

Mayor and Cabinet		
Title	Lewisham Homes Article 13 Amendment	
Key decision	Yes	
Wards	All	
Contributor	Executive Director for Customer Services	Item
Class	Part 1 (open)	13 March 2019

1 Purpose

1.1 This report asks Mayor and Cabinet for approval to amend article 13 of the Lewisham Homes Articles

2 Recommendations

2.1 It is recommended that Mayor and Cabinet:

- Approve the amendment to article 13
- Instruct the Council Representative to sign a written resolution by the Member of Lewisham Homes giving effect to this change with immediate effect

3 Policy Context

3.1 The report is consistent with the priorities identified in the Corporate Strategy which replaced the 2008 Community Strategy. These priorities are:

- Open Lewisham - Lewisham is a welcoming place of safety for all where we celebrate the diversity that strengthens us.
- Tackling the housing crisis - Everyone has a decent home that is secure and affordable.
- Making Lewisham greener - Everyone enjoys our green spaces and benefits from a healthy environment as we work to protect and improve our local environment.
- Building safer communities - Every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.”

3.2 It will also help meet the Council’s Housing Strategy 2015-2020 in which the Council commits to the following objective:

- Promoting health and wellbeing by improving our residents’ homes

4 Background

4.1 Lewisham Homes was established in June 2007 and currently manages around 13,000 social housing tenancies and 5,000 leasehold properties within the borough, on behalf of the Council.

4.2 In May 2016 Mayor and Cabinet agreed to extend the Management Agreement for an additional 10 years, with a new management agreement being put in place.

- 4.3 Lewisham Homes is a company limited by guarantee and is wholly owned by the Council. Lewisham Homes has its own governance arrangements which are governed by its Articles, which sets out its objects and how it must operate.
- 4.4 Decision making at Lewisham Homes is through a Board comprising fifteen members consisting of three Council Board members, seven tenants and leaseholder Board members and five independent Board members. Subject to the provisions of the Companies Act 2006 and the directions of the London Borough of Lewisham in general meeting, the business of Lewisham Homes is managed by its Board.

5 Proposed amendment to Article 13

- 5.1 The proposal put forward in this paper for approval is to amend article 13 in regard to the conditions on the eligibility for being a board member.
- 5.2 The proposal is to increase the number of tenants and leaseholders who can be on the board from seven to eight. This will mean that in addition to the 7 tenants and leaseholders who sit on the Board as Tenant Board Members it would be possible for someone who is a Tenant of Lewisham Homes to be appointed as a council board member.
- 5.3 The set of definitions in the Articles describe the various terms which note that “Tenant Board Member” is used collectively to refer to tenant and leaseholder board members (also sometimes referred to as Resident Board Members) and the definition of “Tenant” includes leaseholders.
- 5.4 This change does not result in an additional board member – there remains fifteen board members consisting of three Council Board members, seven tenant and leaseholder Board members and five independent Board members.
- 5.5 There will be a need to ensure that the limit on the number of Board members who can be Council Board persons is not breached.
- 5.6 The proposed change is highlighted in bold text below:

NUMBER OF BOARD MEMBERS

13. This Article 13 does not apply to any co-opted Board Members appointed under Article 34.

- 1) The number of Board Members shall be fifteen.
- 2) Three Board Members shall be Council Board Members.
- 3) Seven Board Members shall be Tenant Board Members.
- 4) Five Board Members shall be Independent Board Members.
- 5) **No more than seven-eight Board Members shall be Tenants.**
- 6) No more than two Tenant Board Members shall be Leaseholders.
- 7) No more than three Board Members shall be Local Authority Persons.

6 Legal Implications

- 6.1 As set out in the report (paragraph 4.3) Lewisham Homes is a wholly owned subsidiary of the Council. That is, the Council is the sole member of the organisation (called the 'Council Member' in the Articles of Association of Lewisham Homes).
- 6.2 It is proposed that Lewisham Homes will amend its Articles in the manner set out in paragraph 5.6 of the report. A company may amend its articles by special resolution (Companies Act 2006 section 21). A special resolution is one passed by a majority of not less than 75% members of the company (Companies Act 2006 section 283); as the sole member, the Council is able to pass such a resolution. This report authorises the Council to make the proposed change to the Articles of Lewisham Homes in the Council's capacity as sole member of Lewisham Homes. Accordingly, the proposal set out in the report is one which is within the Council's powers. If the proposal set out in the report is approved, it is intended that this change will be made by way of a 'written resolution' (under Companies Act 2006 section 288).
- 6.3 Since this change will not affect the management of the housing stock, no consultation with existing tenants is required under Section 105 of the Housing Act 1985 in relation to the proposal.
- 6.4 The Council has a public sector equality duty (the equality duty or the duty - The Equality Act 2010, or the Act). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- In summary, the Council must, in the exercise of its functions, have due regard to the need to:
 - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 6.5 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for Mayor and Cabinet, bearing in mind the issues of relevance and proportionality. Mayor and Cabinet must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 6.6 The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found on the EHRC website.

6.7 The EHRC has issued five guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice.

7 Financial implications

7.1 There are no financial implications arising from this report

8 Crime and disorder implications

8.1 There are no crime and disorder implications arising from this report.

9 Equalities implications

9.1 There are no equalities implications arising from this report.

10 Environmental implications

10.1 There are no direct environmental implications arising from this report.

11 Background Documents and Report Originator

11.1 If you have any queries relating to this report please contact Rachel Dunn on 020 8314 6713.