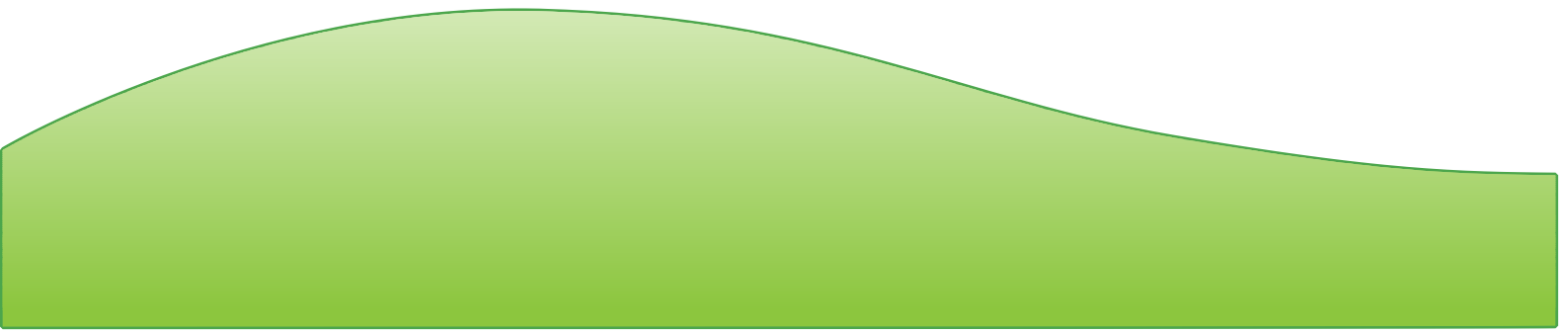




HOUSING
DIVERSITY
NETWORK

**GOVERNANCE AND DIVERSITY IN HOUSING:
Why It Matters And Practical Steps To Increase Diversity**

March 2015



Introduction

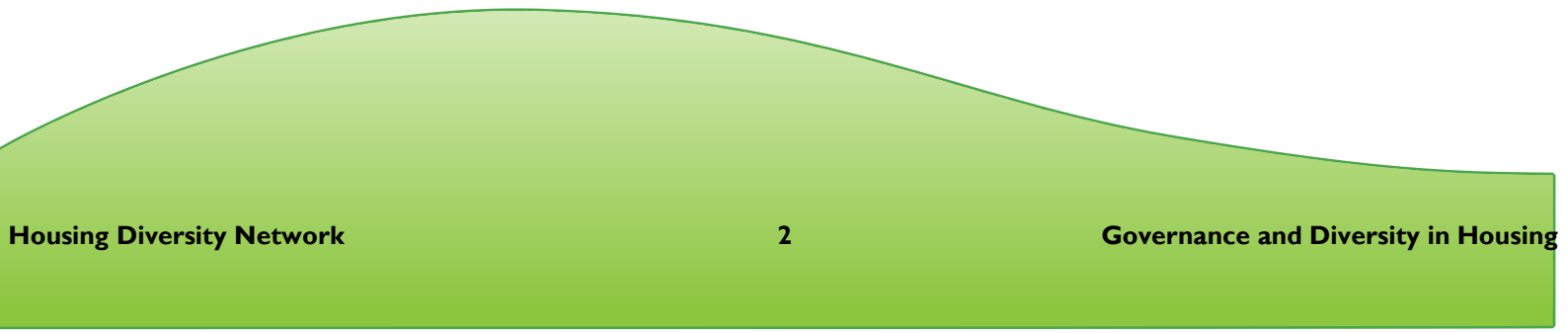
Governance in the housing sector remains a high priority. This briefing sets out to draw together some of the recent evidence on why diversity is important for strong and successful governance and provide some practical steps and guidance for organisations to improve. This is about going beyond legal compliance (we set out some definitions and the relevant legislation in Appendix 1) and understanding how diversity can bring real business benefits.

I Why diversity of housing boards matters

Ensuring that your housing board is diverse makes good business sense. It can lead to improved reputation within the sector and amongst customers and leaseholders. The promotion and awareness of equality and diversity issues at all levels of an organisation helps improve access to services, which in turn leads to increased customer and staff satisfaction.¹ Indeed, personal testimony from those sitting on diverse boards reveals that seeing equality and diversity embraced at board level can create a sense of organisational pride.² This is particularly important when considering the career progression of more junior staff: board members and senior staff from typically marginalised groups can function as role models on your board and raise the aspirations of individuals who could otherwise feel restricted by their background or circumstances.³

Housing organisations deliver services in diverse communities, and a board should reflect this diversity. While a non-diverse board may be sympathetic to needs and concerns of groups or individuals not represented on the board, without first-hand experience it is difficult for non-diverse boards to identify with all issues, or indeed understand the best way to overcome them. Improving levels of board diversity within housing organisations therefore has the potential to enable organisations to become more rooted and representative of their communities. While simultaneously enabling housing organisations to gain access to a variety of view points and experiences thereby encouraging the potential for better decision-making and problem solving at board level.

In contrast, research demonstrates that non-diverse boards have a tendency to make decisions that favour individuals and groups similar to themselves. For example, evidence from outside the housing sector shows that despite men and women starting businesses at a similar rate only 5% of early-stage investment capital goes to women. The boards making these funding decisions are typically male-dominated. More gender diversity could ensure a more equal split of funding between the sexes.⁴ It is highly probable that trends such as these exist to the same extent within the housing sector.



Yvonne Atkinson, director of the Board Development Agency says that a 'mixture of skills, experience and perspectives' is important on successful boards.⁵ Demographically diverse boards will by nature have a wider mixture of skills, experience and perspectives than non-diverse boards. This is particularly true when looking at gender: professions such as banking and finance have a higher percentage of male professionals than females. While non-executive finance professionals can be a real asset to boards, so can professionals from other sectors which typically attract a high percentage of females, such as health or education. By deliberately making efforts to enrol women on your board, it follows that a board will then include a more diverse range of professions and expertise.⁶

However improved diversity at board level results in more than increased diversification in expertise and also appears to be directly responsible for boosting a business's results. Previous studies conducted by Catalyst and McKinsey (2007) respectively, compared the financial performance of large organisations according to the gender diversity at senior levels, and both found that high returns on equity correlated with greater diversity. Although neither study however was able to demonstrate a direct causation.⁷

However recent studies have taken us a step closer with a study by the Center for Talent Innovation identifying that companies with boards exhibiting two dimensional diversity were 45 per cent more likely than those without to have expanded their market share in the past year, and were 70 per cent more likely to have captured a new market. Deloitte's 2012 study further supports the business case for board diversity, attributing an 80% improvement in business performance to those organisations exhibiting high levels of diversity and inclusion. The merits of board diversification are compounded by a study by the American Sociological Association which found that for every 1% rise in the rate of gender and ethnic diversity in a workforce revenue rose between 3-9% respectively.⁸

Evidence of internal organisational benefits are also clear as numerous studies have found that diverse groups within an organisation such as management teams perform better in comparison to more homogenous groups. Businesses have also found that introducing an internal diversity strategy played an integral role in improving staff retention levels especially among female staff.⁹

However although lessons from the business world clearly demonstrate that improved diversity levels have the potential to bring strong benefits to housing organisations, through improved decision-making, communications, team work and increased productivity, diversity in and of itself is not a silver bullet. If organisations wish to reap the potential rewards that improved levels of diversity bring, it is not simply a case of creating the most diverse board possible and waiting for these potential benefits to naturally accrue. Organisational diversification must be properly and actively managed and a clear and perceivable commitment made by management if these potential benefits are to be achieved.¹⁰

Within the housing sector, the recent 2015 Code of Governance produced by the National Housing Federation has “been extensively revised to reflect an increasingly strong focus across sectors on the needs to have boards populated by a diverse group of competent individuals to avoid groupthink”. To comply with the new Code, organisations “must have regard 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”.¹¹

Inviting those with fresh ideas and perspectives to join boards is therefore particularly important at a time of unprecedented challenges for the housing sector. The growing concerns about long-term financial sustainability means many housing associations could benefit from fresh-thinking leadership and the coming together of diverse points of view.

2 Scale of diversity on housing boards

Research suggests that overall the housing sector employs more women, individuals from black and ethnic minority backgrounds and those with disabilities than most other sectors. However, despite the evidence of the benefits diversity can bring, housing boards are typically non-diverse. Recent evidence suggests that the housing boards do not reflect the diverse make-up of the U.K. population or perhaps more crucially, the communities they serve. In 2014, a typical housing board is chaired by a white British male aged between 50 and 59 years.¹² These characteristics are typical of the other individuals that sit on the board.

Recent evidence suggests that things are not improving. Inside Housing recently conducted a survey of the U.K.’s 40 largest housing associations.¹³ Comparing the results of surveys completed during 2013/14 to a previous survey from 2010/11 it was found that 60% of board members had joined the board during this three year period. However, this change in representation had not led to increased gender diversity. The percentage of female board members was static at 34%, and only nine of the 40 associations were chaired by women.

The same survey also revealed a lack of diversity in professional background and experience. Unsurprisingly, a large proportion of board members were current or former housing professionals at 21.2%. 20.6% were from financial backgrounds. The proportion of board members that were housing customers (10%) and local government (11.2%) had dropped slightly over the three year period. The percentage of those with a background in education, healthcare and private development were all under 5%.

Interim findings of a study of 80 housing associations by the Board Development Agency and Raglan Housing Association¹⁵ has demonstrated that boards also lack ethnic diversity. The proportion of board chairs from black minority ethnic backgrounds is 11%, while 2011 Census data reveals that the proportion of the U.K. population that do not identify as white British is 19.5%.¹⁴ This discrepancy mirrors that seen in other sectors. For example, a recent study found that more than half of FTSE 100 firms had no non-white directors at board level.¹⁶

The Board Development Agency and Raglan Housing Association study also found that disability at board level did not reflect wider demographics, with figures distorted to a greater degree than the aforementioned ethnicity statistics. Eleven percent of board chairs reported having a disability compared with 24.3% of their customers, and 17.9% of the general population.

One theory often explored for the lack of diversity at board level is that under-represented groups do not have the necessary ability to contribute at board level. However, with 2009 research for the Government Equalities Office concluding that “No evidence was found that under-represented groups lack the skills or qualifications to be on boards”¹⁷, housing boards should strive to understand what the real barriers to diversity are and then strive to minimise them. The next section briefly outlines some practical tips to help with this.

3 Guidance for increasing equality and diversity on housing boards

Below we provide step-by-step suggestions to help you set targets for governance diversity, assess whether your board is accessible to all, recruit the board you want, retain and manage the board, and to ensure your organisation enjoys the benefits of board diversity.

3.1 Setting governance diversity targets

3.1.1 Think about where you are

Honestly and openly look at the make-up of your board, and ask whether it reflects what you see in the community you serve. Ensure you have comprehensive statistics on the demographics of your customers and the local area to assist you with this. These statistics should cover, but not be limited to, the characteristics referenced in the Equality Act (2010): race, sex, sexual orientation, religion or belief, gender reassignment, having a baby or being pregnant, being married or in a civil partnership, and age.

3.1.2 Decide where you want to be

Be visionary when articulating what you want your board to look like.

It is important to recognise that efforts to increase diversity are often focused on some characteristics over others¹⁸ and that additional factors to those set out in the Equality Act (2010) could be important distinguishing factors in your community, and should therefore be important to the diversity of your board. One example could be socioeconomic status.

Although you should be visionary when deciding what your board looks like it is important to set out a realistic, outcome-based timeline to achieving this. Celebrate any milestones you reach.

3.2 Assess current practices in relation to equality and diversity

3.2.1 Speak to under-represented groups to understand the barriers to them joining the board

The best-placed people to understand the potential barriers are individuals from the groups that are currently under-represented on your board, so speak to them to understand what these barriers could be. Factors to explore with these individuals include your recruitment process; where you advertise positions; the support offered to board members; how you communicate your equality and diversity values internally and to people from outside the organisation.

Seek the experiences and viewpoints of acquaintances to understand what factors could prevent them from joining, and then staying on, a board. Also consider speaking to your customers about this issue. Customers will give an alternative, and likely diverse, perspective on board diversity. In general, involving customers in information-gathering and decision-making is good for building strong relationships between board, staff and customers.

3.2.2 Explore equality and diversity with current board members

Look at the culture and practices of the current board, and dedicate time to having open and frank conversations about whether this could be contributing to difficulties recruiting those from under-represented groups. Seek the opinions of these groups in a forum that allows them to feel comfortable and to be honest. Consider employing specialist equality and diversity groups and organisations to evaluate current practices. It is important to ask under-represented groups as it is often difficult to identify these issues otherwise. For example, Judith Langmead, former chair and currently a tenant board member at 3,600 home Monmouthshire Housing Association, says women can feel 'overpowered' by men on the board if they are

outnumbered, and reluctant to contribute to discussion. 'Sometimes you get the feeling that they don't think you know what you're talking about. When I first became chair, it took me a while to build up my confidence. Now I'm not afraid to speak out on any issue, but if you're new to a male-dominated board it can be hard.'¹⁹

Ultimately boards should be sensitive to the experiences of others and ensure they are able to adapt their culture and practice to new members, rather than expect new members to adapt to the pre-existing culture.

3.2.3 Change practicalities

Consulting under-represented groups could uncover practical barriers to board diversity. For example, Dr Noma Barry, chair of 6,100-home Tai Calon Housing Association, says she believes there is 'evidence to show family commitments play a part in stopping women joining boards'. Work with groups to explore whether there are any practical steps that can be taken to tackle issues such as this.

For example, could your board offer crèche facilities to ensure that primary caregivers can attend meetings, and could you ensure meeting times are suitable for those with young families? In terms of religion, are you aware of religious practices and holidays that need to be considered? Is the space in which you meet easily accessible for those who are less able-bodied?

Golden Gates Housing Trust

The Golden Gates Housing Trust owns 8,600 homes in Warrington, making it the town's largest provider of social housing. The Trust was previously an arms-length management organisation (ALMO), and was formed in 2010 with a stock transfer from Warrington Borough Council. The Trust took full advantage of this transition period by redesigning programmes and organisational structures. One aspect of this change programme was embedding equality and diversity throughout the organisation, including governance structures.

Prior to stock transfer the board was predominantly white, male, with an average age of over 50 years old. The organisation was aware that this board demographic was not reflective of the Warrington community.

We wanted to bring in together the different views and information that different people can give you. There is a tendency for groups to think they know everything, when in actuality they don't. Diversity reveals any unconscious biases that may have existed previously."

Golden Gates used demographic data on their tenants to gain a comprehensive understanding of what they wanted their board to look like. They then made a deliberate efforts to promote their board vacancies to groups that were under-represented in governance structures. Part of this meant emailing and texting tenants directly to let them know about board positions reserved for tenants. They also advertised positions in the local housing press, local paper and on their website.

"Looking at our tenants' profile we realised we wanted a broader age range, and representation from those with disabilities and people with different sexual preferences."

The recruitment process was successful, with the resultant board reflecting the local community. The new composition of the board impacted on the priorities of the organisation.

"In terms of disability it made the organisation think about how we organise meetings, and how we prepare for them. Things that we hadn't had to think much about before, such as physical access to meetings."

Board away days in a social setting helped the new board members make connections with retained board members. The new board members were given board training, and all board members attended equality and diversity training facilitated by Golden Gates' equality and diversity officer.

"We also have an equality and diversity champion on the board. She gets heavily involved in the things we do as an organisation such as the annual Pride event. It sends a message to the community that we take inclusion seriously, it's not just lip service."

More recently several board members have retired or left for personal reasons. The board membership is still reflective of the local community's diverse age range, but as a consequence individuals leaving the board there has been a reduction in ethnic diversity.

The organisation is set to change again through an imminent partnership with Helena Partnerships to form the Torus Housing Group. Ensuring equality and diversity is embedded in the organisation is a key priority.

"We are conscious of equality and diversity at governance level as we move forwards, making sure that there are no barriers to people joining the board."

Based on an interview with Alison Foy, Governance and Policy Manager

3.3 Re-evaluate your board recruitment process.

3.3.1 Check that your recruitment process is transparent, open and through formal channels

There is a natural, often unconscious tendency for people to favour those with similar characteristics to themselves. This tendency undoubtedly applies to board members too. Non-executive director appointments typically seek to recruit those who fit the existing values and behaviours of the existing board.²⁰ Just being conscious of this tendency and transparent about the recruitment process can help protect against this tendency. However, you may want to change your recruitment processes. Recruitment of non-executive board members often relies on personal networks, which means typically selecting from people with similar backgrounds. Formalising the recruitment process can help protect against this. Things you may want to consider include having a formal recruitment strategy and training staff in fair recruitment and selection.

3.3.2 Assess your person specifications

The breadth of experience and qualifications you request from potential board members may in practice disadvantage some under-represented groups. To counteract this consider giving at least equal weighting to alternative evidence that an individual could contribute to the mission of your organisation. For example, has the candidate voluntarily run successful community-based programmes aimed at improving access to adult education? This individual may not have the professional experience or qualifications but could still add real value to your board. You should also consider that favouring representation from some professions over others may restrict diversity. Many suggest that housing organisations often seek to recruit people from business, finance and construction sectors, which are male-dominated. By looking at sectors such as health and education you are more likely to get women applying, as well as a more diverse range of skills and experience on your board.

3.3.3 Diversify where you advertise board positions

While a recruitment process that embeds equality and diversity is important, it is irrelevant if you cannot reach a more diverse audience. Think about who it is that you are trying to attract, and what this could mean for where and how you advertise. Explore alternative channels such as Twitter and Facebook with an aim of reaching a more diverse audience. If you wish to attract customers to your board consider advertising in the customer newsletter, or on customer noticeboards. You may also wish to contact local community groups, particularly those that are working with under-represented groups. Aim to build a database of local organisations with whom you can advertise.

There are other non-traditional ways of spreading the word. For example, if you wish to recruit customers, could neighbourhood officers mention board positions to customers when they are out in the community? Use every face-to-face opportunity to spread the word.

Aksa Homes

Aksa Homes is a BME housing association with 870 houses across Oldham, Bury, Manchester and Ashton-under-Lyne. The organisation was first set up in 1990 as the Oldham Muslim Housing Association in a response to feelings of frustration within Muslim community about the quality of housing they were being allocated. In 2005 Aksa Homes joined the New Charter Group. Currently around 90% of Aksa Homes' customers are from an Asian background.

When Mushtaq Khan became director of Aksa Homes in 2010 the board was made up entirely of older Asian men, many of whom had been in their role since the housing association first formed in 1990. There was a sense that the board was out-of-touch with the age and gender-diverse tenant base that it served, and furthermore the Homes and Communities Agency expressed concern about the length of term of many of the board members. These issues led the New Charter Group to begin the process of recruiting an entirely new board.

Recruitment was via open advert rather than through personal networks, and the positions were actively promoted to the local community. The process also consciously targeted diverse skills over experience or connections. Board membership was already a paid role and was attractive to those who would not be able to afford to dedicate their time to unpaid work.

"We pay board members. Not all housing associations do that, but we think we get a better quality of input if you pay people, and it leads to a wider pool of people applying."

The resultant board was diverse in both skill-set and visible/non-visible characteristics. Four of the seven board members were women, and the chair was female. Many of the board members were now young. This meant that they more appropriately reflected the make-up of the community they served.

"There's less groupthink, and now there's lots of different ways of looking at things."

The new board offered a broader range of activities to the community. For example the new women-only International Women's Day Celebrations has become Aksa Homes' most successful event. There is also a greater amount of youth engagement work than previously, and the board communicates with customers via Twitter and Facebook. This makes the formal structures of Aksa Homes seem more accessible and interesting to young people, and means that the association is able to get a more diverse range of customer views than it could do otherwise.

"It makes business sense to reflect the range of people that we serve, and you can't do this without a diverse governance structure."

Based on an interview with Mushtaq Khan, Director, Aksa Homes

3.3.4 Check the information included in your adverts

As well as considering avenues for advertising, evaluate how you advertise. For example, are you explicit that customers are invited to apply? Do you explain exactly what a board is, what it does, and what you can get out of it (individually and for community benefit), for people who may not be familiar? Do board members play a practical role in promoting the merits of joining a board? You will also want to consider translating your advert and ‘testing’ the language with non-board members to ensure that it is jargon-free.

Being explicit about your commitment to equal opportunities can also help encourage a more diverse group of individuals to apply. Think carefully about the statement you make via the advert. For example, if people with disabilities are currently under-represented on your board consider a statement such as:

“We are committed to equal opportunities and want our board and staff team to reflect the vibrant and diverse community we work in. We particularly welcome applications from people with disabilities who are currently under-represented in our workforce.”

Sometimes adverts can inadvertently dissuade potential candidates from applying. For example, if your advert asks for applicants to join your “young, dynamic board” this could send a negative message to older applicants and it could be interpreted as indirect discrimination.

3.3.5 Offer informal conversations for those interested in board membership

Under-represented groups often feel that board membership is ‘not for them’. Part of the reason for this is the pervasive stereotype of board members being white, male, middle class and middle-aged. Although your advert may demonstrate a commitment to diversity, many may need more convincing before they consider applying. Off-the-record conversations where potential applicants can explore any issues with you can help overcome this. More formal information sessions at which you give a clear and honest picture of what being a board member is like can also help.

Top tips for supporting new board members

1. Be friendly and welcoming.
2. Be patient and allow time for their confidence to build.
3. Do not use jargon, and build a culture where people feel comfortable to 'call-out' jargon when they do not understand what someone means.
4. Make determined efforts to ensure new board members have an opportunity to contribute right from the start.
5. Listen to their point of view!

The last point may seem trivial, but it is extremely important. New members may have very different views and ideas to the rest of the board, but that is one of the reasons you recruited them in the first place!

3.4 Retaining a diverse board

3.4.1 Recognise that transition can be challenging

Increased diversity can be a challenge for both new and existing board members. The Tyson Report on the Recruitment and Development of Non-Executive Directors found that “Diversity can lead to lower cohesion, less trust and higher turnover within groups unless members are encouraged and trained to trust one another and work together.”¹⁶ The natural human tendency to find change challenging needs to be acknowledged in a non-judgemental manner. Create a culture where board members can confidentially discuss any challenges with a colleague who takes responsibility for managing equality and diversity. Constantly monitor this as the board adjusts to its new form, and recognise the ongoing need for honesty and openness around equality and diversity issues.

3.4.2 Offer training and mentoring to board members

Ask new board members what training and support they think they would need to feel confident contributing at board meetings, and use this to provide individually-tailored support. All board members should be offered individualised training programmes and all should take part in equality and diversity training.

Existing board members could consider providing mentoring and developmental roles as part of their positions, or you could use external, specialist providers to help with this function. This could include coaching through the recruitment process, and in-role mentoring for board members.

3.5 Ensuring your board provides organisational leadership

Boards exist to provide leadership. Boards, particularly diverse boards, can help their organisations move beyond equality and diversity for compliance purposes to organisations that actively value and promote diversity, and crucially reap the benefits of doing so. To ensure that board members are well placed to do this consider the following:

- Allow each board member to appraise the performance of the board as a whole, their own personal performance, and the performance of other colleagues. Frame the appraisals positively: what could make the board even better? Make sure you cover professional relationships between board members; workload; training needs; and roles and responsibilities.
- Be sure that the appraisals include equality and diversity questions, and that board members feel comfortable being open and honest.
- Remember it is essential to lead by example. The board must be supported to value their own diversity, set their own behaviour standards and live up to those standards. Being aware of people's individual differences and showing appreciation of them are actions that others will notice and begin to emulate.
- Think about which staff members talk to board members about equality and diversity. The board will need to understand how the organisation operates practically, but also its culture, values, where it is now and where it wants to be.
- Ask new board members to read any key corporate documents relating to equality and diversity such as strategy, equal opportunities policy, bullying and harassment policy, grievance and disciplinary procedures.
- Consider appointing a Board lead for equality and diversity issues. The responsibilities for this type of role are outlined further on in this document.
- Remember: if behaviour that is in direct real opposition to valuing diversity is allowed to go uncorrected, people will get the real message that "this is just lip service". Board members and senior managers need to "walk the talk" for change to occur.

Leadership structures are key for any organisation and a diverse and representative board can bring numerous benefits, through improved efficiency levels, management and delivery. However as the case study below indicates diversifying an organisations leadership structure is not the only way to achieve these goals. The level of diversity

and the representative nature of any board will naturally be constrained by its size and formal structure, as by its very nature a board of 12 people will be unable to represent the diverse make-up of the community it serves, while the formal structure inherent in its governance and practise often acts as a barrier to wider levels of engagement.

The case study below would suggest that while board diversification is an important goal, the structures and levels of communication between the board and its tenants are important to complement a diverse board. By developing clear channels of communications between tenants and board members Merlin Housing was able to consult and harness the ideas and passion of residents to improve their service delivery while engaging tenants in the governance of the organisation. This enabled the board to gain a diversity of ideas through open channels of communication and consultation, which encouraged them to make key changes to their services increasing their efficiency while building a positive relationship with their tenants. The case study would therefore suggest that while board diversity is an important goal bringing with it a number of benefits, it is likely that these benefits will be limited if organisations fail to develop channels enabling a diversity of ideas to be communicated in conjunction with board diversification.

Merlin Housing

Merlin Housing was created via a large scale voluntary transfer from South Gloucestershire Council in 2007. At the time of transfer there was a small group of extremely passionate tenants involved with Merlin's governance. However, over time changes in personal circumstances meant that it was difficult for some of these tenants to remain engaged. In any case, these tenants only reflected a small section of the wider tenant base.

“These tenants were exceptional representatives, but they were just one strand of the tenant population. They were white, over 65, pretty well-educated, they were in supported housing which meant that they had more direct contact with staff than most tenants.

They were very knowledgeable because of that but we wanted the involvement of a more diverse tenancy base.”

They felt that formal board meetings could act as a barrier to tenant involvement.

“For example, we asked ourselves whether younger people would really be interested in sitting at a boring formal meeting.”

Merlin looked to alternative ways to ensure the tenant voice had influence at governance level. They worked with community members to create separate tenant panels to scrutinise different areas of Merlin's operations and culture. Such areas included services to maintain building structures; legal procedures particularly regarding evictions; and community support services.

“Members of the community actually went out and did the canvassing and face-to-face recruitment for the panels. It came from a really impassioned standpoint...as a result we’ve got some really fantastic people that have never been involved in anything like this before.”

One member from each of the scrutiny panels sits on a Customer Assembly Board. The Board feeds back the findings of the panels and holds Merlin to account, directly engaging with more traditional governance structures to explore what tenants’ viewpoints mean for Merlin.

One particular success has been with single parents. Rent arrears are common with this demographic and Merlin were keen that they were more engaged.

“We wanted them to know that it is not just us sitting here berating people for being in financial difficulty, and that we can, and want to, support them.”

Although at the time of interview the new governance structure had only been in place five months it has already had an impressive impact on some of the tenants.

“There is a stay at home mum on one of the panels. Before she got involved, she was really introverted, and didn’t have much belief in herself. She’s completely and utterly flourished since joining our groups and is a credit to herself. She’s been a beacon of inspiration for other tenants. Last week she spoke to 500 members of Merlin staff at all-staff briefings.”

Decision-making has already been influenced by tenant opinion, which, for example, has ensured that an office refurbishment created a welcoming environment for tenants.

“We’re saving money by consulting tenants and getting it right first time.”

Although it is still early days Merlin staff and tenants are excited about the future.

“Everything we have done so far has been really positive, there’s no been no negative. Our first aim is customer first: people should not forget why they are in their job. I’m almost kicking myself that we didn’t do it sooner! We’ve dared to be different and we are really reaping the rewards.”

Leadership roles to champion equality and diversity

You may want to consider developing a formal board-level lead role for equality and diversity. Below are some examples of the duties the role could entail. These duties are taken directly from real board-level duties from several different housing providers. You may want your board-level equality lead to:

1. Develop a detailed knowledge and understanding of Equality and Diversity issues and practice, for example through training and qualifications
2. Be aware of equality and diversity best practice across the sector and draw on this knowledge and expertise
3. Liaise with organisation staff with equality and diversity responsibilities
4. Challenge gaps in internal procedures and service delivery from a diversity perspective
5. Lead on addressing any issues concerning equality and diversity from customer and staff surveys and reports
6. Ensure that a wide and representative range of views influence improvements to service delivery
7. Encourage other board members to become actively involved in community events within the local area, particularly events with an equality and diversity focus.
8. Ensure all board-level discussions and decisions give appropriate consideration to equality and diversity.
9. Mentor board members from all under-represented groups, or those with certain protected characteristics.
10. Represent the organisation on equality and diversity issues

3.6 Enjoy the challenge!

You do not have to go this alone: there are plenty of diverse boards in the housing sector who can share with you how they got to where they are. Speak to contacts and see who can help.

Increasing board diversity might be a challenge, but enjoy it, and when you succeed take time to appreciate the incredible range of talent, experience, skills and ideas coming from your diverse board!

4 Governance and diversity self-assessment

The following framework will help you assess the current performance of your board. This will help identify particular areas that should be prioritised for action. You may need to work on the areas where you score 1 or 2.

	Disagree		Agree		
	1	2	3	4	5
1) We are fully aware of and comply with all equality and diversity legislation and statutory guidance and keep up-to-date with new developments	1	2	3	4	5
2) We have the targets in place for board representation which reflect the composition of the areas in which we operate	1	2	3	4	5
3) We are aware of cultural and practical barriers that may prevent board diversity and have procedures in place to support individuals to overcome these	1	2	3	4	5
4) We have a transparent, open and formal recruitment process	1	2	3	4	5
5) We do not indirectly discriminate under-represented groups via our person specification	1	2	3	4	5
6) We advertise our board vacancies in places that ensure they are seen by a diverse range of potential applicants	1	2	3	4	5
7) We have clear, jargon-free job descriptions for board members which include an explicit reference to our equality and diversity policy. We translate these adverts to different languages and formats.	1	2	3	4	5
8) We have created a culture where people are open, honest, but sensitive when discussing the challenges of equality and diversity	1	2	3	4	5
9) We provide ongoing tailored training programmes for all board members	1	2	3	4	5
10) We provide specific training on equality and diversity issues	1	2	3	4	5
11) We provide mentoring for new board members	1	2	3	4	5
12) Our board members have regular appraisals which include a focus on equality and diversity	1	2	3	4	5
13) We have at least one board member with a formal responsibility for equality and diversity	1	2	3	4	5
14) Our board leads by example on equality and diversity	1	2	3	4	5
15) We celebrate our successes and learn from our failures	1	2	3	4	5

End Notes

- 1 Endeavour Housing Association *Equality and Diversity* Retrieved 7th October 2014 <http://www.endeavourha.co.uk/equality-and-diversity.php>
- 2 Personal testimony from senior staff responsible for equality and diversity at national housing association, October 2014
- 3 Sealy, R. Doldor, E. and Vinnicombe (2009) *Increasing Diversity on public sector boards*. Government Equalities Office. <http://www.som.cranfield.ac.uk/som/media/images/research/wbl/geo1.pdf>
- 4 <http://realbusiness.co.uk/article/27368-women-and-the-cabinet-reshuffle-does-diversity-matter>
- 5 <http://www.insidehousing.co.uk/home/analysis/board-games-for-housing-associations/7005174.article> (subscription required)
- 6 <http://www.insidehousing.co.uk/home/analysis/board-games-for-housing-associations/7005174.article> (subscription required)
- 7 <http://www.ft.com/cms/s/0/4f4b3c8e-d521-11e3-9187-00144feabdc0.html#axzz3U7HFebLF>
- 8 <http://www.ft.com/cms/s/0/4f4b3c8e-d521-11e3-9187-00144feabdc0.html#axzz3U7HFebLF>
- 9 <http://www.ft.com/cms/s/0/4f4b3c8e-d521-11e3-9187-00144feabdc0.html#axzz3U7HFebLF>
- 10 <http://www.ft.com/cms/s/0/4f4b3c8e-d521-11e3-9187-00144feabdc0.html#axzz3U7HFebLF>
- 11 National Housing Federation (2015) *Code of Governance: Promoting board excellence for housing associations*
- 12 Inside Housing *Report reveals lack of diversity on boards*. Retrieved 8th October 2014 <http://www.insidehousing.co.uk/report-reveals-lack-of-diversity-on-boards/7003837.article> (subscription required)
- 13 Inside Housing *Board shrink for housing associations but diversity remains static* <http://www.insidehousing.co.uk/boards-shrink-for-housing-associations-but-diversity-is-static/7005260.article> (subscription required)
- 14 Inside Housing *Report reveals lack of diversity on boards*. Retrieved 8th October 2014 <http://www.insidehousing.co.uk/report-reveals-lack-of-diversity-on-boards/7003837.article> (subscription required)
- 15 Office for National Statistics *Ethnicity and national identity in England and Wales 2011*. <http://www.ons.gov.uk/ons/rel/census/2011-census/key-statistics-for-local-authorities-in-england-and-wales/rpt-ethnicity.html> 11th December 2012
- 16 Guardian *Vince Cable to review number of ethnic minority board members* 30th September 2014 http://www.theguardian.com/politics/2014/sep/30/vince-cable-ethnic-minority-board-members?utm_source=Equal%2BApproach%2BMailing%2BList&utm_campaign=d9b1332f14-D%2B%26%2BI%2BDigest%2B-%2BOct&utm_medium=email&utm_term=0_838d96408c-d9b1332f14-118201073
- 17 Sealy, R. Doldor, E. and Vinnicombe (2009) *Increasing Diversity on public sector boards*. Government Equalities Office. <http://www.som.cranfield.ac.uk/som/media/images/research/wbl/geo1.pdf>
- 18 <http://www.insidehousing.co.uk/get-on-board-with-equality/7002268.article> (subscription required)
- 19 Dolder, E; Vinnicombe, S., Gaughan, M. and Sealy, R. (2012) *Gender Diversity on Boards: The Appointment Process and the Role of Executive Search Firms*. *Equality and Human Rights Commission* http://www.equalityhumanrights.com/sites/default/files/documents/research/rr85_final.pdf
- 20 London Business School (2003) *The Tyson Report on the Recruitment and Development of Non-Executive Directors* <http://www.icaew.com/en/library/subject-gateways/corporate-governance/codes-and-reports/tyson-report>

What do we mean by equality and diversity

Equality concerns ensuring that all individuals are treated no less favourably or unfavourably on the basis of visible or non-visible characteristics. The Equality Act 2010 protects individuals from discrimination due to race, sex, sexual orientation, religion or belief, gender reassignment, having a baby or being pregnant, being married or in a civil partnership, and age. These are referred to as 'protected characteristics'.

Diversity refers to recognising that while everyone should be treated equally, there may be differences between individuals and different groups. More than this, genuinely recognising diversity within an organisation would mean developing an inclusive culture and working practices that are conscious of these differences and ensure that all individuals have the opportunity to contribute and feel that their contribution is valued.

By recognising diversity an organisation creates many of the conditions necessary to ensure equality.

What does the law say about equality and diversity?

The Equality Act 2010 protects individuals by law from unfair treatment in the provision of goods, services, facilities and employment. The Act covers direct and indirect discrimination, harassment and victimisation. It also seeks to promote equal opportunities across society as a whole. The Act came into force in October 2010, bringing together over 116 separate pieces of legislation. The nine major pieces of legislation that merged are:

- the Equal Pay Act 1970
- the Sex Discrimination Act 1975
- the Race Relations Act 1976
- the Disability Discrimination Act 1995
- the Employment Equality (Religion or Belief) Regulations 2003
- the Employment Equality (Sexual Orientation) Regulations 2003
- the Employment Equality (Age) Regulations 2006
- the Equality Act 2006, Part 2
- the Equality Act (Sexual Orientation) Regulations 2007

Other areas of legislation and statutory guidance that housing associations should be aware of include:

- The European Convention on Human Rights, which gives people protection for a range of human rights, several of which are relevant to housing providers

- The Public Service Equality Duty, which was created by the Equality Act, requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. The duty applies to housing providers when they are conducting public functions. See the recent practical guide to the duty for housing associations from Housing Diversity Network on the website www.housingdiversitynetwork.co.uk
- The Localism Act 2011 gives local authorities and housing associations greater flexibility to make best use of their housing to meet the diverse and changing needs of their communities.
- The Homes and Communities Agency (HCA) also provides guidance on equality and diversity.

About the Housing Diversity Network

Housing Diversity Network is a social enterprise that supports organisations to improve how they address inequality, get the most from their staff and meet the needs of the communities they work with. Our membership scheme is designed to provide staff across your organisation with a comprehensive programme of mentoring support and instant access to information and support on equality and diversity issues.

We run a Board mentoring programme that aims to strengthen governance in organisations and across the sector. It provides a programme of support and development for existing, new and potential board members. More information on the programme can be found in the link below.

<http://www.housingdiversitynetwork.co.uk/mentoring/board-mentoring>

HDN also provides a range of training and support around Governance and for Boards. More information can be found here:

<http://www.housingdiversitynetwork.co.uk/training>

Alternatively please contact us and we would be happy to talk about the support and services we provide.

Telephone: 01484 652606

Email: info@housingdiversitynetwork.co.uk

Colne Valley House

511b Blackmoorfoot Road

Crosland Moor

Huddersfield

HD4 5NR



Centre for Local
Economic Strategies

This briefing was produced by Housing Diversity Network and the Centre for Local Economic Strategies.