Board panel feedback

As board members will be aware a Hexagon board panel has been investigating the current tenant board appointment process. The panel has also looked at wider issues relating to tenant involvement/empowerment. The report before you has been produced as a result of an amendment to the NHF code of governance pertaining to Tenant board member (TBM) election/selection. As a member of the panel I wish to make a number of points regarding adherence to this amendment and in particular I wish to stress the importance of TBM election.

As part of this investigation the panel visited two Housing Associations, namely Poplar HRCA and Phoenix. Both successfully demonstrate that Housing Associations can successfully operate with boards that have a significant number of tenants presiding over strategic policy. This should come as no surprise, as tenants can contribute their direct experience to the development of policies and practices that affect their homes and local environment.

The regulator is clearly concerned that some Housing Associations may not be best equipped to navigate the stormy conditions that the sector currently faces, and many believe that those who have made a career in the commercial world should be actively recruited. However, the idea that tenants are not adequately equipped to perform the necessary roles and functions expected of a board member is untrue. With the appropriate amount of support and training TBM’s are able to affectively perform at board level. In order for Hexagon to be perceived as accountable, it is my belief that elections are an integral part of TBM appointment.

Hexagon has a substantial and rich tenant pool hailing from all walks of life. This pool should be utilised. Time and effort should be expended on encouraging those that feel they are committed enough, to stand for TBM election. Candidates should subsequently feel confident that the election process adequately conveys their viability as potential TBM’s. The need for Hexagon to be in some way democratically accountable is a vital part of TBM appointment. In order for any organisation to flourish it has to be perceived as transparent, responsible, and ultimately accountable.

In my view Hexagon has does a great job at facilitating tenant involvement. Groups such as the Residents Forum and Residents Performance Group do provide a certain level of service scrutiny - tenants able to *suggest* possible changes to policy. With regard to tenant empowerment, the ability to challenge policy, or offer an alternate strategy is ultimately manifested via the elected TBM. The importance of tenants having a democratic say over who should be appointed to the board cannot be overstated. Some time ago the Hexagon board decided to rescind the offer to tenants to become shareholders, leaving the board accountable to its remaining shareholders – itself. If TBM elections are abolished and replaced with a new process involving appointment by the organisation, Hexagon will be bereft of any true accountability.

It has been noted that current elections yield a very low voter turnout. In order to run a successful election more needs to be done to raise awareness of balloting to ensure that tenants ‘by-in’ to the process. This could be achieved through the constant dissemination of information via various media channels.

Retaining elections, whilst conforming to the new NHF code of governance, does require the introducing of some form of additional selection criteria.

This additional selection criterion should ultimately test a candidate’s level of commitment, as this should be the overriding factor behind any board appointment. Selection could therefore involve mandatory participation in a series of induction and training sessions, and could include a requirement to sit in on a board or board sub-committee meeting. Selection could involve a candidate fielding a number of questions relating to what they perceive to be a board members role and function. These replies could then accompany the candidate’s ballot statement. Such a system would give electors greater scope upon deciding which candidate to vote for.

I should like to remind the board that the Residents Forum (RF) has been consulted a number of times regarding TBM election. Referring to the RF minutes dated 24th July 2013, the last time the RF was consulted a decision was taken as follows:

Election only – 10

Selection & Election - 0

Abstentions – 3

It is clear that the RF unanimously decided in favour of TBM elections.

In light of the new NHF code of governance, the board should feel that it is necessary to raise this issue again with the RF. I should also like to note that I will be attending the NHF’s Board Member Conference on the 5th February. One of the plenary sessions that I have signed up for is entitled – “Board and tenant accountability – are you getting it right?” The blurb of which reads as follows –

“*While tenants know their housing better than anyone, the board should be open, responsive and accountable to its tenants, joint management partners and funders. Learn about the tried and tested models of engagement and how you can ensure you make them fit within your organisation.*”

I would suggest that any information gleaned from this session should be fed back to the board before a final decision regarding TBM appointment is made.

Dermot Finn