

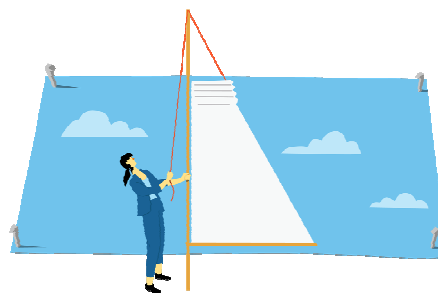
# **Brent Housing Partnership Governance Review**

## **Findings and Recommendations**

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## Introduction to the Governance Review

Brent Housing Partnership (BHP) was established in 2002 as an Arms Length Management Organisation to provide services to the council's tenants and leaseholders under a Management Agreement with the Council. It was awarded a top, 3\* rating on inspection in 2003 and has continued to demonstrate a high level of service performance when compared against its peers.

A significant part of the rationale for the establishment of BHP was to provide access to additional funding for capital investment to meet the Decent Homes standard. This was achieved in 2007. Since then BHP has continued its primary focus on providing quality housing management services, and delivering the remaining capital works programme. It has in addition undertaken, on a limited scale, other activities including management under contract of temporary accommodation and acquisition of a small amount of stock.

The Management Agreement is due to expire at the end of August 2012. In light of this an Independent Housing Review was commissioned by the council to consider the best approach to the delivery of efficient and high-quality housing management services, as well as the wider context of stock ownership options and investment. The review, undertaken from late 2010 to early 2011, coincided with the announcement by Government of a raft of reforms to the social housing sector. Perhaps chief amongst these is the plan to move to Housing Revenue Account (HRA) self-financing from April 2012. This will end the current national subsidy system, and associated capital funding arrangements. It will instead provide for a one-off financial settlement with the council then largely freed to plan and manage its housing stock and finances over the long-term. This will require rigorous business planning and a strategic approach to asset management.

Brent Council's prospective financial settlement and business plan position is relatively positive but some investment backlog is likely to arise in the short to medium term. It is recognised that the efficiency and cost of the housing management service will be an important factor in improving the business plan position.

A wide range of potential housing management options were appraised and following the review the council has concluded that its preferred approach, subject to resident consultation, is to put in place an 'Optimised ALMO'.

It is intended that this approach will build on the successful record of BHP but mark a clear and progressive departure from it. BHP's primary focus will remain housing management with a strong accent on driving continuous improvement in service quality, raising performance to the next level whilst delivering cost savings and efficiencies. One aspect of this is the planned integration of a number of BHP's support services with the council's corporate arrangements linked to BHP's planned co-location with the council in the new Civic Centre in 2013. BHP will also be responsible for long-term capital investment within the context of the council's overall strategic asset management approach.

BHP has since its inception generally enjoyed a strong and positive relationship with the council but, it is acknowledged by both parties that this has come under some pressure more recently, in part because of the review of BHP's future role. It is intended that the relationship between the council and BHP will be



both reaffirmed and reformed to provide renewed and mutual commitment, clarity of roles and responsibilities, and clear lines of accountability.

To support this, a number of developments are in train. A new Management Agreement, which is expected to be for an extended term, is to be drawn up, and an efficiencies review has been undertaken. As part of this process the council has, in partnership with BHP, commissioned this independent Governance Review to ensure that future governance structures and arrangements are fit for BHP's renewed purpose and success.

## Methodology

The approach adopted for this Governance review has, in outline, been to establish how the current governance arrangements are structured and operate, to canvass a range of views about the effectiveness of the current arrangements, to research good practice on governance in the social housing sector and more widely, and to devise revised arrangements that are appropriate to the context and challenges BHP faces as it moves forward.

A desk-top review was undertaken of a wide range of documentation in relation to the current Governance structures including the constitution, Memorandum and Articles of Association and Scheme of Delegation, the operation of the Board and its sub-committees, and arrangements for appraisal.

Interviews were conducted individually with all Board members framed by a questionnaire sent in advance. The interviews were designed to elicit members' view and insights on the strengths and weaknesses of the current arrangements, including the Board's role in providing strategic leadership and control, performance direction, oversight and improvement, the relationship with the council and other stakeholders, and suggestions of areas for reform and improvement.

To examine the relationship between the governance arrangements and BHP's wider resident involvement structures a focus group was held with resident representatives.

BHP is owned and ultimately controlled by the council and the relationship between the two is of central importance. To elicit the perspective of the council on this relationship and BHP's governance individual interviews were conducted with the Council Leader and Lead Member, the Council's Chief Executive, the Director of Finance, the Director of Regeneration and Major Projects, and the Borough Solicitor's Department.

The BHP Chief Executive and his senior management team were interviewed. They play a central role in the governance of BHP through the scheme of delegation, and provided a range of information and insights throughout the review.

Good practice guidance in public sector organisations generally and among social housing providers including both ALMOs and housing associations was reviewed. Governance arrangements in a selection of London ALMOs were also researched to establish customary and good practice among BHP's peers.

Drawing on the above an assessment was undertaken of the current Governance arrangements and their effectiveness and areas for potential improvement were identified, and proposals developed for their reform. These were then presented to the BHP Board for comment and to the Council, following which the recommendations were finalised.

## Brent Housing Partnership's Governance Arrangements

### Background

Brent Housing Partnership (BHP) was established by Brent Council, with the consent of the ODPM, in October 2002. It has a separate legal identity and is a company limited by guarantee and is wholly-owned by the council as the sole shareholder. A Management Agreement between the Council and BHP was established for a term of 10 years (subject to the option of mid-term review) which expires at the end of August 2012.

Prior to its establishment a Shadow Board operated. The Board at the outset comprised 18 members drawn equally from three groups: 6 resident representatives (four tenants and two leaseholders); 6 council nominees; and 6 independents selected for their relevant experience and expertise. Six sub-committees were established under the Board.

In 2006 the Council's Internal Audit service undertook a review of BHP's Corporate Governance and made a number of recommendations for improvement. A follow-up Audit was undertaken in April 2008 which confirmed that these (with only minor exceptions) had been satisfactorily implemented.

In 2007 the Board commissioned a Governance Review which was undertaken by the Chair, three other Board Members and BHP's Chief Executive and Company Secretary. From the review a number of changes were instituted, with the agreement of the Council:

- Board Membership: The board was reduced in number to fifteen and, to further promote resident empowerment, the number of resident representatives was increased to seven. The number of council nominees and independents were reduced to four each.
- Vice-Chair: The position of vice-chair was established, elected by the Board.
- Remuneration: Payment in the amount of £5,000 for all board members (and a higher level for the Chair). Board Members had previously been entitled to out-of-pocket expenses.
- Sub-Committees: The sub-committee structure was revised and the number reduced from six to three:
  - Service Delivery
  - Finance and Audit
  - Personnel and Remuneration

Subsequently two further sub-committees for New Homes and Development were established corresponding to new areas of activity by BHP.

BHP had intended to undertake a further Governance Review in 2010/11 but this was not progressed in light of the pending review of housing management options by the Council, and the subsequent commissioning of this review.



In 2010 BHP, with the approval of the council, became a Registered Provider with the Tenant Services Authority.

### **Current Arrangements**

The overall governance framework of BHP is outlined in the original ALMO documentation and has been subject to limited revision since. BHP's powers and objectives are set out in the Memorandum & Articles of Association.

The Management Agreement sets out the responsibilities delegated by the Council to BHP and the arrangements for council oversight. An Annual Delivery Plan, agreed by the council, sets the main activities and targets to guide BHP's operation for the year. There are regular meetings between the BHP Chief Executive and responsible Council Director and regular performance monitoring meetings are held between the council and BHP.

### **The Board**

Primary responsibility for BHP's governance resides in the organisation's Board. The Board meets quarterly and in public, with relevant senior officers in attendance. A Board awayday is usually held annually to provide an opportunity to consider matters of strategic direction and the future delivery plan.

The Board is made up of fifteen non-executive Directors: seven residents, of which five are council tenants and two leaseholders; four independents; and four Council Members.

The appointment process for residents is by application, interview and election and for the independents by application and interview. Council Members are nominated by the council and automatically appointed to the Board.

The length of tenure for Resident and Independents Board Members' is six years. A number of resident and independent members have served successive terms and some Board Members have been in place since the inception of BHP.

The Board member's job description set out the objectives and key tasks that each member is expected to perform including attendance at Board meetings, awaydays and undertaking necessary training.

The Board Chair is appointed annually following BHP's AGM from the Board's membership, on the basis of a simple show of hands. The current Chair has been in post for 11 years. Appraisal of the Chair's performance has been undertaken this year for the first time with each Board member completing an individual assessment and the findings collated by the Company Secretary but the process had not been completed at the time of this review.

### **Board appraisal and training**

Board appraisals were carried out in 2006, 2007 and 2011. A self-assessment is carried out by each member and this is followed by an interview with the Chair and Head of Corporate Services. The appraisal form has sections on personal performance, previous training, skills & knowledge, knowledge

of BHP, and an assessment of their personal contributions. An annual training programme is developed, informed by the appraisals, and an extensive programme has taken place each year.

### **Sub-committees**

The majority of the Board's work occurs in its sub-committees:

- Service Delivery (including Community Fund)
- Finance & Audit (including Ethics & Standards)
- Personnel & Remuneration; and
- Board Members Remuneration.

BHP is understood to currently be considering creating a separate Equality & Diversity sub-committee.

Apart from the Board Members Remuneration panel, each committee has the same minimum membership of three and they meet quarterly. As part of the Board Members' job descriptions, Board members are expected to hold membership of at least one sub-committee. There is no membership limit for the sub-committees or for the number of sub-committees a member can sit on. Each sub-committee's remit is set out in its Terms of Reference.

The Service Delivery sub-committee has the largest membership with nearly two-thirds of Board members. The committee's main responsibility is to monitor the service performance of the organisation.

The Finance & Audit sub-committee also covers the responsibilities of the previous Ethics & Standards committee. It is responsible for approving annual budgets and overseeing internal and external audit programmes.

The Personnel & Remuneration sub-committee holds responsibilities for staffing issues including the appointment and dismissal of the CEO.

The Board Members Remuneration sub-committee's meets annually to review the Board member payments and has the responsibility to suspend or cease payment if necessary.

### **Standing Orders and Scheme of Delegation**

The Standing Orders are to be read alongside the Memorandum & Articles, Articles of Association and the Management Agreement which set out the powers and responsibilities of BHP in relation to the Council and its legal responsibilities.

The Standing Orders and Financial Regulations are in two parts – Governance and Contracts. The Governance section sets out the Board and Chief Executive Officer's delegated responsibilities and the position of the Board, sub-committees, individual Board members, and of the senior management team and staff. The contract section covers the procurement process and contract financial rules.





## **Code of Conduct**

The Board's Code of Conduct is divided into four parts – General Provision; Interests; Register of Board Member's interest; financial; and the 10 General Principles of Conduct. The code is supported by a very comprehensive '*Procedure for dealing with complaints and allegations against Board Directors*'.

## Governance and Good practice

### Introduction

Governance is centrally concerned with the process of decision-making and the process by which decisions are implemented. These processes include the organisational leadership, direction, control and accountability that enables an organisation to fulfil its purpose and achieve its outcomes with this to be carried out in an effective, efficient and ethical manner. Analysis of governance focuses on the formal and informal structures that have been set in place to arrive at and implement decisions. There is no one set of encompassing principles but common principles include accountability, leadership, and the conduct of stakeholder relationships.

There is a range of relevance guidance available on good practice, some of it of general application and some specific to the social housing sector. Such guidance should not be seen as representing a prescriptive requirement but provides a basis against which to appraise and develop arrangements relevant to the local context of BHP and Brent.

As new issues have come to the fore good practice codes have been revised and developed to address concerns. The Good Governance Standard for Public Services (2004) builds on the Nolan principles on the conduct of individuals in public life. The UK Corporate Governance Code (2010) provides guidance primarily for organisations listed on the stock exchange but is recognised as having wider application as a guide to good practice. The Charity Commission publish a code for the voluntary and community sector which sets out the seven principles of good governance in the 3<sup>rd</sup> sector.

Governance has had a high priority in the social housing sector and played a key role in the former Audit Commission inspection regime. All social housing providers are regulated by the Tenants Service Authority (from 2013 the Homes and Communities Agency) who require landlords to comply with its National Standards. Councils and ALMOs are, however, not covered by the Governance standard, but may have reference to it.

Within the social housing sector, the majority of guidance has been developed in relation to the operation of housing associations. This guidance has considerable relevance to ALMOs and other housing management providers. Members of the National Federation of Housing (NHF) have to adhere to their Code of Governance, which is an acknowledged source reference for good practice. The NHF also publishes guidance on Excellence in Standards of Conduct, on achieving high standards of business conduct and probity, on Excellence in service delivery and accountability, and on Leadership and Control, a guidance manual for Board Members.

The framework for Governance within ALMOs was set by the ODPM when this model for housing management was first introduced and the government has since published a number of reviews of structure and performance across ALMOs, including of governance arrangements. The National Federation of ALMOs, as well as national benchmarking organisations provide for the dissemination of new and good practice across ALMOs nationally.

Governance arrangements within individual ALMOs have evolved over time to reflect local circumstances and the developing priorities and concerns of council's and their arms-length providers. Across London, where the ALMO model is still widely operated, there remains a high degree of commonality in relation to the overall governance arrangements but with local variation in terms of Board Membership, sub-committee structures, arrangements for performance oversight and in respect of more detailed matters. More recently a number of '1<sup>st</sup> generation' ALMOs have, like BHP, undergone a review of their future purpose and approach and more varied governance arrangements are correspondingly being considered. For example in Barnet the ALMO's governance will be integrated within a new Local Authority Trading Company, and in Hounslow the governance arrangements will operate within the context of a tripartite partnership between the council, the ALMO and the borough's federation of tenants and residents associations. Review of arrangements among other providers does not provide a template for Brent and BHP but provides examples of both customary and developing practice against which to consider the future arrangements for Brent and BHP.

A summary table of governance arrangements across a number of London ALMOs and a selection of case study examples is provided in the appendix.

## Review of Current Governance Arrangements

This chapter provides a summary of the assessment of BHP's Governance, and the views and perspectives gained through the review. Particular consideration is given to the assessment of the relationship between BHP and the council, the arrangements for driving the performance of BHP and the role of residents in governance.

### Overview

The Board's view is that BHP is well governed. There is awareness that an Optimised ALMO will bring changes and a possible new direction for BHP. Board members show a willingness to accept this and make appropriate changes.

BHP has demonstrated its willingness to improve its governance arrangements: A governance review was undertaken in 2007, and in 2010 it assessed its compliance against the Financial Council's UK Code of Corporate Governance. A further internal governance review was planned for 2010 but postponed in the context of the Independent Housing Review commissioned by the Council.

The Board members are both proud and protective of BHP and its achievements but a lack of external challenge and testing may have led the Board (and organisation) to become inward-looking. The Board has enjoyed a high level of continuity, and is cohesive and highly consensual. The contribution of resident representatives on the board is highly valued.

The current arrangements deliver a sufficient level of governance for BHP to operate and there are no major issues or omissions that would have immediate adverse effects. There are generally adequate systems and processes in place for the Board to carry out its responsibilities. There are, however a number of key documents that have not been updated since BHP's inception and there are areas where process and implementation could be improved. Some of the governance systems have not, in practice, been tested, and it is important that they are capable of dealing with all eventualities.

There were limited suggestions for improvement, adaptation or reform more generally from Board Members to improve the organisation's governance. Board members expressed uncertainty about the nature of the future relationship with the council and the role of the Board and the organisation, and the consequential reforms to governance that may be required. The BHP Senior Management Team provided a number of insights and suggestions as to how the governance arrangements might be refined and improved.

Council Members and Senior Officers interviewed had a positive view of the service provided by BHP and a clearer view of how the relationship between the council and BHP could be reframed and improved. This requires BHP to build on its existing strengths but also recognise the case and opportunity to change. There is common purpose between the council and BHP: Excellence in the provision of housing management services, but a tension between the two over the nature and extent of change required to achieve this. There is a need for greater alignment between the council and BHP's perspectives.

The relationship between BHP and the council has in the past depended to a significant extent on that between key officers. More robust structures and arrangements are needed to give clear strategic direction by the council and provide for accountability by BHP to it. These will also provide the clarity for BHP's future governance arrangements to work most effectively. Arrangements are needed that foster closer and more effective relationships between the parties but do not ultimately depend upon them.

Both the council and BHP are concerned to put in place arrangements that drive service development, improvement, efficiency and the highest level of performance. Arrangements are needed that properly involve the council in setting performance objectives and that hold BHP accountable for them, and that provide for BHP's Board to drive performance within the organisation.

Both parties highly value the contribution of resident representatives on the Board and future governance arrangements need to build on this. Reforms to resident involvement structures are in train and these provide a positive context to increase resident's role in scrutiny.

### **Strategic Direction and Leadership**

It is essential that the Board sets the strategic aims and objectives for the organisation and provides effective leadership in putting them into effect. The Board should lead and control BHP, and direct, scrutinise and evaluate its activities. The Constitution of BHP makes clear that formal responsibility for the organisation's strategic leadership resides with the board, with operational management delegated to the officers of BHP.

The strategic role of the Board needs to be understood within the context of the Council's responsibility for setting the overall strategic framework for BHP. The council needs to provide clarity about the central purposes of BHP and the strategic context of council policies and objectives. Within this framework the Board needs to determine how to best achieve its purposes and required outcomes.

On the whole Board members perceive the leadership of the Board to be strong. Members consider that the Board provides effective challenge to officers at Board and Sub-committee levels and a number of members cited the Chair as being strong and effective. Many board members identified high resident satisfaction as a reflection of the Board's effective leadership. A few members stated the board had led in developing BHP and innovations in its approach.

It was noted in the previous Housing Review that the Board's strategic and leadership roles may be under-developed. This has in part related to a lack of clarity about its future focus following the achievement of the Decent Homes standard in 2006. In recent years there has been a lack of clarity from the council about the strategic purpose of BHP, and the organisation has struggled in that context to set a clear forward strategy. It is also the case that to a significant extent the organisation has been officer-led to date. This naturally reflected that need for the organisation and Board to initially establish itself and develop its capacity, but there is a need for the Board to take a greater role in leading and directing the organisation in the future. The renewal and restatement of BHP's purpose by the council, and recommitment to BHP's future through a revised Management Agreement provide a positive context for this.

To provide effective leadership it is recommended that the Board's membership is reformed to provide for an independently-recruited chair with the skills and experience to provide leadership to the Board. It also recommended that the size of the Board is reduced to improve its efficiency and effectiveness.

The Board needs to be more directly involved in developing BHP's Delivery Plan and in setting and driving performance. Policy and service development needs to be directed by the Board. This can in part be facilitated by setting a forward agenda of matters for consideration and decision, and by providing opportunities for consideration of different options and approaches in advance of decisions being taken. New partnership arrangements with the council will also facilitate Board member's strategic engagement as well as strengthening the relationship, joint working and common purpose between the Board and the Council.

### **Resident Scrutiny and Involvement**

The involvement of residents in the governance and decision-making process was strengthened by the TSA's move to co-regulation and the introduction of National Standards in 2010, which include a standard on Tenant Involvement and Empowerment. BHP has demonstrated its commitment to greater resident involvement by making it one of its core values and including it as a strategic objective in its 2011- 2012 Delivery Plan.

In the 2007 governance review, BHP increased the percentage of resident members on the Board when it revised the board membership and has resident Board members sitting on all sub-committees. The Resident Board members are seen as accessible and have strong links with the community and regularly attend a variety of residents' committees and events throughout the year. The Chair and CEO carry out regular residents' surgeries that Board members are encouraged to attend.

The overall view is that relationship with residents and resident activists is good. The general view is that resident activists are able to engage in the process which was supported by the views expressed by the residents' focus group. Resident satisfaction is on an improving trend.

The Board Scrutiny Panel replaced the Residents Advisory Panel in 2008 and is made up of ten residents including two members from the Tenant Management Organisations. The panel meets to give their views on the non-confidential Board reports. The feedback is presented in a written form at the Board meeting to be considered alongside the reports. The quality of the feedback is good and the feedback provides a useful insight for the Board, especially for non-resident members, on the views and opinions of residents.

The panel does not, however, provide a scrutiny role and is effectively a consultative committee. It is not clear how the panel can affect policy and decision-making as they meet the day before the Board meeting and the Board papers are already finalised.

It is recommended that a new Advisory Panel is formed to act as a standing advisory group to the Board and to undertake advance scrutiny of draft Board reports with the comments of the advisory group being included in the final Board reports.

BHP has recognised that it needs to overhaul its resident involvement structures. The formal involvement structures are seen as being ineffective in obtaining meaningful engagement with residents as they are bureaucratic and inaccessible for residents who are not part of recognised residents groups, and are not well attended. It has been agreed with the council to replace the four Area Housing Boards with a programme of 'talk-back' forums across the borough which should facilitate a higher level of resident participation. It is recommended that Board Members attend and provide reports to these forums on the Board's work. The effectiveness of these new arrangements should be monitored after a reasonable period of operation.

There is an opportunity to further strengthen relationships between the Board and the community through the creation of a new position of Resident and Community Champion within the Board with a portfolio responsibility to promote communication between the Board and residents, and between BHP and the wider community.

### **Performance Management**

Effectively managing performance is integral to how the Board delivers the objectives set out in the Management Agreement and the annually agreed actions and standards in the delivery plan. The Board along with the Council should be clear about the framework of performance reporting so that each can be confident that there is a strong performance management culture throughout the organisation.

The Delivery Plan is currently prepared by the senior management team, and it is not clear how effectively the Board are involved in its development. The Delivery Plan is then agreed with the Council. It is recommended that the Board is more closely involved in the development of the Delivery Plan and that the council is also engaged in the process.

Board members responses with regard to managing performance were very limited. It was felt that performance was good with the Service Delivery sub-committee playing the primary role in monitoring and driving performance. The Board appears to play a limited role in driving and evaluating performance and targets.

The Board's role in driving performance needs to be strengthened. The Board needs to take direct responsibility for monitoring and review of performance to ensure the organisation is on track. Mid-year review would enable the organisation to refocus resources on areas where improvement is needed.

The next section provides a more detailed assessment of the current arrangements and recommendations for their reform, and the rationale for such changes.

## Findings: Assessment and Recommendations

Strategic Direction and Leadership	
Current Arrangements	Assessment / Commentary
<p>The Board is formally responsible for the leadership and governance of BHP, setting its strategic direction within the terms of the Management Agreement with the Council.</p>	<p>The majority of Board Members felt that the Board is effective in leading the organisation. The Board was described as acting in a strategic way, both challenging officers and itself. A number of members cited the Chair as being strong and effective. Many board members identified high resident satisfaction as a reflection of strong leadership.</p> <p>It is the case, however, that the leadership role of the Board could be strengthened. BHP has to a significant extent been officer-led since its inception and in the context of a newly-formed organisation this was understandable and to some extent necessary. The uncertainty about BHP's future and role in recent years may have inhibited increased strategic leadership of the organisation. Whilst the Board (and its sub-committees) provide challenge it is not clear that the Board directs and drives performance as fully as it might.</p> <p>The Optimised ALMO will require strong leadership to meet future strategic challenges, business change, and deliver demanding performance and efficiency improvements.</p>
Customary / Good Practice	Recommendation and Rationale
<p>Good governance requires that the Board leads and controls the organisation, determines strategy, and directs, scrutinises and evaluates the organisation's activities.</p>	<p>Clarity and definition are required about BHP's future role, its responsibilities and its accountability to the council. The drafting of the new Management Agreement will be critical to this.</p> <p>Specific recommendations are made below about new partnership arrangements with the council, the development of the Delivery Plan, performance reporting and more generally about the Board's operation. These are collectively designed to strengthen the Leadership role of the Board.</p>



Relationship with the Council	
Current Arrangements	Assessment / Commentary
<p>The existing Management Agreement defines and governs the relationship between BHP and the Council, including the scope of authorised activities.</p> <p>Some activities have been undertaken outside the scope of the Agreement (e.g. housing acquisition) that have been subject to specific authorisation by the council.</p> <p>There are regular liaison meetings between BHP and the council – at a senior level and by client monitoring officers.</p>	<p>The relationship between the council – and in particular the housing directorate and BHP – has generally been positive in the past but it is recognised that uncertainty about BHP’s role and future, and the associated options review, have led to strain more recently. The council’s decision, subject to resident consultation, to move forward with an ‘Optimised ALMO’ has eased the position but there is a deficit of mutual trust and confidence, and this has to a degree become embedded in the culture of each organisation.</p> <p>There is agreement about the primary purpose of BHP: excellence and efficiency in Housing Management. There is, however, a lack of clarity about how the council’s strategic role relates to the Board’s strategic oversight and the degree of delegation and operational autonomy BHP should enjoy.</p> <p>The council has historically relied on the strength of senior relationships, within a fairly informal structure, for oversight and direction. There is concern that these arrangements may not be sufficiently robust when tested. Client monitoring has generally been light-touch, reflecting confidence in the performance of BHP but potentially lacking sufficient rigour and challenge.</p>
Customary / Good Practice	Recommendation and Rationale
<p>It is standard practice for the relationship between a council and its ALMO to be governed by a Management Agreement. The existing Management Agreement is based on the template agreement and guidance produced by ODPM.</p> <p>Regular liaison and oversight meetings are also standard practice in other ALMOs.</p>	<p>The Heads of Terms of a new Management Agreement are shortly due to be drawn up with a new agreement, for an extended term, due to be in place by or in advance of the expiry of the current Agreement in August 2012. The process of devising the new Agreement provides an opportunity for the parties to collaboratively clarify and define the relationship between the parties. The process of devising the new agreement should be prefaced by a statement of the vision, purpose and principles that underlie BHP’s renewed role and relationship with the council.</p> <p>Future arrangements for direction, oversight and accountability need to be more robust, and foster strong relationships, rather than depend on them. The following structure is</p>

	<p>proposed (see also performance setting and monitoring):</p> <p><b>Partnership Meetings</b> – Held biannually or quarterly (with one annually held as part of the BHP Board Away day). The meeting would be designed to drive common purpose and understanding between the parties, and the Board and Council. These meetings would agree the forward Delivery Plan and targets, review progress against the Delivery Plan and performance. Attended by senior officers, the Lead Member, the Board Chair and sub-committee Chairs.</p> <p><b>Strategic Review meetings</b> – To be held every month to six week between the BHP Chair, CE and the lead council director to support strategic coordination and performance oversight by exception.</p>
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Business: Delivery plan, target setting, performance setting	
Current Arrangements	Assessment / Commentary
<p>Delivery plan / business planning process: An annual delivery plan is developed by BHP each year and agreed by the Board.</p>	<p>The majority view of the Board is that it sets the overall strategic direction and priorities for BHP in consultation with senior officers. It was stated that the delivery plan and business plan were fully discussed at the Board awayday.</p> <p>It is not evident from the documents reviewed how the delivery plan is developed.</p>
<p>Target setting and managing performance: Annual targets are agreed with the council and form part of the annual Delivery Plan.</p> <p>The Service Delivery sub-committee oversees the organisation's performance excluding financial targets. KPI reports are presented quarterly to the committee. A high-level quarterly exception report is present to the Board.</p>	<p>Board members responses with regard to managing performance were very limited. They stated that performance was good and the responsibility of the Service Delivery committee. The Board appears to play a limited role in driving and evaluating performance.</p> <p>It is understood that proposed service targets and the supporting rationale are developed by BHP officers and discussed and agreed by the Board, either at the Board Away day or at a special meeting.</p> <p>The Board now receives an exception report after it was requested at a Board Away Day. The exception reports to Board do not fully inform the Board on which KPIs or areas of performance are failing and what actions are proposed.</p>

Customary / Good Practice	Recommendation and Rationale
<p>Delivery Plan / Business Planning process: The NHF states that corporate and business plans are the means by which the board sets the direction of the organisation and monitors performance. An effective business planning process is required. The board should receive briefing papers to identify strategic options and choices about priorities. Draft plans are presented to the board before they are worked up in detail so the final documents are consistent with the board's direction, fully understood by the board and will enable the board to facilitate performance monitoring.</p>	<p>Board Members should be more closely involved in the development of the Delivery Plan. It is suggested that the Service Delivery Sub-committee oversee the drafting of the Delivery Plan and target-setting. The council should also be properly engaged in the process. The Board should consider and approve the draft Delivery Plan, performance and efficiency targets.</p> <p>The Draft Delivery Plan should be agreed at a Partnership meeting with Council Officers and the Lead Member (this could be incorporated into the Board awayday). This will strengthen the relationship, joint working and common purpose between the Board and the council.</p> <p>A mid-year review of the Delivery Plan should be carried out by the Board and through a Partnership meeting with the council.</p>
<p>Target-setting and managing performance: Both the TSA and central government have streamlined their requirements for target setting and monitoring, allowing future focus on a smaller suite of key indicators.</p> <p>The NHF states that managing performance effectively requires a reporting system that provides the information necessary to assess performance, which is a balance of performance data and audit &amp; inspection, along with regular review and corrective actions if objectives are not being achieved.</p> <p>Housing organisations have taken the opportunity to revise and refresh their performance systems. Customer insight techniques and customer mapping process have been adopted to provide organisations with a complete view of the customer's experience to complement evidence from target indicators.</p>	<p>BHP and the Council should agree a range of priority indicators to assess the performance of the service. Medium-term (3 year) and next year targets should be set.</p> <p>A performance score-card and exception / action performance report should be a standing item for discussion and decision at each quarterly board meeting. Detailed performance review should continue to be examined by the Service Delivery and Finance sub-committees.</p> <p>Regular officer-level monitoring meetings should continue with the council, and consideration should be given to council officer involvement in and attendance at Service Delivery sub-committee meetings, and at internal BHP performance review meetings. Quarterly monitoring information should be provided to the council to facilitate internal performance reporting.</p>

Business: Risk management	
Current Arrangements	Assessment / Commentary
Management of risk: All risks were previously managed by the Audit and Finance Committee but recently risk for different issues have been delegated to the relevant sub-committee, with A&F having the overview.	<p>The overall view is that the Board manages risk well. It has done extensive work on this and been trained on fire, health &amp; safety and gas servicing risk. Risk management is driven by a number of board members who have a strong background in this area.</p> <p>There was little reference to managing financial risk by the majority of Board members. Board members may find the presentation and format of financial information presented difficult to interpret.</p>
Customary / Good Practice	Recommendation and Rationale
The Financial Reporting Code states that although the board may make use of committees to assist its consideration of audit, risk and remuneration, it retains the responsibility for, and should make the final decisions.	<p>There is a need to strengthen the Board's understanding of financial risk management. A revised format for the reporting of financial information including risk management information should be considered.</p> <p>A risk register should be presented regularly to the Board. All final decisions on areas of audit and risk should be taken at the full Board.</p>

Resident Involvement and representation	
Current Arrangements	Assessment / Commentary
<p>There are seven resident members on the Board, the largest constituent group.</p> <p>The current involvement structures operate through four area housing boards, but it is intended to replace these with a programme of talk-back forums across the borough.</p> <p>The Scrutiny Panel was set up in February 2008 and its membership consists of ten resident members (two from each of the four Area Housing Boards and one each from the two Tenant Management Organisations.)</p> <p>The panel meets the day before the Board meeting to consider and give their views on the non-confidential reports. The feedback is presented in a written form to the Board members at the Board meeting to be considered alongside the reports.</p>	<p>The contribution of resident board members is highly valued and seen as effective.</p> <p>The new involvement structure, which is based on a successful model operating elsewhere, has the potential to more effectively involve residents generally in the work of BHP.</p> <p>As the panel is asked to comment on Board reports the day before the Board meeting, there is no opportunity to revise or adapt reports to represent their views before they are presented to the Board. The Board does not have the time to fully consider the comments in advance of the reports being discussed.</p> <p>The minutes and level of discussion of the panel are good but represent that of a consultative group rather than a scrutiny panel.</p> <p>The membership basis of the panel will fall away with the planned abolition of the Area Housing Boards.</p>
Customary / Good Practice	Recommendation and Rationale
<p>Scrutiny Panel: Involving residents in a consultative and scrutiny role is good practice and an expectation of the TSA's standards.</p>	<p>It is proposed that resident members remain the largest constituent group on the reformed board.</p> <p>A new position of resident and community champion (or similar) should be created within the board, with responsibility for developing further relationships between the board and residents, and with the wider community.</p> <p>Board members should attend the Talk-back forums and provide a report on the Board's</p>

	<p>activities and the work of BHP.</p> <p>The current scrutiny panel arrangements are not satisfactory and will not remain relevant under the new involvement arrangements.</p> <p>It is suggested that a new Advisory Panel is formed and, provisionally, that its membership is drawn from TRAs and the TMOs, and from residents generally at the talk-back forums. It would act as a standing advisory group to the Board and undertake advance scrutiny of draft Board reports with the comments of the advisory group being included in the final Board reports.</p> <p>Scrutiny of BHP's performance and service should be within the remit of the council's overview and scrutiny function. Consideration could be given to resident involvement, with councillors in such scrutiny activities.</p>
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Board: Composition, Appointment and Tenure	
Current Arrangements	Assessment / Commentary
<p>Composition: The Board currently comprises 15 members drawn from three constituencies:</p> <p>7 residents (5 tenants, 2 leaseholders) – currently one vacancy</p> <p>4 Independents</p> <p>4 Council nominees – all councillors drawn from 2 largest parties</p>	<p>Existing members were satisfied with the board size with a minority favouring a small reduction in independents or councillors, retaining residents as the largest group. From the council side it was questioned whether it was appropriate for councillors to sit on the board, with the alternative suggested of recruitment from other partner organisations.</p>
<p>Tenure: Under current arrangements resident and Independent representatives typically sit for a six year term. Councillors are nominated annually. There are no term limits.</p>	<p>The arrangements provide for a high-level of stability and continuity but limit the introduction of new members, their perspectives and expertise. This risks a lack of challenge to established practices and thinking. Of the current members three residents and three independents have been on the board since its inception in 2002. For resident members an incumbency factor may inhibit new residents from being elected to the Board.</p>
<p>Appointment: The appointment process differs for each constituent group:</p> <p>Residents – <i>Assessment and election basis</i> - application process, interview by a panel of (non-resident) Board Members and election process.</p> <p>Independents – <i>Assessment basis</i> - open recruitment and application process and interview by a panel of Board Members.</p> <p>Councillors – <i>Nomination basis</i> – nominated by the two largest political parties and agreed by full Council.</p>	<p>Members were satisfied with the appointment process for residents and Independent Board members. The process is robust and ensures that skills and knowledge gaps can be addressed through the appointment process.</p> <p>Concerns were raised that there is no provision for assessment of Councillors nominated to the board.</p>



<p>Co-optees: There are apparently no arrangements for co-optees to be appointed to the Board.</p>	<p>Some members identify a skills shortage in finance, sustainability and business transformation.</p> <p>Due to the current lengths of Board members tenure and the low turnover of Board members, it will be difficult to ensure when new issues arise that the right level of technical expertise or knowledge are present with the Board. This will make the Board reliant on the objectivity of officers or paid advisors to fill such gaps. This issue is made more acute during times of change and rapid development. Appointment of non-voting co-optees can bring an objective approach to the discussion and decision-making. The co-optee's role is to provide expertise and support to the Board without affecting the balance or make-up of the Board. The appointment is time-limited to meet the identified need.</p>
<p>Customary / Good Practice</p>	<p>Recommendation and Rationale</p>
<p>Composition: ALMO Boards historically have typically had 15 (or more) members. A number have or are moving to smaller numbers to improve efficiency. Housing Association guidance and practice is to have a maximum of 12 board members.</p> <p>The UK Code of Governance states that the board should be of sufficient size that the requirements of the business can be met and that changes to the board's membership and that of its committees can be managed without undue disruption. The Board should not be so large as to be unwieldy.</p>	<p>To reduce the board to 13, comprising six residents (including two leaseholders), three independents, three council nominees and an appointed Chair (see below). This will retain the capacity of the board to undertake its activities and service the sub-committee structure whilst improving efficiency.</p> <p>The council should consider nomination of individuals from partner organisations and of senior council officers who could bring complementary experience of public service delivery and other expertise. The absence of councillors on the board may clarify lines of accountability between BHP and the council. The council should, however, retain the discretion to nominate Council Members.</p> <p>A resident and community champion portfolio position should be established with the board.</p>
<p>Appointment: In comparable ALMOs the appointment process for residents varies and the process can be by election, through interview or a combination (as carried out at BHP).</p> <p>Some ALMOs and Housing Associations request that councillors and council</p>	<p>No changes are proposed for resident and Independent member appointments. As now, a local connection in the recruitment of Independents should be seen as desirable not mandatory.</p> <p>For council nominees (whether councillors or not) there should be a requirement for prior</p>

<p>nominees require that council nominees (including councillors) are assessed to ensure they have the requisite skills and experience.</p> <p>Good practice in Housing Associations is that all board appointments are made through open recruitment, application and an interview process. Many LSVTs, however, carry out the appointment of residents and councillors as with ALMOs.</p> <p>Appointment of Independents should be based on skills and competency and not require a local connection.</p>	<p>assessment and approval by a Board member panel to ensure that the individuals nominated bring the requisite competencies to the Board.</p>
<p>Tenure: In comparable (ALMO) organisations a three-year term is more typical. Term limits operate in a number of ALMOs.</p> <p>NFA guidance mandates that a maximum term of office is set and recommends a limit of two or three consecutive terms and a maximum continuous membership of nine years. This is to ensure that long-standing practices and thinking are appropriately challenged.</p> <p>The UK Code of Governance states re-election should be at intervals of no more than three years and any continuous service beyond six years for a director should be subject to particularly rigorous review, and should take into account the need for progressive refreshing of the board. Directors who have served longer than nine years should be subject to annual re-election.</p>	<p>A three-year term should be introduced from 2012 for all board members, with a maximum of three continuous terms, with members then being required to stand down for 1 year. This strikes a balance between continuity and expertise and refreshed views and perspectives. Term limits will facilitate new members joining the board. It is proposed that the current term only is taken into account in the future operation of term limits.</p>
<p>Co-optees: In comparable ALMOs and housing associations, some allow membership for non-voting co-optees who are usually appointment on an annual basis.</p>	<p>The articles of Association to be revised to allow for time-limited co-optees with non-voting rights to become members of the Board. These positions can enable the Board to quickly fill skill or experience gaps needed during periods of change without waiting for a vacancy to arise (e.g. business transformation or financial expertise).</p>

Board: Appointment of the Chair	
Current Arrangements	Assessment / Commentary
Appointment: The Chair is elected from the Board's membership	The majority of Board members were satisfied with the current arrangements.
Tenure: The Chair is elected annually.	An annual process can potentially cause a lack of stability. In BHP's case there has been long-term stability as the same person has held this office since the inception of the Shadow Board. A lengthening of the Chair's tenure beyond a year would assure a level of stability and continuity but it is suggested that this is time-limited to ensure the opportunity for change and renewal.
Process: Self-nomination at the Board meeting immediately following the AGM. Election of the Chair is by a simple show of hands.	The arrangements may promote a level of trust and respect within the Board but are likely to inhibit challenge and competition for the position. The present Chair has held the position for nine years and been returned unopposed for some years. Board members stated that they would not vote for the current Chair if it was felt that they were not carrying out their duties satisfactorily.
Customary / Good Practice	Recommendation and Rationale
The general practice in Housing Associations (especially where a payment is made) is to appoint the Chair through an open recruitment process. Appointments are based on a competency and skills assessment. Among ALMOs it is usual for the Chair to be appointed from within the Board.	<p>Appointment of the Chair should be by open recruitment. The role and responsibilities of the Chair are critical to the successful leadership of the Board and the organisation. Open recruitment will provide access to a wider pool of candidates and provide for the selection of a candidate with the highest calibre of requisite skills and experience.</p> <p>Recruitment will be open to existing Board members and external candidates who could be existing BHP residents, councillors or members of the public.</p>
Tenure: In comparable ALMOs the Chair is elected on an annual basis at the first meeting after the AGM. In Housing Associations a typical term is three to	A three-year tenure is recommended if external appointment of the chair is adopted, with a limit of three consecutive terms, striking the balance between continuity and renewal.

five years.	
Process: Where an election takes place then a secret ballot is the normal process.	Appointment would be made on a skills/competency basis though an application and interview process The short-listing process should be managed by a panel consisting of BHP Board and council representatives. The final selection could be undertaken by the panel but, on balance it is recommended that the full BHP Board make the final selection through interview from the candidates shortlisted. In this way the council can have confidence in the abilities and approach of the candidates shortlisted with the final selection providing assurance of the board's confidence in the appointed chair.

Board: Roles and responsibilities	
Current Arrangements	Assessment / Commentary
Job description: The job description sets out the objectives and key tasks.	The job description is very specific and long.
Person specification: This identifies the Experience & Knowledge, abilities, skills and personal qualities required to be a board member.	It is understood that the person specification has not been reviewed since the inception of the ALMO.
Customary / Good Practice	Recommendation and Rationale
<p>Job descriptions are regularly reviewed and updated to reflect changes in objectives, legislation and good practice.</p> <p>Some ALMOs have separate job descriptions for Residents, Independents and Councillors that reflect the different skills and knowledge that is expected and required from the different groups.</p>	To update the job description and reduce the number of objectives and key tasks to reflect the Board member's main responsibilities.
Person specification: It is good practice to base the person specification on behaviour and competencies.	To develop a competency and skills based person-specification. The <i>Guide for Elections of Tenant Representatives to the Board of BHP</i> to be revised to correspond to the Board member's person specification.

Board: Operations and sub-committees	
Current Arrangements	Assessment / Commentary
<p>Board Operations: The Board meets quarterly and has an annual awayday. The Board meetings are held in public and board papers are made public in advance. The Board agenda is mainly led by officers, together with a number of standard reporting items.</p>	<p>The frequency and administration of board meetings is viewed as appropriate. The Awayday provides an important opportunity to develop Board relationships and cohesion. A greater strategic orientation and focus to the Awayday agenda is needed.</p> <p>Some board members have concerns that there is insufficient opportunity to consider policy options fully with policy approval required at first consideration.</p>
<p>Sub-committee structure: There are currently six sub-committees although it is intended to disband the New Homes and Development sub-committees. This will leave four sub-committees: Service Delivery (including Community Fund), Finance &amp; Audit (including Ethic &amp; Standards), Personnel &amp; Remuneration and the Board Members Remuneration Panel</p> <p>The establishment of an Equalities and Diversity sub-committee is under consideration.</p>	<p>The majority of Board members were satisfied with the structure and remit of the sub-committees. The committees are seen to be productive and provide a sufficient level of challenge and discussion. The levels of delegation and referral back to the Board were seen as appropriate.</p> <p>Board members identified some areas that may require strengthening: leaseholder services and business transformation</p>
<p>Membership and frequency: Of the four sub-committees which will continue to exist (apart from the Board Members Remuneration panel), each committee has the same minimum membership of 3 (quorum of 2), and meet quarterly. The Board Members Remuneration Panel has a minimum membership of 4 (quorum 3) and meets annually. There is no upper limit to membership.</p>	<p>Board members were satisfied with the membership and frequency of meetings.</p> <p>There is no limit to the number of sub-committees Board members can sit on. In consequence some sub-committees have most of the board as members. This is potentially unwieldy and inefficient.</p> <p>A recent change is that all sub-committee papers will be made available to all board members. It is not apparent if this is to provide information only or that non-members will be allowed to provide comment. If the latter this may undermine the efficiency of the structure.</p>

Customary / Good Practice	Recommendation and Rationale
<p>Quarterly board meetings are standard. The Board should take the leading role in setting the forward agenda, with the assistance of officers.</p>	<p>The Board should set a 12-month forward plan of matters for consideration and decision by the Board and its sub-committees. This may usefully be set at the annual board away day and would be reviewed and revised as necessary at each board meeting. This will reinforce the Board's role in driving the organisation's agenda and help to manage the Board's and sub-committees' workloads.</p> <p>For complex or strategic issues a procedure for a two-stage process should be adopted. In the first stage options papers would be presented to the board for consideration and discussion. Consultation with the council through the Partnership meeting could also be undertaken. In the second stage at a subsequent meeting a final report for Board decision would be presented. This will promote the Board's role in formulating and directing policy. Where such matters require more rapid resolution than the timing of board meetings allows the matter could be first considered through a relevant sub-committee, a working group or a one-off board seminar or workshop.</p>
<p>Sub-committee structure: The current trend is to reduce the number of sub-committees and supplement the work of the Board with time-limited working groups.</p>	<p>To expand the Personnel and Remuneration committee remit to include lead responsibility for Equalities &amp; Diversity matters, reflecting the connection between the two. The Board should however hold lead responsibility for Equalities and Diversity matters.</p> <p>The reduced number of sub-committees with limited membership size should be capable of being serviced by the reformed Board.</p>
<p>Membership and frequency: Custom and practice is for sub-committees to meet quarterly.</p> <p>It is common practice to limit the size of each sub-committee. Membership of sub-committees should be between a third and a half of the main Board as larger membership may negate the purpose of delegating the responsibilities to the sub-committees.</p>	<p>To restrict individual membership to two sub-committees and reduce the size of committees to a maximum of six (with a quorum of three).</p> <p>To consider greater use of time-limited non-voting co-optees and independent advisors on sub-committees to increase the skills and knowledge-base where required.</p> <p>To establish a culture of (time-limited) working groups, which where relevant would include council and BHP officers, or representatives from other stakeholders and partners. These would tackle specific issues and projects. This will reduce the workloads</p>

	<p>of the sub-committees and ensure the right level of expertise and skills is present.</p> <p>A Business Transformation working group with Board, Officer and Council representation could prove useful in relation to back-office service integration and Civic Centre co-location.</p> <p>To provide an online depository where Board members can access papers and introduce a protocol on how non-members of sub-committees may contribute to discussion outside of the Board meetings e.g. through the Chair of the sub-committee.</p>
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Board: Board expenses and remuneration	
Current Arrangements	Assessment / Commentary
<p>An annual payment of £5,000 to Board members and £7,000 to the Chair were introduced in 2007/8. This was done in part to aid recruitment of independent members and to replace a complicated expense claim process and reduce bureaucracy.</p> <p>Where it is felt that the payment may have an adverse effect on a Board member's benefits then the Board Remuneration committee can choose not to award the payment. Board members can also choose not to receive the payment.</p> <p>Currently eight of the fourteen members take the payment, with only one resident member claiming. The members who do not receive payment are able to claim out of pocket expenses.</p> <p>The payment system is monitored by the Board Remuneration committee who ensures that it is not misused. The removal or suspension of payment can be made due to non-attendance at Board meetings.</p>	<p>The overall opinion is that board payment has not had an impact on the effectiveness of the Board. Some, however, thought it had improved commitment and attendance by some board members at sub-committees.</p> <p>Some Board members believe that the arrangements potentially improve the quality of Independents. Some members stated that board members should be compensated for the work they do.</p> <p>As the majority of the Board has remained the same since payment was introduced, its impact on board recruitment and the quality of board applicants has not been tested.</p> <p>Due to the potential impact on benefits, in effect a two-tier system operates with most resident Board members unable to receive the same level of compensation for their time as others within the board.</p> <p>The appropriateness of councillors receiving payments (in addition to payments received pursuant to their councillor duties) was queried by both council and board member interviewees.</p>

Customary / Good Practice	Recommendation and Rationale
<p>Payment: Only around 15% of ALMOs make payments to Board Members although a larger proportion makes payment to the Chair only. The standard approach is either to pay out of pocket expenses or in a small number of cases Board members receive an annualised allowance. In such cases Council members do not receive this allowance.</p> <p>Board payment in the housing association sector is more common with around half of Associations making payments. There is guidance on the appropriate level of payments. Where Housing Associations wish to make Board payment, TSA approval is sought and where there are no financial concerns it is granted.</p> <p>There is limited evidence that board payment has improved Board performance in the sector. A recent research study found that Housing Associations that pay board members rated the board's performance more highly than organisations that didn't.</p> <p>NHF recommend an independent review of Board payment should take place on a triennial basis.</p>	<p>The status of Councillors as Board members is an official function as a Council Member and may be regarded as included in the allowance received as a councillor. It is recommended that board payment should only be offered to the resident and Independent Board members.</p> <p>Board remuneration should otherwise continue and may play a part in the recruitment and commitment of independent members during an important time of renewal and development and within the context of a smaller board.</p> <p>There is no simple solution to the effective two-tier operation of the system. Though unsatisfactory it does not support a case for dispensing with payments. The introduction of Universal Credit may simplify (and improve) the impact on benefits and this should be examined.</p> <p>An independent review of Board payment should take place on a triennial basis.</p>

Governance documents	
Current Arrangements	Assessment / Commentary
<p>Code of Conduct: The Board has a Code of Conduct which is divided into four parts: General Provision; Interests; Register of Board Member's interests; and 10 General Principles of Conduct. The Code was revised in August 2008. The code is supported by the '<i>Procedure for dealing with complaints and allegations against Board Directors.</i>'</p>	<p>All Board members were satisfied with the Code of Conduct and stated that it is effective and understood by all. The Code has only been tested once previously when a board member was removed.</p> <p>The Chair and Director of Corporate Service provide advice and guidance to Board members to ensure that they are operating within the Code.</p>
<p>Disciplinary Arrangement: The process is set out in detail in the <i>Procedure for dealing with complaints or allegations against Board Director</i>. A copy is provided to new Board members as part of the induction process.</p>	<p>The <i>Procedure for dealing with complaints or allegations against Board Director</i> is a comprehensive document but although referred to there is no appeal process included.</p>
<p>Protocol on relationship between Board members and staff: The protocol sets out the roles and expectation of both parties. The protocol also provides advice for staff.</p>	<p>The protocol covers the standard sections for this area.</p>
<p>Standing Orders and financial regulations: The Standing Orders and Financial Regulations are in two parts: Governance and Contracts. The Governance section sets out the position with regard to the Board, sub-committees and individual members; staff and the senior management team; and the scheme of delegation. The contract section comprehensively covers the procurement process and financial rules.</p>	<p>The contract section of the Standing Orders and financial regulation is comprehensive and robust. The governance section is adequate.</p> <p>Sub-committee members are supported by the minute-taker of the sub-committee who advises them when decisions need to be referred back to the Board.</p>
<p>Schedule of Delegation: This forms part of the Standing Orders on Governance. It sets out the delegated responsibilities of the Board and identifies matters delegated to the sub-committees. It also sets out the responsibilities delegated to the Chief Executive Officer.</p>	<p>Board members stated that the Schedule of Delegation is robust and effective. It was agreed (by most) that members understood the schedule and knew what decisions and authority were delegated to the Board, sub-committee and Executive. One member stated that they did not know that the schedule existed.</p>

	<p>Further clarification between the Board and council's lines of authority is required and would reduce any confusion.</p> <p>There is a need to improve how Board members are informed of decisions outside the committee structure including the outcome of decisions deferred to the Chair's and CEO.</p>
Customary / Good Practice	Recommendation and Rationale
<p>Code of Conduct. The NHF has a Code of Conduct for Board members, which its members use in its entirety or as a basis for their own code. Where Housing Associations have their own Code of Conduct, they include a clause to state that their Board members have to adhere to the NHF's Code.</p> <p>Comparable ALMO all have a Code of Conduct. Their content varies but sections cover behaviour, register of interests, publicity, gifts &amp; hospitalities. Good practice provides for attendance at meetings, use of IT, training and take-up, the use of facilities and the Nolan Standards.</p> <p>It is good practice for the entire Board to revisit the Code of Conduct annually and reaffirm their commitment to it.</p>	<p>A comparison between the NHF Code and BHP's Code should be carried out and any omissions to be addressed.</p> <p>The Code to be an annual agenda item and each Board member to sign the Code to demonstrate they understand and agree to adhere by it.</p>
Disciplinary Arrangements: It is standard that there is a procedure for dealing with complaints or allegations against Board members.	The procedure needs to include a clear appeals process.
Protocol on relationship between Board members and staff: It is standard for housing organisations to have a protocol which set out the expected behaviour and relationship between the Board and officers. It is good practice to include a section regarding existing relationships.	<p>The section on <i>When things go wrong</i> refers to the procedures for dealing with complaints against staff or the Board by the other party.</p> <p>Additional sections to be included on declaring existing and new relationship and how to deal with issues that are not raised as complaints to reduce the potential for areas of conflicts.</p>
Standing Orders and financial regulation including the Schedule of Delegation:	For clarity and ease of reference it would be preferable to separate out Financial

<p>Good practice requires that there should be a clear division of responsibilities between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision.</p> <p>All positions and committees which have delegated and decision-making powers should be covered including where decisions are delegated within the wider involvement structure.</p> <p>A Register of Decisions at all levels is used to supplement the schedule and support the auditing process.</p>	<p>regulations from the overall Standing Orders.</p> <p>A copy of the Council's Schedule of Delegation should be included as part of the Board's Standing Orders. The Schedule of Delegation should be expanded to state the delegated responsibilities of:</p> <ul style="list-style-type: none"> <li>- The Company Secretary</li> <li>- Director or Chief Finance Office</li> <li>- Sub-committees</li> <li>- Chair</li> <li>- Vice-Chair</li> <li>- Summary of functions of key staff</li> </ul> <p>Clarify and state clearly who is responsible for:</p> <ul style="list-style-type: none"> <li>- Dismissal and suspension of the CEO</li> <li>- Restructuring</li> </ul> <p>The Board role in awarding contracts of high value</p> <p>A Register of Decisions should be established that records Board, CEO, Chair, sub-committee and officer's decisions. This will provide transparency and accountability within the decision-making process.</p>
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Board appraisal and training programme	
Current Arrangements	Assessment / Commentary
<p>Board appraisal: Board member's individual appraisals are carried out through a self-assessment and an interview with the Chair and Head of Corporate Services.</p> <p>The appraisal form has sections on personal performance; previous training; skills &amp; knowledge; knowledge of BHP; and their personal contributions, Members indicate their level and whether they require further development.</p> <p>It is not apparent that the Board's collective performance is regularly appraised.</p>	<p>It is understood that it is intended that appraisals are conducted annually but were in practice carried out in 2006, 2009 and 2011.</p> <p>The quality of completed appraisals varies. The appraisals are based on self-assessment and so are largely reliant on individuals being aware of their skills and knowledge.</p>
<p>Chair's appraisal: The appraisal of the Chair is carried out by the entire Board. Each Board member completes an individual assessment that outlines different aspects of the chair performance on a scale of 1 -5. They are asked to provide supporting evidence for their score. The findings are then collated by the Company Secretary and reported anonymously to the Chair.</p>	<p>The first appraisal of the Chair took place this year.</p> <p>The appraisal is based on the Board's perception and does not include any external assessment.</p> <p>The process is underway and results are not available so assessment of the quality of the process cannot be provided.</p>
<p>Annual training programme: The annual training programme draws from areas identified for development through the appraisal process and from consideration of new areas of skill and knowledge required by the Board.</p>	<p>The Board stated that the training programme was comprehensive and that board members were encouraged and supported to carry out training.</p> <p>Since 2008/9, it is not clear that the training programme is tailored to meet individual needs with all training sessions targeted to all Board members.</p>

Customary / Good Practice	Recommendation and Rationale
<p>Board appraisal: It is good practice that Board appraisals take place annually and the Financial Reporting Council's Code recommends that externally facilitated board evaluations take place at least every three year as external facilitation can add value by introducing a fresh perspective and new ways of thinking. The aggregated results of the appraisals should be shared with the whole board.</p> <p>NHF guidance is that an annual appraisal of the Board's performance is conducted.</p>	<p>To ensure that Board appraisals take place each year. Outcomes of the appraisals to be shared with the full board.</p> <p>Carry out periodic reviews of the appraisal system to test it effectiveness.</p> <p>Introduce periodic external assessment of Board members using a competency-based assessment to obtain an objective assessment of the Board's skills and knowledge.</p> <p>A skills audit to be carried out when the new board is appointed in 2012 to establish the base-line from which the 2013/14 training programme can be developed.</p> <p>On an annual basis, Chairs of sub-committees to be responsible for the evaluation of their committees.</p> <p>On an annual basis a collective Board Appraisal to be conducted, which may be externally facilitated.</p>
<p>Chair's appraisal: NHF's <i>Leadership and Control</i> states that it is good practice for the chair to undergo appraisal. It recommends this is done on 360 degree basis with all the board and senior officers having the opportunity to comment confidentially to an objective third party.</p>	<p>Appraisal of the Chair should take place annually. An external assessment should be included to provide objectivity to the process. The opportunity for peer review (e.g. another ALMO or housing association Board chair) could also add value.</p>
<p>Training programme: The majority of organisations provide Board members with access to training and conferences to develop their skills and knowledge. Good training programmes are tailored to address skills gaps.</p> <p>To encourage participation different methods of training are used including e:learning; modular; DVD and professional certification courses. Some</p>	<p>Introduce e-learning tools and methods to increase involvement in training sessions.</p> <p>Future training programmes to include sessions tailored to develop individual needs and fill the skills and knowledge gaps on the Board.</p>

organisations include attendance at training in the code of conduct and job description.	
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## Summary of Main Recommendations

### Relationship with the Council

- The new Management Agreement to restate the strategic purpose and responsibilities of BHP.
- A Partnership meeting between the council, including the Lead Member, and BHP, including the Chair and sub-committee chairs, to be held quarterly.
- Regular meetings between the BHP Chair, Chief Executive and the lead council director to be instituted.
- The Council's Overview and Scrutiny function to be exercised over BHP.

### Resident Involvement

- A Resident and Community Champion portfolio-holder to be elected from the Board.
- Board Members to make a report to the resident talk-back forums.
- A Residents Advisory group to be established to provide advance scrutiny of Board reports.

### The BHP Board

- To comprise thirteen members: 6 residents (4 tenant and 2 leaseholder representatives); 3 independents, 3 council nominees.
- A three-year term for resident and independent members, and a maximum of three successive terms.
- Council nominees to include non-Councillors, and to be subject to appraisal before appointment.
- The Board's Chair to be externally appointed, with selection by the Council and BHP Board, and to serve for a term of three years, and for a maximum of three successive terms.
- Payments to Board members to be restricted to resident and independent representatives.
- Individual and collective board appraisals to be annual and the use of external assessment/facilitation to be considered.
- Board members to sit on a maximum of two sub-committees, with the membership of each sub-committees limited to six.
- A forward agenda of matters for decision to be set by the board, and published for the year ahead.

- A public register of all decisions to be maintained.

#### **Performance Management**

- The Board and its service delivery sub-committee to be responsible for the development of the draft Delivery Plan, and proposed targets
- The council to be engaged in the development of the Delivery Plan, and its agreement through the Partnership meeting structure.
- The Board to take lead responsibility for driving performance and to receive a quarterly exception / action report on performance.

## Implementation

The Council will shortly consult with residents on its preferred option to renew the Management Agreement with BHP for an extended term.

The current Management Agreement expires at the end of August 2012. The next nine months are an extremely important period during which the foundations of an enhanced relationship with the council and of a renewed purpose for BHP need to be laid.

The Council and BHP plan to draw up a Heads of Terms for a new Management Agreement by no later than April 2012, with detailed drafting to then follow. It is important both parties have a strong sense of ownership and commitment to the revised Agreement. It may therefore be advantageous to undertake the external recruitment of the Board Chair at an early point to enable their involvement in the setting of the final Management Agreement arrangements.

The introduction of the new Management Agreement will mark a fresh start, and a new Board should be recruited to begin its work at that time. Preparations for the election of resident representatives will need to begin in the spring of 2012 and detailed consideration needs to be given to how to encourage new candidates. All the independent representatives will be standing down (and may re-apply) and early preparations will similarly be needed to recruit individuals and the council and BHP should in advance give careful consideration to the requisite skills and expertise that BHP will require over the next years.

The new partnership arrangements between BHP and the council could be instituted in advance of the new Management Agreement's operation to allow a short period for them to establish themselves effectively.

Drafting of new governance documentation, including revisions to the Scheme of Delegation and Standing Orders will be required in due course.

## Appendix 1 - Schedule of Committees

The following table summarises the proposed schedule of BHP and joint BHP / Council Boards and Committees

Status	Committee	Frequency	Membership / in attendance	Report to	Remit
<b>BHP Committees</b>					
Existing	Brent Homes Partnership Board	Quarterly	Board members BHP officers		Strategic Leadership and Direction: High-level Performance Data Delivery plan
Revised	Board Advisory Panel	Quarterly	Resident Reps	BHP Board	Advance comment on non-confidential Board reports
Existing	Service Delivery Committee	Quarterly	Board member BHP officers	BHP Board	KPI data Delivery plan Policy & Development
Existing	Finance & Audit Committee	Quarterly	Board members BHP officers	BHP Board	Financial report Annual Accounts Internal & External audits
Revised	Personnel & Remuneration Committee	Quarterly	Board Members BHP officers	BHP Board	Personnel matters Equalities and Diversity
Existing	Community Panel	Quarterly	Board members	Service Delivery Committee	Dispensing annual budget of £30k
Existing	Ethics Committee	Ad-hoc	Board members BHP officers	Finance & Audit Committee	Allegations against Board members
Existing	Board Remuneration Committee	Annual	Board members	BHP Board	Board members payment

Status	Committee	Frequency	Membership / in attendance	Report to	Remit
<b>Joint BHP / Council</b>					
Existing	Board Away Day	Annual	Board members BHP senior officers LBB Officer	Board	Delivery Plan development Strategic Direction Financial and risk
Proposed	Partnership Meetings	Quarterly or Biannual	Board and sub-committee Chairs BHP senior officers LBB Senior Officers Portfolio Holder	Board / Council	Delivery Plan Strategic issues Performance by exception
Revised	Strategic Review Meeting	Six-weekly	BHP Chair and CE LBB Director	Partnership Meeting BHP Board	Delivery Plan Performance Key issues

## Appendix 2 - Good Practice Guidance

***The Good Governance Standard for Public Services***, 2004 Independent Commission on Good Governance in Public Service chaired by Sir Alan Langlands. The guide is for organisations providing publicly-funded services. The standard builds on the Nolan principles (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and is a guide for organisations that sets out six core principles.

***The UK Corporate Governance Code*** (revised 2010) is the Financial Reporting Council's Code that sets out the broad principles of governance that companies listed on the stock exchange are required to have due regard to, but is recognised as having wider application. The Code includes examples of good practice on board leadership and effectiveness, remuneration, accountability and relations with shareholder.

***Guidance on Board Effectiveness*** (March 2010) is published by the Financial Reporting Council and relates to the sections on the leadership and effectiveness of the Board in *The UK Corporate Governance Code*.

***Excellence in governance: Code for members and good practice guide***. (July 2010) is the National Housing Federation's Code of governance for its members that provides advice and guidance on delivering excellent governance, accountability and transparency in decision-making. The code is based on nine principles of good governance and sets out the 12 key aspects of board behaviour and approach. The guide provides extensive good practice guidance.

***Excellence in Standards of Conduct: Code for members*** (January 2010) is the National Housing Federation's Code of Conduct for its members that provides guidance and support in achieving high standards of business conduct and probity. Members are expected to adopt it in its entirety or adapt it to suit their particular needs.

***Excellence in service delivery and accountability: Code for members*** (2009) is the National Housing Federation Code on delivering high standards of customer care and engagement. It provides advice and guidance and includes sections on accountability and governance.

***Leadership and Control: a governance manual for board members*** (March 2011) is produced by the National Housing Federation. The manual provides information on legislation and good practice in all aspects of governance.

***Good Governance: a code for the voluntary and community sector*** (revised 2010) published by the Charity Commission, the code sets out the seven principles of good governance for voluntary and charity trustee boards.

***The Regulatory Framework for Social Housing in England from April 2010***, Tenant Service Authority sets the six standards of the regulatory framework including a governance standard. Adherence to this standard is required for housing associations/registered providers but not for Local Authorities and their ALMOs.

Although primarily for organisations in Scotland, ***Governance Matters***, commissioned by the Scottish Housing Regulator in 2008 provides good practice on Code of Conduct, equalities and transparency in decision-making.

***Relevant reports:***

The ***ALMO Board member remuneration survey (2010)*** was commissioned by the National Federation of ALMOs to provide ALMOs with information on remuneration in the sector. Comparisons with housing associations are also provided in the report.

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***Inside Housing's Boardview Governance survey*** (February 2011) provides an evaluation on the satisfaction levels of board members, chief executives and company secretaries with the different aspects of governance in their own organisations.

## Appendix 3 - Selected Case Studies

### Homes for Islington (HFI)

Homes for Islington was established in 2004 and is responsible for management of over 26,000 homes. It was last inspected in 2008 and awarded an 'excellent', three-star rating with excellent prospects for improvement. After carrying a review of the ALMO as its current management agreement was to expire, Islington Council recently decided to bring the ALMO back in-house in its drive to achieve cost-cutting efficiencies.

The HFI Committees must have at least one resident, Independent and Council Board member. The Board may establish Working Groups as necessary. In the past this has included a Governance Review Working Group and a Communications Working Group.

HFI has three Portfolios, managed by a Board Champion: Resident Involvement & Community Engagement, Efficiency & procurement and New Build Project Board.

Council Board members are appointed by the Council. HFI and Islington Council have adopted a protocol whereby the Council will seek to address skills and competence requirements notified by HFI's Board. In the past the Council has appointed both Councillors and senior members of the executive to HFI Board.

HFI operates an annualised allowances scheme and is subject to annual review. Council Board members are not eligible to claim from the scheme as they are expected to claim expenses relating to HFI business through the Councillors' Expenses Scheme.

There is a culture of mutual participation in the activities of both organisations. Regular meetings are held between HFI senior management and the Council's CEO and senior management. These cover areas such as performance assessment, business planning, HFI input in to Council strategies, considerations of future direction of housing services, capital monitoring and financial planning, monitoring of capital programme delivery, service reviews, addressing of operational issues.

The Performance Management committee provides ongoing scrutiny of performance by HFI and its contractors of customer-facing services and recommend changes to improve the way in which the organisation delivers customer-facing services.

### Derby Homes

Derby Homes is responsible for management of over 14,000 homes. At last inspection it was awarded an 'excellent', three-star rating with excellent prospects for improvement. The ALMO's Management Agreement is to be renewed in March 2012 for a further ten years with a five-year break clause, which will be subject to a tenant vote.

The Derby Homes Board has six Board Champions (for each of the five TSA standards and Health & Safety). Potential resident board members have to be proposed by six residents, complete an eligibility test and attend a board meeting as an observer to qualify for election. A resident will either serve in the position of the Chair or the Vice-Chair.



Derby Homes has strengthened the role of residents in the governance structure. In 2010 it created a City Board, which leads on housing management, repairs and customer service. It sets and monitors local PIs and prioritises the capital programme. The City Board membership is made up of 17 resident activists and 12 board members plus three non-voting co-optees.

Monthly monitoring meetings are held between Derby Homes' senior management and the council's senior housing team. The Board agrees the five-year plan and sets the targets in the annual Business Plan. It monitors performance through quarterly reports of the top 23 KPIs using a traffic-light system.

### **Hounslow Homes**

Hounslow Homes was established in the first wave of ALMOs in 2002 and is responsible for the management of 16,500 homes. It was last inspected in 2005 and awarded an 'excellent' 3-star rating. It completed its Decent Homes programme in 2006.

Currently the Board has fifteen members made up equally of residents, councillors and independents including the Chair. Three sub-committees currently operate: Finance, Personnel, and Best Value and Scrutiny, and ad hoc working groups supplement this.

In 2010 Hounslow Council carried out a Test of Opinion and residents favoured the continuation of the ALMO over the alternative choice of a return to direct management by the council and the council has subsequently taken the decision to retain the ALMO. A set of principles have been developed and agreed as a framework for Hounslow Homes future governance and a new Management Agreement is currently being developed.

In Hounslow the Hounslow Federation of Tenant and Resident Associations (HFTRA) is well-established and are involved in developing the new arrangements, and a tripartite partnership will operate between the HFTRA, the Council and Hounslow Homes in the delivery of an improved service to residents. The Board will continue to have 15 members but with independent and council representatives reduced to four each, and seven resident members.

### **Barnet Homes**

Barnet Homes was established in 2005 and is responsible for the management of over 11,000 tenanted homes and 4,000 leasehold properties. It was last inspected in 2008 and awarded a 'good', two-star rating with promising prospects for improvement. The current Management Agreement expires in 2014 but is to be extended.

The council proposes to establish a Local Authority Trading Vehicle (LATV) in 2012. The envisaged structure will have a holding company with two subsidiaries: Barnet Homes, and an Adult Social Care organisation, to which Barnet Homes will provide support services.

The governance arrangements for the new company and its subsidiaries has not been finalised. It is anticipated that an externally recruited independent chair will head the board of both the holding company and that of Barnet Homes. Councillors will sit on the holding company board but may no longer sit on the Barnet Homes Board. The size of the Barnet Homes board will be

reduced to nine members. It is also expected that the LATV and Barnet Homes will have a common Chief Executive.

When Barnet Homes was established it had a board of 15, with equal representation from residents, council nominees and independents. The council nominees were a mix of councillors and others nominated by the council (e.g. magistrates). The board has since been reduced in size to make it more workable and there are now ten members: 3 residents (including one leaseholder), 3 council nominees (including two councillors) and 4 independents. The board also has a (non-voting) co-opted member who brings regeneration expertise. There is no assessment process for council nominees.

Board members are appointed for a term of 3 years. There has been a significant level of turnover and no original board members remain. The Board chair is elected by the Board annually and the incumbent was first elected in 2006 and is a resident (leaseholder). The Board meets seven times per year and has an awayday every six to twelve months. In 2010 the sub-committee structure was rationalised and there is now only one sub-committee with responsibility for Audit and Risk which meets quarterly.

There is a strong relationship between Barnet Homes and the council, and the work of the Board is viewed positively. The council's Chief Executive meets regularly with the ALMO CE and Barnet Homes is seen as playing an important role in supporting the council's activities. Client monitoring meetings are held regularly to review performance and in addition council client officers regularly attend Barnet Homes' internal performance review meetings. Barnet Homes provides reports to the council's Overview and Scrutiny arrangements and Barnet Homes officers contribute at other relevant meetings, e.g. regarding strategic housing matters.

The Board is responsible for performance direction and oversight and receives a quarterly performance report. Resident scrutiny is concentrated on performance oversight through a Performance Advisory Group (PAG). This was established in 2009 with open recruitment and interviews, and a subsequent training programme (e.g. on constructive challenge and benchmarking). Membership is for two years. The PAG meets five times per year and reviews the quarterly performance report, service standards, and procurement activities and may commission reports on areas for attention or improvement. A summary of PAG's views is circulated and the Chair of PAG presents their views to the Board. Resident Involvement more generally is through a 'hub' model with open meetings held quarterly in different parts of the borough.

## Appendix 4 - Summary of Comparable ALMOs

	<b>Barnet</b>	<b>Hackney</b>	<b>Derby</b>	<b>Islington</b>
<b>Stock</b>	11,255	22,912	14,140	26,340
<b>Audit Commission inspection rating</b>	2005 – Good service Promising prospects	2009 -Good service Promising prospects	2002– Excellent service Excellent prospects	2008 - Excellent service Excellent prospects
<b>Board composition</b>	Total – 11 members 3 residents 3 LA reps(2 Councillors and 1 Council nominee) 4 independents 1 co-optee (regeneration)	Total – 13 members 5 Residents 4 Councillors 4 Independent	Total – 15 members 4 Tenants 1 Leaseholder 5 Independents 5 Councillors	Total – 14 members 6 Residents 4 Councillors 4 Independents
<b>Board Tenure</b>	Three-year term Max of three consecutive terms Allowed to reapply after one full term	Three-year terms	Three-year terms	Four-year terms, Residents and Independents appointed every two years on rotation
<b>Committees</b>	Audit & Risk  In 2010 - disbanded Business & Resources and Standards & Asset Management committees	Service Improvement Audit & Finance	Governance services Resources, Remuneration& Regeneration Audit Committee  Board members sit on the Derby Homes City Board with elected residents	Asset Management Audit, Ethics, Resources Management Performance Management

	<i>Barnet</i>	<i>Hackney</i>	<i>Derby</i>	<i>Islington</i>
<b>Recruitment process</b>				
• <b>Residents</b>	<i>Assessment, interview and election</i>	<i>Election</i>	<i>Eligibility and elections</i>	<i>Election</i>
• <b>Independents</b>	<i>Interview</i>	<i>Interview</i>	<i>Interview</i>	<i>Interview</i>
• <b>Council nominees</b>	<i>Council nomination</i>	<i>Council nomination</i>	<i>Council nomination</i>	<i>Council nomination</i>
<b>Remuneration</b>	<i>A set allowance paid quarterly</i>	<i>Out of pocket expenses</i>	<i>Out of pocket expenses</i>	<i>Annualised allowances</i>
<b>Chair</b>	<i>Resident (Leaseholder)</i>	<i>Resident</i>	<i>Independent</i>	<i>Resident</i>
<b>Selection process</b>	<i>Annual vote</i>	<i>Annual vote Written statement required</i>	<i>Annual vote</i>	<i>Annual vote by secret ballot</i>
<b>Vice-chair</b>	<i>Annual vote</i>	<i>Annual vote</i>	<i>Annual vote</i>	<i>Annual vote</i>

	<b>Lewisham Homes</b>	<b>Enfield Homes</b>	<b>Ascham Homes</b>	<b>Hounslow</b>
<b>Stock</b>	18,553	16,125	10,365	13,490
<b>Audit Commission inspection rating</b>	2010 – Good service promising prospects	2009 -Good service promising prospects	2010 – Fair service Uncertain prospects	2005 - Excellent service Excellent prospects
<b>Board composition</b>	Total – 15 members five independent seven residents three councillors	Total – 18 members Six residents Six councillors Six independents	Total – 16 members Seven residents (including one TMO rep) Five independents Four councillors	Total – 15 members 5 Residents 5 Councillors 5 Independents
<b>Board Tenure</b>	Three years	Three years	Three years	Three years
<b>Committees</b>	Audit - eight Board members , rep from LBL Internal audit Remuneration- four Board member, meets when required Ethics–three Board members, meets when required Performance Panel – no fixed membership as not a formal committee	Finance & Audit Performance Management  Both committees have a maximum of six Board Members. The Chairs are appointed by the main Board.  Human Resources Working Group meets when necessary.  Five committees were amalgamated into two in March 2011.	Governance & Remuneration Audit Scrutiny  Audit has an Independent Chair appointed by the Board  Committees were reviewed and reduced from five to three in 2010	Personnel Best Value & Scrutiny Finance  Board member sit on working groups and HM forums with residents and councillors

	<i>Lewisham Homes</i>	<i>Enfield Homes</i>	<i>Ascham Homes</i>	<i>Hounslow</i>
<b>Recruitment process</b>				
• <b>Residents</b>	<i>Applications and interview</i>	<i>Applications and interview</i>	<i>Applications and interview</i>	<i>Election</i>
• <b>Independents</b>	<i>Applications and interview</i>	<i>Applications and interview</i>	<i>Applications and interview</i>	<i>Applications and interview</i>
• <b>Council nominees</b>	<i>Nominated by the Council</i>	<i>Nominated by the Council</i>	<i>Nominated by the Council</i>	<i>Nominated by the Council</i>
<b>Remuneration</b>	<i>Out of pocket expenses</i>	<i>Out of pocket expenses</i>	<i>Out of pocket expenses</i> <i>Chair paid £5,000</i>	<i>Out of pocket expenses</i>
<b>Chair</b>	<i>Leaseholder</i>	<i>Tenant</i>	<i>Independently appointed for three years</i>	<i>Resident</i>
<b>Selection process</b>	<i>Annual vote</i>	<i>Annual vote</i>	<i>Advert and interview</i>	<i>Annual vote</i>
<b>Vice-chair</b>	<i>Annual vote</i>	<i>Annual vote</i>	<i>Annual vote</i>	<i>Three vice chairs – from each of the constituent groups</i>