

**REPORT TO:** Executive Board

**DATE:** 23<sup>rd</sup> September 2010

**REPORTING OFFICER:** Strategic Director, Adults and Community

**SUBJECT:** Review of Halton Housing Trust Board Composition

**WARDS:** Borough Wide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 To seek the Board's agreement to a proposal from Halton Housing Trust (HHT) to reduce the membership of HHT's Board from 15 to 12, including a reduction in tenant and Local Authority Member representation.

## **2.0 RECOMMENDATION: That the Board agrees to HHT's proposal to reduce its Board from 15 to 12 members, comprising 4 local authority nominees, 4 tenant members and 4 independent members.**

## **3.0 SUPPORTING INFORMATION**

- 3.1 Since December 2005 when HHT was established, its Board has comprised 5 elected members nominated by the local authority, 5 tenant members, and 5 independent members. The Board recently asked a working group to review governance arrangements in terms of Board membership and a range of options were presented to HHT's Board for consideration on the 1<sup>st</sup> July 2010.
- 3.2 In coming to a decision about the preferred size and composition for a future Board, the Trust has taken account of good practice guidance from the National Housing Federation and Department for Communities and Local Government that suggests board size should be between 5 and 12. It has also surveyed 32 stock transfer Housing Associations, the findings of which are reproduced in the Appendix, showing the size and composition of the Board in each organisation and how long the organisation has existed.
- 3.3 The following points were also noted -
- Only 8 out of 32 Housing Associations surveyed have a board size of 15. 17 have 12 and 7 have less than 12 (smallest being 9).
  - There is a correlation between the number of years since transfer and a reduction in Board size.
  - The cost of the Trust's governance arrangements would be reduced (both in remuneration and paper/ support costs) if the Board size was reduced.

- It is increasingly difficult to attract and retain 15 high quality board members (although there has not yet been an opportunity to test what the impact of remuneration will be on the recruitment of new board members)
- A smaller board would be arguably easier to manage and support. Furthermore this could be linked to a wider review of Schemes of Delegation to ensure the business and Board/ Committee workloads remain manageable
- There is a real opportunity to reduce the size of the Board now as there are currently two vacancies.
- A smaller Board would initiate a wider review of the Committee structure which would lead to a more effective and efficient governance structure.

3.4 The Trust's Board concluded that they wished to reduce the Board size to 12, with 4 local authority nominees, 4 tenant members, and 4 independent members, and to seek the local authority's support to this change. Under the housing transfer agreement the authority's consent is required for any changes in so far as they relate to local authority or tenant representation.

3.5 As the proposal maintains a status quo in terms of equal representation between the three groups it is not considered to adversely affect the Council's interests, or those of the tenant or independent members, and it is therefore proposed that the HHT proposal be agreed. HHT will then embark on a period of consultation with customers and stakeholders before seeking to formally adopt the change at its AGM in December.

#### **4.0 POLICY IMPLICATIONS**

4.1 There are no policy implications arising.

#### **5.0 OTHER IMPLICATIONS**

5.1 There are no other implications.

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Children and Young People in Halton**

None

##### **6.2 Employment, Learning and Skills in Halton**

None

##### **6.3 A Healthy Halton**

None

#### **6.4 A Safer Halton**

None

#### **6.5 Halton's Urban Renewal**

None

### **7.0 RISK ANALYSIS**

There are no identified risks or opportunities associated with the proposed change.

### **8.0 EQUALITY AND DIVERSITY ISSUES**

No equality and diversity implications have been identified as arising from the proposal contained in the report.

### **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
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None.

Board Size and Composition - Transfers only



