



## **Report to Cabinet**

**Subject: Stock Transfer**

**Date 2 November 2006**

**Author: Head of Housing Services**

### **1 Purpose of the Report**

The purpose of this report is to propose and agree the proposed name and the membership of the Shadow Board for the new stock transfer organisation.

To inform members that the Department for Communities and Local Government (DCLG) has confirmed that Gedling Borough Council's application for inclusion on the Annual Disposals Programme for stock transfer has been successful.

### **2 Introduction**

#### Inclusion on the Annual Disposals Programme for Stock Transfer.

The council will be required to participate in an evaluation of its transfer programme, which is undertaken jointly by the DCLG and the Housing Corporation. The council will be required to provide a number of pieces of information about the transfer at the outset, followed by ongoing monitoring and evaluation, in order to assess whether the transfer is achieving its objectives.

#### Name of the organisation

Following an open competition to both tenants and staff of the housing department requesting suggested names for the new stock transfer organisation the Stock Transfer Working Party by consensus agreed to recommend to the council the name of Gedling Homes and the registration of the company.

## Shadow Board

Further to this at the Stock Transfer Working Party Meeting on 25<sup>th</sup> September the group discussed and proposed the following recommendations with regard to the establishment of the shadow board for the new stock transfer organisation

### **3 Proposals**

#### Composition of the Board

Historically, stock transfer boards have consisted of 15 members, 5 tenants, 5 councillors and 5 independents. However, current advice from the Housing Corporation is to have smaller boards of between 7 and 12 members. Part of the rationale for this is that smaller boards are seen as more effective and efficient. The Stock Transfer Working party agreed to recommend that a Shadow Board of 12 is appropriate for Gedling. In coming to this recommendation regard has been given to Housing Corporation advice, the fact that it is proposed that the new organisation is to be part of a group structure with an existing Housing Association and to allow broad representation. It is proposed that the 12 members be made up of 4 Elected Members nominated by the council, 4 Tenants and 4 Independents.

The Independents on the Shadow Board are usually selected from the local community for their particular skills and expertise e.g. finance, law, managing businesses etc. and are intended to complement the skills, expertise and experience of the tenants and Elected Members on the Board.

#### Selection of Board Members

Selection of the Board needs to be considered in terms of the three different constituencies as different approaches will apply to each of them.

First, selection of the elected members is a matter for the Council. It is proposed that Cabinet agrees the membership of the shadow board. It is requested, therefore, that the Cabinet nominates 4 elected members to the Shadow Board.

The Stock Transfer Working Group agreed on the 25 September 2006 to invite expressions of interest for tenant board membership from all tenants. It is recommended that Tenant Board Members are then selected according to their skills and knowledge by a panel made up of the Portfolio Holder for Housing, 3 existing tenant members of the Stock Transfer Working Party, 1 tenant member of the Tenant Consultation Panel and the Tenant Participation Officer. The Independent Tenant Advisor will also assist in the interviews.

Following the selection of the tenant and Elected Members to the board, it is proposed that a panel from these carries out selection of the Independent board

members. The process will typically, involve the placing of advertisements in the local press, inviting applications, followed by interviews.

It is suggested that one of the places for the Independents is not filled initially. This will be kept for a representative from the group parent, should this be required. It may be, however, that the chosen group does not want a place on the Shadow Board and this place will then be filled at a later date.

### Timing

Assuming a ballot is to take place next summer, the Shadow Board needs to be established sometime over the winter. This will allow sufficient time for the Shadow Board to develop as a group, consider the draft policies and the Offer Document in advance of the formal consultation process with tenants.

In order to achieve the above, the nomination of Elected Members and selection of tenants needs to be carried out over the next couple of months and completed by the end of November.

Advertising for Independent Board Members will take place in November/December with selection by January.

Adopting the above would mean the Shadow Board would be fully established by the New Year and be ready to start dealing with the business of the new organisation.

### Remit and role of the Shadow Board

The principle focus of the Shadow Board is to establish Gedling Homes as a new Registered Social Landlord (RSL). Whilst transfer is the means by which the new RSL will come into being, it is predominately a responsibility of the Council.

The key areas for the Shadow Board will be:

- § Agreeing the Offer Document, although final approval will lie with the Council;
- § Approving the business plan for Gedling Homes;
- § Approving the new policies and procedures for Gedling Homes;

Terms of reference for the Shadow board are attached at Appendix 1

#### **4 Recommendations**

The Cabinet is recommended to:

- i. Note that the council's application for inclusion on the annual disposal programme for stock transfer has been successful;
- ii. Agree the name of the new organisation as Gedling Homes and the registration of the company;
- iii. Note the contents of this report, the proposed timetable for establishment of the Shadow Board and its remit and role;
- iv. Agree the membership of the Shadow Board of 12 members (4 tenants, 4 elected members and 4 independents);
- v. Nominate the 4 elected members to the shadow board;
- vi. Agree the proposed arrangements for selection of the tenants to the Shadow Board;
- vii. Agree the proposed arrangements for the selection of independents to the Shadow Board.

## **APPENDIX 1**

### **GEDLING HOMES**

### **SHADOW BOARD**

#### **Terms Of Reference**

- To agree and recommend any significant changes to the housing transfer project plan and timetable agreed at the start of the process.
- To approve and recommend to the council the model for the new landlord, and the preferred Registered Social Landlord partner for recommendation to Council.
- To liaise with the Independent Tenant Advisor and the Councils' lead and legal consultants.
- To approve and recommend the Business Plan for Gedling Homes.
- To approve and recommend all relevant policies and procedures for Gedling Homes
- To oversee the registration of the Gedling Homes with the Housing Corporation.
- To confirm that the promises set out in the offer document are deliverable by the Gedling Homes.
- To undertake training and visits to other organisations as necessary.
- To comply with the agreed Code of Conduct for representatives on the Shadow Board.
- In the event that there is a vacancy on the Shadow Board, the Shadow Board has the power to co-opt additional members. This should be in accordance with the equal balance on the group between Council nominees, tenant representatives and independents.
- Unless otherwise stated, all decisions of the Shadow Board will require a simple majority.
- The Shadow Board will not be considered quorate unless at least 4 members are present, including at least one tenant and one Council nominee.