

Board

24 March 2008

Board Membership

Report by Director of Finance and Resources & Company Secretary

Decision	Area Implications	All
<p>Executive Summary</p>	<p>At Inspection in 2008, the Audit Commission commented that the Board was not fully representative of the communities served. This had already been recognised by Board in 2007, when an Action Plan 'Towards a Representative Board' was introduced.</p> <p>In April 2008, Board decided that all Board Members could serve a maximum of three terms (a maximum of nine years). In reaching this decision, Board was aware that the retention of the skills and knowledge of experienced board members had to be balanced with the need to refresh and move towards a more representative Board; Board is currently under-represented by women and younger people (under 45 years of age).</p> <p>This report reminds Board of the requirement for two tenant board members and two independent board members to stand down at the Annual General Meeting in September 2009.</p> <p>To move towards a more representative Board, the report describes the process for the appointment of independent board members and introduces a new process for the appointment of tenant board members.</p>	
<p>Recommendations</p>	<p>Board is asked to agree the recruitment process for independent and tenant board members.</p>	

Business Implications	
YHN Mission and Strategic Objectives	<ul style="list-style-type: none"> • The work of the Board contributes to all of our strategic objectives.
Value for Money/Efficiencies	<ul style="list-style-type: none"> • It is the Board's responsibility to provide strategic direction and to make sure that resources are used for maximum results. • It is important that there is a balance of skills, knowledge and experience on the board to ensure effective decision making.
Resources (financial, property, technological or human)	<ul style="list-style-type: none"> • Recruitment/election costs will be met from existing budget allocations.
Impact on Services/Performance	<ul style="list-style-type: none"> • The Board has a range of skills and experience. The appointment of board members for a second and third term would ensure their skills, knowledge and experience are not lost to the organisation. However, this could have an impact in the Board continuing to be underrepresented by women and younger people. • The introduction of new board members would enhance the board and bring new ideas and fresh perspectives to the decision making process.
Outcomes for tenants/leaseholders	<ul style="list-style-type: none"> • Board members contribute to decision making, to make sure that tenants and leaseholders receive the services they need. • Board Members bring a breadth of experience and knowledge to the Board. However a longer term of office might result in board members becoming too distant from recognising the needs of the people they serve.
Risk (reputation, relationship)	<ul style="list-style-type: none"> • By appointing members for a second and third term, the board's profile will not be representative of the community it serves.
Environmental	<ul style="list-style-type: none"> • There are no environmental issues.
Legal Implications	<ul style="list-style-type: none"> • The recruitment and appointment of board members is conducted in accordance with the provisions of the Articles of Association.
Equality and Diversity	<ul style="list-style-type: none"> • Independent and Tenant board members standing down who wish to be reconsidered for appointment will be considered along with any other candidates. • The interview panel will consider whether the Board is broadly representative of the community it serves.

Stakeholder Involvement/Consultation (planned or already carried out)	<ul style="list-style-type: none"> • There has been no consultation about this report. • There was consultation with tenants about changes to the way tenants could be recruited to the Board at the time that the Memorandum and Articles of Association was amended.
Background papers	Articles of Association Board Reports April 2005, June 2007, April 2008. Governance & Personnel Committee Papers February, April 2008 The Good Governance Standard for Public Services
Contact officers	Maureen Dickson, Company Administrator and Board Support Officer, ext 28624.

Board Membership

1. Introduction

- 1.1 This report informs Board about the rotational requirements for independent and tenant board members to stand down at the Annual General Meeting in September 2009 and describes the recruitment process for the appointment of independent and tenant board members.

2. Background

- 2.1 Your Homes Newcastle Board is made up of 18 board members and a Chair. The board member composition is made up of three constituent groups: tenants, council nominees and independent people with an equal split of six members from each constituent group.
The position of Chair is outside of the constituent groups.
- 2.2 Council nominees are selected annually by the City Council. Tenants and Independent members are elected/appointed to serve a three year term.
- 2.3 To make sure that there is a staggered change in the membership of the Board over time, rather than the potential for a mass change each three years, the Articles of Association provides for two tenants and two independents to stand down on a rotational basis.
- 2.4 Board agreed in April 2008 that board members could serve a maximum of three terms (a maximum of 9 years). In reaching this decision Board was aware that the loss of skills, knowledge and experience to the organisation had to be balanced with having a representative Board.
- 2.5 Board is reminded that the current board membership is not representative of the community served; Board is currently under-represented by women and younger people (under 45 years of age).

3. Recruitment Process

3.1 Independent Board Members

- 3.1.1 Board is asked to note that R Harral and N Shukla are required to stand down at the Annual General Meeting in 2009 at the end of their first term. Both are eligible to put themselves forward for re-appointment if they wish. R Harral has served one term of three years; N Shukla has served one year as his appointment in 2008 was to fill a casual vacancy.
- 3.1.2 Independent board vacancies will be advertised. Applicants will complete an application form and successful applicants will be interviewed.
The interview panel (for 2009) will be made up of the Chair, Chair of Governance & Personnel Committee and nominees from the other constituent groups and the Company Secretary who will be present to advise on any governance matters. (In view of the proposed changes to the committee structure, the membership of the interview panel may need

to be reviewed for future years).

Independent members standing down who wish to be considered for a further term will be required to submit a written statement to demonstrate how they have met the board member core requirements (Appendix 1) and how their skills and knowledge have benefited the organisation. This statement will be considered along with other applications received. Board members standing down will be required to meet the interview panel.

3.2 Tenant Board Members

3.2.1 Board is asked to note that J Cuthbertson (Inner West) and M O'Callaghan (Outer West & North) are required to stand down at the Annual General Meeting in 2009 at the end of their second term. Both are eligible to put themselves forward for re-selection if they wish.

3.2.2 The process for selecting tenant board members is laid down in the Articles of Association.

The Articles were amended in February 2008 to create more flexibility in the way that tenant board members were selected.

Article 15 (3) states that " Prior to every annual general meeting direct or indirect elections should be held among the tenants in the area where tenant board members are to be appointed to represent that area". Article 15(4) provides for the Board to determine the mode and manner of elections, subject to complying with Article 13 relating to the number of board members.

3.2.3 This means that prospective candidates will be approved by Board in line with agreed eligibility criteria (Appendix 2). This is intended to help make sure that these Board Members are broadly representative of all tenants.

3.2.4 Tenant board member vacancies will be advertised.

Any person putting themselves forward for selection as a tenant board member will have to be nominated in writing by a person aged 18 years or over who resides in a property belonging to the Council. The same process will apply to tenant Board Members standing down who wish to be considered for re-selection.

All nominations received will be reviewed by Board against a set of eligibility criteria. Successful candidates will then be interviewed (in 2009) by a Panel made up of the Chair, Chair of Governance & Personnel Committee; nominees from the other constituent groups and the Company Secretary who will be present to advise on any governance matters. (In view of the proposed changes to the committee structure, the membership of the interview panel may need to be reviewed for future years).

The Panel will recommend the appointment of a tenant member to Board. However, if more than one nomination for a particular area is endorsed by the Panel, a ballot will be held among tenants in that area.

If no nominations are received for a particular area, the Panel will propose

a direct nomination in order to place a candidate for appointment.

4. Action Plan and Timescale

4.5 The following is the proposed timetable for independent and tenant board member recruitment/selection in 2009:

March

- Agree Board Members standing down
- Agree process for recruitment and selection

April

- Advertise positions in local press : (Newcastle Journal/Evening Chronicle
- Strategic Independent Advisory Group

Independent vacancies:

- Advertise in local housing daily
- Website
- Women into the Network
- Bridge Club North (a network of contacts in the enterprise community: entrepreneurs, finance, professional services, and established businesses).
- Chamber of Commerce

Tenant vacancies

- Newcastle Tenants Federation / Tenants and Residents groups
- Advertise in local community offices
- Website
- BME groups
- Hard to Hear groups
- Community / Sports Centres
- CVS Newsletter

May

- Review applications/nominations
- Set up interview panel(s)

- Board taster – invite prospective candidates to board meeting to experience Board in action

June

- Shortlisting

July

- Interviews
- Confirmation by Board

August

- Ballot if necessary

September

- Independent appointments recommended to Newcastle City Council
- Appointments of independent and tenant board members confirmed at AGM

6. Business Implications – addressed on cover.

7. Recommendations

- 7.1 Board is asked to agree the recruitment process for independent and tenant and board members.

8. Next Steps

- 8.1 Officers will commence the recruitment process for the appointment of independent and tenant board members.

Skills and Experience required on the Board

In order to establish a Board that is capable of running a substantial business but which also reflects the wider community for which it works, it is necessary to have members on it with a range of skills and experiences.

The following list identifies the core attributes that the Council's ALMO Advisory Group agreed were needed by all potential Board Members.

- A commitment to social housing and the mission and values of Your Homes Newcastle
- Ability to work as part of a team
- Ability to understand complex information
- Have direct knowledge of the needs and aspirations of the Communities in Newcastle
- Commitment to equality
- Good communication skills
- Commitment to put the interests of Your Homes Newcastle and its tenants first and share responsibility for Board decisions
- Commitment to attendance at regular Board meetings and ad hoc working groups, as required.

Other Requirements

Knowledge and understanding of the issues involved in delivering:

- Excellent housing services
- Investment for modern homes.

A range of other business and management skills, including:

- Budget management
- Performance management
- Public relations
- Human Resources
- Legal
- IT.

Appendix 2

Criteria for Independent and Tenant Board Members

Independent Board Members

To be considered as an Independent Board Member, you

- cannot be a Newcastle City Councillor or employed by the City Council in work associated with monitoring Your Homes Newcastle;
- cannot be a tenants or leaseholder of Newcastle City Council.

Tenant Board Members

To be considered to be a Tenant Board Member, you must be:

- a tenant or leaseholder of Your Homes Newcastle;
- nominated in writing by another tenant or leaseholder aged 18 years or over;
- able to commit to at least monthly meetings, in the evenings, for up to three years.

Some issues to note:

Introductory tenants – may vote in an election, but are not eligible for Board Membership.

Leaseholders - are limited to one place out of the six tenant seats on the Board. Currently there are no leaseholders on the Board.

General

Board Members cannot be employees of Your Homes Newcastle.