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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>21 February 2019</b>
<b>Report By:</b>	<b>Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>LP/027/19</b>
<b>Contact Officer:</b>	<b>Rona McGhee</b>	<b>Contact No:</b>	<b>01475 712113</b>
<b>Subject:</b>	<b>River Clyde Homes: Reduction in Board Membership – Remit from Policy &amp; Resources Committee</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to request the Council to consider a remit from the Policy & Resources Committee relative to the implications of the Regulation of Social Housing (Influence of Local Authorities) (Scotland) Regulations 2018.

## **2.0 SUMMARY**

- 2.1 The Policy & Resources Committee at its meeting on 5 February 2019 considered a report by the Head of Legal & Property Services on (1) the implications of the Regulation of Social Housing (Influence of Local Authorities) (Scotland) Regulations 2018 and (2) the effect on the number of Council nominees to the Board of River Clyde Homes.
- 2.2 A copy of the report to the Policy & Resources Committee is attached at Appendix 1. This provides background information and information on the implications.
- 2.3 The Policy & Resources Committee decided the following:
- (1) that the implementation of the Regulation of Social Housing (Influence of Local Authorities) (Scotland) Regulations 2018 be noted; and
  - (2) that it be remitted to the February 2019 meeting of the Inverclyde Council to determine the two Council nominees to the Board of River Clyde Homes.

## **3.0 RECOMMENDATION**

- 3.1 The Council is asked to consider the remit from the Policy & Resources Committee.

**Gerard Malone**  
**Head of Legal & Property Services**

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<b>Report To:</b>	<b>Policy &amp; Resources Committee</b>	<b>Date:</b>	<b>5 February 2019</b>
<b>Report By:</b>	<b>Head of Legal &amp; Property Services</b>	<b>Report No:</b>	<b>GM/LP/014/19</b>
<b>Contact Officer:</b>	<b>Gerard Malone</b>	<b>Contact No:</b>	<b>01475 712710</b>
<b>Subject:</b>	<b>River Clyde Homes: Reduction in Board Membership</b>		

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## 1.0 PURPOSE

1.1 This report advises of the implications of the Regulation of Social Housing (Influence of Local Authorities) (Scotland) Regulations 2018 and the effect on the number of Council nominees to the Board of River Clyde Homes.

## 2.0 SUMMARY

2.1 River Clyde Homes is a Registered Social Landlord and was formed in December 2007 following upon the Council's Large Scale Voluntary Transfer of its Housing Revenue Account housing stock. River Clyde Homes is a registered charity and is monitored and regulated by the Scottish Housing Regulator.

2.2 At present, in terms of the agreed Constitution of River Clyde Homes, the Council is entitled to four Council nominees on its Board. In terms of the Constitution, River Clyde Homes can have a minimum of seven Board Members and a maximum of 12 Board Members. The Regulation of Social Housing (Influence of Local Authorities) (Scotland) Regulations 2018 ("the Regulations") will come into force on 8 March 2019. The Regulations make provision to reduce the number of local authority Board Members within Registered Social Landlords.

2.3 The effect of the Regulations is to require a reduction in the number of Board Members appointed by Council nomination and arrangements must be put in place to give effect to the Regulations by 8 March 2019. This report advises of the change and it will be the decision of the Council at its February 2019 meeting to decide on its nominees to the Board.

## 3.0 RECOMMENDATION

That the Committee:

3.1 Considers the implementation of the Regulations; and

3.2 Remits it to the February 2019 meeting of the Council to determine the two Council nominees.

**Gerard Malone**  
**Head of Legal & Property Services**

## 4.0 BACKGROUND

- 4.1 River Clyde Homes is a Registered Social Landlord and was formed in December 2007 following upon the Council's Large Scale Voluntary Transfer of its Housing Revenue Account housing stock. River Clyde Homes is a registered charity and is monitored and regulated by the Scottish Housing Regulator.
- 4.2 The Regulations make provision to reduce the number of local authority nominees on the Boards of Registered Social Landlords. The Regulations apply notwithstanding any provision in any Registered Social Landlord's Constitution or any contractual arrangement or other commitment a Registered Social Landlord may have in relation to its constitutional arrangements.
- 4.3 The Regulations come into effect on 8 March 2019. The Regulations require that no more than 24% of the Board Members of a Registered Social Landlord may be nominated by a local authority.
- 4.4 The Constitution of River Clyde Homes provides that there be a minimum of seven Board Members and a maximum of 12 Board Members.
- 4.5 In this way, the 24% rule means that if River Clyde Homes Board has from nine to twelve Board Members then the Council will have two nominees. If River Clyde Homes decides to have fewer than nine Board Members, then the number of nominees for the Council changes to one. The intentions of River Clyde Homes have been sought in relation to the intended future numbers of its Board and for the present it is possible to plan on the basis of a Board of at least nine, although this can be reviewed in the future at the entire discretion of River Clyde Homes.
- 4.6 On the above basis, as from 8 March 2019, the Council will have the entitlement to make two nominees to the Board of River Clyde Homes. It is the reserved function of the Council to make nominations to the Boards of external organisations and the decision on the Council nominees will be remitted to its February 2019 meeting. The requirement to reflect political balance applies only where more than two Council nominees are to be appointed to any outside body.
- 4.7 The Regulations provide that it is the Council which must nominate the nominees to be removed. In the event that the Council does not so do, the remaining Board Members of River Clyde Homes must select by majority vote those Council nominees who are to be removed. The Regulations also provide for a number of scenarios in relation to voting rights, necessary percentages of Council nominees to be in attendance and arrangements for a quorum all of which do not have specific relevance to the present Constitution of River Clyde Homes or to the arrangements involving the Council.

## 5.0 IMPLICATIONS

### 5.1 Finance

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

## 5.2 Legal

The legal issues are referred to within this report.

## 5.3 Human Resources

There are no implications.

## 5.4 Equalities

There are no equality issues within this report.

(a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

## 5.5 Repopulation

There is no effect upon repopulation.

## 6.0 CONCLUSION

6.1 The Regulations give effect to specific legal requirements relative to the number of Council nominees on River Clyde Homes and it is necessary to give effect to these arrangements to meet their specific provisions.

## 7.0 BACKGROUND PAPERS

7.1 None.