

MINUTE EXTRACT

CABINET

8 DECEMBER 2016

76 **CHANGES TO THE GOVERNANCE ARRANGEMENTS - LEASOWE COMMUNITY HOMES**

Councillor George Davies introduced a report that advised that the Council, as a Company Member of Leasowe Community Homes (LCH) would be required to vote on proposals for LCH to move to a Board that was selected on the basis of skills rather than by constituency nominations and for the company to leave Your Housing Group (YHG) of which it was currently a subsidiary and to become a subsidiary of Pierhead Housing Association (PHA).

Leasowe Community Homes Board (LCH Board) had agreed to move to a Board recruited for the skills and experience necessary to enable the organisation to move into more diverse and commercial areas of business and demonstrate it met the standard required by the Regulator, the Homes and Communities Agency (HCA) for the current business in the new operating environment.

YHG and the LCH Board were satisfied that the substitution of PHA for YHG was in the interests of LCH's tenants and of all three organisations.

RESOLVED: That the Cabinet and full Council

- (1) agrees that Leasowe Community Homes becomes a subsidiary of Pierhead Housing Association and enters into an Intragroup Agreement with Pierhead Housing Association in the terms set out in Appendix 4 of the report;**
- (2) agrees that Leasowe Community Homes move to a Board of Directors that is selected on the basis of skills rather than by constituency nominations;**
- (3) agrees to the removal of Your Housing Group from the constitution of Leasowe Community Homes;**
- (4) agrees that Leasowe Community Homes Memorandum and Articles of Association be revised to reflect the changes and the Minority Protection Agreement be replaced by the Intragroup Agreement.**
- (5) authorises the Council's nominees as Company Members of Leasowe Community Homes to agree the necessary changes to Leasowe Community Homes Memorandum and Articles of Association as set out in Appendix 3 of the report;**

- (6) authorises the Council's nominees as Company Members to vote on the changes (and associated matters) proposed and referred to in the report at the forthcoming Leasowe Community Homes Meeting;**
- (7) refers these agreed decisions to the full Council meeting on 19 December 2016 for confirmatory approval to the extent that they relate to non-Executive functions such as the Council's housing policies but subject to the condition that they Board of Leasowe Community Homes is satisfied after carrying out due diligence enquiries that the proposed arrangements are viable and in the interests of the company and its tenants.**
- (8) the Council nominated Members on the Board of Leasowe Community Homes undertake and be provided with all requisite training necessary to be an effective Director on the Board of Leasowe Community Homes; and**
- (9) the Call-In procedure shall not apply to these (Executive) decisions, the Chief Executive having agreed it was in the public interest that they be taken as a matter of urgency on or before 19 December 2016 which is the deadline Your Housing Group has set for the Council's approval of the changes referred to above.**

[Note: Councillors Bernie Mooney and Stuart Whittingham were absent from the meeting room whilst this item of business was under consideration having previously declared personal and prejudicial interests - by virtue of being a Board Member of Magenta Living and being a Member of Leasowe Community Homes Management Board respectively.]