

# Gloucester City Council

<b>Meeting:</b>	<b>Cabinet Council</b>	<b>Date:</b>	<b>5 April 2023 22 May 2023</b>
<b>Subject:</b>	<b>Nominations to the Gloucester City Homes Board</b>		
<b>Report Of:</b>	<b>Cabinet Member Planning and Housing Strategy</b>		
<b>Wards Affected:</b>	<b>All</b>		
<b>Key Decision:</b>	<b>No</b>	<b>Budget/Policy Framework:</b>	<b>No</b>
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<b>Appendices:</b>	<b>1. Extract from minutes of Oversight and Scrutiny Committee special meeting held on 09 May 2023 providing further background information from the Chief Executive of Gloucester City Homes</b>		

## FOR GENERAL RELEASE

### 1.0 Purpose of Report

- 1.1 The purpose of this report is to review the current approach to nominating Members to sit on the Gloucester City Homes Board

### 2.0 Recommendations

- 2.1 Cabinet **RESOLVES TO RECOMMEND** that the Council agrees to surrender its right to appoint up to two Council Board Members to the Gloucester City Homes Board.
- 2.2 Council **RESOLVES** to surrender its right to appoint up to two Council Board Members to the Gloucester City Homes Board.

### 3.0 Background and Key Issues

- 3.1 The Gloucester City Homes (GCH) Board consists of between 5 and 12 Board Members including: no more than 2 Council Board Members (appointed by the Council) no more than 2 GCH Tenants and up to 9 Independent Board Members.
- 3.2 GCH Board Members usually serve for a three-year period however they may stand for a further term.
- 3.3 Historically, the Council has nominated representatives to the GCH Board through its annual process of making appointments to Outside Bodies. In the past, these have been elected Member appointments, but in more recent years they have been non-Councillor appointments and the Council has worked with GCH to identify

individuals that meet the skillset required. Currently, only one of the two appointments made at Annual Council in May 2022 remains on the Board.

3.4 GCH have advised that they are seeking to develop their Board to be more inclusive of their local communities while also providing a wider range of skillsets to further improve the effectiveness of the Board moving forward. As part of this new approach, GCH have asked the Council to review its nominations to the GCH Board.

3.5 The Council does not currently nominate Board members for any other registered housing providers who operate in Gloucester.

3.6 In 2018, changes to the regulations governing the operation of registered providers reduced the level of influence local authorities had over private registered providers of social housing through Board appointment and Membership/Shareholding voting rights.

#### **4.0 Social Value Considerations**

4.1 There are no relevant social value considerations.

#### **5.0 Environmental Implications**

5.1 There are no relevant environmental implications.

#### **6.0 Alternative Options Considered**

6.1 The Council could maintain its membership on the Board. However, it is considered that it would be in the best interests of GCH to enable it to appoint Independent Board Members who are likely to be better equipped to meet the future ambitions of the Association.

#### **7.0 Reasons for Recommendations**

7.1 The Council does not appoint members to the Boards of any other Registered Housing Providers in the City.

7.2 The regulations governing the operation of registered provider's has reduced the proportion of Board Members who can be nominated by councils.

7.3 By ceasing to nominate to the GCH Board, GCH can expand the breadth of experience and skills of their Board Members to better meet their ambitions to support their business and customers.

#### **8.0 Future Work and Conclusions**

8.1 If the resolution to cease to nominate individuals to the GCH Board is agreed, the Council will have no presence on the GCH Board and GCH will be able to recruit replacement Board Members.

8.2 The remaining GCH Board Member who has been nominated by the Council is due to leave their role on 31<sup>st</sup> December after which GCH will be able to fill this role independently.

8.3 It is not anticipated that surrendering nomination rights to the GCH Board will hamper the existing strong working relationship that exists between both organisations.

## **9.0 Financial Implications**

9.1 There are no financial implications associated with this report.

(Financial Services have been consulted in the preparation this report.)

## **10.0 Legal Implications**

10.1 Following previous amendments to the Rules of Gloucester City Homes (the Rules) the Council is no longer a Shareholder in GCH.

10.2 If Cabinet approve this Recommendation One Legal will liaise with GCH to agree amendments to the Transfer Agreement dated 17th March 2015 to remove the obligation on the Council to nominate GCH Board Members and obligations on GCH to seek the approval of the Council to amend their constitution. GCH will need to follow its own internal procedures to amend the Rules to remove the requirement for it to appoint up to 2 Council Board Members.

(One Legal have been consulted in the preparation this report.)

## **11.0 Risk & Opportunity Management Implications**

11.1 There are no risks or opportunities associated with this report.

## **12.0 People Impact Assessment (PIA) and Safeguarding:**

12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact; therefore a full PIA was not required.

## **13.0 Community Safety Implications**

13.1 There are no Community Safety implications.

## **14.0 Staffing & Trade Union Implications**

14.1 There are no staffing or Trade Union implications.

**Background Documents:** None