

The NED Experience

- My approach in this presentation
- What I have done
- Why & How I do it
- What I learned
- Housing lessons & questions as an example
- I will pause for questions
- Personal thoughts & opinions follow!

1996 and onwards!

- Magistrate, Criminal Court then Lay Judge in Family Court
- Baltic Triangle Community Interest Company
- Primary Care Trust then Clinical Commissioning Group
- Wirral Metropolitan College
- Neston Community Youth Centre
- Hip & Harmony CIC
- EP&N Community Transport

and onwards!

- Magenta Living
- Woodfall School
- Relate NW
- Mencap Wirral

Why I do it

- Balance of interest & fear!
- Married young
- Children young
- Lucky career!
- Lucky money management!
- Self belief – I have something to offer...
- Absolute belief in public service

How I do it

- Plan, plan & plan!
- Volunteering websites, contacts & social media
- (Know your) Local Councillors
- External - Companies House, Charity Commission sites
- Internal – websites for annual reports, charitable objects, articles & other documents often including business plans
- Members & Directors – who are they & what is known about them?

What I learnt

- Research is everything. Is this an organisation that I want to be part of?
- Employer obstacles. Some employers resent it.
- Learn the difference between strategy and operations. I could write a book on this! You own the business plan, the financial plan, the growth plan & the risk register. You also own the values. You don't own the operational plan. Fear of making a "wrong" decision leads to a demand for more & more operational involvement. You are not an executive!
- Don't do it for the money. Seriously. This is not building a portfolio career.
- Knowing everything about the subject is not important
- Is it sufficiently local & interesting to matter to me? Do I care?
- What is the culture of the organisation & its stated values? (Housing is an incestuous business that talks to itself and shuffles its staff around)
- Co-optees role is growing & is a great way in (and out)

More that I learnt

- What are the skills already there & why would they want me?
- What would I bring to the table, not just technical skills? Important to appreciate that a lawyer NED, for example, is not there to be a lawyer, but actually to think like one!
- Unusual formal recruitment practices (not always traditional corporate processes!)
- If you don't like it after six months, leave. But definitely stick it out for at least six months because it is all a mystery for a while! It is less painful if you have adopted the principle not to do it for the money
- Don't feel that you have to speak initially. If you have something relevant to say, that is fine, but sometimes better to wait until you appreciate the culture, values & personalities
- It can be helpful to bond with a recent recruit to share uncertainty

In the end

- Not everyone is there for selfless reasons
- Not everyone is a team player
- Not everyone is competent
- Not everyone shares the same values
- BUT most NEDs have the same motivation as you do, and (if in a public service role) care for others as you do

Core principles

- Ultimately & fundamentally, a Housing Association is just a very large landlord, whose income comes from rents & whose expenditure should not normally exceed the rental income
- De-glamorise the organisation. What is it really? Take the emotion out of it so thinking doesn't go soft!
- How to think strategically is a skill that needs to be mastered, particularly if you are the type of person who needs to know everything before making a decision (colour of front doors)

Questions

- Based on eight years as a Housing NED & over twenty years as a trustee, Governor, Director and Chair, & having worked with half a dozen mentees, here are some questions to ask at an appropriate time, including at a Board meeting
- They can also be asked as part of induction or at any one-to-one meeting with the Chair or any member of the Executive Team
- These are not exclusively Housing Questions as they are adaptable to any setting

Questions

- What is my induction programme? How long is my probation? On what will I be assessed at appraisal?
- Can I please have copies of the Corporate Objectives, the business plan, the financial plan, the development plan & the strategic risk register (these are the key core documents around which the whole operation is run)? I prefer paper copies of these
- How many properties do we own? Is there one version of the truth?
- What are the financial covenants? Are they reported at every Board meeting? How often is our compliance independently verified?
- How do we perform against the Big 6 compliance requirements? How often is that compliance independently verified?
- Do we use the Three Lines of Defense model?

More questions 1

- What Executive succession plans are in place?
- Beyond saying that we have excellent engagement with our tenants, what is the quality really like? Seriously!
- How do we know we are hearing the tenant voice?
- At what level of rental shortfall is the business plan compromised, up to collapse?
- What are the mitigation plans?
- What percentage of our local population do we house?
- Do we have an internal future leaders programme?

More questions 2

- Do we ever tell the tenants what has changed as a result of their input?
- Do we have a tenant perspective on every committee?
- Is our audit function a barrier to progress or an enabler?
- What is our view on the different tenure types in a changing world? Social Rent, Affordable Rent, Right to Buy, Rent to Buy, Leasehold, PRS, Shared Ownership? How is our Development Strategy changing?

More questions 3

- What are our allocations policies? How do we cooperate with the LA on this? What are we doing about housing the homeless & asylum seekers?
- What is our approach to Zero Carbon? How much would the bill be for us at today's prices? How is it spread out over the future years?
- What relationships do we have with the LA Planning Team?
- Who are our top ten stakeholders? Do we have an engagement strategy? Does this include the Councillors in our operating areas?

More questions 4

- What is our relationship with the Regulator's link individual?
(Remember that in the weird world of housing regulation, Housing associations actually pay for the Regulator but have no say in how it operates!)
- This question also applies to funder relationships

Summary

- You now know about my NED experience
- You understand why I entered the NED world
- I have highlighted what I have learned
- I have identified a couple of core principles
- Some possible questions have been listed, with a housing focus
- Any final questions?