

TO:	Governance Sub-Committee
PREPARED BY:	Linda Sichi (Deputy CEO)
SUBJECT:	REVIEW OF SUCCESSION PLANNING STRATEGY
DATE OF MEETING:	20 November 2023
APPROVED BY:	Paul Martin (CEO)

## **SUCCESSION PLANNING STRATEGY**

### **2023-26**

LS/November2023/Ref: S13



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### **1. Introduction**

- 1.1. Milnbank Housing Association (MHA) is a community-controlled housing association, a Scottish charity, a registered community benefit society and a registered social landlord working in Dennistoun and Haghill in the east end of Glasgow.
- 1.2. MHA's governing body is the Management Committee (MC). The MC is led by local people who commit their time and skills for the benefit of their community. All of our committee members are volunteers, and a number have given many years of unpaid service to MHA.
- 1.3. MHA's purpose as an organisation is to serve our community by furthering the charitable purposes set out in our Rules, which Rules also define the geographical area in which MHA operates. While our activities have changed considerably since we were first set up in the 1970s, MHA's governance has always been based firmly on community control, and this will continue to be the case.

### **2. Purpose and Presentation of the Succession Planning Strategy**

- 2.1 The Succession Planning Strategy (SPS) covers the MC and MHA's staff team at all levels. The Strategy describes how MHA will:

- Ensure that the MC, Leadership & Management Teams (LT/MT) have the qualities, experience and skills needed to lead MHA effectively, in their respective roles.
- Plan and manage resignations, retirements, and new appointments, of both MC and MT in a way that will support the achievement of MHA's objectives.
- Support the development of all of MHA's people and plan for changes in personnel.
- Put contingency planning measures in place, to deal with emergencies or non-routine staff or MC absences, and safeguard business continuity.

- 2.2 The application of the SPS will reflect the respective roles of the MC and MHA's staff.

- The MC sets MHA's strategic direction, decides its policy and priorities, controls its affairs, and ensures legal and regulatory obligations are met.
- The CEO leads the LT/MT and is responsible for delivering the strategy and priorities set by the MC, and for the day to day running of MHA. The CEO is supported by the LT/MT and their teams.

- 2.3 Succession planning for the MC and for senior staff involves some similarities but also important differences.

The SPS includes several appendices, all as listed on the cover page. The appendices are an integral part of the SPS and how it will be implemented, for example they include succession plans for both the MC and the LT/MT.

This information will only be available to the Governance Sub Committee and the MC in the first instance. Following approval, the MT will have access to the Strategy.

### **3. Strategic Context for Succession Planning in MHA**

- 3.1. MHA's strategic direction and objectives are the foundation for the SPS, so that we have the right people in place to deliver good outcomes for tenants and the community.
- 3.2. The MC has set the following strategic direction and objectives for the period 2023 to 2026:

#### **MHA's Strategic Direction**

- Consolidation, developing, and improving the performance of MHA's core business as a housing provider and property manager.
- Safeguarding the resilience of our business through challenging economic times.
- Sustainably addressing community support needs in Dennistoun and Haghill, by our own actions or in partnership with other service providers.
- Pursuing new housebuilding opportunities at a relatively modest scale and where financially viable, to help regenerate our area and respond to housing need.

#### **MHA's Strategic Objectives**

1. To do what matters most for our tenants and other customers and the community.
2. To provide housing and property management services that are of a high standard, affordable, and good value for money.
3. To manage our assets and resources well maximising investment in our housing and providing new housing while managing rising costs and other charges.
4. To be a strong community anchor organisation for Dennistoun and Haghill. Supporting the community through MHA's own efforts and through partnerships with community organisations and other service providers.
5. To ensure that MHA is financially viable, well governed and has the capacity to achieve its objectives for the benefit of customers and the community.
6. To enhance the growth and development of MHA staff, while maximising the development of available technology as an integral part of our commitment to providing VFM and the highest standard of customer service.

3.3 As set out in the Business Plan 2023/26, the MC also considers that MHA's current organisational form – a fully autonomous CCHA that is a community benefit society, charity, and Registered Social Landlord – is the structure that will continue to deliver the best outcomes for MHA tenants and the community.

3.4 Alongside this continuity of purpose, the MC is fully aware that the future will bring changes in the community, the housing stock, and MHA's overall operating environment. Major themes highlighted by the MC when discussing the SP Strategy include:

- Changing aspirations on the part of tenants
- The impact of the current economic climate on individuals and the community, which is highly likely to result in changes to MHA's service delivery and how MHA works as an organisation.
- Future development of MHA's role as a community anchor organisation, working with a wider range of local partners and combining service delivery with a growing role as a facilitator within the community
- Managing external risks, in particular the uncertain outlook for the economy, retrenchment of local authority neighbourhood services, and potential pressures on MHA's finances.
- Sustaining regulatory compliance and good governance.

3.5 MHA's business and service planning will continue to address future challenges and opportunities. The practical measures we use for succession planning will evolve in accordance with such changes, for example:

- Our approach to committee member learning and development
- Seeking greater diversity in the overall profile of the MC
- Seeking to attract people with particular skills and experience, when we are promoting committee membership within our area of operation.
- Setting criteria that are aligned with the strategy and objectives the MC has set, when recruiting future senior staff.

3.3 **Appendix 1** provides, for reference, MHA's aspirations, skills, experience, and leadership qualities that will be necessary when recruiting a CEO.

#### **4. Legal and Regulatory Requirements**

4.1 The SPS has been developed to meet all of the legal and regulatory requirements that apply to MHA.

4.2 MC members must meet the charity trustee duties in the Charities and Trustee Investment (Scotland) Act 2005 and related guidance, including:

- To act in the charity's interests, ensuring it works to achieve its purpose.
- To act with due care and diligence
- To manage conflicts of interest.

4.3 MHA must not discriminate against, harassment or victimise a person because of any of the nine protected characteristics described in the Equality Act 2010. MHA must also meet the general Equality Duty set out in the Act. MHA addresses these duties through our policies and practice on recruitment, employment and promoting committee membership.

4.4 The SHR's Regulatory Framework sets several requirements that affect succession planning. The majority of these apply to governing bodies rather than staffing matters.

4.5 The SPS addresses all the SHR requirements, adopting an approach that is consistent with MHA's values and ethos where the guidance is sufficiently broad or principles-based to permit this. The main SHR requirements include:

- Leadership and direction by the MC to achieve good outcomes for tenants and other service users.
- To plan formally and actively to ensure orderly succession to MC places to maintain an appropriate and effective composition of governing body members and to ensure sustainability of the MC.
- To annually assess the skills, knowledge, diversity, and objectivity needed to provide capable leadership, control and constructive challenge to achieve the RSL's purpose, deliver good tenant outcomes, and manage its affairs. Assessing the contribution of continuing MC members, and what gaps there are that need to be filled.
- To ensure that all MC members are subject to annual performance reviews to assess their contribution and effectiveness.
- To take account of these annual performance reviews and skills needs in succession planning and learning and development plans.
- To ensure that any non-executive member seeking re-election after nine years' continuous service demonstrates continued effectiveness.
- To ensure as diverse a membership as is compatible with MHA's Rules and actively engage members in process of filling vacancies on MC.
- All new MC members receive effective induction and ongoing support to fully understand and exercise their governance responsibilities, building skills and expertise to sustain continued effectiveness.
- The MC is satisfied that the MHA CEO has the necessary skills and knowledge to do their job. The MC sets the CEO's objectives and oversees performance, annual appraisal and continuing professional development.

## PART 2 - SUCCESSION PLANNING STRATEGY FOR THE MANAGEMENT COMMITTEE

### 5. Summary of Main Features

- 5.1. The MC will ensure that the SP Strategy is implemented in accordance with MHA's Rules and community-controlled ethos, and with the relevant legal and regulatory requirements.
- 5.2. There are two main strands to the SP Strategy for the Management Committee.

<b>Keep and support existing committee members</b>	<ul style="list-style-type: none"><li>• <b>Retain</b> the experience, skills and knowledge that existing members have built up over time.</li><li>• <b>Keep up to date information</b> about each member's skills and experience, and their future intentions.</li><li>• <b>Enable</b> members to access learning and development that meets their individual needs and reflects MHA's future priorities.</li><li>• <b>Plan</b> for resignations and retirements from the MC, where possible</li></ul>
<b>Future proofing, by promoting committee membership and attracting new members.</b>	<ul style="list-style-type: none"><li>• <b>Balance</b> experienced MC members by adding newer members.</li><li>• <b>Promote</b> committee membership throughout MHA's area of operation, to attract future committee members and then retain them.</li><li>• <b>Achieve</b> greater diversity in the MC's membership and ensure the MC's long-term sustainability.</li><li>• <b>Regularly assess</b> the blend of experience and skills the MC needs to help achieve MHA's objectives and priorities.</li><li>• <b>Address any gaps</b> in skills and experience that are significant. This will involve seeking residents with the skills needed. It could also involve the recruitment of non-residents in specific circumstances (e.g., co-option of individuals with skills gained through working or volunteering especially within the MHA community through observing at MC meetings, attend training etc.)</li></ul>

### 6. MHA's Constitution (the Rules of the Association)

- 6.1. All of MHA's actions must be consistent with the Rules, in particular:

- MHA shareholding members must live in MHA's area of operation, and people seeking election to the MC must be a shareholding member.
- Any shareholding member can be nominated for election to the MC, subject to the reasons that would prevent this as set out in the Rules.
- If there are unfilled places on the MC after the AGM, the MC can choose to appoint one or more co-optees, subject to the limits set in the Rules. The appointment of any co-optees lasts only until the next AGM, with the possibility of the co-option being renewed.

- Separately, if there is a vacant seat on the MC, the Committee can choose to appoint someone as a MC member (called filling a casual vacancy) until the next AGM.

- 6.2. Accordingly, MHA’s search for future committee members will primarily focus on the MHA area of operation, other than the exception described above regarding co-optees. The main groups MHA will target for both shareholding and MC membership will be MHA tenants, factored owners, and other residents in operation.
- 6.3. In seeking to fill an identified gap in representation or skills on the MC, the Rules allow MHA to do so, by encouraging suitable individuals from the area of operation to stand for election to the MC. Individuals identified in this way compete for election on the same terms as every other MHA member who wishes to be elected.
- 6.4. MHA’s Rules allow for one Appointed MC Member. The Appointed Member is a full Member of the MC but cannot be an office bearer. This person should have skills set expertise in a specialised area that benefits the Association and who fits in with the community culture.

## **7. Succession Planning for Existing MC Members**

- 7.1. MHA’s approach is summarised in the box below:

- Seeking to maintain a balance on the MC between experienced and newer members.
- Planning, where possible, to:
  - Anticipate turnover in committee membership (bearing in mind that resignations relating to personal reasons are often unforeseen)
  - Ensure MHA will be able to fill its four office-bearer roles, particularly the position of MHA chairperson, in a way that ensures a smooth transition if a change in committee leadership takes place
  - Provide potential office-bearers with information and any support needed to progress their interest.
- Review at regular intervals the MC’s collective skills and experience and take appropriate action to address any identified gaps. This may involve adopting one or more of the following solutions:
  - Providing appropriate training and development for MC members
  - Increasing the level of external professional advice and assurance the MC receives for issues or business areas.
  - Looking for new skills on the MC (either by use of co-option, by filling a casual vacancy, or to put forward for election at the next AGM)

### **Committee Succession Plan**

- 7.2. The MC will approve and review a Committee Succession Plan each year. The cycle for the Plan will run from October to the following September, to match



the period from one Annual General Meeting to the next. Committee member Skills Audit meetings are timed to take place around the AGM.

- 7.3. The Plan will set out the actions that will be taken in the year ahead to implement the SP Strategy, with the Plan for 2023/24 provided at **Appendix 2**. The Plan will sit alongside other committee plans, notably the Committee Training Plan.
- 7.4. The MC is responsible for the following matters described in MHA's Rules:
- Approval of applications for shareholding membership
  - The election of MHA's office bearers
  - The appointment of co-opted members and the filling of casual vacancies.

### **Annual Review Meetings and MC Skills Profile**

- 7.5. Each MC member will take part in an annual review and skills audit meeting. The details of this are in the Committee Skills Audit Policy.
- 7.6. A collective Skills Profile for the MC will be prepared by the CEOs in conjunction with the Chair, using information from the review meetings. The MC will review the Skills Profile annually, in relation to the MC's current membership and MHA's purpose, objectives and future priorities. The review will identify any areas where essential experience or skills may be lacking, with the intended methods for filling any gaps to be included in the Committee Succession Plan.

### **Nine-year Reviews of Longer-serving Voluntary Committee Members**

- 7.7. MHA conducts 9-year reviews for longer-standing MC members in accordance with the Rules and as part of our procedures for committee member reviews. The purpose of this is to assess a MC committee member's continued objectivity and effectiveness in their role. Generally, these reviews are carried out by the Chairperson with each MC member who has been on the MC for 9 years or longer who is seeking re-election. Where the MC member in question is the chairperson, the review meeting will be carried out by the Vice-Chair or another Office Bearer.
- 7.8. The MHA chairperson will report the outcome on these 9-year reviews to the MC prior to the AGM at which the MC member wishes to seek re-election. The chairperson will make a recommendation as to whether the member(s) should be permitted to seek re-election. The MC will then decide based on this question in line with the Rules.

### **Succession Planning for Office Bearers**

- 7.9. The MC has four office-bearer positions: chairperson, vice-chair, secretary, and treasurer. All are subject to appointment by the MC and any elected committee member may seek election to the various positions following each year's AGM.

7.10. The greatest risks to MHA succession of office bearers would be if the chairperson were unable to act for any reason, or if no other members were interested in seeking the position at the end of a chairperson's planned term of office. To mitigate against office bearers' stagnation, supporting new incumbents to offices by previous holders of the office act in a mentoring and supportive role during business.

7.11. MHA will manage these risks by:

- Discussing with all MC members future interest and intentions regarding office bearer positions, at their annual review meetings
- Having a designated person (the vice chairperson) ready and willing to take over at short notice, if unforeseen circumstances occur
- Identifying and arranging training for people potentially interested in seeking the position of chairperson and other office bearers' positions, where it is possible to plan (e.g., if the chairperson is approaching the end of a five-year term of office).

7.12. We will invite expressions of interest from all MC members around 12 months before a planned vacancy is expected to occur. If necessary, interested members will be able to take part in a familiarisation process (e.g., discussions with the chair and senior officer, taking part in pre-agenda meetings, attending training sessions, external meetings). Final decisions rest with the MC, at the point when the new chairperson will be elected.

## **8. Attracting New Committee Members, by Promoting Committee Membership in the Community**

8.1. MHA will promote committee membership on an ongoing basis, and through specific promotional initiatives. Consistent with our purpose and Rules, promotional activities will be targeted at MHA's area of operation. The purpose will be to raise awareness of how MHA is run and to encourage residents to consider standing for election to the MC.

8.2. Promotional activity will be targeted at existing groups known to MHA and the wider community as many of them are involved in a voluntary capacity with a range of community undertakings, and there are several MC members who have multiple involvements. Existing groups include MHA subsidiary board members, volunteering networks, tenant scrutiny groups, community notice boards, umbrella organisations like GWSF and interested tenants identified through MHA's tenant satisfaction surveys.

8.3. MHA will use a range of promotional tools and techniques, as shown in the MC Succession Plan at **Appendix 2**. From year to year, we may adapt MHA's promotional methods in the light of experience and the results achieved.

- 8.4. As well as making direct contact with residents, MHA will work with local organisations to make use of their communication channels to reach potential MHA committee members.
- 8.5. MHA may also actively encourage certain groups of residents to consider seeking nomination for election, such as:
- Residents from groups that may be under-represented on the MC
  - Residents who have skills and experience that the MC has identified as being desirable or currently lacking on the MC.
- 8.6. MHA will communicate the issue of skills in a considered way. First and foremost, we are seeking to attract anyone who is an MHA resident who wishes to contribute to the Association's work. We will avoid any impression that we value people with backgrounds or skills over others. Equally, we want to make sure that where there are skills gaps on the MC, we look within the community to people who could contribute their skills for the benefit of MHA and their fellow residents.

## **9. Reflecting Diversity in MHA's Governance**

- 9.1. The MC has identified two priority areas where it wishes to seek greater diversity in committee membership. These are:
- Achieving a more balanced age profile on the MC, by attracting more members who are under 50.
  - Encouraging potential MC members with different experiences and perspectives, notably people from different ethnicities and a varied range of age groups.

These are not "quick fix" issues, so it is likely that we will address these priorities over a period of years. The practical steps we will take to address this will be included in the annual Committee Succession Plan.

- 9.2. MHA will consider any support that could be offered to encourage volunteers from under-represented groups, and we will give attention to making any reasonable adjustments that a person might need to take up a MC member role. MHA will also make funds available through the MC expenses policy to provide help with childminding and caring services, to remove barriers to participation and enable people to attend committee meetings.

## **10. What we are looking for when we promote MC membership in the community**

- 10.1. First and foremost, MHA is looking for people who have:
- A commitment to ensuring that MHA provides quality housing and housing related services, and fully addresses our purpose of serving the community.

- A willingness to learn and work as a member of a team that directs MHA’s work.

10.2. Beyond this, there are many qualities and types of knowledge and skills that are potentially valuable to the MC’s work, for example:

<b>Knowledge and understanding of the Milnbank community</b>	<b>Life skills and experience</b>
<ul style="list-style-type: none"> <li>• Awareness of housing needs in Dennistoun or Haghill.</li> <li>• Experience of living in MHA’s area of operation</li> <li>• Understanding of issues and concerns affecting MHA’s tenants and service users</li> <li>• Awareness of wider needs and issues in the community</li> </ul>	<ul style="list-style-type: none"> <li>• Volunteering skills and experience</li> <li>• Willingness to ask questions.</li> <li>• Life experience – such as experience of being a career, or bringing up a family</li> <li>• First-hand knowledge about the needs of diverse communities, for example the needs of Black, Asian, and Minority Ethnic residents and disabled people</li> <li>• Ability to bring a different perspective to how decisions are made - for example to reflect the experiences and needs of younger people.</li> </ul>
<b>Housing-related skills and knowledge</b>	<b>Other relevant specialist skills and knowledge (from employment or volunteers)</b>
<ul style="list-style-type: none"> <li>• Providing and managing housing</li> <li>• Housing finance</li> <li>• Fuel poverty</li> <li>• Factoring</li> <li>• Knowledge of regulatory regime for charities housing associations like MHA</li> </ul>	<ul style="list-style-type: none"> <li>• Governance, including membership of other committees or boards.</li> <li>• Financial planning and control</li> <li>• Community regeneration or services</li> <li>• Audit/risk management/assurance</li> <li>• Running/managing a business or service (commercial, public sector, not for profit)</li> <li>• Strategic planning</li> <li>• Procurement</li> </ul>

10.3. We do not apply any formal test of skills and experience to individuals seeking to become a committee member but would expect most people to have some experience in at least one of the four areas shown above.

10.4. When we receive an expression of interest in becoming a committee member, we will invite the interested individual to take part in an informal discussion with the Chairperson and Deputy CEO to learn more about the role and what it involves in practice. We will offer to meet with everyone who expresses an interest, although it is sometimes not possible to do so for people who have not been in touch with us before submitting a nomination prior to the AGM.

- 10.5. MHA will offer preparatory learning and support to people who wish to take part in this before they seek election. This provides an opportunity to make people more aware of what being a committee member involves. The content of the learning and support is highly flexible and will be based on numbers and the interests of those who wish to take part.
- 10.6. New committee members will not necessarily come with ready-made knowledge, and we address this through induction training and ongoing committee training. This, together with our 'open door' policy to staff is a crucial part of MHA's approach in equipping MC members with the skills and knowledge needed to carry out their role.
- 10.7. It is also important that the MC's collective skills and experience support the achievement of MHA's overall objectives and priorities. Accordingly, the MC may decide from time to time look for residents who have skills and experience that MHA has identified as being beneficial to its work.

## **11. Elections to the Management Committee**

- 11.1. Committee membership is decided by MHA members at the AGM. Being encouraged by MHA to stand for election does not guarantee that an individual will be elected to the MC. The MC cannot endorse or favour any candidate.
- 11.2. MHA will encourage all candidates for election, whether they are new candidates or MC who are standing down and seeking re-election, to provide a short personal statement that can be made available to members at the AGM. This will set out each candidate's reasons for seeking election and what they will be able to offer in the role of committee member.

## **12. External Recruitment outside MHA's Area of Operation**

- 12.1. If MHA is seeking to attract people with types of skills and experience, we will always conduct our search in Dennistoun and Haghill in the first instance. If this fails, the Rules allow the MC the option of seeking interest from non-residents. For example, this could occur if the MC needed a member with expertise in a particular subject area or strategic initiative.
- 12.2 Under MHA's Rules, anyone recruited in this way would be an Appointed Member who could serve on the MC for up to a 3-year period.
- 12.2. **Appendix 3** sets out further information on MHA's policy and procedures if the MC decides to seek a committee member from outside the area of operation.

### **13. Introduction**

- 13.1. This section of the SP Strategy sets out MHA's overall framework and its approach for staff succession planning.

### **14. MHA Leadership Team (LT) and Management Team (MT)**

- 14.1 The members of MHA's LT are the CEO (Paul Martin), Deputy CEO (Linda Sichi), Director of Asset Management (Rona Anderson) and Director of Housing & Community Initiatives (Chris Chalk).

The members of MHA's MT are Paul Cowan (Maintenance Manager), Gordon Kerr (Finance & IT Manager) and Collette Anderson (CS & Innovation Manager).

### **15. Succession Planning for MHA CEO**

- 15.1. Although not applicable during this review, the following sets out the principles MHA will consider when recruiting its most senior officer.
- 15.2. In line with HR management practice for any MHA post, the CEO's exit date will not be formalised until submission of notice of resignation within the required 3-month period. At that point a Notifiable Event will occur, and the MC must notify the SH) in accordance with SHR's statutory guidance.
- 15.3. The trigger point of the succession planning process will be the anticipated date of the CEO's formal resignation is nearer. In the meantime, the MC has completed several important preparatory tasks, notably:
- Business Plan must be up to date and set out MHA's strategic direction and priorities.
  - Carry out a Strategic Options Review for the Association.
  - Initial assessment of the requirements for the future senior officer.
  - Succession Planning Strategy be up to date.
- 15.4. The CEO will agree with the MC the priority issues he will address in the period leading up to his retirement, in key Business Plan and organisational management areas.
- 15.5. The MC will need support from professional HR/recruitment advisers, mainly for to communicate with the CEO any matters relating to leaving MHA and to support the MC in the recruitment and appointment of MHA's next senior officer.

- 15.6. Prior to the CEO's retirement date, the MC will appoint an acting director. This is a key element of the SP Strategy, to ensure business continuity and prevent any uncertainty within the Association or externally.
- 15.7. The MC will approve the formation of a Senior Officer Recruitment Committee who will have delegated authority to manage specified aspects of the process for recruiting and appointing MHA's next senior officer.

## **16. Succession Planning for LT and MT Positions**

- 16.1. Succession planning for the LT and MT takes place as part of MHA's established policies and practices for HR management, notably annual personal development planning meetings.
- 16.2. These meetings address the future career aspirations and intentions of MHA's LT and MT members and are also conducted for staff at other levels who aspire to senior management positions as part of their overall career planning (see next section).

## **17. Succession Planning at Other Levels**

- 17.1. MHA's HR policies and practice address succession planning across all staff teams and levels.
- 17.2. MHA managers complete staff appraisals each year, for all posts in their team. This involves an organisation-wide assessment of workforce requirements and resources, to identify:

- Future business needs – based on the Business Plan and Work Plans, changes affecting the work of individual teams/services, and any budgetary considerations.
- Posts that are likely to become vacant, whether through internal progression or (where known) staff preparing to leave the organisation.
- People with the potential for further career development and potential.
- Development programmes/career paths to ensure potential internal successors are in place who possess the required knowledge, qualifications, skills, and experience.
- Training and development needs, identified in Personal Development Plans completed for all members of staff.
- HR risks and gaps, i.e., no suitable successors.
- Staff posts which may need to be filled externally.

- 17.3. All MHA staff participate in annual personal development planning meetings, which is a key source of information about individuals' aspirations and ambitions or intentions to move on. Line managers should, as part of every annual review, identify the main development areas necessary to prepare

individuals for possible future posts and potential achievers who can perform at a higher grade should an opportunity arise. Line managers are responsible for managing performance and for identifying and developing talent in their own areas.

- 17.4. MHA has a well-established talent management programme which is targeted at staff members who receive personal and career development support to help them take their careers to the next level.
- 17.5. The purpose of the scheme is to ensure that MHA continues to develop its people and their personal competencies, in a manner that is aligned with MHA's future organisational needs.
- 17.6. The scheme applies throughout MHA, although we give specific emphasis to identifying those individuals with potential to assume greater responsibility and then ensuring they are developed accordingly. A key principle of the scheme is that talent is a corporate rather than a local resource.

## **18. Contingency Planning**

- 18.1. To ensure business continuity, MHA will identify successors who would be responsible for providing cover in the event of another member of staff being unable to carry out their role, for example in the event of extended absence, or in an emergency. MHA's current register for contingency planning is included in the SP Strategy at **Appendix 4**.

## **19. Reviews of the SP Strategy and Succession Plans**

- 19.1 The Governance Sub-Committee will review the SP Strategy every three years or sooner if required. The accompanying Succession Plans for the MC and staff will be updated annually.



## **APPENDICES TO SUCCESSION PLANNING STRATEGY**

**NOVEMBER 2023**

APPENDIX 1 - Strategic Context for MHA's Succession Planning

APPENDIX 2 - Succession Plan for Management Committee Membership

APPENDIX 3 - Policy and Procedures: Recruitment of MC Members not Resident in MHA's Area of Operation

APPENDIX 4 - Staff Contingency Scenario Planning Plan

APPENDIX 5 - Talent Management

## **APPENDIX 1**

### **STRATEGIC CONTEXT FOR MHA'S SUCCESSION PLANNING**

**MHA's strategic direction and strategic objectives** for the next three years is set out in the MHA Business 2023-26 (approved by the MC June 2023)

In preparing the Succession Planning Strategy, MC members focus on the above and also consider how MHA's strategic direction might develop, and the main challenges and opportunities that could influence this.

#### **MHA as an organisation**

The current business model (MHA's dual role as a social landlord and community anchor organisation) will continue but must continue to evolve and adapt to:

- What tenants want from the Association.
- MHA's capacity for supporting the community and improving outcomes and opportunities for local people.
- The social and economic impact of the Covid-19 pandemic on the community now and in the years to come, and on the management of MHA itself.
- An uncertain outlook for the economy

The MC remains fully committed to ensuring local control and accountability which have been guiding principles for MHA for more than 45 years.

The MC fully recognises the importance of people with relevant skills and experience serving on the Committee. This is reflected in the diverse composition of the MC as it stands, and MHA will reflect the need for skills and experience in how it promotes committee membership within the community, and further afield where necessary, in the future.

The MC also recognises the need to:

- Pay close attention to MHA's long-term financial viability.
- MHA must maintain its strong commitment to affordable rents, particularly for those on very low wages. This must be balanced against other factors that could increase future MHA's costs – notably the investment tenants want to see in their homes. A clear focus on VFM is likely to be needed, so that costs are managed carefully/reduced where possible and rents do not take all the strain.
- Ensure that the Association's use of IT keeps pace with change.

#### **MHA's Role as a Social Landlord**

- MHA must improve the condition of its assets and tenants' homes

- The principle of “One Milnbank” must be a driving force in carrying out stock improvements -so that there is greater consistency in the quality of tenants’ homes regardless of area or house type
- MHA will experience increased demand from GCC for properties for homeless people, and (along with other social landlords) must do its fair share of homeless lets
- MHA must also continue to press for changes to the Rapid Rehousing system which as developed by GCC will not achieve sustainable tenancies. MHA’s community engagement team is a good resource for providing support – but its current size means that it is not geared up to support the proposed quantum leap in the number of future referrals.
- The factoring service helps to make sure closes and neighbourhoods are managed and maintained to a good standard. The service is a potential growth area, subject to capacity and the service being able to operate at a surplus
- MHA is already involved in several partnerships, and this may become more important in future. The gas repairs contracts procured in partnership with two neighbouring RSLs could be replicated in other areas, to achieve equivalent benefits (cash savings and local apprenticeships).
- MHA will potentially develop over the next few financial years on the basis that this is affordable with the level of funding available, and MHA can manage the risks associated with this.

### **MHA’s Role as a Community Anchor for Dennistoun and Haghill**

- The community anchor approach is now well-embedded in MHA’s strategic thinking and practical approach to community regenerations
- MHA has strong links with many voluntary and community groups in the area, and an established delivery vehicle in MCE.
- Strong relationships with voluntary and community groups with MHA playing a support role in helping others to deliver lifeline services such as the Community Pantry. Further developing this facilitation or enabling role is a high priority for the years ahead.
- MHA should be open to future opportunities to provide local services itself or through MCE. However, MHA’s capacity for risk spending is not unlimited. Developing the community anchor role can open new possibilities – with MHA not always the service provider or purchaser of physical assets GCC can no longer afford to manage.
- MHA may need to have clearer criteria and plans for deciding priorities for direct action by MHA – with an increased role for the MC.
- MHA should focus on things that add value and make substantial impact.

- Promotion and support for volunteering should continue to be a high priority for action by MHA.

## **Leadership Profile**

In reviewing MHA's strategic direction, the MC used the outcomes of its future strategy discussions for the type of leadership MHA needs. The key attributes are:

Proven track record of leadership in a large social business

Relevant CBHA background (relevant leadership experience in a large, complex community organisation might also be acceptable)

Experience of housing and regeneration (& social housing and its regulatory regime).

Some commercial understanding/acumen/expertise

Ability to work productively with a voluntary management committee or board

Skills and track record in people management, managing change, partnership working, business improvement

Skills and track record in design and delivery of strategies that achieve VFM

## **APPENDIX 2**

### **SUCCESSION PLAN FOR MC MEMBERSHIP 2023/24**

1) This Appendix shows the 2023/24 MC Succession Plan and covers:

- The MC's existing membership
- Promoting committee membership within Dennistoun and Haghill.

#### **Management Committee**

2) The succession profile for the existing membership of the MC shows that:

- 8 of the 14 elected MC members have served for 9 years or more, while 2 new members have joined the MC in the last two years.
- There have been no resignations among the newer members who have joined in this period.

MHA is making progress in improving the balance of established and newer members. Just as important, all newer members who joined within the last few years are still on the MC.

- 3) No MC members have said they plan to stand down from their position. In practice, committee vacancies do occur if members must resign due to personal circumstances. This pattern will be monitored, to maintain the progress in achieving a good balance between experienced and newer members.
- 4) MHA elected a chairperson after the 2023 AGM. The position of vice chair is the designated successor, if MHA's chairperson is unable to act for any reason. Six additional committee members have indicated that they would be interested in carrying out any office-bearer role.

This provides further assurance that any unforeseen circumstances affecting the position of chairperson could be covered.

#### **Promotion of Committee Membership in the Community**

- 5) MHA continues to make efforts to attract potential committee members aged under 50 and potential members from different ethnicities.
- 6) The SP Strategy states that when the MC identifies any significant gaps in skills and experience on the MC or its sub-committees, MHA will encourage interest from potential committee members who are resident in MHA's area and who have the type of skills being sought.

## 1) SUCCESSION PLAN FOR EXISTING MC MEMBERS (2023-24)

Name	Current Office Bearers	Date first elected	Date last re-elected	Year next due for re-election **	Last 9-year review	Next 9-year review	Willing to remain on MC?	Office-bearer interest?	Willing to buddy a new member?
Margaret Anderson		19/09/2019	Sept 2022	2025	N/A	2028	Yes	No	Yes
Josephine Donachy	Treasurer	01/09/2008	Sept 2023	2026	Sept.2023	2026	Yes	Any	Yes
Ellen Conwell		18/09/2022	n/a	2025	n/a	2031	Yes	Any	Yes
Nick Halls		26/01/2010	Sept 2023	2026	Sept.2023	2026	Yes	Any	Yes
Gemma Hay		18/09/2022	n/a	2025	n/a	2031	Yes	Any	Yes
May Hutchison		30/09/2010	Sept 2022	2025	Sept.2022	2025	Yes	No	Yes
Ann Jenkins		20/09/2018	Sept 2021	2024	N/A	2027	Yes	No	Yes
Catherine McGuire	Secretary	02/09/1991	Sept 2022	2025	Sept.2022	2025	Yes	Secretary	Yes
John O'Donnell		01/09/1981	Sept 2022	2025	Sept.2022	2025	Yes	Any	Yes
Georgina O'Hara		19/09/2019	Sept 2021	2024	N/A	2028	Yes	No	Yes
Allan Scott	Vice Chair	01/09/1996	Sept 2023	2026	Sept.2023	2026	Yes	Chair/any	Yes
Margaret Smith		19/09/2019	Sept 2022	2025	N/A	2028	Yes	No	Yes
Rose Tinney		01/01/2006	Sept 2021	2024	Sept.2021	2024	Yes	Any	Yes
Alex Young		29/09/2011	Sept 2023	2026	Sept.2023	20236	Yes	No	Yes

## 2) SUCCESSION PLAN FOR PROMOTING COMMITTEE MEMBERSHIP (2023-24)

<b><u>ACTION PLAN</u></b> <b><u>SUCCESSION PLANNING STRATEGY</u></b>	<b>LEAD OFFICER</b>	<b>MONTH</b>
<b>1) GOVERNANCE SUB-COMMITTEE APPROVES ANNUAL COMMITTEE SUCCESSION PLAN.</b>	Deputy CEO	Nov. 2023
<b>2) CONDUCT INFORMATION/PROMOTION CAMPAIGN:</b> <ul style="list-style-type: none"> <li>a) Newsletter articles published.</li> <li>b) Update the dedicated area on the MHA website to reflect SP priorities, ensure content is factual and engaging</li> <li>c) Contact &amp; hold an information session aimed at all tenants who indicated an interest in joining a focus group or the MC during the TSS.</li> <li>d) Make MC membership an agenda item at a meeting of each of the tenants and residents' groups that MHA currently works with.</li> </ul>	Deputy CEO  Deputy CEO  Director H&CI  Director H&CI	Dec. 2023  Dec. 2023  From Aug. 2023- March 2024  From Aug. 2023- March 2024
<b>3) PROMOTE NOMINATIONS FOR ELECTION TO THE MC</b> <ul style="list-style-type: none"> <li>a) Provide information about process and timescales for nomination publicised (summer newsletter)</li> <li>b) Information sheet issued with notice of AGM, encouraging members to complete a nomination form, and providing contact details for any information or advice needed.</li> <li>c) Follow-up contact with people who took part in earlier engagement activities</li> </ul>	Deputy CEO  Deputy CEO  Deputy CEO	June 2024  August 2024  August 2024

## **APPENDIX 3 - POLICY RECRUITMENT OF COMMITTEE MEMBERS NOT RESIDENT IN MHA'S AREA OF OPERATION**

### **Recruitment of Committee Members not resident in MHA's area of operation**

#### **1. Introduction**

- 1.1. This Policy applies in circumstances where the MC wishes to recruit an Appointed Member onto the MC or a sub-committee. MHA's Rules allow for one Appointed Member and 14 Elected Members.
- 1.2. The reason for considering this course of action would be to attract an individual who would contribute skills or experience that the MC has identified as being essential to complement or enhance the considerable range of expertise the MC already has.
- 1.3. The process to be followed is different from MHA's approach to promoting committee membership in the community, within our area of operation. MHA's recruitment is as follows, with further information also provided in the SPS.

- The MC may consider undertaking skills-based recruitment without reference to place of residence, if it has identified a significant gap in the MC's collective skills and experience, and it has not been possible to address this by promoting committee membership within MHA's area of operation.
- The skills and experience sought by MHA could have been gained in several ways, such as through work or volunteering. MHA might consider getting skills and experience in a particular area (e.g., financial, planning) or might seek knowledge and experience to assist the MC's work on a particular MHA project or strategic initiative).
- The MC uses skills-based recruitment for the Appointed Member, this will be focused on MHA's community-controlled ethos and constitution.

#### **2. Skills, Experience and Targeting**

- 2.1. Suitable candidates must have knowledge of MHA's area of operation or the wider east end, in addition to having skills that meet MHA's needs. (e.g., this could apply to people who work in MHA's area but do not live there or technical skills in areas like financial management or audit).
- 2.2. The SP Strategy contains the following list of specialist or professional skills and experience that might be relevant to MHA's work.



Housing-related skills and knowledge	Other relevant specialist skills and knowledge
<ul style="list-style-type: none"> <li>• Providing and managing housing</li> <li>• Homelessness</li> <li>• Housing finance</li> <li>• Fuel poverty</li> <li>• Factoring</li> <li>• Knowledge of regulatory regime for Charity housing associations like MHA</li> <li>• Procurement</li> </ul>	<ul style="list-style-type: none"> <li>• Governance, including membership of other committees or boards.</li> <li>• Financial planning and control</li> <li>• Audit/risk management/assurance</li> <li>• Community regeneration services</li> <li>• Running/managing a business or service (commercial, public service or not for profit)</li> <li>• Strategic planning</li> </ul>

This is a general specification, and the types of skills that may be needed will vary at different points in time. Nor is there any suggestion that MC would seek to recruit external people in all the skills areas shown above. Instead, the focus would be on whether there are essential and specific areas that might be considered, based on MHA’s future strategic priorities and business needs.

### 3. Recruitment Process

- 3.1. The MC will review its overall skills profile each year. This will decide whether there are any essential skills gaps that should be addressed.
- 3.2. If the MC decides to carry out an external recruitment initiative, it will appoint a Recruitment Panel from its membership to oversee the process. The Deputy CEO will support the work of the Panel.
- 3.3. The Recruitment Panel will decide how the recruitment process will be conducted. It will agree a timetable, the advertising and promotion methods to be used, timescales for meetings with candidates and how the Recruitment Panel will communicate its recommendations for decision by the MC.
- 3.4. Advertising and promotion methods will depend on the type(s) of skills and experience MHA is looking to secure. The methods used may include:
  - Information placed on the MHA website.
  - Advertisements in the local press or websites of relevant professional or trade bodies.
- 3.5. Information may be circulated to relevant organisations, including:
  - Community groups
  - Partner organisations and other stakeholders
  - Local businesses and social enterprises
  - Educational institutions

- Professional bodies.
- 3.6. If MHA has been contacted directly by an individual interested in MC membership and a recruitment initiative is underway at the time, we will include the individual in the overall pool of candidates, to be considered in the same way as all other candidates.
- 3.7. If a recruitment initiative is not underway at that point in time, MHA may:
- Progress the expression of interest immediately, if the individual appears to be a close fit with our skills specification or recruitment criteria. This will lead to completion of an application form by the individual, followed by an interview by the Recruitment Panel.
  - Keep the person's name on file, with their consent, for the next time we are seeking to co-opt committee members.
- 3.8. MHA will not accept recommendations of potential candidates made by existing MC or senior staff members. Any such individuals must follow the normal recruitment process described above.
- 3.9. If the selection process results in MC approval to appoint, the successful candidate(s) will join the MC as an Appointed Member, as described in the Rules.
- 3.10. If the MC decides to recruit for a particular type of skill, it is seeking to attract general experience and perspectives that can be applied to our work.
- 3.11. All MC members are equally responsible in law for the decisions, and they cannot rely on advice provided by a particular committee member in the way that it can rely on advice obtained formally from an external professional adviser.
- 3.12. This may affect the types of skills the MC chooses to seek. (e.g., MHA may not seek to recruit people because they have a legal background, since we will always need to obtain and rely on advice from our own legal advisers. In contrast, other types of skills (e.g., financial skills and experience) are transferable on a more generic basis and are more likely to be of value to MHA.
- 3.13. While the benefits of skills-based recruitment should outweigh the risks, the MC will be mindful of the potential for negative impacts. (e.g., the Appointed Member must recognise that they are part of a collective group that is responsible for decision making, and the remainder of the MC must not defer to a particular member as "the expert" on a given subject area).
- 3.14. These risks require a culture of encouraging contributions from different perspectives across all MC members, and the right mind set on the part of the individual who has been recruited and the remaining MC members.

**Appendix 4 - STAFF CONTINGENCY SCENARIO PLANNING PLAN – NOVEMBER 2023**

**Business Continuity Cover = MHA’s ability to ensure operations and core business functions can continue during planned and unplanned staff changes**

<b>CHIEF EXECUTIVE OFFICERS</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
CEO	1) Linda Sichi
Deputy CEO	1) Paul Martin

<b>HOUSING SERVICES</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
Director of Housing & Community Initiatives	1) Paul Martin or Linda Sichi 2) Lauren White line managed by Linda Sichi
Housing Services Officers & Assistants	1) All Housing Services Staff provide cover for each other. 2) Temporary external support

<b>MAINTENANCE</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
Director of Asset Management	1) Paul Martin or Linda Sichi 2) Temporary external support
Maintenance Manager	1) Director of Asset Management 2) Temporary external support
Asset Assistants	1) Asset Assistants cover for each other. 2) Temporary external support
In-house Tradesmen	1) Cover each other 2) External contractor

<b>ESTATES SERVICES</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
Estates Co-ordinator	1) Derek McNeil line managed by Rona Anderson 2) Paul Cown
Estate Caretakers	1)The estates team provide cover for each other 2) External contractor

<b>FINANCE</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
Finance & IT Manager	1) Paul Martin or Linda Sichi 2) Catherine Thom line managed by Linda Sichi 3) Support from HRC financial Consultant
Finance Officer	1) Gordon Kerr 2) HRC Financial Consultant
Finance Assistant	1) Catherine Thom

<b>FACTORING</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
Factoring Manager	1) Paul Martin or Linda Sichi 2) Temporary external support
Factoring Officer	1) Collette Anderson 2) Admin staff line managed by Collette Anderson

<b>CORPORATE SERVICES</b>	
<b>POST/TASK</b>	<b>BUSINESS CONTINUITY COVER</b>
Deputy CEO (HR)	1) Paul Martin or Collette Anerson
Deputy CEO (Compliance)	1) Paul Martin or Pauline Hamilton 2) Collette Anderson
Customer Services/Reception	1) Customer Services staff provides cover for each other. 2) Other employees within MHA.
Office Cleaner	1) Cleaning Contractor

<b>WIDER ROLE ACTIVITIES</b>	
<b>POST</b>	<b>BUSINESS CONTINUITY COVER</b>
Director of Housing & Community Initiatives	1) Paul Martin or Linda Sichi 2) Lauren White line managed by Linda Sichi or Collette Anderson
Community Engagement Co-ordinator	1) Denise Burke with support from Lauren White
Community Engagement Workers	1) Denise Robertson 2) Margaret Cameron/Denise Burke cover each other
Income Maximisation Officers	1) Sylvia Pollock & Patricia McDonald cover each other 2) External agency
Cafe Assistants	1) Carol Williams & Sharon Robertson cover each other 2) Community Engagement Team

### **5.1 BACKGROUND INFORMATION**

A particular strength of MHA is the commitment and support provided in nourishing those employees who are willing to learn and develop. The Mission Statement states that the Association “Invest in our people” as a key operational objective. As an IIP Platinum organisation, the last IIP Assessment (January 2020) commented “You use a range of mechanisms to assess an employee’s capability and future potential (e.g., regular workplace support meetings, the annual appraisal, detailed work plans which include reward and recognition, job shadowing and mentoring). A key value of MHA is being committed towards excellence and continuous improvement in terms of both service delivery and developing staff”.

- 5.2 As part of MHAs approach to succession planning emerging leaders have been identified to fill critical roles. Talent Management is where potential leaders are trained and developed to maximise their talent and current leaders support them to achieve the future business requirements of MHA. Emerging Leaders receive on-going external support to assist them to think, act and behave like a leader. MHAs Talent Management Strategy was used as a case study as good practice in the GWSF Succession Planning Report (April 2017).

### **5.3 TALENT MANAGEMENT IN PRACTICE**

MHA is extremely passionate about ‘growing our own’ as it is recognised that this delivers several positive benefits (e.g., commitment to MHA, continuing the CCHA ethos, return on financial investment). At the same time, MHA respects that there are a cohort of second-in-line employees who are very good at what they do and don’t aspire to move into management roles, these members of staff also play a key role in MHA success. Also, as with all organisations, there are some MHA employees who do not want to develop, this is also acceptable as, for all staff, the key matter is that MHA provides the learning and development opportunities.

- 5.4 Those employees who are emerging leaders are required to update their work plans using the MHA corporate template which focuses on developing skills, knowledge and behaviours as well as identifying tasks. The emerging leaders must take ownership of their individual work plans. They are aware that it is a mandatory requirement for progression through MHA to, in addition to holding the relevant professional qualification, they must evidence milestones and achieve objectives via work plans. The emerging leaders need to also be exposed more externally and actively explore the ‘bigger MHA picture’ by working within different functions. Finally, it is MHA’s policy that it is a pre-requisite that all future senior staff must be fully competent in written and verbal skills.

5.5 As part of the on-going talent management programme, MHA will implement a job rotation programme to provide opportunities for expanding learning in different areas within MHA.

5.6 **MHA TALENT MANAGEMENT STAFF POOL**

As highlighted earlier, succession planning and managing talent is only a plan which means that change is more than likely to happen. The line managers, as part of their annual assessment and staff appraisals, highlighted current employees to be developed into more senior roles within the short term (1 year), medium term (2/3 years) or long term (4 years+). On this basis, the remainder of this section reflects the current pool of talent that are being developed, however, this may change during the next review. The current 5 staff involved are as follows: (private & confidential)