

Policy Name: Board Recruitment Policy

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Cairn HA and Ancho on 27 March 2025
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1. Purpose of Policy

The purpose of this policy is to set out the arrangements for recruiting new members to the Boards of Cairn Housing Association (CHA), Ancho Limited and Pentland Community Enterprises (PCE). The policy is consistent with CHA and Ancho's current Rules and Standing Orders. The Policy also meets the expectations associated with the Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management and SFHA's guidance on Governing Body Succession Planning and Recruitment .

2. Principles

The principles underlying this policy are as follows:

- **Accountability**
We should ensure that our business is directed by Boards which reflect the needs and expectations of our customers and local communities, and that we are accountable to them, and meet good practice and requirements of the regulatory framework.
- **Expertise**
Our Boards should, collectively, possess the range of skills, experience and expertise needed to best direct and control the strategic direction of the Association.
- **Openness**
Interested individuals should have the opportunity to put their names forward as potential Board members and be informed of when and how to apply.
- **Equality**
No eligible individual should be excluded from being considered as a potential Board member and we will seek to avoid any direct or indirect discrimination.

3. Size and Composition of the Boards

Under the Rules, the CHA and Ancho Boards shall have a minimum of 7 and a maximum of 15 members (including co-optees). We will keep under regular review the size and composition of our Boards in order to ensure that it is able to exercise its responsibilities effectively, and to ensure quorums and adequate membership on Committees and Working Groups. As a matter of policy, the Group is committed to ensuring that tenants have the opportunity to be actively involved in the running of the organisations. In pursuit of this principle, we will aim for up to 20% of all Board members at any time to be tenants or other customers of the Associations. Therefore, with a normal number of Board members, we will seek to have 1-2 who are tenants.

We recognise that in order to demonstrate openness and accountability, and to refresh the skills and experience required, we must aim for a reasonable turnover of the membership of the Board over time. Our Rules state that the maximum tenure of a Board Member will not normally be more than nine 9 years unless there is a demonstrable need to be re-elected for an additional 3 years to meet a specific skills or knowledge gap. The

maximum tenure of the Chairperson or Vice-Chairperson of the Association will not normally be more than five years. This is in accordance with regulatory expectations.

For the Board of PCE we aim to have a minimum of 4 Directors consisting of an equal number of independents and CHA/Ancho Board representatives. Board members who have served the maximum tenure on the CHA or Ancho Board will be eligible to become independent Directors of Pentland Community Enterprises.

4. Eligibility

Any interested individual may be considered for membership of the Board, with the exception of the categories governed by the Associations' Rules.

All those seeking to become Board members must provide the relevant information and complete an interview with a panel consisting of the Chair/Vice-Chair, CEO and/or Governance Services Manager and one Executive Team member in order to satisfy the eligibility criteria and suitability for the role. Decisions made on applications and any subsequent interview process will be at the sole discretion of the panel and there will be no appeal process. Feedback will be given to unsuccessful applicants.

5. Equality, Diversity & Inclusion

Equal Opportunities Recruitment and selection is carried out in line with our values, and we will treat everyone with consideration and dignity. We welcome diversity and are committed to a policy of equal opportunities to ensure that no unlawful discrimination occurs in the recruitment and selection process and that the principles of the Group's Equality, Diversity and Inclusion Strategy are followed.

To ensure the policy achieves its aims of promoting equal opportunities and diversity, applicants will be asked to complete an Equal Opportunities Application form. Any information obtained will be held confidentially and used for monitoring purposes only and not shown to the recruitment panel.

6. Routes to becoming a Member of the Board

Vacancies on the Board can be filled in the following ways:

- At the AGM under the Rules for retirements and election
- Co-option at any time during the year following advertisement to fill particular identified skills gaps
- At any time of the year, under the Rules for filling casual vacancies

In seeking to recruit new members of the Board, we will:

- Promote opportunities for shareholding members of the Association to be considered for election to the Boards
- Identify skills and expertise gaps on the Boards, and seek to fill these through a process of advertising and co-option and/or filling any current vacancies.
- Consider advertising vacancies and targeted recruitment where specific skill gaps or under-represented groups have been identified.
- Seek candidates through relevant registers of individuals interested in joining RSL Boards or Committees such as SFHA “On Board” Register.

These routes to membership of the Board are outlined below.

a) Election from the Shareholding Membership

The Group Membership Policy commits to promoting to all interested individuals the opportunity to become shareholding members of the Associations, in line with the Associations’ Rules.

While shareholding membership of the Associations is open to all interested individuals, it is likely to be of particular interest to the following groups:

- Tenants or other customers of the Association
- Representatives of organisations which work in partnership with the Association
- Individuals who have a specific interest in Housing
- Individuals who have an interest in community participation.

We will seek to promote to all shareholding members opportunities to serve on our Boards or to become actively involved in other tenant groups within the Associations such as the Customer Panel or the Area Focus Groups.

b) Seeking new Board Members

We will seek to identify the skills, experience and expertise required to direct the affairs of the Associations, and to fill any gaps which might be influenced by the composition of the existing Boards and by changes in the nature of the Associations’ work.

In addition to inviting nominations from Shareholding Members, we will seek to identify any current groups which are underrepresented on our Boards, with reference in particular to gender, ethnic origin, disability and age, in pursuit of our commitment to equal opportunities. We will also seek where possible to achieve an appropriate geographical spread of CHA Board Members in view of its stock profile, and encourage tenant participation through the Customer Involvement Strategy.

6. Procedure

We will promote the opportunity to become a member of the Board through the use of:

- Advertisements in the local press or relevant trade journals and use of digital media eg; LinkedIn, Facebook and Twitter.
- Circulation of information to partner organisations and other stakeholders
- Circulation of information to tenant organisations, community groups, educational institutions and voluntary organisations.
- Circulation of information to Shareholding Members of the Association and tenants
- Registration with any relevant registers of potential members.

In each case we will invite enquiries from interested individuals. The advertisement information will identify any particular skills or areas of experience where gaps have been identified, and will in particular invite applications from underrepresented groups and to address any gender imbalances. Those enquiring will be issued with a recruitment pack, consisting of the following:

- Information on Background and History
- Explanatory information on becoming a Board member
- Board Member Role Description
- Application form, which asks for information on the areas of skills, knowledge and experience which the applicant can offer, and for personal information to allow equal opportunities monitoring.

The process of advertisement may be supplemented by personal approaches from or to members of the Boards and senior staff of the Associations relating to individuals who may have the required experience and skills to benefit the Boards. These individuals will also need to follow the application process and declare any conflicts of interest. In the event of such an approach being positive, the details of the individual will be submitted to the Group CEO, and the recruitment pack will be sent out as described above.

All potential Board members will be asked to complete an application form to describe their skills and expertise, and in the case of personal approaches CV's may also be accepted. This information will form part of the nomination papers for those standing for election (or re-election) at the Annual General Meeting. Completed application forms will be sent to the Head Office to be assessed by the CEO. Applicants will then be invited to attend a friendly, welcoming but formal interview meeting with the CEO and/or Governance Services Manager and at least one Board Member.

The purpose of the meeting will be to:

- Confirm the applicant's eligibility to act as a member of the Board
- Establish that the applicant understands of the role and responsibilities of a Board member
- Establish that the potential contribution likely to be made by the applicant, in the light of the skills, knowledge and experience sought by the Association. This will

include contributions on sub-Committees and working groups which will be emphasised as an expectation from the outset.

- Answer any questions from the applicant.
- Explain the potential benefits of having an experienced Board member supporting and mentoring the applicant, if successful.

The Governance Services Manager will provide the interview panel members with a set of standard questions for all candidates. The questions will be scored by the panel and a central scoring matrix with all interview results will be collated and retained. This will provide an audit trail to evidence that the process has been conducted in a fair and transparent manner, will help to provide feedback to unsuccessful applicants and evidence that new members meet the essential criteria for the role.

7. Recommendation for co-option or appointment

Following the interview, the Group CEO will confirm to the applicant within 2 working days his intention to recommend to the Board:

- Acceptance as co-opted member of the Board, or
- Non-acceptance, with reasons for the decision. There is no appeal process, but if unsuccessful, the applicant will receive feedback on the process

The CEO or Governance Services Manager will then prepare a report to the next Board meeting, with a recommendation as to whether the applicant should be accepted as a co-optee, casual vacancy or be nominated as a full member if an AGM is imminent. Recommendations for Ancho or PCE Board members will be proposed to the CHA Board (as Group parent) for final decision. Within 24 hours of the CHA Board meeting, the applicant will be informed of the decision.

Co-opted members of the Board must become shareholding members of the Association before they can be fully elected at an AGM. Co-opted members cannot vote on matters relating to the membership of the Association or the election of office bearers; nor can they themselves stand for election as office bearers. They can only serve as co-optees on the Board until the AGM following their co-option, at which point they must, if they wish to continue to serve as members of the Board, stand for election.

Nomination Procedures for the election of Board Members at the Annual General Meeting following their appointment are set out in the Association's Rules.

The co-option process may be used to fill casual vacancies left by the retiral or resignation of existing Board members during the course of the year. Under the Association's Rules, an individual filling a casual vacancy must first become a member of the Association. Co-

opted members must not make up more than one-third of the total number of Board Members at any one time.

8. New Board Members

New Board Members (whether elected or co-opted) will receive a letter of welcome. Accompanying this letter, will be an Induction Pack, consisting of the following:

- The Association's Rules
- Standing Orders
- Business Plan
- The Association's governance policies, including (but not necessarily confined to) the following:
 - Group Code of Conduct
 - Equality, Diversity and Inclusion Strategy
 - Group Policy on Entitlements, Payments and Benefits
 - Group Board Expenses Policy
- The Associations' organisational structure charts
- A schedule of Dates for Boards and Committee meetings
- SHR's Regulatory Framework

The new Board member will then be invited to attend a meeting with the CEO, other Senior Staff, and the Chairperson, or their representatives, to explain fully the governance arrangements, and to discuss the contribution which the Board member can make to the Association's governance through his/her skills and experience. At this meeting, the new member will be invited to become a member of any relevant sub-committees or task groups.

New Board members will be asked to sign the Code of Conduct. Acceptance of the terms of the Code is a requirement for membership to take effect.

The Board will appoint an experienced member of the Board to support and where necessary mentor the new Board Member during the first six months of his/her tenure. Mentoring will consist of being available to answer queries on the role of the Board and its members, advice on procedures and conduct, and support to ensure that the new member is comfortable with his/her responsibilities.

The new Member will receive a structured induction programme, tailored to his/her needs.

9. Board Development

On an annual basis each Board member will complete a Self-Assessment and Development Form and have an individual review with the Chair. The outcomes of these exercises will identify any gaps in individual and collective skills and knowledge, and will thereafter inform individual training plans and a Board Development Plan. The outcomes will also be considered in relation to future succession planning issues. New Board

members will be expected to complete any mandatory training modules within a period of six months from commencement of their membership.

In addition, there will be periodic collective group self-assessment exercises to review the performance of the Board as a whole to review its effectiveness and identify any new ways of working.

10. Ending Membership

A person's membership of the Board will be ended in the following ways:

- If they resign their position in writing.
- If they leave the membership of the organisation or have their membership withdrawn.
- If they do not attend four Management Board Meetings in a row without special leave of absence previously granted by the Board.
- Other reasons as stated in the relevant Association's Rules.

In accordance with the relevant Associations' Rules, the following also apply:

- If they are removed from the Board by a majority vote, either at a General Meeting or specially convened Board meeting, in favour of their removal.
- If they have failed to sign or comply with the Association's Code of Conduct
- If they have breached the Association's Rules or Standing Orders
- If they have received a payment or benefit not permitted in terms of principles of the former Schedule 7 Part 1 of the Housing (Scotland) Act 2001 or Group Entitlements, Payment and Benefits Policy.
- If they are found to be subject to any of the grounds for ineligibility.
- If they are a Parent appointee and the Parent removes them from the Board

11. Review of Policy

The CEO and/or Governance Services Manager will ensure that this policy is reviewed every three years aligned to the experience of operating this policy and developments in legislation, regulation and best practice. Any amendments required or recommended will be submitted to the CHA and Ancho Boards for consideration and approval.