

## MSV Statement of Preferred Board, Subsidiary and Committee Composition

### Introduction

This document sets out the composition for the entities within the MSV governance structure and provides guidance on the number of Board Members, Independent members and Executive members within the structure and the skills, experience and knowledge required for the business to be governed effectively.

The headings below set out the key areas of Board composition building on the success to date with the aim of moving from strength to strength in line with required sector and wider changes, the MSV Way.

### The MSV Way

For the past 4 years MSV Board and Executives have worked hard to achieve a highly performing Board with a diverse range of skills and expertise, that compliments and supports the values of MSV.

Our values define who we are and how we work, and are at the core of everything we do:

To ensure we fulfil our values, the 'MSV Way' the 2-year Corporate Plan that has been shaped around three distinct themes:

**People**, **Planet**, and **Place**.



### THE MSV WAY

We will always ...

Do the decent thing  
Be flexible, open and transparent

Trust people and take  
personal responsibility

Focus on our customers

Work inclusively

Be kind

Read the MSV Way on our website [here](#)



Working alongside the Executive team, the Board Members role is to **shape the strategy** that will ensure that MSV fulfils the '**MSV Way**'.

Part of MSV's culture and ethos is to provide an environment for its people to flourish. Board members have an important role to play in this and must ensure MSV is a productive and influential organisation, driving the business forward. During the next months we need to: -

- Recover from the pandemic and be ready to meet the resulting challenges ahead
- Remain flexible and fleet of foot while retaining a strong business
- The requirements of the Code of Governance 2020 – including planning for the introduction of the 6-year rule and its impact on the balance and stability of the board and committees and succession planning
- The implications of the White Paper and greater engagement with our customers and communities
- Continuing with bringing greater diversity to our Boards and committees that is reflective of our communities, customers, colleagues and schemes

With this in mind the composition of MSV Board will include:

## Skills requirements

- The basic skills for any individual member of the governance structure (Board Member, Independent or Executive) are set out in the **skills matrix**.
- The matrix also sets out the core skills and experience required within the collective MSV Board which are summarised as follows:
  - Budgeting and financial management
  - External and Internal audit
  - Experience of Direct Labour Services (DLS) and joint ventures
  - Partnership working (including with voluntary sector)
  - Financial markets (including financing capital projects)
  - Financial reporting standards & accounting policies
  - Social housing finance
  - Continuous business improvement
  - Pension fund trusteeship
  - Treasury management
  - Risk management
  - Housebuilding
  - Housing association development
  - Building design
  - Building cost management and value engineering
  - Standard form contracts and building contracts
  - Planning applications

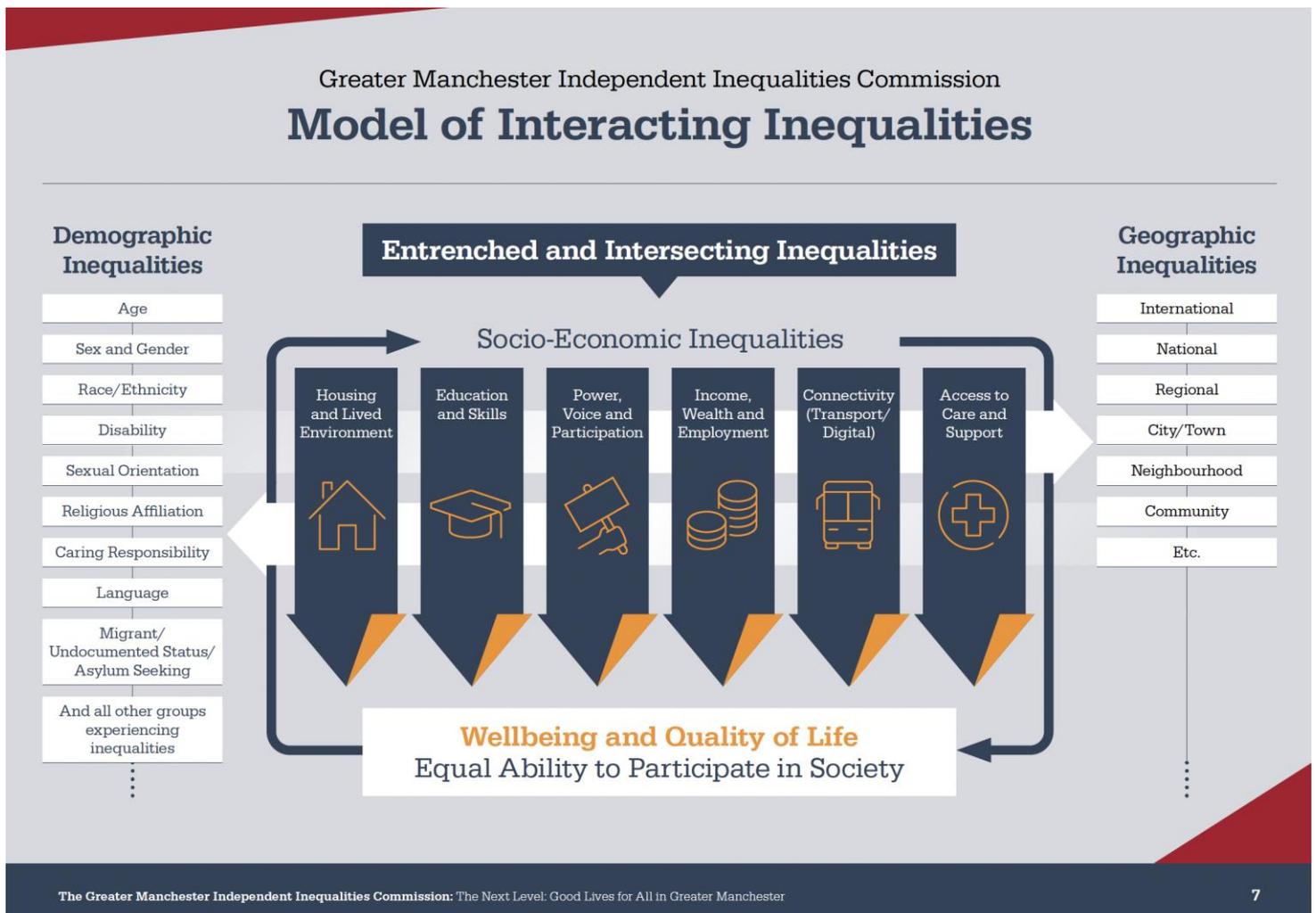


- Understanding of ICT architecture including digitalisation and agile working
- Board/committee membership
- Governance & probity good practice standards
- Internal controls and assurance
- Data Protection and GDPR
- Tutoring/mentoring students

The skills listed above are only part of the picture and the board is continuously looking to complement its composition:

## Equality, Diversity and Inclusion

The Board's role includes ensuring that equality, diversity, inclusion and other socio-economic equalities are embedded throughout the organisation and that the board composition reflects this with members from a diverse range of backgrounds.



The Board has read The Next Level : Good Lives for All in Greater Manchester – report of the Greater Manchester Inequalities Commission which absolutely aligns with the ethos and culture of the MSV Way and the ‘Model of Interacting Inequalities’ will be utilised as a starting reference point for succession planning and recruitment. – see below:

- The board will seek to reflect the communities it serves (set out above) in order to achieve the MSV KPI targets below:
  - in terms of ethnicity the target is for 30% ethnic minority representation
  - It also seeks to have a reasonable gender balance and has a target of 50:50. If the balance of gender falls outside of 60:40, then the board will consider remedial action to move towards the desired target.
  - The target for disability is 10%
  - The target for LGBT+ is 10%

The same principles and targets set out above will be applied to all aspects of equality, diversity and inclusion where there is no specific KPI.

The Board strives to be inclusive and provide equality of opportunity to all candidates. This includes, but is not exclusive of:

- MSV tenants
- Tenants of other organisations including the private rented sector and local authorities
- People with lived experiences that align with the culture of MSV

## Members in training

To support the succession plan and the aims of the statement MSV Board will:

- Consider offering co-option positions to board membership candidates who display a competency and behavioural fit aligned to MSV, but who may benefit further from development opportunities prior to taking on a Board Member role, when vacancies allow.
- From time to time flex its membership between 9 and 12
- Work closely with the MSV Tenant Voice and planned youth panel to offer training and support if interested in future board/committee membership – with MSV or elsewhere
- Introduce an individually tailored buddy system offered to everyone involved with MSV – for example new board members, intergenerational and diversity.



## Composition

The **MSV Parent Board** shall consist of up to 12 members. The composition will follow the skills requirements as set out above and will be as follows:

1. Non-Executive MSV Board Chair
2. Non-Executive Vice Chair
3. Non-Executive Member
4. Non-Executive Member
5. Non-Executive Member
6. Non-Executive Member
7. Non-Executive Member
8. Non-Executive Member
9. Non-Executive Member
10. Non-Executive Member
11. Non-Executive Member
12. Non-Executive Member

Within this composition the Board Members of the MSV Parent Board will take up the following roles across the governance structure for the MSV Group:

- MSV Board Chair
- Vice Chair
- Chair of Audit and Risk Committee
- Chair of Customers and Communities
- Chair of Remuneration Committee
- Member of Audit and Risk Committee
- Member of Customers and Communities Committee
- Member of Remuneration Committee

## Subsidiary Boards

The size and composition of any Subsidiary Boards will be determined by the MSV Parent Board and in accordance with the relevant company rules.

**MSV Invest Limited** will consist of up to 5 members. The composition will be as follows:

1. Non-Executive MSV Invest Chair – MSV Parent Board Member
2. Non-Executive Member – MSV Parent Board Member
3. Non-Executive Member – MSV Parent Board Member
4. Independent Member
5. Executive Member – MSV CEO



Independent members on MSV Invest board will provide recent experience of commercial management and housing development in a commercial setting.

## Committees

The size and composition of any committees will be determined by the MSV Parent Board and in accordance with the relevant company rules. Independent members may be appointed to committees from time to time to provide additional expertise for a specific task or period but must comply with other terms of reference in particular maximum number and membership make up of committee.

The **Audit and Risk Committee** will comprise of up to five members as follows:

1. Chair – MSV Parent Board Member
2. Non-Executive Member – MSV Parent Board Member
3. Non-Executive Member – MSV Parent Board Member
4. Independent Member
5. Independent Member

The independent members of Audit and Risk Committee will provide recent accounting and / or audit experience.

The **Remuneration Committee** will be reviewed during 2021, current composition comprises of three members as follows:

1. Chair – MSV Parent Board Member
2. Non-Executive Member – Chair/Vice Chair of MSV Parent Board
3. Non-Executive Member

From time to time an independent member of Remuneration Committee may be appointed to provide additional expertise for a specific task or period.



## Executive roles

The roles of Chair, Vice Chair of the Board and Chair of Subsidiaries or Chair of Committees may not be held by Executive Directors.

## Statement Review

- In consultation with MSV Board and the Executive, The Company Secretary will ensure that the Statements are reviewed formally at least every 2 years.
- This will ensure the composition Statement continues to align with:
  - the corporate plan review process
  - the annual Governance Effectiveness Review
  - and any Board or committee recruitment process
- From time to time ad hoc reviews may be undertaken to take account of legislation changes, changes to Board etc.

**Reference Documents:** The Next Level: Good Lives for All in Greater Manchester – report of the Greater Manchester Inequalities, full copy of report saved with the Statement.

