

# **MAYOR'S EXECUTIVE DECISION MAKING**

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**Tuesday, 4 August 2015**

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**Mayor's Decision Log No. 105**

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**1. TOWER HAMLETS HOMES BOARD GOVERNANCE (Pages 1 - 8)**

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact: John S. Williams, Service Head, Democratic Services

Tel: 0207 364 4204, e-mail: [johns.williams@towerhamlets.gov.uk](mailto:johns.williams@towerhamlets.gov.uk)

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# Agenda Item 1

<b>Individual Mayoral Decision Proforma</b>  Decision Log No: <u>105</u>	 <b>TOWER HAMLETS</b>
<b>Report of: Aman Dalvi (Corporate Director Development &amp; Renewal)</b>	<b>Classification:</b> [Unrestricted]
<b>Tower Hamlets Homes Board Governance</b>	

<b>Is this a Key Decision?</b>	<b>No</b>
<b>Decision Notice Publication Date:</b>	<b>N/A</b>
<b>General Exception or Urgency Notice published?</b>	<b>Not required</b>
<b>Restrictions:</b>	<b>No Restrictions</b>

## 1. EXECUTIVE SUMMARY

1.1 Following an Executive Decision in December 2011, the Mayor has responsibility for appointing to the Tower Hamlets Homes (THH) Board.

1.2 There are currently vacancies in the following positions -

- One Resident Board members (Tenant).
- Three Independent Board members (including an Independent Chair).

1.3 The Mayor is recommended to appoint:

- Ann Lucas as Chair of Tower Hamlets Homes for a further 3 year period
- Safia Jama as the Resident Board Member (Tenant)

## 2. DECISIONS


2.1 The Mayor is recommended -

To agree the appointments to the Board of Tower Hamlets Homes for the reasons set out in paragraph 5 of the attached report appended as appendix A.

**APPROVALS**

**1. (If applicable) Corporate Director proposing the decision or his/her deputy**

I approve the attached report and proposed decision above for submission to the Mayor.

Signed  Date 29/7 2015

**2. Chief Finance Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed  Date 29/7 2015

**3. Monitoring Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

(For Key Decision only – delete as applicable)


I confirm that this decision:-


- (a) has been published in advance on the Council's Forward Plan OR
- (b) is urgent and subject to the 'General Exception' or 'Special Urgency' provision at paragraph 18 or 19 respectively of the Access to Information Procedure Rules.

Signed  Date 30/07 2015

**4. Mayor**

I agree the decision proposed in paragraph above for the reasons set out in paragraph 5 in the attached report – **appendix A.**

Signed  Date 31/7 2015

<b>Individual Mayoral Decision Proforma</b>	 <b>TOWER HAMLETS</b>
<b>Report of: Aman Dalvi</b> (Corporate Director Development & Renewal)	<b>Classification:</b> [Unrestricted]
<b>Tower Hamlets Homes Board Governance</b>	

<b>Lead Member</b>	<b>Mayor John Biggs</b>
<b>Originating Officer(s)</b>	Jackie Odunoye – Service Head Strategy, Regeneration, Sustainability & Housing Options (D/R)
<b>Author/s</b>	John Kiwanuka - Housing Partnerships Manager Strategic Housing (D/R) Ext:2616 John Coker – Acting Divisional Manager Regeneration & ALMO Client Management (D/R) Ext: 3782
<b>Wards affected</b>	All
<b>Community Plan Theme</b>	<b>Great Place to Live</b>
<b>Key Decision?</b>	No

## 1. EXECUTIVE SUMMARY

- 1.1 Following an Executive Decision in December 2011, the Mayor has responsibility for appointing to the Tower Hamlets Homes (THH) Board.
- 1.2 There are currently vacancies in the following positions -
- One Resident Board member (Tenant).
  - Three Independent Board members (including an Independent Chair).

## 2. RECOMMENDATIONS

- 2.1 The Mayor is recommended to appoint:
- Ann Lucas, as Chair of THH Board for **three years** – from the date of making the decision.
  - Safia Jama as the Resident Board Member (Tenant).

## 3. REASONS FOR THE DECISIONS

- 3.1 Currently not all THH's Board appointments are filled in line with the organisations Articles of Association.

#### **4. ALTERNATIVE OPTIONS**

- 4.1 The Mayor could decide not to make any appointments to the Board, however it is prudent to strengthen a key partner and Councillor appointments have been recently made to the Board by the Mayor (Executive Decision Log 102 - July 2015).

#### **5. DETAILS OF REPORT**

- 5.1 The 2012 revision of THH's Articles of Association (Appendix 1) enshrined the 2011 Mayoral Executive Decision. Articles 14-18 vested power of appointment of Council Board Members, Tenant Board Members Independent Board Members and any Casual Vacancies arising in the Council Executive.
- 5.2 The December 2011 Executive Decision sought to ensure that the governance structure of the ALMO was best equipped to face future challenges by:
- Strengthening the relationship between the ALMO Board and the Council
  - Making improvements to the recruitment process to the ALMO Board
  - Strengthening the focus of the ALMO Board by reducing the size.
- 5.3 In order to achieve those aims the Board changed from a 5/5/5 split to:
- **Three** Resident Board members (2 Tenant, 1 Leaseholder)
  - **Four** Council Board members.
  - **Three** Independent Board members (including an Independent Chairperson).
- 5.4 THH's Board has had significant vacancies and this report will resolve some of those vacancies, THH has advertised for the remaining 2 Independent members. These efforts combined with the recent appointment of four councillors to the board will complete THH's recruitment.

#### **6. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 This report seeks to appoint two members to fill vacant positions on the Tower Hamlets Homes board.
- 6.2 There are no direct financial implications arising from the recommendations in this report, however it should be noted that the THH board undertakes an essential role in relation to the management of the Council's housing stock, including ensuring that the business operates effectively. It also provides a probity role. THH receives a management fee (£35.11 million in 2015-16) to fund the delivery of the services that it provides on behalf of the Borough and also manages various significant revenue and capital budgets on the Council's behalf, including the delivery of the Decent Homes programme.

## **7. LEGAL COMMENTS**

- 7.1 Tower Hamlets Homes Ltd (THH) is a company limited by guarantee, established by the Council to exercise some of its housing management functions. The functions exercised by THH are identified in a management agreement made pursuant to section 27 of the Housing Act 1985 and approved by the Secretary of State.
- 7.2 The number of Board Members and the arrangements for the appointment of Board Members are specified in THH's Articles of Association. Article 13 provides for a Board comprising 10 Members of which four shall be Council Board Members and be Councillors appointed by the Council's Executive; three shall be Tenant Board Members of which not less than one shall be Independent Board Members.
- 7.3 The Articles provide that Tenant Board Members and Independent Members shall be appointed pursuant to a procedure determined by the Council and Appendix 1 to this report recommends such a procedure.
- 7.4 When considering appointments or the approach to be taken to appointments, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). It is important to be satisfied that any process followed is supportive of equal opportunity.
- 7.5 Strict adherence to the recruitment procedure and Articles 13-18 of the Articles of Association should deliver equality of opportunity and help to minimise any risk of challenge to the appointment of Board Members.
- 7.6 Pursuant to section 9D(2) of the Local Government Act 2000, any function of the Council which is not specified in regulations is to be the responsibility of the Council's executive under executive arrangements. The relevant regulations which specify non-executive functions are the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 ("the Functions Regulations").
- 7.7 The housing management functions which the Council has delegated to THH are not specified in the Functions Regulations and consequently are executive functions by virtue of the default provision in section 9D(2) of the Local Government Act 2000.
- 7.8 The Functions Regulations specify a category of functions which may be (but need not be) the responsibility of a local authority's executive. These are sometimes referred to as local choice functions. Included in the category of local choice functions is the appointment of any individual to anybody, other than the Council or a joint committee, and the revocation of any such appointment. The Council's Constitution (part 3.2.2) specifies that responsibility for such appointments lies with the Mayor if the appointment is made in relation to or in support of an executive function. As THH is concerned with exercising housing management functions which are executive functions, appointments to THH's board are considered to be made

in relation to or in support of executive functions and thus within the responsibility of the Mayor.

## **8. ONE TOWER HAMLETS CONSIDERATIONS**

- 8.1 Appointing representatives to outside bodies increases the Councils engagement with local communities and improves its potential to offer guidance and leadership in relation to activities taking place in the borough.

## **9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 9.1 There are no specific implications arising from this report

## **10. RISK MANAGEMENT IMPLICATIONS**

- 10.1 Where appropriate it is important that any training needs and / or support needs of new board members is identified quickly and adequate measures put in place.

## **11. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 11.1 There are no specific implications arising from this report

## **12. EFFICIENCY STATEMENT**

- 12.1 There are no specific implications arising from this report

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## **Linked Reports Appendices And Background Papers**

### **LINKED REPORTS**

- None

### **APPENDICES**

- Tower Hamlet Homes Resident and Independent Board Member Recruitment Procedure



**BACKGROUND PAPERS**

- None

**OFFICER CONTACT DETAILS FOR DOCUMENTS**

- N/A

## Appendix 1:

### **Resident and Independent Board Member Recruitment Procedure**

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July 2014

- Upon being notified of a vacancy, Tower Hamlets Homes will agree a recruitment timetable with the Board Chair;
- An advertisement will be placed in the relevant media: these are likely to include local and BME media for resident vacancies, and the trade press for independent vacancies;
- A panel consisting of no fewer than two Board members and one member of the Tower Hamlets Homes Residents Panel will be convened. On occasion, the Board may co-opt THH or LBTH officers to the panel in an advisory capacity.
- They will agree a shortlist of candidates to meet, and an appropriate selection method to test candidates (e.g. interview questions, presentation);
- The panel will interview the short-listed candidates, and agree a recommendation candidate for the Board vacancy;
- The panel will pass this recommendation to the Mayor for his endorsement, which will be received within four weeks;
- On receipt of the Mayor's endorsement, the Chair will notify the successful candidate on behalf of the Board.