



NED Network briefing

7 June 2021

Set up by [HACT](#) and [PlaceShapers](#), with the support of [Anthony Collins Solicitors](#) and [Badenoch + Clark](#)

Actions speak louder than words – how should Board Members lead their organisations on equality, diversity and inclusion that delivers real change.

A discussion led by Patricia McCabe

(Group Board Member of EMH Group & Chair of Birmingham and Solihull Women's Aid.)

The growth of the **Black Lives Matter Movement** since summer 2020 and the disproportionate **impact of COVID-19** on Black, Asian and Minority Ethnic communities has put race equality under the spotlight for all sectors, including the housing sector. For many organisations race equality is a challenge they need to do more to address but it isn't always clear what needs to be done or where to start.

The **Race Equality Code** was developed and launched in 2020. It is based on recommendations from numerous reports that have been conducted into race equality over the years. Patricia has been using it in some of the organisations that she works with.

It provides a framework and action points for organisations to work on race equality and EDI and is focused on governance which makes it a useful starting point for housing associations. Pertinently, the Code starts by saying that the time for talking is over and it is time to do something different.

The Code is based on four key principles which are also action points. Patricia explained what these four principles are and posed some questions under each action point for attendees and their organisations to consider:

1. Reporting

It is time to be explicit about diversity and inclusion and openly say what our issues are, the areas where we are falling behind, and the steps being taken to improve the situation? We must consider whether there is enough diversity at leadership levels as we need to know where the gaps are in order to do something about them.

- Do you currently report on and publish the composition of your Board and Leadership Team? Do you report on what improvement needs to be made in this area, your targets and the steps you are taking to achieve those targets?



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- Do you know the breakdown of employees across your organisation and where people sit within the organisation? Where is the diversity in your organisation?

2. Action

Many organisations do not have complete workforce data about diversity and inclusion because people are not comfortable declaring it. This is no longer acceptable, and we need to find ways of getting this important information and overcoming reservations. One way of doing this may be to tell them what we have done or are going to do with the data.

Boards may benefit from having a Board level “sponsor” or “champion” for EDI. Boards should have evaluation measures and make diversity and inclusion part of the Board’s key performance metric. The Board should be asking itself “how are we making progress and what is our strategy?”

How can we ensure people are comfortable sharing information on diversity and inclusion?

3. Composition

Boards must be open and explicit about their Board composition and the changes they need to make for better representation. Boards should request the relevant information as part of its skills matrix and report on their diversity in their Board composition statements.

Do we know what representation we need on our Board in order to adequately meet the needs of customers?

4. Education

Organisations must build a culture of psychological safety for everyone and allow people from all backgrounds to use their whole self in their job. Boards and organisations need a robust education and training framework that extends beyond just unconscious bias training.

Housing associations need to understand the composition and needs of their local communities and benchmark their own composition and activities against this.

Patricia then posed specific questions to help guide the breakout group discussions. These are also questions that Boards may wish to spend some time thinking about in order to kick start discussions about what actions needs to be taken.



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1. *Which inequalities are we making the best progress with? Which areas of inequality are we doing least well in?*
2. *Is our data comprehensive? Do we know who is in our organisation and where they are? Where are the gaps and do we have targets to address those diversity gaps?*
3. *What do we need to do differently to start making change now?*

Outcomes of group discussion:

Defining and Measuring Diversity

- Diversity also extends to socio-economic backgrounds. Some associations' boards seemingly comprise of people from medium to high income backgrounds but they are serving people on significantly lower incomes. This is where tenant representation can also have an impact.
- There are important relationships between tenant engagement and EDI. This needs to be explicitly addressed in our strategies going forward and the more we can understand experiences.
- Categorising Black, Asian and Minority Ethnic groups together as "BAME" has put diversity issues back because it does not recognise the specific prejudice experienced by different ethnic groups that is not felt by others in that wider group.
- Diversity goes beyond visible characteristics and some people with less visible characteristics only realised they had reluctance to report their diversity when asked about these characteristics. There was also agreement that diverse groups need to speak for themselves.
- Housing associations need to understand the composition and needs of their local communities and benchmark their own composition and activities against this.

Recruitment

- A number of attendees commented on the difficulty of getting BAME candidates to apply for roles on Board and in senior leadership on housing associations. It was noted that perhaps the sector needs a more co-ordinated effort to ensure BAME people feel comfortable and able to apply.



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- Job descriptions and adverts need to be reviewed to ensure they do not inadvertently discourage BAME candidates. For example, asking for a certain number of years of NED experience may eliminate a large number of BAME and other candidates. Job adverts and descriptions could be road tested with community leaders and influencers to establish how they will be perceived by the community.
- We need to address how people get promoted within organisations. Many BAME people don't feel wanted, don't register with the usual recruitment agencies and therefore we don't get the talent applying for roles. Also, if we keep using the same sector specific recruitment agencies and keep getting the same lack of diversity, then we need to do something different and work with those who can deliver us the talent. Housing associations need to show they are welcoming of diversity.

Skills development

- Skills development and mentorship is very important in increasing diversity on Boards. Many people from the diverse backgrounds that organisations need representation from do not have as much experience of Board Member roles. Skills development programmes and mentoring allow people who have less experience to work with housing associations and Boards to build the skills they need in order to apply for these roles. This will create a wider pool of diverse candidates across the sector.
- Some associations have started a board development programme asking candidates if they want to join the programme when they apply for the role. Even if they are not selected for the role they are able to build skills and can be recruited by other associations.

Data and Reporting

- Associations need to improve their workforce data and find ways to improve this. Without this data it is unclear what boards are basing their decisions on.
- Compulsion of diversity reporting is dangerous and can produce a backlash or inaccurate data. It needs to be anonymised, organisations explain its use and get people to be comfortable with disclosure. Idea: go back to people a year after joining to see if they'll proffer more information than originally given



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- Many organisations have diversity data for different teams and seniority so they can work out where their gaps are. One presenting issue is filling management and executive team vacancies when there is a lack of candidates coming from lower levels so there is a view the issue may be at entry level.

Role of leadership

- Where there is a will there is a way – we need leadership that wants to change things.
- Whilst it was agreed that improving diversity and inclusion must come from the Board because it is the right thing to do, the Regulator could be lobbied to include more in its regulatory standards about diversity and inclusion. This may be a way forward to open the door to better action and reporting.
- Diversity and inclusion needs visible leadership from the executive team as well and not just the Board. People have a perception of what a “leader” looks like and this will lead to bias in recruitment and attitudes. Do we need to challenge our own perceptions in this regard?

Peter Hubbard and Safra Murad

Anthony Collins Solicitors LLP

Next meeting

Mind the Gap - what can Board Members learn from regulatory downgrades?

In conversation with Mick Warner, former Director, Regulator of Social Housing.

4.00-5.00 pm

21 June 2021

Book your place: <https://us02web.zoom.us/meeting/register/tZwpu2tpzkrHfbWruJHbYM6wuKgoviA6Ebu>