

**JOINT OVERVIEW & SCRUTINY TRANSITION – HOUSING TASK GROUP
4TH NOVEMBER 2008**

Council Nominations to Stock Transfer Housing Associations

Purpose of Report

1. To provide an opportunity for the task group to consider the issues and options around councillor nominations to the stock transfer housing associations.

Action Required of the Task Group

2. To discuss this report with a view to taking forward key matters to the task group's final report.

Background

3. There are three Large Scale Voluntary Transfer (LSVT) Registered Social Landlords (RSLs) in Wiltshire their details are as follows.

RSL	Council Area	Councillor Nominations
Sarsen	Kennet	2
Selwood	West Wiltshire	5
Westlea	North Wiltshire	0

4. At the time of stock transfer it is the normal good practice to set up a board for the new RSL. The Board will normally be made up of councillors, tenants and independents in equal thirds. The make up of the board is normally a matter that is of considerable importance to tenants and the council at the time when a ballot on stock transfer takes place and it is usually set out in the Offer Document.
5. This document sets out future arrangements for the management and investment in their homes, if tenants vote yes to stock transfer, and is in effect a promise made by the council.
6. In the event of a yes vote, the "promises" made in the offer document are then set out in the stock transfer agreement. This is the contractual

agreement between the council and the RSL, setting out all the legally binding terms upon which the transfer is based.

7. Subsequently it may be possible to vary the agreement, however as with any agreement, this will require the agreement of both parties. The council can be seen as the custodian of the promises made in the ballot offer document, because, although some conditions of the agreement may have a neutral affect on the council they are often there to benefit the tenants who are not a party to the legal agreement.
8. Consequently, before any revision is made to the document, a council will want to be reassured that the proposed amendment has majority support from the tenants.

Current Situation

9. Since stock transfer, all three RSLs have varied the structure of their boards. Westlea no longer have any council nominees, Sarsen have reduced their number and their proportion, while Selwood has reduced the number but maintained the proportion at one third.

10. Issues

- a. From 1 April 2009 all council nominees will cease to be district councillors
- b. All rights and responsibilities of the District Councils under the Transfer Agreements will transfer to Wiltshire Council
- c. Councillors will not be elected to the new Council until June 2009
- d. Provisional advice suggests that the council nominations to the Sarsen and Selwood boards do not need to be sitting councillors for the council they are nominated from.

11. Options

- a. Continue with existing nominees This option is preferred by the RSLs, they are anxious to continue to have board members who are experienced, have valuable training and knowledge and are familiar with the organisation. This option would minimise disruption at a difficult time and could be achieved without having to negotiate a change to the stock transfer agreement or enter into a costly consultation exercise with tenants. It would also allow the present arrangements to continue until the make up and the aspirations of the new council are known after June

- b. Nominate members who will continue to be county councillors after 1/4/09 this is not favoured by the RSLs as it would mean discontinuity and the loss of the valued experience of the existing board members. It may also be the case that there are not sufficient councillors available to take on this role.
- c. Change the nature of council nominations If the councils and RSLs wished to have no further direct nominations to the two RSLs concerned this would require a revision of the stock transfer agreement and probably the articles of association, as well as wide consultation with tenants to find out if they favoured this option. This would also involve taking a decision on a highly sensitive issue that may well be something that the council that will be elected in June might wish to have influence over.

Recommendation

- 12. That the task group notes that the Director of Housing Services will be recommending to the Implementation Executive, West Wiltshire District Council and Kennet District Council that option (a) be adopted with a view to a further report being brought to the new council after June setting out the potential options for nominations from the one council.

Graham Hogg
Director of Housing