Leadership and culture

in the Scottish social housing sector

Report commissioned by
Chartered Institute of Housing Scotland

Introduction from CIH Scotland

The housing sector has faced significant challenges in the last five years, compounded by historic underinvestment and a lack of understanding of the value that housing practitioners bring to communities across the country.

Housing is too often overlooked as a profession or dismissed as "just bricks and mortar" when, in reality, it is so much more. The housing sector and our members support better health, wellbeing and independent living by providing safe, affordable homes and support services. They foster communities and give people the foundations to flourish.

This matters and takes skill, professionalism and resilience. It deserves recognition because when housing fails, people don't just lose a service – they can lose their health, safety, security, sometimes life.

The Grenfell Inquiry and the tragic death of Awaab Ishak have shone a light on the housing profession and the ultimate costs of poor governance, leadership and accountability. As awareness of the importance of housing professionalism grows the UK government has responded, introducing a requirement for mandatory qualifications for housing executives in England.

While we applaud the commitment to training and education, discussions with our members in Scotland did not suggest that the same approach would be appropriate or proportionate at this point in time.

This piece of research, commissioned by CIH Scotland, sought to deepen our understanding of the current approach to leadership and culture in the social housing sector in Scotland, highlighting what is working well, and what could be improved.

We know from the responses that many of our members are feeling the pressure of underinvestment, conflicting priorities and being asked to do more with less. Our findings highlight the need for a new regulatory approach to ensure a more consistent approach to staff development and succession planning, to ensure that people are equipped to do their jobs and that they feel valued.

The upcoming review of the Scottish Social Housing Charter provides the ideal opportunity to consider how this could be taken forward through a new charter outcome. This would create regulatory oversight of professional development while allowing enough flexibility within organisations for approaches to be tailored to local needs and priorities. This would also provide transparency to tenants, residents and wider stakeholders on the competence and skills of the housing professionals supporting their homes and communities.

We urge housing professionals, board members, executives and government officials to take the time to read the report and consider the findings. Taking on board the opportunity to strengthen the housing profession, recognising the vital role of housing providers.

We would like to thank the housing practitioners and tenants who gave their time to inform this report, and our sounding board members: Morag Cameron, Kerry Clayton, Angela Currie, Sharon Egan, Murray Sharp, Sally Thomas, Amanda Britain and Tony Cain.

Gillian McLees
National director, CIH Scotland

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The brief and approach

The Chartered Institute of Housing (CIH) Scotland commissioned Indigo House to review the strengths and areas for development on leadership and culture in the Scottish social housing sector. The review also tested whether leadership can be improved at an individual, organisational and systemic level. Key questions considered by the review were:

- What key professional competencies are needed in senior leaders
- What can be learned from other UK jurisdictions and other sectors for leadership development
- What are the perceptions and the reality of the role of qualifications and training in supporting good leadership and a positive culture
- To what extent does the structural design of the Scottish social housing sector support or inhibit good leadership
- What strategic changes, if any, are required to provide confidence in leadership of the Scottish social housing sector?

The research was undertaken through a comprehensive evidence review and engagement with social housing sector practitioners and tenants. This was done through two online quantitative surveys and follow-up qualitative interviews and focus groups, as well as interviews with the Scottish Housing Regulator and Audit Scotland.

Issues impacting the social housing sector in Scotland

All stakeholders and the regulators working in the Scottish social housing sector agreed that there are currently significant challenges in the social housing sector in Scotland summarised as the housing emergency as declared by the Scottish government and 13 Scottish local authorities. This is demonstrated through:

- Critical housing need and rising homelessness
- Urgent need for more affordable homes
- Underinvestment in ageing social housing stock
- Challenges in workforce burnout
- Staff shortages, challenges in recruitment and retention
- Rising financial and regulatory pressures.

Combined, these factors are having resultant negative impacts and pressures on people working in social housing. Regulators have identified the requirement for strong and effective leadership from governing bodies and executive leadership to navigate these complex issues.

The current position of leadership and culture in the Scottish social housing sector

Leadership is often associated with visionary thinking, innovation and creativity, being collaborative and empowering, motivating and inspiring positive results, and nurturing the right organisational culture. Culture refers to a set of values, beliefs, norms and shared behaviour which can be conscious or unconscious.

Given the difficult strategic and operational environment, participants in the review argued for confident and transformational leaders to drive a clear vision across the sector. At the same time, leaders should keep in touch and understand both customers and the community they serve. They also need to know their team and ensure they are developed and empowered.

Survey responses show mixed views on the current state of leadership and organisational culture in the Scottish social housing sector. The review suggests leaders themselves are very positive about the current state of leadership and culture in the Scottish housing sector for their *own* organisations, but less positive about the position for the sector *as a whole*. Others working in the sector and tenants are still positive, but to a lesser extent leaders themselves. This is qualified by the more nuanced picture coming through in-depth consultation with concern about inconsistency in leadership, and a disconnect between stated organisational values and the lived experiences

of tenants and staff. There are claims that the sector suffers from poor middle management development and succession planning to equip future leadership of the sector.

The legal and regulatory framework for leadership in the Scottish social housing sector

In Scotland there is no mandatory requirement for local authority and registered social landlord (RSL) staff working in the social housing sector to undertake housing-related or other relevant qualifications or continuing professional development (CPD) as a pre-requisite to practice (although in practice many housing providers require evidence of, or commitment to, qualifications even at entry level).

CIH has developed seven professional standards and complementary CPD tools, but the use of these is voluntary in Scotland. This contrasts with the legal requirement for formal qualification and CPD in the Scottish private rented letting agent sector, the new mandatory requirement for qualifications for some staff in the social rented sector in England, and an increasing emphasis on professionalism in the social housing sector in Northern Ireland.

In other comparable sectors across the public sector in social work, social care, teaching and health, there is a strong emphasis on professional qualification and CPD. Professionals that support the social housing sector, including accountants, solicitors, surveyors, architects and town planners, have qualification requirements for certified practice, and mandatory CPD.

There are a range of bodies involved in the regulation of social housing in Scotland – the Scottish Housing Regulator (SHR), Audit Scotland, the Care Inspectorate and the Office of the Scottish Charity Regulator (OSCR). The relevant regulator depends on whether the provider is a local authority, an RSL, if care and support services are provided, or if the provider is a charity. While there is a strong regulatory framework for social housing in Scotland centred on achievement of the Scottish Social Housing Charter outcomes, this review has found that the regulatory framework can feel disjointed. Expectations around professional standards for leadership across the sector can be unclear.

SHR's role is to regulate individual organisations, not the whole sector, and Audit Scotland's role is to assess achievement of best value by local authorities (which includes leadership aspects). This is high level and is not tailored to the requirements of leadership at a specific service level, or for the social housing sector in particular. Audit Scotland is aware of workforce challenges in the public sector generally, and the inadequacy of leadership succession planning. It is also aware of the worsening picture on housing generally and will carry out a performance audit on housing across Scotland in 2026/27 to consider the current housing crisis and position on housing supply. Also relevant is the Scottish government's planned review of the Scottish Social Housing Charter in 2026/27.

Stakeholder views on leadership qualifications, training and development

The review sought opinion from stakeholders on the requirement for formal qualifications compared with general learning and development to encourage strong leadership and culture in the Scottish social housing sector. Survey findings showed over two thirds of survey respondents held CIH qualifications or membership, while just over half held some form of leadership and management qualification.

There were mixed messages about what the sector needs in terms of leadership development and qualification, versus personal aspirations for leadership development and qualification. Over three quarters of survey respondents believed that formal leadership and management qualifications are important for leaders in the sector, but for most of the respondents that had personal aspirations for future leadership, they felt this could be achieved through non-certificated leadership and management training, on-the-job development, or by pursuing a certified leadership and management qualification. These mixed messages were repeated through the in-depth qualitative research, where participants grappled between the question of formal qualification for leadership, and that of the wider workforce in the social housing sector.

While the question of qualification for the whole housing sector workforce was not in the brief for this review, many stakeholders wanted to discuss it. Notably, tenant participants argued that having qualified staff was important, but this also had to be balanced with resources for service delivery and the affordability of rent.

On balance, due to the challenge in recruitment and retention in the sector, the preference from stakeholders for the workforce as a whole was that a qualification should not create barriers to entry. Rather, there should be a strong emphasis on aptitude and attitude at recruitment, followed with the drive for relevant training and development to promote quality and retention, and for succession planning, thus developing the future leaders of the sector. The fact that the social housing sector is hugely diverse in Scotland was also highlighted, with different types and sizes of organisations, and a multi-disciplinary workforce. This suggested the requirement for flexibility in training and development which is fit for the individual and the needs of each organisation, while taking into consideration the availability of resources for training and development.

In summary, views on qualifications in the housing sector were mixed, with some valuing certified education and structured development but others emphasising the importance of experience, the right aptitude and attitude, and access to training and development over formal credentials. There were concerns raised about potential exclusion, inconsistent training opportunities, and the need for more practical, inclusive approaches to leadership development. Stakeholders suggested that rather than having a specific qualification requirement for leaders in the social housing sector, some form of mandatory requirement for continuous training and development across the whole workforce could be created, encompassing leadership development. While there was recognition that there should be joint responsibility of learning and development between the individual employee and an organisation, many concluded that social housing providers should have the responsibility to lead continuous learning and development of their workforce.

Guidance, resources and the role of continuing professional development

There are many opportunities for voluntary CPD in the social housing sector in Scotland through a range of communities of practice, some of which are focussed on enhancing skills, performance, leadership and culture. These include CIH's professional standards and CPD tools. The body of evidence across different sectors points to the significant difference that CPD can make in improving professional practice and outcomes, as well as improving staff retention and the benefits for succession planning to provide the leaders of tomorrow.

There is also clear evidence that CPD can provide positive change in leadership and organisational culture. Leadership training needs to be designed to reflect the needs of leaders at different levels and requires organisational support to show commitment to continuous learning. Leaders who commit to their own learning can inspire others to do the same. The review also provides a range of examples of good practice in leadership development in the social housing and wider sectors.

Conclusions and recommendations

The key purpose of this review was to understand the strengths and areas for development on leadership and culture in the Scottish social housing sector, and to test whether leadership can be improved at an individual, organisational and systemic level. All the evidence from stakeholders, including regulators, confirms housing system failure in many parts of Scotland, and at the same time critical challenges to secure and retain the workforce. This challenge demands strong, transformational leadership to work within and across the sector to drive change.

In terms of the current state of leadership in the social housing sector, overall, the evidence points to challenges and scope for improvement in leadership, with much greater focus on succession planning needed to develop the leaders of tomorrow.

Social housing in Scotland is the exception when compared to the other relevant sectors examined; it is the only 'profession' which does not have mandatory requirement for a qualification for certified practice and CPD. Furthermore, the structure of the social housing system in Scotland does not support systemic workforce or leadership development due to the disjointed regulatory framework where, in respect of leadership development, half the sector is covered by SHR, and half by Audit Scotland. Evidence suggests this aspect of regulation is light touch. This points to the requirement for a mechanism to support systemic leadership development which is consistent for both local authorities and RSLs so the whole sector is covered. The Scottish Social Housing Charter covers all social housing providers.

When considering certified qualification for leadership development, the context of the diverse nature of the Scottish housing system must be considered, including the size and type of organisations and the multi-disciplinary

nature of the workforce. Many leaders may not be housing professionals and could come from a range of other professions. Tenants want a qualified and skilled workforce, but not at the expense of an affordable rent, and so each housing provider must consider the learning and development requirements in their own specific context to meet the needs of their tenants and the communities they serve.

The review has also explored whether qualification and development should be for leaders only, or the workforce as a whole. In practice it is difficult to separate the two, as organisations who are committed to leadership development and succession planning will likely have a culture that is committed to learning and development for all their employees, and in so doing will be developing the leaders of the future.

Recommendations

It is therefore recommended that the CIH and wider stakeholders in the social housing sector in Scotland work with Scottish government to include a new outcome in the Scottish Social Housing Charter which requires all housing providers to develop and implement a learning and development strategy to cover all their workforce. This should also include the requirement for leadership development, succession planning and CPD.

In recognition of the multi-disciplinary nature of social housing organisations, this should not include the requirement for a specific qualification, and it will be for organisations and individual employees to determine whether certified, formal qualification is part of their own development plan. This broader requirement should combine the need for flexibility for a diverse sector, while introducing a systemic approach to encourage housing workforce development in Scotland.

The Scottish Social Housing Charter is being reviewed in 2026/27 and therefore provides a key opportunity to introduce a systemic approach to formalise the requirement for CPD in the social housing sector in Scotland and develop the leaders of tomorrow.

1. Background and aims of the review

1.1 Background

The Chartered Institute of Housing (CIH) Scotland commissioned Indigo House to undertake a review of the strengths and areas for development in leadership and culture in the Scottish social housing sector. The review aims to test whether leadership and culture in the social housing sector can be improved at an individual, organisational and systemic level.

The review is commissioned in the context of the Grenfell Inquiry Phase 2 Report[1], the inquiry for which concluded that there had been failure of leadership in the social housing sector in England. It also pointed to the Social Housing Regulation Act 2023[2], which, it was claimed, would address leadership concerns raised through the inquiry when enacted. The UK government published its final direction on Competence and Conduct Regulatory Standard in September 2025[3]. This requires the Regulator of Social Housing in England to set a standard that ensures all registered providers ensure that their staff, who are relevant individuals, have the necessary skills, knowledge and experience, and exhibit the behaviours needed to deliver high quality services. Comparing the direction of travel in England to that in Scotland, the Scottish government response to the Grenfell Inquiry has not included any new requirements in relation to professionalisation of the sector. CIH Scotland is not aware of any recent analysis of leadership and culture in the Scottish social housing sector and thus commissioned this review.

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1   https://www.grenfelltowerinquiry.org.uk/phase-2-report
2   https://www.legislation.gov.uk/ukpga/2023/36
3   https://www.gov.uk/government/consultations/competence-and-conduct-standard-for-social-housing-consultation/outcome/direction-on-the-regulatory-standards-competence-and-conduct-2025--2

This study should be seen in the context of the Scottish social housing sector regulatory framework. The whole sector is regulated by the Scottish Housing Regulator (SHR) through a risk-based approach. All social landlords in Scotland (whether councils or registered social landlords (RSLs)) must meet standards set out in the Scottish Social Housing Charter[4] (the Charter) as approved by the Scottish Parliament. The Charter covers outcomes that tenants and other customers expect social landlords to achieve, covering the full range of social landlords' activities, equalities and value for money considerations. The Charter does not explicitly cover any requirements in relation to professional standards required in the social housing sector[5].

The SHR is responsible for monitoring, assessing and reporting on how well social landlords, individually and collectively, achieve the Charter's outcomes through the Annual Report on the Charter (ARC). The Charter will next be reviewed in 2026 when Scottish Ministers will review the Charter's effectiveness in consultation with relevant stakeholders.

There are important regulatory differences between council owned and managed social housing, and that of RSLs. The Auditor General Scotland (AGS) and the SHR have complementary and, in some respects, overlapping roles. The AGS has the overarching role for ensuring propriety and value for money in the spending of public funds, and Audit Scotland undertakes the audit functions to scrutinise councils in terms of their Best Value duty, whereas the SHR is an independent regulator of all social landlords, assessing compliance against the Charter.

Separately, RSLs must comply with the SHR's Standards of Governance and Financial Management which includes aspects around leadership, whereas councils have a duty of Best Value which includes aspects around leadership, governance and accountability. Councils and RSLs are very different types of organisations with councils being statutory duty focussed, multi-disciplinary and often larger than most Scottish RSLs.

According to the ARC for 2024/25, local authorities own and manage 328,705 homes over 32 local authorities, and RSLs own and manage 308,164 homes over 136 different organisations in Scotland. It is not possible to quantify the number of employees working in social housing in Scotland from published data[6].

In this context, the review considers the extent to which the different parts of the regulatory framework places sufficient emphasis on leadership and culture.

1.2 Review aims and objectives

Overall, the aim of the review is to explore whether leadership and culture in the social rented sector could be improved at an individual, organisational and systemic level. The specific questions that have been considered through this review are:

- What are the key professional competencies needed in senior leaders and how evident are they in Scotland
- What lessons are there from the wider rented sector practice in England and other relevant sectors which could inform culture and leadership development in the Scottish social housing sector
- What are the perceptions and realities of the role of qualifications and training in supporting a positive culture
- How can organisations identify and develop future leaders
- To what extent does the structure of the Scottish social housing sector support or inhibit good leadership and a positive culture
- Are any systemic changes required to provide confidence to tenants and the wider public, landlords, the SHR and Scottish government about culture and leadership in the Scottish social housing sector?

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4   https://www.gov.scot/publications/scottish-social-housing-charter-november-2022/documents/
5   Leadership is covered in local authorities Best Value duty, and separately the skills of the board and the senior executive in RSLs is covered through the SHR Standards of Governance and Financial Management.
6   The ARC states the number of RSL employees, but not the number of local authority employees working in social housing.

1.3 Approach to the review

The approach to the review involved the following:

- A comprehensive evidence review - identification and analysis of key texts and data sets to provide relevant comparative sectors' approach to leadership and culture across the UK, including approaches to formal qualification, CPD, regulatory standards and other methods with analysis of what makes a positive difference.

- Engagement with social housing sector practitioners and social tenants through two online quantitative surveys. For the practitioners survey, invitations were issued to CIH's database of contacts during June and July 2025, with further networking of the survey being undertaken by CIH members and sounding board members directly. This resulted in a sample size of 201[7] which is considered to provide a robust picture of overall views. The tenant survey was distributed by Tenants Information Service (TIS) and Tenants Together on behalf of CIH and secured 52 responses. This is not a sufficient sample size to cite margins of error but is considered to have been a valuable input to 'taking the temperature' on these issues from a tenant perspective. The survey is published separately.

- Qualitative engagement was undertaken through individual interviews and focus groups with the SHR, and with housing professionals and tenants. A total of 12 consultees were involved and included a cross section of established leaders, young rising professionals, tenants, representatives from local authority and RSL sectors, and one academic.

- A sounding board comprising purposefully selected representatives from the sector who reviewed the proposed methodology, evidence review findings, and the online survey approach. The conclusions and recommendations were also shared with the sounding board.

Indigo House and CIH Scotland would like to thank all who participated in the study through the surveys, qualitative interviews and focus groups, and the sounding board.

1.4 Structure of the report

This final report is structured in line with the overall aims of the review:

- **Section 2** – considers the **key issues and challenges** which stakeholders believe are affecting the social housing sector in Scotland now and over the next few years to set the context for leadership requirements. This section also considers the two key regulators' opinions on the key issues affecting the sector.

- **Section 3 – defines leadership and organisational culture** looking at the social housing sector, across the public sector and other relevant comparative sectors.

- **Section 4 –** considers the **legislative and regulatory framework** in relation to leadership in the Scottish housing sector, with comparison to other jurisdictions and relevant sectors.

- **Section 5 –** considers the **current position on training, development and qualification, and staff retention and recruitment issues** in the social housing sector in Scotland.

- **Section 6 –** sets out what **guidance, resources and the value of CPD** plays in social housing in Scotland.

- **Section 7** – sets out **conclusions and recommendations** on how leadership development could be improved across the social housing sector in Scotland.

- **Appendices – provide good practice examples of approaches to leadership and culture** in the social housing sector, and from other relevant comparative sectors.

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7   This response provides the following indicative margins of error: 10%/90% answer - +/-4.13%; 25%/75% answer - +/-5.96%; 50% answer - +/-6.88%.

2. Issues impacting the social housing sector in Scotland

2.1 Introduction

This section considers the key issues which stakeholders and regulators believe are affecting the social housing sector in Scotland now, and over the next few years, setting the context for leadership requirements. Opinions from stakeholders were gathered from the survey and qualitative research.

2.2 Stakeholder views - key issues affecting the sector

Stakeholders working in the social housing sector perceive that the most important issues affecting the sector currently are:

- Being able to invest in new housing supply
- Meeting critical housing need, including homelessness
- Maintaining the quality of housing stock.

Qualitative research explored these matters in more depth, which suggested the housing sector is facing complex and interlinked challenges, and some pointed to the housing emergency as declared by 13 Scottish local authorities and the Scottish government[8]. Apart from the three key issues noted above, consultees also cite workforce burnout, staff shortages, challenges in recruitment and retention, underinvestment in ageing stock, leadership and culture gaps, and rising financial and regulatory pressures.

Many cited concerns that the sector is struggling to meet competing demands: net zero and safety targets, increased tenant expectations and a growing burden being placed on housing providers to pick up the slack from other public services. It was argued that poor strategic planning persists with lack of clarity at a systemic level on the sector's long-term purpose and sustainability. Overall, a shift toward values-led, collaborative and forward-thinking leadership is seen as critical to navigating these growing pressures. A selection of comments are listed below:

Housing association/RSL

"The sector is becoming more and more intense, and it may be difficult to attract people to it, with more scrutiny and regulatory restrictions."

"There are significant challenges ahead for the sector regarding investment requirements in existing stock, both from a retention perspective and from the need to deliver regeneration and replacement of existing homes which are coming towards the end of their lifespan. Net zero is an additional challenge, with most, if not all, landlords unlikely to be in a position to deliver the required standard within existing stock due to both practical and financial constraints."

Local authority

"Changing legislation and the move towards trauma-informed practice and catching up with other services in this area."

"There are several cultural and leadership challenges that I believe will be increasingly important for the housing sector to address in the coming years. While many organisations have clear values and commitments on paper, these are not always consistently reflected in day-to-day service delivery. There remains a gap between stated values, such as compassion, fairness and accountability, and the way tenants are engaged in practice."

Tenants

"Fundamentally, landlords forget that tenants are also "customers". There is strong and clear evidence that social landlords often do not understand their customers and fail to consider or treat tenants as customers."

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8   https://www.gov.scot/publications/tackling-scotlands-housing-emergency/

2.3 Areas of concern from regulators

The evidence review has identified areas of concern and focus, highlighted by the SHR and the Accounts Commission. This has been confirmed through qualitative consultation with the SHR and Audit Scotland for this review.

The key areas of strategic concern highlighted in the SHR Annual Risk Assessment[9] published in March 2025 are listed below, and are broadly consistent with those areas that stakeholders have identified (as listed above):

• Financial challenges for tenants, other service users and landlords
• Systemic failure continues to impact on the provision of services to people who are homeless
• Persistent non-compliance with tenant and resident safety obligations for some landlords but for local authorities in particular
• Identifying issues relating to Reinforced Autoclaved Aerated Concrete (RAAC) and cladding
• Providers of Gypsy or Traveller sites should comply with Minimum Site Standards and all outcomes and standard in the Charter on an on-going basis.

For RSLs, analysis of previous statutory intervention by the SHR[10] concludes that the root of the problems that occurred lay in weak governance and failure of leadership at board and senior executive level. The cultures in some of the RSLs left them vulnerable to poor behaviours and incompetence that caused serious problems.

For local authorities, the Accounts Commission[11] has emphasised the need for leadership with a clear vision, supported by revised priorities, informed by the views of citizens and communities. It also highlighted the need for radical change across Scotland's councils in 2023[12], with housing and homelessness identified as services that have declined. The Accounts Commission identified the need for councils to build on the many innovative ways of working seen during the pandemic to deliver sustainable services, including:

• Flexible funding and resources
• Strong leadership
• Greater collaboration
• A resilient workforce
• A focus on community needs and inequalities.

Consultation undertaken for this study with the SHR confirms the evidence review and that the challenges in the sector are significant. Systemic failures are cited in key local authority areas with the resultant impact on homelessness. For individual housing organisations, financial pressures have been considerable over the last five years, driven by rising costs and increasing interest rates. Balancing the various cost pressures with delivery of front-line services, investing in the existing stock and trying to create capacity to develop new build homes has been very difficult.

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9   https://www.housingregulator.gov.scot/landlord-performance/the-risks-we-will-focus-on/our-risk-assessment-of-social-landlords-summary-outcomes-march-2025/#section-3
10   https://www.housingregulator.gov.scot/media/1156/statutory-intervention-lessons-from-statutory-intervention.pdf
11   https://audit.scot/publications/delivering-for-the-future-why-leadership-matters
12   https://audit.scot/publications/local-government-in-scotland-overview-2023

2.4 Summary of key points – issues impacting on the social housing sector

Stakeholders and regulators are agreed that there are a range of complex and interlinked challenges in the social housing sector in Scotland. These include workforce recruitment and retention, underinvestment in ageing stock, the urgent need for more supply and rising financial and regulatory pressures. Combined, these are having resultant negative impacts on whole housing systems and homelessness.

Regulators have identified the requirement for effective leadership from governing bodies, whether elected members for local authorities or board members in RSLs, as well as strong executive leadership to navigate the complex issues experienced in the sector. The review findings point to the requirement for robust structures and processes, open and accountable organisations, and training and development plans to ensure both current and future leaders have the right knowledge, skills and confidence.

3. The current position of leadership and culture in the Scottish social housing sector

3.1 Introduction

This section sets out definitions of leadership and culture based on the evidence review and stakeholder opinion. It also summarises findings from the survey and qualitative research on the current position of leadership and culture in the Scottish social housing sector.

3.2 What is 'leadership'?

Here, the concepts of leadership and culture are discussed in the context of social housing, as well as relevant comparator sectors.

Leadership is not a term with a single, undisputed definition, but a fair amount of work has been done to try and pin this down, in relation to public services provision. On public sector leadership most broadly, Chapman et al (2017)[13] note that:

> *"In collaborative settings good leadership demands working in ways that builds trust, manages relations, connects people and facilitates collaborative activities and processes."*

Rather than leadership being about an individual, it is commonly recognised as a collective experience. Within the social housing sector, Lincoln Cornhill[14] identified three different types of leadership – transformational, transactional and servant. They set these out as follows:

Transformational leaders inspire and motivate their teams to exceed expectations and drive change. They focus on creating a vision, fostering an inclusive and positive culture, and encouraging innovation. Key characteristics include:

- **Visionary thinking**: Setting clear and compelling visions for the future
- **Inspirational motivation**: Energising and inspiring team members
- **Intellectual stimulation**: Encouraging creativity and problem-solving
- **Individualised consideration**: Recognising and addressing individual team members' needs and potential

Impact: Transformational leadership can lead to high levels of team engagement, increased morale, and enhanced tenant satisfaction due to a strong focus on service improvement and innovation.

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13   Chapman C, van Amersfoort D and Watson N (2017) What Works in Public Service leadership: Exploring the Potential. Glasgow: What Works Scotland, University of Glasgow
14   https://www.lincolncornhill.com/blog/2024/06/leadership-styles-in-the-social-housing-sector-what-works-best?

Transactional leaders focus on structured tasks, clear goals, and rewards or penalties based on performance. This style emphasises:

- **Clear expectations**: Defining clear roles and responsibilities
- **Performance monitoring**: Regularly assessing performance against set standards
- **Reward and punishment**: Using incentives and corrective actions to manage performance.

Impact: This style can ensure consistency and reliability in service delivery. However, it may limit innovation and flexibility, potentially impacting long-term tenant satisfaction and staff motivation.

Servant leaders prioritise the needs of their team and tenants, emphasising empathy, listening, and community-building. Key elements include:

- **Empathy and listening**: Actively understanding and addressing concerns
- **Community focus**: Building a strong sense of community and collaboration
- **Empowerment**: Empowering team members to take initiative and make decisions.

Impact: Servant leadership can foster a supportive and cohesive work environment, leading to higher employee satisfaction and a more engaged tenant community. This approach often results in improved tenant relationships and service outcomes.

More leadership models are also identified in work by the Scottish Social Services Council[15] and Iriss[16] relating to social work services which point to the need for vision; creativity and innovation; self-leadership; collaborating and influencing; motivating and inspiring; and empowering. They also refer to compassionate, participatory, client centred, adaptive and systems leadership styles.

3.3 What is organisational culture?

Like leadership, organisational culture is a term with many different definitions. A popular definition from Schein[17] is that organisational culture is the:

> *" Shared learning experiences that lead, in turn, to shared, taken for granted basic assumptions held by the members of the group or organisation."*

Schein's model originated in the 1980s and identified three distinct levels in organisational cultures:

- Underlying assumptions and beliefs (that may be conscious or unconscious)
- Norms and values about appropriate attitudes and behaviours (that may be espoused or real)
- Artefacts that may reflect these (for example, symbols and language, brands and logos).

15   Scottish Social Services Council (2016) Enabling Leadership: Research to identify what good leadership looks like in Scotland's social services. Dundee: SSSC
16   https://www.iriss.org.uk/resources/reports/leadership-social-work
17   Schein, E.H. (1984) Coming to a new awareness of organizational culture. MIT Sloan Management Review. 15 January. https://sloanreview.mit.edu/article/coming-to-a-new-awareness-of-organizational-culture/

3.4 The current position of leadership and culture in the sector in Scotland

The practitioner and tenant surveys undertaken for this review explored a range of aspects relating to leadership and culture to assess the sector's perception of the current position of leadership. The detailed findings can be found in the separate survey report.

Responsibility for leadership

Survey participants were asked who they considered as having responsibility for leadership and culture. In the practitioner survey, respondents see leadership and culture as a shared responsibility with most considering that this lies with a combination of, ranked highest to lowest, the senior executive management team or equivalent; all staff; the chief executive or equivalent (for example, director or head of service); all managers and/or supervisors; and the board/management committee or similar.

The primary responsibility is perceived by a significant minority to rest with the chief executive or equivalent and the senior executive management team or equivalent. The emphasis varied slightly from tenant respondents who more commonly considered that responsibility lay with the governing body, followed by the senior executive, and lastly all staff.

Common aspects of leadership

Practitioner survey respondents were asked to provide their assessment on common aspects of leadership for their own organisation <u>and</u> the sector as a whole. This showed that respondents believed the state of leadership was generally positive for their own organisation, but lower for the sector as a whole in Scotland. The survey showed that the weakest areas at the sector level were around leaders' accountability, and leaders empowering people to make decisions, supporting professional development and growth, and ensuring that people have resources to meet expectations.

The practitioner survey also showed that senior leaders were significantly more likely than all respondents to agree with each leadership statement, with middle managers, supervisors and team leaders having lower opinions of the quality of leadership. Open responses in the survey and qualitative research suggested much lower opinion overall (see further below).

Statements about leadership	Per cent that agree to some extent or agree strongly own organisation	Per cent that agree to some extent or agree strongly sector as a whole
Leaders clearly articulate a compelling vision for the future	84%	78%
Leaders communicate how people's role contributes to overall goals	82%	74%
Leaders lead by example and act according to shared values	79%	77%
Leaders hold themselves accountable for their actions	79%	63%
Leaders ensure that people have the resources to meet the expectations set for them	83%	63%
Leaders empower people to make decisions in their role	77%	69%
Leaders support people's professional development and growth	84%	65%
Leaders provide regular and constructive feedback	79%	68%
Leaders acknowledge and celebrate employee contributions	82%	74%
Leaders actively engage stakeholders such as staff and service users in decision making	79%	66%
Leaders show genuine care and concern for the wellbeing of staff and service users	83%	69%

The tenant survey included a shortened version around aspects of leadership which were generally positive, broadly in line with views from practitioners for the whole sector. Scores were highest for leaders encouraging joint working between stakeholders and lowest for leaders providing feedback, recognising the contribution of others, and leaders taking accountability for their actions. Again, tenants open and qualitative comments were more negative (see below).

Organisational culture

Most practitioner survey respondents believed their own organisations had a positive culture. Like the questions around leadership, however, their view of the sector as a whole was less positive. Strongest scores were in areas of having a clear mission and values, feelings of inclusion and respect, regardless of their background or identity, and other equality areas. Perceptions were lower around staff feeling safe to express thoughts and opinions, mistakes being treated as learning opportunities, and openness and honesty in communication. Again, like the leadership aspect, the senior leaders were more positive than the wider staff teams.

Common aspects of culture	Per cent that agree to some extent or agree strongly own organisation	Per cent that agree to some extent or agree strongly sector as a whole
The sector has a clear mission and values that are well understood	90%	84%
These values are reflected in day-to-day behaviours	81%	76%
People feel safe to express thoughts and opinions without fear of negative consequences	70%	69%
Mistakes are treated as learning opportunities	80%	65%
Important decisions are communicated clearly and in a timely way	79%	77%
There is open and honest communication at all levels	70%	64%
Feedback is encouraged and acted upon constructively	73%	68%
People feel a strong sense of camaraderie with colleagues	82%	80%
Cross-functional collaboration is effective	72%	73%
Service users are seen as having a stake in the sector	78%	79%
Innovation and creativity are encouraged	81%	74%
People feel empowered to show initiative or try new approaches	77%	74%
Diverse perspectives are welcomed and valued	86%	85%
People feel included and respected regardless of their background or identity	90%	86%
The sector actively promotes equity in opportunities and treatment	89%	88%

The tenant survey included a shortened version around aspects of culture which were again generally positive, but with a lower opinion than practitioners' views. Tenants held most positive views in relation to vision, values and equalities, but lower opinions around culture of learning and improvement, open and honest communication, culture of people working together, and organisations encouraging new ways of doing things.

In terms of the impact of leadership and organisational culture, most practitioner respondents felt that high quality leadership had a positive impact on their organisation's performance. However, a significant minority feel that there has been a negative impact. Senior leaders were significantly more likely than average to think that the quality of leadership and culture within their organisation has had a positive impact. Supervisors, team leaders and operational staff were significantly less likely than average to think that the quality of leadership and culture within their organisation impacts positively on organisational performance (around 50 per cent, but only 37 per cent for operational staff).

Further comments about leadership and culture within the social housing sector

Open-ended comments from the survey, and wider qualitative research undertaken for this review provided more depth to the survey responses. Many practitioner consultees repeated the requirement for confident and transformational leaders in the sector driving a clear vision in the midst of navigating a difficult strategic and operational environment. At the same time this was coupled with the requirement to keep in touch with customers, understanding your own community, and to know your staff team and make sure they are developed, and empowered.

Many comments from practitioners were less positive than quantitative survey suggested, implying considerable concern in key of areas of leadership and culture, and presenting a more nuanced picture across the sector. Central themes highlighted concerns about leadership inconsistency, outdated cultural norms, and a disconnect between stated organisational values and lived staff experiences across the housing sector. There was a call for leaders to genuinely model values such as empathy, adaptability, and integrity, rather than just communicating them, and to foster trauma-informed, tenant-focussed services.

Some claimed that the sector suffers from poor middle management development, limited strategic vision, and an over-reliance on outdated leadership models. There was a plea for leaders to listen to, learn from, and empower staff, and move toward real accountability and inclusive change. Some key illustrative quotes are included below.

Housing associations/RSLs

"Understanding organisational culture is vital, and understanding the board and customers' views on purpose and impact is also critical."

"There has been a body of leadership across the sector in Scotland for some time, and they tend to dominate the narrative. I have not witnessed new voices and influence with innovative ideas for some time."

"As the sector responds to ongoing financial, regulatory and societal pressures, organisational culture will become an even more critical driver of resilience, innovation and impact."

Local authority

"Looking ahead, one of the most important leadership attributes for the housing sector will be the ability to clearly communicate and model organisational values, vision and goals, ensuring these are fully aligned with the overarching service vision."

"Key leadership requirements for the future will be partnership working with a wider range of partners; increasing skills in supporting staff/tenant wellbeing; and better understanding of technology and how it can help organisations."

"There is a perception that senior managers often prioritise what benefits the business or enhances their own professional profile, rather than focussing on what is practical and sustainable for frontline staff who are responsible for implementing these decisions."

"A key cultural challenge for the sector going forward is ensuring that individual services and organisations are held accountable for the culture they create and sustain."

3.5 Summary of key points – the current leadership and culture position

Overall, there is no one single definition of organisational leadership and culture but there are common threads that usefully capture the essence for social housing and comparable sectors. Leadership commonly encapsulates visionary thinking, innovation and creativity, being collaborative and empowering, and motivating and inspiring positive results. Culture refers to a set of values, beliefs, norms and shared behaviour which can be conscious or unconscious.

The review has demonstrated mixed opinions on the current state of leadership, organisational culture and impact in the social housing sector in Scotland. Practitioner survey results suggest leaders themselves are very positive about the current state of leadership and culture in the Scottish social housing sector in their own organisations, but less positive about the position for the sector overall. Other staff and tenants are still positive, but less so than the leaders themselves. This is qualified by the more nuanced picture coming through consultation with concern about leadership inconsistency and poor middle management development for the future leadership of the sector.

Many practitioner consultees repeated the requirement for confident and transformational leaders in the sector driving a clear vision while navigating a difficult strategic and operational environment. At the same time, this was coupled with the requirement to keep in touch with customers, understand their communities and to know their team, ensuring they are developed and empowered.

4. The legal and regulatory framework and leadership in the Scottish social housing sector

4.1 Introduction

This section considers how the social housing system at a regulatory level in Scotland addresses leadership in social housing organisations and compares with wider sectors.

4.2 Regulatory requirements

Social housing landlord performance is monitored annually through the Annual Return on the Charter (ARC) and Annual Assurance Statements (AAS)[18] covering a wide range of indicators against the Charter[19]. The focus of the standards and outcomes is on the delivery of services, but it could be argued that performance against the Charter acts as a proxy measure of the effectiveness of leadership in each organisation. In addition, the Charter requires that social housing providers be open and transparent, communicate well with tenants and other customers, and involve them in issues that affect them. The Charter is periodically reviewed, and during 2026/27 the Scottish government is undertaking a planned review of the Charter.

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18   https://www.housingregulator.gov.scot/for-landlords/regulatory-framework/#section-3
19   Leadership is covered in local authorities Best Value duty, and separately the skills of the senior executive in RSLs is covered through the SHR Standards of Governance and Financial Management.

While the ARC and AAS requirement is common to both councils and RSLs, there are key regulatory differences in respect of leadership aspects. For local authorities, leadership is governed through their broad duty to secure best value monitored by Audit Scotland on behalf tof he Accounts Commission[20]. The Best Value duty[21] includes a range of requirements that show effective leadership and positive organisational culture, summarised as:

• Vision and leadership
• Governance and accountability
• Effective use of resources
• Partnerships and collaborative working
• Working with communities
• Sustainability
• Fairness and equality.

For RSLs, they must meet the SHR's Standards of Governance and Financial Management which includes in Standard 6:

• "The governing body and senior officers have the skills and knowledge they need to be effective."
• "The governing body is satisfied that the senior officer has the necessary skills and knowledge to do their job. The governing body sets the senior officer's objectives, oversees performance, ensures annual performance appraisal, and requires continuous professional development."

The majority of RSLs are also charities and so also come under the governance of OSCR. OSCR provides information about the duties and requirements for charities, but there are no specific regulatory requirements in terms of leadership and organisational culture, other than the general duties of charity trustees to act in the best interests of the organisation, which is consistent with its charitable purposes[22].

In recognition of the overlapping nature of regulation in the Scottish social housing landscape, Audit Scotland, the SHR and OSCR have adopted the 'lead regulator' model. This enables the regulators to collaborate and share information on all social housing providers' performance where necessary, while minimising the burden of dual-regulation and keeping requirements proportionate for providers[23].

This review shows that there is not a common and explicit regulatory approach to encourage effective leadership and organisational culture in the social housing sector in Scotland. Consultation undertaken for this study confirms that the SHR's role is to regulate individual organisations and that it does not have a role in regulating the sector as a whole. Furthermore, consultee opinion is that the best value approach and Audit Scotland's role for local authorities are *"too high level"* and not tailored to the requirements of leadership in the social housing sector.

An interview with Audit Scotland for this review confirmed that Audit Scotland's role is primarily to audit the financial position of local authorities, and periodically to undertake performance audits on specific subjects on behalf of the Auditor General for Scotland (AGS) and the Accounts Commission. These performance audits are usually undertaken on topics across Scotland rather than for individual local authority services.

20   https://audit.scot/about-us/audit-scotland
21   https://www.gov.scot/publications/best-value-revised-statutory-guidance-2020/
22   https://www.oscr.org.uk/managing-a-charity/responsibilities-of-scios-and-other-legal-forms/scios-a-guide/
      5-duties-and-requirements-of-a-scio/
23   https://www.housingregulator.gov.scot/media/1730/oscr-and-scottish-housing-regulator-mou-october-2021.pdf

There have been two performance audits on housing over the last fifteen years – one on 'Housing in Scotland'[24] in 2013 and another on 'Affordable Housing'[25] in 2019 to 2020. Consultation with Audit Scotland confirmed that the last performance audit on housing highlighted the requirement for clear and effective leadership at the highest level. Audit Scotland also confirmed that it is aware of workforce and leadership challenges, including lack of succession planning across the public sector generally, and it is aware that the position in relation to housing has worsened in recent years. The AGS and Accounts Commission have instructed a performance audit on housing during 2026/27, likely to be published in 2027, which will consider the current acute need and the requirement for more housing supply.

Consultees emphasise the difference in approach between RSLs and local authorities, and the fact that even the explicit requirement as set out in the SHR's Standards of Governance and Financial Management for RSLs is focussed on boards and senior officer and does not cover organisations' wider leadership and succession planning requirements to develop the future leaders in the sector.

4.3 Comparison to other sectors

UK nations - legislation and regulation around social housing and the private rented sector

In the private rented sector (PRS) in Scotland, the Housing (Scotland) Act 2014 requires "appropriate people" in each letting agency to hold a "relevant qualification"[26] and where necessary, to undertake additional training on letting agency work. PRS landlords are not required to undertake this training but must meet landlord registration requirements, including a repairing and tolerable dwellings standard[27]. In a recent review of the letting agent qualification and CPD in the Scottish PRS[28], respondents called for consistency in the requirement for qualifications to include the social housing sector.

In **England** the new proposed Transparency, Influence and Accountability Standard[29] requires all registered providers to secure that their relevant staff have the necessary skills, knowledge and experience and exhibit the behaviours needed, for the landlord services to be of good quality.

Unlike Scotland, there is currently no mandatory requirement placed on letting agents in the PRS to undertake training or qualification.

In **Wales** it is not currently mandatory to have a qualification to work in housing. In the PRS, staff must register for the Rent Smart Wales requirements under the Housing Act (Wales) 2014[30], with ongoing training being part of this registration.

In **Northern Ireland** while there is no legal requirement for housing professionals to hold specific qualifications, there is a growing emphasis on skills development within the sector. Consumer Standard 2 of social housing regulation requires that housing associations have plans in place to enhance the knowledge, skills and competencies of their workforce[31]. Additionally, a review of the regulatory framework in 2023 recommended further consideration of mandatory professional standards, referencing the proposals in England.

24   https://audit.scot/docs/local/2013/nr_130711_housing_overview.pdf
25   https://audit.scot/uploads/docs/report/2020/nr_200409_affordable_housing.pdf
26   https://www.mygov.scot/letting-agent-registration/training-and-qualifications
27   https://landlordregistrationscotland.gov.uk/registration-support
28   https://www.cih.org/media/vrqorb5f/review-of-letting-agent-qualifications-report.pdf
29   https://www.gov.uk/government/consultations/competence-and-conduct-standard-for-social-housing-consultation/outcome/direction-on-the-regulatory-standards-competence-and-conduct-2025--2
30   https://rentsmart.gov.wales/en/home/
31   https://www.communities-ni.gov.uk/articles/housing-regulation-and-registered-housing-associations

Evidence from other relevant comparative sectors

As part of the review, the entry requirements, CPD requirements, regulatory and scrutiny requirements of other key public sector organisations have been explored.

Social work – Social work is an accredited profession, meaning that social workers must be registered with a professional body to practice. In Scotland, this is the Scottish Social Services Council (SSSC).[32] Maintaining and improving knowledge and skills including continued professional learning (CPL) is in the SSSC Code of Practice for Social Service Workers and is a requirement of SSSC registration. Leadership development is a core learning element of the CPL. Where people fall below the SSSC standards of practice and conduct, they can investigate and take action.

Social care – To hold many roles in the social service sector you must register with the SSSC[33]. You need to be working in a social service role in a service registered with the Care Inspectorate when you apply for registration, unless you are a social worker or student. So not all social care staff will initially hold a professional qualification. For example, you can start a new job in social care, children's or young people's services without a qualification and work towards it. SSSC will register new entrants on the condition that they gain the qualification, known as a qualification condition. Entry level social care jobs favour those with the SVQ Level 2 in Health & Social Care. SSSC registration requires an annual declaration of CPL.

It is important to note that some social housing providers in some settings (e.g. housing with care, supported accommodation and other specialist provision) employ staff with a social work and/or social care role, which would be governed by the Care Inspectorate.

Education – To enter the teaching profession in Scotland you need to have completed a four-year undergraduate course in education or completed an undergraduate course, and then a one-year Post Graduate Diploma in Education (PGDE) or qualified outside of Scotland, with equivalent qualifications[34]. It is also a legal requirement for people employed as teachers in Scottish schools to be registered with the General Teaching Council (GTC) Scotland[35] and once registered, teachers need to demonstrate professional skills and a commitment to lifelong learning. The Fitness to Teach process exists to maintain trust in teachers and teaching to ensure that teachers have the skills, knowledge and character to teach learners safely and effectively[36]. Leadership is one of the central underpinning and interconnecting themes within the suite of professional standards and is a key aspect of teacher professionalism.

Health - Within NHS in England and Scotland essential criteria within the person specification not only seek a high level of academic attainment but significant evidence of attainment of skills in leadership, developing culture and leading strategic change and continuous improvement. A significant shift occurred in the NHS following the publication of the Francis Report[37] which amongst its 290 recommendations included the Statutory Duty of Candour mandating openness and honesty when things go wrong, and for leadership and culture change leading to the development of compassionate leadership and a patient first approach culture within NHS.

Associated professional services – also of relevance are professional services that support the social housing sector many of whom will work 'in-house' in housing organisations. These include accountants, solicitors, surveyors, architects and town planners, all of whom have qualification requirements for certified practice, and mandatory CPD requirements.

32   https://www.strath.ac.uk/courses/undergraduate/socialwork/howtobecomeasocialworker/#qualifying-as-a-social-worker
33   https://www.sssc.uk.com/registration/who-should-register-and-why/
34   https://teachinscotland.scot/become-a-teacher/new-to-teaching/
35   https://www.gtcs.org.uk/join-the-register/apply-for-registration
36   https://www.gtcs.org.uk/fitness-to-teach
37   https://www.gov.uk/government/publications/report-of-the-mid-staffordshire-nhs-foundation-trust-public-inquiry

4.4 Summary of key points – Regulation and leadership in the Scottish social housing sector

In Scotland, local authority and RSL staff are not required to undertake housing-related or leadership training or qualifications as a pre-requisite to practice. This is in contrast to the legal requirement for qualification in the Scottish private rented letting agent sector, and new mandatory requirements in the social rented sector in England, and an increasing emphasis on professionalism in the sector in Northern Ireland.

Across comparable sectors such as social work, social care, teaching and health, and in associated professional services, there is a strong emphasis on professional qualifications, with the expectation of CPD, including leadership requirements. Social housing providers with housing with care, supported accommodation or other specialist provision are also governed by the Care Commission and so have staff with social work and/or social care qualifications and skills.

Scotland has a strong regulatory framework centred on the Charter, but there is not a common and explicit regulatory approach to encourage effective leadership and organisational culture in the sector. The SHR regulates individual organisations rather than the sector as a whole. In relation to Audit Scotland's role and local authority best value regime, stakeholders consider this to be *"too high level"* and not tailored to the requirements of leadership in the social housing sector. Consultees emphasise the disjointed legal and regulatory framework, arguing that it does not explicitly consider leadership and succession planning requirements for the sector as a whole.

5. Current position on qualifications, training and development, and staff retention and recruitment

5.1 Introduction

This section sets out the current position in the sector on qualifications, training and development as assessed through the practitioner and tenant survey and also considers wider aspects in relation to staff retention and recruitment in the sector.

5.2 Current position on qualifications, training and development in the sector

Housing-specific qualifications

Most practitioner respondents stated that they had CIH qualifications or membership (68 per cent) and 43 per cent have a postgraduate level qualification in housing. A significant proportion of respondents (14 per cent) have no housing-specific qualifications.

CIH qualifications or membership and postgraduate level qualifications in housing are significantly more likely than average amongst chief executives of RSLs and heads of housing service within a local authority (92 per cent and 71 per cent, respectively). Supervisors or team leaders and employees at operational level are significantly less likely than average to have a CIH qualification or membership (53 per cent and 50 per cent, respectively).

Leadership and management qualifications

Fewer respondents have a formal leadership and management qualification or similar, although the proportion of those that do is still a majority (53 per cent). As may be expected, strategic or executive leadership and management qualifications are significantly more likely than average amongst chief executives of RSLs and heads of housing service within a local authority (35 per cent). Middle to senior level leadership and management qualifications are significantly more likely than average amongst executive directors in RSLs or senior managers within the housing service of a local authority (30 per cent). Local authority employees, middle managers and supervisors or team leaders are significantly more likely than average to have an entry to middle level leadership and management qualification (37 per cent, 33 per cent and 33 per cent, respectively).

Rating of the availability of housing-specific qualifications, training and development

The majority of respondents positively rate the availability of housing-specific qualifications, training and development, particularly in relation to the availability of relevant certificated housing-specific qualifications (92 per cent rate this as good or very good) and the availability of non-certificated housing-specific training and development appropriate for the sector (86 per cent).

However, ratings are significantly lower in relation to the availability of certificated leadership and management qualifications appropriate for the sector, and on the availability of non-certificated leadership and management training and development appropriate for the sector.

The vast majority of respondents feel that the availability of qualifications in the sector drives improvements in leadership and culture within their organisation, either slightly, to some extent or to a significant extent (94 per cent), with 74 per cent indicating that this is the case to some or a significant extent.

Importance of senior managers having housing-related and leadership and management qualifications

According to survey respondents, the majority feel it is very or quite important for senior managers to have housing-related qualifications (75 per cent), and slightly more for leadership and management qualifications (77 per cent). Formal leadership and management qualifications are significantly more likely than average to be seen as important for senior managers to have amongst supervisors or team leaders (100 per cent) and employees at operational level (90 per cent).

These survey findings support previous research undertaken by the Institute of Leadership & Management for CIH on leadership succession planning within the social housing sector[38]. In relation to perceptions of qualifications and training, leadership qualifications, training or experience of executive coaching were highly valued. The CIH professional qualification was valued for gaining a baseline understanding of the sector as well as meeting and networking, but this was not deemed sufficient alone to lead a housing organisation. Technical knowledge, with social values, rather than commercial skills, were given more emphasis than leadership capabilities.

Aspirations for future qualifications, training and development

Most respondents (67 per cent) aim for future qualifications, training and development. Respondents see this in the form of:

- Taking part in additional leadership and management training and development to develop their leadership and management capabilities (40 per cent)
- Receiving on-the-job support to develop their leadership and management capabilities (37 per cent)
- Undertaking a strategic or executive leadership and management qualification (21 per cent).

Further opinion on qualifications, training and development

Further comments were sought through the survey, and through qualitative research on the role of qualifications, training and development, particularly in relation to leadership development. While the focus in discussions was on leadership development, it is interesting to note that participants grappled with the potential requirement for qualification for the whole workforce in the social housing sector, and for leadership development specifically.

A key theme highlighted was the presence of a huge range of different types of housing organisations in Scotland, including different sectors (local authorities and RSLs), sizes (from less than 100 homes to over 50,000 homes), locations, types of area (rural and urban), and types of communities served. It was also emphasised that because housing organisations are multi-disciplinary, including a range of professions (housing management, development, finance, human resources etc.), there is no 'one size fits all' when considering qualifications.

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38   https://www.cih.org/media/5mkedmwo/leadership-in-housing-a-looming-capability-gap.pdf

In summary, views on qualifications in the housing sector are mixed, with some valuing formal education and structured development while others emphasise experience, behaviour, and access to training and development over formal credentials. There were concerns raised about potential exclusion, inconsistent training opportunities, and the need for more practical, inclusive approaches to leadership development.

Instead of formality around specific types of qualification, some participants suggested introducing a mandatory requirement for systematic training and development, potentially associated with social housing standards. However, it was argued this should be flexible, in a way that supports the individual and the housing organisation, according to their specific needs.

There was also recognition that learning and development is a shared responsibility between the individual and the organisation, but that the organisation has the responsibility to encourage continuous learning and development. The availability of resources for training and development was highlighted, as well as the importance of a balance between the needs of the individual and the organisation.

For some consultees in the RSL sector, a systemic approach was seen as an improvement on the current requirement for skills and experience, which refers only to the board and senior officer. For the local authority sector, it was seen as an improvement on the current high-level requirements set out in the best value regime.

It was noted by tenant participants that having qualified staff providing services was important, but this had to be balanced with services, and the affordability of rent.

A selection of comments are listed below:

> *"Its (learning and development) is a shared responsibility. Individuals need to take ownership of our learning, and you want people that want to learn. Whether its housing qualifications, or training, leadership courses, or coaching conversations, the organisation has to create the environment where its encouraged."*

> *"I think having a blanket approach like England is not going to work. That's not going to solve the issues that has prompted this debate. It's about the issues, not about formal qualifications. It's about a severe lack of leadership and culture. Some of the best housing practitioners are not formally qualified, but they are passionate, they care, they're bothered about the difference their service and their interventions make to customers and their families. That's about operational leadership in practice."*

> *"I think leadership comes not just from qualifications, but from having lived experience, or understanding you customers."*

> *"As a tenant representative, something I hear from tenants is they want qualification and regulation, but they don't want that at the cost of rent going up; so, you know it's a difficult one."*

> *"Due to limited funding, only a small number of staff are able to attend the course; this can reduce its perceived value in interviews or promotion processes. Without formal recognition or consistent opportunities to demonstrate the learning, the benefit of completing the course may be overlooked; particularly when others with stronger presentation skills are more visible."*

> *"How do they (organisations) protect learning and professional development for their staff? We've all been in organisations where it's the easy thing to cut that, rather than to cut budget for getting new kitchens, bathrooms or windows or whatever."*

> *"I am strongly against any requirement for formal qualifications to work in the sector. While I have these qualifications, we have staff who do not; they perform very well. Forcing formal qualifications onto people can drive good, positive people away from the sector."*

> *"CIH membership is not seen as relevant by many, as they do fine without it."*

5.3 Evidence on staff retention and succession planning

The ARC provides data on staff turnover and staff sickness for the last five years, but only for the RSL sector, equivalent to around half the social housing stock in Scotland. Overall, there has been an increase in staff turnover and sickness since 2019/20. A Housing Quality Network (HQN) summit in 2023 highlighted that housing providers across the UK continued to face significant workforce challenges; including a tight labour supply for key roles, along with the need to drive up skills and technical knowledge across the sector[39]. There was a 'great resignation', said to be brought on through the pandemic, which has had a knock-on impact for talent pools and how important it is for registered providers to positively promote their vacant roles, so they stand out to candidates.

Qualitative research for this review confirmed concern over the ability to recruit and retain staff across the housing sector. This prompted many participants to suggest that qualifications to enter the sector should not be a requirement, but that there should be a strong emphasis on attitude and aptitude, followed by a drive for relevant training and development once people are recruited – for retention and to develop future leaders.

In 2021 CIH asked housing organisations for their top tips for undertaking a succession planning process and identified the following suggestions[40]:

1. Use your annual appraisal processes wisely. This can help you better understand future staffing needs with regard to key positions, who may be leaving and where there is the potential to develop people for promotion and more senior posts.

2. Use your recruitment planning process to address under-representation in your organisation. Having a diverse workforce is good for business.

3. When recruiting for new talent, think about where you are recruiting. Trade websites may be useful for certain roles, but will you reach the range of applicants you want? How can you use social networking channels and trusted intermediaries?

4. When looking to develop staff, use the full range of resources available, be it housing qualifications from a local college or education and training through the CIH Housing Academy. There are a range of useful resources available that both staff and employers can use to identify development needs.

5. Don't forget your tenants. Not only are they a potential pool of housing talent but your business will benefit from having staff who have experience of living in your homes.

6. Test the market and be mindful of conflicts for senior appointments. It is great to give internal candidates an opportunity, but it is important there is as wide a pool as possible and that the recruitment process is open and transparent and fair and equal to all.

7. You may want to use a recruitment consultant to ensure impartiality as well as helping to identify candidates for interview. If so, it is important that any consultancy you use understands the housing sector, your organisation and its values, and the needs of the job role being filled.

8. This is business critical. Developing the right talent should be a core part of your role and give you, your board/committee, and any regulator the confidence that you have the team in place to deal with core housing management responsibilities.

39   https://hqnetwork.co.uk/news/tackling-recruitment-and-retention-challenges-in-the-housing-workforce-virtual-summit-28th-march-2023/
40   https://www.cih.org/media/wkzkcays/succession-planning-in-scotlands-social-housing-sector.pdf

5.4 Summary of key points – current position of qualification, training and development

The research provides mixed views on the requirement for formal qualification versus general training and development to encourage strong leadership and culture in housing organisations.

The practitioner survey showed that a significant majority of respondents (68 per cent) held CIH qualifications or membership, while just over half held some form of leadership and management qualification. This compares with over three quarters believing that a formal leadership and management qualifications is important for leaders in the sector.

A large majority felt that the availability of qualifications contributes positively to improvements in leadership and culture within organisations. While 67 per cent of respondents had personal aspirations for future leadership development, most respondents expected to pursue this through non-certificated leadership and management training, on-the-job development, or different levels of certified leadership and management qualifications.

In summary, views on qualifications in the housing sector are mixed, with some valuing formal education and structured development while others emphasise experience, behaviour, and access to training and development over formal credentials.

Concerns were raised about potential exclusion, inconsistent training opportunities, and the need for more practical, inclusive approaches to leadership development. The fact that the social housing sector is hugely diverse in Scotland was highlighted, and since the organisations are multi-disciplinary (including different professions), this creates the requirement for flexibility in training and development which is fit for the individual and the needs of the organisation.

An emerging conclusion supported a requirement for mandatory learning and development plans led by the organisation as a way to support the growing challenges of staff retention and to ensure succession, planning and leadership for the future.

6. Guidance, resources and continuing professional development

6.1 Introduction

This section sets out the professional standards, guidance and tools that professional bodies and membership organisations operating within the social housing sector in Scotland have produced to be used across the social housing sector. This section also discusses the role of CPD.

6.2 Chartered Institute of Housing professional standards

CIH has developed seven professional standards which cover all jurisdictions in the UK and indicate the behaviour and values that are expected of competent housing professionals. Meeting these standards would be a strong indicator that positive leadership and organisational culture are in place.

The CIH seven professional standards are[41]:

- **Integrity** - A housing professional has a clear understanding of their values and acts in accordance with them – they will do the right thing, for the right reasons, based on the best evidence and without partiality.
- **Inclusive** - A housing professional acts transparently and fairly; builds good relationships; and works collaboratively with partners, customers and communities to achieve better outcomes.

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41   https://www.cih.org/professional-standards/

- **Ethical** - A housing professional acts fairly and makes choices and decisions by applying principles and values consistently. They understand the impact that poor decisions can have both on people's lives and the reputation of their organisation and they challenge unethical practice in a fair and considered way.
- **Knowledgeable** - A housing professional has relevant and up-to-date practical and specialist knowledge as required by their job role, understands the bigger picture and has a passion for continuous learning.
- **Skilled** - A housing professional equips themselves with the relevant skills to deliver effective services to tenants, customers, colleagues, and partners.
- **Advocate** - A housing professional acts as an ambassador for the wider housing sector and an advocate for the housing profession.
- **Leadership** - Housing professionals at all levels should demonstrate leadership, be forward thinking and create opportunities. They find solutions to improve outcomes for their organisation, tenants and communities and demonstrate their ability to adapt to the latest ideas, situations, and change.

CIH[42] offers members the opportunity to participate in a range of training courses and access to their 'Knowledge Hub', as well as mentoring to encourage collaborative learning. CIH events and webinars also provide CPD accredited opportunities for members. CIH also offers accreditation - CIH qualifications range from level two, for anyone new to the housing sector, through to postgraduate certificates for those in strategic leadership roles[43]. CIH is also engaged in policy development and campaigning to improve practice across the sector.

6.3 The Scottish Federation of Housing Associations (SFHA)

SFHA delivers sector-specific conferences, networking events, and learning programmes, offering members valuable opportunities to connect, share knowledge, and stay updated on the latest sector developments. As authorised CPD providers, they provide structured and accredited CPD to delegates at several in-person events. SFHA also offers guidance notes and tools to support members in service delivery and improvement.

SFHA also runs a one-day leadership conference where delegates hear from speakers from a diverse range of backgrounds, industries, and challenges. Here, they share their successes, learnings and future focus, as well as their journeys toward constructive culture and leadership. They also hold a people and culture conference that explores critical themes in workforce development and organisational culture. Like the CIH, they are engaged in policy development and campaigning work.

6.4 Scotland's Housing Network (SHN)

SHN[44] supports members across RSLs and local authorities to improve their services and achieve best value by providing knowledge exchange, networking and trusted data insights within communities of practice (CoP). These CoPs include, for example, performance and service improvement for RSLs and Co-ops, aiming to develop skills and knowledge to meet regulatory and statutory requirements and other national scrutiny developments. This CoP explores approaches and tools for performance improvements and service developments.

6.5 The Improvement Service (IS)

The Improvement Service (IS) was established in 2005 as the national improvement organisation for local government in Scotland. It was set up to deliver improvement support that would help councils to provide effective community leadership, strong local governance and deliver high quality, efficient local services. IS delivers a range of products that are available to all councils, focussed on digital public services, skills and development, knowledge management, collaboration and performance management, and benchmarking. Developing leadership skills is one of the key areas of skills and development work, and IS works with Open University Scotland to provide several on-line courses.

However, as noted elsewhere in this report, in relation to the 'capability gap', this type of generic leadership training would not necessarily meet the specific needs of the social housing sector.

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42   https://www.cih.org/
43   https://www.cih.org/media/4sdjo10g/0474-what-housing-qualification-should-i-study-v1.pdf
44   https://scotlandshousingnetwork.org/about/

6.6 Continuing professional development making a positive difference

The review examined literature across a range of sectors to highlight any areas of learning and good practice. This considered how CPD is being delivered and with what outcomes. Examples are drawn from other sectors, including healthcare, where a large body of evidence exists, as well as through comparative work by the Professional Associations Research Network (PARN), which has conducted several studies looking at standards, levels of compliance and measuring success. There is also consideration of what type of leadership fosters a learning culture and how CPD benefits leadership.

Work by the Association of Project Managers (APM)[45] and PARN looking at CPD concluded that compulsory CPD has the potential to raise the status of the profession as a whole, encouraging *"bright young people"* to choose paths that will lead to membership, and to encourage existing members to stay. This, in turn, can contribute to raising the quality of the community of practitioners, and thereby help raise the quality and status of the profession. CPD is important for employers in terms of maintaining competence and improving practice. It is important for the general public as a more competent set of professionals means better and safer professional services. Raising the quality of practitioners has a key role in succession planning, as highlighted earlier.

The Chartered Institute of Professional Development (CIPD) notes that creating an organisation that supports learning is not the sole responsibility of learning and development professionals, rather building a shared understanding that *"learning is how things are done around here"* requires organisation-wide vision, buy-in and action[46].

A recent evidence review by Rachel King and colleagues identified the key factors optimising the impact of nursing and inter-professional continued development as: self-motivation, relevance to practice, preference for workplace learning, strong enabling leadership and a positive workplace culture. The findings revealed the interdependence of these important factors in optimising the impact of CPD on person-centred care and outcomes[47].

A review across healthcare providers[48] by Moriarty et al found that the evidence based around the effectiveness of CPD was mixed, particularly in terms of material on cost effectiveness and the impact of CPD in terms of long-term changes in practice. There was an identified need to consider what sort of training was most useful for current practice, as well as considering impacts on productivity, workforce satisfaction and outcomes.

Researchers at Cardiff University[49] concluded that there are potentially many positive consequences of CPD engagement among healthcare professionals, such as job satisfaction, employee retention, and quality of service provision. CPD engagement was characterised by five criteria:

1. Self-initiated

2. Rewarded (either intrinsically or extrinsically)

3. Applied in practice

4. Recorded, evaluated, and shared with others

5. Continues beyond the initial learning activity.

45 https://www.apm.org.uk/news/road-to-chartered-series-apm-launches-paper-on-cpd/
46 https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/creating-learning-cultures-1_tcm18-75606.pdf
47 https://www.sciencedirect.com/science/article/abs/pii/S0260691720315021
48 https://www.apm.org.uk/news/road-to-chartered-series-apm-launches-paper-on-cpd/
49 Hearle, Deb and Lawson, Sarah 2019. Continuing professional development (CPD) engagement – a UK-based concept analysis. Journal of Continuing Education in the Health Professions 39 (4) pp. 251-259. https://orca.cardiff.ac.uk/129899/1/Final%20Correct%20referencing%2015%2010%2019%20JCEHP-18-0213R2.pdf

Lester[50] noted, from a review of 40 UK competency frameworks, that most are concerned primarily with the ability to undertake work activities and roles to an appropriate standard; that is, they reflect a predominantly external or activity-based approach to competence. The more effective frameworks recognise that competence standards cannot provide prescriptions for practice, reflecting the need for practitioners to act intelligently and ethically and to make judgements in complex and unpredictable situations. They also support valid, robust and consistent assessment, and are capable of being adapted into different practice contexts while remaining sufficiently precise. These frameworks are more likely to have a beneficial impact on leadership and culture.

The London School of Business and Finance suggests that CPD training is a strategic investment that yields significant benefits for employers. By fostering a culture of continuous development, companies can ensure their workforce remains skilled, motivated and capable of driving long-term success. While a supportive leadership can enable and encourage a learning culture, the focus on learning also benefits the organisation and creates future leadership pathways[51].

An evidence review in education found similar results, highlighting the benefits of CPD on teacher retention. Increasing the availability of high-quality CPD has been shown to improve retention, particularly for early-career teachers[52].

There was also evidence of the role of CPD in developing leadership skills. Key benefits of leadership development identified by The University of Manchester include career progression, adaptability to change, effective decision-making, improved employee engagement and networking opportunities[53]. Work by the CIPD concludes that leadership training programmes are effective, but this effect is contingent on various design, delivery and implementation characteristics. This includes the use of needs analysis, a focus on general management and interpersonal skills, multiple delivery methods, opportunity to practise, spaced training sessions and organisational support[54].

6.7 Summary of key points – guidance, resources and the role of continuing professional development

There are many opportunities for CPD in the social housing sector in Scotland, some of which is focussed on enhancing skills, performance, leadership and culture. CIH has developed seven professional standards which indicate the behaviour and values that are expected of competent housing professionals. Professional bodies and membership organisations operating within the social housing sector have produced guidance and tools to be used across the social housing sector.

The body of evidence points to significant potential in CPD in improving professional practice and outcomes, as well as staff retention, with benefits for succession planning and developing the leaders of tomorrow. Leadership plays an important role in creating an enabling environment for learning and a 'culture of learning'.

There is evidence that CPD can provide positive change in leadership and organisational culture. Key benefits include career progression, adaptability to change, more effective decision-making, improved employee engagement and networking opportunities. Leadership training needs to be designed to reflect the needs of leaders at different levels and requires organisational support to show commitment to continuous learning. Leading by learning can inspire others to do the same.

50   Lester, Stan, 2014. Professional competence standards and frameworks in the United Kingdom.
      Assessment and Evaluation in Higher Education, 39 (1): 38-52 (2014).

51   https://www.lsbf.org.uk/blog/news/education-careers/what-is-the-purpose-of-continuing-professional-development-(cpd)

52   https://epi.org.uk/publications-and-research/effects-high-quality-professional-development/

53   https://www.alliancembs.manchester.ac.uk/original-thinking-applied/original-thinkers/five-benefits-of-professional-development-for-business-leaders/

54   https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/evidence-reviews/2023-pdfs/2023-leadership-development-scientific-summary-8431.pdf

7. Conclusions and recommendations

The key purpose of this review was to understand the strengths and areas for development in leadership and culture in the Scottish social housing sector, and to test whether leadership can be improved at an individual, organisational and systemic level. The evidence from stakeholders, including regulators, confirms housing system failure in many parts of Scotland, as well as critical challenges to secure and retain the workforce. This challenge demands strong, transformational leadership to work within and across the sector to drive change.

In terms of the current state of leadership in the social housing sector, overall, the evidence points to challenges and scope for improvement in leadership, with much greater focus on succession planning to develop the leaders of tomorrow.

Social housing in Scotland is the exception when compared to the other relevant sectors examined. It is the only profession which does not have mandatory requirement for qualification for certified practice and CPD. Furthermore, the structure of the social housing system in Scotland does not support systemic workforce or leadership development due to the disjointed regulatory framework where, in respect of leadership development, half the sector is covered by the SHR, and half by Audit Scotland. Evidence suggests this aspect of regulation is light touch. This points to the requirement for a mechanism to support systemic leadership development which is consistent for both local authorities and RSLs so that the whole sector is covered. The Charter covers all social housing providers.

When considering the question of certified qualification for leadership development, the diverse nature of the Scottish housing system must be considered, including the size and type of organisations, and the multi-disciplinary nature of the workforce. Many leaders may not be housing professionals and could come from a range of other professions.

Tenants want a qualified and skilled workforce, but not at the expense of an affordable rent. Each housing provider therefore must consider the learning and development requirements in their own specific context to meet the needs of their tenants and the communities they serve.

The review has also explored the question of qualification and development for leaders only, or the workforce as a whole. In practice it is difficult to separate the two, as organisations who are committed to leadership development and succession planning will likely have a culture that is committed to learning and development for all their employees, and in so doing will be developing the leaders of the future.

Recommendations

It is therefore recommended that the CIH and wider stakeholders in the social housing in Scotland work with Scottish government to include a new outcome in the Scottish Social Housing Charter which requires all housing providers to develop and implement a learning and development strategy to cover all their workforce. This should also include the requirement for leadership development, succession planning and continuing professional development. In recognition of the multi-disciplinary nature of social housing organisations, this should not include the requirement for a specific qualification, and it will be for organisations and individual employees to determine whether certified, formal qualification is part of their development plan. This broader requirement should combine the need for flexibility for a diverse sector, while introducing a systemic approach to encourage housing workforce development in Scotland.

The Scottish Social Housing Charter is being reviewed 2026/27 and therefore provides a key opportunity to introduce a systemic approach to formalise the requirement for continuing professional development in the social housing sector in Scotland, and the develop the leaders of tomorrow.

Appendix 1: Examples of good practice on leadership development

Good practice examples in the social housing sector in Scotland

A 2021 CIH report examining succession planning for social landlords identified a number of housing providers that were good examples of how to prepare the workforce to take future leadership positions.[55]

Kingdom Housing Association's Graduate Trainee Programme - Kingdom Housing Association's graduate scheme lasts for three years, during which time trainees complete tailored placements within Kingdom as well as completing external work placements with key stakeholder organisations. Kingdom Housing Association has developed a partnership with the University of Stirling to support its graduate trainee programme. The aim is to provide a holistic learning experience, supporting graduates to develop into housing professionals and leaders for the future through a blend of practical work experience, including external work placements, underpinned by postgraduate study through the University of Stirling.

This model allows candidates to participate in further academic learning whilst also working in housing. Specifically, it has allowed the opportunity for those already working in housing to receive extra training and develop research skills, and will now allow new students without a practical background in housing the opportunity to gain real, hands-on experience over the course of their housing studies diploma.

Fife Council's Training Academy - In 2019, Fife Council launched a Housing Training Academy committing to an annual intake of young people, giving staff and trainees the opportunity to gain nationally recognised housing qualifications. Following approval from the Scottish Qualification Authority (SQA), the council is an approved training base for the delivery of housing SVQ 2, 3 and 4 courses. The aim is to support career progression and succession planning through coaching, mentoring, training, support and qualifications. The programme is open to members of staff across the sector and will support officers and managers in a leadership programme and over time build detailed progression routes for employees in frontline service roles. Participants are expected to commit to the programme for a period of two years.

PATH Scotland - PATH helps to address the absence of people from black and minority ethnic (BME) communities working within the housing sector. PATH works alongside social landlords to develop specialist three-year traineeships which combine a structured work programme with a professional qualification. These traineeships are tailored to the needs of the organisation.

Opportunities are advertised through the promotion of past successes and although full-time employment is not guaranteed, 90 per cent of trainees have gained employment in housing or related sectors post-placement. Between 2009 and 2017, PATH provided approximately 126 housing traineeships to people from BME backgrounds.

Harbour Homes (formerly Port of Leith Housing Association) In producing personal training and development plans, managers and senior managers have frank discussions with those that they manage about their career aspirations and their intentions as to how long they intend to stay in their post. When a staff member indicates an interest in a more senior position, they will be placed on the succession plan for that position and discussions about their personal development will include what support they will require to be considered a strong candidate. This ensures that, when a postholder leaves, an internal candidate has the best possible chance to succeed, although the post will be open to external candidates as well.

Osprey Housing Association set up their own academy to develop their team and help the emergence of the next generation of sector leaders. Recognising they had a flat management structure meant opportunities for career path promotion were limited, but the academy approach supports shared leadership across the organisation and individual personal development. Opportunities available through the academy include personalised, comprehensive psychometric assessment, secondments, qualifications, apprenticeships and project leadership. The academy is open to all staff at Osprey who want to develop their own career. It is hoped that over time the academy will support increased workforce diversity at Osprey.

55   https://www.cih.org/media/wkzkcays/succession-planning-in-scotlands-social-housing-sector.pdf

Shetland Islands Council - Recognising the different challenges in more rural and remote areas, Shetland Islands Council supports a career-graded structure which develops and professionalises their housing management team. The council uses formal CIH qualifications through distance-learning alongside on the job skills, knowledge and experience to 'grow their own' housing workforce.

Easthall Park Housing Association - Easthall Park Housing Association has a well-established culture of supporting staff development. All staff members are encouraged to reflect on their own career and take on more leadership/ senior opportunities and increase their visibility in the organisation. Staff are supported to volunteer, take on greater responsibilities, and develop their skills ahead of any senior position becoming available. This ensures that they would have the best possible chance to succeed in the post in the future. When recently appointing a new director, they purposely used an external recruitment agency to ensure that the process was fair and transparent for all candidates.

Other good practice examples in leadership

The Accounts Commission identified two case studies of leadership in local authorities as part of a 2023 overview of local government[56]:

West Lothian Council has an Elected Member Development Programme, which includes a virtual/online structured induction programme. Following the 2022 Council Elections, West Lothian Council delivered a structured induction programme for elected members from 9 May to 24 June 2022.

Before attending the induction, a welcome pack was issued to members to provide them with background knowledge to improve their understanding of the training sessions. The welcome pack also contained various documents such as the Councillor's Code of Conduct and Members' Role Descriptions. In total, over 50 training sessions on essential topics were delivered remotely via the Elected Member Development Site on the council's intranet. Most of the sessions were also recorded to ensure they were easily accessible.

The council also has an ongoing Elected Member Development Programme which focuses on key topics including climate change, emergency planning and quality assurance procedures. Members are also supported to complete a personal development plan to allow them to identify and discuss specific and individual needs. Members are encouraged to review their role and consider what will help them to improve their performance and develop knowledge, skills, and abilities. This could be through training events, coaching, working with an experienced colleague or project work.

In July 2022, an evaluation of the induction programme was undertaken where elected members were asked to complete a survey. Participants were required to consider 10 different aspects of the induction programme including the training topics covered and admin support. Using a five-point scale, where one equals excellent and five equals very poor, participants provided a rating for each area. Overall, the feedback received was positive with the average score awarded across all 10 aspects being excellent. Officers who delivered the events were also asked to provide their views on the success of the programme. (Source: Audit Scotland dataset using information from West Lothian Council)

Wigan Council developed 'The Deal' to deliver collaborative change. Wigan Council, faced with substantial budget cuts, devised new ways to continue providing services and serving the community. The council created The Deal, an informal agreement between the public sector, citizens, community groups and businesses to create a better borough. The Deal's main objectives are to eliminate waste from the council's budget and reduce demand for services while improving the lives of citizens, covering healthcare, children, social services and community funding.

It is seen as successful in many ways: Wigan Council has reduced its expenses, improved certain services, frozen council tax, and improved health outcomes for citizens. A 'clear narrative developed about the changes the council wanted to bring about and why they were needed', informing how staff developed ideas and put the Wigan Deal into practice. This resulted in a shift from control and management to enabling and convening. (Source: Improvement Service)

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56   https://audit.scot/uploads/docs/report/2023/nr_230517_local_government_overview_supp1.pdf

National Police Leadership Programme - In 2023, Greater Manchester Police's (GMP) chief constable (CC) Steve Watson was selected to lead a new National Police Leadership Programme. This new leadership programme is delivered by the College of Policing as part of the National Centre for Policing Leadership, aiming to prepare those seeking promotion to chief officer roles across England and Wales for their newfound responsibilities. Passing this course, which CC Steve Watson will be responsible for the content and delivery methods of, will be mandatory for a candidate to be appointed as a chief officer.

The course looks at not only operational leadership, but personal and organisational leadership too, to ensure those in the highest ranks can deal with major and critical incidents effectively, are ethical and inclusive, and are developed in political acumen, particularly where nationally significant events are concerned[57].

The Committee on Standards in Public Life Report 'Leading in Practice' includes a number of case studies on leadership[58]:

Leadership within professions – The Institute of Chartered Accountants of Scotland (ICAS) encourages all chartered accountants to take personal responsibility for practicing the ethical principles of their profession in the organisation within which they work. ICAS has produced a series of publications, guidance and resources under their 'The Power of One' initiative to support members[59]. This includes papers on personal responsibility and ethical leadership, moral courage, and the importance of listening.

The Power of One recognises that, no matter their career stage or level of seniority, through their ethical behaviour, every chartered accountant can be a force for good in the organisations in which they work. They can also influence those around them, and thereby help shape the culture and values of their organisation.

> *"The Power of One reminds people that all individuals have power. We have been pushing this message and we want our members to be advocates within their organisations. The title resonates with our membership – they are all aware of it."*
> (James Barbour CA, director, policy leadership, (ICAS), 7 April 2022)

Culture Measurement Framework – NatWest Group's Culture Measurement Framework pulls together over 100 measures from business units and control functions, as well as independent external sources, into a single insight into the group's culture. Examples include audit and behavioural risk data, independently produced 'whistleblowing' data including numbers of cases and outcomes, independent data to assess customer service culture, and colleague engagement feedback and staff survey results.

NatWest Group found that the measures for culture they had in 2015 were not effective enough to help track progress against their culture change programme, so they designed new ones influenced by best practice. The people strategy and insights team started reporting to the board using these basic measures, then upgraded them in 2016/17, and in 2021 integrated all the measures into a 'one-bank' culture report for the board that triangulates the data across functions.

The Natwest Group ensures that the measurement work leads to change where needed. Culture is led from the top. Alison Rose, NatWest Group's chief executive, sponsors the work, together with the Bank ExCo. Targets are set for the people and culture measures and these are published in the annual report and accounts. Key measures are shared with line managers every six months through an interactive toolkit. This toolkit allows managers to compare their team's results with others in the group and via external benchmarks. Managers use this insight to action-plan, integrating this into their people plan and tracking progress throughout the year.

Focussing on culture has had a positive impact. In 2016, both the engagement levels of staff and the leadership index were below the Global Financial Services Norm benchmark. By 2021, engagement had increased from 73 per cent to 89 per cent and leadership effectiveness improved from 68 per cent to 85 per cent.

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57   https://www.gmp.police.uk/news/greater-manchester/news/news/2023/july/gmp-chief-constable-steve-watson-expands-role-becoming-national-lead-for-chief-officer-training/
58   https://www.gov.uk/government/publications/leading-in-practice
59   https://www.icas.com/regulation-technical-resources/documents/ethics-and-the-power-of-one

" My top tips for others seeking to gain a better understanding of their culture are:

1. *Start small and build – don't wait for all your systems to talk to each other.*

2. *Try to get a coalition of the willing engaged from across the organisation – our work has been turbo-boosted through working with colleagues across finance, audit, risk, customer services etc.*

3. *Shape your approach based on best practice – we found the Financial Reporting Council guidance to UK Boards on 'Corporate Culture and the Role of Boards' as well as the Financial Services Culture Board review of NatWest Group, and insight from the Prudential Regulation Authority, Financial Conduct Authority, Institute of Risk Management, and the Institute of Internal Auditors really helped us."*

(Greig Aitken, group head of people strategy and insights, NatWest Group, 16 May 2022)

Values based assessment – Standard Chartered uses a values-based assessment to select high-quality candidates whose values align with those of the bank. The values-based assessment is based on the bank's Valued Behaviours framework, which was created after inputs were sought from the company's 80,000 employees through a global employee survey. The bank specifically asked employees to provide input on the behaviours that are required to bring the bank's purpose to life.

Since the launch of the framework, the Valued Behaviours have been embedded across the organisation and are reinforced consistently by leaders and in internal communications. All employees set objectives against them, they are the foundation of 360-degree feedback, they are built into the bank's executive and management development programmes, they are at the centre of onboarding programmes, and every applicant is screened using a values-based assessment as part of the application process[60].

The values-based assessment is used across the bank's footprint, primarily spanning Asia, Africa and the Middle East, and to a lesser extent, Europe and the Americas. Within the first year of the assessment's rollout, Standard Chartered invited more than 52,000 candidates to complete it as part of the application process. Of the candidates who completed the assessment, 88 per cent met the criteria and 12 per cent were screened out for not meeting the behavioural standards expected.

"Our hypothesis has been that those who are more likely to behave in line with our Valued Behaviours (and perform better on the test) are more likely to stay longer, perform better and be more engaged in their journey with the bank. And our data suggests that hypothesis is proven."
(David Wilson, head, organisation development, Standard Chartered, 17 May 2022)

An analysis of 18,000 assessments completed as part of the development and pilot process found that:

- Candidates who scored higher on the assessment showed 5.8 per cent lower new joiner attrition than the global average

- Individuals who were hired after completing the test and participating in their annual 'My Voice' staff survey had a 13.41 percentage point higher employee net promoter score than the global score

- Higher performing candidates on the assessment had a nine per cent higher chance of being hired after progressing through subsequent selection stages.

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60   https://www.sc.com/en/global-careers/about-us/culture-values-and-purpose/

Whistleblowing - Network of 'speak up' officers – NHS National Guardian's Office and Freedom to Speak Up Guardians. Every NHS provider in England is expected to adopt the national Freedom to Speak Up Policy, including a Freedom to Speak Up Guardian to give independent support and advice to workers who want to speak up about anything impacting on their ability to do their job – this could be a concern or an idea for improvement. There are over 800 Freedom to Speak Up Guardians in primary and secondary care, independent sector organisations, hospices and national bodies.

The guardian is recruited by their organisation and follows the universal job description drawn up by the National Guardian's Office (NGO)[61]. There are two elements to the role. One is reactive – to support people who speak up. The second is proactive – to support their organisation to help remove the barriers which can stop people from speaking up.

The NGO leads and supports the network and delivers training to Freedom to Speak Up Guardians. The guardians also have access to local and national networks for peer support. The NGO shares learning through thematic reviews and by publishing real-life case studies[62]. The NGO also has a leadership role in promoting the importance of speaking up, holding the system to account and sharing best practice within healthcare and across the public and private sectors. The guardians have a crucial role to play, but their success is dependent on the support of their senior leaders. Guardians should have ring-fenced time for the reactive and proactive parts of their guardian role and direct access to their chief executive and the senior lead and non-executive director with responsibility for the speak up culture in the organisation. To be effective, the guardian model must be supported by leadership who value the role and are committed to listening to their workforce and taking action as a result.

61   https://nationalguardian.org.uk/for-guardians/job-description/
62   https://nationalguardian.org.uk/learning-resources/case-studies/