

DRAFT BUSINESS PLAN



SOUTHWARK HOME OWNER INFORMATION CENTRE

‘Although the council offers a variety of schemes to help leaseholders meet their repair bills, ensuring accuracy, value for money, transparency and trust in the system continues to prove very challenging for the council’s housing service’.

Southwark Housing Commission 2012

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1. Southwark Homeowner Information Centre

1.1 The Southwark Homeowner Information Centre is a major ground-breaking initiative to assist Southwark Council's 16,000 plus homeowners to obtain value for money and satisfaction from their housing services.

1.2 This document aims to explain how the Southwark Homeowner Information Centre will be funded and managed and what its aims and objectives will be. Hereafter it is referred to as 'the Centre'.

2. Mission / function

The Centre intends to serve those individual leaseholders and freeholders who pay service charges to Southwark Council by fulfilling the following functions:

1. acting as a source of information, expertise, support, and representation / advocacy to individuals
2. assisting the Leaseholders Association of Southwark 2000 (LAS 2000), and the Home Owners' Council, in their dealings with Southwark Council
3. enabling the Association to better communicate with its membership and the wider body of homeowners.

3. Context

3.1 As a result of the 'right to buy' legislation, properties on Southwark Council's housing estates have been sold to their tenants. The new owners include leaseholders whose rights and responsibilities are governed by a lease agreement and who pay the Council on average £1,215.74 per year in service charges - and many freeholders who are also liable to pay service charges for the upkeep of their estates. These two groups total 16,700 properties and they pay between £10 and £5,000 per year. 10% of service charge payers own street properties, the remainder own properties on housing estates. Almost a third don't occupy their properties but themselves are landlords, sub-letting them on short-term private tenancies. This proportion may be expected to rise.

3.2 These home owners face, in the law of leasehold, a maze of complex regulations. They are required to make what are often substantial payments toward the upkeep of often expensive to maintain properties whilst often having few resources to call on. As a result the relationship between the Council and its service charge payers can be difficult. It can also be very unequal in terms of the advice and expertise available to the parties.

3.3 The Leaseholders Association of Southwark (LAS 2000) was formed to assist and support home owners in their dealings with the Council. Whilst the Council maintains a consultative body of home owners, the Home Owners' Council (HOC), LAS 2000 is a wholly independent membership body of members paying an annual subscription. LAS 2000 is able to challenge the Council's decisions up to and including by taking legal action. LAS 2000 has been established formally as a Company limited by Guarantee under the Companies Act 2006.

3.4 The Centre would have three main complementary roles:

1. to assist individual home owners by deploying a team of volunteers and specialists to give them information, advice and support (but not personal legal or financial advice).
2. to draw on the experience of homeowners to respond to consultations, take policy initiatives and negotiate service improvements with Southwark Council.
3. to be a source of comprehensive information through publications, newsletters and a website to Southwark homeowners.

3.5 The report of the Greater London Authority into residential leasehold service charges in London (*Highly Charged*, March 2012) points to the vital importance of better information and advice to leaseholders and prospective leaseholders.

3.6 Southwark Council takes a progressive view of the value of supporting its homeowners by facilitating and resourcing initiatives such as the HOC and the Centre. It recognises that the management of its estates will benefit from having a well-informed and engaged body of home owners with whom partnership relationships can be built.

3.7 On the other hand the Centre will add to the pressure on the Council to improve its service charge billing processes. In 2012 52% of LVT applications involving social landlords were decided in favour of the leaseholder and significant sums wiped off their bills (*Inside Housing* 18 Jan 2013). The Centre could play an important role in local dispute resolution.

3.8 From discussions with the active leaseholders associations in Camden, Islington, Brighton and Tower Hamlets, it seems that the Centre is not the first of its kind as there has in the past been a similar service in Tower Hamlets. That organisation folded in large part because of the decision of Tower Hamlets to carry out transfers of large parts of its stock to other landlords. So our Centre would now be the only one in the country – a ground-breaking initiative and significant step forward for both LAS2000 and for the Council.

4. Southwark Housing Commission

4.1 Southwark Council appointed an independent commission to examine options for the future of council housing in Southwark. Its report of October 2012 records the views of leaseholders they met during their research:

'Leaseholders, like tenants, thought that the housing service was below par and did not represent value for money'

4.2 One of the Commission's findings was that there could be a much better relationship between leaseholders and the council and that much more could be done to inform and involve them in the decision-making process. The establishment of the Centre is an opportunity to address these shortcomings.

5. Governance

5.1. The Centre is to be managed by LAS2000, the representative organisation of leaseholders and freeholders paying service charges to Southwark Housing.

5.2. LAS2000 will establish a sub-committee which will form the management committee of the Centre.

5.3. Members of the sub-committee will be elected at the first committee meeting after the AGM and will select from their number a Chair, a Vice Chair, a Secretary and a Treasurer. The Chair and Chair of the HOC and a representative of the Home Owners' Fund Management Committee (HOFMC) will be invited to attend the sub-committee but will not be voting members of it.

5.4. Members of the sub-committee will undergo training in the skills required to operate as the management committee of such an organisation and in the responsibilities of the specialist roles. Southwark's Tenant Management Initiatives team will be asked to facilitate this – the skills and training required are similar to those required for tenant management organisations.

5.5. Staff management. Taking on the direct management of staff, and the management of very small staff teams, pose significant challenges for voluntary organisations. It is therefore intended to adopt an incremental approach and have staff seconded from a third party organisation for an initial period (see section 8 below) and to use fixed term contracts. The Centre will also be reliant on the contribution of volunteers (see 9 below) which brings further challenges.

5.6. The Centre will be funded from a budget equivalent to £10 a year from each leaseholder within the management fee which is provided to a fund managed by the HOFMC. The Council will need to agree to this arrangement, however the introduction of 'break-clauses' allowing for the Centre to be closed and staff contracts ended if the Centre were unsuccessful will make it easier for the Council to agree to this funding.

5.7. The management committee will agree a set of procedures governing the running of the centre including:

- equality and diversity policy
- financial procedures
- staffing policy
- staff secondment agreement with third party organisation
- service / performance standards and customer care
- management reports to the management committee
- policy governing the recruitment of paid sessional experts

5.8. A constitution should be agreed to be signed by all parties. This would include an understanding that the Centre would promote the joint interests of all stakeholders but without compromising the freedom of action of all concerned. The constitution would also specify who and in what circumstances could make a decision to close the Centre.

Table 1: Draft governance hierarchy

Body	Role in governance of the Centre
Council	Agrees long-term binding commitment to maintain funding to home owners fund
Home Owners' Council	Receives annual report and accounts and receives, on at least a quarterly basis, policy information, reports on statistical trends, issues of concern to leaseholders, changes in the legislative and organisational environment. The Chair and Vice Chair are invited to attend the Management Sub-committee meeting as non-voting participants
Home Owners Fund Management Committee	Makes long-term agreement to fund the Centre; role will be to carry out financial scrutiny to ensure value for money; receives annual accounts and quarterly summary financial reports; a representative is invited to attend the Management Sub-Committee as a non-voting participant
LAS 2000	Provides strategic support and direction to the Centre and ensures effective representation on Management Sub-committee; receives performance and financial reports and regular policy information, reports on statistical trends, issues of concern to leaseholders, changes in the legislative and organisational environment, feedback from membership
Centre Management Sub-committee	Direct management of the Centre ensuring good performance and meeting of targets; receives detailed performance reports
Chair of Management Sub-committee	Line management of the Centre manager

6. Detail of activities and assessment of workload

6.1. Examination of the work of complementary organisations

The work of other organisations in the field has been researched. There are two reasons:

- to ensure that duplication of function is avoided
- to assess the nature and scale of demands likely to be placed on the service

6.2. Southwark Citizens Advice Bureaux - Council Leaseholders Advice Project

6.2.1 Southwark Council funds the local CABx to provide an advice service for leaseholders. The service began in November 2006 and includes potential referrals to the CAB money advice service, representation / advocacy to the Council and at Leasehold Valuation Tribunals (LVTs), and legal assistance. As the accuracy of such advice may have significant financial implications for leaseholders, levels of quality assurance are essential. The Centre will avoid duplicating this service. On the other hand the CAB recognises the importance of more work being done on the policy implications arising from the caseload – an area where they would welcome the input from the Centre.

6.2.2 This analysis of the nature of the workload they deal with has been compiled from recent quarterly reports:

	11/12 Q1	11/12 Q2	11/12 Q3	11/12 Q4	12/13 Q1	12/13 Q2	12/13 Q3	Total
Service Charge Issues								
Apportionment of costs	0	0	0	0	0	0	0	0
Reasonableness / Liability – Annual Service Charges	6	3	10	4	5	3	4	35
Reasonableness / Liability – Major Works Charges	5	7	6	15	6	4	4	47
Limit to recovery	0	0	0	0	0	0	0	0
Statutory Consultation – Major Works	0	0	0	0	0	1	1	2
Interpretation of Lease	0	0	3	0	1	0	0	4
Ability to Pay	8	11	15	5	4	8	12	51
Other	2	1	0	0	5	0	3	8
Non-Service Charge Issues								
Disrepair	5	5	2	1	4	4	3	24
Supply of works	0	0	0	0	0	0	0	0
Interpretation of Lease	0	4	3	1	0	0	0	8
Forfeiture	10	1	1	0	0	0	0	12
Other	0	0	2	7	3	2	2	16
Total new clients	36	32	42	33	28	22	29	222

6.2.3 The caseload consists mainly of enquiries concerning ability to pay charges (23%), major works bills (21%), service charge bills (16%) and disrepair (11%). The Centre would be an important source of referrals in appropriate cases.

6.3. Leasehold Advisory Service

6.3.1 The Leasehold Advisory Service (LEASE) is a national Non Departmental Public Body funded by Government to provide free advice on the law affecting residential leasehold property in England and Wales. The advice they give is general and they do not provide a casework service. Their remit does not include freeholders.

6.3.2 LEASE's Chief Executive, Tony Essien, is supportive of this initiative. Most of the work of the Centre would be complementary to the work of LEASE. To the extent that the Centre would be a source of advice on the law there could be some overlap, although LEASE is independent and even-handed as between leaseholders and landlords and cannot always advise leaseholders on the best tactics to employ in relation to landlords.

6.3.3 Tony Essien would be happy to meet to discuss specific collaboration between the Centre and LEASE and how it could offer professional support and staff training.

6.4. Assessing levels of demand

6.4.1 An analysis has been carried out of the reasons why customers visited the Home Ownership Services office for the year to the end of October 2012. Once enquiries relating to sales have been excluded, 70% of enquiries relate to service charges and 22% to major / capital works. There were an average of 107 visits a month related to 'leaseholder-type' issues but a further 144 a month categorised as 'other' many of which may need to be added to the total to gain a full picture.

6.4.2 The report of the Housing Scrutiny Sub-Committee into 'Leaseholder Charging in Southwark' suggests that leaseholder satisfaction with the quality of services provided to their dwelling / estate is relatively low but that satisfaction with the enquiry service provided by Home Ownership Services is relatively high.

6.4.3 A three-hour session, the first of its kind, organised by Southwark Legal Advice Network in November 2012 under the title 'Home Owners Money Conference' attracted 75 people, 50% more than expected.

6.4.4 Southwark leaseholder satisfaction data for the year to September 2011 indicates percentage satisfaction levels as follows:

- 27.9% consider the annual service charge represents value for money
- 11.4% consider major works service charges represent value for money
- 24.2% satisfied with the overall quality of major work

6.4.5 All the above data suggest that, given appropriate publicity, demands for the services of the Centre may be significant and suggests that a 'soft' launch may be appropriate with little publicity carried out until the ability of staff at the Centre to deal with the likely demand for its services can be assessed in practice. It also supports a plan to operate the Centre in such a way that staff numbers, numbers of volunteers and desk / office space can be expanded in time as the Centre finds its feet.

6.5. The work of the Centre

6.5.1. Services to be provided

Although it may be clear that the day to day work of the Centre will mainly be to deal with enquiries related to the cost and quality of services charged for by the Council, it may be appropriate to consult with customers (via a questionnaire or a focus group) to obtain their views, before or soon after the Centre is established. It is intended that this business plan itself will provoke discussion amongst the various organisations representing service charge payers in order to inform the work of establishing the Centre.

6.5.2. A telephone enquiry service.

Advice on simple questions and sign-posting. Consideration will need to be given to published hours of service, cover arrangements, and staffing levels.

6.5.3. Casework.

The Centre will, certainly initially, need to avoid duplication with the advice services provided by Southwark CAB and others – advice services need quality assurance, professional indemnity insurance etc. But the work of the Centre will include sign-posting to appropriate sources of advice as well as focussing on policy implications, evidence of service delivery problems to be taken on generally. There will be a need to maintain closely collaborative relations with advice centres in Southwark such as the Blackfriars Advice Centre. Consideration is to be given to the promotion of membership of LAS2000 through the provision of additional casework services to members.

6.5.4. Management of volunteers.

The deployment of volunteers would be designed to provide the flexibility to deal with a varying and potentially increasing caseload – but also the recruitment of volunteers from amongst the representative bodies of service charge payers would increase levels of knowledge and experience that those bodies could draw on in their deliberations and negotiations with the Council. A survey of active leaseholders could be carried out to gauge the level of interest in volunteering. (see 8 below).

6.5.5. Commission experts.

Experts would be recruited to assist homeowners in their dealings with the Council etc such as surveyors / lawyers etc. A policy would need to be established governing the circumstances in which such expenditure would be incurred. In order to manage expectations it would be necessary to clarify that such expertise would only be justified where it benefited groups of homeowners or assist in the examination of policy issues. The Centre should aim where possible to draw on the services of professionals prepared to act pro bono or at low rates.

6.5.6. Administrative support to LAS 2000

Organising and clerking meetings, contact point for members and stakeholders, implementing decisions.

6.5.7. Communications.

Publishing newsletters and information leaflets for LAS 2000 members. Organising consultation exercises. Ensuring the committee is well informed about the views and concerns of membership.

6.5.8. Web-site.

The web-site will be a particularly powerful communications tool. It should provide both organisational / local information and policy / reference information as well as sign-posts and links to other organisations.

6.5.9. Database.

The Centre will obtain permission to hold a database of both members of LAS2000 and of other leaseholders with their contact details in order to be able to communicate effectively with homeowners.

6.5.10. Policy work.

Providing the committee and HOC with information and professional support to allow them to deal on more equal terms with the Council; identifying implications of changes in legislation etc and briefing the committee; assisting LAS2000 to gain from involvement with leaseholder organisations outside Southwark

6.5.11. Statistical work

Collecting relevant statistics and monitoring trends such as levels of service charges within and outside Southwark.

6.5.12. Servicing of Home Owners Council.

Administration and secretarial support to the HOC would be carried out by the Council and not by Centre staff. However the Centre would be called upon to provide reports to HOC.

6.5.13. Practical assistance to local leaseholder organisations.

The Centre would not act as a resource centre and/or duplicate with existing resource centre facilities already funded by the Council and used by T&RAs.

7. Premises

7.1 It is proposed that the Centre will operate from rented premises which offer flexibility. Cambridge House offers office space with the following advantages:

1. Space can be hired on the basis of one or more desk spaces and allowing expansion and contraction as required.
2. Desks come inclusive of ICT equipment.
3. Reception facilities are provided.
4. Additional equipment and meeting facilities are available
5. The building would be shared with similar organisations
6. The building is already designed to host advice centre facilities consisting of a counter service and small fully-equipped interview rooms which could be shared with Blackfriars Advice Centre.

7.2 Cambridge House has been compared with local alternatives (see appendix 1) and offers the best facilities.

7.3 Other options have been researched including the possibility of the purchase of a freehold or long lease of, for example, shop-front premises. This could be viewed as a good use of the accumulated funds and could assist the involvement of the membership by acting as a magnet. The option offers less flexibility and the management of the premises could distract committee members from a focus on services to the membership.

8. Staffing

8.1 It is proposed that the Centre will be staffed by a core of paid staff and a team of volunteers.

8.2 The core staff needs to be of sufficient numbers and with expertise to deliver:

1. telephone enquiry service
2. policy advice
3. co-ordination of volunteer team

4. administration and servicing of meetings including evening meetings
5. ambassadorial role
6. procurement of experts
7. financial administration

8.3 It is proposed to recruit:

1. Home Owner Information Centre Manager

This would be a full-time post. This person would manage the centre, represent the centre to the outside world, have knowledge and expertise in the area of leasehold management policy and practice and be able to organise and maintain an information database. They would supervise the work of the second member of staff. They would have a high level of professional knowledge, excellent negotiation and communication skills, and be able to work with little supervision

2. Administrator and Volunteer Co-ordinator

This would be a part-time (50%) post with a focus on recruiting and managing a team of volunteers but this staff member would also assist in dealing with enquiries made over the phone and in person and would maintain the centre's management and financial records. They would have good administrative, basic financial and good customer care skills, and would have knowledge and experience in managing volunteers.

8.4 The two paid staff may be recruited initially on a secondment basis. The intention is to make an agreement with Leathermarket JMB (a local Tenant Management Organisation) for them to be the employer and for the staff to be seconded to the Centre. The agreement will be based on the agreement between Leathermarket JMB and the small Falcon Point TMO, governing the employment of their Housing Officer. (see appendix 2 for a copy of this agreement). This arrangement will be terminable at a minimum of 3 months notice and should be envisaged to last for a period of two to three years and no longer than five years. By this time the management committee will have been trained in the responsibilities that they need to undertake as an employer, will have had the experience of running the Centre and will be able to take over a stable workforce.

8.5 Target HR is an organisation funded to assist small voluntary organisations in Southwark with specialist HR advice. Their adviser will provide 6 months to a year of specialist and targeted HR advice during the period of the establishment of the Centre. The starting point for this advice will be to assist with planning the recruitment of staff, and with the secondment agreement with Leathermarket JMB.

9. A team of volunteers

9.1 Advice from the Volunteer Centre Southwark (VCS) suggests that, if properly established, it would be viable to organise the Centre's outreach services through a team of volunteers. These volunteers are likely to be a mixture of people drawn from the membership of LAS2000 but also, perhaps younger, people who are seeking the excellent work experience that the Centre could provide.

9.2 VCS and Volunteer England provide a wide variety of resources, training, job descriptions etc and will be a valuable source of advice in the early stages of establishing the Centre's voluntary workforce.

9.3 Important elements to bear in mind include the need to:

1. Define support and supervision structures for volunteers
2. Define the work role and ensure effective quality control
3. Consider that volunteers may visit in pairs – to learn from each other and minimise lone working risks.
4. Define skills required and skills that will be obtained through voluntary work
5. Make guidance documents in advance including a statement of policy
6. Ensure effective induction – initial recruitment might involve an induction conference.
7. Have clarity over expenses – these can cover travel and lunch.

10. Finance

10.1 Home Owners' Fund finances:

Annual income 12/13	£142,670.00
Reserves at 31.03.12	£430,806.39

10.2 Once other calls on the fund's resources are reserved (in particular the annual contribution to Southwark's TRAs) there is a budget of about £100,000 to fund the centre. This assumes that administration of HOC is funded by the Council.

table 2: Draft revenue budget

Item	Budget	Source
Staff salaries	61,757	Cost of existing 1.5 FTE staff 2012 values
Staff travel	200	
Staff training	2,000	4 training courses a year for each person
Payroll	360	Charges to similar organisation
Office rent	9000	Cambridge House
Phone / broadband		included in rent
IT		included in rent
Stationery and supplies	1,500	
Printing	8,000	Assumes a number of quality publications and an annual newsletter
Postage	500	Assumes newsletter despatched by the Council or only available by email and via T&RAs
Website	100	Quote from web designer
Experts	7,000	17.5 x £400
Volunteers' expenses	1,000	
Committee expenses	200	
Hire meeting rooms	2,000	
Subscriptions	1,000	
Contingency	2,383	
Accounts / audit / banking costs	3,000	
Total	100,000	

Draft capital budget (one-off set up costs)

Item	Budget	Source
Furniture		included in rent
IT equipment		included in rent
Website set-up	1,300	Quote from web designer
Staff recruitment ad	1,844	Guardian ad rates print and online
Other recruitment costs	200	
Launch publicity	1000	
Stationery stock	4,500	
Contingency	2,156	
Total	11,000	

11. Risks

Area	Risk	Mitigation
Staffing	Staff management difficulties	Secondment Trained committee
	Staff sickness	Carefully designed contracts of employment; cover arrangements
	Lack of clarity in staff management	Direct employment or clear transitional arrangements Dedicated and trained line manager
	Recruitment difficulties	Pay and conditions to be comparable with LBS
	Redundancy costs	Fixed term contracts
Funding	Council decides to cease funding	Maintain good relations with LBS; obtain cross-party support; signed agreement to fund
	Home Owners' Fund Committee decides to cease funding	Centre meets success criteria; signed agreement to fund
	LAS2000 cease supporting	as above
	There is no inflation provision	Effective budget management and use of reserves Income generation
	Number of service charge payers reduces as a result of stock transfer or demolition	as above
Premises	Rent increases	Effective budget management and use of reserves Income generation
Services	Demand for services too great	Manage expectations increase volunteer input
	low demand for services	marketing reduce staff
Competition	other organisations meet leaseholder needs eg Southwark CAB, LEASE	refocus services

12. Programme of implementation

It is planned to have a 'soft' launch to avoid the risk that the Centre cannot meet initial demands. The implementation programme will include:

1. Agree business plan (LAS2000 and HOC)
2. Negotiate with LBS and agree constitution with all stakeholders
3. Establish management committee and start training programme
4. Consultation questionnaire or focus group
5. Rent premises
6. Recruit staff

7. Generate and induct volunteers
8. Identify sessional experts
9. Set up initial website pages
10. Design limited publicity
11. Agree policies and procedures

13. Business opportunities

Once established the Centre may be able to increase its income to cover cost increases by:

1. Providing assistance to similar organisations elsewhere
2. Organising conferences (local and / or national in focus) and charging for attendance by non-members of LAS2000.
3. Selling advertising in newsletters and on website

14. Benefits / success criteria

The benefits of the work of the Centre could be measured by:

1. Numbers of enquiries / contacts from home owners
2. Customer satisfaction with the outcome of those enquiries
3. An increase in the membership of LAS2000
4. Greater participation in the activities of LAS2000
5. The publication of newsletters and information for leaseholders
6. The maintenance of a good quality website, the number of hits, levels of satisfaction with it.
7. Home owners feeling better informed and / or supported
8. Challenging service charge bills reduces costs to leaseholders
9. A reduction in service charge debts
10. Greater satisfaction with Southwark as landlord

Appendix 1: Home Owners Information Centre: Premises options

	Basic information	Advantages	Disadvantages
Willowbrook Centre 48 Willowbrook Road Peckham SE15 6BW	About £3,000 per year for 3 desks. Includes: Desk, chair, PC, printer, broadband	Cheap; leave at 2 months notice Could have own room depending on availability Meeting room for small additional fee Attractive listed building Unrestricted on-street parking Other tenants include: Peckham Voluntary Sector Forum Children's and arts charities Reasonable public transport bus: 63, 363 Tenants can access building at any time	Would need to install and pay for phone Few organisations based there, small building No interview rooms No reception facilities Lots of stairs, no lift.
Cambridge House 1 Addington Square Camberwell Road SE5 0HF	£250pcm for each desk = £9,000 per year for 3 desks; Desk, chair, PC, printer, paper, toner, phone and calls, broadband, coffee	Could use £20 per day hot desk instead of 3rd desk Very flexible, leave at 4 weeks' notice Can share advice centre facility with interview rooms at flexible cost Informal meeting areas at no cost and variety of meeting rooms to hire Fully accessible Prestigious and inspiring new conversion Excellent public transport by bus Front of house service Other tenants include: Blackfriars Advice Centre Law Centre, CAS, and many others	£2.80 per hour on-street parking charges
Can Mezzanine (Community Action Network) 32-36 Loman Street SE1	£405pcm for each desk = £14,580 per year for 3 desks Phone rental, coffee, cupboard	Could use £20 per day hot desk instead of 3rd desk Free use of meeting rooms. Fully accessible Good public transport links by tube and bus, disabled parking space Central London site	Charges for phone use + copying, bring own furniture + equipment. In congestion zone, no parking.

All include: cleaning, maintenance, building insurance, heating, lighting, power

There are a number of purely commercial office buildings where flexible desk spaces can be rented in north Southwark but typical costs are £300+ per month per desk and don't offer the advantages of sharing with similar organisations or the facility to run an advice centre.

Appendix 2

Secondment Agreement between Leathermarket JMB and Falcon Point

This agreement is designed to enable the effective management of employees between Leathermarket JMB and Falcon Point TMO's.

The agreement will provide for how employees will be contracted to each TMO, what each TMO will be responsible for, the finance and costs attached to this agreement, the period of its existence and any relevant notice periods.

Terms and conditions of employment

Leathermarket JMB will employ a Housing Officer on the current terms and conditions of employment on the hours and rate of pay and benefits agreed between the parties to this agreement.

These terms and conditions of employment are subject to annual review and will affect the position of Housing Officer accordingly.

The job description and any adjustments shall be agreed in advance of the start of the secondment agreement. Performance objectives shall be managed in accordance with existing and future policies of Leathermarket JMB.

Disciplinary and grievance procedures will be managed in accordance with existing and any future Leathermarket JMB policies and procedures. All existing HR policies and procedures shall be applicable to employees managed under this secondment agreement. Leathermarket JMB will directly manage employees affected by this secondment agreement and that manager will be nominated by Leathermarket JMB following consultation and agreement with Falcon Point Management Committee or nominated representative.

Falcon Point will be responsible for ensuring regular and appropriate input to the review of performance of employees affected by this secondment agreement and will nominate an appropriate responsible person agreed between Leathermarket JMB and Falcon Point. Regular reviews will incorporate the Leathermarket JMB Performance Management procedure, Sickness Absence Management procedure and any additional reviews to ensure appropriate and timely input to the proper and fair management of employees. Any additional reviews will be agreed in advance of this agreement, including the management of probationary reviews.

Finance and costs

Leathermarket JMB will be responsible for compiling and invoicing all costs associated with employees managed under this secondment agreement. Costs will include salaries and benefits, national insurance and income tax costs, employment costs associated with the direct employment of employees, including recruitment and management costs. A summary of all costs associated with such employment and management is included in Schedule A of this agreement.

This agreement will incorporate a management fee agreed between Leathermarket JMB and Falcon Point in advance. This fee will be reviewed on a regular basis and in any event annually on the anniversary of its starting date.

Any redundancy costs, should they arise, will be borne fully by Falcon Point.

Leathermarket JMB will identify such costs in advance of any management action for agreement with Falcon Point.

All legal costs associated with the employment of employees under this agreement shall be borne by Falcon Point. Such costs will, to the best of Leathermarket's ability, be identified in advance for consultation and agreement.

Falcon Point will cover all costs associated with providing cover for any employees under this agreement. Such cover arrangements will be identified and agreed in advance.

Management arrangements

The principal responsibility for the management of all terms and conditions relevant to this secondment agreement for Leathermarket JMB will be the Executive Manager or nominated representative.

The principal responsibility for the management of all terms and conditions relevant to this secondment agreement for Falcon Point will be or nominated representative.

This agreement will be applicable for twelve months from the start date of the agreement.

A formal review will take place at the six month stage of the agreement period.

Should it be necessary to bring this secondment agreement to an end prior to the agreed twelve months period, either side shall give three months notice. This notice period will take affect following formal notification in writing to either side.

If either side give notice of termination of this agreement all employees managed by Leathermarket JMB will be subject to redundancy consultation or TUPE Regulations 2001.

Leathermarket JMB Executive Manager will ensure all notifications of the implications concerning the issuing of notice are reported to both sides to this agreement within five days of receiving the appropriate notice documentation.

Any legal or additional costs associated with the management and application of this secondment agreement will be borne by Falcon Point. Leathermarket JMB will notify Falcon Point of such costs at the appropriate time and with sufficient notice.

Should Falcon Point wish to raise any issues with respect to the daily management of employees under this secondment agreement they should in the first instance raise such matters with the nominated Manager of Leathermarket JMB. If such an approach fails to rectify the issue(s) they may raise the matter with the Executive Manager.

If the raising of such issue(s) following the above procedure fails to rectify the issue(s) then the Chair of the Staffing and Governance Group of Leathermarket JMB should be notified of this issue(s) in writing. The Chair of the Staffing and Governance Group will endeavor to rectify the issue(s) either directly or through the Staffing and Governance Group and this decision will be final.

Signed:

Date:

Falcon Point TMO

Signed:

Date:

Leathermarket JMB