

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **CABINET**

**3<sup>rd</sup> October 2018**

### **REPORT OF THE ASSISTANT CHIEF EXECUTIVE AND CHIEF DIGITAL OFFICER – MRS K JONES AND THE HEAD OF LEGAL SERVICES – MR C GRIFFITHS**

#### **Matter for Decision**

**Wards Affected:** All

**Reduction in the number of elected member representatives to the board of Tai Tarian Limited following changes introduced by the Regulation of Registered Social Landlords (Wales) Act 2018**

#### **Purpose of the Report**

1. To confirm the number of Neath Port Talbot County Borough Council (“the Council”) nominees to the board of Tai Tarian Limited in light of amendments which are required by the Regulation of Registered Social Landlords (Wales) Act 2018 which places a cap on the number of local authority appointed nominees who can sit on boards of Registered Social Landlords.

#### **Background**

2. In 2011 the Council entered a transfer agreement with Tai Tarian Limited (then known as NPT Homes Limited) (“the Transfer Agreement”). The Transfer Agreement saw the Council and Tai Tarian Limited agree that four nominees would be put forward by the Council to sit on their voluntary board.
3. The voluntary board has overall responsibility for ensuring that the organisation is accountable to tenants and other stakeholders, approving and monitoring policies to support the Tai Tarian Limited corporate plan and to monitor the performance of Tai Tarian Limited ensuring that the organisation is meeting the responsibilities that are set out in their corporate plan.
4. There are presently four nominees from the Council, namely:

Cllr Steffan ap Dafydd  
Cllr Rosalyn Davies  
Cllr Alan Lockyer  
Cllr Sonia Reynolds

These nominees currently represent 33% of the members of the voluntary board, the remainder being independent members and tenant members.

5. On the 14<sup>th</sup> August 2018, the Regulation of Registered Social Landlords (Wales) Act 2018 came into force. The overarching purpose of the 2018 Act was to amend amend or remove those powers which were deemed by the Office for National Statistics to demonstrate central and local government control over Registered Social Landlords. These changes enable the Office for National Statistics to consider reclassifying Registered Social Landlords as private sector organisations for the purpose of national accounts and other economic statistics.
6. The 2018 Act provides that no appointment may be made to a board of a Registered Social Landlord which would result in local authority appointees amounting to more than 24% of the board members of the Registered Social Landlord.
7. As a result, the Council is now required to reduce the number of nominees that it makes to the voluntary board of Tai Tarian Limited and it has been determined that the following members shall remain the Council's representatives:

Cllr Steffan ap Dafydd  
Cllr Sonia Reynolds

8. By way of background information, there are two other provisions which have an impact on this Council. If Tai Tarian Limited's constitution or rules state that there must be at least one or more local authority nominee present in order for a meeting to be quorate that provision is of no effect. It is anticipated therefore that Tai Tarian Limited will have to amend their constitution to reflect this. Also, if there is provision in Tai Tarian Limited's constitution or rules which requires the consent of the Council or the Council nominees appointed to the board before Tai Tarian Limited's rules or constitution can be changed, or provision which gives the Council the power of veto, that provision is of no effect.
9. The Transfer Agreement between the Council and Tai Tarian Limited will require some amendment to reflect this change and where references are made to 4 elected members this will be substituted to 2 elected members.

## **Financial Impact**

10. There are no financial impacts associated with this Report.

## **Equality Impact Assessment**

11. There are no equality impacts associated with this Report

## **Workforce Impacts**

12. There are no workforce impacts associated with this Report

## **Legal Impacts**

13. Schedule 1 of the Regulation of Registered Social Landlords (Wales) Act 2018 amends the provisions of the Housing Act 1996 and provides that registered social landlords must ensure that members of their board who sit as local authority appointees cannot represent more than 24 per cent of the board members of the registered social landlord and must ensure that by the 14<sup>th</sup> October 2018, steps are taken to ensure compliance with this provision.

## **Consultation**

14. There is no requirement under the Constitution for external consultation on this item.

## **Recommendations**

15. It is recommended that delegated authority be granted to the Head of Legal Services to agree a variation to the Transfer Agreement with Tai Tarian Limited that reduced the number of Members from 4 to 2 and the Members identified in paragraph 7 of this report remain the Neath Port Talbot County Borough Council nominees to the voluntary board of Tai Tarian Limited..

## **Reason for Proposed Decision**

16. To ensure that the Council continues to have nominated appointees to the Tai Tarian Limited voluntary board and to ensure that Tai Tarian Limited and the Council comply with the obligations now implemented in the Regulation of Registered Social Landlords (Wales) Act 2018

## **Appendices**

17. None

### **List of Background Papers**

18. None

### **Officer Contact**

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