



Andrew Stunell MP
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By email

Chief Executives of Councils with ALMOs
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Dear Chief Executive

Updated Guidance for Councils considering disestablishing their ALMOs

I am writing to all Chief Executives of councils with Arms Length Management Organisations (ALMOs) to set out the Department's position on the processes those councils should follow when considering disestablishing or winding up their ALMOs.

This issue has been raised by a number of councils and ALMOs, as well as in Parliament. As I made clear in the debate on the passage of the Localism Bill, all councils contemplating winding up their ALMOs should consider all the available options carefully.

It is important that councils have the Department's view before them on the processes to follow, should they decide to review the relationship with their ALMO. The Department has worked closely with stakeholders, such as the National Federation of ALMOs, to strengthen the existing guidance setting out the Department's expectations for those councils and their responsibilities to tenants.

The attached note sets out the processes councils should undertake and addresses concerns that currently councils interpret the existing guidance in differing ways, and undertake differing levels of tenant consultation. Essentially, the note states that councils should undertake at least as comprehensive a consultation process at the creation and closure of an ALMO.

Ultimately, it is for councils to decide locally, how best to manage their housing management services. However, councils should consult tenants and their ALMOs at an early stage before taking important decisions around the viability of these organisations. It is important that councils demonstrate that they had fully consulted their tenants as part of an ongoing, meaningful and transparent process of engagement, using a range of consultative methods.

A handwritten signature in black ink that reads "Andrew Stunell". The signature is written in a cursive style with a horizontal line underlining the name.

ANDREW STUNELL MP