

Agenda Item No: 10

West Wiltshire District Council

Full Council

5 January 2005

West Wiltshire Housing Society - Changes to Board Membership

To consider the current position and the recent history regarding changes to the Board Membership of West Wiltshire Housing Society Ltd

1 Introduction

At Full Council on 10 November 2004 the item concerning changes to the membership of the Board of the West Wiltshire Housing Society raised a number of issues. This report was requested as a result of the discussion of those issues. Officers have met with former Portfolio Holders and the current Portfolio Holder to discuss the steps taken in the past and the consequences of individual actions.

2 Changes to the Housing Society

In July 2002 the Housing Society contacted the District Council about the potential to covert the Society to a charity and a series of revisions to the Memorandum and Articles of Association. A draft report for Cabinet was prepared within weeks, but the report was not presented. However a report to Corporate Management Team was presented a few weeks beforehand.

Although the initial assessment indicated the changes included a number of controversial measures, the changes to the number of Board Members was not viewed as being particularly difficult by the author of the report. The report was written by Gareth Owens, the then Legal Services Manager. Within two months this view had changed to acceptance in principle but supplemented by a concern that the Board of 18 had been derived in part from a need to ensure equality between the two elements of tenants representation on the Board.

The Council wrote to the Housing Society to say that it would welcome details of why the change was needed. A response was received and a meeting between officers and members in February 2003 noted continued concern about the change. However, by March of the following year, 2004, a letter had been sent by the Legal Services Manager to West Wiltshire Housing Society stating that if some particular elements of concern were the subject of clear consultation with the tenants then the authority will give its approval to the reduction in Board Membership. What transpired between 2003 and 2004 to support this change is not clear from the file held in Legal Services. No other officers have any notes which are of assistance.

The Housing Society carried out the consultation required by the District Council and this was confirmed a little later in the early summer of 2004. No response was made by the tenants to the issue of reducing the Board Membership. Given the different importance attached to different times to this decision it is possible that the reduction in the Board Membership may or may not have been a key decision depending at the particular time when the decision might have been taken under one of the three constitutions of the Council that had been force during the period covered by this report. Additional corroborative evidence has been examined and this appears to support the details shown on the Legal file. One problem that has been revealed is the recording of Portfolio Holder decisions. It appears as these have been poorly documented in many circumstances, and not just in this particular instance. Officers have already put in place procedures to ensure that this should not occur in the future.

3 Remaining questions

It seems as though there are four questions which benefit from a degree of consideration. The first of these is "What did we do?" This has been documented above, and has been discussed with all of the Portfolio Holders in some detail. It is difficult to give a true flavour of what is shown on the file without copying the entire file as an appendix to this report. The details shown above are the succinct summary of what are believed to be the salient points.

A second question is "What should have been done?" It would appear that the answer to this is that there was nothing particularly important about the change to the membership of the Board at the time when the Legal Services Manager wrote to the Housing Society in March 2004. It is quite plain from the file that this is a very different approach to that taken in February 2003, but the correspondence is clear and shows that the authority was willing to give its approval subject to appropriate consultation with the tenants. This consultation was carried out. One problem which was revealed is the proper recording of Portfolio Holder

decisions. It does not change the basis on which this file has been handled, but it is a useful lesson for the authority and has been picked up whilst conducting the appropriate investigations.

A third question is "What do we need to do now?" This is perhaps the most difficult to answer. The change to the membership of the Board took place following the vote at the Annual General Meeting of the Housing Society in 2004. The former and current Portfolio Holders do not necessarily agree about what should have taken place but agree that the reduction from 18 members to 15 members has taken place and note that our membership needs to be reduced by 1 member. It is suggested that the member with the lowest attendance record be stood down as that member obviously has the most diary conflicts with the Housing Society calendar. It is also suggested that the performance of the Board with its membership of 15 be monitored over the next year or two, and that a report be brought back to Full Council in due course highlighting whether the Housing Society is performing better with the change to Board Membership.

The last question is "What lessons can be learn?" One of these is that the monitoring of Portfolio Holder decisions needs to be achieved more clearly. This problem appears to have affected all administrations under all of the Constitutions that have applied during the period covered by this report. Officers have been asked to be more diligent whilst dealing with such matters in the future. Other issues may arise once this item is debated.

4 Conclusions

There is no consensus between the former and current Portfolio Holders about the reduction of the membership of the Board. A period of little over twelve months on the Legal Services file appears to contain no details which assist in revealing where changes have taken place. The absence of very particular information on the Legal Services file concerning this subject is not a matter of concern, but in hindsight it would have been helpful had discussions with the Portfolio Holders at this time been documented on the Legal Services file or files of other officers. Once the authority wrote to the Housing Society saying that its approval would be given if consultation with tenants was carried out the dye was cast. It is evident that the transfer of responsibility between one administration to another, and from one Portfolio Holder to another and between officers under different Constitutions needs to be more carefully documented to avoid leaving unanswered questions in the future.

5 Recommendations

1. That this report be noted.
2. That thanks be given to the former and present Portfolio Holders for the detailed discussion that took place upon the subject.
3. That any other issues that arise through the debate be dealt with appropriately.

Simon Best
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Background Papers:
Legal Services file - HSG-GEN/79 -
"WWHS Changes to Memo and Articles
of Association"

Portfolio Holder - Virginia Fortescue