## Hendre Board Composition Statement – 30 September 2022

## Background

In line with the rules of Hendre and Hafod Housing the composition of the Hendre Board, its subsidiaries and committees are reviewed annually. This statement sets out composition as of the 30 September and includes the following:

* Board composition
* Board and committee changes during 2021/22
* Equality and diversity monitoring
* Skills assessment
* Recruitment needs for 2022/23
* Succession planning including length of service
* Pathway to board programme
1. Board Composition

Between July 2021 and June 2022, the Hendre governance structure consisted of five boards, four committees and one sub-group, the main boards are Hendre and Hafod. In September 2022 the Board and Committee Structure was rationalised in order to improve the governance structure and better manage Board and Committee members’ time. There were no changes to the number of boards during this process, two committees merged, and one new sub-group was formed.

1. Board Membership

As at 30 September 2022, the Hendre Board consists of ten members and the Hafod board consists of nine members, one of which is a co-opted. The Hendre Board has also appointed four independent members to sit on its committees.

Board and committee member changes:

July 2021 to May 2022

During the above period, one member resigned who sat on both the Hendre and Hafod Boards, and two committees. Four new members were co-opted onto the Hendre Board.

In terms of the committees, one independent member resigned, and two new members were appointed.

During the period there was a change in the Responsible Individual, who is co-opted to the Hafod Housing Board.

New members were appointed in line with Hafod’s 2020/21 composition statement where the need for new board members with housing and property experience were identified along with independent members being required to sit on the Remuneration and Appointments Committee.

Three existing board members also became members of committees during this period.

June 2022 – September 2022

During this period the board and committee structure was rationalised. As part of this process three members from the Hendre Board, and four from the Hafod Housing Board stood down from the respective boards. Three new members were appointed to the Hafod Housing Board.

In terms of committee membership, two members stood down from the Finance, Risk and Audit Committee, with two new members being appointed. Two members stood down from the Schedule 1 Committee with two new members being appointed.

The Remuneration and Appointments Committee merged with the Governance sub-group to form the Remuneration, Appointments and Governance Committee (RAG). Two new members were appointed to RAG. The Clinical sub-group was formed with two members being appointed.

1. Equality, Diversity, and Inclusion Monitoring

In October each year the Hendre Group produces a diversity and monitoring report for Welsh government.

Hendre is committed to improving its Board diversity and will be looking to achieve a better diversity mix through its recruitment and succession planning, and by championing and being members of the Pathway to Board programme.

1. Skills Assessment

In December 2021 Hendre’s Remuneration and Appointments Committee discussed and updated the skills required of board and committee members. See table below for the skills sets which were assessed by members as part of 2022 performance review, utilising a set criterion.

Skills and experience assessed:

|  |  |
| --- | --- |
| * Treasury Management
 | * Audit / Risk Management
 |
| * Financial / Corporate Finance
 | * Health and Safety
 |
| * Governance / Regulation
 | * Responsible Individual
 |
| * Housing
 | * Asset Management
 |
| * Social Care
 | * HR – Legal
 |
| * Political Influencing / Comms and PR
 | * HR – Reward
 |
| * Digital / IT Transformation
 | * Development Property
 |
| * Commercial / Business Development
 | * Date Protection / Cyber Security
 |
| * Equality, Diversity & Inclusion
 | * Customer Engagement
 |

1. Recruitment needs 2022/2023

The 2022 skills gap analysis identified a good overall mix across all boards and committees with no urgent gaps and a minor gap in Health and Safety Skills / experience. It was identified however that there are gaps in board members attendance at committees and that some board Members are over stretched in terms of the number of boards and committees that they are part of. As a result of these gaps and as detailed above, the board and committee composition and membership has been rationalised with the new structures coming into effect from Sept 2022. The new structure has identified the need to recruit for additional members as follows:

* Hafod board member with housing and / or asset management experience
* FRAC member with social care experience

The Hendre Board has agreed to hold a targeted recruitment programme in line with our EDI aspirations.

1. Succession planning

During 2021/2022 RAC has considered succession planning in some detail, analysing both terms of office as well as skills. This has led to several actions being agreed to move members between roles and boards/committees with a decision that Chairs of Committees will resign from the Chair position a year before their term of office is due to complete in order to support the new Chair and enable effective succession planning. The organisation has also decided to change the Deed of Contract for Services for members introducing an annual review of the position to enable an effective assessment of skills and thus ensuring that the right skills and experience are available on boards and committees to support the achievement of Hendre’s strategic priorities.

1. Length of service

Time serviced on Boards and Committees as at 11 July 2022:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | Members within first 3 year term | Members between 3 and 6 years term | Members in year 7 | Members in year 8 | Members in final year |
| Board members | 9 | 3 | - | 2 | - |
| Independent members | 3 | - | 1 | - |  |

1. Pathway to board scheme

In 2021, Hafod pledged its commitment to the ‘Pathway to Board’ scheme which is a programme designed to provide opportunities to people from Black, Asian, Ethnic Minorities backgrounds to build the skills and experience they require to join boards and committees across south Wales.

During 2022 and as part of cohort one of the pathway to board programme, three members have been mentored by Hendre board members and two members have been observers at board meetings. Hendre has also provided a financial commitment to the programme and is looking forward to supporting cohort 2 during 2022/2023.