

BRENT HOUSING PARTNERSHIP BOARD

Meeting: Board Meeting	Date: 24th February 2011
Report Author: Linda Footer	Title: Governance Review Terms of Reference
Contact Officer: Linda Footer x 2356	Classification: For Decision
Contains Private and Confidential Information:	No

1. Matters for Consideration

- 1.1 The last governance review of BHP was carried out between February to April 2007 and approved by the Board on 15th February 2007. The last governance review resulted in some significant changes including reducing the size of the board from 18 to 15 members, increasing the number of resident members from 6 to 7, the introduction of payments to board members and changes to the sub committee structure.
- 1.2 Although the Council, Government and tenants are on the whole happy with BHP's performance, there are a number of governance issues which now require review in order for BHP to move forward. These are:
- i. The Government's Localism Bill looking at greater tenant involvement and empowerment e.g. reviewing whether BHP's Resident Board Scrutiny Panel remains effective as a means of influencing strategic decision making within BHP.
 - ii. Continuing to demonstrate that BHP is a value for money organisation and in light of the cuts in public expenditure reviewing whether payments to board members should continue.
 - iii. Governance issues arising from BHP's dual role as a managing agent and landlord in its own right including a review of the sub committee structure and policy arrangements.
 - iv. Ensuring BHP remains compliant with new governance regulations introduced by the Financial Reporting Council in 2010.
- 1.3 The Review Group met in December 2010 and have drafted the following objectives and terms of reference for consideration by the Board as follows:
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|--|---|----------------------------|
| Deadline for completion of Review | - | to be decided by the Board |
| Frequency of meetings | - | fortnightly |
| Size of Review Group | - | maximum of 6 |

Objectives of the Review

1. Ensure BHP's Board is effective in terms of setting the strategic direction of the company

- Review Compliance with the 2010 Financial Reporting Council Combined Code on Corporate Governance
- Future of Away Days
- Sub Committee structure

2. Review Board structures to ensure that they are effective and can be properly serviced and supported.

- Succession planning
- Code of Conduct for Board Members
- Protocol between Officers and Board Members
- Frequency of Board and Sub Committee meetings
- Administration of Board and Sub Committee meetings
- Follow through arrangements for Board and sub committee decisions

3. Review and improve the structures which support Board Members in effectively carrying out their duties

- Appraisal of board members
- Board training
- Scheme of Delegation
- Board Scrutiny
- Agenda setting

4. Improve the Board's capacity to engage and influence key partners including the Council and the community

- Payments to board members
- Roles and responsibilities of board members
- Role of the Chair
- Role of the Vice Chair
- Interface between the Chair and the Council

1.4 It is proposed that Governance Review be put on hold until after the decision by the Council's Executive on the future of BHP and that the Governance Review only proceed if the Council agree to extend the management agreement with BHP.

2. Financial and/or Legal Implications

2.1 Any changes affecting BHP's Memorandum or Articles of Association will require approval from Brent Council.

2.2 One of the items to be considered by the Review Group will be the continuation of payments to Board Members but a full report on the outcome of the Review will be presented to the Board in April 2011 for a decision on any recommendations.

3. Recommendations

- i. Board members are asked to approve the objectives and terms of reference as set out in the body of this report.
- ii. Board members are asked to approve that the Governance Review be put on hold until after the decision by the Council's Executive on the future of BHP and that the Governance Review only proceed if the Council agree to extend the management agreement with BHP.

4. Access to Information

No restrictions apply