



"Offering our community more than a home"

Senior Staff Succession Policy

Management Committee submission:	23 February 2021
Last Approved:	28 January 2020
Date Approved:	23 February 2021
Next Review date:	February 2024

Clydebank HA Objectives

- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do.

Regulatory Standards:

- 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.
- 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.

Any breach or non-compliance with legislation/regulatory requirements in relation to this Policy constitutes a Notifiable Event and the Regulator will be informed via the SHR Portal.

This policy can be made available on request in a variety of different formats, such as on audio CD, in large print and translated into other languages.

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

Contents

1. Introduction	p1-2
2. Planning Ahead	p2-3
3. Key Points/Procedures in CHA Succession Planning for Senior Staff	p3-5
4. Considerations when Senior Officer is Leaving/Will be Absent	p5
5. Understanding Senior Officers' Future Intentions	p6
6. Link to Business Planning and Options Appraisal	p7-10
7. When the Unexpected Happens	p10-11
8. Managing the Interim	p11-12
9. Decision Making	p12-14
10. Additional Support (Internal and/or External)	p14-15
11. Other specific considerations	p15-16
Appendix 1 – Draft/Sample Succession Plan for Senior Management Team	p17
Appendix 2 – Protocol for Deputising in the Absence of the Senior Officer	p18
Appendix 3 – Possible Outcomes of Options Appraisal and Course of Action	P19

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

1. Introduction

Clydebank Housing recognises the importance of integrating succession planning for senior staff into the RSL's business planning processes. The SFHA senior staff succession guidance (updated in February 2021) states, "...the successful delivery of the corporate objectives needs a senior staff team that is equipped with the necessary skills to implement the governing body's plans. This means that 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. Consequently, succession planning is important, in governance terms, not only for the governing body but also for the senior staff team."

Essentially, succession planning is about supporting the development of an organisation's most valuable resource – its people – and preparing for change. The Association is recognised as Investors in People Gold/Investors in Young People Gold and the principles of these accreditations are practised within the organisation. Succession planning for staff, as for the Management Committee, is a critical component of risk management and is an essential aspect of business planning. Just as it is vital that consideration is given to the governance requirements of the business plan, equal consideration is required of the organisational priorities.

The focus of this Policy, which should be read in tandem with the Association's Recruitment and Selection Policy, is on ensuring and demonstrating good and effective governance. Obtaining and acting on independent Human Resource advice is a key component of good governance.

The Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management are explicit in specifying that it is the responsibility of the governing body to ensure that the RSL can meet its objectives effectively and that a critical aspect of this is to ensure that adequate and appropriate staff resources are in place. This means ensuring that the organisational structure contains the necessary posts to support the delivery of the organisation's objectives, meet tenant and service user expectations and comply with all legal and regulatory requirements. This Policy will therefore set out the measures to support both Clydebank HA's Management Committee and its senior management team in undertaking effective succession planning.

Regulatory Standards

Regulatory Standards 1.1 and 6.7 are the most relevant in this regard:

1.1 The governing body leads and directs the RSL to achieve good outcomes for tenants and other service users...

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

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".¹*

2. Planning Ahead

Succession planning for senior staff, as for members of the governing body, is essentially about planning ahead. In the context of staff succession planning, it also involves an element of contingency planning as the absence of a senior member of staff, especially the senior officer, can have significant implications. It must be remembered that, if the senior officer intimates their resignation or intention to retire, or is absent for an extended period, **this constitutes a Notifiable Event to the SHR and the Chair should ensure this is done as soon as the resignation is submitted.**

Succession planning is also about professional development— enabling people to grow and take on new/additional responsibilities. This might be within Clydebank HA or beyond but supporting professional development may contribute to effectively future-proofing the organisation e.g. by enabling staff to shadow each other and thus provide cover in the event of absence and to perhaps enable the Management Committee to accede to requests for part-time/compressed working patterns by ensuring continuity. This may be helpful in the event of a senior member of staff approaching retirement and gradually reducing their working hours in preparation.

Succession planning, is therefore connected to business continuity and risk management processes. As well as ensuring that the process by which decision-making is undertaken in the event of the departure of the senior officer is robust =, it is critical that our Management Committee is assured that the organisation is able to continue to function effectively during the interim period.

Succession planning is not about creating an internal career path for incumbent staff, although it should not be about obstructing internal progression either. Senior posts should, in mostly all instances be externally advertised to demonstrate openness and transparency, promote equality and diversity, to ensure that the 'market' is tested and to demonstrate that the best candidate has been selected.

It is also the responsibility of the Management Committee to undertake an annual appraisal of the senior officer's performance and to ensure that the senior officer is supported to fulfil their role. The 2019 Regulatory Standards are explicit in setting out the requirement that senior officers undertake ongoing professional development

¹ Scottish Housing Regulator (2019) *Regulatory Standards of Governance and Financial Management* draft available [here](#)

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

(Regulatory Standard 6.7) and the training and development undertaken during the course of a year is reviewed as part of the annual appraisal. Similarly, the appraisal includes consideration of any development priorities for the coming year, in the context of the business planning objectives, organisational requirements and personal objectives. The annual appraisal is an important component of the support that the Management Committee and office bearers provide to the senior officer and ensuring that it is completed, will be treated as a priority by the Chairperson. The report of the appraisal to the Management Committee will form part of the evidence bank for the Annual Assurance Statement.

Appraisal discussions (throughout the organisation) include consideration of where the staff member sees them self over the next 3-5 years – to inform training and development and also to support workforce and succession planning. It is recognised that this is especially important in the case of the senior management team and, critically, the senior officer because vacancies (or absences) at these levels are likely to be more difficult to fill or to cover. Although individual plans and circumstances change and unexpected opportunities arise, the Management Committee will aim to be aware of whether or not this is a foreseeable likelihood of the senior officer leaving within the period of the business plan.

Since succession planning at senior levels is about both future-proofing and contingency planning, the Management Committee will consider in advance how it will manage the departure or absence of the senior officer.

The role of the governing body is primarily to lead and direct the organisation and, in the normal course of events, neither the governing body nor the office bearers should get involved in operational and/or organisational issues. However, the absence of the senior officer is a significant exception to this 'norm' and such a situation will require the Chair and other office-bearers' close involvement.

There are two aspects of this: ensuring that the organisation continues to function and maintain "business as usual"; overseeing the tasks and the processes associated with responding to the departure of the senior officer. The organisation's Business Continuity Plan and organisational structure should be sufficiently robust to support ongoing operational effectiveness, but the Management Committee must be assured that these plans will "work". An important element of effective succession planning is, therefore, ensuring that the senior officer and remaining colleagues have effective arrangements in place to support and assure the Management Committee that normal business will be maintained.

Whilst members of the Management Committee should not find themselves in the situation of 'having to do everything' in terms of their response to the senior officer's departure. It is essential that **any risk of perceived conflicts of interest are recognised and managed effectively**; in some situations, this may make it inappropriate for other members of the senior management team to be involved in

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

supporting the governing body. **An obvious example would be where there is a possibility that one or more of the incumbent senior staff may apply for a vacancy:** they will not be involved in supporting recruitment and it is likely to be inappropriate for any of their immediate colleagues to be involved. In overseeing and managing the absence of the senior officer, the Management Committee will be especially mindful of the importance of obtaining appropriate specialist and / or professional advice.²

3. Key Points/Procedures in CHA Succession Planning for Senior Staff

- The Chair will be supported by the other office bearers (Vice Chairperson, Secretary and Treasurer) in carrying out their responsibilities towards the senior officer. Members of the Finance and Corporate Services Sub-Committee can also be nominated to assist if required. A maximum of 5 Management Committee members will serve on an ad-hoc committee (at least one tenant member of the Committee will be encouraged to participate).
- As there is not a designated member of staff who supports the HR function, the most appropriate member of staff with no perceived conflict of interest will support the Management Committee in the event of a resignation/retirement of the senior officer.
- **Regular training** is provided to the Chairperson who is responsible for conducting the senior officer's appraisal.
- The Association has access to **professional HR support** via EVH and independent advice (from EVH or other external organisation) will be sought from the outset. The Chairperson has the necessary contact details to access this support.
- The Association's **Scheme of Delegation** covers situations where the Chairperson may be required to instruct advice and/or action on behalf of the organisation (e.g. appointing recruitment agents; obtaining health information from an Occupational Therapist; instructing appointment and contract documentation; obtaining remuneration benchmarking data).
- The senior officer's **appraisal process** enables the governing body and senior staff to consider the future in terms of senior officer succession

² Scottish Housing Regulator (2019) *Regulatory Standards of Governance and Financial Management* draft available Regulatory Standard 4.1 [here](#)

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

planning and includes an opportunity to discuss future intentions and aspirations. The appraisal process also includes discussion about personal and professional development.

- The senior officer's **role description** is reviewed as part of the annual appraisal and the outcome of the appraisal is reported to the governing body upon completion via a report from the Chairperson.
- A **senior staff succession plan** is appended to this Policy and has been developed in conjunction with SFHA Succession Planning Guidance 2021 and presented to the Management Committee for review and consideration. It is maintained on an ongoing basis by the Chairperson and the senior officer and is updated and presented to the Management Committee at least annually.
- Both the Head of Housing Services and the Head of Finance and Corporate Services are the **nominated deputies** who are expected to act in the absence of the senior officer.
- Deputising arrangements cover both temporary absences of the senior officer as well as the interim between resignation and appointment.
- A **protocol** to support the temporary/interim appointment of the deputy/deputies to the senior role is appended (**Appendix 2**). The Chairperson will initiate/authorise the deputy 'stepping up' (as set out in the Scheme of Delegation) as well as agreeing in conjunction with EVH, the additional remuneration for the period of stepping up if applicable.
- The arrangements for 'back-filling' in the event of another member of the management team taking on the responsibilities of the senior officer are included in the **protocol**.
- The Chairperson will contact the SHR per the **Notifiable Events** Guidance upon receipt of formal notification of the senior officer resignation/retirement/prolonged absence (more than 4 weeks) including full details of the event as well as temporary arrangements put in place.

The Association's Succession Plan is included as **Appendix 1**.

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

4. Considerations when Senior Officer is Leaving/will be Absent

Although the situations created by the resignation or extended absence of the senior officer are very different, there are some common considerations and requirements:

- Both constitute Notifiable Events – the Chair is responsible for ensuring that the required notification is made and for reporting compliance to the Management Committee. The Chairperson must have access to the necessary support and assistance from another senior staff member to fulfil their responsibilities effectively e.g. access to the SHR portal.
- The clarity about responsibility is contained within the **protocol (Appendix 2)** – this will give the Management Committee confidence that, in the absence of the senior officer, the key responsibilities of the role continue to be fulfilled.

The **protocol** sets out who is responsible in the various potential absence scenarios (e.g. whilst the senior officer is ‘routinely’ absent on holiday or because of short-term illness; during prolonged absence caused by illness or other exceptional circumstance; during the interim between the senior officer’s departure and the successor taking up their appointment). Although not all scenarios directly relate to succession planning, the protocol once reviewed and approved by the Management Committee is comprehensive and will be a useful guide.

5 Understanding Senior Officers’ Future Intentions

Where the appraisal process identifies that the senior officer is likely to be pursuing a career move or considering retirement over the next two/three years, there are some important actions that need to be planned.

Clearly, it is not possible to be specific about timing: if a senior officer is intending to leave to pursue other career opportunities, much will depend on the opportunities that present and the outcome of the various recruitment processes. If the senior officer is contemplating retirement, there is no firm ‘rule’ about when someone might retire and the decision is entirely personal and individual.

What is essential, however, is to avoid creating uncertainty, which might be destabilising. Consequently, the Association’s succession plans will be treated confidentially and regarded as being subject to change.

As a first step, however, it is important that the Management Committee is aware of the **notice period** that applies to its senior officer. Clydebank HA requires its senior officer to give **at least three months’ notice**. In many instances where the senior officer plans to retire, the officer will give considerable advance warning (in some

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

cases, up to a year), before formally submitting their resignation. It is important to use this time effectively to ensure that everything is in place when it needs to be.

It is also important to recognise that it could take longer to recruit a new senior officer than the notice provided by the departing officer and so consideration has to be given at an early stage to any need for interim cover: having an established deputising **protocol** will inform the GB's consideration of what arrangements might be required.

The resignation of the senior officer is a **Notifiable Event**.

SHR's Regulatory Guidance says that the Regulator "... expects appropriate management arrangements to be put in place while the governing body reviews its options"³. The Guidance goes on to say: "It is for the governing body to determine the future strategic direction of the organisation" and that the next steps should be decided with reference to the association's business plan, which should be "up-to-date"⁴.

It is **only if the business plan is not up-to-date or does not reflect recommended practice** that there would be a **regulatory expectation that an options appraisal is conducted**⁵.

The SHR will seek assurance that the planned course of action that the governing body wishes to pursue is in the best interests of tenants and other service users and is based on sound financial information⁶. It is essential, therefore, that the Management Committee is satisfied that the business plan is up-to-date and that it reflects the SHR's Recommended Practice on Business Planning⁷. **Clydebank HA's processes are robust and Business Plan (including options appraisal information) is updated annually and succession will be incorporated into 2021 update.**

If an RSL does not have an up-to-date business plan, the SHR will engage with the organisation about this and seek assurance that it will carry out a strategic options appraisal and about its strategy to handle the resignation or dismissal of the senior officer.

³ Scottish Housing Regulator (October 2018) Draft Statutory Guidance: Notifiable Events: section 8.4;

⁴ 8.5; ⁷8.7 and ⁸8.6, available [here](#)

⁷ Scottish Housing Regulator (2015) Recommended Practice: Business Planning, available [here](#)

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

6. Link to Business Planning and Options Appraisal

Where it is known that **the senior officer is contemplating change**, it is important to **review the business plan** to ensure its compliance with the recommended practice. Regulatory Standard 1.1 requires the governing body to have agreed and overseen the RSL's business plan "...*having had regard to our advisory guidance on business planning.*"⁸

Therefore, the Association's preparation of its business plan has to have taken account of the SHR's guidance on the subject. This should ensure that the Management Committee has a framework within which to decide how to proceed in the event that its senior officer submits their resignation. Effective succession planning should support the Management Committee in its review and monitoring of the business plan as each is dependent on the other: the Management Committee should be satisfied that the senior staff have the necessary skills and knowledge to deliver the objectives of the RSL as set out in the business plan and structured succession planning should part of the approach to ensuring this.

The development of the business plan (and its periodic review) will consider whether the RSL's current 'model' (in terms of constitutional and organisational structure) is fit for purpose – known as an **options appraisal**. **Knowing that change is ahead** might lend a different perspective to this element of the process and so it is worthwhile ensuring that this section of the **business plan is critically reviewed at the earliest opportunity**. The Association should satisfy the SHR that the business plan is robust and be assured that the GB's intended plan is in the best interests of tenants and other service users.

As a consequence of the Covid-19 pandemic and associated social, economic and business disruption, the Association conducted a review of its business plan for both operational reasons and to take account of the SHR's recommended practice.

This Policy, in line with SFHA Guidance will ensure that sound governance is exercised in planning for the succession of its senior officer and overseeing the recruitment of a successor.

In the context of succession planning, however, existing options appraisal conclusions may suggest a different course of action, e.g.

- Where the existing model is sound, the Management Committee will proceed to recruit a successor in the event that the incumbent post-holder intends to move on. In that situation, it is the responsibility of the Management Committee to review the role description and person specification to ensure

⁸ Scottish Housing Regulator (October 2018) Draft Regulatory standards of Governance and Financial Management, Standard 1.1 available [here](#)

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

that it meets the organisation's current needs. It is unlikely that the resignation of the senior officer will occasion a re-think of the strategy.

- Where the existing model is sound but there are constraints on the Association's ability to contribute to the wider agenda, the Management Committee will consider whether some form of collaboration with another RSL might offer the potential to reduce costs and consequently broaden the services that can be provided to tenants, in order to meet business plan objectives.

These options might have implications for the basis on which the senior officer post is filled, should it become vacant (e.g. if collaboration with another RSL is pursued, the senior officer may be accountable to another executive or the Management Committee may wish to highlight a slightly different focus in terms of recruitment priorities). These opportunities/options can, of course, be explored at any time but, if it is known that there is likely to be a vacancy, this might present different opportunities – and challenges.

- If the business planning process concludes that there may be pressures in the medium/longer term, effective succession planning will enable the Association to plan strategically for the future and take sufficient time to reach appropriate conclusions. This may result in the Management Committee determining to pursue a course of action that does not involve 'like-for-like' replacement of the senior officer and will enable the necessary preparations to be put in place in advance.
- Of course, if the business planning process identifies immediate pressures, these must be addressed urgently.

The examples from the SFHA Guidance below provide some context as to how this might look in practice.

Example 1 – Options Appraisal in Practice

An RSL is aware that the CEO is likely to retire within the next five years. This has been discussed at the last few appraisals and there is no reason to believe that there will be any change of intention. Equally, there is no certainty about precisely when this might happen.

The GB decides to seek views from individual Board members about how the situations should be approached during the annual appraisals and it is agreed that there should be a review of the RSL's future strategy. Suggestions are made about

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

future priorities as part of the appraisal process and these are reported back to the GB and form the basis of a discussion paper that is prepared by office-bearers working with senior staff.

A strategy event is held to consider the issues raised in the discussion paper: these include:

- the potential to improve and/or expand service delivery
- how effectively the RSL engages with tenants and how the RSL is regarded as a landlord
- what the RSL's contribution could/should be to increasing housing supply
- the level of 'wider role' activities that the RSL should be engaged in
- how the RSL contributes to meeting the needs of people who are homeless
- what the implications of demographic change are for the RSL
- how the RSL engages with other partners (RSLs, council, health and social care etc)
- the RSL's financial strength and capacity to borrow
- how the RSL should use its reserves
- What the RSL should have achieved ten years ahead.

The strategy event concludes that there are some options that the GB would like to explore further and sets up a working group to lead the consideration of specific options i.e. oversee the conduct of the options appraisal. The working group has a formal remit to report back to the GB within six months.

Scenario A:

The GB considers the working party's report and decides that, within the next decade, it wants the RSL to have increased its development of housing for younger and older people; to have developed its contribution to meeting the needs of homeless people and to have actively supported its tenants in reducing fuel poverty.

These objectives form the basis of consultation with tenants, who support the proposals and this results in the development of a revised business plan for the RSL. The GB confirms that these revised objectives can be successfully delivered by the current organisational 'model'.

The GB uses the next round of appraisals to test the extent to which the current senior staff team are able to support the RSL's successful delivery of these objectives and supports any necessary training/development. The senior officer's role description is reviewed to ensure that the appropriate emphasis is placed on the skills needed to successfully lead the organisation to achieve the revised objectives.

Scenario B:

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

The GB considers the working party's report and decides, for example, that the RSL could be much more influential on the 'local stage' and could make a much wider contribution to a broader agenda, including wider role, by working in partnership with another RSL. Alternatively, it decides that services to tenants could be delivered more efficiently by buying in senior management/governance services from another RSL.

Staff are instructed to identify potential options/models and these are discussed at a further strategy event where it is agreed that the Chair and senior officer should initiate exploratory discussions with other identified RSLs. The GB agrees specific criteria which have to be fulfilled by any proposals and instructs the Chair and senior officer to report back within a specified time.

The outcome of these deliberations might result in various proposals which have varying degrees of significance for the organisation and its tenants. These could range from no change to a decision to pursue a constitutional partnership with a specific RSL (which would require consultation, funders' approval and would be a Notifiable Event); or to an agreement to collaborate in the delivery of specific services (or any other variation on this spectrum). Whatever the outcome, the GB will be well-informed about the priorities for the future in terms of senior staff resources and can plan ahead confidently so that there is clarity about the agreed course of action.

7. When the Unexpected Happens

It has to be remembered that succession planning is just that – a plan – and plans do not always work.

Unexpected situations (and opportunities) can arise for individuals, which cause them to rethink their intentions and make decisions, which have implications for their employer. By ensuring that the Association's business plan is up to date and that our strategy is regularly reviewed, the Management Committee should be relatively well 'insured' in terms of its capacity to respond to the unexpected departure (or absence) of the senior officer. Provided the post-holder submits the expected notice (a minimum of three months), there should be time for the Management Committee to agree how to proceed, with reference to the Business Plan. **If the Business Plan is not up-to-date, it will be important to update it by undertaking a suitably focussed revision exercise.**

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

Example 2 – Unexpected Resignation

The senior officer unexpectedly submits their resignation (e.g. having accepted an offer elsewhere; because of changed personal circumstances). The current (5 year) business plan is in Year 3. The GB decides that the business plan should be reviewed against the SHR's recommended practice to ensure compliance; that the financial projections should be reviewed; and that performance information should be updated to ensure comparisons refer to the most recent ARC indicators.

The GB contributes to the review by participating in discussions about performance and financial projections and by reviewing and commenting on the assessment of the business plan's compliance with regulatory requirements. Taking account of the review and updated performance and financial information, the GB concludes that the business plan remains sound and confirms that recruitment to the vacant senior officer post should proceed.

8. Managing the Interim

It is important to emphasise that the outgoing senior officer should not play any active part in the recruitment of this successor, although their views should be sought on e.g. amendments that they might recommend to the role description and the internal capacity to cover in the interim period.

Even with an up-to-date and compliant business plan in place, a three-month notice period is unlikely to provide sufficient time for the Management Committee to agree and implement its recruitment strategy, make an appointment and for the new post-holder to take up their position.

It is, therefore **essential that the Management Committee agrees appropriate interim arrangements** as soon as the resignation is intimated. These arrangements will require being included in the Notifiable Event notice that is submitted to the SHR by the Chair. The Association's **protocol** for deputising in the absence of the senior officer is included at **Appendix 2**.

Where there is a designated Deputy, the Management Committee will need to consider the period of their 'acting-up' responsibilities and the additional remuneration to be offered.

If there is no designated Deputy, the Management Committee will agree how the senior officer's key responsibilities will be maintained during the interim period, taking account of the Association's Recruitment and Selection Policy.

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

The outgoing post-holder will advise the Management Committee on the suitability of other senior members of staff for this role and members must be satisfied that the interim (or acting) senior officer is able to carry out the required responsibilities effectively. Advice (internal or external) will be sought about whether there will be a need for any 'back-filling' to cover some of the interim officer's responsibilities.

In the event there is **no internal capacity** to cover the senior officer's absence, the Management Committee will consider alternatives. The length of the interim period is significant when making this decision, as if the interim period (or absence) is expected to be relatively short, i.e. for no more than a few weeks (4-6 weeks), it may be sufficient to rely on the 'normal' arrangements that apply when the senior officer is on leave. If this is the plan, it is important to check that the designated 'stand-in' or deputy is not going to be on leave during that period.

If the **interim (or absence)** is anticipated as being **more prolonged**, the Management Committee will consider what arrangements are necessary to cover. This may involve formally appointing the deputy to be interim or acting senior officer (by issuing a temporary letter of appointment or equivalent) or it may mean that the Management Committee considers making an interim appointment. This might be via a recruitment agency or could involve reaching agreement with another organisation that their senior officer will temporarily be responsible.

Whatever option is pursued, it is essential that the terms of the appointment are clear (including responsibilities, timescale, reporting and accountability and remuneration) and that there is effective communication internally and with key stakeholders (including SHR, lenders and key partners such as the local authority). If external options are to be pursued, the Management Committee will ensure that it obtains appropriate professional advice from e.g. lawyers, HR advisers and/or specialist consultants.

The Chairperson will be heavily involved in agreeing these arrangements and the supporting processes. Throughout, it is essential that the Management Committee remains well informed and up-to-date about the decisions and actions being taken, the exercise of delegated authority and advice received.

9. Decision Making

The Chair is responsible for ensuring that the SHR is notified of the senior officer's resignation (or absence) and for ensuring that the appropriate arrangements are made to cover the interim period. This is also the case in the event of the senior officer being absent for a prolonged period e.g. because of illness. It is not necessary for the Chairperson to physically enter the notification in the SHR's landlord portal, but they will be required to authorise the notification. If the task of

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

entering the information is delegated to someone else (e.g. a member of staff), the person will act on the Chairperson's explicit instructions.

The Chairperson will also ensure that the Management Committee is notified and that staff are advised. The Management Committee will determine whether/when the senior officer's departure is 'announced' publicly in the sector journals.

The Management Committee will meet at an early stage to consider and agree the arrangements to fill and cover the vacancy. A **sub-committee will be established** to take forward the process (or delegate responsibility to an existing sub-group), whether that involves proceeding immediately to recruitment or whether there is work to be done in respect of the business plan.

The sub-committee will have a **clear remit** that specifies its level of delegated authority. The sub-committee will not be restricted to those Management Committee members who will be members of the recruitment panel to ensure that there is an opportunity for wider participation in the process. Similarly, it will not just be office-bearers who will make up the recruitment panel. The Chairperson will be involved at all stages of the process and it is also advisable for someone who is not an office-bearer (preferably a tenant member) to also be involved in the **recruitment panel**. The profile of the recruitment panel will be considered to demonstrate the association's commitment to equality of opportunity.

Appropriate **training** will be provided to **ensure that the sub-committee is equipped to undertake its recruitment role**. If responsibility is delegated to an existing sub-committee (such as Finance & Corporate Services), it is likely that the members will already have received relevant training. If the sub-committee is being established specifically for this purpose, it is important to consider the **experience** of those who will make up its membership.

Responsibility for agreeing the role description, person specification (including essential criteria), remuneration package and terms of appointment must remain with the Management Committee but the sub-committee will have delegated authority to implement and oversee the implementation of the agreed strategy. An appropriate budget will be allocated to support the process.

Some of the tasks that the Recruitment Sub-Committee is responsible for include:

- Overseeing the revision of the business plan if required
- Considering:
 - Outcomes of the business plan review and making recommendations to the Management Committee
 - The need for specialist advice and/or support and commissioning it

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

- Interim arrangements and making recommendations to the Management Committee
- Agreeing:
 - The communication plan
 - The recruitment schedule
 - The brief for the appointment of recruitment advisers; their selection and appointment
 - The advert and recruitment timetable
 - The selection and interview process
 - The short-list
 - The composition of the interview panel (which should always include the Chair and an external adviser, e.g. EVH)
 - The interview format (e.g. one or two-stage process; use of assessment tests/analysis/profiling; interview questions; presentation requirements)
 - Selection for second/final interviews
 - Recommendation to the Management Committee
- Reporting to the Management Committee on the completion of the remit and identifying any lessons learned.
- The appointment of the successful candidate should be recommended to the Management Committee by the interview panel.

10. Additional Support (Internal and/or External)

Although the Management Committee is responsible for managing the situation created by the departure (or absence) of a senior officer, it is imperative that the appropriate support is provided. This might be from internal and/or external sources. Specific consideration needs to be given to:

- How the sub-committee and interview panel will be supported
- Responsibility for briefing/instructing/liasing with specialist advisers
- The role of the outgoing senior officer
- The role of other staff (e.g. corporate services, senior officer deputy)

When considering how the sub-committee and recruitment/review processes are to be supported, consideration will be given to the management of potential (and perceived) **conflicts of interest**.

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

If there is a possibility that one or more internal candidates will apply for the vacancy, it is critical that the process maintains personal confidentiality in addition to the 'normal' confidentiality requirements.

The sub-committee will think about whether it is appropriate for a member of staff to be closely involved in a process where one (or more) colleague(s) are being considered for the most senior position. In these circumstances, the Management Committee will secure **external support** to fulfil the role that would, in other circumstances, be performed by the senior officer or another senior staff member.

When recruiting for a senior officer, the Association will use recruitment advisers. However, the Management Committee (via a sub-committee) will remain in overall control of the process, as it is the Management Committee that is responsible for the appointment of the Association's senior officer. The role of professional /specialist adviser is to advise and decisions will be made by the Management Committee in accordance with delegated authority – and this includes agreeing the short-list. A clear audit trail will be maintained throughout the recruitment process and this is a role that either the recruitment adviser or whoever is supporting the Management Committee will perform.

The Management Committee will adhere to the requirements of its Recruitment and Selection and Procurement Policies in terms of securing external adviser support. The outgoing senior officer will support this aspect of the work.

11. Other specific considerations

11.1 Reviewing the Senior Officer Role Description: per business planning guidance, the business planning process includes consideration of the staffing implications of the business plan objectives. The Association's appraisal process will therefore, periodically, identify any changes that might be required in terms of responsibilities.

When the senior officer post is about to become vacant, the Association will also review the role description and the person specification against the business plan to ensure that it continues to reflect the organisation's priorities, particularly going forward. The Management Committee will look critically at whether the role description still accurately describes what the organisation needs to deliver future business plan priorities.

11.2 Involving Tenants and Service Users: although the decision to appoint rests with the Management Committee, the Association recognises the importance of how a tenant perspective can inform the recruitment process. As well as endeavouring to ensure a tenant member of the Management Committee is

CHA SENIOR STAFF SUCCESSION PLANNING POLICY

February 2021

directly involved in the recruitment process, the Association may also consider a potential role for its tenant scrutiny panel to participate in some of the 'informal' elements of the recruitment process (e.g. asking for suggestions about key attributes; or being involved in welcoming those candidates selected for final interview - not to have a say but to offer impressions and to provide chance for inter-action to be observed).

- 11.3 Internal or External Advertising:** The Association will always advertise openly (i.e. externally) and adopt a consistent approach for all candidates to ensure equality and demonstrate openness. However, it is recognised that there may be circumstances where the Association will look at internal recruitment in the first instance e.g. in a potential redundancy situation where external professional, legal and Scottish Housing Regulator views and advice will be sought whenever this is a consideration. The Association's Recruitment and Selection Policy outlines the framework for the process to recruit all grades including its senior officer and the Chairperson will be responsible to ensuring that policy is complied with.

As the recruitment of the senior officer is the only situation where the Management Committee is solely responsible, the Recruitment and Selection Policy sets out how the exercise is to be approached and how the Management Committee will be supported (e.g. by a designated member of staff or by external advisers).

It is recognised that although internal candidates often have a perceived advantage, they can equally be disadvantaged by the fact that they are known to the recruitment panel. This makes it even more important that the process is transparent, consistent and robust.

- 11.4 Communication:** The departure of our senior officer would be a significant event and therefore, clear communication is critical to ensure that the organisation's reputation is maintained. A communications plan will be developed to ensure that staff, tenants, partners and stakeholders are kept informed at key stages of the process.

- 11.5 Induction Training:** The Management Committee will agree the key components of the new senior officer's induction programme and the outgoing senior officer will be invited to contribute as she/he will be well placed to identify the core elements of a successful induction programme and key people that the new senior officer should be introduced to.

The Chairperson will welcome the new senior officer on their first day and start off the induction process.

Appendix 2- Protocol for Deputising in the Absence of the Senior Officer

Reason for Absence	Anticipated Duration	Nominated Deputy	Authorisation Requirements	Budget Impact	Notifiable Event Requirements; Compliance Responsibility
Annual Leave	Up to 3 weeks	Head of Housing Services Head of Finance & Corporate Services	Per delegated authorities	Nil	N/A
	4 weeks or more	Head of Housing Services Head of Finance & Corporate Services	Management Committee	Potential upgrade of one/both heads of section	SHR Portal update Chairperson
Non-working day(s) (e.g. compressed hours; part-time hours)	Permanent	Head of Housing Services or Head of Finance & Corporate Services	Management Committee	Potential upgrade of one/both heads of section	SHR Portal update Chairperson
Illness; Compassionate; Bereavement	As required	Head of Housing Services and Head of Finance & Corporate Services	Per delegated authorities or Management Committee if 4 weeks or more	Potential upgrade of one/both heads of section if 4 weeks or more	SHR Portal update if 4 weeks or more Chairperson
Jury Service	As required	Head of Housing Services and Head of Finance & Corporate Services	Per delegated authorities	Nil	N/A

Secondment	As required	Head of Housing Services or Head of Finance & Corporate Services	Management Committee	Potential upgrade of one/both heads of section if 4 weeks or more	SHR Portal update Chairperson
Resignation Interim Period	As required	Head of Housing Services or Head of Finance & Corporate Services	Management Committee	Potential upgrade of one/both heads of section if 4 weeks or more	SHR Portal update Chairperson

Appendix 3 – Possible Outcomes of Options Appraisal and Course of Action

Outcome	Course of Action
<p>The existing model is sound in the longer-term: performance is strong when compared with peers, sector and national averages; governance is effective and compliant with regulatory requirements; the financial position is robust against a range of stress-tests; there is capacity to respond to emerging situations and/or to enhance/expand services and activities</p>	<p>Where the existing model is sound, it is likely that the GB will wish to proceed to recruit a successor in the event that the incumbent post-holder intends to move on. In that situation, it is the responsibility of the GB to review the role description and person specification to ensure that it meets the organisation's current needs. It is unlikely that the resignation of the senior officer will occasion a re-think of the strategy.</p>
<p>The existing model, whilst sound, limits the RSL's capacity to contribute to a wider agenda which could benefit tenants and service users</p>	<p>The GB may wish to consider whether some form of collaboration with another RSL might offer the potential to reduce costs and consequently broaden the services that can be provided to tenants, in order to meet business plan objectives. These options might have implications for the basis on which the senior officer post is filled, should it become vacant (e.g. if collaboration with another RSL is pursued, the senior officer may be accountable to another executive or the GB may wish to highlight a slightly different focus in terms of recruitment priorities). These opportunities/options can, of course, be explored at any time but, if it is known that there is likely to be a vacancy, this might present different opportunities – and challenges.</p>
<p>The existing model is sound in the short/medium term but there could be pressures in the medium/long term</p>	<p>Effective succession planning will enable the RSL to plan strategically for the future and take sufficient time to reach appropriate conclusions. This may result in the GB determining to pursue a course of action that does not involve 'like-for-like' replacement of the senior officer and will enable the necessary preparations to be put in place in advance.</p>
<p>There are pressures in the short/medium term which need to be addressed</p>	<p>Must be addressed urgently.</p>