

Agenda Item No. 11 (a) (i)

WEST MIDLANDS REGIONAL ASSEMBLY

Board of Directors - Friday 2nd June 2006

**Regional Housing Function Arrangements - Establishment of the
Regional Housing Executive and Regional Housing Partnership**

Report of the Company Secretary

1. Purpose

- 1.1 To advise the Board on the progress regarding the Housing function arrangements, following the transfer of the Regional Housing Board function which will be fully operational within the Assembly's structures from September 2006.
- 1.2 To seek the Board's approvals required to establish the Regional Housing Executive (RHE) as a Committee of the Board and to the membership structures of both the Housing Executive and the Regional Housing Partnership (RHP).

2. Recommendations

- 2.1 That the Board notes and endorses the approach being taken for the Assembly to take on board the Regional Housing functions
- 2.2 That a resolution be proposed at the Annual General Meeting of the Assembly to amend the Memorandum of Association of the Assembly by the insertion of a new paragraph 3.9 to read " to be the Regional Housing Board for the West Midlands Region and fulfil functions pursuant to such status".
- 2.2 That a resolution be proposed to the Annual General Meeting of the Assembly to amend the Articles of Association to increase the number of Directors from 21 to 22 and the maximum number of "A" Directors from 13 to 14.
- 2.3 That the RHE be established as a Committee of the Board and the draft terms of reference for the RHE, and the RHP, as appended be approved.

3. Background

- 3.1 The Barker Review Final Report, 'Delivering Stability: Securing our Future Housing Needs', published by the Treasury in March 2004 made recommendations to Government to address the weak responsiveness of the new build housing market in the face of rising house prices. The consultation proposals contained in Recommendation 6 of the Barker Report recommended merging the Regional Housing Board and Regional Planning Body under the Regional Assembly.
- 3.2 In 2004, ODPM consulted on the merger of the Planning and Housing roles. The Assembly submitted proposals as to how it would address the transfer when and if it occurred. These were

approved by the Regional Planning Executive at a special meeting on 19 November 2004. (Copy available from Secretariat)

- 3.3 The merger proposals were welcomed in that they addressed the sense of democratic deficit that has been a feature of the Government Office led Regional Housing Boards since their inception in 2002. The need to keep a parity of influence between the Planning and Housing work was a guiding principle in forming the response. A single Planning and Housing Board beneath the Assembly was not seen as the most appropriate solution, as for instance the wider planning remit could overwhelm the housing aspect.

4. The Proposals

- 4.1 The recommended arrangement submitted by the Assembly in 2004 was for:

- The Assembly itself to undertake the ultimate combined role of Regional Planning Body and Regional Housing Board.
- A new member led Regional Housing Executive to take on the Regional Housing Board role and to sit alongside the existing Regional Planning Executive and Regional Planning Partnership.
- A new member led Regional Housing Partnership to support the work of the smaller, more strategic, Regional Housing Executive.
- An officer and stakeholder support Group comparable with the Planning Regional Advisory Group. This will be known as the Regional Housing Advisory Forum.

- 4.2 Draft terms of reference for the Regional Housing Executive (RHE) and Regional Housing Partnership (RHP) were approved by the full Assembly on 18 January. The current versions are an Appendix to this report. In summary these establish a Region wide partnership whose membership is not restricted to full Assembly members but enables nominating bodies to nominate non-Assembly members with particular relevant expertise. This body will address the broad policy issues, probably twice a year, and may make recommendations to the RHE.

- 4.3 The RHE will be a Committee established by the Assembly Board to which it will delegate the powers referred to in the terms of reference. The Assembly's constitution allows the Board to delegate its powers in this way provided any such Committee is chaired by a Director. The Committee membership will therefore be appointed by the Board and its membership will primarily be drawn from the RHP. The decisions of the RHE will therefore be decisions of the Board acting by its Committee.

5. **Regional Housing Executive Structure**

- 5.1 The proposal is for 18 members and the structure of the RHE will follow that of the Regional Planning Executive and include representatives from Local Government, Business and Other Stakeholder Groups and will be based on the 4:1:1 allocation provisions (ie for the RHE 12 local government, 3 business and 3 other stakeholders' representatives) . Key national and regional housing related agencies will also be represented as Ex-Officio Officers to advise the RHE, for example Advantage West Midlands, English Partnerships, the Housing Corporation and GOWM, together with the Chair and Vice-Chairs from the Regional Planning Partnership (RPP). The composition of the RHE will need to be balanced to represent the range of regional interests including geographical aspects.
- 5.2 The Assembly's nominating bodies will be asked to provide the Board details of the persons they would wish to nominate to the RHE. In doing so the Assembly's nominating bodies will be asked to take into account the membership of the RHP (see below) and will be asked to nominate members who:
- have a good knowledge and/or experience in Housing and/or Regeneration policy
 - have the capacity to attend quarterly RHE meetings, joint meetings with RPP as required and any other additional meetings which may need to be arranged to discuss specific issues.

The Board will then consider the nominations and make the appropriate appointments to the RHE as a Committee of the Board.

- 5.3 As with the Planning Partnership/Executive the Board will appoint a local government nominee to chair the RHE/RHP and there will be three sectoral Vice-Chairs - local government, business and other stakeholders.

6. **Regional Housing Partnership Structure**

- 6.1 The RHE will be supported by the larger Regional Housing Partnership (RHP), which will act as a wider reference group to advise the RHE. RHP membership will comprise of approximately 100 representatives from Local Government, Business and Other Stakeholder Groups and will be based upon the same weighted voting structure as the Regional Planning Partnership which also incorporates the 4:1:1 principle.
- 6.2 Key national and regional housing related agencies will also be represented as Ex-Officio Officers to advise the RHP.
- 6.3 Local Authority nominations to RHP are also now being sought, with each local authority able to nominate at least one Member (with more for multiple vote authorities) to represent their total

number of votes, plus formal alternates. The Assembly Secretariat is therefore requesting authorities to:

- Nominate Members who hold the Portfolio for Housing or equivalent Portfolio within their authority or the Portfolio for Regeneration or;
- Nominate Members which have knowledge, past work experience or a genuine interest in Housing policy

6.4 In addition to the local authority nominations being sought, the Secretariat is also seeking nominations from the Other Stakeholders Group and from the West Midlands Business Council in accordance with agreed nominating arrangements.

7. **Modus Operandi**

7.1 It should be noted that whereas the Regional Planning Partnership is the principal body delegated to carrying out the Regional Planning Body role, the Regional Housing Partnership will be advisory, with Regional Housing Board decisions made by the Regional Housing Executive. Thus when a joint planning and housing decision is required this will need to be either a) at a meeting of the Regional Planning Partnership and Regional Housing Executive, or b) at a meeting of the Regional Assembly Board, or c) at Full Regional Assembly itself.

7.2 The officer/stakeholder group will be known as the Regional Housing Advisory Forum. Its Terms of Reference and membership are currently being drafted.

7.3 It is proposed that the new arrangements will be fully operational from September 2006, in line with DCLG guidelines. It is proposed that a launch event will be held for the RHE and RHP combined on the 28th Sept 2006. To ensure efficiency in terms of members' time commitment and venue arrangements it is proposed that Regional Housing Executive meetings will be held on the same day as Regional Planning Partnership meetings and that the RHP meeting be held 3 weeks prior to the RHE and the Regional Housing Advisory Forum to be held 3 weeks prior to the RHP, after the September launch.

8. **Legal Issues**

8.1 To implement the new Housing Board functions under the Assembly it will be necessary to amend the company's Memorandum and Articles of Association to formally incorporate this function within the company's objectives and to establish the RHE as a committee of the Board to carry out this function on its behalf.

8.2 Legal advice also suggests an increase in the size of the Board to ensure Directorships for the Chair and possibly Vice-Chairs of the RHE. The advice however also indicates that "*provided the Chair is a board member and signs off all decisions of the RHE there is no need for the Vice-Chairs to be board members*"

- 8.3 The Board may agree that further significant increases in the size of the Board should be avoided if possible. The Chair of the RHE/RHP might be accommodated within the current composition of the Board. However, to guarantee that the position of Chair of the RHE/RHP is accommodated it is recommended that one additional place on the Board is approved, this to be a category 'A' member (local government). This would change the composition of the Board to 14 local government, 4 business and 4 other stakeholders,
- 8.4 If the Chair of the RHE/RHP is accommodated within the existing local government allocations it is proposed that the additional place be allocated to the local government Vice-Chair of RHE/RHP which will provide additional security that decisions of the RHE will be covered within the legal liability framework of the company.
- 8.5 The necessary resolutions required of the Board are set out in section 2 above.

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West Midlands Regional Assembly Limited (The Assembly)

Terms of Reference for the Regional Housing Partnership (RHP) and the Regional Housing Executive (RHE)

“The purpose of the Assembly’s Regional Housing Partnership and Executive is to provide advice to government on regional housing investment priorities in the West Midlands. It will undertake the Housing function and role assigned by Government to Regional Assemblies.”

The Regional Housing Partnership (RHE)

The role of the Regional Housing Executive (RHE)

The Regional Housing Executive shall be established as a committee of the Board of the Assembly and will exercise the role of Regional Housing Board.

Purpose

The Regional Housing Executive (RHE) will be a committee of the Board of the Assembly and membership will primarily be drawn from the Regional Housing Partnership (RHP). The RHE will take executive decisions and will both make formal recommendations to GOWM and DCLG and approve the policy recommendations of the RHP.

RHE Terms of Reference

The RHE will need to oversee the development of regional housing work via the RHP and its officer/stakeholder support, to ensure that the statutory and other duties of the Partnership (as set out in its separate terms of reference) are successfully undertaken particularly with regard to:

- Advising Ministers on the split of the single capital housing pot funding between local authorities (mainly for improving the condition and sustainability of existing housing) and Registered Social Landlords and developers (mainly for additional affordable housing), via the Housing Corporation’s Approved Development Programme;
- To produce and keep under review the Regional Housing Strategy
- To ensure the Regional Housing Strategy is to be in line with the Regional Spatial Strategy and its reviews
- To produce (or to support the production of) the Regional Allocations Strategy bi-annually

- To ensure the Regional Housing Strategy is aligned with other regional strategies, especially the Regional Economic Strategy
- Regional Housing Executive will apply national policy to the regional context for delivery by local housing authorities, including advice on specific national and regional housing programmes (e.g. Low Cost Home Ownership, new social rented housing, rural housing); and spatial distribution within the region.
- The recommendations and work of the RHE will not affect responsibilities for *delivering* new affordable housing and improving the condition of existing stock and will contribute to the strategic and policy context in which local authorities operate their strategic and enabling functions.
- Recommendations to Government will reflect and complement housing and other related spending in the region, both capital and revenue.
- Whilst DCLG/GOWM and the Housing Corporation will continue to collect performance data, the Regional Housing Executive will wish to monitor, subject to resource availability, the regional housing outputs and assess the achievement of regional strategic outcomes. This will be done jointly with the Regional Planning Partnership.

RHE Modus Operandi

The Regional Housing Executive will be a Committee of the Board of the Assembly, who will appoint its members principally from members of the Regional Housing Partnership.

The executive will meet quarterly with additional meetings as and when required.

Progress and activity to be reported to the Assembly Board meetings and RHP and the Assembly on a quarterly basis

To hold from time to time joint meetings with the Regional Planning Executive or Partnership to discuss issues of mutual interest.

To form task and finish groups with specific work areas and timescales.

To be advised by the Regional Housing Forum, appropriate Regional Assembly Policy Partnerships, relevant cross sector Regional Officer Groups and housing market area groups.

The Secretariat to be provided by WMRA secretariat.

Notes of meetings to be public documents posted on the Assembly's Website and reported to other partners where appropriate.

Meetings to be held in open session with a facility to move to closed session if required.

The work of the RHE to be open and transparent.

Membership to be kept under review by the Assembly Board.

RHE Membership

The RHE will comprise 18 members.

The membership of the Executive will reflect the Regional Assembly membership ratio of 4 local authority members (class A): 1 business sector (class B): 1 other stakeholders (class C).

Members of the RHE will be nominated by the Assembly's nominating bodies, be suitably skilled and experienced and be members of the Regional Housing Partnership.

Members of the Executive will be able to vote on specific issues if necessary.

Criteria for Membership

- Members should have a broad and deep knowledge of their sector.
- Members will be expected to represent their sector or area of interest and express the views of their organisation, constituent group or nominating body **when appropriate but always to have the overall regional interests as their primary concern in conducting the business of the RHE and in formulating advice and recommendations to Ministers.**
- Members will require an awareness of the role and contents of Regional Spatial Strategy and The Regional Housing Strategy for the West Midlands.
- Members will be a mixture of board members and non board members of the Assembly but the Regional Housing Executive will be chaired by a board member.
- Members should have an understanding of any other relevant approved regional strategies and should respect the aims of such strategies.
- Members will be expected to communicate information and decisions made by the Executive to others in the sector, organisation or group.
- Members will be expected to provide continuity of attendance.
- Membership will be specific to the named individuals with a nominated alternate if required.
- Members will be required to sign the Assembly's Code of Conduct.
- Where possible membership to reflect the diversity of the region's population.

RHE Chairmanship

The RHE will be chaired by a Member of the Assembly nominated by the Assembly's local government nominating body (class A), with vice chairs nominated by the Assembly's local government (class A), business (class B) and other stakeholder sectors (class C) nominating bodies.

The Chair shall be or become a member of the Board of the Assembly

The Chair and Vice Chairs of the Planning Executive will be ex officio members of the Regional Housing Executive and vice versa to ensure, coherence, co-ordination and complementarity of agendas and decision making.

The chair and vice chairs of the RHE shall act as chair and vice chairs of the RHP.

The Regional Housing Partnership (RHP)

The Role of the Regional Housing Partnership (RHP)

The Regional Housing Partnership will act in an advisory and support capacity to the Regional Housing Executive drawing on a region wide body of housing expertise to highlight issues, inform and make recommendations to the Regional Housing Executive. The Regional Housing Partnership may ask the Regional Housing Advisory Forum/Group to undertake or oversee various tasks including research and keeping the Regional Housing Strategy under review, as required.

RHP Terms of Reference

Overall Objective: To develop and facilitate the implementation of a unified Housing Strategy for the West Midlands.

And in particular to:-

- through the Regional Housing Executive and with the Regional Planning Partnership respond with appropriate policy recommendations to Government for managing Regional Housing markets (through revisions to the Regional Housing Strategy)
- make recommendations to the Regional Housing Executive on the distribution of the single housing pot
- raise the profile of the region's housing needs in investment and planning terms.
- Work within the spatial framework provided by the West Midlands Regional Planning Spatial Strategy.
- Work within the spirit of the Regional Sustainable Development Framework.
- inform and support the development of related strategies including West Midlands Economic Strategy.
- contribute to debate / comment on national priorities and policy.

- identify cross-cutting policy issues which affect Housing and influence the wider Assembly policy agenda, especially transport and economic development (as reflected in Regional Funding Allocations).
- recognise and work with the Regional Housing Advisory Forum as the focal point and commissioning body for consultation and research on Housing and related issues.
- Identify and promote best practice across the Region in areas of strategic housing activity

RHP Modus Operandi

To meet as and when required, at least twice a year, but subject to review.

Secretariat will be provided by the Assembly Secretariat

Notes of meetings to be public documents and reported to Housing Partnership, Planning Partnership, Planning Executive and the Assembly.

Meetings will be held in open session, with a facility to move to closed session if required.

The Regional Housing Partnership is expected to proceed on the basis of consensus but will be able to vote on matters as necessary. The RHP membership and voting structure shall be the same as the Regional Planning Partnership. The Assembly's board will keep membership under review.

To form task and finish groups with specific work areas and timescales.

Although not subject to the legislation, the Partnership should be mindful of the terms of the Freedom of Information Act 2000, and should ensure that its constitution and activities are consistent with the spirit of the legislation. The Partnership should also be mindful of their duties under the Environmental Information Regulations.

RHP Membership

Total membership of the RHP will be around 100 members with members nominated in the 4:1:1 ratio of local government (class A members): business (class B members): other stakeholders (class C members)

The Assembly's nominating bodies shall be able to nominate Assembly Board members, Assembly members and non Assembly members with particular housing experience.

Criteria for Membership

- Members should have a broad and deep knowledge of their sector and regional housing matters.
- Members will be expected to represent their sector or area of interest and express the views of their organisation, constituent group or nominating body **when appropriate but always to have the overall regional interests as their primary concern in conducting the**

business of the RHE and in formulating advice and recommendations to Ministers.

- Members will be selected by, and report back to, their constituent groups
- Members will require an awareness of the role and contents of Regional Spatial Strategy and The Regional Housing Strategy for the West Midlands.
- Members should have an understanding of any other relevant approved regional strategies and should respect the aims of such strategies.
- Members will be expected to provide continuity of attendance.
- Membership will be specific to the named individuals with a nominated alternate if required.
- Members will be required to sign the Assembly's Code of Conduct.
- Where possible membership to reflect the diversity of the Region's population.

RHP Chairmanship

The RHP will be chaired by the Assembly Board member who chairs the RHE.

The Vice Chairs of RHP shall be the Vice Chairs of the RHE.

May 2006