

## REPORT TO SHAREHOLDER COMMITTEE

<b>Open/Exempt</b>		Would any decisions proposed:			
<b>Any especially affected Wards</b>	<del>Mandatory/</del>	Be entirely within Shareholder Committee powers to decide		YES/NO	
	<del>Discretionary /</del>	Need to be recommendations to Council		YES/NO	
	Operational	Is it a Key Decision		YES/NO	
Lead Member: Cllr Alistair Beales – Leader of the Council E-mail: <i>cllr.alistair.beales@west-norfolk.gov.uk</i>		Other Cabinet Members consulted:			
Lead Officer: Honor Howell – Corporate Governance Manager E-mail: <i>honor.howell@west-norfolk.gov.uk</i> Direct Dial: 01553 616550		Other Members consulted:			
		Other Officers consulted: Karl Patterson David Reason			
Financial Implications YES/NO	Policy/ Personnel Implications YES/NO	Statutory Implications YES/NO	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO	Environmental Considerations YES/NO

Date of meeting: 11 September 2024

### **Update on Progress of Governance Arrangements for West Norfolk Housing and West Norfolk Property**

#### **Summary**

Following work carried out by the council's Audit Department, Position Statements for both of the council's Housing Companies, West Norfolk Housing and West Norfolk Property, were issued detailing recommendations to improve the governance framework of both companies. Work has been ongoing to finalise the governance arrangements of both companies to ensure all documentation is updated, signed, and placed on a rolling schedule of reviews.

This report is to update the Shareholder Committee on the progress made on updating the governance framework.

#### **Recommendation**

That the Shareholder Committee note the progress made on the governance arrangements for the council's two Housing Companies.

#### **Reason for Decision**

To provide assurance to the Shareholder Committee that all recommendations made in the Position Statements are actioned and that the governance framework of the housing companies is robust and up to date.

# 1 Background

## 1.1 West Norfolk Property Ltd

1.1.1 West Norfolk Property Ltd (WNPL) was incorporated in April 2018 and was set up to acquire properties from the council, to let for private rent to residents of the borough. In January 2019, Cabinet approved the business plan for WNPL, including the principle of retaining for private rent 20% of the homes developed by the council on sites of more than 50 dwellings through the Development Management Agreement with Lovell Partnerships.

## 1.2 West Norfolk Housing Ltd

1.2.1 West Norfolk Housing Ltd was incorporated in 2016 and set up to increase capacity in the social housing sector to deliver new affordable housing in the borough and to provide a vehicle to contribute towards the council's priorities, particularly in relation to accommodation for homeless households. It was registered as a not-for-profit Registered Provider of Social Housing in 2018.

1.2.2 the Company has acquired 47 affordable homes to date (35 rent and 12 shared ownership). The company also leases 7 flats from the council at 37 Broad Street which are used to help meet the council's statutory homeless duties to provide temporary accommodation.

1.3 An internal audit of WNPL in February 2024 gave the following recommendations:

- All governance and other documentation for WNPL required to meet the requirements of the Local Partnerships Local Authority Company Review Guidance 2023 edition documentation, to be completed and presented for sign off through the designated approval process, to include:
  - Service Level Agreement
  - Scheme of Delegation
- That all governance documents are centrally stored and subject to version control
- That the company websites are updated with the minutes, agendas, AGM details and Directors details.
- Service Level Agreements are signed, and costs finalised
- Business Plan is finalised to reflect the financing arrangements
- Risk Register to be updated.

1.4 Similarly, for West Norfolk Housing, the following recommendations were made:

- Service Level Agreement (SLA) to be finalised and signed
- Shareholder Agreement to be signed
- Agree Key Performance Indicators as part of the SLA

- 1.5 In August 2024, West Norfolk Housing received a notification from the Housing Ombudsman Service that the company had failed to meet the annual submission deadline for performance against the Complaint Handling Code. An extension was granted by the Ombudsman to 19 September to comply with the requirement.

## **2. Progress Against Recommendations and Requirements**

### **2.1 Complaint Handling Code**

- 2.1.1 WNHC did not have a complaints policy in place, but Broadland Housing Association do have a policy, although it was last updated in 2022, therefore dates the revised code. Work is now progressing on putting the code into place. The performance results against the code are required to be published on the WNHC website.
- 2.1.2 The draft SLA for WNPL will be going to the 17 September WNPL board meeting. KPI's still need to be agreed and fixed cost recharges (subject to indexation and council cost of living increases).
- 2.1.3 The Scheme of Delegation for WNPL will be presented to the board on 17 September.
- 2.1.4 The WNHC Shareholder Agreement was approved at a board meeting in October 2017 but not signed.
- 2.1.5 A Probity Policy is currently in draft format for WNHC. This will go to a later board meeting.
- 2.2 As part of the Code of Governance 2020, WNHC are required to create an Audit and Risk Committee. This is also on the board agenda for 17 September.

## **3 Policy Implications**

- 3.1 There are no policy implications.

## **4 Personnel Implications**

- 4.1 The officer acting as the Company Secretary is currently on long term sickness leave. This will be picked up by the Corporate Governance Manager in the intervening period.

## **5 Environmental Considerations**

- 5.1 There are not Environmental considerations.

## **6. Statutory Considerations**

- 6.1 WNHC did not meet a requirement by the Housing Ombudsman to provide an assessment against the Complaint Handling Code,

however, officers have been in dialogue with the Ombudsman to arrange for an extension to the deadline.

**7 Equality Impact Assessment (EIA)**

(Pre screening report template attached)

7.1 Not required. Update report.

**8. Risk Management Implications**

8.1 A high scoring risk has been raised by the council in relation to its council owned companies and the management of performance, finances, liabilities, and governance arrangements. Completion of the outstanding audit recommendations will provide mitigation towards those risks.

**9. Declarations of Interest / Dispensations Granted**

9.1 None.

**10. Background Papers**

10.1 Position Statements WNHC and WNPL – February and March 2024.