



## **Board Succession and Recruitment Policy (Ref: G21)**

### **Purpose of Policy:**

This policy is designed to set out the programme and mechanism which will ensure appropriate succession planning arrangements are established and adhered to, in respect of the Board of Manor Estates Housing Association.

This policy adheres to the regulatory requirements as developed by the Scottish Housing Regulator.

<b>Policy Monitoring Details</b>	
<b>Department</b>	Corporate
<b>Author</b>	Claire Ironside (CEO)
<b>Status</b>	Association
<b>Date Board Approval</b>	2022
<b>Update</b>	
<b>Planned Review Date</b>	2027
<b>Regulatory Outcomes Being Achieved</b>	Regulatory Standard 6.1, 6.3 and 6.7
<b>Tenant Consultation Required</b>	No
<b>Equalities Impact Assessment</b>	Initial/Full/Not Required
<b>HRA Implications</b>	None

### **Content List**

- 1. Introduction**
- 2. Specifics**
  - 2.1 Board Recruitment**
  - 2.2 Induction Process**
  - 2.3 Annual Review**
  - 2.4 Succession Assessments and Planning**
- 3. Training and Development**
- 4. Publicising this Policy**
- 5. Other Relevant or Related Policies**

## 1. Introduction

- 1.1 The Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management<sup>1</sup> require RSLs to "formally and actively plan 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" Regulatory Standard 6.1
- 1.2 Regulatory Standard 6.3 makes the connection between annual reviews and succession planning where it states:

"The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans"
- 1.3 Additionally, Regulatory Standard 6.7 states:

"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"
- 1.4 Effectively meeting these standards means looking critically at the current composition of the Board and planning ahead. Good governance depends on an effective partnership between the Board and senior staff and the successful delivery of the strategic objectives needs a senior staff team that is equipped with the necessary skills to implement the Board's plans. Succession planning should be a key component of good business planning, ensuring that the organisation understands the range of skills, knowledge and experience required to lead and deliver the achievement of the organisation's objectives
- 1.5 Specifically, the SHR requires that the Association ensures that its Board:
  - Formally and actively plans to ensure the orderly succession of governing body members;
  - Maintains an appropriate balance of skills and experience amongst its members;
  - Ensures progressive refreshing of the governing body;
  - Maximises the opportunity for accountability, encouraging as diverse and strong a membership as is compatible with our constitution; and
  - Actively engages with our membership.

---

<sup>1</sup> Scottish Housing Regulator (2019) [\*Regulatory Standards of Governance and Financial Management\*](#)

1.6 To ensure continuity of good governance, the Board needs to assess annually:

- The current skills, knowledge, experience and diversity that are represented by the Board; and
- Consider the “fit” between the current profiles and what is required to deliver the strategic plan.

Based on that assessment the Association can then openly publicise to its full membership, and to others who may wish to become a Board member, the skills it needs and what vacancy opportunities there are. This will encourage the election of Board members from the strongest pool of available talent.

### **New Members**

1.7 The Association will communicate responsibilities to prospective and current Board Members and take all necessary steps to assist new members. The Association will apply and regularly refresh its induction programmes for new Board Members. This will give them the necessary information and support to understand their role, powers and duties as non –executive directors in the governance of the Association and as trustees of a charitable organisation. Further details of the induction process are outlined at paragraph 2.2.

### **Existing Members**

1.8 All governing body members are subject to annual performance reviews to assess their ongoing contribution and effectiveness. The Board will take account of these annual performance reviews in its succession and training planning. Full details of this annual review process are outlined in the Board Annual Review Policy.

1.9 The Association will also provide existing Board members with ongoing support and training to sustain their continued effectiveness. The opportunity to develop internal or external mentoring or partnering support arrangements will be applied and developed as required to enhance the confidence or understanding of individual Board members.

1.10 In terms of good governance practice, the SHR consider that RSLs should review whether a governing body member who has been in place for nine years – which would in most cases be three, three - year terms – is still able to demonstrate objectivity and independent challenge.

- 1.11 The governing body must be assured that any member seeking re-election after nine years' continuous service is able to demonstrate their continued effectiveness in this regard. The SHR require full compliance with this requirement as set out in Regulatory Standards 6.1 and 6.2.

## **2. Specifics**

### **2.1 Board Recruitment**

To be an elected member of the Board of a Registered Social Landlord, individuals first need to be members of the RSL. Membership eligibility is determined by the membership policy, which should be kept under review by the Board. It is essential that the membership policy enables RSL to attract people who support the organisation's objectives and share its values and ethos.

Recruiting members of the Board should be a planned exercise that is undertaken because of a structured approach to succession planning and may occur by various means.

- Nomination and election from the membership on the occasion of an Annual General Meeting;
- Upon the retiral of an existing Board Member, the recruitment of an existing member via casual vacancy process; and
- By the co-option of non-members of the Association

The Association will manage the recruitment of Board members to ensure that the organisation maintains an appropriate mix of skills and experience commensurate with its ambitions and responsibilities. Detailed information regarding the recruitment process is included in Appendix 1.

### **2.2 Induction Process**

The Association will develop, update regularly and refine as required its Board Induction process, to ensure it meets the needs of new members. The induction process will comprise of:

- Access to a secure governance portal for Board members to access Association reports, policies and procedures;
- The development and participation of new Board members, in a bespoke induction programme where they meet with senior staff of the organisation;
- The provision of a "buddy"; a partnering arrangement with an existing and experienced member of the current Board, who can aid and assist them in familiarising themselves with the work and practices of the Association;

- The opportunity to attend external training events or conferences which would assist their development and understanding.

### 2.3 **Annual Reviews**

Having a mix of established and new members on the governing body is key to achieving good governance because the RSL benefits from both experience and new ideas. The in-depth knowledge and understanding of experienced members is vital, however, new members bring an essential objectivity and challenge to familiar practices and thinking.

The Annual Review process will take place during April to June of each year and involve all existing Board members.

### 2.4 **Succession Assessments and Planning**

On an annual basis, following the annual review process, the Association will initiate a succession planning review which is based on the findings of one – to – one assessments with Board members. It will:

- Determine the longevity or retiral status of all Board members (assessing whether they intend or require to retire within 1, 2, 3 or more than 5 years);
- Confirm their current role in respect of the organisation;
- Identify Board members who are available, interested or likely to succeed to office bearer or sub – committee chairpersons' roles;
- The number of years before individual Board members may feel able or equipped to take on more responsible duties;
- Gather specific information concerning experienced and long serving Board members who are seeking re – election for a fourth (or subsequent) term. Continued engagement with the Association's Governing Body requires the endorsement of the Board.

The pro-forma (Appendix 2) will be compiled and reviewed annually by the Board and form the basis of member development, training and recruitment planning.

## 3. **Training and Development**

- 3.1 Manor Estates Housing Association will endeavour to ensure sufficient resources are available each year to facilitate Board training and development. On – going assessments and the review process will ensure that Board member skills are enhanced

to ensure that they have skills commensurate with their role and responsibilities.

- 3.2 Board Members identified as being candidates for recruitment as future office bearers or chairs of sub – committees, will be encouraged to develop skills in the specific areas identified which will in turn enable them to appropriately fulfil these roles upon succession.

#### **4. Publicising This Policy**

- 4.1 This policy will be available to all members of the Board, other interested parties and those seeking to join or be elected to the Governing Body of Manor Estates HA Ltd. It will also be available on the Association's website.

#### **5. Other Relevant or Related Policies**

- 5.1
- **Model Code of Conduct for Governing Body Members**
  - **Regulatory Standards of Governance & Financial Management**
  - **Governing Body Appraisal Policy (G/22)**

## Appendix 1

### Recruitment Process

#### Applications and Nominations

- All candidates/applicants should be provided with a Recruitment Pack
- All should complete an application form and eligibility statement and return to the registered office
- If a shareholding member is seeking election at the AGM, a nomination form must also be completed, signed by another shareholding member and be submitted with the application form

#### Meetings/Interviews

Shareholding members who are interested joining the Board should be invited to attend an informal meeting to discuss the role. This should involve at least two members of the Senior Management Team. The purpose of the meeting will be to:

- Confirm the candidate's eligibility to act as a member of the Board
- Establish the candidate understands the role of Board members, including the likely time commitment involved.
- Establish the potential contribution likely to be made by the candidate, in the light of the skills, knowledge and experience described in the Board profile
- Answer any questions from the candidate
- Explain the induction process and support available

It is appropriate to explore why a member is seeking to stand for election at this introductory, informal meeting and, if it seems that their expectations do not reflect the role, to be clear about the discrepancy. For example, if a shareholding member seeks to join the Board because there is a specific issue that they want to resolve (perhaps relating to their tenancy or to a service they receive), it is important that it is made clear that membership of the Board specifically prevents individual, personal matters being pursued other than through the procedures that are available to all tenants and service users.

The candidate will then be invited to meet with at least two members of the Board, normally the Chair and one other.

It is important to be clear that shareholding members of a RSL can be nominated, stand for election and be elected without being 'approved', as long as they meet the eligibility criteria in the rules. It is also an opportunity to describe the requirements of the Code of Conduct, which must be signed before anyone can become a member of the Board.

Applicants who respond to a recruitment drive such as an advert or who volunteer should be invited to an informal meeting with the Senior Management Team, if suitable, they will then be invited to a formal meeting with at least two members of the Board (normally the Chair or another office-bearer).

Applicants should be advised of the outcome of an interview within a reasonable timescale. Decisions should be made by the interview panel based on the agreed recruitment priorities, and recommendations to the Board should be linked to the profile.

Successful applicants may be invited to attend a meeting of the Board as observers before their appointment is confirmed/they stand for election.

## Manor Estates Housing Association Ltd Succession Planning Review Framework

[illegible]