

# CHESHIRE EAST

## CABINET

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**Date of meeting:** 19 May 2009

**Report of:** Borough Solicitor

**Title:** Appointment to Dane Housing  
[Outside Organisation]

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

- 1.1 To consider appointing two Councillors to the Board of Dane Housing Group to replace the four Councillors who were appointed by the Cabinet on 3<sup>rd</sup> March 2009.
- 1.2 This reduced number is to reflect the changes in the constitutional arrangements of that organisation. Please note: this company has previously, incorrectly, been referred to as Plus Dane Housing Trust.

### **2.0 Decision Required**

- 2.1 The Cabinet is asked to RESOLVE –
  - (a) That Councillors (two to be named at the meeting) be appointed as the Council's representatives on the Board of Dane Housing; and
  - (b) That these appointments supersede those made by Cabinet at its meeting held on 3<sup>rd</sup> March 2009.

### **3.0 Financial Implications**

- 3.1 None identified.

### **4.0 Legal Implications**

- 4.1 Although Members are appointed by the Council, they are Board Members with full voting rights and, notwithstanding that they are appointed as the Authority's representatives, they must act in the best interests of Dane Housing. That duty will override a Member's duties to the Authority it serves and can give rise to a conflict of interest for the Member representative.

### **5.0 Risk Assessment**

- 5.1 None identified.

## **6.0 Background/Context**

- 6.1 At its meeting held on 3<sup>rd</sup> March 2009, the Cabinet made appointments to all the Category 1 Outside Organisations. Each of those was notified of the Members' names and contact details.
- 6.2 A number of issues have arisen, consequent upon notification, the majority of which can be addressed initially, by the Task Group (Outside Organisations) prior to referral to the Cabinet.
- 6.3 However, there is a requirement to reconsider the appointment of Members to Dane Housing which is one of several housing associations to which the Cabinet has made appointments.
- 6.4 Plus Dane Group: Plus Housing Group and Dane Housing joined together in July 2008 to create Plus Dane Group.

Plus Dane Group has over 15,000 homes in ownership and management across Merseyside and Cheshire and it offers a full range of tenures, provides bespoke neighbourhood services and trades commercially to generate income and create jobs.

It employs over 400 people, has an asset value in excess of £500m, a combined development fund in excess of £210m and a turnover of over £45m. A series of neighbourhood forums are being created to prioritise investment at a local level.

- 6.5 Dane Housing is a subsidiary of Plus Dane Group and it is to the Board of Dane Housing that the Council is invited to appoint Members. This body is responsible for managing the former Congleton Borough Council stock.
- 6.6 The former Congleton Borough Council appointed three elected Members to the organisation. In advance of the merger with Plus Housing Group, during 2008, Dane Housing changed its constitution and moved from a company limited by guarantee, its form following the LSVT (Large-Scale Voluntary Transfer of housing stock) process 10 years ago – to an Industrial and Provident Society as part of the merger process.

Congleton Borough Council was consulted on the proposals and “signed them off”.

- 6.7 In line with other subsidiaries within the Group, the Rules of the organisation were amended to show the reduction in Board size. A consequence of this change is that Dane Housing has reduced to seven Members; according to those Rules “up to two shall be local authority board members”. For clarity, the term “board” is a reference

to The Dane Housing Board and not a requirement for two local authority Cabinet Members to be appointed.

- 6.8 The Cabinet appointed Councillors D Brown, P Mason, G Baxendale and D Hough to this organisation, and as noted in paragraph 6.6, there is now a requirement to reduce this to two Members.

## **7.0 Reasons for Recommendation**

- 7.1 It is important for Cheshire East Council to participate actively as a partner in the network of local organisations across the whole of the Cheshire East area.
- 7.2 The appointment of Members to Outside Organisations must be in accordance with the requirements of the organisation, as far as reasonably practicable. The reduction from four to two Members accords with Dane Housing's constitutional requirements.

### ***For further information:***

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