

Housing Company Governance framework

1. The purpose of this document is to demonstrate the structure and level of staffing resource required for the company to govern itself and operate effectively. In addition, the document will demonstrate how the Council, as shareholder, might resource and govern itself so it can protect its investment in the company and ensure its objectives are being met effectively.
2. The structure is an initial proposal that has been informed by advice from a range of sources including commissioned law firms, other local authority-owned housing companies and relevant guidance. The structure is subject to further refinement by the company and the shareholder representative, following the present review being undertaken by the company's external consultant.

Governance and resource risks

3. There is a risk of a conflict of interest for officers who are reporting to both the company board in a housing company context and the Council CEO in a Council context.
4. There is a risk that without dedicated officer support the shareholder representative and the Council may not be able to adequately monitor the company's performance against its stated objectives and Key Performance Indicators.
5. There is a risk that inadequate staff resources in the company mean it is not able to achieve its objectives.
6. There is a risk that the company board is ineffective in its management of the company if the directors do not have the full range of skills and experience required to oversee a development company.

