

Subject: Pelham Succession Management Policy and Plan**Recommendation:**

BE IT RESOLVED THAT Council receive Report #2021-0025 – Chief Administrative Officer; and THAT Council Receive this Report for Information Purposes;

AND THAT Council approve the attached Succession Management Policy, S600-25;

AND THAT Policy S600-25 approved in 2013 be repealed and replaced.

Background:

The Town of Pelham first initiated a Succession Management Policy in 2013. It is unclear to what degree the policy actually guided previous hiring and promotional practices. In any event, after eight years and with a different administration, it is an appropriate time to review the policy, produce a new plan (to be discussed as a companion closed session item) and implement both in support of the Town's current strategic objectives and staffing needs.

Staff reviewed publicly available reports on succession planning at other municipalities in preparation for this task. From this exercise, a number of conclusions were drawn: that the Town is too small to require or benefit from a highly formalized succession management program, that many succession plans fail for lack of leadership buy-in or lack of funding and that there are specific areas which require focused effort.

As some basic commentary, the purpose of the Succession Management Policy is twofold: firstly, to ensure that Council and Senior Administration turn their minds to how they might maintain the skill set of the civil service and secondly as a key component of the Risk Management Framework which Council has identified as being a core focus of the Strategic Plan.

From a staffing perspective, one of Pelham's greatest challenges is that many important functions are provided by "Departments" of single staff members, including but not limited to purchasing, payroll, human resources, drainage inspection, corporate communications and property tax. While the Town's Senior Leadership Team ("SLT") has been taking steps for more than two years towards developing redundancy by creating some amount of overlap in skill sets amongst staff, there are many tasks which require professional accreditation or specialized knowledge that cannot simply be covered by a staff member who lacks those qualifications. For those tasks and roles where succession is theoretically possible, it is important for members of SLT to identify the skills or knowledge gaps in junior and intermediate level staff, and then provide opportunity, be it through courses/seminars or work assignments, to help those staff be qualified to Pelham job competitions when promotional opportunities come available.

Analysis:

The proposed policy contains a key aspirational target: that something between 33% and 50% of all mid-to-senior level positions in the corporation be filled by internal applicants. This target is meant to recognize the need for internal promotional activities that reward and encourage hard work by staff, while also respecting the benefits of fresh perspectives which external hires provide. As an additional benefit, this target creates an easily understandable metric for future assessment of both the policy and plan's effectiveness.

So as to avoid simply "going through the motions" in succession planning, Town administration wishes to make this a non-labour intensive, ongoing process where the specifics of the plan itself are reviewed every other year, or immediately after significant change in staff complement. In compliance with the principles identified in the attached policy, the CAO will discuss the topic on at least an annual basis (but ideally twice per year) with each member of the SLT. This in turn will require each member of the SLT to consider and review their Departmental needs, and assess those relative to the skill development of the staff who report to them. All of the foregoing will be supported by the Coordinator, Human Resources who will maintain records of training or project/task related work completed by persons who have been identified as succession candidates.

The benefit of the proposed approach is that it is relatively easy to administer, and there is a mechanism for financing staff development activities which need not detract from existing priorities or budgeted activities. It is believed that the above tasks should not require more than about 1.5 days of work per year for each senior leader, making this a sustainable activity that can be accomplished within existing

resources and workload.

Financial Considerations:

While some monies may be spent in future years on training and providing professional opportunities, as they become available and as weaknesses and areas for improvement are identified in potential successors, no monies will need to be specifically dedicated or required from the tax base. Training needs will be addressed through existing training budgets or through the recently approved "Human Resources Capacity Building" Reserve. Mentorship, which has no direct financial cost, will continue to form a major component of preparing junior and intermediate level staff for more senior roles.

Alternatives Reviewed:

There are no practical alternatives to having a Succession Management Policy and Plan. These are necessary items to ensure that the Town maintains the skill sets needed to provide residents with the array of services which they pay and rely upon. Given the size of Pelham's municipal administration, there are many departments or functions that are performed by only a single person. If the person ceases to be an employee, it may not be possible to continue providing the service with existing staff, accordingly a plan that encourages sustainability and identifies strategic threats to service capacity is of significant benefit.

Strategic Plan Relationship: Risk Management

Succession Planning is a key component of the Town's (not yet formally developed) Risk Management Framework. Properly executed, Succession Planning will support continuity of service and institutional capacity. As an added benefit, this can be accomplished without seeking additional taxpayer support.

Consultation:

All member of SLT were interviewed and consulted in the drafting of the Policy and Plan, although those documents were created solely by the CAO and Coordinator, Human Resources.

Other Pertinent Reports/Attachments:

Draft Succession Policy

Prepared and Submitted by:

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Chief Administrative Officer