Hexagon Housing Association

Board of Management

26 July 2016

Agenda item 12

The future of an effective Residents Forum

Report by the Operations Director

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| *1.* | *Summary* |
|  | The report comprises a proposal from the Residents’ Forum about its future (in Appendix 1) and the views of officers on the key elements of the way forward together with some commentary on the points which officers do not recommend in the Forum’s proposal.  |
| *2.* | *Recommendations* |
| 2.1  | That the Board agrees the key elements of the way forward as set out in Section 4 of this report.  |
| 2.2 | That the Board comments on the officer concerns about the Forum’s proposal set out in section 5.  |
| 2.3 | That the Board decides whether it favours the proposed resident-led selection process for recruitment to the new Forum described in 5.8.   |
| 2.4 | That the Board asks officers to work with the Resident Forum acting Chair and Vice-Chair to revise the documents in the light of the Board’s comments on section 4 and 5, and to make a proposal for the September Board to address the mechanics of both the initial recruitment to the new Forum and the need to achieve a balance of continuity and fresh talent in subsequent years whilst meeting our diversity objectives in terms of representation. |
| *3.* | *Background*  |
| 3.1 | An external review of the Residents’ Forum was commissioned in July 15 from HQN and a report produced in early September. The report’s recommendations have been considered at numerous meetings held by the Residents’ Forum in the intervening period. In March the Forum produced a report at the request of the Board providing its response to the recommendations of the review. The Forum also informed the Board that it was working up its proposals about the future of the Forum and would be ready to report to the Board by July. The documents attached from the Forum in the Appendix comprise the Forum’s latest proposal for the way forward. Directors recognise the tremendous amount of work done by the Forum and in particular the acting Chair, aided by the Vice-Chair in working up the proposals. |
| 3.2 | There have been 24 meetings of the Forum or the working group it set up to consider the review and the way forward the last 12 months and all except 6 or 7 have been held without Hexagon officers being present, (except to escort residents into and out of the building and to administer the attendance and expenses payments.) Members of the Resident Involvement team have been strongly discouraged from giving advice at the meetings that they did attend and sometimes have not been allowed to speak. The acting Chair of the Forum felt it was important that the Forum operated autonomously and that its members became more independent and less dependent on officers. The proposals have therefore been developed without significant input from officers. Following the Forum’s report to the Board in March, in April, the acting Chair and Vice-Chair met with the Resident Involvement Manager and the Operations Director to discuss the review recommendations and also the Forum’s developing thinking on the way forward. Although some measure of agreement was reached on many of the issues, not all the agreed points were subsequently agreed by a Forum meeting as there are different views within the Forum.  |
| 3.3  | The officers’ views on the key elements of the way forward are set out in section 4; the next section 5 comprises a brief commentary on the version of the Forum’s proposals discussed at Directors’ Group on 6 July. Another version was received on 19th July from the Acting Chair, but this was after the deadline set. |
| 3.4 | **Contextual information** Hexagon has had a Residents’ Forum for many years and has had *some* input to policy matters in the past. The resident scrutiny role lies elsewhere – in the Performance Review Group – albeit there is some overlapping membership. As a result of the review and the length of time it is taking to agree a way forward, there has been no AGM ( which up to now is the mechanism for electing members) for nearly two years. In September 2014, when the last AGM was held, a full cohort(26) of members including the maximum number of co-optees, was elected. A number of members of the Forum have resigned during the course of the review and the membership as at 7 July comprised 16 people, 13 elected and 3 co-optees. The group is not representative demographically of Hexagon’s resident population. If the Board agrees to go ahead with a new Forum and the rule proposed by the Forum applying a two year term and a four year limit for continuous membership were applied to the current membership of the Forum, there would be 5 out of the current 16 members including all the co-optees who would be eligible to stand for selection or election. .  |
| *4.* | *Officers’ views on the way forward*  |
|  | Officers agree with much of the content of the documents put forward by the Forum, although we believe they are not accessible or customer friendly because of their length and they contain material which we believe does not need to be in these formal documents. The documents in places are contradictory so some of the key elements of the way forward do not come over clearly. Officers’ views on what these key elements should be are set out below in section 4.  |
| **4.1** | **The need to work together**  |
|  | Officers believe that the desire of the Forum to be autonomous is misplaced and there is a real need for the Forum members to work together with officers if the Forum is to be an effective body in representing the views of residents on strategy and policy matters. If members are to debate policy matters seriously, they will need a good knowledge base about the implications so they can weigh up different options and the foundation of this knowledge base in a Hexagon context will need to come from officers, initially through training and then through briefing sessions etc. This knowledge may of course be supplemented by information from other sources including tenant interest groups but the basics will be supplied by Hexagon and so there needs to be a stronger sense of trust of what officers can offer by way of support to Forum members.  |
| **4.2** | **A manageable size**  |
|  | The review recommended a Forum of 8-10 members. Officers think that 12 is the absolute maximum. The Forum in March agreed with this in its report to the Board but has since proposed 15; this is too many as such a large meeting would be difficult to chair (and we know the meetings are very difficult to chair with the current 15 or so members attending) and would be less effective for policy and strategy consideration.  |
| **4.3**  | **Commitment by members and support from Hexagon**  |
|  | Members must believe they can commit their time for 2 years and have the ability to focus on policy and strategy matters not on operational matters or personal issues. They should be willing to have substantial training in strategic and policy matters as well as “committee skills” and Hexagon should offer to do this training within a set time period of the member joining (say, within 2 months). The Resident Involvement team should provide support for new members The proposal from the Forum is silent on this point but it is important that the expertise and resources of our Resident Involvement team are recognised and used effectively to support the development of an effective Forum.  |
| **4.4** | **Recognition of where decisions are made**  |
|  | As well as influencing the Board, the Forum should aim to influence policy decisions made at a lower level than the Board as very many policy decisions affecting residents are delegated by the Board and are made at Director level. If residents are to influence the development of strategies, the involvement needs to be earlier than a report prepared for a Board meeting. This will require officers to plan ahead to include discussion at the Forum when developing or revising policies and strategies. The Board will also need to be clear on exactly what they will consult on, particularly when there is an impact on the timing of decision making.  |
| **4.5** | **Achieving a balance of continuity and fresh people in the membership**  |
|  | Officers support the proposed time limit of 4 years’ continuous service on the Forum in the constitution . However the proposed rules may not be sufficient to achieve a balance between continuity and fresh people in the early years until a steady state is reached. Under the proposed arrangements, it would be possible for all the initial members to stay on the Forum for the first four years and then all be forced on the time limit rule to leave at once. Consideration should be given to a system where only one third of the members stand down every year which would ensure that there is some continuity. More work needs to be done on how the system would need to be varied to make it work in the early years and this is included in the recommendations. It is important that a new Forum is seen to have a fresh start with the recruitment of new members but officers believe that the 5 residents with only a short length of service on the old Forum should be allowed to stand if they want to join the new Forum.  |
| *5.* | *Officers’ views on some of the detail in the proposal documents*  |
| 5.1  | The constitution contains most of the detailed proposals but this document is very long and inaccessible and efforts should be made to slim it down and tidy it up. The purpose of the Forum cannot be to “formulate” policy itself, as on page 1 but to influence the formulation of policy by Hexagon. Officers consider there are far too many aims and as a result of having so many, the core focus is lost. Much of what is described as an aim is not about what the Forum is for but about how it will work. Much of this does not need to be in a constitution.   |
| 5.2  | Para 28 – It is good to see that the Forum has thought about how they would deal with “gross misconduct” but the definitions in the Code of Conduct are not appropriate for this sort of body.  |
| 5.3  | Para 36 – officers’ view is that with a small body of no more than 12 people, there should be no more than one member from a single household whereas the Forum want 2. It will be more difficult to achieve a Forum which is representative in terms of geographical spread, gender, age, ethnicity, religious beliefs, sexuality etc. if there are two family members on a body of no more than 12 people.  |
| 5.4  | Para 46 . Officers don’t think it is necessary to put in the constitution that the meeting should be open to all 10000 residents as the idea would be that the members of the new Forum are *representative* of the interests of residents. There would be severe practical issues if lots of residents wanted to come to a particular meeting. Allowing free access also makes it difficult for the Chair who would have to decide who could come and whether they could speak.  |
| 5.5  | Para 54 of the constitution proposes that two Forum members should attend the Board with speaking rights. This is not within the remit of the Forum to decide. The Board working under Hexagon’s rules determines how its meetings should be run. These matters should be left for the Chair of the Board and the Board to decide, probably on a meeting by meeting basis, depending on what is on the agenda. Officers do not think it would be a good idea to have a Resident Board Member as a standing member of the Forum – whether that person would be one of the twelve or not – as the idea of the Forum would be to get the *resident* perspective on policy and strategy, whereas the Resident Board Member by virtue of their position should take a Hexagon wide view of these matters and they have plenty of opportunity to influence strategy and policy. |
| 5.6 | Paras 60-64 This section – about liaising with other resident groups - does not need to be in a constitution. It detracts from the core purpose of the Forum which should be to influence policy. Some of these arrangements can and do happen without formality anyway.  |
| 5.7 | Para 67 makes a proposal that the Forum should have a “large representation on the working party organising the large residents’ event.” (Residents’ Day currently). This is nothing to do with policy or strategy and should not be in the constitution of the Forum.  |
| 5.8 | Para 72 specifies that the AGM will elect Forum members (which is what the arrangements have been in the past.) Elsewhere in the “Nomination and election process” document, it is clear that the Forum want an election process of *all* Hexagon residents, and the reference in the constitution is therefore an error. The argument put by the Chair of the Forum, when she attended Directors’ Group, for recruitment by election by *all* residents is that the Forum members a few years ago were opposed to the proposal at that time to change the process for recruiting Resident Board members to one involving some element of selection. From what we know of arrangements elsewhere, having an election process for a body like the Forum would be unusual in the sector. Usually residents (often those who have previously been involved in other resident engagement work) volunteer themselves or are encouraged to apply by resident involvement staff who spot their interest in wider issues. Elections are not necessarily the best way to recruit the people who would contribute the most to policy discussions. There would also be a significant cost involved in arranging an election involving all Hexagon residents potentially every year.  An alternative would be a selection process from those residents expressing interest. For the initial recruitment, a selection process for up to 12 positions would be a time-consuming process and the question of who would make the decisions could in itself be quite contentious. Once established however, the Forum members with support from staff should be able to take on the selection role for filling subsequent positions as vacancies arise or members stand down after their term.A third alternative would be to retain the current election process at an Annual General Meeting to which all residents are invited such as the meetings which have been held as part of the Residents’ Day. On balance the best approach may be the second alternative – to invite residents to express interest in becoming members and then use a selection process with residents making the decision on the best candidates i.e. a resident led selection process.  |
| 5.9 | Para 90-93 assume that the Forum is autonomous of Hexagon and that the only way it can be dissolved is at a quorate general meeting of all residents which requires 50 residents to be present. This is an onerous requirement and might well be difficult to achieve especially in a situation where interest in the work of the Forum may have waned. Ultimately, like all other Hexagon-based constitutional bodes and processes, the Forum’s existence should be a matter for the Board. Para 93 assumes that the Forum will have a budget under its control although this is not mentioned elsewhere and it is not envisaged that the Forum would need a budget if the Forum were to be working co- operatively with officers as Hexagon would meet the normal running costs and training costs.  |
| 5.10 | In the proposed standing orders, in section 5.2 amongst the duties of the Secretary of the Forum is the requirement to take minutes of the meetings. Officers believe this is too onerous a requirement and will mean that the Secretary cannot fully participate in the discussion at the meeting of policy matters. We believe our staff should take the minutes; there is a mechanism for the draft minutes to be approved by the subsequent meeting so there would be a full opportunity for the members to challenge the minutes if they felt it necessary. In the last year, when the current Forum insisted on taking their own minutes, only one set of minutes (for November 15) of the 6 scheduled meetings has so far been approved for submission to the Board. Most of the minutes taken have been disputed and have not been approved by the Forum itself.  |
| *6.* | *Budget implications*  |
| 6.1  | The impact assessment of each Resident Involvement activity reported to the Board in June found that the Forum had cost £15,500 over the previous year, which was judged poor value for money. The year had been exceptional; there have been 24 meetings during the year including an Away day and this had pushed up the cost.  |
| 6.2  | The proposals from the Forum are uncosted and no specific budget provision has been made for any additional costs which arise from implementing some form of way forward. If it is agreed to have a postal vote type of election for the positions on a new Forum, this would incur an additional cost of several thousand pounds in printing and postage. Offsetting this to some extent, with a smaller Forum, the expense of running each meeting would be less than it has been recently. Assuming the training which new members will need can be provided in-house, the cost of providing this training would be measured in staff time. A firmer estimate of likely annual costs can be developed once the elements of the way forward are agreed. |