



Putting People 1st

Senior Staff Succession Planning Policy

S.25

Approved

23/02/2023

Date next due for review:

Feb 2026

This policy document can be produced in various formats, for instance, in larger print or audio-format; and it can also be translated into other languages, as appropriate.

Our equality and diversity policy statement describes our key equality commitments that we use to develop all organisational services; this includes employment services and services to tenants and other customers.

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The Scottish Housing Regulator Reg. No: HAC231; Registered Scottish Charity No: SC038237; FCA Reg. No: 2375R(S); Property Factor Reg. No: PF000151

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1. Purpose of the Policy

Pineview Housing Association recognises the importance of integrating succession planning for both the governing body and senior staff into the RSL's business planning processes. The focus of this policy is senior staff¹, with particular emphasis on the senior officer, although much will also be relevant to the RSL's wider human resource planning. The same principles underpin succession planning for the senior staff team as are relevant to the governing body:

"...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."²

Succession planning is about supporting the development of an organisation's people and preparing for change. Succession planning in respect of senior staff, and in particular the senior officer, is a critical component of risk management and is an essential aspect of business planning.

In adopting and implementing this policy Pineview Housing Association aims to demonstrate good and effective governance and compliance with the Scottish Housing Regulator's (SHR) Regulatory Standards of Governance and Financial Management.

The 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, whilst ensuring that rents remain affordable for tenants. This policy is intended to support Committee in undertaking effective succession planning.

Regulatory Standard 6.7 is particularly relevant in regard of the senior officer:

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

Succession planning is not about creating an internal career path for incumbent staff.

SFHA has produced senior staff succession planning guidance, which has been utilised in the development of this policy.⁴

¹ This complements policy G13. Committee Succession Planning Policy

² SFHA (Feb 2021) [Governing Body Member Succession Planning and Recruitment Guidance](#)

³ Scottish Housing Regulator (2019) [Regulatory Standards of Governance and Financial Management](#)

⁴ SFHA (Feb 2021) [Senior Staff Succession Planning Guidance](#)

2. Planning Ahead

Succession planning for senior staff, is essentially about planning ahead, although it also involves an element of contingency planning, as the unexpected absence of a senior member of staff, especially the senior officer, can have significant implications.

Whilst acknowledging that succession planning is not about creating an internal career path for incumbent staff, it is important to recognise that it is also about professional development too - enabling people to grow and take on new/additional responsibilities. 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 Committee to consider 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 governing bodies are assured that their organisation is able to continue to function effectively during the interim period.

Senior posts should always be externally advertised to demonstrate openness and transparency, promote equality and diversity, ensure that the 'market' is tested and demonstrate that the best candidate has been selected.

Appraisal Process and Linkage to Succession Planning

Appraisal is an essential component of the support provided to all staff. It is appropriate for the appraisal discussions (throughout the organisation) to include consideration of where the staff member sees themselves over the next 3-5 years – to inform training and development and also to support workforce and succession planning. 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 personal circumstances change - and unexpected opportunities arise – governing bodies should aim to be aware of whether or not there is a foreseeable likelihood of the senior officer leaving within such a period. Similarly it is important that the senior officer should aim to be aware of whether or not there is a foreseeable likelihood of any of the leadership team leaving within such a period.

Committee Planning

Since succession planning at senior levels is about both future-proofing and contingency planning, it is important for the Committee to consider how it will manage the departure or absence of the senior officer. The role of the Committee 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 non-strategic organisational issues.

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 to this:

- ❖ ensuring that the organisation continues to function and maintain 'business as usual';
- ❖ overseeing the tasks and processes associated with responding to the departure of the senior officer.

The organisation's plans and organisational structure should be sufficiently robust to support ongoing operational effectiveness, but the governing body 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 governing body that normal business will be maintained.

In overseeing and managing the absence of the senior officer, Committee should be especially mindful of the importance of obtaining appropriate specialist and / or professional advice.⁵

The absence, or impending absence (including retirement and resignation) of the senior officer is a Notifiable Event and a notification to the SHR requires to be submitted.⁶

3. Arrangements For Managing the Change

Below outlines the arrangements that will be followed in the event of the absence of the senior officer and other senior managers. This covers both planned and unplanned absences. This gives guidelines as to how matters will be dealt with and is intended to add to Committee assurance in the management of such matters.

The Senior Officer leaves the organisation on a planned basis

The Committee will have been previously made aware of this (through notice period and/or feedback from appraisal process). As such, the Committee will have time to plan for succession, and they, led by the Chair, will

- review the most recent options appraisal undertaken and/or conduct a fresh options appraisal.
- take independent advice on employment issues (from our retained employment advisors – currently EVH).
- appoint a recruitment adviser (if appropriate).
- plan any interim cover that may be required.
- notify the SHR of this notifiable event.

The Senior Officer leaves on an unexpected basis

The Committee will manage this process and led by the Chair, will

- seek an appropriate senior member of staff to 'stand-in' and agree with that individual the best arrangements that would pertain to back fill their position if necessary. Currently this would be the Housing Services Manager who deputises for the Director in their absence.

⁵ Scottish Housing Regulator (2019) [Regulatory Standards of Governance and Financial Management](#)

⁶ Scottish Housing Regulator (2019) [Notifiable Events Guidance](#)

- plan for the recruitment of an interim senior officer (with support from our retained employment advisors – currently EVH), if a ‘stand-in’ option is not appropriate, or the absence will be for a longer period of time (greater than 4 – 6 weeks).
- take independent advice on employment issues (from our retained employment advisors – currently EVH or our employment solicitors BTO).
- review the most recent options appraisal undertaken and/or conduct a fresh options appraisal.
- notify the SHR of these arrangements.

More than one senior member of staff leaves in quick succession –

Depending on the nature and the pattern of these departures the Committee would work with any remaining senior staff and the Leadership Team to put in place either acting up arrangements or recruitment of experienced temporary staff to fill roles whilst a longer term solution is found. It is possible to take advice from the SHR, SFHA, EVH as to securing experienced individuals who could perform these roles. The Chair would be required to notify the SHR of these arrangements.

The senior Officer and/or senior staff members depart the organisation as a result of either a dispute or regulatory intervention – under these circumstances it is likely the SHR will recommend or direct a form of action which would likely include the appointment by them of a Special Manager (at the organisations expense) in addition to appointees to the governing body.

There are an almost limitless number of variations and other scenarios, however the range of appropriate responses will follow a similar pattern in that:

- Remaining staff will be able to assist.
- The Association has access to a range of retained advisors to support the Committee through these processes.
- The Committee has the power to incur expenditure to secure any necessary advice.
- The SHR could offer assistance in any non-intervention scenario and would instruct action in a regulatory intervention situation.

4. Link to Business Plan and Options Appraisal

In determining the business plan, Pineview always considers how it can best use its resources to meet demands. This process involves appraising various options to facilitate decision making and achieve outcomes to meet the strategic objectives of the business. Options appraisal approaches are utilised when considering all aspects of the business plan including reviewing our mission, values and objectives, our priorities, our performance indicators, our risk management, our financial planning, and our approach to internal audit. Pineview undertakes regular SWOT analysis, benchmarks our performance against local and national peers and Scottish averages, and includes analysis of our customer satisfaction.

Alongside this standard ongoing appraisal process, Pineview will also consider options analysis when embarking on consideration of a sizeable change from existing practice. This allows Pineview, as a business, to consider various options and decisions before coming to a final decision about a specific strategic decision.

While the senior officer is only one employee within the Association, their role is of prime strategic importance within the staff structure and involves an essential governance relationship in ensuring the implementation of the Committee's strategy for the Association. As such, the Committee should always consider that the Association undertake an options appraisal in relation to the situation where the existing officer has given notice to leave or has left without notice.

The options appraisal process allows the Committee to consider whether the association's current model (constitutional and organisational structure) is fit for purpose. This helps to ensure that the business plan and intended actions are robust and in the best interests of the business as well as in the best interests of tenants and other service users.

It is important to remember that succession planning is just a plan and unexpected situations can arise. By ensuring that the association's business plan is up to date and that the strategy is regularly reviewed, the Committee should be relatively well 'insured' in terms of its capacity to respond to the unexpected departure (or absence) of the senior officer.

5. Managing in the Interim

The outgoing senior officer should not play an active part in the recruitment of their successor, other than making suggestions about any changes recommended for the role description and the internal capacity to cover the interim period.

Even with an up-to-date and compliant business plan in place, unless the current post holder gives an extended notice period, the Association's Committee will not be in a position to agree and implement its recruitment strategy, make an appointment and for the new post-holder to take up their position before the existing post holder leaves.

It is, therefore, essential, that the Committee agrees appropriate interim arrangements as soon as the resignation is intimated. These arrangements will require to be included in the Notifiable Event notice that is submitted to the SHR on the instruction of the Chair.

The length of the interim period is significant when making decisions. 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 Committee must 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 Committee considers making an external interim appointment. This might be via a recruitment agency or could involve reaching agreement with another organisation that their senior officer will temporarily take on the role.

The Committee will take advice from their employment advisors (currently EVH) in this regard.

The Committee must be satisfied that the interim (or acting) senior officer is able to carry out the required responsibilities effectively. If the cover is filled by an existing member of staff, advice (internal or external) should be sought about whether there will be a need for any 'back-filling' to cover some of the interim officer's responsibilities.

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 with staff and with key stakeholders (including SHR, lenders and key partners such as the local authority). If external options are to be pursued, the Committee must ensure that it obtains appropriate professional advice from HR advisers (currently EVH), employment lawyers (currently BTO) and/or specialist consultants.

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

6. Decision Making

The Chair:

- Is responsible for notifying the SHR 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. Please note that it is not necessary for the Chair to be the one who physically enters the notification in the SHR's landlord portal, but it is expected that they authorise the notification and that if the task of entry is delegated to someone else (e.g. a member of staff) that the person is acting on the Chairs' instruction.
- Is responsible for ensuring that the Committee is notified and that the staff are advised.
- Requires to be involved at all stages.

The Committee:

- Should meet at an early stage to consider and agree the arrangements to fill and cover the vacancy and establish a sub-committee to take forward the process whether that involves proceeding immediately to recruitment or whether there is work to be done in respect of the business plan.
- Should ensure that there are appropriate and effective arrangements in place to support and service the sub-committee and the office-bearers.
- Should ensure that the sub-committee has a clear remit that specifies its level of delegated authority. The sub-committee should not be restricted to those members who are members of the recruitment panel to ensure that there is an opportunity for wider participation in the process. Similarly, it should not just be assumed that the office-bearers will make up the recruitment panel.
- Should make sure members are adequately supported and equipped to fulfil the roles that they undertake: consideration should be given to any additional or specific training that those involved in recruitment may require - specific refresher training may be helpful. It is important to consider the experience of those who will make up sub-committee membership.
- Is responsible for agreeing the role description, person specification (including essential criteria), remuneration package and terms of appointment, but the sub-

committee should have delegated authority to implement and oversee the implementation of the agreed strategy. An appropriate budget should be allocated to support the process.

The Sub-Committee:

Some of the tasks that the sub-committee could / would be responsible for include:

- Overseeing the revision of the business plan
- Considering:
 - outcomes of the business plan review and making recommendations to the Committee
 - the need for specialist advice and/or support and commissioning it
 - interim arrangements and making recommendations to the Committee
- Agreeing:
 - the communication plan
 - the recruitment schedule
 - the brief for the appointment of recruitment advisers; their selection and appointment
 - the advert, recruitment pack and recruitment timetable
 - the selection and interview process
 - the short-list
 - the composition of the interview panel (which should always include the Chair)
 - 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 Committee.
- Reporting to the Committee on the completion of the remit and identifying any lessons learned.
- The appointment of the successful candidate should be recommended to the Committee by the interview panel.

7. Support to the Committee

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

- the administration of, and support to Committee, on planning the process
- 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. HR/corporate services; senior officer deputy)

It is essential that consideration is given to the management of potential (and perceived) conflicts of interest in any support arrangements, particularly as there may be internal candidates for any recruitment.

In the first instance, the Chair will liaise with the FCSO for administrative and human resources support and for arranging an advice meeting for the Committee with the Associations' employment advisor (currently EVH).

When recruiting for a senior officer, many RSLs use recruitment advisers. It is essential that the Committee (via a sub-committee) remains in overall control of the process, as it is the Committee which is responsible for the appointment, employment and subsequent management of the RSL's senior officer. The role of professional /specialist advisers is to advise and decisions must be made by the Committee in accordance with delegated authority. It is essential that, throughout the recruitment process, a clear audit trail is maintained. This is a role that either the recruitment adviser or whoever is supporting the Committee should perform.

If external support is to be obtained, the Committee should develop a brief and ensure that the organisation's procurement policy is followed. The outgoing senior officer should be able to support this aspect of the Committee's work.

8. Reference to Other Pineview Documents

There are a number of other policies and documents within the Association that will require to be considered in dealing with succession matters. These include but are not restricted to those given in policy reference number order at Appendix 1.

9. Adoption and Review Arrangements

Adopted November 2022,
To be reviewed every 3 years unless required sooner.

10. Contacts

Human Resources and Employment Advice:

Employers in Voluntary Housing (EVH)
Tel: 0141 352 7435; E-mail: contactus@evh.org.uk
5th Floor, 137 Sauchiehall Street
Glasgow, G2 3EW

Employment Legal Advice:

BTO Solicitors
Tel: 0141 225 529; E-mail: employmentlaw@bto.co.uk
48 St. Vincent Street
Glasgow, G2 5HS

Scottish Housing Regulator

Tel: **0141 242 5642**
E-mail: shr@shr.gov.scot
Buchanan House, 58 Port Dundas Road
Glasgow, G4 0HF

Appendix 1 – Referenced Documents

Business Plan

Budget

Long Term Financial Projections

Terms and Conditions of Employment

F.03 Financial Regulations and Procedures

G.03 Equality and Diversity Policy

G.09 Committee Structure, Standing Orders and Delegated Authority

G.13 Committee Succession Planning Policy

G.15 Notifiable Events Protocol

G.16 Handling a Serious Grievances Against Director

S.02 Staff Development and Performance Review Policy

S.03 Attendance and Absence Management Policy

S.11 Flexible Working Policy

S.17 Recruitment and Selection Policy

S.18 Staff Severance and Settlement Agreement Policy

S.21 Training and Development Policy

Referencing correct at time of policy development – Feb 2023.