

## NOTTINGHAM CITY HOMES

### REPORT OF THE DIRECTOR OF FINANCE, ICT & GOVERNANCE

BOARD  
13 MARCH 2008

#### GOVERNANCE UPDATE

#### 1 SUMMARY

- 1.1 This report gives details of the current ongoing recruitment process for new tenant board members with effect from the Annual General Meeting (AGM) on 31 July 2008.

It also requests that the Board recommends to the Council a change in the Company's memorandum and articles to ensure that only two new tenant board members are required at the AGM 2008.

#### 2 RECOMMENDATIONS

- 2.1 To recommend to a General Meeting of the Company that the memorandum and articles of the Nottingham City Homes are amended.
- 2.2 To note the work done on the tenant board member election process to date and to appoint a recruitment panel for these vacancies.
- 2.3 To note the position on co-opted Board Members.

#### 3 NEW BOARD MEMBERS WITH EFFECT FROM AGM 2008

- 3.1 The current memorandum and articles for the Company as amended in 2007 require that there are no retirements of independent board members in 2008 and two retirements from tenant board members.
- 3.2 There is currently one vacant tenant board member position and one tenant board, Margaret Pugsley who filled a casual vacancy. If the current memorandum and articles were adhered to then Nottingham City Homes would need to recruit four tenant board members with effect from the AGM in 2008. Current tenant board members are allowed to stand for re-election to the board.
- 3.3 The memorandum and articles were amended in 2007 to reduce the number of new board members that were required during the lead in to inspection by the audit commission. Following the change of the date of the audit commission inspection to November 2008 it is felt that the same principles should apply in 2008.
- 3.4 The decision to change the memorandum and articles of the Company rests with the company's only shareholder Nottingham City Council. If the NCH board recommend this change to the memorandum and articles then a general meeting will be arranged to approve this change.

- 3.5 A draft of the amended memorandum and articles is attached to this report at Appendix 1.

## **4 TENANT BOARD MEMBER ELECTIONS**

- 4.1 The current board member vacancies have been advertised in the tenants' newsletter, a flyer has been included in all rent increase letters and posters have been placed in:
- Company reception areas;
  - NCC reception areas and libraries;
  - Community Centres;
  - Medical Centres;
  - Religious Centres; and
  - The High-rise Blocks - entrances
- An open day was held at Hounds Gate on 25 February. There has currently been interest from more than a dozen tenants and leaseholders (a further update will be available at the meeting)
- 4.2 The Governance standing orders give details of the process for the recruitment of tenant board members. A copy of this section is attached at appendix 2
- 4.3 This process requires the appointment of a recruitment panel. The composition of this panel should be
- The Chair; and
  - Two other board members, one of whom to be a tenant board member
- 4.4 This report is recommending that volunteers are obtained at this Board meeting and that the panel meet again shortly after the Board meeting to progress this process.
- 4.5 The draft timetable for recruitment of Board Members is attached at appendix 3

## **5 CO-OPTED BOARD MEMBERS**

- 5.1 The memorandum and articles state "Subject to a maximum limit of two, the Board may co-opt any person onto the Board in a non-voting capacity. The Board may place any limitation on or revoke the co-option at any time. The Board shall review the appointments made under this Article annually. A person appointed under this Article shall hold the office for a maximum period of three consecutive years".
- 5.2 At some point before the AGM the Board should review co-opted Board members. This will be scheduled onto the rolling programme for a future Board meeting.

## **6 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES**

- 6.1 The Board of Nottingham City Homes need to ensure that we deliver our objectives as set out in the 2008/09 delivery plan, the recruitment of

Board Members is essential to the objective:

- To be an excellent, efficient organisation that has high quality leadership and management, and delivers value for money.

## **7 VALUE FOR MONEY & EFFICIENCY ISSUES**

- 7.1 There is a budget of thirty-three thousand pounds (£33k) within the governance team for board member elections.

## **8 EQUALITY & DIVERSITY IMPLICATIONS**

- 8.1 The Board of Nottingham City Homes should where possible reflect the communities that it serves and the staff that it employs.

## **9 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

- 9.1 The current memorandum and articles of the Company and governance standing orders as approved by the Board in July 2007.

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