

Invitation to tender

Writing a new Code of Governance for housing associations

March 2020

Summary

- We are inviting proposals to write a new housing association Code of Governance on behalf of the National Housing Federation (NHF).
- We are reviewing the current (2015) code, and producing a new code to reflect significant changes to the housing association operating environment.
- The writing work is expected to start at the beginning of April, with a first draft to be prepared by the beginning of May. Following a period of consultation and testing, the writer will then draft the final code by the end of July.
- Successful applicants will take direction from NHF staff, reflect input from our public consultations, and take guidance from our advisory group.
- The NHF will facilitate the process, providing analysis of consultation responses and setting up advisory group meetings.
- **The deadline for applications is 25 March 2020.**
- Applications, and any queries, should be directed to Paul Bayly, Head of Governance and Compliance on 020 7067 1036 or paul.bayly@housing.org.uk.

Introduction

The National Housing Federation (NHF) is the trade body for housing associations in England, with nearly 800 member organisations. Our vision is a country where everyone can live in a good quality home they can afford.

Housing associations provide homes and support for almost six million people around England. They offer social homes, shared ownership homes, some market homes to rent and buy, and essential supported and specialist housing.

They also invest in community services and regeneration, provide support to vulnerable people, and reinvest all of their income into delivering their social purpose.

Background

The NHF Code of Governance is widely used in the housing association sector, and the current edition was published in 2015. The purpose of the code is to provide clear requirements and provisions for housing association boards, to ensure the highest standards of governance. The code is much more than a best practice document, and carries legal weight.

We are reviewing the code with a view to publishing a new version, which will reflect timely issues affecting our sector.

Further background to this work is contained in the consultation document, [which is available here](#).

Objectives

The NHF Code of Governance sets out the principles that sit at the heart of how a housing association is run.

We want all housing associations, whatever their size, operating region or particular specialism, to see that the new Code of Governance is relevant to them and adds value to their work.

Boards, residents, customers and communities should be able to refer to the code to understand what they can expect from their housing association, and to be able to hold the organisation to account.

We need the Regulator of Social Housing – as well as other key partners and stakeholders – to be confident that organisations adopting the code are clear about their guiding principles and the ways in which they can be held to account for delivering on their objectives.

In writing the new code, we would like to set these objectives out clearly, and respond to the key considerations outlined below.

Key considerations

The code will need to reflect the results of our current consultation, which will be analysed and interpreted by our team. We will also share input from the advisory group, which will need to be reflected in the new code.

In the meantime, we know that we need the new code to be written in a way that:

- Ensures accountability to residents.
- Sets an expectation that organisations will embrace equality, diversity and inclusion as a mechanism to deliver their business goals.
- Puts health, safety and risk at its core.
- Uses language that does not assume any previous governance expertise.

If you would like to discuss our thinking on these key considerations in more detail as you develop your proposal, please get in touch at codeofgovernance@housing.org.uk.

Proposed principles

In the first phase of our consultation on the new Code of Governance, we set out some draft principles for feedback. These are:

- **Clarity of purpose:** The board is clear in its role and purpose in setting strategic direction and defining the culture of the organisation.
- **Ethics:** The board operates to high ethical standards, explicit values and appropriate codes of governance and conduct.
- **Accountability:** There is full accountability to, and involvement of, residents and other stakeholders. Particularly – and where appropriate – in making decisions that affect residents' homes and communities.
- **Residents first:** The board acts in a way that empowers residents and facilitates a strong relationship between the organisation and its tenants, residents and service users.

- **Transparency:** There is an active and open approach to communicating governance
- decisions and activities. Full and frequent disclosure of governance matters and other significant information is standard practice.
- **Ambition:** Opportunities are actively identified and reviewed considering the need for sustained organisational success.
- **Equality, diversity and inclusion:** There is a fairness of equality and opportunity and an active demonstration of diversity in all aspects of the organisation's governance – people, roles and approaches.
- **Review:** There are formal processes for the periodic review of the board's own performance and decision-making, which actively encourage scrutiny by residents and service users.
- **Clarity:** There is clarity of roles and responsibilities and an appropriate division of
- responsibilities between the organisation's board members and staff.
- **Control:** There is an effective approach to audit, risk management, internal control and financial oversight.
- **Structures:** There are effectively resourced staff and committee structures to support the organisation's ambition.

It is important to remember that these are suggested principles which will need revision following the feedback from our first phase consultation.

Key output: a new NHF Code of Governance

The key output for this work is a new NHF Code of Governance.

The code is a complex and important document, covering a number of areas of governance in some detail. The current core code is around 2,600 words in length and the supporting commentary and guidance is 5,500 words. We do not have a view as to the length of the code or supporting documentation, as primarily the code needs to perform its function. However, we provide this information to give a sense of the scope of the work.

Regardless of length, the style and tone of the written content needs to be direct, clear, use plain English, and concise wherever possible.

The format and content of the code will be agreed between the NHF and the writer, upon appointment. Feedback so far suggests that the principles should sit front and centre, with further substantive content stemming from these.

We expect the code to be written in a way which complies with our written style guidelines, which we will provide to the successful writer.

To sit alongside the code, the NHF will produce tools to support organisations to adopt the code. The final outputs will be NHF-owned documents, and we will take responsibility for design and print of the final Code of Governance. The writer will assign copyright to the NHF, and the NHF will obtain all intellectual property rights to the writers' output for the project.

Timetable and roles

We have designed a three-stage consultation process to develop the new code. This is to ensure that all of our members – as well as residents and stakeholders – have the opportunity to feed into this review.

1. An open consultation on the core principles framing the code (until 13 March).
2. A collaborative drafting process.
3. A final consultation on the draft code.

The work referred to in this document is the drafting process, carried out in collaboration between the NHF, the advisory group, and the appointed writer.

We envisage the following milestones for this work. There will be additional activity between these points, such as editing and input from our team.

Output/milestone	Date	Additional information
Closing date for proposals	25 March	
Successful appointment agreed	1 April	
Analysis of feedback and phase one consultation responses provided to writer	10 April	NHF to provide
Writer to meet with advisory group to outline direction of travel and get feedback	April tbc	NHF to organise Writer to attend and present

Draft code completed by writer	Early May tbc	Date dependent on advisory group meeting date
Public consultation on the draft code	May – June	NHF to carry out consultation
Analysis of feedback and phase two consultation responses provided to the writer	30 June	NHF to provide
Final code completed by the writer	31 July	
Edit, design and launch	TBC	NHF to deliver

Resources

We will share relevant resources with the successful writer, including:

- All consultation responses, and our analysis of these.
- Contact details for our advisory group.
- Project team contact details.

In devising your proposal, you may wish to refer to:

- [The current Code of Governance \(2015\).](#)
- [First phase consultation documents.](#)
- [The Federation's Together with Tenants programme.](#)

Budget

The budget for this work is to be agreed. Proposals are invited to suggest a reasonable cost for the project. Value for money will be considered as part of the assessment criteria.

Information to be included in the proposal

Your proposal should set out:

- An explanation of how the work you will do addresses the issues summarised in this document.
- Details of the proposed methodology, who will be involved, and how the results will be analysed and presented.

- This should include an outline format for the new code.
- A breakdown of costs, showing the proposed number of days and the cost per day.
- A schedule for completing the work.
- The relevant experience of the organisation and/or individual delivering the project.
- A summary of the risks associated with the work and how these will be mitigated.

The closing date for submissions is 25 March 2020.

Assessment criteria

Proposals will be evaluated according to the following criteria:

- The extent to which your proposal meets the objectives in this document.
- Your experience of similar consultation processes, analysis and knowledge of the subject area.
- A process for taking the information and analysis provided, listening to feedback, and incorporating this into the code.
- Your ability to use clear language to deliver an accessible and inclusive code.
- Costs and value for money.
- Ability to meet the specified timescale.

Please note that we are open to joint proposals from organisations and individuals who may wish to pool their expertise.

Contact information

Enquiries about this brief and the Code of Governance project should be directed to Paul Bayly, Head of Governance and Compliance on 020 7067 1036 or paul.bayly@housing.org.uk.

For further information about the National Housing Federation and our work, please visit our website: www.housing.org.uk.