

SERVICES AGREEMENT BETWEEN DERBY CITY COUNCIL AND DERBY HOMES LIMITED

HEADS OF TERMS

Part A Partnering in Delivery Between the Organisation and the Council

This requires the parties to work together in furtherance of the Council's strategic objectives and in accordance with its equal opportunities and tenant participation policies.

Part B Performance Responsibilities of the Council.

This sets out the Council's responsibilities for the services provided by Derby Homes under best value legislation.

Part C Performance Responsibilities of the Organisation.

This requires Derby Homes to carry out reviews, contribute to cross-cutting reviews, implement improvement plans and provide information and support as to enable the Council to fulfil its best value duty.

Part D Strategic Responsibilities for the Organisation.

This requires Derby Homes to assist in the development of corporate strategies and work with other agencies, bodies and organisations in partnerships, foras and projects.

Part E Strategic Responsibilities of the Council.

This enables the Council to carry out such consultations or negotiations as it may determine and also specifies that Derby Homes shall carry out these as requested.

Part F Responsibilities of the Organisation

This contains 35 clauses covering the services to be provided, arrangements including the personnel of Derby Homes, the use of Council assets, the administration of council contracts, control of assignment and sub-contracting, use of computer systems and data, confidentiality, health and safety requirements. The services to be provided are to be set out in a Delivery Plan to be subject to annual revision and agreement between Derby Homes and the Council.

Part H Financial Arrangements and Other Matters

This requires there to be a financial review at least every quarter of Derby Homes' future income and expenditure and any capital finance implications for the authorities with any such transactions requiring its

prior consent. It provides that if surpluses arise from Derby Homes out – performing the Delivery Plan these shall be used by it in accordance with a scheme agreed with the Council.

Part I **Employment and Staffing**

This sets out arrangements for the transfer of staff on their existing terms and conditions of employment, requires Derby Homes to indemnify the Council against costs arising from this transfer and assigns car loans to Derby Homes. It requires Derby Homes to employ staff on similar terms and conditions to those of the Council and to consult and negotiate with recognised trade unions.

Part J **Monitoring and Management**

This requires the Council and Derby Homes to meet at such a level and frequency as necessary to ensure that this agreement is honoured and the Delivery Plan is performed. It sets out the powers of the Council's representative (the Chief Executive) to issue instructions that Derby Homes shall comply with.

Part K **Tenant Management Organisations**

This sets out arrangements to respond to any tenants who propose to exercise their legal rights to form a Tenant Management Organisation as defined under the Housing Act 1985.

Part L **Term**

This provides for a term of April 2002 – 31 March 2007 but entitles the Council to extend the contract by one or more further periods of up to five years.

Part M **Variations etc**

This entitles the Council, either unilaterally or in response to representations from Derby Homes to vary, modify or delete provisions within the agreement. Variations will be made if the stock being managed changes by + or - 10%. There is a provision to enable the Council to terminate the contract, provide itself or through a third party the whole or part of the services covered by the agreement. Provision is made that in the event of a dispute, binding arbitration will take place through the President of the Chartered Institute of Housing or a person appointed by him or her.

Part N **Notices and Other Matters**

This states that unless it relates to a matter covered by the agreement Derby Homes is not authorised to incur expenditure on the Council's behalf, make any representations or warranties on its behalf or commit

or bind the Council without its prior written consent.

Part O Definitions and Interpretations

Definitions and Interpretations used are set out.

First Schedule – Contracts

Sets out contracts to be administered on the Council's behalf.

Second Schedule – Council's assets

Part A sets out Council's assets to be made available to Derby Homes.

Part B sets out any assets to be transferred.

Third Schedule – Premises and other property information

Sets out details of premises and other property to be made available to Derby Homes.

Fourth Schedule – Transferring Employees etc

Part I Sets out details of car leases to be transferred.

Part II Sets out details of car loans to be transferred.

Fifth Schedule – Computer Systems and Software

Sets out details of computer systems and software currently used by the Council.

Sixth Schedule – Financial Arrangements

Sets out arrangements for the Council to hold monies on behalf of Derby Homes and the way in which the management fee paid by the Council will be determined.

Seventh Schedule – Form of Lease/Licence for Premises

Sets out the terms of occupation for floors 2 and 3 South Point, Cardinal Square, 10 Nottingham Road and other licensing premises.

Eight Schedule – Use of the Council's Computers

Sets out the use that Derby Homes will have of the Council's Computers.

Ninth Schedule – Services Supplied by Council

Sets out services that shall be supplied to Derby Homes by the Council for a jointly agreed period on such and conditions as may be jointly agreed.

Tenth Schedule – Council's Consultation and Negotiation Procedures

Sets out the Council's current arrangements to which Derby Homes arrangement should be similar or broadly equivalent.

Eleventh Schedule – Council's Employment Policies, Procedures and Protocols

APPENDIX B

Lists current policies, procedures and protocols to which Derby Homes arrangements will be similar or broadly equivalent.

Appendix 1 The Initial Delivery Plan

Contains the initial Delivery Plan of Derby Homes covering the first 12 months of operation.

Appendix 2 The Delivery Plan Format

Sets out the format to be used by Derby Homes in compiling its Delivery Plan.

Appendix 3 Housing Management Responsibilities

Itemises the housing management responsibilities to be delegated by the Council to Derby Homes Limited.

Appendix 4 Tenant Compact

Sets out the Council's Tenant Participation Compact to which Derby Home's arrangements will be similar broadly equivalent.

Appendix 5 Equal Opportunity Policy

Sets out the Council's equal opportunity policy to which Derby Home's arrangements will be similar or broadly equivalent.