



Hendre Board composition statement 2023

Making Lives Better
Building communities and making connections

Hendre Board Composition Statement – 13 November 2023

Background

In line with the rules of Hendre and Hafod Housing the composition of the Hendre Board, its subsidiaries and committees are reviewed annually. The review of the governance structure and membership is undertaken by Hendre Remuneration, Appointments and Governance Committee (RAG) who scrutinise these matters in line with its terms of reference.

This statement sets out composition as of the 13 November 2023 and includes the following:

- Board composition
- Board and committee changes during 2022/2023
- Equality and diversity monitoring
- Skills assessment
- Recruitment needs for 2023/24
- Succession planning including length of service
- Pathway to board programme

1. Board Composition

As reported in last year's composition statement, in September 2022 the Board and Committee structure of Hendre was rationalised in order to improve the governance structure and better manage Board and Committee members' time. This resulted in Hendre moving away from a common board structure which has enabled us to strengthen the Hafod Board, both in terms of skills, experience and ethnicity balance to truly reflect the communities in which we serve.

In August 2023 as part of the board and committee member skills matrix and succession planning work, it was decided that the Clinical Governance sub-group would be dissolved in favour of strengthening reporting to the Hafod Housing Board. This is in line with the CIW requirement where the Responsible Individual has to sit on the board in order to provide assurance and oversight of care activities.

2. Board Membership

As at 13 November 2023, the Hendre Board consists of nine members and the Hafod board consists of twelve members. The Hendre Board has also appointed four independent members to sit on its committees.

Board and committee member changes:

Sept 2022 to Nov 2023

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

In terms of the committees, one independent member resigned, and one new independent member was appointed. Of the new members on the Hafod Board, one joined a committee on appointment, the remaining three joined a committee on completion of their induction period.

The new members were appointed through a targeted recruitment process in line with Hafod's EDI aspirations and the 2022/23 composition statement where the need for new Hafod board members with housing and/or asset management experience were identified along with an additional member with social care experience being required to sit on the Finance, Risk and Audit Committee .

There was also some movement of existing board members within our board and committees in order to meet the requirements of our governance structure.

3. 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 continue to focus on ensuring a diverse membership through its recruitment and succession planning, and by championing and being members of the Pathway to Board programme.

During the 2023/2024 financial year a significant recruitment exercise was carried out to recruit Hafod board members. RAG requested that 'Positive Action' was taken to attract applications from underrepresented groups. The Hafod Board was underrepresented in 3 key areas: gender (female), disability and ethnicity.

The recruitment activity was very successful and led to 71 applications. 40 applicants were male and 31 female and 12 identified as being from an ethnic minority background.

4. Skills Assessment

In May 2023 Hendre's Remuneration, Appointments and Governance 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 2023 performance review, utilising a set criterion.

For each board and committee different combination of the skills listed are reviewed in line with the skills required to meet the needs of that particular board or committee.

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	- Data Protection / Cyber Security
- Equality, Diversity & Inclusion	- Customer Engagement

5. Recruitment needs 2023/2024

The Board composition for the coming year has been reviewed in line with the 2023 skills gap analysis. We identified a good overall mix across all boards and committees with two potential vacancies:

- During the year the Terms of Reference for the FRAC committee were updated to include scrutiny of the Group’s Development activity. As a result, the skills matrix for the Finance, Risk and Audit Committee was revised to include the requirement for an independent member with experience in this area.
- There are currently nine members on the Hendre Board due to the resignation of a member. In order to ensure a robust and resilient board RAG has recommended that we fill this vacancy. The skill requirement for this vacancy has been identified as being corporate finance and business / commercial knowledge.

6. Succession planning

As an organisation we adopt the CHC Code of Governance and as such no member will serve beyond 9 years. We monitor this on an annual basis analysing both terms of office as well as skills and experience.

In this period two members are scheduled to stand down and in line with our membership policy will mentor their successors. This is particularly important as they are both Chairs of Group Committees.

7. Length of service

Time serviced on Boards and Committees as at 13 November 2023:

	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	5	-	-	2
Independent members	3	-	-	1	-

8. 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.

We supported the scheme in 2022 with a financial contribution and mentorship and this has continued in 2023.

Board members and the Executive Team are coaching and mentoring both Pathway to Board members and applicants that recently applied for board roles who demonstrated future potential.