Management Organisation** comparing its

performance against the agreed key performance indicators. Where the **Tenant Management Organisation** requests the Council not to publish any indicator on the grounds that it may reveal confidential information about a tenant or employee, the Council will comply with the request if it is reasonable to do so in the particular circumstances of the case. The Council will provide the necessary information for the **Tenant Management Organisation** to publish the **Tenant Management Organisation's Performance Report**.

4.2 The **Tenant Management Organisation** will send a copy of its performance review report to the Council. It is good practice for the **Tenant Management Organisation** to also make available information regarding its performance to every tenant, leaseholder and freeholder. The **Tenant Management Organisation** may also make the information available to others, on request.

4.3 The Council and **Tenant Management Organisation** should decide on the next steps following the performance review report, ideally within 3 months of its completion. This could include a meeting to consider their respective performance and to decide on the action needed to rectify any deficiencies in the **Tenant Management Organisation**'s or the Council's performance. Nothing in this clause prevents the Council or the **Tenant Management Organisation** taking action for breach of this Agreement in respect of deficiencies in performance under clause 19 of Chapter 1.

4.4 Within three months of a Review meeting, the **Tenant Management Organisation** should produce a report of the meeting. This report should be made available to the **Tenant Management Organisation**'s Management Board.

5 Equalities and diversity

5.1 The Council and **Tenant Management Organisation** should decide how frequently the Council measures the effectiveness of the **Tenant Management Organisation's Equalities and Diversity Policy and Procedures** and reports to the **Tenant Management Organisation's** committee on its findings. The **Tenant Management Organisation** will consider the report and make such changes as the Council may reasonably require ensuring that the **Tenant Management Organisation** complies with implementing its **Equalities and Diversity Policy and Procedures** (see Chapter 1, clause 10).

6 Periodic and special reviews

6.1 The council and **Tenant Management Organisation** will decide the arrangements for measuring the total performance of the **Tenant Management Organisation** in carrying out its management functions under this agreement. Subject to clause Subject to clauses 6.7 this review should not be held more frequently than once every three years. In monitoring the **Tenant Management Organisation**'s performance, the council and the **Tenant Management Organisation** should agree the matters to be included.

6.2 As soon as may be practicable after completing the review the Council will produce a **Review Report** which will:

a) identify the deficiencies (if any) in the functioning or performance of the **Tenant Management Organisation**;

b) make positive recommendations as to the action and practical steps which the **Tenant Management Organisation** needs to take; and

c) set out the periods within which the Council considers that remedial action should be taken.

The Council will provide the **Tenant Management Organisation** with a copy of the **Review Report** as soon as it is available.

6.3 Within two months of receipt of the **Review Report** the **Tenant Management Organisation** will respond in writing to the **Review Report** setting out:

a) the recommendations for action which the **Tenant Management Organisation** accepts, setting out the **Tenant Management Organisation's** plan and periods within which those recommendations will be implemented; and

b) the findings and recommendations (if any) with which the **Tenant Management Organisation** disagrees, stating the reasons for the disagreement and the evidence relied upon as showing that the Council has reached incorrect conclusions.

6.4 If the **Tenant Management Organisation** disagrees with the **Review Report** and responds to it under clause 6.3 b) , the Council will, within one month of receiving the **Tenant Management Organisation's** response, give reasoned consideration to the **Tenant Management Organisation's** response and, in writing, either:

a) accept the **Tenant Management Organisation's** response and amend the findings and recommendations for action in the **Review Report**; or

b) give reasons why the **Tenant Management Organisation's** response is not accepted by the Council and require the **Tenant Management Organisation**, within one month, to submit its written plan for implementing the recommendations.

6.5 If a disagreement remains between the Council and the **Tenant Management Organisation** after the Council has given reasons in accordance with clause 6.4 b) why it requires the recommendations in the **Review Report** to be implemented, the disagreement will be settled by using the procedure for settling disputes specified in clause 18 of Chapter 7.

6.6 The **Review Report** will form the basis of the information presented to the tenants and leaseholders by the **Tenant Management Organisation** before a decision under clause 17 of Chapter 1 as to whether the **Tenant Management Organisation** is to continue as manager of the **Property** dwellings.

6.7 Where the Council has reason to believe that there are serious failings in the financial performance, management or governance of the **Tenant Management Organisation**,

and that there is no realistic prospect of remedying the situation by taking action under any other provision of this Agreement, it may carry out a **Special Review** under the provisions of this clause . The consent of the **Tenant Management Organisation** is required that the persons proposed by the Council to carry out the **Special Review** may so act, but such consent is not to be unreasonably withheld.

6.8 The carrying out of a **Special Review** does not prevent the Council from taking action against the **Tenant Management Organisation** for breach of this Agreement in respect of deficiencies in performance under clause 19 of Chapter 1.

Chapter 8
The Schedules:

Key Performance Indicators (KPIs)

The TMO's Key Performance Indicators enable it to measure its performance against the standards it is required to achieve under the Agreement. They are listed in Annex A to this Schedule.

Annex A consists of:

1) 22 Essential KPIs, for which targets will be agreed each year. These include national, regional and local performance indicators. The Essential KPIs cover performance under 5 main headings:

i) Financial management (rent collection & arrears management; service charge & collection; budgets and accounting),
ii) Repairs & maintenance (repairs; void management)
iii) Tenancy management (unauthorised occupation, anti-social behaviour), repossession action
iv) Governance (committee membership and training)
v) Administration (complaints; member enquiries; and ombudsman enquiries)

The essential performance indicators listed above will change in line with the revision of national, regional or local performance indicators and any changes to the monitoring regime.

A menu of Optional KPIs from which the TMO's Management Committee and the Council will agree those KPIs for the following Financial Year is offered. The TMO may involve its manager and other staff in agreeing the optional KPIs, but selection and agreement is the sole responsibility of the Management Committee .

The Council will apply its discretion approach to optional KPI's for TMO's with a track record of good performance. However, where a TMO is performing poorly against its essential KPI's the council will direct the the TMO more in depth use of the Optional menu to improve the TMOs performance in specific service areas.

The basis for selection of optional KPIs :TMO Services which the Council has identified as in need of improvement

- Services which the TMO has identified and for which the TMO will set targets to reflect local circumstances.
- Size of TMO
- Number and level of delegated responsibilities
- Length of time established and performing satisfactorily
- Whether the TMO has been served with a Supervision or Breach Notice

It is not intended that TMOs should be required to report on all, or even the majority, of options in the menu. The number of optional KPIs should be identified and agreed each year either by the TMO and or the council.

In choosing from the optional KPIs menu, the TMO and Council agree to restrict the number of chosen options to ensure they are not so onerous as to prevent the TMO from fulfilling its obligations under the Management Agreement or to impair its ability to fulfil those obligations (See Chapter 8 Clause 3.4).

In order to ensure consistency of approach across all the TMO managed stock in Southwark, the Monitoring Officer will advise the Tenant Management Initiatives Monitoring Manager details of, and reasons for, the chosen options.

In agreeing the annual targets for both essential and optional KPI's the TMO and Council will broadly reflect the targets set by the Council for the management and maintenance of the comparator area which is the retained, directly managed, London Borough of Southwark Housing Stock.

Equal Opportunities KPI's are not included in the Essential KPI section of this schedule. The monitoring of Equal Opportunities is carried out under Clause 5 of Chapter 8 of this agreement. However a range of Equal Opportunities Indicators has been included in the optional section, in case, for any reason, either party should wish to include Equal Opportunities KPI’s in any year.

Annex A - 1 Essential KPIs

	Definition	Target	
R	Rent collected in quarter, £ **% rent collected**	**98%**	
F1 F2	Budgeted expenditure in quarter Actual expenditure in quarter **Expenditure variance in quarter (i.e. actual expenditure compared to budgeted expenditure)**	**110%**	
SC1 SC2	Service charges due in quarter, £ Service charges collected in quarter, £ **% service charges collected**	**101%**	
Rep1 Rep2 Rep3 Rep4	Total number of repairs Number of repairs completed on time **% repairs completed on time** Number of repairs right first time **% repairs right first time** **Repairs expenditure: responsive, £**	**95%** **95%**	
V1 V2	Rent lost on voids in quarter **% void loss in quarter** **Average void relet period - minor voids (from void date to let date); plus major voids (from ready date to let date)**	**2%** **35 calendar days**	
T1 T2 T3	Total number of tenancies Number of properties with unauthorised occupants **% unauthorised occupants** Number of unauthorised occupants referred to council for investigation / repossession action **% unauthorised occupants referred to council for investigation / repossession action**	**0%** **95%**	
G1 G2	Number of current committee members Expenditure on committee members' training, in quarter (£) **Training and development spend per Committee member in period**	**£31.25**	

C1 C2	Number of complaints made in quarter Number of complaints dealt with in 15 days **% of complaints dealt with in 15 days**	 **90%**	
C3 C4	Number of members enquiries received Number of members enquiries dealt with in 10 days **% of members enquiries dealt with in 10 days**	 **90%**	
C5 C6	Number of ombudsman enquiries made in quarter Number of ombudsman enquiries dealt with in 15 days **% of ombudsman enquiries dealt with in 15 days**	 **90%**	
 N1a N2a N3a N1b N2b N3b 	Nuisance/ASB complaints made in quarter by categories: Cat 1 - 24 hours Cat 2 - 3 working days Cat 3 - 5 working days Number of nuisance/ASB complaints responded to in target time, by categories: Cat 1 - 24 hours Cat 2 - 3 working days Cat 3 - 5 working days **% of nuisance/ASB complaints responded to in target time, by categories:** **Cat 1 - 24 hours** **Cat 2 - 3 working days** **Cat 3 - 5 working days**	 **100%** **100%** **100%**	

Random checks

As part of the quarterly monitoring framework, additional random checks should be made. *All* these checks should be made over the course of one monitoring year, with a random selection from each of the finance, rents, governance, R&M, tenancy management, and staff management & performance sections at each quarterly monitoring visit.

The checks to be made are as follows:

Finance (excluding Rent)

1. Sample approximately 10 random processed invoices and check they were paid within 30 working days or had documented issues why payment was delayed;
2. Current expenditure budgets, totals for the year against those agreed at the beginning of the financial year, to ensure any virements or other changes have been authorised, which will be verified against minutes;
3. Progress against auditor recommendations in the key issues memorandum;
4. Declaration of interest forms, signed director contracts, staff code of conduct all signed;
5. Total expenditure by supplier / contractor checked for correct procurement level and no unexpected companies;
6. Purchase raised correctly (in most cases purchase order before invoice);
7. Review of expenses / discretionary payments made (with names removed);
8. Review any bank statement and query movement on it; check that bank reconciliations are taking place on a regular cycle, and are properly signed off;
9. Review of petty cash expenditure and accounting (linked to 7 above).

Rents

1. Random selection of five arrears cases, and review of evidence of action taken;
2. Check cases over 6 weeks arrears and seek an explanation (written) as to why they have not been handed back for action (except BEMA & JMB) – need to check age of debts.

Governance

1. Review of all changes in TMO membership in past 12 months, checked against tenant and leaseholder movements;
2. Review of most recent return to company house, and check that no current management committee members should have been excluded;
3. Check for whether meetings are quorate in the minutes of 5 randomly selected committee or subcommittee meetings;
4. Review of arrears actions taken on all instances where a management committee member is currently in arrears; the draft procedure for this is at Annex A to this Appendix.
5. Inspection of complaint register, and review of documentation of a recent complaint and the TMO's response.

R&M

1. Review of all documentation in relation to a contract awarded in the last 6 months;
2. Inspection of TMO's approved list of contractors;
3. Review of all documentation regarding checks made on a randomly selected contractor on the TMO's approved list;
4. Review of pre- & post- inspections for repairs over a specific amount (quality assurance, value for money, tenant evaluation).

Tenancy management

1. Review of documentation relating to termination and letting of 2/3 voids from within the last 12 months;
2. Inspection of tenancy details on file for randomly selected 5 properties, and of documentation of any tenancy checks subsequently made on the same properties.

Staff Management & Performance

Inspection of work plan and/or of notes from at least one performance appraisal meeting conducted between the TMO's chair or staff liaison officer and its manager, the manager's annual leave record, sickness absence etc.

Annex A 2 Menu of Optional KPIs

no.	**Definition**	Target	
	Governance		
1	Annual Report produced on time (+/- weeks)		
2	High Priority audit recommendations in last year as a % of all audit recommendations		
3	% of high priority audit recommendations outstanding		
4	Decision to continue at each AGM after Y2		
5	Code of confidentiality and code of governance signed by all Committee members		
6	Register of interests established and up to date		
7	Annual Review Meeting Report to AGM		
	Community Involvement and Communication		
8	TMO produces and distributes to all residents a regular newsletter (at least quarterly) written in plain English		
9	If there is demand for translation or provision of newsletters in another format or medium, the TMO takes reasonable steps to comply		
10	At least one social event a year open to all residents		
	Customer Satisfaction		
11	% of residents satisfied / very satisfied with services		
	Financial Control		
16	Audited accounts produced on time (+/- weeks)		
17	Cumulative surplus / reserve fund per household		
18	Surplus / reserve fund as a % of annual M &M allowances		
19	Debt to asset ratio		
20	% of allowances spent on management		
21	Abbreviated Annual Report sent to all residents		
22	Surplus fund shown on TMO balance sheet		
	Leaseholder Service Charges		
23	Time-limits for response/provision of information: a)RTB & Social Home buy 10 days b) Alterations and permissions 14 days c) Pre-Assignment Enquiries 5 days/24 hrs d)Timely forwarding of correspondence address details 5 days		
24	Accurate and timely provision of information for the construction of revenue service charges including open access to all books and records, timesheets etc		

25	If and when applicable, accurate and timely provision of information for the construction of capital service charges including open access to all books and records etc.		

	Organisation and Strategy		
26	Business Plan In Place and reviewed		
27	Development Plan agreed and progress reviewed		
	Tenancy and Leasehold Management		
28	Racial harassment complaints made in one quarter		
29	% of racial harassment complaints responded to on time		
30	% of unauthorised occupants		
31	% of tenancy checks completed in quarter		
32	Mutual Exchange Applications dealt with in under 42 days		
	Service Provision		
33	Estate Inspections held on schedule and follow action taken		
	Staffing and Recruitment		
34	Regular performance and training needs appraisal carried out for manager and all staff		
35	Vacant posts advertised and Equalities policy adhered to. Terms and conditions and salaries regularly reviewed		
36	Staff liaison officer or sub-committee in place and trained		
	Training and Development		
37	Training opportunities available to all members of the Committee and Committee members encouraged to undertake training and develop their skills.		
38	Use of training and communication budgets on agenda at all meetings.		
39	TMO drafts Training Programme at start of each Financial Year		
40	Report on training for staff and committee to each AGM		
41	Copy of training report to be sent to Council		
	Member Provided Services		
42	Allocation Panel has enough trained members		
43	Carries out interview meetings within required timeframe		
	Equal Opportunities		
44	Committee adhering to the equal opportunities policy and Procedure at all times?		

45	Committee ensuring that all members, staff and contractors are aware of and comply with the TMO Equal Opportunities procedure		
46	The TMO actively monitoring the needs of residents including language and disabilities		
47	Annual Committee review and report on equal opportunities policy, practice and action plan		

	Representation		
48	Committee ensuring that membership of the TMO is as broad and as representative of the residents of the estate as possible		
49	Committee will encouraging the active participation of residents from groups traditionally under-represented in the work of the TMO, including at Committee level		
50	Committee striving to ensure that it includes representation from each area of the estate, tenants and leaseholders and reflects the ethnic and social diversity of residents		
51	% of committee meetings held which were quorate on first call		
52	% of households containing a TMO member		
53	Representation of BME community on Committee		
54	Representation of leaseholders on committee		
	Rent Arrears Handback (Rent Arrears Control Option C)		
55	TMO hands over serious arrears cases in line with the provisions of Schedule 1 of Chapter 3 of the MMA		

Annex B - The Council's KPI's

Annex B consists of The Council's Key Performance Indicators, to enable it to measure its performance against the standards it is required to achieve under the Agreement. The basis on which the Indicators have been set is to identify Essential KPIs which must be set each year, (Part 1) and a menu of optional KPIs (Part 2) from which the TMO and Council will agree to select each year

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Part 1 Essential Council KPI's

P.I.	MMA Ref	**Definition**	Target	
	CH 4	Council sends service charge for coming year to TMO on receipt of the TMO's estimated annual budget.		
	CH4 Sch 1	4.2.2 Sending Out Service Charge Demands: Invoices will be issued quarterly: 1/4, 1/7, 1/10, and 1/1. Reminders will be issued 28 days later and letters sent in a further 21 days,		
	CH5	The Council will provide the TMO with an estimate of the management and maintenance allowances for the forthcoming financial year at least 3 months prior to the start of the financial year (Schedule 3)		
	CH3 8.2	Council gives TMO 6 weeks written notice of rent changes		
	CH4 Sch	Estimated Service Charge bills sent out by Council by end of March		
	Ch 4	Actuals sent out by Council by end September		
	Ch 7	Council to Review performance indicators with the TMO in September		

Part 2 Optional Council KPIs

	CH1 Cl 1	Council Insurances in place		
	Ch2 Cl 9.3	TMO provided with a copy of the Council's Building Insurance policy and Guide		
	Ch 1	Council gives TMO access to training		
	Ch 4	Estimated bills sent out by the Council by the end of March each year, to comply with the terms of the lease. Actual bills should be sent out by the Council by the end of September each year		
		Council carries out / funds its retained repairing responsibilities		
	Ch 2 Cl 4	Council to advise TMO re Major Works details 28 days before tender invites		
	Ch2 Sch 2	Council to advise TMO of Major Works tenders within 28 days of receipt		
	Ch2 Sch2	Council consult with TMO Project Group on Major Works from early stage		
	Ch 2 Sched 2	Council adheres to Three Stage Consultation Process for Major Works		
	Ch 2 Cl6 AnnexB	Council maintains and cleans garages and garage areas to a high standard		
	Ch 3 Cl 7	Council gives the TMO timely notice of the Total Rent for each rental period		
	Ch 5 Cl 2	TMO Allowances and VAT paid on time subject to any delays or adjustments arising from TMO rent payments to the Council		
	Ch 6 Cl2.1	Council consults with TMO on changes to allocation scheme		
	Ch 6 Cl 15	Council informs TMO within 14 days re Succession claims		
	Ch 6 Cl17.2	Council keeps TMO informed on Right to Buy or other sales in the property		
	Ch 7 Cl 9.2	Council responds to TMO requests for help within 21 days when made under Chapter 7 Clause 9.2		
	Ch 7 Cl 12	Council notifies TMO within 5 days of any relevant legal proceedings		
	Ch 8 Cl 3.2	Council holds a Monitoring and Development Meeting at least 6 monthly		

Chapter 9

Definition of Terms and Location of First Use of a Term

This Chapter provides definitions of the terms which are in **Bold Letters** in the text of this Agreement. The Chapter and clause reference given for each term locates where the term is first used in the Agreement.

Allowances
(Chapter 1, clause 18 – and see Chapter 5, clause 1)
The annual sum of money paid by the Council to the **Tenant Management Organisation** to carry out the **Tenant Management Organisation's** management functions under this Agreement. The **Allowances** are the aggregate of sums calculated in accordance with the method of calculation set out in the **Right to Manage Guidance: Calculating Allowances for Tenant Management Organisations** and the amount for additional services included at the **Tenant Management Organisation's** request.

Annual Accounts
(Chapter 5, clause 10, Option B)
The accounts and balance sheet produced by the **Tenant Management Organisation** each year within 6 months of the end of the **Tenant Management Organisation's Financial Year**.

Annual Review
(Chapter 8, clause 4)
Annual review by the Council and the **Tenant Management Organisation** of the **Tenant Management Organisation's** and the Council's performance during the previous **Financial Year**.

Annual Review Meeting
(Chapter 8, clause 4)
The annual meeting between the **Tenant Management Organisation** and the Council to review their respective performance.

Anti-Social Behaviour Policy and Procedures
(Chapter 6, clause 2)
The policies and procedures set out in the Council's Statement of Policies and Procedures on Anti-Social Behaviour as required by section 218A of the Housing Act 1996.

Anti-Social Behaviour and Harassment Policy and Procedure
(Chapter 6, clause 8, Option A)
The policy and procedure set out in Schedule 7 to Chapter 6 with which the **Tenant Management Organisation** is to comply in dealing with cases of anti-social behaviour and harassment.

Application to Exchange
(Chapter 6, clause 12)
An application from a secure tenant who wishes to exercise the Right to Exchange under section 92 of the Housing Act 1985.

Approved Person
(Chapter 1, clause 18)
A person, approved by the Secretary of State under the **Right to Manage Regulations**, to confirm the competence of the **Tenant Management Organisation** to take on the range of management functions chosen.

Arrears Prevention and Control Procedures
(Chapter 3, clause 1)
The procedures agreed between the Council and the **Tenant Management Organisation** that will be used for the prevention and control of **Rent** arrears and for managing cases of arrears.

Breach Notice
(Chapter 1, clause 19)
Written notice from the Council to the **Tenant Management Organisation** that the **Tenant Management Organisation** is in breach of the Agreement because it is failing to exercise a management function or management task to the performance standards referred to in clause 1 of Chapter 8, or there has been a financial breach by the **Tenant Management Organisation.** A **Breach Notice** will normally only be served after failure by the **Tenant Management Organisation** to implement an improvement plan.

Breach
(Chapter 6, clause 9, Option B)
A breach of the terms in the tenancy, lease or freehold covenant.

Choice based Lettings Scheme
(Chapter 6 clause 3, Option D)
A scheme introduced by the Council to allow people to apply for available local authority or housing association accommodation which is openly advertised or, in some areas, is advertised only to those on the Council's waiting list.

Claim to the Right of Succession
(Chapter 6, clause 15)
A claim that a person is qualified to succeed to the tenancy of a dwelling under sections 87 to 90 of the Housing Act 1985.

Complaint
(Chapter 6, clause 9, Option B)
A written request from a resident to the **Tenant Management Organisation** requesting the **Tenant Management Organisation** to take action

Consultation requirements
(Chapter 4, clause 6)
The requirements of sections 20 and 20ZA of the Landlord and Tenant Act 1985 in relation to service charges.

Contract Works Limit
(Chapter 7, clause 4, Option A)
The Contract Works limit is £..... The **Tenant Management Organisation** must let contracts above this amount to contractors from the **Council's Approved List**.

Council's Approved List
(Chapter 7, clause 4)
The lists of contractors approved by the Council for carrying out works in excess of the **Contract Works Limit**.

Council's Key Performance Indicators
(Chapter 8, clause 2)
The performance indicators set up by the Council to measure the standard of the Council's performance of its retained obligations under this Agreement.

Council's Offices
(Chapter 7, clause 10)
The offices of the Council to which all notices required by the Agreement which are sent by post, are to be sent.

Council's Representatives
(Chapter 7, clause 7)
The elected councillors or officers representing the Council on the **Liaison Committee**.

Crime and Disorder Reduction Partnership
(Chapter 6, clause 2)
A statutory partnership formed in accordance with the provisions of the Crime and Disorder Act 1998 in every local government area.

Equal Opportunities Policy and Procedures
(Chapter 1, clause 10)
The **Tenant Management Organisation's** Equal Opportunities Policies and Procedures set out in Schedule 2 to Chapter 1.

Estate Services
(Chapter 2, clause 10)

Services provided by the **Tenant Management Organisation** or the Council in respect of an estate.

Failure Notice
(Chapter 1, clause 19)
Written notice from the **Tenant Management Organisation** to the Council that the Council is not fulfilling one or more of its obligations in respect of management functions not being exercised by the **Tenant Management Organisation** or its obligations under the Agreement against a person with whom the resident is in dispute.

Financial Procedures
(Chapter 5, clause 2)
The agreement between the Council and the **Tenant Management Organisation** as to the financial procedures to be operated by the **Tenant Management Organisation**, set out in Schedule 2.

Financial Report
(Chapter 5, clause 10, Option A)
The written statement of account prepared by the Council showing costs in comparison with the **Allowances**, provision for any other liabilities incurred by the **Tenant Management Organisation**, and the **Surplus Fund**.

Financial Year
(Chapter 3, clause 9 – see Chapter 5, Clause 6)
The **Tenant Management Organisation's** financial year will be from 1 April to 31 March of the following year. This should be the same as the Council's financial year.

Former Tenants' Arrears
(Chapter 3, clause 5)
The total amount of rent arrears debts owed to the Council by former tenants at the **Starting Date**.

Ground Rent
(Chapter 4, clause 4)
An amount paid annually to the Council, as landlord, that is not related to the services provided.

Improvement Notice
(Chapter 2, clause 12)
A written notice from a tenant claiming the Right to Improve under the terms of Section 97 of the Housing Act 1985 or from a leaseholder seeking consent to improve under the terms of his or her lease.

Improvement Plan
(Chapter 1, clause 19)
Plan agreed by the Council and the **Tenant Management Organisation** to improve the **Tenant Management Organisation's** performance or prevent serious financial breaches by it.

Improvements Policy and Procedure
(Chapter 2, clause 13)
The policy and procedure agreed between the Council and the **Tenant Management Organisation** and set out in Schedule 7 to Chapter 2 where an **Improvement Notice** is served by a tenant or a leaseholder having a right to improve his or her dwelling.

Insurance Repairs
(Chapter 2, clause 9)
Repairs to dwellings arising from events that are covered by the Council's buildings insurance policy (such as storm damage, subsidence, fire damage, damage causes by burglary and consequential damage caused by flooding, or burst or leaking pipes).

Introductory Tenancy
(Chapter 6, clause 5)
A tenancy granted for an initial, trial period of one year, during which it cannot become a secure tenancy.

Leaseholder
(Chapter 1, clause 2)
A person who has bought his or her house or flat without purchasing the freehold of the property and is holding a lease of more than 21 years.

Local Lettings Policy
(Chapter 6, clause 2)
Policy setting out local lettings priorities for the **Tenant Management Organisation** area which is included in the Council's published allocation scheme.

Liaison Officer
(Chapter 7, clause 6)
The officer from the Council who is nominated by the Council to be the day-to-day point of contact between the Council and the **Tenant Management Organisation**. The Liaison Officer Role and Responsibilities are set out in Schedule 3 to Chapter 7.

List of Council Officers
(Chapter 7, clause 5)
The names, addresses and telephone numbers of the officers of the Council whom the **Tenant Management Organisation** may need to contact in order to fulfil its obligations under this Agreement.

Major Works
(Chapter 2, clause 6)
Cyclical redecoration and associated repairs, structural repairs, renewal of components, fixtures or fittings, and improvements to dwellings considered by the Council to be necessary or desirable.

Major Works Account
(Chapter 5, clause 9)
A bank account set up by the **Tenant Management Organisation** in which that part of the **Allowances** paid in advance to fund **Major Works** is held.

Management and Maintenance Costs
(Chapter 5, clause 2)
Costs incurred by the **Tenant Management Organisation** in exercising its management functions, including the carrying out of repairs.

Management Complaint
(Chapter 7, clause 17)
A complaint by a tenant, leaseholder of freeholder about the performance of the Council or the **Tenant Management Organisation** in managing the **Property**.

Management Complaints Policy and Procedure
(Chapter 7, clause 17)
The written policy set out in Schedule 4 to Chapter 7, which sets out the arrangements for dealing with **Management Complaints**.

Management Functions
(Chapter 2, clause 1)
Management functions exercised by the **Tenant Management Organisation** under the Agreement in respect of the **Property**.

Modular Management Agreement
(Chapter 1, clause 4)
*The approved form of management agreement required by the **Right to Manage Regulations** which an individual agreement must conform to.*

Monitoring and Development Meeting
(Chapter 8, clause 3)
Meeting between the Council and the **Tenant Management Organisation** held at least once every six months to monitor the performance of the **Tenant Management Organisation** and the Council in carrying out their respective management functions under this Agreement.

Net Rent
(Chapter 3, clause 9, option C)
The net amount of **Rent** due from the **Tenant Management Organisation** to the Council at the end of each quarter**,** as shown in the rent demand sent to the **Tenant Management Organisation** by the Council.

Notice of Dispute
(Chapter 7, clause 18)
A written notice served either by the Council on the **Tenant Management Organisation** or by the **Tenant Management Organisation** on the Council stating that a dispute between the parties has arisen, the nature of the dispute and the action the aggrieved party wishes the other party to take in order to resolve it.

Notice of Breach
(Chapter 6, clause 7, Option A)

Written notice served by the **Tenant Management Organisation** on the Council requesting the Council to take action for breach of tenancy, lease, or freehold covenant (other than on the ground of arrears of rent or service charge).

Partnering Contract
(Chapter 2, clause 7)
A contract for works entered into between the Council and a third party partner, to carry out major works in the form of a partnering arrangement.

Planned Maintenance Repairs
(Chapter 2, clause 1)
Cyclical and programmed repairs, including planned preventative repairs.

Property
(Chapter 1, clause 2)
The housing and other land listed in Schedule 1 to Chapter 1.

Property Dwelling
(Chapter 1, clause 2)
A dwelling listed in Schedule 1 to Chapter 1.

Rent
(Chapter 3, clause 1)
The rent due from tenants including any charge for the provision of services.

Repair Notice
(Chapter 2, clause 3)
Written notice from the **Tenant Management Organisation** to the Council that the Council is not carrying out a repair it has agreed to carry out or is within its repairing obligations as landlord, or written notice from the Council to the **Tenant Management Organisation** that the **Tenant Management Organisation** is not carrying out a repair it has agreed to carry out. The notice can also claim that the standards and time scales agreed are not being complied with.

Reserve Fund
(Chapter 5, clause 8, Option B)
The fund set up by the **Tenant Management Organisation** to meet specified potential liabilities.

Residents' Disputes Policy and Procedure
(Chapter 6, clause 9, Option B)
Policy to be followed by the **Tenant Management Organisation** following a **Complaint** by a lawful resident where the **Tenant Management Organisation** does not consider that a **Breach** is involved.

Responsive Repairs
(Chapter 2, clause 1)
Repairs that cannot be planned or included in a repair programme, covering day to day repairs, group repairs, void repairs and minor works.

Review Report
(Chapter 8, clause 7)
The report produced by the Council on its completion of a **Five Year Review** or **Special Review**.

Right of Succession Notice
(Chapter 6, clause 15)
Notice sent by the **Tenant Management Organisation** to the Council when it has received a **Claim to a Right of Succession**.

Right of Succession Policy
(Chapter 6, clause 15)
Policy operated by the Council in relation to the right of succession as set out in Annex B to Chapter 6.

Right to Buy
(Chapter 1, clause 18 – see also Chapter 6, clause 17)
The statutory Right to Buy, which secure tenants may exercise under the provisions of Part 5 of the Housing Act 1985.

Right to Enfranchise
(Chapter 1, clause 18 – see also Chapter 7, clause 14)
The statutory right of leaseholders under the Leasehold Reform Housing and Urban Development Act 1993 to enfranchise the freehold of the building in which their leasehold property is situated.

Right to Manage
(Chapter 1, clause 18)
The rights exercisable by **Tenant Management Organisations** under the **Right to Manage Regulations**.

Right to Manage Regulations
(Chapter 1, clause 3)
The Housing (Right to Manage) Regulations 1994

Right to Repair Claim
(Chapter 2, clause 13)
A claim made under the **Right to Repair Regulations**.

Right to Repair Regulations
(Chapter 2, clause 13)
The Local Housing Authorities (Right to Repair) Regulations 1994.

Secondment Arrangement
(Chapter 7, clause 3)
The arrangements in which local authority members of staff are seconded to the **Tenant Management Organisation** as set out in Schedule 2 to Chapter 7.

Secure tenant
(Chapter 1, clause 17)
A tenant who has been granted a tenancy under section 79 of the Housing Act 1985.

Selection of Tenants Policy and Procedure
(Chapter 6, clause 3)
Policy and Procedure operated by the Council or the **Tenant Management Organisation** in selecting tenants of a vacant **Property dwelling,** as set out in Schedule 2 to Chapter 6.

Service Charges
(Chapter 4, clause 1)
The amount payable by leaseholders and freeholders for services provided by the Council or the **Tenant Management Organisation** within the meaning of section 18 of the Landlord and Tenant Act 1985.

Service Charges Procedure
(Chapter 4, clause 1)
The procedure for dealing with leaseholder and freeholder service charges as set out in the Schedule to Chapter 4

Special Review
(Chapter 8, clause 7)
A review that can be carried out by the Council if the Council has reason to believe that there are serious failings in the financial performance, management or governance of the **Tenant Management Organisation**.

Starting Date
(Chapter 1, clause 5)
The Management Agreement starts on _____ (*fill in date).*

Starting Date Arrears
(Chapter 3, clause 4)
The amount owed by tenants in arrears at the **Starting Date**, which the **Tenant Management Organisation** will need to collect.

Subletting Policy
(Chapter 6, clause 14)
The policy, set out in Schedule 10 to Chapter 6, in accordance with which applications from tenants to sub-let will be considered.

Supervision Notice
(Chapter 1, clause 19)
A notice served by the Council on the **Tenant Management Organisation** with the effect that relevant management functions become exercisable by the Council's direction for such period as is specified in the notice.

Supervision Termination Notice
(Chapter 1, clause 19)

A notice served by the Council on the **Tenant Management Organisation** with the effect of restoring to the **Tenant Management Organisation** exercise of functions which were specified in the Supervision Notice, from a specified date.

Surplus Fund
(Chapter 5, clause 3, Option A – see also clause 10)
The Surplus Fund is the efficiency savings made by the **Tenant Management Organisation.** It is shown either on the Financial Report prepared by the Council (if clause 10, Option A is used) or in the **Tenant Management Organisations** Annual Accounts and on its balance sheet (if clause 10, Option B is used).

Tenancy Agreement
(Chapter 3, clause 2)
The agreement setting out the terms and conditions of a tenancy for a dwelling as set out in Annex to Chapter 6.

Tenancy Variation Notice
(Chapter 6, clause 6)
Notice served by either the Council or the **Tenant Management Organisation** on the other party proposing to vary the terms of the **Tenancy Agreement**.

Tenant
(Chapter 1, clause 2)
A periodic or fixed term tenant other than a leaseholder of a **Property Dwelling**.

Tenant Management Organisation *(Title Page)*
The **Tenant Management Organisation**. A **Tenant Management Organisation** is required to meet the conditions set out in regulation 1(4) of the **Right to Manage Regulations**.

Tenant Management Organisation's Approved List
(Chapter 7, clause 4)
The list of contractors that are approved to enter into contracts with the **Tenant Management Organisation.**

Tenant Management Organisation Committee
(Chapter 7, clause 8)
A Committee of the **Tenant Management Organisation** properly constituted under the **Tenant Management Organisation's** Constitution.

Tenant Management Organisation's Key Performance Indicators
(Chapter 8, clause 1)
The performance indicators set up in consultation with the Council to measure the standard of the **Tenant Management Organisation's** performance of its obligations under this Agreement.

Tenant Management Organisation Liaison Committee
(Chapter 7, clause 7)

The Joint **Tenant Management Organisation** Liaison Committee established by the Council, where there is more than one **Tenant Management Organisation** in its area, to discuss strategy issues that concern the **Tenant Management Organisations** in the local authority area.

Tenant Management Organisation's Performance Report
(Chapter 8, clause 4)
The report produced within three months of the end of the **Financial Year** by the **Tenant Management Organisation,** which compares the **Tenant Management Organisation**'s and the Council performance against their respective key performance indicators.

Tenant Management Organisation's Registered Office
(Chapter 7, clause 10)
The registered office of the **Tenant Management Organisation,** which all notices required by the Agreement that are sent by post are to be sent.

Total Rent
(Chapter 3, clause 7)
A figure representing the rent that the Council would charge if managing the **Property**, plus any additional tenant service charges required by the **Tenant Management Organisation**.

Void Losses
(Chapter 3, clause 10, Option B)
Loss of income due from dwellings in the **Property** that remain vacant.

Voids and Bad Debts Percentage
(Chapter 3, clause 10) .....%
The percentage of the total amount of money collectable by the **Tenant Management Organisation** on behalf of the Council allowed for rent losses from dwellings that remain empty while reletting occurs (*and bad debts from rent and service charge arrears which the **Tenant Management Organisation** is unable to recover). *Note: omit section of definition in brackets if Chapter 3, clause 12, option A is used*

Voids Percentage Amount
(Chapter 3, clause 9)
The amount allowed for rent losses from dwellings that remain empty while reletting occurs, calculated from the **Voids Percentage**.

Warning Notice
(Chapter 1, clause 19)
If the **Tenant Management Organisation** fails to rectify a problem after a **Breach Notice** the Council can issue a further written notice to the **Tenant Management Organisation** (a **Warning Notice**) warning the **Tenant Management Organisation** that unless a breach of the Agreement is remedied within 21days the functions specified in the notice will be removed from the functions being exercised by the **Tenant Management Organisation**.

Working day
Any day other than a Saturday, Sunday, or bank holiday.