
Report of the Director of Neighbourhoods and Housing

Outer West Area Committee

Date: 8th December 2006

Subject: ALMO Review

Electoral Wards Affected:

**Pudsey
Calverley and Farsley**

Specific Implications For:

Ethnic minorities

Women

Disabled people

Narrowing the Gap

Council
Function

Delegated Executive
Function available
for Call In

Delegated Executive
Function not available for
Call In Details set out in the
report

Executive Summary

This report provides an update along with the attached presentation on the progress to date with the review of Arm's Length Management Organisations (ALMOs) in Leeds

1.0 Purpose Of This Report

1.1 The purpose of this report is to advise members of the progress of the review of ALMOs in Leeds. A presentation is also attached to give members further information.

2.0 Background Information

2.1 The purpose of the ALMO review is to ensure that there are financially sustainable ALMOs in Leeds.

2.2 A report to the Executive Board of 5th July 2006 set out the reasons for changing the configuration of ALMOs in Leeds. The report highlighted the:

- Changes to Department of Communities and Local Government (DCLG) guidance on the size of ALMOs
- Reductions in stock numbers to date and the potential future reduction
- Difficulties in the governance relationships
- Financial viability for ALMOs in Leeds
- The DCLG's future vision for ALMOs

2.3 For all of the above reasons it was concluded that Leeds should not continue to operate with six ALMOs.

2.4 The report to the Executive Board in July recommended that the Council should ballot tenants on the options of 1 or 3 ALMOs. The 3 ALMO option will be constituted by W and NW, NE, E and the EASEL area of SE, and S with the remainder of SE. There was a broad consensus across the boards and amongst Members in favour of 3 ALMOs. It was agreed that the Council stated its preference to tenants for this option and that tenants should be balloted on the two alternatives.

2.5 The ballot paper gave a simple explanation of the reason for the ballot and asked tenants to choose between a single ALMO and three ALMOs. Tenants also received a newsletter to help them make a decision. The result of the ballot was:

Total number of eligible voters	71,143	100%
Total votes cast	25,192	35.7%
Votes cast for one ALMO	10,776	42.8%
Votes cast for three ALMOs	14,416	57.2%

3.0 Transition Arrangements

3.1 The transition has been broken into three project areas

- Infrastructure – support services, IT, communication, TUPE, branding
- Service Delivery – Performance, contracts, capital programmes
- Governance – Legal, company set up, inspection, company governance arrangements

3.2 Each of these projects are being broken down into three categories

- What must be done now
- What do we need to begin and plan for
- What can be left until after April 2007

3.3 Key tasks to be completed before the end of January 2007 are

- Appoint the three chief officers
- Establish the three companies
- Obtain a revised s.27 approval from the DCLG

- Appoint the new Boards
- Transfer the senior management teams to the new companies
- Appoint the new senior management teams
- Produce the TUPE list

4.0 Conclusion

- 4.1 The ALMO review is on track and is project managed by the ALMO chief officers and senior managers from the department of Neighbourhoods and Housing. This group meets fortnightly to monitor progress. There are regular reports to the Executive Board to ensure that the necessary authority is in place.
- 4.2 One of the key issues in the review and one which the Committee might like a briefing at a later date is the creation of Area Panels which will report to the Boards on local issues. Draft terms of reference are under consultation at present and these will be finalized during the early part of 2007.

5.0 Recommendations

- 5.1 Members of the Outer West Area Management Committee are asked to note this report and advise on the nature of any future briefings.