

100 years of new management agreements for ALMOs

Local councils show their support for housing bodies as contracts renewed

Press Release

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The long-term future of tens of thousands of council tenants managed by arms length management organisations (ALMOs) has been safeguarded as councils across England renew their housing contracts.

In total 15 ALMOs across England have had their management agreements extended or newly agreed for a total of more than 100 years.

The news has been welcomed by the National Federation of ALMOs (NFA), as an endorsement of the ALMO model by their local authorities and as a clear signal that ALMOs have a bright future beyond the Decent Homes programme.

ALMOs were formed under the previous Labour government with the goal of raising housing management standards with the reward of accessing government funding to pay for physical improvements to council homes. Most ALMOs have now completed their programmes and are having their contracts reviewed. The NFA believes that ALMOs have a continuing role to play in the delivery of housing management beyond Decent Homes and that there is now ample evidence to support this view.

Among the 15 organisations to have their agreement extended is Nottingham City Homes which received a 10 year extension from Nottingham Council in March. The council decision took into account the ALMO's many achievements that included reducing rent arrears from £5 million to £1.8 million and delivering one of the UK's most efficient Decent Homes programmes.

Another ALMO, Derby Homes, recently had their agreement with Derby Council extended by a further 10 years. The ALMO received the support of 90 percent of tenants surveyed on its future and the organisation is making efficiency savings of £500,000 from the Council's direct labour organisation after taking it over.

Alison Inman, NFA Chair, said: "Although some organisations have decided to dissolve their ALMOs, we have always been confident that the vast majority will have their management agreements extended and the evidence so far supports this view. ALMOs have proved popular with tenants, provide many more opportunities for tenant involvement and have delivered a number of efficiency savings and improvements which have been fully recognised by their parent councils. We are very pleased to see these achievements being rewarded with contract extensions".

There are a further 31 ALMOs that are under review or to be reviewed in the next few months and the majority of these are expected to confirm their ALMO status.



At the time of writing, five ALMOs have been taken back in house by their local authorities and four ALMOs have carried out a stock transfer.

There are currently 62 ALMOs across England who together manage just under 900,000 council properties.

To further clarify the future role of ALMOs, the National Federation of ALMOs is due to publish a report into potential community ownership of council housing in the next few weeks. This will develop proposals for further tenant involvement in the running of an ALMO than the current model allows.

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For further information please contact Peter Davenport or Simon Baylis at Acceleris Marketing Communications on 0845 4567 251 or email simonb@acceleris-mc.com