

# Belle Isle Tenant Management Organisation (BITMO) Modular Management Agreement (MMA) 2021

Date: 03 September 2021

Report of: Mandy Sawyer, Head of Neighbourhood Services

Report to: James Rogers, Director Communities, Housing and Environment

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

## What is this report about?

### Including how it contributes to the city's and council's ambitions

- This report outlines, and seeks approval for, an updated formal agreement (the MMA) between BITMO and LCC. The Modular Management Agreement (MMA) forms the contractual relationship between the Tenant Management Organisation and the Local Authority. It is a statutory document, last updated in 2013, within the remit of the Ministry for Communities, Housing and Local Government (MCHLG)
- The relationship with BITMO is unique in Leeds:
  - The TMO is constituted as an independent Industrial and Provident Society i.e. not as a subsidiary company. The Council does not own the Society and is not a member or shareholder.
  - As an Industrial and Provident Society BITMO is regulated by the Financial Services Authority
  - The board is tenant controlled and fully independent.
  - The MMA is statutory and both parties must comply with statutory guidance.
- The MMA sets out the roles and responsibilities of BITMO and LCC in their undertaking to deliver a housing management service to 1,800 homes and is formally reviewed every five years.
- The 2021 MMA review, undertaken by senior officers within LCC, BITMO and with support from Legal Services, strengthens and clarifies current roles and responsibilities, responding to new and emerging housing management practices, policy and legislative changes and the need to support close and clear working relationships and practices between BITMO and LCC.
- The MMA consists of a number of Chapters, and within each Chapter are prescribed clauses that define further BITMO's roles and responsibilities. The Chapters are:
  - Chapter 1 General Provisions of the Agreement.
  - Chapter 2 Repairs, Maintenance and Services Provision
  - Chapter 3 Rent (including Tenant and Service Charges)
  - Chapter 4 Leaseholder and freeholder service charges.
  - Chapter 5 Financial Management.
  - Chapter 6 Tenancy Management.

- Chapter 7 Staffing and Management of the relationship between the TMO and the Council.
- Chapter 8 Performance, monitoring and reviewing of standards.
- Confirmation of which clauses are included within the MMA, highlighting any change of clause adopted as part of the review, is listed in **appendix 1**.
- The updated MMA supports overall governance by strengthening and clarifying responsibilities to allow both BITMO and LCC to undertake their roles effectively, with a reduced risk of service, legislative or reputational failing. This allows both services to continue the delivery of services that support the priorities within the Best Council Plan, for example, by continuing to invest in homes to improve energy efficiency, reducing fuel poverty.

## Recommendations

- a) That the Director of Communities, Housing and Environment considers and approves the 2021 MMA that outlines the roles and responsibilities of BITMO and LCC between 2021 2026.

## Why is the proposal being put forward?

- 1 In line with regulatory requirements, and to ensure clear roles and responsibilities of BITMO and LCC, a reviewed and updated MMA is required.

## What impact will this proposal have?

### Wards Affected: Middleton Park

Have ward members been consulted?       Yes       No

- 2 The updated MMA provides a legally binding partnership and contractual framework that strengthens and clarifies current roles and responsibilities, responding to new and emerging housing management practices, policy and legislative changes and the need to support close and clear working relationships and practices between BITMO and LCC.
- 3 Officers have consulted ward members, offering and undertaking a separate briefing in addition to the BITMO board meeting on 27<sup>th</sup> May 2021

## What consultation and engagement has taken place?

- 4 The MMA has been reviewed with input from key officers from within BITMO and Housing Leeds. BITMO Board Members have been informed of key changes to the clauses.

## What are the resource implications?

- 5 There are no resource implications or resource changes as a result of the MMA review.

## What are the legal implications?

- 6 A reviewed and updated MMA ensures compliance with Ministry for Housing, Communities and Local Government requirements.

## What are the key risks and how are they being managed?

- 7 Risks are managed by undertaking formal quarterly review meetings (a review of activity across the range of responsibilities undertaken by BITMO), supported by a nominated BITMO liaison officer. Quarterly review meetings are also used to inform of wider council activity, or other projects and initiatives to support overall performance and service improvement.

### **Does this proposal support the council's 3 Key Pillars?**

Inclusive Growth       Health and Wellbeing       Climate Emergency

- 8 The MMA is focussed on defining the range of housing and property management activity and responsibilities. These activities support wider council priorities. For example, activity led by BITMO at BITMO Gate (undertaking a range of health and well-being activity for local residents, or offering employment support).

### **Options, timescales and measuring success**

#### **a) What other options were considered?**

- 9 The MMA is a regulatory requirement – no other options are available.

#### **b) How will success be measured?**

- 10 The updated MMA supports overall governance by strengthening and clarifying responsibilities to allow both BITMO and LCC to undertake their roles effectively, with a reduced risk of service, legislative or reputational failing.

#### **c) What is the timetable for implementation?**

- 11 Subject to approval, the MMA will take immediate effect having been approved by the BITMO Board on 27<sup>th</sup> May.
- 12 Following LCC and BITMO approval the MMA will be issued to MHCLG for their ratification.

### **Appendices**

- 13 – See appendix 1 – confirmation of list of clauses reviewed and adopted.

### **Background papers**

- 14 The Modular Management Agreement is available on request.