



The Langstane Group

Board of Management Recruitment and Succession Planning Policy

Senior management team approval:	
Board / Committee	Board of Management - Langstane
Approval date:	16 December 2019
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Version:	V3

Policy Version	Date of Approval	Changes made to Policy
V1	17 March 2008	-
V2	24 March 2014	-
V3	16 December 2019	Rewrite and now Group policy

1. Introduction

Registered in 1977, Langstane Housing Association is a Co-operative and Community Benefit Society, and a registered social landlord with charitable status.

The Langstane Group (Langstane / the Group) consists of Langstane Housing Association Limited and its wholly owned subsidiaries.

This policy applies to all entities of the Langstane Group.

The Rules / Memorandum of Association for each entity must be followed at all times and takes precedence. These documents should be referred to for more detailed guidance on all matters.

Langstane Housing Association has no fewer than seven and no more than fifteen (including co-optees) governing body members at any given time (see Section 37, Rules).

Governing body members are elected by the membership at the annual general meeting and must be aged 18 or over and agreed to and signed the Code of Conduct for Board members. An employee of the Association, or a close relative of an employee, may not be a Board of Management Member.

The maximum and minimum number of non-executive directors on the governing body of subsidiary companies will be determined from time to time. For the purposes of clarity and this policy, no fewer than three non-executive directors will be in place at any given time to ensure no one person gains significant control.

At all times, governing body members must act in the best interests of the entity on whose Board they serve. Failure to do so, or where their actions has created a situation whereby they are no longer eligible to hold the office of a governing body member, appropriate action will be taken and they will be asked to stand down.

The term 'Board of Management' is used to describe the governing body of each entity.

2. Aim of the Policy

The aim of the Board Recruitment and Succession Planning Policy is to ensure there is a skilled and diverse governing body in place at all times that can fulfill the Langstane Group's governance and financial management requirements. In particular to ensure the Scottish Housing Regulator's regulatory standards are met. These are:

1. The governing body leads and directs the Langstane Group to achieve good outcomes for its tenants and other service users.
2. The Langstane Group is open 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.
3. The Langstane Group manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.

4. The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
5. The Langstane Group conducts its affairs with honesty and integrity.
6. The governing body and senior officers have the skills and knowledge they need to be effective.
7. The Langstane Group ensures that any organisation changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

3. Links to other strategic documents and policies

The Group's Board Recruitment and Succession Planning policy is linked to a number of strategic / corporate documents and policies in particular but not solely:

- Rules / Memorandum of Association of each entity;
- Code of Conduct;
- Membership Policy;
- Governing body documentation e.g. Role Descriptors.

4. Policy

The Langstane Group acknowledges and respects the diversity of individuals who volunteer to be governing body members.

The Board of Management of each entity aspires to have the required skills, knowledge, experience and diversity that is reflective of the business undertaken and, where practical, the client base. Although it would be beneficial to have tenants on the Board of Management, it is more important to ensure tenants and other customers have credible ways in which their voices are heard and they influence decision making in a way and in a format that meets their individual needs.

When an analysis of the skill set required by the governing body is being carried out, each entity will assess the requirements against the delivery of their agreed objectives (contained within the Business Plan); the respective roles of governing body members; the current strengths and weakness – assessed by either a SWOT¹, PEST² or similar exercise; what changes may occur; what new initiatives are being undertaken; and the future plans of existing governing body members.

On an annual basis, a review of the governing body takes place and takes into account the overall profile of the governing body and how individual members work together and compliment each others skills and knowledge.

Following the annual reviews, the training and development requirements of individual and collective governing body members will be updated and clarity gained on the skills and capacity

¹ SWOT – analysis of Strengths, Weaknesses, Opportunities and Threats

² PEST – analysis of Political, Environmental, Social and Technological opportunities / threats

of individual members to advance to an office-bearing role, or become a Committee Convener, will be recorded.

The above will form the basis for a report presented to the full board within two months of the last annual reviews taking place. This report will detail any succession planning required over and above that already in place. Where skills gaps are evident, suggestions as to how these gaps are filled e.g. further recruitment through the filling of a general vacancy or use of co-optees, and / or increased training will be made available.

Nine-year rule

Governing body members are normally elected for a three-year term although this may vary depending on each entity's Rules / Articles of Association.

Those serving nine years or more, are required to demonstrate their continued effectiveness and require endorsement from the governing body in order to stand again and be successfully elected by the membership at the annual general meeting. This will be based on the outcome of the annual review and following a recommendation from the Chairperson.

Succession planning

Although governing body members are volunteers, it is important to fully understand the role undertaken when joining any Board of Management within the Langstane Group. The effectiveness of the Group's leadership is dependent upon key skills being held.

The Board of Management agrees the role descriptors for all governing body roles, including that of office-bearers, on a three-yearly basis and the remits for Committees as an when appropriate or stipulated within the remit document itself. Office-bearers, except that of Secretary, are elected from within the membership of the Board of Management on an annual basis following the annual general meeting. There is no requirement to have office bearer roles other than those of Chairperson and Secretary.

Co-optees cannot be office bearers and the Chairperson cannot hold office continuously for more than five years. Therefore, succession planning must take place to ensure there are sufficient skills and capacity within the governing body to fill vacancies as and when they arise. Where such skills and / or capacity are absent, a plan of action will be put into place to address the situation. This may include a targeted training program and / or targeted advertising for additional governing body members.

Filling casual vacancies

Resignations from the Board of Management are made in writing to the Secretary, giving seven days notice. When a governing body member resigns between annual general meetings, this creates a casual vacancy and the Board can appoint a member to fill the vacancy until the next general meeting. Where possible the casual vacancy is used to fill skill gaps and ensure the diversity of governing body members is reflective of the work of the Board of Management and those it serves.

Where a governing body member has resigned for anything other than personal reasons, this may be notifiable to the Scottish Housing Regulator. Office Bearers of Langstane Housing Association and the Chief Executive hold authority to create and view notifiable events on the

Scottish Housing Regulator's Landlord Portal. Therefore, if required, agreement will be reached on who will make any required notification.

Co-optees

The Board of Management can co-opt onto the Board anyone the Board consider is suitable to become a governing body member. Co-optees do not need to be members but they can only serve as co-optees until the next annual general meeting or until removed by the Board. Co-optees can serve on Committees in addition to the full Board. Co-optees may not make up more than one-third of the total number of Board or Committee members at any one time and do not form part of the quorum (see individual Rules / Memorandum of Association).

Reasonable adjustments

The Langstane Group recognises the benefits a diverse Board of Management brings to its activities and decision making. The Group is proactive in removing any barriers by making reasonable adjustments and ensuring there are arrangements and facilities in place to allow attendance and full participation.

When planning events, the Group considers the potential needs of those participating at planning stage. Where governing body members require support from an assistant, meeting any additional costs will be considered on a case by case basis.

5. Monitoring and review

This policy will be reviewed on a 3-yearly basis or earlier if there are reasonable grounds for undertaking such a review.

6. Equality and diversity

The Langstane Group is committed to promoting equality and diversity across all areas of its work, and discrimination or harassment of any kind is not tolerated.

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