

Succession planning policy

Approved by the Committee
Latest review date

September 2022
September 2026

Succession planning policy



1. Introduction

- 1.1 This policy builds on the Association's first succession planning policy that was approved by the Committee in January 2017. It seeks to more sharply define our approach to succession planning and how talent is managed to ensure that there is a continued supply of suitably qualified staff and Committee members to safeguard our current assets, to continue to provide a high quality service and to satisfy our future growth.
- 1.2 Succession planning is a process for identifying future human resource needs and developing internal people with the potential to fill positions in the organisation, either in the short or the long term, to ensure such future needs are met.
- 1.3 We have taken account of the Regulatory Standards of Governance and Financial Management in reviewing this document, particularly section 6.2 which forms part of Standard #6 which seeks to ensure that the *Committee and senior officers have the skills and knowledge they need to be effective.*
- 1.4 This policy also incorporates the key recommendations in SFHA's 'Good Practice Guidance' for succession planning for both governing body members and senior officers. This guidance was published in 2019 and updated in 2021.

2. Policy Aims

- 2.1 The key aims of this policy are:-
 - To support the organisation in managing human resources within the staff team
 - To provide a framework for developing people in key roles in both the staff team and Management Committee
 - To ensure the Association has appropriate resources in the short, medium and long terms
 - To ensure that Committee membership does not move towards the minimum seven; linked to this, low Committee membership can increase the risk of inquorate meetings
 - To ensure that the Association has now and in the future capable office bearers, particularly in relation to the position of Chair
 - To take steps to ensure a mix of skills amongst Committee members, this being particularly important as the environment in which we operate becomes more challenging

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- To seek a mix of newer and more experienced Committee members
- To identify potential internal successors to key positions and identify human resource risks and gaps, for example where there may be no suitable successors
- To identify development programmes/career paths that may be available to ensure that potential internal successors who possess the required qualifications, skills and experience are in place
- To provide a link between the processes of personal development planning, training and the Association's future human resource needs.
- To encourage line managers to consider the wider issues associated with succession planning and future business needs
- To encourage a strategic approach to the way in which our Association membership and human resource planning is linked to our business plan and strategic objectives
- To ensure that we continue to have a thriving Committee and that, in very basic terms, we do not fall foul of any constitutional requirements related to minimum numbers
- Being able to better identify people with the potential for further development and/or promotion
- Ensure that all Committee and staff are being allowed to develop in a way that allows them to fill their current (and any future) roles effectively
- Identify learning and development needs for each individual and having the opportunity of addressing these effectively

3. Legal and regulatory framework

3.1 The Association operates within the regulatory framework set out by the Scottish Housing Regulator. This policy has particular regard to the following standards and outcomes:-

- Standard 1 - The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users
- Standard 2 - The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities
- Standard 3 - The RSL manages its resources to ensure its financial wellbeing, while maintaining rents at a level that tenants can afford to pay

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- Standard 4 - The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose
- Standard 5 - The RSL conducts its affairs with honesty and integrity
- Standard 6.1 – The RSL formally and actively plans to ensure orderly succession to governing body places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the governing body
- Standard 6.3 – The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans
- Standard 6.7 – The governing body is satisfied that the senior officer has the necessary skills and knowledge to do his/her job. The governing body sets the senior officer's objectives, oversees performance, ensures annual performance appraisal and requires continuous professional development.

3.2 Whilst not a regulatory requirement, this policy also takes account of the guidance produced by SFHA with regard to 'Senior staff succession planning' and 'Governing body succession planning and recruitment'.

4. Risk management

4.1 The Association has considered the potential risks posed should we fail to observe this policy. This could result in insufficient resources to continue effective operation of the Association and therefore have a negative impact on tenants and other stakeholders. There could be reputational damage (from which it could be very difficult to recover) and, in some circumstances, it could lead to a notifiable event and/or regulatory intervention.

4.2 In order to minimise this risk, the Association will ensure that staff and Committee are adequately briefed on this policy and the ethos of the Association's approach. In addition, the policy will be supported by our business planning process, and will be incorporated into a succession plan which will specify key actions to support delivery of this policy.

4.3 Regard will also be given to periodic input from consultants where appropriate. The Association has used organisations such as Investors in

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People, SHARE and Skills Development Scotland in the past which can serve as a form of validation of the approaches taken.

5. Equality and human rights

- 5.1 The Association's Equality and Human Rights policy, which was approved by the Committee in April 2021, outlines our commitment to promote a zero tolerance to unfair treatment or discrimination to any person or group of persons, particularly on the basis of any of the protected characteristics¹. This includes ensuring that everyone has equal access to information and services and, to this end, the Association can 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.
- 5.2 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 to help identify any part of a policy that may be discriminatory so that this can be addressed (please see section 6 of the Equality and Human Rights Policy for more information).
- 5.3 In line with section 6.13 of the Equality and Human Rights Policy, the Association will carry out an Equality Impact Assessment on this policy and no remedial action was identified as necessary. The full assessment is appended at the end of this policy.

6. Monitoring and implementation

- 6.1 The Association's Management Committee will have ultimate responsibility for ensuring that a succession planning policy is in place.
- 6.2 The Association's Assurance sub-Committee will have responsibility for ensuring that an accompanying succession plan is in place.
- 6.3 The Director will ensure that this policy and accompanying action plan is up to date, relevant and communicated to all staff, with particular attention given to the management team and staff with line management responsibilities.

¹ 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.

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7. Aims and benefits of succession planning

- 7.1 Research carried out by GWSF (the Glasgow and West of Scotland Forum of Housing Associations) in collaboration with SHARE (Scottish Housing Associations Resources for Education) and EVH (Employers in Voluntary Housing) highlighted the increasing need for RSLs to actively address succession planning.
- 7.2 The research points to two key factors, one relating to Committees and the other to Committees and staff. These are noted below:
- It has become increasingly difficult within the sector to attract and retain new Committee members, exacerbated by the fact that many RSLs are not currently developing and/or carrying out major environmental repairs.
 - Because of the way in which the sector came into being, many senior officers are currently approaching retirement age (and many have already retired). It may therefore be that a disproportionately higher number of RSLs will have to undertake senior officer recruitment in the coming years. At the same time and for the same reasons, many Committee members are deciding to step away following many years of voluntary service.
- 7.3 Whilst the Association does not have a large staff team and this may mean few opportunities for promotion, we will continue to try to nurture and encourage our staff so that they are equipped to present themselves for any promoted posts that may come up.
- 7.4 Effective governance depends on good partnership between the Management Committee and senior staff to deliver corporate objectives.

8. The Management Committee

8.1 Committee appraisals

- 8.1.1 Each member of the Management Committee will complete an appraisal annually. This forms an important part of the succession planning process as it helps identify any training needs as well as ascertain the potential longevity of current Management Committee members.
- 8.1.2 As well as planning based around the number of members of the Management Committee, the outcome of the appraisals should consider the loss of specific expertise or experience. This will help form a collective skills

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assessment for training needs, and also inform the Association's plan for any required recruitment

8.1.3 Appraisals will either be carried out by an external support company, such as SHARE, or will be carried out in-house by the Corporate Services Officer

8.1.4 An annual report on the outcome of these appraisals will be made to the Management Committee.

8.2 9 – year rule

8.2.1 Each member of the Management Committee who has been a serving member for upwards of nine years will be subject to a specific assessment to ensure their continued effectiveness and objectivity in accordance with the Association's rules.

8.2.2 This assessment will provide more detail than standard committee appraisals and will assess the likelihood of any impending retirements.

8.2.3 Interviews will either be carried out by an external support company, such as SHARE, or will be carried out in-house by the Corporate Services Officer

8.3 Chairperson

8.3.1 The Association's Chairperson is a critical role for the Association and recruitment and retention of a suitable Chairperson is therefore a key priority within the context of succession planning.

8.3.2 The Rules of the Association detail that a Chairperson may not serve more than five continuous years, therefore succession planning should be carried out on a rolling basis.

8.3.3 Should the Association move closer to the retirement of the incumbent Chairperson, it is generally expected that the Vice-Chairperson will begin a more in-depth process of training and development to provide an option for succeeding the outgoing Chairperson.

8.3.4 This approach will generally entail a 'buddy-system' where the Vice-Chairperson will shadow the Chairperson in the lead up to this.

8.3.5 Should more than one person identify themselves as being interested in standing for the Chairperson position, it is important that any interested party

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is able to spend sufficient time with the incumbent Chairperson and Senior Staff to ensure parity.

8.3.6 Election of the Chairperson takes place at the first meeting of the Management Committee each year. This has traditionally been carried out immediately after the AGM. However, if a competitive election is anticipated, it would be more suitable to move this to another date to ensure that sufficient time for procedure, debate and voting is allowed.

8.3.7 For any prospective Chairperson, it is important that they are in a position to lead the Association and have sufficient skills and experience to do so. The Association will support any person interested in carrying out this role before and after their election.

8.3.8 To help inform the staff and Management Committee in what skills or experience are necessary in the Chairperson position, discussion will be held at each members annual appraisal around the role of the Chairperson, relationship to the chair and the key competencies desired.

8.4 Office bearers and sub-Committee chairs

8.4.1 It is important that the Association utilises as many people as possible when electing office bearers and sub-Committee chairs to avoid concentrating expertise on a small number of people.

8.4.2 When identifying a potential Vice-Chair for the Association, it is important to note that this position can serve as a training model for future Chairpersons. Where this is identified as relevant, it is expected that the Chairperson and Vice-Chair operate a 'buddy-system' as well as the Vice-Chair working with the staff team and external providers to take part in any additional training required to prepare to deputise, and also be a potential future Chairperson.

8.4.3 Each Committee Member who completes an annual appraisal is asked specifically about willingness to take up an office bearer or sub-Committee chair role which will help build a 'bank' of interested persons. Those who identify as being willing to take up one of these roles in the future will receive appropriate support and training by the Association to ensure their effectiveness.

8.4.4 The Association's structure contains two sub-Committees; Operations and Assurance. Each elect their own Chairperson at the first meeting following the AGM. This also provides a suitable opportunity for a member to experience

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chairing a meeting, without the enhanced responsibility associated with being overall Chairperson. This opportunity is also addressed within the Management Committee appraisal structure to ensure that there is sufficient interest for a Chairperson to be elected for each sub-Committee. The Chairperson for the Assurance sub-Committee should not be the Chairperson for the Association, but in any case no roles should be duplicated between office bearers to allow sufficient skills and experience to build up amongst the wider Management Committee members.

8.5 Training and development

- 8.5.1 The Association has developed a comprehensive induction programme for new Management Committee members which covers the key areas to be an effective member.
- 8.5.2 Each Management Committee member will also receive an individual training plan after the outcome of their annual appraisal. This will serve to highlight areas of more limited knowledge or experience and will feed into the Association's overall training plan.
- 8.5.3 The Association operates a common training plan alongside other DRUMCOG governing bodies. This will identify areas of common interest for training among governing body members, but the Association will also carry out additional training as and when required.
- 8.5.4 The general principle for training of Management Committee members is that the Association will support training opportunities wherever possible.

8.6 Committee recruitment

- 8.6.1 For several reasons, the Management Committee may fall below optimum levels or require specific expertise to carry out upcoming organisational plans.
- 8.6.2 Should the Association assess the current cohort of members and determine that advertising for additional members would be preferred, the Association will advertise to local tenants and residents in the first instance
- 8.6.3 Should this not provide the required level of Management Committee membership, or very specific skills are identified through a skills analysis, the Association may opt to advertise for members in trade publications.

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8.6.4 Any members recruited based on specific skills may be considered as joining as co-opted members for a short time, rather than long term.

8.7 Demographics

8.7.1 In accordance with the Association's Equality and Human Rights Policy, there will be periodic monitoring of the demographic mix of the Management Committee.

8.7.2 Should there be identification of groups which are underrepresented on the Management Committee, the Association may opt to carry out a specific recruitment drive. This will be detailed in the Association's accompanying Succession Plan, however would generally include items such as recruiting through schools and colleges to attract potentially younger members, or advertising within specific networks such as Glasgow Centre for Inclusive Living (GCIL) to recruit more disabled people.

9. Staff

9.1 Senior Officer appraisal

9.1.1 The appraisal of the Association's senior officer is critical to assuring the Management Committee of the continued suitability of the postholder, and allow them to plan effectively for the Association's strategic aims by identifying any support, training or development needs as identified during this exercise.

9.1.2 The format of this appraisal will be determined by the Management Committee, in particular the office-bearers, but will generally include discussion on the following:-

- (i) The Association's performance, including regulatory and financial health
- (ii) The Association's aims over the short, medium and long term
- (iii) The relationship between Senior Officer and Management Committee
- (iv) The leadership of the Association's staff team
- (v) Training and development needs as identified either by the Senior Officer or appraisers
- (vi) Discussion on future plans of the Senior Officer, such as career changes or retirement

9.1.3 The Association will carry out an appraisal of the Senior Officer annually. This will normally be conducted by the office bearers of the Association, but always by at least three members of the Association's Management Committee.

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9.1.4 Administrative support will generally be provided by the Association's Corporate Services Officer. The Association may opt to receive support from human resources support companies, such as EVH, to provide guidance to the Management Committee.

9.1.5 Reporting on the Senior Officer Appraisal will be made to the Assurance sub-Committee.

9.2 Senior Officer cover

9.2.1 The Association has considered possibilities for 'non-scheduled' absence of the Senior Officer. Cover for periods of scheduled leave is planned more generally in operational documents such as Financial Procedures and Financial Regulations and is therefore not covered within this section.

9.2.2 It is imperative to the Association's continued viability that contingency plans are made for both periods of absence and departure of the Senior Officer. The Association has considered this and considers the Depute Director to be well suited for providing contingency cover in this event.

9.2.3 Should this not be possible, for example during a period of extended leave or departure of both Senior Officer and Depute Director, the Management Committee will consider the situation and make a decision on the short-term needs of the Association. This situation would generally be supported by an HR support company, such as EVH.

9.2.4 It is anticipated that the departure of the Senior Officer would, in most cases, be subject to sufficient notice and is therefore covered in section 9.3 below on Senior Officer Recruitment.

9.3 Senior Officer recruitment

9.3.1 Whilst there is not always extended notice of the departure of the Senior Officer, the Association has considered scenarios for recruitment of the Senior Officer where the minimum three months' notice is provided.

9.3.2 It is important to note that notice of departure of the Senior Officer constitutes a Notifiable Event. The Association's Senior staff and Chairperson have access to the SHR system to enable a Notifiable Event to be submitted in this instance. Responsibility for ensuring this is carried out lies with the Chairperson.

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- 9.3.3 As the current post-holder is due to move to part-time work from November 2022, consideration has been made to how this post will be recruited in future. It is the intention of the Management Committee to recruit a full time Director should the current post holder leave the Association.
- 9.3.4 Following informal or formal notification of the departure of the Senior Officer, the Management Committee will decide on the most appropriate job description and person specification. Relevant factors to include in this decision will include the following:-
- (i) The Association's business plan, in particular any consideration of options appraisals
 - (ii) The Association's priorities moving forward
 - (iii) The overall skills and knowledge of the staff team currently in place.
- 9.3.5 An appropriate remuneration package will be at the discretion of the Management Committee, but as the Association are 'full' members of EVH, any post at Grade 10 should be assessed in line with the criteria held by EVH.
- 9.3.6 Recruitment exercises will predominantly involve the Management Committee, with particular input expected by the Association's Chairperson and other office bearers.
- 9.3.7 It is probably that any such recruitment exercise will be carried out alongside a professional support company, such as EVH, to provide guidance and, potentially, administrative support to the Management Committee.
- 9.3.8 Whilst Senior Staff may provide guidance on the exercise, it would in some cases be inappropriate for Senior Staff to be involved in the recruitment process. Such decisions and discussions will be at the discretion of the Management Committee.
- 9.3.9 The outgoing post-holder should not be involved in an official capacity in any recruitment exercise, however it is anticipated that they will be able to provide guidance whilst remaining in their post.
- 9.3.10 An appropriate budget for Senior Officer recruitment exercise will be discussed and agreed at the outset of the process. This should include any costs for support for developing the role, support for the Management Committee in carrying out interviews or assessments as well as an

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appropriate 'acting-up' allowance for staff performing an interim Senior Officer role in the intervening term.

9.4 Staff development

- 9.4.1 The Association has a management team structure consisting of five members of staff, including the Senior Officer.
- 9.4.2 The Association's staff team is relatively small, therefore all posts must be subject to some degree of succession planning.
- 9.4.3 The Management Team (aside from the Director) complete quarterly appraisals which have a designated section to discuss training and development. It is anticipated that part of the discussion between the staff member and the line manager will cover future goals and aspirations, and any support which the Association can offer to fulfil these goals.
- 9.4.4 All staff complete quarterly 1-2-1s which focus on wellbeing, training and development. This will assist in identifying people who are keen to move to different or more senior positions, both internally and externally, as well as identify the support that the Association can offer to support this.

10. Policy review

- 10.1 The policy will be reviewed no later than September 2026, but this will take place earlier depending on any legal, regulatory or best practice requirements. Our succession plan will be reviewed annually, and for the first time at the Management Committee in January 2023.

Cernach Housing Association Equality Impact Assessment Tool



Name of the policy / proposal to be assessed	Succession Planning Policy	Is this a new policy / proposal or a revision?	Revision
Person(s) responsible for the assessment	Emma McShane, Assurance & Improvement Co-ordinator		
1. Briefly describe the aims, objectives and purpose of the policy / proposal	To outline the Association's approach to ensuring effective human resources are in place to meet the goals of the organisation.		
2. Who is intended to benefit from the policy / proposal? (e.g. <i>applicants, tenants, staff, contractors</i>)	Predominantly staff and committee, with wider repercussions for all stakeholders of the Association		
3. What outcomes are wanted from this policy / proposal ? (e.g. <i>the benefits to customers</i>)	To enable staff and committee to create, action and monitor an effective succession plan.		

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4. Which **protected characteristics** could be **affected** by the proposal? (*tick all that apply*)

- Age Disability Marriage & Civil Partnership Pregnancy/Maternity
 Race
 Religion or Belief Gender Gender Reassignment Sexual Orientation

5. If the policy / proposal is not relevant to any of the **protected characteristics** listed in part 4, state why and end the process here.

There is no particular protected characteristic identified which would have a more positive or negative impact than any other.

	Positive impact(s)	Negative impact(s)
<p>6. Describe the likely positive or negative impact(s) the policy / proposal could have on the groups identified in part 4</p>		
<p>7. What actions are required to address the impacts arising from this assessment? (<i>This might include; collecting additional data, putting monitoring in place, specific actions to mitigate negative impacts</i>).</p>		

Signed:  (Job title): Assurance & Improvement Co-ordinator

Date the Equality Impact Assessment was completed: 02/09/2022

Please attach the completed document as an appendix to your policy / proposal report