



EMH GROUP BOARD MEMBERSHIP AND RECRUITMENT POLICY

1. INTRODUCTION

- 1.1 East Midlands Housing Group Limited (EMH Group) consists of a Group parent and two main operating boards: EMH Housing and Regeneration Limited (emh homes), and EMH Care & Support Limited (emh care & support). The group also includes other legal entities emh Treasury, Midlands Rural Housing, and Sharpes Garden Services. The Group has ultimate responsibility for the governance and performance of all organisations and their subsidiaries within the Group.
- 1.2 EMH Group has adopted the National Housing Federation's (NHF) Excellence in Governance Code for Members for its parent organisation, emh group, and for its main subsidiaries including emh homes, emh care & support, and Midlands Rural Housing. An annual statement of compliance with the code shall be published in the Group's annual financial statements, along with a reasoned statement about any areas of non compliance.
- 1.3 This policy relates to EMH Group, emh homes, emh care & support and Midlands Rural Housing. Sharpes Garden Services and EMH Treasury PLC fall outside the remit of this policy.

2. SKILLS AND MEMBERSHIP OF GROUP PARENT BOARD

- 2.1 EMH Group has closed shareholding membership policy, whereby the rules of each organisation restrict its shareholders to its Board Members or the parent organisation.
- 2.2 The Group parent board has 9 members. One place on the Group Board is set aside for the Group Chief Executive, in line with requirements of his Role Profile.
- 2.3 The skills required for the parent board relate directly to the functions dealt with at Group level, such as matters relating to Governance and Regulation of the whole Group, high-level strategic management and provision of central support services. Group Board members need to bring current or recent experience and skills in one or more of the following areas:

Treasury Management
Audit/Risk Management
Social Enterprise
Care & Support
Development & Construction

Public & Social Policy
Commercial Management
Customer service
Social Housing
Organisation development/HR

- 2.4 There is clearly an overlap between these skills and it is likely that successful applicants for board membership will have a combination of the skills above.

3. RECRUITMENT TO THE GROUP PARENT BOARD

- 3.1 Generally, the Group's approach to the recruitment and appointment of independent board members can involve a wide range of methods such as the use of recruitment consultants, advertisements being placed in newspapers, trade journals, and/or on websites and via social media. Candidates known to existing board members or senior officers within the Group through a variety of networks, and having the appropriate skills and experience, may be contacted and invited to respond to the advertisement. All candidates shall be evaluated in the same manner and must disclose whether any of their activities or membership of other organisations might lead to a conflict of interest within the Group's work. Applicants will need to complete application forms and/or submit CVs in order to demonstrate their suitability on the basis of a board member role profile and person specification. There will be a fair and transparent selection process. Interviews will normally take place and these will be led by the Group Board, with input from independent consultants where necessary.
- 3.2 Members of existing subsidiary boards who are interested in being considered for independent member positions that arise from time to time on the Group board can put themselves forward as candidates. If they are successful they will have to stand down from their subsidiary board. Their length of service will be taken into account if they are recruited to the Group Board in order that the maximum period of 9 years as a board member is not exceeded.
- 3.3 Recruitment of a Group Chair will be open and transparent and based on a competitive process, details of which will be agreed by the Group Board. Independent consultants will be used where necessary.
- 3.4 New Board Members will be appointed to the Board immediately after the parent Board approval has been granted.

4. SKILLS, SIZE AND MEMBERSHIP OF SUBSIDIARY BOARDS

- 4.1 Subsidiary boards are responsible for the provision of high quality service user, customer and neighbourhood services and aiming for upper quartile performance in all key performance indicators. These boards are crucial in the front line of the Group's activities and will be managing significant business units as employers and service providers.
- 4.2 Skills required for the emh housing & regeneration Board are: :
- Repairs & Maintenance
 - Customer & neighbourhood services
 - Social Enterprise
 - Development
 - Direct Labour Organisations
 - Operational budget Management
 - Equality & Diversity

- Health & Safety
 - Social Housing
 - Regulation of the sector
- 4.3 Skills required for the emh care & Support Board include:

- Working with Health Authorities/Social Services
- Contracting and Commissioning
- Supported Housing/extra care
- Care & Support
- Service user engagement & involvement
- Safeguarding
- Charity/Voluntary Sector
- Social Care Regulation
- Equality & Diversity
- Health & Safety
- Operational budget management

4.3 Additional skills may be required depending on the nature of the subsidiary. For instance, emh care & support is likely to benefit from specific skills relating to the provision of care and support services to clients with a range of needs. emh homes is likely to benefit from specific skills in the provision and management of housing and direct labour force organisations.

4.4 emh homes currently consists of 8 members. . At least three members shall be appointed from the parent board, one of whom may be the Group Chief Executive.

4.5 emh care & support has 5 Board places, at least 3 of which shall be appointed by the parent (the Group Chief executive cannot be a member as he/she is an employee and there is not permitted by the articles)

4.6 The Board of Midlands Rural Housing consists of 5 members: one nominee from each of the independent rural housing associations, and an appointee from the parent, who may be a Board Member or Member of the Executive Management Team. New members will undergo a due selection and assessment process in order to establish their suitability. The MRH Board shall ensure that nominated MRH Board Members bring skills and experience that meet the needs of the Board and that they are fully aware in advance of the responsibilities that they will undertake.

4.7 All subsidiary Chairs are appointed by the Group Board. Within MRH, the Chair is elected locally, subject to approval of the parent board. Any posts of Chair or Vice Chair of the Board cannot be held by an employee within the Group.

5. RECRUITMENT TO SUBSIDIARY BOARDS

5.1 The recruitment of independent board members to subsidiary boards can involve a wide range of methods such as the use of recruitment consultants, advertisements being placed in newspapers, trade journals, and/or on websites and via social media. Candidates known to existing board members or senior officers within the Group through a variety of networks, and having the appropriate skills and experience may be contacted and invited to respond to the advertisement. All candidates shall be evaluated in the same manner and must disclose whether any of their activities or membership of other organisations might lead to a conflict of interest within the Group's work. Applicants will need to complete application forms and demonstrate their suitability on the basis of a board member role profile and person specification. There will be a fair and transparent selection process.

- 5.2 Interviews will normally take place and the interview panel would normally comprise the Group Chair or Vice Chair and Subsidiary Chair and the Company Secretary, or a suitable alternative member of staff in his/her absence. Officers will be acting in an advisory capacity and will not be part of the decision-making process. Appointments are subject to approval by the parent board.
- 5.3 New Board Members will be appointed to the relevant subsidiary Board at the next Board meeting subject to approval by the parent board

6. DIVERSITY IMPLICATIONS

- 6.1 In considering the composition and renewal of the Board, regard shall be given to the need for a board which includes people from diverse backgrounds and with diverse attributes, to help ensure healthy debate and challenge, and a range of perspectives.
- 6.2 The current EMH Kaleidoscope¹ policy sets out the diversity targets relating to governance and other areas and these will be reviewed for each of the boards within the Group.

7. TERM OF OFFICE

- 7.1 The membership of the boards will be subject to the usual rule of limited tenure in office as permitted by the rules – i.e. three year terms and a maximum of three terms in office. There will be no automatic re-election for the next 3 year term. Any re-election will be subject to consideration of the Member's appraised performance and skills and to the wider needs of the board at the time. This will be on the recommendation of the Group Chair and Vice Chair for emh group Board members, and the Group Chair and Subsidiary Chair for subsidiary boards. The skills requirement for each board shall be reviewed annually as part of the annual assessment of Board performance. Terms of office only apply to non-executive board members.
- 7.2 A Board Member that has is approaching nine years of continuous service shall normally be required to stand down on the anniversary of their ninth year, or at the Board Meeting before their ninth year in office. Member's maybe asked to stand down before their ninth term in officer to assist with orderly succession planning as approve by the parent Board. This maximum tenure applies to all board member service with an organisation or its predecessors or its subsidiaries. Reasons for any non compliance with this, or any other requirement of the NHF Code, shall be explained in the annual accounts.
- 7.3 Having stood down, former Board members shall not be entitled to reapply to any Board within the Group for a minimum period of three years.

Nominees to MRH Board shall not be approved by the parent Board if they have been on MRH's Board for more than 9 years.

8. TRAINING AND APPRAISAL

- 8.1 The board will ensure that new members receive induction training and that effective arrangements are made to maintain and enhance the skills and motivation of all

¹ Group policy on diversity

members of the board. Skills requirement for each board will be reviewed annually as part of the annual assessment of Board performance. An annual training plan for board members will be produced. All board members will be appraised at least every two years by the Chair on an individual basis. The Group Chair will be appraised at least every two years by an external consultant.

- 8.2 Training needs for members of Midlands Rural Housing shall primarily be met via their membership of their Independent Rural Housing Association. However, this shall be reviewed annually to ensure that there are no additional training needs arising from their role as MRH Board Members. Appraisals of MRH Board Members shall be undertaken at least every two years by the Chair of MRH. The Chair shall undergo a 360 degree appraisal, involving MRH Board Members, the MD of MRH, and the Parent Representative on the Board.

9. CO-OPTIONS & BOARD OBSERVERS

- 9.1 Any board within the Group may from time to time invite additional members to be co-opted. This will usually be when specific skills are required, perhaps for a short period of time, that are not currently available on the board. Such co-optees are appointed on an annual basis.
- 9.2 From time to time the Board may choose to invite observers to attend and participate but not vote in Board meetings.

10. STAFF OR BOARD MEMBERS OF OTHER HOUSING PROVIDERS

- 10.1 Staff or Board members of other housing providers who apply for Group or subsidiary board membership will be considered provided there is no conflict in operational areas. The number of such board members will not normally exceed one per board. The exception here would be Midlands Rural Housing, which is a subsidiary board of emh homes. MRH Board consists of representatives from four Rural Housing Associations.

11. EXCLUSION FROM BOARD MEMBERSHIP

- 11.1 Each group member's rules sets out a list of circumstances (which are applicable to that group member) in which persons cannot be appointed as board members, or if already appointed must leave the Board.
- 11.2 For the purpose of this policy the following people cannot be appointed or remain as board members and this, together with any additional provisions set out in the relevant group member' rules, should be considered when recruiting new board members:
- persons who are disqualified from acting as a director of a company for any reason,
 - persons who have been convicted of an indictable offence within the last five years,
 - tenants and leaseholders who are in serious or material breach of their tenancy agreement or lease,
 - persons who are suffering from Mental Disorder (as defined by Section 1 of the Mental Health Act 1983 (as amended)) and have been admitted to hospital under that Act or who in the opinion of a registered medical practitioner is suffering from a

mental disorder by reason of which they are incapable of carrying out the duties of a board member.

- Board members who have breached the Code of Conduct

~~Approved by emh group board 4 December 2015~~

~~Updated 24th March 2016. Approved by Board March 2016~~

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