

RECRUITMENT AND SELECTION OF INDEPENDENT BOARD MEMBERS

1 Introduction

This policy note sets out the Board's criteria and process for the recruitment and selection of Independent Board members.

2 Recruitment Criteria

2.1 Articles

The Articles impose some restrictions on who may not be an Independent Board member, and these criteria are set out below, someone who is –

- Prohibited by law from being a company director
- Disqualified from elected membership of a local authority
- Bankrupt
- Suffering from mental disorder as defined further in the Articles
- An employee of NCH
- An employee of the City Council

2.2 Common Criteria

The Board's objective is to develop a 'One Board' approach, where Board members work collectively on issues, and the category of Board membership Tenant, Independent, Council Nominee being irrelevant. Board members have collective responsibilities regardless of their category of membership.

Accordingly, it is the Board's intention that recruitment criteria for all categories of membership shall be common so far as possible.

Common criteria shall be those that are set out in the Company's Standing Orders Section B Para 9 – Responsibilities of Board Members, and reproduced below –

1. Uphold the values and objectives of the Company
2. Uphold the Company's core policies, such as equality and diversity, and health and safety
3. Contribute to and share responsibility for the Board's decisions
4. Prepare for and attend meetings, training sessions and other events

5. Attend and participate in reviews linked to individual performance or that of the whole Board
6. Represent the Company as appropriate
7. Declare any relevant interests
8. Respect confidentiality of information
9. Uphold the Company's Board Members Code of Conduct

Whilst the above may seem a statement of the obvious that all prospective Board members would automatically subscribe to, in practise it is the commitment to these responsibilities that drives and unites Board members. It is worth spelling out these responsibilities to prospective Board members.

2.3 Board Policies

From time to time, the Board may wish to agree other specific policy parameters for the selection of Independent Board members – these will be considered by the Recruitment Panel and recommended to the Board as appropriate. Such policies might include -

- A preference for applicants to work or live within a given distance of Nottingham
- A preference for applicants to be an employee or Director or Board member of a partner organisation to the Company, or a preference that applicants are not associated with actual or potential competitor organisations of the Company
- A preference that applicants are not an employee or Director or Board member of the same organisation as another existing Independent Board member

2.4 Core Competencies

Current good practice is to differentiate between technical or professional skills, knowledge and experience, often gained in a formal work setting and evidenced by paper qualifications, and broader competencies gained in the 'school of life.'

A competency is an underlying characteristic possession of which results in effective and/or superior performance.

Whilst every Board member makes a unique and valuable contribution to the Board's work, and their diverse skills, experience and knowledge strengthen the Board, NCH is defining core competencies that all Board members need to possess. However, it is recognised that individual Board members Will not all be at the same level on every competency.

In recruitment of Board members, there will be a clear expectation that every candidate will be at or above base level for the majority of competencies. New

recruits may receive support as part of their induction to help them to develop in specific competencies on the understanding that they should reach a base level within 6 months of appointment. If the person does not achieve that base level, then they should be asked to leave the Board.

The competencies agreed by NCH Board are –

(to be inserted when agreed)

2.5 Skills, knowledge, experience and perspectives

In the recruitment process for Independent Board members, the Board should use the opportunity to seek to recruit Board members that complement and add to the existing skills and knowledge base of the Board rather than duplicate skills and experience that already exists.

Thus, before a recruitment exercise takes place, the Board should review its existing skills and experience mix and identify areas of skills/experience that it considers it needs but currently lacks.

The Board will review its skills and experience mix annually, identifying gaps in the process.

Areas of skills, knowledge, experience may include the following –

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| Asset management | Local government |
| Board/committee membership | Marketing and public affairs |
| Business development/management in an organisations of a similar size to NCH | Organisational change management |
| Chairing meetings | Partnership working with other organisations |
| Community involvement | Policy making |
| Community languages | Political acumen |
| Community regeneration | Procurement |
| Contract law | Property maintenance |
| Customer services | Property management – other residential |
| Domiciliary care services | Property management - commercial |
| Employment law | Regulation, inspection and compliance |
| Environmental issues | Risk management |
| Equality and diversity | Sheltered housing |
| Financial management | Stock reinvestment |
| Governance | Supported housing |
| Housing management | Tax |

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| Human resources | Treasury management |
| Information technology management | User involvement (as a tenant) |
| Internal controls | Voluntary agencies |

2.6 Diversity

The Board shall determine its own targets for diversity characteristics for the Board, and take the opportunity of a recruitment exercise for Independent Board members to work towards the achievement of these targets. The Board will want to ensure that its composition is reflective of the communities that it serves so far as practicable

3 Recruitment Process

The recruitment process for Independent Board members will encompass the following elements –

- Recruitment Panel
- Application Process

3.1 Recruitment Panel

The Board should determine the remit and composition of a recruitment panel.

The remit may be –

- To determine any particular skills, knowledge, experience required
- To consider any particular policies that the Board may wish to apply
- To determine any diversity requirements
- To agree the application process to apply
- To agree the evaluation and selection process to apply
- To undertake the final selection process
- To make a selection recommendation to the Board

The composition of the recruitment panel shall be –

- The Chair
- 2 other Board members, 1 of whom to be a Tenant Board member

The recruitment panel shall be empowered a technical advisor to the Panel where a particular specialist skill is being sought through the recruitment process.

3.2 Application Process

With the support of the Chief Executive and Company Secretary, the recruitment panel will need to determine the following –

- Any required skill, experience, knowledge required of the new Independent Board member. This would be undertaken from an analysis of the current skills and experience profile of the Board

- Any required diversity profile of the new Independent Board member. This would be undertaken by reference to the current diversity profile of the Board and the diversity targets around Board composition
- Where the vacancy will be advertised and the media to be used. The Board's policy is to advertise the vacancy as widely as possible subject to the particular profile and skill requirements agreed by the recruitment panel.
- The wording of the advertisement
- The contents of the recruitment pack. There is a marketing as well as an information aspect to this. The recruitment pack will normally consist of –
 - Invitation letter from the Chair
 - Application process explained
 - Pre-qualification requirements – ie matters from paras 2.1-2.4 above
 - Annual Report, Strategic Plan summary, and any other appropriate marketing materials
- Arrangements for short listing. Depending on numbers of applications received, the Company Secretary and one other Director will normally undertake the 'first sift', providing the recruitment panel with a shortlist of around 10-12, with recommendation to interview 4 or 5.
- Arrangements for interview. The full recruitment panel will normally interview all applicants selected for interview, and will be furnished with proposed interview questions and scoring sheets by the Company Secretary
- Arrangements for recommendation to the Board. The panel should make a clear selection recommendation to the next available Board meeting.
- Timetable for the recruitment process

With the recruitment of Independent Board members, it should be understood that the Company will need to be proactive in order to secure the interest of the highest calibre people. This will mean, that in considering the above process, the recruitment panel should give active consideration to creative means to secure this objective – examples that other organisations have used include

- Use of recruitment consultants to proactively seek out applicants to supplement the advertisement of the vacancy
- Interview arrangements that acknowledge that the interview is a 2 way process. Such arrangements might include the opportunity for short listed candidates to sit in on a Board meeting