



<u>Committee and Date</u>
Council
16 May 2013

<u>Item</u>
12
<u>Public</u>

CHANGES TO CONSTITUTION

Responsible Officer: Claire Porter Head of Legal and Democratic Services

e-mail: Claire.Porter @shropshire.gov.uk

Tel: 252733 Fax 252795

1. Summary

Changes to the Management of Shropshire's Housing Stock, management of housing services and waiting lists and the need to avoid inconsistency in the Constitution have resulted in the need to make a number of changes to the Council's Constitution which are detailed in this report.

2. Recommendations

- a. That Council agrees the changes to Part 3 of the Constitution to reflect the establishment of a Housing Governance Board as set out in paragraph 6.1 and Appendix A.
- b. That Council agrees the changes to Part 3 of the Constitution to reflect changes regarding the Unified Housing register as set out in paragraph 6.2 and Appendix B.
- c. That Council agrees the change to Part 8 of the Constitution to reflect the changes to the Housing delegations as set out in paragraph 6.3 of this report.
- d. That Council agrees the change to Part 8 of the Constitution regarding Planning Matters as set out in paragraph 6.4 of this report.
- e. That, subject to the changes set out in Recommendations a to d above, the Responsibility for Functions, as set out in Part 3 of the Constitution and the Scheme for Delegations, as set out in Part 8 of the Constitution, be approved.

REPORT

3. Risk Assessment and Opportunities Appraisal

The establishment of ST&RH Limited has been approved by full Council and the Homes and Communities Agency. The governance arrangements agreed by Cabinet were designed to reduce the financial and reputational risk to the Council. It is important that the Council's Constitution is kept up to date to ensure it reflects the way the Council now works and also to ensure that decision making is carried out transparently with proper authority, and that anomalies are corrected so that the source of the authority for decisions is clearly understood.

4. Financial Implications

The financial implications of the governance system for ST&RH were explored in the Cabinet report when they were approved. This report seeks authority to amend the Constitution to reflect those arrangements and to make other minor changes to the Constitution. If the Constitution not kept up to date, any flaws in decision making could lead to the risk of costs arising from challenges to decisions or delays in decision making leading to unforeseen costs.

5. Background

On 1 April 2013, management of Shropshire's housing stock was transferred to Shropshire Towns and Rural Housing Limited (ST&RH), an arms-length management organisation (ALMO). ST&RH is a Company of which Shropshire Council is the sole shareholder. The Board which runs the company includes tenants, independent members and appointees of Shropshire Council. The on-going relationship between the Council and ST&RH is governed by a management agreement. The arrangements for managing that relationship and contract between the Council as the statutory housing provider and ST&RH as the service provider were the subject of a report to Cabinet on 13 March 2013. As a result of the coming into being of ST&RH and the arrangements for the governance of the contract, some changes are needed to the Council's constitution to reflect those arrangements.

This report also addresses some other minor changes to the Constitution with regard to housing waiting lists as a result of changes which have taken place over recent times and development management delegations in Part 8.

6. Proposed Changes to the Constitution

6.1 Housing Governance Board

Part 3 of the Constitution at page C20 includes a Housing Services Challenge Board with the function of advising Cabinet on and implanting approved policies for the management of Council Housing Landlord Services. This no longer exists and should be replaced with the Housing Governance Board agreed by Cabinet which will monitor the performance of ST&RH against the agreed performance indicators in the contract and advise Cabinet and Council on the performance of ST&RH, the budgets to be set and the Housing Strategy. In accordance with the previous report to Cabinet the membership of the Board should consist of a senior officer responsible for housing, the section 151 and Monitoring Officers, the Portfolio Holder with responsibility for Housing and 2 Council Members. Given the role of the Board in oversight of the contract with ST&RH it would not be appropriate for the Councillors on the Board to also be on the Board of Directors of ST&RH because of the conflict of interest this would create for the role as Directors of ST&RH. Appendix A shows page C20 of the Constitution amended to reflect these changes.

6.2 Unified Housing Register

Part 3 of the Constitution (page C15) includes the Unified Waiting List Steering Group and Unified Waiting List Advisory Panel. These bodies deal with decisions regarding exclusions from what was known as the waiting lists and appeals regarding those decisions. This needs to be amended as there is no longer a 'waiting list. Instead there is a register of housing need known as the Unified Housing Register. Management of that register, including appeals, is now dealt with by the Shropshire Homepoint Board which

consists of representatives from Shropshire Council, and ST&RH and Shropshire Housing Group as the Shropshire Homepoint partners.

Accordingly the Unified Waiting List Steering Group should be replaced by the Shropshire Homepoint Operations Panel with membership of 2 representatives of the Council and representatives of each of the principal Registered Providers participating in the Shropshire Homepoint Scheme. The Unified Housing Register should be replaced by the Shropshire Housing Register and reference to the Agency Manager should be replaced by the Shropshire Homepoint Manager. The Unified Waiting List Advisory Panel which deals with appeals should be replaced by the Shropshire Homepoint Board which has 2 representatives of the Council and representatives of each of the principal Registered Providers participating in the Shropshire Homepoint scheme. The proposed amendments are as set out in Appendix B to this report.

6.3 Housing Delegations

The Council has a number of statutory housing functions which are set out in Part 8 of the Constitution (pages H16 – 21). As a result of organisational changes, those functions should now be delegated to the Director of Resources

6.4 Planning Matters Delegations

These are set out in Part 8 of the Constitution at pages H22-23. Those applications which are to be determined by Committee are listed on page 22. It is expressly stated that applications which are departures from the Development Plan remain delegated where there are no objections however they are not expressly excluded from delegation where there are objections. Therefore to remove the apparent inconsistency, it is proposed to remove the paragraph entitled 'Departures' from page H23. Any applications whether a departure or otherwise would be referred to Committee if they meet the criteria listed for referral to Committee on page H22. These include complex and major applications, those called in by local members and those where Parish Councils submit contrary views to the officers based on material planning reasons.

<p>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</p>
<p>Report from Group Manager Care and Well Being to Cabinet on 13 March 2013, entitled ' The Future Governance of Shropshire Towns and Rural Housing Limited (ST &RH) and review of Community Housing Services'</p>
<p>Cabinet Member (Portfolio Holder): Cllr Mal Price</p>
<p>Local Member: All</p>
<p>Appendices:</p> <p>Draft Amended Extracts from the Constitution:</p> <p>Appendix A: p C20 of Part 3 of the Constitution</p> <p>Appendix B: p C15 of Part 3 of the Constitution</p>