

## RECRUITMENT AND APPOINTMENT OF BOARD MEMBERS

### INTRODUCTION

The aim of this policy is to set out criteria by which South Northants Homes will seek future board members, having regard to the provisions of its Rules.

### POLICY STATEMENT

South Northants Homes is required to have a Board which shall direct the affairs of the association in accordance with its objects and rules and ensure that its functions are properly performed. In order to achieve this, it will need to attract, recruit and retain Board Members with the required skills and status to meet the requirements of the Rules and the needs of the business and the communities within which it operates.

### POLICY OBJECTIVES

- To support the principle that board membership of the Association should be drawn as widely as possible to reflect the Association's responsibility to stakeholders including the Grand Union Housing Group, tenants and future tenants, the local authority(s), residents and others interested in furthering social housing objectives in its area of operation.
- To ensure that Board Members collectively possess the qualities required to take decisions and monitor the Association's performance and that the Board includes members with relevant skills.
- To ensure that future members are recruited or elected on a systematic and continuous basis to avoid several simultaneous changes in Board membership.
- To keep under review the skills profile of Members and the skills required by the Board in order to be effective, and to identify potential Board Members with appropriate skills.
- To have a profile of Board members by ethnic origin, gender and disability that matches, as far as possible, the local community within which it operates.

## **HOUSING CORPORATION REGULATORY CODE AND GUIDANCE**

The Housing Corporation Regulatory Code and Guidance sets out the fundamental obligations of housing associations in meeting the Housing Corporation's regulatory requirements.

- 2.1 Housing Associations must operate according to the law and their constitutions;
- 2.2 Housing Associations should be headed by an effective board with a sufficient range of expertise – supported by appropriate governance and executive arrangements - that will give capable leadership and control.

### **KLOEs**

KLOE 31 - Diversity

### **OTHER RELATED POLICIES**

Group Board Membership Policies  
Rules of South Northants Homes  
Equality and Diversity Policy  
Standing Orders  
Shareholder Membership Policy

### **SUMMARY OF RULES APPLICABLE TO BOARD MEMBERSHIP**

The Association's Board shall consist of fifteen Board Members (excluding co-optees):

- Five members of the Board shall be tenant Board Members
- No more than five shall be local authority appointed Members
- Five members of the Board shall be independent Board Members

Except for co-optees, local authority Board Members, appointees of the Parent and employees of the Association (or other member of the Group) only shareholders can be Board Members.

Not more than five co-optees can be appointed to the Board or to any Committee at any one time.

## **Election of the Board**

Board member retirements are largely rotational over a three year cycle on the following basis:

- One tenant Board Member shall retire at the first annual general meeting and two at each subsequent annual general meeting
- One independent Board Member shall retire at the first annual general meeting and two at each subsequent annual general meeting
- New local authority appointed members shall be re-affirmed at the next annual general meeting

The Board Members to retire from office shall be those who have been the longest in office at the date of the annual general meeting. If one or more Members have been in office for the same length of time the decision as to who retires will be made by drawing lots. A Board Member who is required to retire in accordance with the rotation system shall be eligible for re-appointment without the requirement for nomination.

The tenant Board Members shall be elected at or before the annual general meeting by the tenants of the Association. The method of election shall be decided by the Board and published in the annual report.

By notice in writing to the Secretary, the Parent may appoint and remove all Board Members (or co-optees). In appointing Board Members the Parent shall endeavour to ensure that the Board possesses the quality, skills and experience which the Association requires.

A list of people who cannot be Board Members is attached at Appendix 1.

South Northants Homes has agreed that Board Members will not be paid, but may claim expenses.

## **PROCEDURES**

- Applications for vacancies amongst independent board members will be sought by the Association prior to each annual general meeting, usually through specialist/national advertisements. Independent board members will be appointed by a simple majority at the annual general meeting of the Association.
- The Board skills profile and requirements will be reviewed annually before the annual general meeting and any skills gaps identified. These requirements will be taken into account in the recruitment of members.

- A job description and person specification for Board Members will be kept under review to ensure that the skills requirements are reflected in recruitment. These include:
  - general business skills, including the management of staff and property;
  - finance.
  - working with local authorities;
  - making public presentations;
  - development and building;
  - legal matters.

Also an understanding of:

- housing needs met by the Association;
- residents' issues and concerns;
- community relations and needs, including equality and diversity.

The core functions of the Board and obligations of Board Members are attached as Appendix 2.

- The targets set in the Equality and Diversity action plan for the achievement of a Board profile that matches that of the local community will be taken into account in the recruitment of independent and nominated members.
- All candidates for election to the Board will be expected to complete an application form for Board membership. This will include the candidate's full name, address and occupation and set out why they believe they are suitable to be a Board Member.

## **APPRAISAL**

The Association's Board will carry out a regular appraisal of its own strengths and weaknesses in order to ensure its continuing effectiveness.

## **MONITORING AND REVIEW**

This policy will be reviewed annually and its effectiveness reported annually to the Board.

## **RESPONSIBLE FOR IMPLEMENTATION**

The Board is responsible for the implementation of this policy, through the Managing Director.

**Equality Impact Assessment Carried Out:** Initial screen

**Person responsible for review:** Managing Director/Company Secretary

**Date reviewed** May 2009

**Date of next review:** May 2010

## APPENDIX 1

### People who cannot be Board Members

- 1 People who come under any of the following categories are not allowed to become or remain a Board Member:
  - 1.1 someone who is disqualified from acting as a director of a company for any reason,
  - 1.2 someone who has been convicted of an indictable offence within the last five years,
  - 1.3 someone who is not a shareholder (unless they are a co-optee, local authority Board Member or employee of the Association, or other member of the Group, or have been appointed by the Parent),
  - 1.4 a tenant, who in the opinion of the majority of Board Members is in serious or material breach of their tenancy agreement or lease,
  - 1.5 a Board Member who has absented themselves from four consecutive meetings of the Board without special leave of absence from the Board.

**Core functions of the Board and obligations of Board Members**

- 1 The role of the board includes the following core functions:
  - 1.1 to define and ensure compliance with the values and objectives of the Association,
  - 1.2 to establish policies and a business plan to achieve those objectives,
  - 1.3 to approve each years' budget and accounts prior to publication,
  - 1.4 to establish and oversee an appropriate framework of delegation and systems of control.
  - 1.5 take key decisions on matters that will, or might, create significant risk for the Association,
  - 1.6 monitor the Association's performance in relation to these plans, budgets and decisions,
  - 1.7 appoint and, if necessary, dismiss the Managing Director and Assistant Directors,
  - 1.8 satisfy itself that the Association's affairs are conducted lawfully and in accordance with generally accepted standards of performance and propriety.
  - 1.9 take account of obligations imposed upon the Association by the regulation authority(s).
- 2 The obligations of a Board Member include:
  - 2.1 commitment to the values and objectives of the Association (these are primarily concerned with the provision of affordable social housing),
  - 2.2 commitment to the Association's core policies, including equality and diversity,
  - 2.3 an obligation to contribute to, and share responsibility for, Board and Committee decisions,
  - 2.4 an obligation to read Board papers,
  - 2.5 an obligation to prepare for and attend meetings, training sessions and other events. Meetings will normally take place in the evenings,
  - 2.6 an obligation to declare any relevant interest,
  - 2.7 an obligation to maintain the confidentiality of any private information relating to the Board's decisions or the business of the Association.