

Cabinet Meeting	
Meeting Date	9 June 2021
Report Title	Housing Company Governance Arrangements
Cabinet Member	Cllr Roger Truelove, Leader and Cabinet Member for Finance
SMT Lead	Larissa Reed, Chief Executive
Head of Service	Nick Vickers, Chief Financial Officer
Lead Officer	Nick Vickers, Chief Financial Officer
Key Decision	No
Classification	Open
Recommendations	Cabinet is asked to: 1. Agree the proposed membership of the Shareholder Board the proposed terms of reference and frequency of meetings.

1 Purpose of Report and Executive Summary

- 1.1 At its meeting on 28 October 2020 Cabinet agreed to set up Swale Rainbow Homes Homes Ltd. The main function of the company is to increase the supply of affordable housing in the borough. The report also agreed to set up a Shareholder Panel but apart from setting out the membership no more information was included on the panel in the report. This report sets out the proposed panel governance arrangements.

2 Background

- 2.1 In recent years Councils have established arms length companies to deliver a range of services. The companies are typically 100% owned by the Council which nominates directors to manage the company's activities. The legal responsibilities of the company directors are these that apply to all company directors. The Council has taken advice prior to the October Cabinet report and subsequently from Trowers and Hamlin LLP who have extensive experience of working with Councils on their arms length companies.
- 2.2 Trowers and Hamlin LLP have emphasised the importance of clarity in the roles of the company directors and the Council side oversight of the company.
- 2.3 The October Cabinet report had a mix of members and officers on the Shareholder Panel. In working up the terms of reference the view of the members on the panel and

of the officers referred to, the Chief Executive and Chief Financial Officer, is that is not appropriate.

3 Proposals

Shareholder Panel Membership

3.1 The proposed members of the Shareholder Panel are:

Cllr Roger Truelove
Cllr Mike Baldock
Cllr Ghlin Whelan
Cllr Hannah Perkins
Cllr Elliott Jayes

Terms of Reference

3.2 The proposed terms of reference of the Shareholder Panel are:

- To monitor compliance by the company with its obligations as set out in the shareholder agreement,
- To maintain oversight of the delivery and management of schemes by the company, and in particular to monitor compliance with relevant strategies and financial and other parameters established or adopted by the Council,
- To agree an annual business plan proposed by the company,
- To make recommendations to the appropriate council committee on any decisions which need to be taken by the Council in respect of the company and its activities,
- To receive regular progress reports from the company, including financial, performance and risk updates, and
- To make appropriate reports to Cabinet and Scrutiny on the company's activities.

Frequency of Meetings

3.3 It is proposed that meetings will take place bi-monthly.

4 Alternative Options

- 4.1 This report reflects work undertaken since the October report including advice from legal advisers and the Council's Monitoring Officer, and discussions at three panel meetings.

5 Consultation Undertaken or Proposed

- 5.1 This is an internal governance issue.

6 Implications

Issue	Implications
Corporate Plan	
Financial, Resource and Property	There are no resource or financial implications.
Legal, Statutory and Procurement	The company and the Shareholder panel need to be properly legally constituted.
Crime and Disorder	None identified at this stage.
Environment and Climate/Ecological Emergency	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Safeguarding of Children, Young People and Vulnerable Adults	None identified at this stage.
Equality and Diversity	None identified at this stage.
Privacy and Data Protection	None identified at this stage.

7 Appendices

None.

8 Background Papers

None