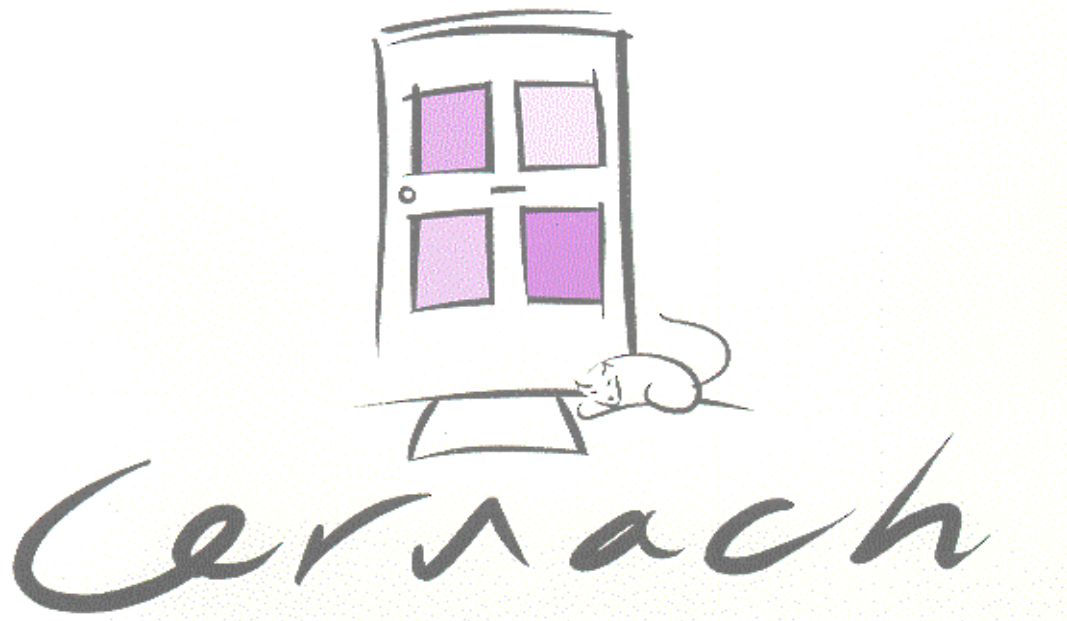


CERNACH HOUSING ASSOCIATION LIMITED



COMMITTEE PERFORMANCE REVIEW POLICY

Date Approved by Management Committee:
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June 2017
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1. INTRODUCTION

- 1.1 This document outlines the Association's approach to assessing Committee performance and continued effectiveness, training needs and arrangements for dealing with long-serving Committee members. It brings together a number of existing practices that we have been following on a less formal basis, setting a formal framework to help ensure that we continue to meet regulatory expectations. It is supported by a suite of templates and pro formas that will help ensure that our approach is clear and consistent.
- 1.2 The policy was informed by two evening sessions in June and August 2013 attended by governing body members from five Drumchapel-based registered social landlords¹ (RSLs) and senior staff members and subsequent Senior officer meetings. The evening sessions were facilitated by an external consultant to allow the senior officers to participate fully in the sessions.

2. REGULATORY AND BEST PRACTICE FRAMEWORK

- 2.1 This policy takes account of regulatory and best practice requirements, including section 6 of the Regulatory Standards of Governance and Financial Management and the draft² Code of Conduct for Governing Body Members.
- 2.2 The Scottish Federation of Housing Associations (SFHA) is currently developing a governance handbook in consultation with a reference group (consisting of representatives from RSLs and other interested parties) with the Scottish Housing Regulator (SHR); the SHR's role is to endorse each chapter when it is at final draft stage so that RSLs can then adopt them "off-the-shelf" with only very minor amendments where required.
- 2.3 At present, the chapters on (i) governing body appraisal, (ii) succession planning and (iii) dealing with the "nine-year rule" are in the process of being drafted and will not be available until early 2014. This policy takes account of the Regulatory Standards and we believe that these have been accurately reflected in this policy. The policy will, however, need be reviewed to reflect any elements of the governance handbook not addressed in the current version.

¹ Cernach HA, Drumchapel HC, Kendoon HA, Kingsridge Cleddans HA and Pineview HA.

² At the time of writing, a final draft of the model Code of Conduct had been agreed by the SFHA but there were outstanding issues being discussed with the Regulator. We have taken account of the draft Code in this policy and will make any necessary amendments once the finalised Code has been agreed with the SHR.

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2.4 In addition to the relevant chapters in the governance handbook, Employers in Voluntary Housing (EVH) issued guidance on Committee appraisal, *Great Expectations*, and this has been used in the development of this policy document. In particular, *Great Expectations* identifies three elements of Committee appraisal:

- Assessing the Committee's collective performance
- Individual Committee member assessment
- Appraising the Chair

Sections 6 and 7 of this policy take account of these components.

3. EQUALITY and DIVERSITY STATEMENT and IMPACT ASSESSMENT

- 3.1 The Association is committed to zero tolerance of unfair treatment or discrimination to any person or group of persons, particularly on the basis of any of the protected characteristics³. This includes ensuring that everyone has equal access to information and services and, to this end, the Association will make available a copy of this document in a range of alternative formats including large print, translated into another language or by data transferred to voice.
- 3.2 In relation to the operation of this policy, we will adapt both the collective and individual assessment processes to help ensure that all members can participate fully. For example, we will make assessment pro formas and training handouts available in any required format and, where appropriate, will provide a sign or language interpreter to assist at training sessions or individual discussions.
- 3.3 We are also aware of the potential for policies to inadvertently discriminate against an individual or group of individuals. To help tackle this and ensure that it does not occur, best practice suggests that organisations carry out Equality Impact Assessments (EqIA) on any policies may be discriminatory so that this can be addressed. The Equality and Human Rights Commission (EHRC) suggests applying a screening process⁴ to ascertain whether a particular policy requires an EqIA to be carried out. The screening process was applied to this policy and it was decided that an impact assessment is not required.

4. PERFORMANCE REVIEW

³ The Equality Act 2010 identifies the "protected characteristics" as age, disability, marriage and civil partnership, race, religion or belief, gender, gender reassignment and sexual orientation.

⁴ Six "yes/no" questions as outlined in chapter 8, section 2.2 of "Meeting the Public Sector Duty in Scotland" (EHRC, April 2011).

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4.1 In order to help comply with the Regulatory Standards, the Association will carry out an annual review of its own performance and an individual committee members effectiveness review. There are Five strands to the Performance Review.

- 1) The Board performance review
- 2) The individual Committee member effectiveness review,
- 3) The continued effectiveness review for longer serving committee members
- 4) 360° Chairpersons review
- 5) Bi annual Training needs analysis (TNA) undertaken as a DRUMCOG group exercise.

The Board performance review will take the form of an in-house⁵ review which will be done as a group exercise at either a separate session arranged for this purpose or as part of a scheduled Committee meeting. Having the session in April allows:

- Any areas of relative weakness to be known when promoting and/or targeting individuals for Committee membership in advance of the Annual General Meeting, and
- Committee members to be better prepared for their own individual effectiveness review and the training needs assessment session that will take place with the other Drumchapel RSLs.

4.2 Because RSLs are required to review their own performance, this exercise has to be done by each of the Drumchapel RSLs individually.

4.3 The performance review process has the following important roles:

- a) To help identify any areas in performance that could be improved by attracting individuals with a particular skill set. For example, if a Committee considered its performance to be very poor in relation to financial or budgetary matters, it may be appropriate to consider targeted recruitment of someone with financial knowledge/experience.

⁵ In this context, “in-house” means attended by members of one Association only as opposed to all five RSLs.

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- b) To assist in succession planning. It is critical that the Association has a clear method of ensuring that Committee members who may be interested in being an Officer Bearer or Chairperson has the appropriate support and training to prepare them for these important roles.
 - c) To help identify training requirements and therefore feed in to the training needs assessment which will be undertaken as a DRUMCOG group exercise Bi annually with the other participating RSL's.
- 4.4 Appendix 1 contains details of the survey form to be used in the Management Committee performance review. (The Board review) This will be distributed to Committee members at least two weeks in advance of the meeting taking place so that participants can give the questions some consideration and therefore be better prepared for the session. Where a Committee member is unable to attend the session, s/he should pass their questionnaire to the Director in advance so that their views can be taken into account during the assessment.
- 4.5 The results of this annual Board review will be evaluated by the Director in conjunction with the Committee with an appropriate follow-up action plan agreed by Committee at the April Board review session/Committee meeting.
- 4.6 Individual Committee members will participate in an effectiveness review in May each year. Each Committee member will be issued with an effectiveness review form to complete and return to the Director who will retain this for audit trail purposes on a confidential basis. Appendix Two contains the survey form which will be used for this purpose.

At the Management Committee meeting on 25th June 2014 the Management Committee agreed that, should a Committee member wish a one to one session with the Chairperson subsequent to completion of the effectiveness review form then this will be made available.

5. ASSESSING EXISTING SKILLS, IDENTIFYING GAPS and THE TRAINING NEEDS ASSESSMENT

- 5.1 The Association has a long established practice of assessing the skills, knowledge and experience present within the Committee group on a collective basis in order to help ensure that (i) all of the key skills and knowledge areas are covered and that (ii) members are able to keep up-to-date with evolving legal, regulatory and best practice requirements.

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- 5.2 As well as identifying the skills present within the Committee, the collective assessment also highlights any gaps that exist. These gaps can then be prioritised and addressed via a training plan which consists, in the main, of training sessions taking place in the Association's office led by staff or external trainers. Where a small number of members have a specific need, such as chairing skills or interviewing skills, this may be addressed by attending an external session.
- 5.3 The underlying principle of carrying out the assessments as a group has worked well in the past and it will therefore remain as the backbone of our approach going forward.
- 5.4 The collective skills analysis will highlight areas where training is required. This will be done at a Bi annual session to be held in May or June of each year and will be done as a group exercise with the other Drumchapel-based RSLs – this is the key difference in approach between the Board performance review and the Individual Committee member effectiveness review.
- 5.6 The output from the TNA will be a two-year training plan. The first training plan was agreed by the five Committees in 2013, with the next scheduled review in May/June 2015.

6. LONG-SERVING COMMITTEE MEMBERS

- 6.1 Regulatory Standard 6.2 requires all Committee members wishing to serve beyond nine years to demonstrate their continued effectiveness. Whilst we are keen to comply with this Standard, we equally endorse EVH's assertion that "automatically regarding longer serving members as somehow less effective is, at best subjective and insulting, and at worst (given that they may also tend to be older) potentially discriminatory. So for the avoidance of doubt it is a useful reminder to us all that there is no empirical evidence to support any of the following crude assumptions."
- 6.2 The Association believes that members attaining nine years' experience as a Committee member will have amassed a huge amount of skills, experience and knowledge, not only in terms of functional/technical subjects but also in relation to being able to contribute in an increasingly effective manner.
- 6.3 EVH has produced a suggested template to be used when an individual is considering standing for election after nine years' service (Appendix 3). This will be used in 2015 when this requirement comes into effect. It will be completed by the Committee member and the Director at a meeting arranged for this

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purpose. The contents of the completed pro formas will be confidential between the Director and the Committee member completing it.

- 6.4 The Regulator requires Committee members serving for more than nine years to be able to show (i) objectivity, (ii) independent challenge and (iii) continued effectiveness. The template allows each of these to be demonstrated via a series of questions/pointers – these should be considered by the Director and the Committee member and an overall view taken of each of the three sections.
- 6.5 Once a Committee member has completed a review, s/he will not be expected to do so every year. However, s/he will be required to show their continued effectiveness every time they are up for election due to it being their “turn” to stand down in line with the rule that requires one third of the Committee to stand down each year. This means that, on average, members will need to show their continued effectiveness every three years after their first nine years.

This review, commencing June 2015, will take the form of a one to one with the Director. Appendix Three contains the longer serving Committee member continued effectiveness review form.

7. APPRAISING THE CHAIR

- 7.1 As with other elements of this policy, the Association is formalising and building upon something that already exists, albeit in a less structured way. For example, the Chair receives particular training to help him/her fulfil their role, they receive ongoing feedback from the Director and, importantly, they are subject to a form of peer review when they are elected as Chair.
- 7.2 *Great Expectations* recommends an approach called “360° appraisal” and this will form the basis of the Chair’s annual assessment. 360° appraisal involves the Chair completing a self-assessment (similar to the self-assessment process carried out by all Committee members in preparation for the annual group session) in addition to an assessment of the Chair being carried out by the other Committee members.
- 7.3 The EVH guidance includes a simple pro forma (Appendix 4) and the Association has decided to test this during May 2014. It contains a range of key statements with which each Committee member agrees or disagrees. Additional comments can also be added, but this is not necessary. The forms will be passed to the Director in advance of an annual meeting with the Chair – the forms can be anonymous or, where the Committee member provides their name, this will be treated in complete confidence by the Director. The Director

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will then assess the forms and provide feedback to the Chair at the annual meeting.

- 7.4 The assessment will be carried out by the Director and the output will be an action plan comprising (i) any specific training required and (ii) any changes in approach to certain areas that have been highlighted and agreed during the meeting. Feedback to the Committee as a whole will be limited to the fact that the meeting has taken place and an action plan has been agreed. The detail of the meeting will remain confidential.
- 7.5 The annual meeting with the Chair should take place in May after the Board review in April. This approach will be trialled in May 2014 following which the Committee will discuss whether it needs adapted in any way.

8. PERFORMANCE REVIEW TIMETABLE

- 8.1 The following table outlines the annual timetable of meetings where performance review will be considered:

Month	Meeting	Attendees	Output
April 2014 and annually thereafter	Annual review of Management Committee performance	All Committee members	Assessment by Board and Director on performance of organisation
May 2014 and annually thereafter	Individual committee member effectiveness review	Every Committee member	Self assessment completed and returned to the Director and held in confidence for audit trail One to one meeting with Chairperson made available to individual Committee members following completion of review form
May 2014 And annually thereafter	Appraisal of the Chair	Every Committee member	Peer assessment and Confidential feedback to the Chair

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From June 2014	Meeting with Chair re feedback from peer assessment in May	Director and Chair	Confirmation to the Committee that the meeting with the Chair re peer assessment has taken place.
From June 2014	Meetings with long-standing members who are standing for election at that year's AGM and three yearly intervals thereafter	Director and individual Committee member concerned	Details of meeting will be confidential but the Director will confirm to the Board that objectivity, independent challenge and continued effectiveness has been shown
May/June 2015 and Biennial thereafter	Skills assessment/training needs analysis	Committee members from all participating RSLs undertaken as DRUMCOG exercise	Report by one of the Directors or consultant on behalf of the group and training programme agreed for ensuing two years.

9. POLICY REVIEW

- 9.1 Under normal circumstances, this policy would be reviewed every five years. However, given that (i) the SFHA is in the process of developing some model approaches and (ii) that the Association wishes to assess the usefulness and user-friendliness of the processes outlined in this document, it will be reviewed before March 2015. This may not necessarily result in any amendments, but it is important that the Association is able to make any changes it considers necessary.

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APPENDIX 1

ANNUAL MANAGEMENT COMMITTEE PERFORMANCE REVIEW SURVEY FORM (APRIL)

Area of work	The Committee is performing.....			
	Very Well	Well	Poorly	Very Poorly
Provides strategic direction – formulates policies and ensures these are suited to the Association's purpose				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Operates as a team, and ensures shared responsibility for all decisions.				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Makes decisions effectively.				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Manages risk to the organisation.				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
The Association complies with its own internal governance protocols, relevant legislation and regulatory requirements.				
Comment (optional):				

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AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Effectively holds senior officers to account.				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Protects the Association's assets, oversees budgetary and financial decisions.				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Is open and accountable to all tenants and others about its work and the governance of the Association.				
Comment (optional):				
AREA OF WORK	Very Well	Well	Poorly	Very Poorly
Encourages appropriate involvement of tenants in the planning and decision-making process.				
Comment (optional):				

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APPENDIX 2

COMMITTEE MEMBER ANNUAL EFFECTIVENESS REVIEW – (MAY)

NAME _____ DATE _____

Performance as a Committee Member	Very good	Quite good	Not as good as I would like
Read Committee papers in advance of meeting			
Attendance at Committee meetings			
Attendance at training sessions			
Attendance at strategy review day/other planning events			
Often seek clarification on reports if unsure			
Good team player, actively participating and sharing responsibility for all decisions			
Comfortable at overseeing budgetary and financial decisions			
Knowledge and understanding	Very good	Quite good	Not as good as I would like
Understanding of the main risks the Association is facing			
Know what is being done to manage the main risks			
Have a good understanding of the Business objectives			
Contribute to the monitoring of performance against targets			
Have a good understanding of my role as a Management Committee member			
Abilities	Very good	Quite good	Not as good as I would like
Comfortable at challenging other points of view constructively and appropriately			
Always willing to listen to others			

APPENDIX 3

LONG-SERVING REVIEW QUESTIONS - JUNE 2015 ONWARDS

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The questions/pointers below should be used to steer the discussion at the meeting between a long-serving Committee member wishing to stand again for election and the Director. The questions should be used as prompts used to feed into an overall assessment in each of the three areas (objectivity, independent challenge and continued effectiveness) rather than answered individually.

NAME	
Number of years' service	

Discussion Prompts	Overall Assessment/Evidence Of Compliance
Objectivity: <ul style="list-style-type: none"> What measures do you have in mind to avoid long-standing relationships clouding your judgement (e.g. ensuring that relationships with Committee colleagues and the Director remain businesslike rather than overly casual)? How do you avoid bringing your personal feelings into play when taking decisions that affect the organisation more widely? What standards of rigour do you apply to "facts" and "evidence" placed in front of you by others? How do you come to a view on whether reported performance is "good" or "bad"? What main sources of independent evidence and validation will you normally rely on to satisfy yourself that the strategic aims adopted are a) appropriate and, b) being achieved? How do you maintain a working knowledge of the organisation's current set of over arching standards and aims? 	
Training and development needs for objectivity	

Discussion Prompts	Overall Assessment/Evidence Of Compliance
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<p>Independent challenge:</p> <ul style="list-style-type: none"> ▪ What measures do you have in mind to ensure you hold senior officers to account? ▪ Do you still know – and accept – the organisation’s mission, values and objectives? ▪ How best do you think that you can actively participate in developing strategies for taking these forward? ▪ Our tenants’ and other stakeholders’ own expectations have changed over time since you joined us – how do you keep yourself up to date with all this? ▪ Do you still feel as enthusiastic over your role as when you first joined us? ▪ Do you think you still make the same level of contribution to discussions as in your early days? ▪ Do you remain confident in constructively challenging views you do not agree with? ▪ Do you feel that you can make such challenges in a non confrontational manner? ▪ Do you feel that you have a sufficient command of the detail of our activities to allow you to fully participate in discussions and decision making? ▪ Do you feel that your input into discussions is overall appropriate and relevant? ▪ Have you any awareness of the process and the outcomes in terms of the appraisal of our principal officer? 	
<p>Training and development needs for independent challenge</p>	

Discussion Prompts	Overall Assessment/Evidence Of Compliance
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Continued effectiveness:

- Do you feel that you still ask the right questions at the right time?
- Do you still get upset about some of the things we do or the way we do them?
- How do you go about ensuring that you do sufficient background reading to keep you up to date with current issues?
- Are you still routinely networking with others outwith our own organisation?
- How do you go about this and what do you bring back?
- Can you think of recent areas where you were able to motivate others positively?
- What about your personal impact – has it waned through time or are you still up for it?
- Also on your personal impact, do you bring any skills or experience that would be missing from/lacking on the Committee if you were to leave?
- How would you rate your current levels of commitment, enthusiasm and interest compared to, say, two or three years ago?
- What are the three biggest challenges you think we are facing in the years ahead, and what outcomes would you like to see for each of these?
- Thinking ahead - are you looking to stay on board a while yet, and if so what key strengths would you bring over that period?
- Do you still look for ways to improve your own effectiveness as a board member?
- Would the Committee be weakened if you were to leave?

Training and development needs for **continued effectiveness**

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BOARD MEMBER 9 YEAR REVIEW DEVELOPMENT PLAN

To be completed by the Director and Member following your 9 year review discussion.

Over the next 12 months I would like to develop the following skills or knowledge

- 1.
- 2.
- 3.
- 4.
- 5.

MEMBER'S COMMENTS

DIRECTOR'S COMMENTS

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Signed (Director)..... Signed (Member).....

Date.....

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APPENDIX 4

CHAIR'S REVIEW - 360° ASSESSMENT FORM (APRIL)

Please take some time to complete this form and then return it in confidence to the Director. Your own views will be treated as confidential and will help form an all round assessment of the Chair's performance. Please be as honest as you can when thinking about this so that the organisation – and the Chair – gets the best out of the appraisal process.

Please rate the Chair's performance against the various statements below using the following scale:

Rating	Number
I am happy with the Chair's level of ability in this area	5-10
Something that I think the Chair may be able to improve on	1-5

Chair's assessment	Rating
I BELIEVE THAT THE CHAIR GENERALLY	1-10
Prepares well for meetings	
Keeps up to date with relevant issues	
Represents the organisation positively	
Is always willing to learn	
Listens to others	
Chairs meetings appropriately	
Does not allow individuals to dominate meetings	
Challenges other points of view constructively and appropriately	
Contributes new ideas to debates	
Is open minded, making decisions only after evaluating data and contributions from others	
Demonstrates suitable knowledge over our main business areas	
Communicates well with others	
Is enthusiastic about the organisation	
Shows a good level of commitment	
Perseveres to get things done	
Shares responsibility for decisions made	
Demonstrates a good team working attitude with Board members and senior staff	
Leads the Board appropriately	

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Overall what do you see as the Chair's main skills/ strengths and the main areas where you feel that there might be room for further improvement?	
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