Tuesday 25 July 2023 4:30pm



# ng homes BOARD MEETING





# **AGENDA**

**Meeting:** Board Meeting **Invitees** Board

**Location:** The Ron Davey Enterprise Centre,

10 Vulcan Street

**Date:** Tuesday 25 July 2023

**Time:** 4.30pm

Please submit any apologies to Cheryl Murray

Email: cmurray@nghomes.net Telephone: 0141 630 4324

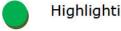
	Agenda	Paper	Lead Officer	Page Number
1.	Apologies			
2.	Declaration of Interest and Attendance			5
3.	Minutes			
a.	Minutes of the Board Meeting on 23 May 2023			7
	i) Matters arising			
4.	For Approval			
a.	Review of Annual Accounts	Yes	ВН	17
b.	Audit Findings Reports and Letters of Representation for i) NGHA ii) NGPS iii) DSGL iv) ng2	Yes	ВН	125 127 153 159 165
c.	FCA Return	Yes	ВН	171
d.	OSCR Return	Yes	ВН	187
e.	Strategic Risk Register	Yes	ВН	193
f.	Repairs and Maintenance Policy	Yes	AB	201
g.	No Access Policy	Yes	LC	217
h.	Declaration of interests Policy	Yes	TS	239
i.	Board Succession Planning Policy	Yes	TS	255
j.	Board Training Plan	Yes	TS	267
k.	Hybrid / Remote Working; The Way Forward	Yes	Chair	269
5.	For Ratification			

a.	Payments and Benefits case 153 – Unlock Net Zero Awards	Yes	CEO	273
b.	Payments and Benefits case 154 – TPAS Awards	Yes	CEO	275
6.	Chief Executive's Update	Verbal	CEO	
7.	Chairs' Remarks	Verbal	Chair	
8.	Delegates Feedback	Verbal	1	İ
9.	For Noting			
a.	Governance Update	Yes	TS	277
b.	Rule 68	Yes	TS	283
C.	Communications Update (Q1)	Yes	TS	285
d.	Notifiable Events	Yes	LC	291
e.	KPI Performance YTD (Q1)	Yes	LC	293
f.	Complaints and Compliments (Q1)	Yes	LC	297
g.	Complaints Report 2022/23	Yes	LC	301
10.	Minutes of Committees and Subsidiaries			5.00
a.	Minutes of the HR Committee meeting on 18 May 2023	Yes	1	303
b.	Minutes of the NGPS Board Meeting on 7 June 2023	Yes		311
c.	Minutes of the ng2 Board Meeting on 13 June 2023	Yes		317
d.	Minutes of the Audit Committee Meeting on 22 June 2023	Yes		323
11.	AOCB			
12.	Date of next meeting – Tuesday 3 October 2023			

#### **Enclosures**

None.

# **Key for Colour Coding in Reports**



Highlighting Good Performance



Requires Close Monitoring



Requires Urgent Attention

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED BOARD ATTENDANCE 2022-23

23.05.23	Ь		W* * * * * * * * * * * * * * * * * * *	V V	Ь П	Ь П	A*	Ь П	В В В В В В В В В В В В В В В В В В В	d	x x	64%
07.02. 23 28.03.23 23.05.23	Р	Р	A* A*	А Р	Ь	Р	A A	X	Р	А Р	А	45% 73%
22.11.22 07.	Ь	Ь	Ь	Ь	Ь	A	A	Ь	Ь	Ь	Ь	82% 4
04.10.22 2	<b>C</b>	Ь	Д	Ь	Ф	Ь	Ф	Ф	Д	Ь	٧	91%
	C Rossine	J Thorburn	CIIr A Gow	J Berrington	G Satti	J MacLeod	P Nelson	F Malcolm	J Kennedy	M Grimley	J Fernie	% Total

- ABSENT LEAVE OF ABSENCE GRANTED × \* PRESENT APOLOGIES

**TARGET ATTENDANCE -80%** 

4 A

71%

**AVERAGE ATTENDANCE -**

Item 3



# Board Meeting Minutes

Meeting: Board Meeting Location: Saracen House / Microsoft

Teams

**Date:** 23 May 2023 **Time:** 4.30pm

Attendees: J Thorburn J Kennedy

C Rossine J MacLeod (virtual)

G Satti M Grimley (virtual) – left at 6:07pm

F Malcolm

**Apologies:** P Nelson, A Gow, J Berrington, J Fernie

In Attendance: J Devine (CEO), B Hartness (DCEO) BH, L Cooper (DHS) LC,

A Bell (DDPS) AB

Minute Taker: C Murray CM (PA)

	Agenda	Action	Date
1.	Apologies		
	As above.		
2.	Declaration of Interest and Attendance		
	As Above.		
	P Nelson requested a leave of absence until the end of July 2023.		
	Proposed G Satti Seconded J Thorburn		,
3.	Minutes of Board Meeting on 28 March 2023		
	Board AGREED the minutes were an accurate record of the meeting.		
	Proposed J Kennedy Seconded J Thorburn		
	i) Matters Arising		

	Item 4(h) - an email with further information on adaptations was	LC	
	shared with the Member who raised a question at the meeting. That		
	email will be circulated to all members.		
4.	For Approval		
a.	Reactive Repairs and Maintenance Measured Term Contract Tender		
	AB presented the report explaining the tender and procurement process for the day-to-day reactive repairs and maintenance contract. AB confirmed that the scoring panel always consists of a one or two members of staff, an external consultant and a Board member.		
	Members referred to section 4 of the report and queried the difference of the tender submitted and tender corrected sum. AB explained that this was due to arithmetic errors where entire priced sections had not been carried over to the summary page. Furthermore, a section on window renewals had not been priced at all. A provisional sum has been added for this element of work and will be closely monitored.		
	Members APPROVED the appointment of City Building (Contracts) LLP to the Day-to-Day Reactive Repairs Measured Term Contract in the sum of £702,484.88 plus VAT of £140,496.97 equating to £842,981.86.  Proposed G Satti Seconded J Kennedy		
<u> </u>	Strategy & Development Funding Plan (SDFP) 2023/24-2027/28		
b.	(REVISION 2)		
	AB presented the revised Strategy & Development Funding Plan (SDFP) for 2023/24-2027/28.  Members noted a correction in the report, the 3 closes Glasgow City Council has agreed to provide Feasibility Study Funding for are 106, 110 and 116 Stonyhurst Street (not 104).		
	Members APPROVED the revised Strategy & Development Funding Plan 2023/24 - 2027/28 for submission to Glasgow City Council, Housing & Regeneration Services Department.		
	Proposed J Thorburn Seconded F Malcolm		

c.	Management Accounts to 28 February 2023	
	BH presented the Management Accounts for the period to 28 February	
	2023, highlighting the comparisons against budget.	
	Member asked if utilities were on a fixed or variable contract. BH	
	explained that where possible, contracts had been taken over a short	
	period of one year so that we were not tied to the current high rates on	
	a long-term basis. Contracts have been difficult to procure as there is	
	no competition in the utilities market and prices have not declined,	
	however BH is hoping to see improvement in the coming months.	
	Members APPROVED the Management Accounts for the period to 28	
	February 2023.	
	Proposed J Kennedy Seconded F Malcolm	
d.	NGHA Business Plan	
	BH presented the Business Plan for the Association for 2023-2026. BH	
	commented that some of the themes were discussed at the Board	
	Strategy Day on Sunday 14 May 2023.	
	BH referred to the sensitivity analysis which assumes only one element	
	changes and assured Members that they would always react to ensure	
	the viability of the Association.	
	BH highlighted that the Business Plan does not include the bid for the	
	Ukrainian project as they did not have confirmation of it at the time of	
	writing. It does take cognisance of things Housing Associations should	
	be moving towards such as Housing to 2040, Net Zero, etc. The Asset	
	Management Strategy continues to be progressed which will influence	
	the Business Plan next year.	
	Members APPROVED submission of the Plan as required to lenders and	
	to the Scottish Housing Regulator, with a summary of the Plan to be	
	prepared for staff and key stakeholders.	
	Proposed G Satti Seconded J Thorburn	

	Five Very Financial Businstians (FVFR)
e.	Five Year Financial Projections (FYFP)
	BH presented the five-year financial projections (FYFP).
	Members APPROVED the five-year financial projections return.
	Proposed J Kennedy Seconded G Satti
f.	Business Plan Priorities Progress – Q4
	BH presented the report providing Members with a position in quarter
	four on business plan priorities 2022-2025.
	Members APPROVED the Business Plan priorities progress.
	Proposed J Thorburn Seconded G Satti
g.	Loan Portfolio Return
	BH presented the report explaining that the loan portfolio return, which
	must be submitted to the Scottish Housing Regulator (SHR) by 30 June
	2023, would not be ready on time to request approval at this meeting.
	Members APPROVED the loan portfolio return be delegated to the Audit
	Committee.
	Proposed F Malcolm Seconded J Kennedy
h.	Annual Return on Charter (ARC)
	LC presented the out-turn performance in the ARC for 2022/23 and
	advised Members that she had met with the Chair and CEO to discuss
	all the statistics thoroughly.
	Members APPROVED performance for 22/23, as set out in the ARC
	return, and for the document to be sent to the Scottish Housing
	Regulator (SHR).
	Proposed F Malcolm Seconded J Thorburn
i.	Housing Services Restructure
	LC presented the report requesting approval to consult with staff in
	Housing Services on a potential restructure.
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Member asked if artificial intelligence (AI) would be used as part of the restructure to improve the service to the customer. CEO advised that AI is embedded in the digital strategy and that IT in general is playing a huge part in improving customer service. CEO went on to say that the Housing Services restructure is more about the people and getting the structure right to get more feet on the ground and out in their patches to deal with things such as anti-social behaviour and fly-tipping. The structure will be underpinned by technology. Member referred to English law requiring Housing Officers to have a recognised qualification and as Scotland tends to follow suit, suggested it might be worth looking at. CEO advised that as members of organisations such as CIH, ng homes should be kept aware of such legislation. The Association tries to get ahead of guidance such as the building regulations in England, in particular around high-risk buildings. Members APPROVED consultation with staff in Housing Services on a potential restructure. Seconded J Kennedy Proposed G Satti j. Balgrayhill Road Villas LC presented the report regarding the Association being approached by Glasgow City Council to acquire two semi-detached properties at and and CEO caveated the request by saying it is only to enter into discussions at this stage and any acquisition would be subject to a verified survey and Board approval. Members discussed and APPROVED senior officers to progress discussions with GCC to purchase these properties as presented at the Board Strategy Day. Proposed F Malcolm Seconded J Thorburn

Citta Haanitalitus and Danationa Day		
Girts, nospitality and Donations Report		
TS presented the report updating Members on gifts and hospitality		
given and received and on donations made by the Association/group		
subsidiaries.		
Members APPROVED the relevant notifications provided to Corporate		
Services for the period covering 1st October 2022 to 31 March 2023.		
Proposed G Satti Seconded J Kennedy		
Return to the Workplace / Hybrid Working		
TS advised Members that since the Association adopted hybrid/remote		
working on a temporary basis as a result of the Covid-19 pandemic,		
staff have been advised throughout that any permanent hybrid/remote		
working model would be a Board decision. TS referred to the Board		
III the report.		
Members discussed the proposal to create a working group consisting		
of Board members and staff to consider the position on hybrid/remote		
It was AGREED that the Board sub-group to join the staff sub-group		
Proposed 1 MacLeod Seconded 1 Kennedy		
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•		
·		
papers that details a new event to report to Members, that occurred in		
April 2023.		
	given and received and on donations made by the Association/group subsidiaries.  Members APPROVED the relevant notifications provided to Corporate Services for the period covering 1st October 2022 to 31 March 2023.  Proposed G Satti Seconded J Kennedy  Return to the Workplace / Hybrid Working  TS advised Members that since the Association adopted hybrid/remote working on a temporary basis as a result of the Covid-19 pandemic, staff have been advised throughout that any permanent hybrid/remote working model would be a Board decision. TS referred to the Board Strategy Day on Sunday 14 May 2023 where the subject was discussed. TS referred to the 5 key strands of information to consider as detailed in the report.  Members discussed the proposal to create a working group consisting of Board members and staff to consider the position on hybrid/remote working and to bring a recommendation back to the next Board meeting for approval.  It was AGREED that the Board sub-group to join the staff sub-group would consist of the Chair, Vice-Chair, J Thorburn and F Malcolm. M Grimley also showed an interest, but it would be dependent on time commitments.  Proposed J MacLeod Seconded J Kennedy  Chief Executive's Update  CEO updated Members on the current status of the Associations Notifiable Events. CEO drew Members attention to item 9(g) in the papers that details a new event to report to Members, that occurred in	TS presented the report updating Members on gifts and hospitality given and received and on donations made by the Association/group subsidiaries.  Members APPROVED the relevant notifications provided to Corporate Services for the period covering 1st October 2022 to 31 March 2023.  Proposed G Satti Seconded J Kennedy  Return to the Workplace / Hybrid Working  TS advised Members that since the Association adopted hybrid/remote working on a temporary basis as a result of the Covid-19 pandemic, staff have been advised throughout that any permanent hybrid/remote working model would be a Board decision. TS referred to the Board Strategy Day on Sunday 14 May 2023 where the subject was discussed. TS referred to the 5 key strands of information to consider as detailed in the report.  Members discussed the proposal to create a working group consisting of Board members and staff to consider the position on hybrid/remote working and to bring a recommendation back to the next Board meeting for approval.  It was AGREED that the Board sub-group to join the staff sub-group would consist of the Chair, Vice-Chair, J Thorburn and F Malcolm. M Grimley also showed an interest, but it would be dependent on time commitments.  Proposed J MacLeod Seconded J Kennedy  Chief Executive's Update  CEO updated Members on the current status of the Associations Notifiable Events. CEO drew Members attention to item 9(g) in the papers that details a new event to report to Members, that occurred in

CEO advised Members of an additional bid for £900k for the Ukrainian project. This will take the Association to approx. £4.9m for capital works on properties that have been unoccupied for some time. CEO advised that a Programme Meeting had taken place with GCC to discuss the draft SDFP. As AB advised within item 4(b) the Association will be applying for feasibility study funding for the gap site at Ashfield Street / Crowhill Street in addition to the 3 closes at Stonyhurst Street. During the discussion ,GCC indicated that they had reasonably healthy acquisitions budget. The Association will look at seeking funding to acquire isolated owner occupied properties within an otherwise tenanted block to consolidate Association ownership within closes. The work on the Saracen Street shopfronts is paused due to structural issues. A possible solution has been identified and Officers continue to work with shop owners affected. CEO invited any Members who missed the Board Strategy Day to get in touch should they wish to discuss anything on the agenda. A new application will be submitted to the Community Regeneration Grant Fund to turn 252 Saracen Street into a social entrepreneurial centre. CEO advised Members that the Deputy Director of Regeneration, Margaret Fraser, has confirmed her retirement date as 31 July 2023. Line management of Regeneration staff will be taken over by the Director of Housing Services and a handover is underway. 6. Chairs' Remarks Chair gave feedback on the EVH conference that took place last week. Chair advised that J Thorburn was elected to the EVH Executive Committee. Slides for any conference or event attended will be shared with Members where possible.

7.	Delegates Feedback	
	Member advised that Scotcash agreed for a voluntary liquidation. They	
	have effectively stopped issuing loans while the wind down is carried	
	out.	
	Feedback on GWSF and CPP was also provided.	
	MC left the constitute at 10:07	
	MG left the meeting at 18:07.	
8.	AOCB	
	TS said Members may have noticed different covers for the papers this	
	time around. TS advised that the Association are trialling standardised	
	corporate covers for all Board and Committee meetings and this will	
	create a more consistent look and will be more efficient due to the staff	
	time taken sourcing photographs and invited Members views.	
	TS explained that as part of the Association's cyber security initiative	
	staff were issued with mobile phones to allow for 2-factor authentication	
	to access the Association's systems and this extra level of security	
	would support the Association in achieving Cyber Essentials	
	Accreditation. Board Members will also be issued with mobile phones	
	and 2-factor authentication. IT consultant, will arrange	
	to meet members individually to provide them with a company phone	
	and talk them through the changes.	
9.	For Noting	
a.	Governance Update	
	Members NOTED the report providing an update on governance related	
	matters from 24 January 2023 to 9 May 2023.	
b.	Declaration of Interests YTD	
	Members NOTED the report providing an update on the current	
	declaration of interests by ng homes Board and ng homes group staff.	
c.	Freedom of Information	
	Members NOTED the report providing an update on FOISA requests and	
	EISR requests during Q3 and Q4 2022/23.	
d.	Governance Assessment	
	Members NOTED the report explaining the Association's plans to work	
	with external consultant, to conduct a comprehensive	

	assessment of the Associations governance arrangements to support in	
l	the preparation the Assurance Statement to be submitted to the SHR	
	by 31 October 2023.	
e.	KPI Performance YTD (Q1-4)	
	Members NOTED the report providing the position on Key Performance	
l	Indicators from April 22-March 2023.	
f.	Complaints and Compliments	
	Members NOTED the report providing Members with an update on	
l	complaints and compliments received for the 3-month period 1 January	
	to 31 March 2023 (Q4).	
g.	Notifiable Events	
	Members NOTED the report providing an update on notifiable events	
l	that have been reported to the Scottish Housing Regulator since the	
l	last meeting.	
	LC highlighted the report having more detail than usual as it was one	
	of the more serious events the Association has dealt with and gave	
	Members the opportunity to ask any questions.	
10.	Minutes of Subsidiaries / Sub-Committees	
a.	Regeneration Committee Meeting on 2 May 2023	
	Noted.	
11.	Date of Next Meeting - Tuesday 25 July 2023	
l <sup>**.</sup>	Meeting concluded at 6:25pm	

Item 4(a)



# **Board Meeting**

For Approval

To: Board From: Deputy CEO

SUBJECT: Review of Annual Accounts 2022/23 DATE: 25 July 2023

#### 1. Introduction

The Management Accounts for the Association for the year to 31 March 2023 were presented to the Audit Committee at the meeting on the 22nd of June. The draft statutory financial statements were presented to the Audit Committee at a meeting on the 20th of July and recommended to the Board for approval.

#### 2. Risk

The Association must produce financial statements. It is a legislative and regulatory requirement. Not to do so would bring the regulators, lenders, and other groups into engagement with the Association.

Production of the financial statements and their audit by qualified external auditors meets the requirements we are expected to perform to.

#### 3. Association's results

The statutory accounts for the Association do differ from the management accounts in various aspects mainly for adjustments to:

- Remove the factoring balances to the NGPS accounts
- Various amendments to the debtors and creditors balances as year-end adjustments were identified.
- Actuarial adjustments to the pension schemes.

The management accounts had a deficit of £2.11m. After the management accounts were completed, the year-end adjustments revised the deficit after actuarial adjustments to £2.29m.

The adjustments relating to this difference fall into actuarial and non-actuarial adjustments. The movements on the SPF and SHAP schemes amounted to an actuarial gain of £277k, interest charge of £25k together with a charge of £218k to the pension service cost charge. The SPF scheme actually moved from a £858k deficit to a £4.097m surplus. We cannot recognise a pension surplus unless we have the power to recover funds from the scheme so the balance on the SPF account has been brought to zero and the £4m surplus left as unrecognised. The SHAP scheme performed differently with the opening deficit of £79k moving to a closing deficit of £657k.

The rapid rise in interest rates are behind both of the movements. The SPF with its superior investment performance down through recent years was not doing as much interest rate defensive transactions as SHAPs. So for SPF the rising interest rates substantially reduced the level of the liabilities while asset values generally held up. SPF had utilised a class of assets known as Liability Driven Investments to help reduce the funding risk that there would be insufficient income to match commitments as they fall due. Normally there would be adjustments to the LDI strategy over time but the rapid rise in gilt rates following the Truss budget meant that unhedged assets had to be disposed of quickly to maintain the collateral behind the LDI investments. So while there was a £7.4m drop in the liabilities there was a matching £8m drop in the assets. The bond market remains turbulent, and we will need to wait to see how this affects the 2024 actuarial results.

The net effect of the non-actuarial adjustments amounted to a net debit of £162k. This covered a range of adjustments mostly involving stock movements, additional accruals and creditors arising from the year end accounts process which reviews in depth the liabilities outstanding.

The net effect of the surplus for the year is that the 2022 reserves of £78.0m have decreased to £75.7m as at 31 March 2023. The Associations balance sheet remains healthy with fixed assets of £119.0m (2022 – £118.3m), net current assets of £14.5m (2022 – £15.4m) and long-term creditors of £42.2m (2022 – £43.2m). Deferred income and pension liabilities were £15.6m (2022 – £12.5m) Cash outflow for the year was £2.5m (2022 – outflow £14.4m). The Association has enough cash available to it to fund its day-to-day activities.

In terms of the loan covenants the Nationwide requires interest cover of at least 1.1 and the ratio of secured assets to loan value to be over 1. Based on the statutory accounts the interest cover was at 1.16 and the asset cover was at 2.5. This is the last year we will need to refer to the interest cover as the Nationwide has given the Association a loan waiver that removes the need for the interest covenant or to send them management accounts. This is in partial recognition of the high level of asset cover that is in place.

The THFC ratios are not related to the financial statements. They are solely related to the financial performance of the properties that are secured to THFC. The net annual income from the properties must be at least 100% of the interest being paid to THFC. For 2023 the net annual income to interest was at 312%. The property value must be at least 150% of the loan value so with repayments on the loan bringing it down to £5.6m this must be

£8.4m. Per the last valuation the THFC secured stock was valued at £13.1m which gives a ratio of 234% against the £5.6m loan. The GBSH bond only has a loan value ratio to meet with the security being over 140% of the bond. The actual figure at the year-end was 200.5%. The other loans are unsecured and have no covenants attached to them. The required confirmations and calculations for the loans will be signed off by the CEO and Deputy CEO.

The external auditors have completed the audit and reviewed the financial statements. They have indicated that they are happy to include a clean audit report within the financial statements and that the accounts disclosure meets the necessary legislative requirements.

The Audit Committee has reviewed the statutory accounts and recommended approval to the Board. The Audit Committee also recommended approval to the accounts of Design Services Glasgow Limited (DSGL), ng2 and NG Property (Scotland) Limited (NGPS) for the year to 31 March 2023.

#### 4. Subsidiary results

The financial results for DSGL for the statutory accounts were a profit of £8.5k after tax on a turnover of £20k. The balance owed to the Association at the year-end was £28k and reserves were at £60k. With the ongoing lease agreement for 43 Atlas this will ensure the company is solvent without contribution from other activities.

The financial result for NGPS for the statutory accounts was a profit of £16k after tax on a turnover of £764k (2022 - £493k). The balance owed by the Association in the intercompany account has moved to the point where the Association at the year-end owed NGPS £199k. Capital and reserves moved up to £211k.

The financial results for ng2 for the statutory accounts were a profit after tax of £51k on turnover of £3.15m (2022 - £3.58m). A gift aid payment of £20k was made to the Association during the year. Higher levels of investment in motor vehicles and plant during the year was balanced to a degree by less debtors. At the year end the Association owed ng2 a net balance of £147k compared to £437k owed by the Association to ng2 at March 2022. Capital and reserves increased from £824k to £875k.

ng3 remains as a dormant company and dormant accounts will be submitted to Companies House.

#### 5. Recommendations

Propose recommendation of:

Approval of the annual financial statements for NGHA for the year to 31 March 2023.

- Agreement of remitting the statutory accounts of NG2, NGPS and DSGL back to the boards of those companies with approval to sign.
- Agreement of recommendation to the AGM that Wylie & Bisset is re-appointed as external auditors.

# NORTH GLASGOW HOUSING ASSOCIATION LIMITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Financial Conduct Authority No. 1865R(S)

**Registered Housing Association No. HCB 187** 

Charity No. SC 030635

#### FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 MARCH 2023

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Registration Particulars:							
Financial Conduct Authority		Co-operative Registered			ĭt Societies Act 2014		
Scottish Housing Regulator			Housing (Scotland) Act 2014 Registered Number HCB 187				
Scottish Charities			Charities and Trustee Investment (Scotland) Act 2005 Scottish Charity Number SC 030635				
Auditors	So	licitors		Bankers			
Wylie & Bisset (Audit) Limited 168 Bath Street Glasgow G2 4TP	C Young West George St asgow 1BA	est George Street 2-4 Royal Exch gow Glasgow					
Funders							
Nationwide Building Society Kings Park Road Moulton Park Northampton NN3 6NW THFC 3rd Floor 17 St Swith London London EC4N 8A		rithins Lane		Business Centre Hedges Road idge	Energy Savings Trust 6 <sup>th</sup> Floor 30 North Colonnade London E14 5GP		

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

The Board presents their report and audited financial statements for the year ended 31 March 2023.

#### **Principal activity**

The principal activity of the Association is the provision of housing for let at rents affordable to the client group for whom it intends to provide.

The Association is registered with the Financial Conduct Authority as a Community Benefit Society, The Office of the Scottish Charities Regulator (OSCR) as a charity and the Scottish Housing Regulator as a Registered Social Landlord. The Association is primarily regulated by the Scottish Housing Regulator.

#### STRATEGIC REPORT

#### **Our Strategic Aims**

The Association has within its Strategic Aims:

- Dedication to offering housing solutions and routes into social inclusion by building, managing, and maintaining a range of affordable housing, and providing support for varying needs,
- Contributing to community sustainability and regeneration, through innovation and relationships built on trust with our customers and partners,
- Ensure we are an employer of choice, and that we deliver quality service and standards throughout our activities including customer involvement,
- Ensure that the Association is financially and operationally viable; and
- Respect for diversity, and ensuring accountability, openness, integrity, and compliance in the governance of our activities.

Our vision is a community where people can flourish and prosper. Our mission is to provide quality homes and on-going community regeneration and empowerment. Our values are that:

- We are a quality organisation delivering excellence
- We act with integrity
- We are friendly and treat people with respect
- We are customer focused and put the customer first
- We are trusted and trusting
- We are accountable

To help achieve this, we want to help to drive innovation and quality in accessible housing and support in Scotland. Some of the main objectives which we think can help achieve this include:

- demonstrating innovation in housing design and helping to raise standards generally
- achieving continuous improvement in all the services we deliver, and achieving and maintaining high standards of business efficiency and effectiveness
- creating opportunities for significant levels of user involvement in what we do
- being recognised by regulators and strategic partners as delivering excellent performance

We see these as significant objectives, which challenge the way we deliver our core services of housing, housing support, advice, and consultancy. We seek to challenge what we currently do and look to improve, rather than simply carry on with existing patterns of work.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### **Corporate Governance**

The Association has a Board who are elected by the members of the Association (as listed on page 11). It is the responsibility of the Board to undertake the strategy, setting of policy and overall direction for the Association. They also monitor the operational activities of the Association. The members of the Board are unpaid.

The Executive Team of the Association (as listed on page 11) are responsible for achieving the strategy set and undertaking the operational activities in line with the policies set.

Our governing body is our Board, which is responsible to the wider membership. Board members serve in a voluntary capacity, and we recognise that this puts even more onus on us to ensure that we set and achieve high standards of professionalism in our work. We take governance very seriously, and in the last year we continued to build on work from previous years which strengthened our governance arrangements.

#### Achievements and performance

Since its formation in 1976 to save a block of condemned tenements in Springburn from demolition, the Association has evolved to become a major economic player in the north of the city. Serving the Springburn and Possilpark areas of Glasgow, the Association is now responsible for the management of over 5,400 homes. The success of the business has been based on two key factors, planned growth and continuous improvement. This has been another eventful year for the Association during which progress has been made on many fronts.

The Association believes that we will only make our communities better by working in partnership with others. As we also believe in improving the whole community and not just the housing in it, we are very active in wider action work as can be seen throughout this report. We are continually looking at new initiatives to improve our communities. We have a strong staff and Board, and we look forward to continuing to work with them and all our customers to ensure that we carry on improving as an organisation. If you have access to the internet, we encourage you to look at our website <a href="www.nghomes.net">www.nghomes.net</a>, which is regularly updated with Association news.

Above all people remain at the heart of what we do – our tenants and customers, our staff, and our board. We have listened to tenants and customers views during rent consultations, tenant conferences and our tenant scrutiny panel as well as during our daily contact with the people who live in our properties.

Our financial position is strong, and we will continue to ensure that robust financial planning underpins all our decision-making. Especially regarding new build proposals and investments. This is complemented by our asset management strategy which has been reshaped for the future using intelligence from our stock condition survey of all our stock.

We are continuously striving to improve our performance and provide the best possible customer service. If you have any comments on our work, please contact our offices or email: <a href="mailto:info@nghomes.net">info@nghomes.net</a>

This report details issues that have arisen during the year relating to the activities undertaken by the Association.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### Chairperson's comments

This is an opportunity to review the performance during the year and to take stock of the progress we have made and identify the challenges that lie ahead.

The Association has faced unprecedented challenges over the last few years – from the Covid-19 pandemic to the cost-of-living crisis and global conflicts. Challenges that still impact everyday life. At ng homes the importance of people and community remains as strong as ever. Our priority is the health, safety and wellbeing of our tenants, customers, and staff.

At ng homes, our commitment to customer service excellence and promoting the importance of people is resolute. We continue to champion equality and diversity, ensuring our communities are places where people are treated fairly, with opportunities to realise their full potential. We are delighted that the Association successfully retained our Customer Service Excellence (CSE) accreditation. Our most recent assessment was extremely positive with excellent feedback – a testimony to the dedication of all involved.

We have been able to open our doors and offer customers in-person or virtual appointments. We continue to drive forward ambitious plans for physical, economic, and social regeneration, through our own initiatives as well as lending our voice to external projects. A digital strategy to ensure inclusion and accessibility is being developed and we continue to review systems and services to ensure we provide the high-quality services and customer experience expected.

Investment in our homes remains a key priority. Dampness and mould are a health and safety issue as important as ensuring the gas and electrical elements in our homes are safe and secure. Upgrades to our multistorey flats are helping improve energy efficiency, reduce fuel bills, and ensure fire safety. Alongside all of this, we will maintain our focus on good governance and robust financial and risk management - more important than ever in these uncertain times.

I want to recognise the efforts and commitment of our Board, staff, and volunteers. Their contributions are invaluable, ensuring we can continue to deliver projects and key initiatives serving North Glasgow and our communities.

It is impossible to definitively predict what lies ahead for the organisation. There will be challenges along the way whilst we work tirelessly to improve and develop North Glasgow, however what is sure is that the Association remains committed to giving our tenants a voice in creating the future. We continue to champion North Glasgow as a vibrant place with talented people and we look forward to working together with you to create a community where people can flourish and prosper.

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Catherine Rossine ng homes Chair

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### **Investment Activities**

#### Development and maintenance review

The Association's development and planned maintenance programme has continued to deliver for tenants and communities in the north of the city. This year the Association spent £5.9m on acquisition of houses and capitalised investment in upgrading properties. In addition, a further £8.2m was spent on planned and cyclical maintenance programmes.

The Association is committed to ensuring all its homes are maintained to a good standard and as such operates a rolling programme to improve properties through, for example, the installation of central heating and kitchens in tenants' homes. Major investment was to have included programmes of work in smoke door replacement, boiler upgrades, kitchen bathroom and rewire programmes, door entry and environmental upgrades across the stock. Due to the pandemic and supply chain disruption the programme was curtailed. Work will be ongoing across our stock over the short to medium term to catch up with the programme of works.

A major project continued in six of the multi storey blocks in the year. With the support of the Scottish Government and the Energy Savings Trust work was done to replace electric storage heating with heating and hot water being supplied from central air source heat pumps. In addition, work was being done to upgrade bathrooms, improve fire stopping, upgrade fire control systems and improve the water supply in the blocks that have not already been improved. This work will continue into 2023/24. A separate contract to replace the electric storage heaters and front doors in the Carron multi storey blocks completed in the year.

There was one open market purchase in the year.

#### **Best use of resources**

We have continued with the programme of major investment in our housing stock, which is by far our most asset. This includes both carrying out major repairs and considering whether any of our housing should be remodelled to meet the changing requirements of tenants in the future. We are updating our stock condition information through specific asset management models for each area of our stock to ensure that our long-term financial planning reflects our future investment requirements. We continue to look for efficiencies and economies in the way that we carry out business processes.

## **Housing review**

#### Rent collection, allocations, and voids

The overall rent collection rate was 98.7% (2022 - 98.9%). Gross rent arrears were 5.8% compared to 5.4% in the previous year. Housing services teams are working together with welfare rights advisers (GEMAP) and Scotcash to aim to reduce the total arrears and ensure our tenants are in receipt of the maximum benefits due.

The number of evictions increased from five in 2021/22 to ten in the current year.

With welfare changes and delays in benefit administration, it is a challenging environment in which to keep arrears low. Future welfare changes and the difficult economic environment add to the problems in the area. To assist our tenants with these changes we have increased the availability of GEMAP welfare rights advisers. This has been partly organized through the Join the Dots project funded by Glasgow City Council.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

The Association let 424 (2022 - 438) properties during the year. We continue to allocate relets and new lets as quickly as possible, to ensure that we maximise our effectiveness in housing people in need and minimise our costs. The average time taken to re-let or let a new property was 28.5 days (2022 – 18.1 days). The increase from last year is partly due to problems we have had with energy suppliers to get debt reset on gas and electric meter and this is having an effect on our ability to complete void works as we are unable to let a property without carrying out gas and electrical safety checks.

The rent loss due to empty properties was £272k (2022 - £319k).

During the year the Association allocated 148 lets (2022 - 132 lets) to Section 5 homelessness referrals, representing 35% (2022 - 32%) of the lets made in the year. In addition to the homeless there is still significant unmet demand with 4,400 (2022 - 3,579) on the waiting list with 1,263 (2022 - 984) new applications added in the year.

#### **Customer Services**

The Association is committed to a high standard of customer service in all its activities. The principal point of contact for customer enquiries is with the housing management and maintenance staff. The quality and customer satisfaction of these services is closely monitored, and steps are taken to improve them further on an ongoing basis.

#### Accreditation

The Association continues to enjoy the benefits of both Investors in People and Customer Service Excellence accreditation. The Association is recognised at Gold level for both Investors in People and Investors in Young People and holds, the Investors in People Health and Wellbeing Award and the Customer Service Excellence Standard.

There is a clear connection between these awards which recognise the Association's commitment to developing and supporting our staff to gain the skills, knowledge, and experience to be able to provide an excellent level of service to its tenants and customers.

The Association has been accredited as an IIP organisation since 2002 and has been recognised with Gold status and the Health & Wellbeing award since 2014, the most recent reaccreditation was achieved in February 2021 and is valid for 3 years. The Customer Service Excellence (CSE) Standard replaced the Charter Mark Award, and the Association has been recognised with the CSE Standard since its inception in 2008.

The Association is recognised as a Disability Confident Employer having attained this accreditation in 2019. This award was introduced by DWP to replace the Two Ticks Disability Positive Action scheme award which ng homes held previously. The Disability Confident Employer award recognises the Association's commitment to ensuring that people with disabilities and long-term health conditions are provided with equal opportunities to obtain employment and that they feel supported, engaged, and able to fulfil their potential in the workplace.

ng homes is an award winning organisation, external accreditations include: Customer Service Excellence Standard (held since 2002), Investors in People Gold Award, Investors in People Health and Wellbeing Award and Investors in Young People Gold Award, Herald and GenAnalytics - Diversity Awards – 2016 (for work with Chinese and African Communities), Police Scotland Youth Volunteer Award – 'Outstanding Support to PSYV Volunteer programme' (2017) and Local Environmental Quality Award – 'Outstanding Team' in Local Environmental Quality (2017). In 2018/19 the awards included Alarm UK Alarm Risk Award 2018, Climate Challenge Fund Award; Youth Engagement Category 2018 and Scottish National Standard for Information and Advice Providers, TPAS Scotland National Good Practice Award; Best Practice in Reporting Performance - ng homes Area Committee.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### **Tenant Consultation/Communications**

Tenant consultation is vital to the continued success of the Association. The Association's desire to ensure that we communicate effectively with as many tenants as possible has resulted in the Association producing information in a variety of formats including quarterly newspaper, patch newsletters, the website, social media and on plasma screens in reception areas. Regular customer surveys on service performance were also carried out. We have continued to encourage tenants to get involved in the formulation of our policies and procedures through consultations. Examples of this are the use of focus groups to discuss and prioritise issues and action areas of concern.

#### **Diversity**

The Association is firmly committed to providing flexible services to our increasingly diverse society. Equality and fairness underpin our whole business philosophy. We take a positive approach to promoting our services to all communities. The Association has in place resources through interpreters and the Happy to Translate multi language resource to aid communication to all our tenants.

#### Other areas

Other areas of note within housing management during the year included:

- Continuation of the Welfare Reform Action Plan, including tenant surveys.
- Work continued upgrading the IT systems within housing management and ensuring that the systems were used more efficiently and effectively.

#### **Health and Social Care Integration**

Health and social care integration and related proposals to switch care from acute hospital services to support in the community. A significant proportion of our tenants are elderly, and ng homes, if properly resourced, can make a positive contribution to delivering the Government's integration aims in Glasgow.eg in our multi storey flats where we have a 24/7 Concierge service.

#### Welfare Reform

We monitor UK/Scottish Government Policy on this key issue. The Association will take action to mitigate impacts on tenants and our business. We have already experienced the complexities of Universal Credit and the direct payments of Housing Benefit to tenants. We currently have over one thousand tenants in receipt of Universal Credit. We are assessing the situation closely, along with potential implications in changes to other welfare benefits. With full-service implementation this is expected to have a continuing effect on rent collection and arrears in the longer term.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### **Regeneration Activities**

#### Partnerships with other agencies

Effective partnerships with agencies, which provide a range of services and support to tenants were developed. These agencies include among others the Scottish Government, The Big Lottery Fund, Glasgow Life, and Glasgow City Council.

#### **Community Regeneration**

The Association has continued to impact on the wider regeneration of the north of the city through a variety of different projects. With the effects of the pandemic not all projects could function. There was however a substantial level of activities to support communities and provide food and other assistance.

- The Association set up in 2010 a social economy company NG 2 Limited to encourage local employment and training opportunities. This has resulted in direct employment within the company of over eighty staff all of whom are paid at the Glasgow minimum wage and above. The company now carries out among other activities close cleaning, bulk uplift, close maintenance, void painting and joinery work, and general environmental improvement activities. A significant number of trainees have progressed on to continuing employment.
- The Active Early Years health and wellbeing programme is a project that supported and complemented Physical Education in three nursery and seven primary schools in North Glasgow. The project encouraged more children to get active including increasing and improving their physical and mental health, confidence, and skills. Through the provision of physical activities, education and training of nursery and primary school teachers and staff, volunteers (parents/carers) and providing supporting resources have supported the sustainability of this project.
- Our sport, health and education programmes continue to work in partnership with many local and national organisations, governing bodies, clubs, and associations. Our approach supported and complemented local and national strategies, existing provision, as well as introducing many innovative programmes.
- The National Lottery Community Fund agreed to fund the Supporting, Connecting and Building Resilience of North Glasgow Community project. The main elements of this project include maintaining and building on the previous furniture and furnishing referral service and it also includes a 'wrap around' support model working alongside a wide range of community partners. This Lottery funded project is supported by three full time staff members for a period of three years. Partnerships are an important element of the project and support the 'wrap around' support of individuals coming through the project. This 'wrap around' working closely with residents to link them into the support they need such as financial advice, food and furniture assistance, information on community services, health and wellbeing activities, access to one-to-one mental health partners, educational and entrepreneurship opportunities. The Community Fund support for the project amounts to £276k.
- A Business Improvement District programme continued in the year for the Saracen Street area. A successful ballot to formally establish the BID was completed in the previous year.
- Glasgow City Council once again provided funds for the Holiday Food Programme during the year.
- Glasgow Communities Fund awarded an amount of £237,000 over a three-year period for financial inclusion posts as part of the funding for the Joining the Dots project. This project came to an end in the year.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### **Financial Review**

The results for the year are shown in the statement of comprehensive income.

Major investment in the year included programmes of work in boiler upgrades, kitchen bathroom and rewire programmes, door entry and environmental upgrades across the stock. In the year the largest project was the work to improve the multi storey blocks as mentioned on page 4. Grant from the Scottish Government and additional loan finance from the Energy Savings Trust has assisted with this.

The result for the year was a £2.56m deficit before pension adjustments. The movements in the valuations of the pension schemes resulted in a £257k credit compared with a £3.54m credit in the previous year. That left a £2.28m deficit for the year compared to a £643k surplus in the previous year. The pension changes together with the safety work being done in the stock was the main changes between the years.

The effects of the pandemic and supply chain disruption are continuing to affect the Associations finances. The effects of increases in material prices and maintenance costs are affecting the values of contracts. Fewer contractors willing to price for works is affecting tenders and delaying works being done.

The Association is in an acceptable financial position with over £19.3m deposited as cash funds, at the year end. The Association continues to have a significant major repair investment programme due to our commitments to keep the properties to a good standard and the long-term promises for improvements to the stock. Cash surpluses will continue to be made, subject to our planned maintenance programme over the next few years.

#### **Treasury Management**

The Association has an active treasury management function, which operates in accordance with the Treasury Management Policy approved by the Board. In this way the Association manages its borrowing arrangements to ensure that it is always able to meet its financial obligations as they fall due, whilst minimising excess cash and liquid resources held. The Association, as a matter of policy, does not enter transactions of a speculative nature. At 31 March 2023 the Association has a mix of fixed and variable rate finance which it considers appropriate at this time.

The Association constantly keeps its loan portfolio under review and seeks to manage its loans prudently. The average interest rate on the loans in the year was 3.71% (2022 - 3.30%). Under the terms of the loan agreements, there are several financial and operational covenants that limit the Association's operating and financial flexibility. A failure to comply with any of these covenants could result in default under the agreement and an acceleration of repayment of the debt outstanding. As far as the Board are aware the terms of all covenants were met during the year.

#### **Pensions**

The Association has staff in both the Scottish Housing Association Pension Scheme (SHAPS) and Strathclyde Pension Fund (SPF). An active review of both existing pension schemes continued in the year together with consideration of other pension issues such as auto enrolment. The Association closed off entry to the final salary element of the SHAPS scheme back in 2011.

The membership in the SPF scheme arose because of staff that came into the Association as part of the stock transfer in 2011. The membership in the scheme is on a closed basis and only those staff that came across have the right to join the SPF. As a result, active membership is declining as staff leave the Association. An active review of both schemes continues to be undertaken.

The Association has in place pension arrangements that satisfy the requirements under auto enrolment legislation.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### Policies and procedures

#### **Risk Management Policy**

The Board have a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Board have reviewed the adequacy of the Association's current internal controls.

The Board have set policies on internal controls which cover the following:

- Consideration of the type of risks the Association faces.
- The level of risks which they regard as acceptable.
- The likelihood of the risks concerned materialising.
- The Association's ability to reduce the incidence and impact on the business of risks that do materialise; and the costs of operating controls relative to the benefit obtained.
- Clarified the responsibility of management to implement the Board's policies and identify and to evaluate risks for their consideration.
- Communicated that employees have responsibility for internal control as part of their accountability for achieving objectives.
- Embedded the control system so that it becomes part of the culture of the Association.
- Developed systems to respond quickly to evolving risks arising from factors within the Association and to changes in the external environment; and
- Included procedures for reporting failings immediately to appropriate levels of management and the Board together with details of corrective action being undertaken.

#### **General Reserves Policy**

The Board members have previously reviewed the reserves of the Association in conjunction with the long-term maintenance plans. This review encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The review concluded that to allow the Association to be managed efficiently and to provide a buffer for uninterrupted services, reserves equivalent to at least one year's operating costs should be maintained. The Association's revenue reserves currently amount to £21m. The planned maintenance reserves are separate from these totals.

While this is welcome in future years there will be significant expenditure required to upgrade the stock. The Association's maintenance life cycle plan had resulted in the Association running through a period of years where outside of investment in the multi storeys there had been lower planned maintenance expenditure in the other stock. The years ahead will require significant expenditure and further increases in reserves may be delayed. Also, future building of new stock will be done with considerably lower grant levels than in the past. The Association will need to generate higher levels of internal reserves to fund future stock replacement.

#### Maintenance policies

The Association seeks to maintain its properties to the highest standard. To this end programmes of cyclical repairs are carried out in the medium term to deal with the gradual and predictable deterioration of building components. It is expected that the cost of all these repairs would be charged to the Income and Expenditure account.

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#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

In addition, the Association has a long-term programme of major repairs to cover for works which have become necessary since the original development was completed, including works required by subsequent legislative changes. This includes replacement or repairs to features of the properties, which have come to the end of their economic lives. The cost of the repairs would be charged to the Income and Expenditure account, unless it was agreed they could be capitalised within the terms outlined in the SORP. The Association applies component accounting and the cost of replacement of major components will be capitalised and any remaining net book value of the original component will be written off to the Income and Expenditure account.

#### **Rental Income**

The Association's general Rent Policy is based on the size, type, and facilities of the accommodation. The policy ensures that the rent structure is easy to administer and covers the wide variations of properties. This policy follows the generally accepted practice/principles of the Housing Association Sector. Some elements of the stock are covered by pre-existing agreements. The Association is re-structuring its rents as re-let's arise to bring all properties onto a standard basis.

#### **Employees with disabilities**

Applications for employment by people with disabilities are given full and fair consideration for all vacancies in accordance with their aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Association may continue. The Association's policy is that training, career development and promotion opportunities should be available to all employees.

#### **Employee Engagement and Health & Safety**

The Association takes seriously its responsibilities to employees and as a policy, provides employees with information on matters of concern to them. It is also the policy of the Association to consult where practical, employees or their representatives so that their views may be considered in making decisions likely to affect their interests. The approach to employee engagement includes a joint management and staff engagement focus/steering group and various employee engagement subgroups.

Staff enjoy the benefits of membership of the Company Health Plan which supports employee health and wellbeing. The Association has an Attendance Management Policy and procedures in place with a strong focus on support. The Association benchmarks staff turnover levels, sickness absence, ethnic mix, gender, and age profile against available statistics on a regular basis. Health and safety have a high profile at the Association, detailed health and safety policies and procedures are in place across the business. All staff and Board members receive regular training on health and safety matters and regular reports on health and safety are provided to the Staffing Sub-Committee.

#### **Equality**

The Association takes a positive approach to promoting its services to Black and Minority Ethnic (BME) communities and has employed a succession of trainees through its partnership with PATH (Scotland). The Association has provided a series of work placement opportunities for local young people. The Association also supports the work of Positive Action in Housing (PAiH) and will continue to work with all its partners to support equality and diversity throughout North Glasgow.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

During 2022/23 35% (2021/22 - 26%) of the Association lets were to households of ethnic minority background and 27% (2021/22 23%) of the waiting list applicants at the year end were of ethnic minority background.

#### Staff training

The Association provides staff with access to training on courses relevant to their employment. During the year there was a total of 268 days staff training (2022 - 221) which equated to an average of 2.7 days (2022 - 1.8) days) for each member of the core staff.

#### **Board and Executive team**

#### Members of the Board

The Members of the Board of the Association during the year to 31 March 2023 were as follows:

C Rossine (Chairperson)

J Berrington (Secretary)

J Thorburn

P Nelson (resigned 30/05/23)

I Cross (resigned 13/9/22)

M Thomson (resigned 13/9/22)

G Satti (Vice- Chairperson) A Gow

J MacLeod M Lam (resigned 23/6/22)

F Malcolm J Kennedy M Grimley J Fernie

Each member of the Board holds one fully paid share of £1 in the Association. The executive officers of the Association hold no interest in the Association's share capital and although not having the legal status of "director" they act as executives within the authority delegated by the Board.

#### Executive Team - key management personnel

J Devine - Chief Executive Officer

R Hartness – Deputy Chief Executive Officer

T Sweeney – Director of Corporate Services

L Cooper – Director of Housing Services

The remuneration of all staff in the Association is calculated in relation to the salary scales set by Employers in Voluntary Housing.

#### Recruitment and training of Board members

Vacancies on the Board are filled from members of the community who have a commitment to the furtherance of social housing and the aims and objectives of the Association. Members are drawn from a wide range of backgrounds and experience to maintain the necessary mix of skills required to govern and control a complex organisation.

All Board and Sub-Committee members receive thorough and detailed training on governance and other related matters on a regular basis and they sign-up to the ng homes Board members Code of Conduct annually. Board members have embraced new technology and attended virtual conferences, webinars and remote training sessions on zoom and Microsoft teams as well as in person events.

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#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

The Association complies with the SHR'S regulatory standards of governance and financial management. In addition to governance training, the Board has also benefitted from specialised training and development sessions on other priority issues identified from training needs assessments, Board appraisal and business priorities. Training sessions are held out with Board meetings and frequently involve external expert facilitators. Annual core training includes sessions on health and safety and equality and diversity and the plan for 2023/24 will include other priorities identified from the 22/23 Board appraisal process.

In addition to ng homes training and awareness sessions, Board members participate in relevant external training and attend external conferences and seminars e.g., events organised by Scottish Federation of Housing Associations (SFHA), Glasgow and West of Scotland Forum (GWSF), Employers in Voluntary Housing (EVH) and SHARE.

#### Related parties

Various members of the Board and area committees are tenants, sharing owners or Councillors. The tenancies are on the Association's normal tenancy terms, and they could not use their position to their advantage. Sharing owners have lease agreements and these are also on the Housing Associations normal terms. City Councillors who are members of the Board declare their interests relating to relevant decisions taken by the Association or the City Council.

#### Other issues

#### **Group Structure**

The Association has four wholly owned subsidiaries. NG Property (Scotland) Limited whose objective is to provide factoring services and other activities that the Association cannot due to its charitable status. Design Services Glasgow Limited (DSGL) handles the development activities of the Association and acts as its main contractor. This arrangement ensures that the development activities are carried out in the most VAT efficient manner.

ng2 Limited carries out social economy activities. As noted earlier in the report ng2 continues to have a significant impact in providing employment and training. The Association has a dormant subsidiary ng3 Limited.

The Association will continue to review whether the group structure is appropriate.

#### **Future developments**

The Association intends to continue with its policy of improving the quality of housing working with its existing and new partners. The Association in conjunction with Glasgow City Council and the Scottish Government has a programme of agreed and proposed regeneration activities. The Association will continue to explore opportunities for the provision of new housing with both public and private sector bodies. Specific projects include:

- Planned maintenance investment of £8.8 million in 2023/24.
- Investment in bringing empty properties back into use with Scottish Government support

Throughout all the Association's and its partner's activities we will strive to make North Glasgow a community where people can flourish and prosper.

#### REPORT OF THE BOARD AND STRATEGIC REPORT

#### 31 MARCH 2023

(Continued)

#### Legislation and branding

Under the Co-operative and Community Benefit Societies Act 2014 the Association is a Community Benefit Society.

The Association will remain formally titled as North Glasgow Housing Association Limited, but a shorter description of NG Homes has been adopted to reflect the range of its activities in most of its communications.

#### **Post Balance Sheet Events**

There have been no important events since the financial year end that have had an impact on the financial position of the Association.

#### **Going Concern**

The Board has reviewed the results for this year and has also reviewed the projections for the next five years. It, therefore, has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in these financial statements. The long-term effect that the coronavirus pandemic may have on the Associations income and costs is unknown at this time.

#### **Information for auditors**

As far as the Board members are aware there is no relevant audit information of which the auditors are unaware, and the Board members have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to ensure that the auditors are aware of any such information.

#### **Auditors**

Wylie & Bisset (Audit) Limited has indicated its willingness to continue in office.

On behalf of the Board

J Berrington Secretary

50 Reidhouse Street Glasgow G21 4LS

Date: 25 July 2023

#### STATEMENT OF BOARD RESPONSIBILITIES

The Board is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Under the legislation relating to Co-operative and Community Benefit Societies the Board are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association of that period. In preparing those financial statements the Board are required to:

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the RSL SORP and FRS 102;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

#### The Board is also responsible for:

keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the RSL and enable them to ensure that the financial statements comply with the the Cooperative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2014 and the Determination of Accounting Requirements – 2019;

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- safeguarding the Association's assets; and
- taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Board's Statement on Internal Financial Control**

The Board acknowledge their ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association or for publication;
- the maintenance of proper accounting records; and
- the safeguarding of assets (against unauthorised use or disposition).

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include ensuring that;

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- experienced and suitably qualified staff take responsibility for important business functions; annual appraisal procedures have been established to maintain standards of performance.
- forecasts and budgets are prepared regularly which allow the Board and staff to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
- the Board reviews reports from management, from the Chief Executive Officer, staff and from the external and internal auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Association.
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Board have reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2023 and until the below date. No weaknesses were found in internal financial controls which resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or in the auditors' report on the financial statements.

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On behalf of the Board

J Berrington Secretary

Date: 25 July 2023

### INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF NORTH GLASGOW HOUSING ASSOCIATION LIMITED ON INTERNAL FINANCIAL CONTROLS

In addition to our audit of the Financial Statements, we have reviewed your statement on page 16 concerning the Association's compliance with the information required by the Regulatory Standards for systemically important RSLs in respect of internal financial controls contained within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes which are issued by the Scottish Housing Regulator.

### **Basis of Opinion**

We carried out our review having regard to the requirements to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council through enquiry of certain members of the Board and Officers of the Association and examination of relevant documents. The Bulletin does not require us to review the effectiveness of the Association's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reason given for non-compliance.

### **Opinion**

In our opinion the Statement on Internal Financial Control on page 16 has provided the disclosures required by the relevant Regulatory Standards for systemically important RSLs within the publication "Our Regulatory Framework" and associated Regulatory Advisory Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Wylie & Bisset (Audit) Limited, Statutory Auditor Chartered Accountants 168 Bath Street Glasgow G2 4TP

Date: 25 July 2023

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### Independent auditors' report to the members of North Glasgow Housing Association Limited

### **Opinion**

We have audited the financial statements of North Glasgow Housing Association (the 'Association') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Co-operative and Communities Benefit Societies Act 2014, the Housing (Scotland) Act 2010, the Determination of Accounting Requirements 2019.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the associations' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board with respect to going concern are described in the relevant sections of this report.

### Other information

The Board of Management are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Independent auditors' report to the members of North Glasgow Housing Association Limited (Continued)

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Board of Managements' Report.

We have nothing to report in respect of the following matters where The Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- The information given in the Report of the Board of Management is inconsistent with the Financial Statements:
- Proper books of accounts have not been kept by the Association in accordance with the requirements of the legislation;
- A satisfactory system of control over transactions has not been maintained by the Association in accordance with the requirement of the legislation;
- The financial statements are not in agreement with the books of accounts; or
- We have not received all the information and explanations necessary for the purposes of our audit.

We have nothing to report in respect of these matters.

### Responsibilities of the Board of Management

As explained more fully in the Boards' Responsibilities Statement set out on page 15, the Board of Management are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- The nature of the association and the industry, control environment and business performance including performance targets; and
- Our enquiries of management about their identification and assessment of the risks of irregularities.

Based on our understanding of the association and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

• Regulations and legislation pertinent to the company's industry operations including compliance with the Scottish Housing Regulator; and

### Independent auditors' report to the members of North Glasgow Housing Association Limited

(Continued)

• *UK tax legislation.* 

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries; and
- Management bias in accounting estimates.

### Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates including the requirements of the Scottish Housing Regulator;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and legal advisors concerning actual and potential litigation and claims;
- Reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments' assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the Association's members, as a body, in accordance with the Co-operative and Communities Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Wylie & Bisset (Audit) Limited, Statutory Auditor Chartered Accountants 168 Bath Street, Glasgow G2 4TP

**Date: 25 July 2023** 

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### STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023	2022
		£	£
Revenue	2	27,405,224	26,287,331
Operating costs	2	(28,808,051)	(28,020,278)
Operating (deficit)/ surplus	-	(1,402,827)	(1,732,947)
Gain on sale of housing stock Interest receivable and other income	4	200,614	33,029 51,052
Interest receivable and other meeting.  Interest payable and other charges.  Other Finance Charges.  (Deficit) for year.  Gift aid.  Actuarial gain/(loss) in respect of pension schemes.	5	(1,336,074) (25,047) (2,563,334) 20,000 257,043	(1,340,939) (91,064) (3,080,869) 180,000 3,543,872
Total Comprehensive Income	-	(2,286,291)	643,003

All amounts relate to continuing operations. The notes on pages 24 - 48 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board on 25 July 2023 and signed on their behalf by:

Secretary:

Board member:

Board member:

### STATEMENT OF FINANCIAL POSITION

### **AS AT 31 MARCH 2023**

			2023		2022
	Notes	£	£	£	£
Tangible Fixed Assets					
Housing properties					
Depreciated cost	8		117,650,188		116,765,774
	10		1 270 040		1 524 202
Other noncurrent assets	10	-	1,359,848	_	1,534,382
T 4 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	22		119,010,036		118,300,156
Investments – subsidiaries	22	-	1,300	_	1,300
			119,011,336		118,301,456
Current Assets		25.721		102 476	
Stock	11	25,721		103,476	
Debtors	11	2,363,659		1,801,407	
Cash at hand and in bank	-	19,352,000	_	21,752,552	
		21,741,380		23,657,435	
Current Liabilities					
Creditors due within one year	12	(7,240,225)	_	(8,282,275)	
Net Current Assets			14,501,155		15,375,160
<b>Total Assets less Current Liabilities</b>		-	133,512,491	<del>-</del>	133,676,616
Creditors due after more than one year	13	_	(42,193,464)	_	(43,180,346)
			91,319,027		90,496,270
Deferred income	16		(14,933,733)		(11,544,661)
Provision for pension liability	26	<del>-</del>	(657,000)	<del>-</del>	(937,000)
		=	75,728,294	=	78,014,609
Capital and Reserves					
Share Capital	17		87		111
Revenue Reserves	17		35,693,243		36,859,611
Revaluation Reserve			40,034,964		41,154,887
ive variation iveserve		<del>-</del>	75,728,294	<del>-</del>	78,014,609
		_	13,120,274	_	70,017,009

These financial statements were approved and authorised for issue by the Board on 25 July 2023 and signed on their behalf by:

Secretary:

Member:

Member:

The notes on pages 24 - 48 form part of these financial statements.

### STATEMENT OF CASH FLOWS

### YEAR TO 31 MARCH 2023

			2023	2022
	Note	£	£	£
Net cash inflow from operating activities	18		796,930	3,738,593
Investing activities Cash paid for construction and purchases Housing association grant received Housing association grant repaid Sales of housing properties Purchase of other fixed assets		(5,900,241) 4,512,167 - (133,226)		(15,033,216) 182,438 - 42,980 (440,435)
Net cash inflow/(outflow) from investing activities	-		(1,521,300)	(15,248,233)
Financing Interest received on cash and cash equivalents Interest paid Loan principal repayments Loans received Share capital issued  Net cash outflow from financing Increase/(decrease) in cash Opening cash and cash equivalents Closing cash and cash equivalents	-	200,613 (1,336,074) (2,618,285) 1,945,279	(1,808,466) (2,532,886) 21,752,552 19,219,666	51,052 (1,340,939) (1,614,247) 
Reconciliation of net cashflow to movement in of Increase/(decrease) in cash in year Loan principal repayments Loans received Change in net debt Net debt as at 1 April 2022 Net debt as at 31 March 2023	lebt		(2,532,886) 2,618,285 (1,945,279) (1,859,880) (19,739,619) (21,599,499)	(14,413,759) 1,614,247 (12,799,512) (6,940,107) (19,739,619)

The notes on pages 24-48 form part of these financial statements.

### NORTH GLASGOW HOUSING ASSOCIATION LIMITED STATEMENT OF CHANGES IN EQUITY

### **AS AT 31 MARCH 2023**

	Share Capital £	Revenue Reserves £	Revaluation Reserve £	Total £
Balance at 1 April 2022	111	36,859,611	41,154,887	78,014,609
Issue of shares	1	-		1
Cancellation of shares	(25)	-	-	(25)
Deficit for year	· -	(2,563,334)	-	(2,563,334)
Gift aid	-	20,000	-	20,000
Actuarial gain/(loss) in respect of				
pension schemes	-	257,043	-	257,043
Transfer between reserves	-	1,119,923	(1,119,923)	-
Balance as at 31st March 2023	87	35,693,243	40,034,964	75,728,294

The notes on pages 25 - 49 form part of these financial statements.

### NOTES TO THE FINANCIAL STATEMENTS

### **AS AT 31 MARCH 2023**

### 1. Accounting Policies

### (a) Introduction and accounting basis

The principal accounting policies of the Association are set out in the paragraphs (b) to (r) below. These financial statements were prepared in accordance with Financial Reporting Standard 102 – 'The Financial Standard applicable in the UK and the Republic of Ireland' and the Statement of Recommended Practice for Social Housing Providers 2014. The Association is a Public Benefit Entity in terms of its compliance with Financial Reporting Standard 102. The Association is registered under the Co-operative and Community Benefit Societies Act 2014.

### (b) Finance

The financial statements have been prepared on the basis that the capital expenditure referred to in note 8 will be grant aided, funded by loans, or met out of reserves, or from proceeds of sales.

### (c) Mortgages

Mortgage loans are advanced by private lenders under the terms of the individual mortgage deeds in respect of each property or housing scheme. Advances are available only in respect of those developments, which have been given approval for Housing Association Grant by Glasgow City Council.

### (d) Housing Association Grants

Housing Association Grants (HAG) are made by Glasgow City Council and are utilised to reduce the amount of mortgage loan in respect of an approved scheme to the amount which it is estimated can be serviced by the net annual income of the scheme. The amount of HAG is calculated on the qualifying cost (note 1(f)) of the scheme in accordance with instructions issued from time to time by the grant awarding body. HAG and other grants are repayable under certain circumstances. These include the disposal of the properties to which the grants relate.

### (e) Housing Association Grant - Acquisition and Development Allowances receivable

Acquisition and Development Allowances are determined by the grant awarding body and are advanced as grants by Glasgow City Council. They are intended to finance certain internal administrative costs relating to the acquisition and development of housing land and buildings for approved schemes.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### (f) Noncurrent assets - Housing land and buildings (note 8)

Properties included in housing properties are stated at cost. The cost of such properties includes the following:

- (i) Cost of acquiring land and buildings
- (ii) Development expenditure including attributable overheads
- (iii) Interest charged on the loans raised to finance the scheme to date of completion.

Works to existing properties will generally be capitalised under the following circumstances:

- (i) Where a component of the housing property, that has been treated separately for depreciation purposes and depreciated over its useful economic life, is replaced, or restored; or
- (ii) Where the subsequent expenditure provides an enhancement of the economic benefits of the tangible fixed asset in excess of the previously assessed standard performance. Such enhancement can occur if improvements result in an increase in rental income, a material reduction in future maintenance costs or a significant extension of the life of the property.

Works to existing properties which fail to meet the above criteria are charged to the Income and Expenditure account.

The major components of the Associations housing properties are deemed to be land, structure, kitchens, central heating and boiler systems, bathrooms, and windows. Each component has a substantially different economic life and is depreciated over this individual life. Depreciation rates are shown in note (h).

Shared ownership properties are included in housing properties at cost, less any provisions needed for depreciation or impairment.

The amount of grants received is shown separately on the statement of financial position. Housing Association Grant received in respect of revenue expenditure is credited to the statement of comprehensive income in the same period as the expenditure to which it relates.

Housing Association Grant may become repayable in certain circumstances, such as the disposal of certain assets. The amount repayable would be restricted to the net proceeds of sale.

Interest on the loan financing the development is capitalised up to the relevant date of completion.

### (g) Low Cost Initiatives for First Time buyers (LIFT)

LIFT transactions are grants received from the grant awarding body and passed onto an eligible beneficiary. The grant awarding body has a benefit of a fixed charge on the property. This entitles the grant awarding body to a share of the proceeds on the sale of the property by the beneficiary. These are classified as investments and are carried at historical cost with the linked finance cost (the grant received) being deducted from the gross amount of the asset. As from 1 April 2008 the Scottish Government has taken security over completed sales and North Glasgow no longer includes the grants and related loans to the owner on the balance sheet.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### (h) **Depreciation**

### **Housing Properties**

Housing Properties are stated at cost, less social housing and other public grants and less accumulated depreciation. Housing properties have been split between their land and structure costs and a specific set of major components which require periodic replacement. Depreciation is charged on a straight-line basis over the expected economic useful lives of the properties structure of between 30 years and 50 years. No depreciation is charged on the cost of land. Other components are depreciated as follows:

Kitchens	over 15 years
Central heating system and boilers	over 20 years
Bathroom	over 30 years
Windows	over 30 years

### Other noncurrent assets

The Association's assets are written off evenly over their expected useful lives as follows:

Office premises - over 25 years
Furniture & equipment - over 5 years
Computer hardware - over 5 years
Sheltered fixtures & fittings - over 8 years

Depreciation is charged on these assets in the year of purchase, but no charge is made in the year of disposal.

### (i) Sale of housing properties

Properties are disposed of under the appropriate legislation and guidance. All costs and grants relating to the share of property sold are removed from the financial statements at the date of sale. Any grants received that cannot be repaid from the proceeds of sale are abated and the grants removed from the financial statements.

### (j) Apportionment of management expenses

Direct employee administration and operating costs have been apportioned to the statement of comprehensive income on the basis of costs of the staff to the extent that they are directly engaged in each of the operations dealt with in those accounts.

### (k) Value added tax

The Association is VAT registered and has a Group VAT structure. However, a large proportion of NGHA's income, namely rents, is exempt for VAT purposes and therefore gives rise to a partial exemption calculation. Expenditure as a result is shown inclusive of VAT.

### Turnover

(l) Turnover represents rental and service charge income receivable from tenants, development administration, properties developed for sale and other income. Income is recognised on an accruals basis and when the Association is entitled to that income.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### (m) Pensions

The Association participates in the Scottish Housing Association Defined Benefits Pension Scheme and retirement benefits to employees of the Association are funded by the contributions from all participating employers and employees in the Scheme. Payments are made in accordance with periodic calculations by consulting Actuaries and are based on pension costs applicable across the various participating Associations taken as a whole.

Up until March 2019 there was insufficient information to split the assets and liabilities between the participating employers. Sufficient information has now been made available and North Glasgow Housing Association now accounts for its participation in the Scheme in accordance with FRS 102 which requires disclosures presented for both the current and comparative period. FRS 102 also requires that quoted securities are valued at their current bid price rather than their mid-market value. Details of this are shown in note 23.

The Association accounts for amounts that it has agreed to pay towards the Growth Fund deficit in accordance with paragraph 28.11A of FRS102. The present value of this liability has been recognised in the Statement of Financial Position. The discount rate applied to this obligation is that of a yield rate for a high-quality corporate bond.

The Association, as a result of staff transferring during the GHA stock transfer, is an admitted member of Strathclyde Pension Fund (SPF). The basis of admittance is that of a closed scheme and only transferred employees who already are or wish to join can be a member of this scheme. Retirement benefits to these employees are funded by the contributions from all participating employers and employees in the Fund. Payments are made to the independently administered Fund in accordance with periodic calculations by consulting actuaries and are based on pension costs applicable across the various participating member employers. As a closed scheme a slightly higher calculated rate is payable by the Association to reflect the limited future membership of the scheme.

North Glasgow Housing Association accounts for its participation in the Fund in accordance with FRS 102 which requires disclosures presented for both the current and comparative period. FRS 102 also requires that quoted securities are valued at their current bid price rather than their mid-market value.

The Fund liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. Glasgow Housing Association's share of the Fund surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the Fund surplus / deficit is split between operating charges, finance items and in the statement of comprehensive income under actuarial gain or loss on pension schemes.

### (n) Consolidation

The Association and its subsidiary undertakings comprise a group. The FCA has granted exemption from preparing group financial statements. The financial statements represent the results of the Association and not of the group. The Board is of the opinion that it would be of no real value to the members of the Association to consolidate or include the accounts of the Association's subsidiaries in the group accounts, because the business of the Association and that of the subsidiaries are so different they cannot be treated as a single undertaking.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### (o) Impairment of fixed assets

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income-generating unit is recognised by a charge to the Income and Expenditure account. Impairment is recognised where the carrying value of an incomegenerating unit exceeds the higher of its net realisable value or its value in use. Value in use represents the net present value of expected future cash flows from these units.

Impairment of assets would be recognised in the Income and Expenditure account.

### (p) Work in progress

Completed properties and property under construction for outright sale are valued at the lower of costs and net realisable value. Cost comprises materials, direct labour and direct development overheads. Net realisable value is based on estimated sale price after allowing for all further costs of completion and disposal.

### (q) Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, or financial liabilities.

### (r) Lease obligations

Rentals paid under operating leases are charged to the income and expenditure account on the accrual's basis.

### (s) Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell.

### (t) Judgements in applying policy and key sources of estimation uncertainty

Useful lives of property, plant, and equipment	The useful lives of property, plant and equipment are based on the knowledge of senior management with reference to expected asset life cycles.
The main components of housing properties and their useful lives	The cost of housing properties is split into separately identifiable components. These components were identified by knowledgeable and experienced staff members and based on costing models.
Recoverable amount of rental and other trade receivables	Rental arrears and other trade receivables are reviewed by appropriately experienced senior management team members on a case-by-case basis with the balance outstanding together with the payment history of the individual tenant being considered.
The obligations under the SHAPs pension scheme and the Strathclyde	This has relied on the actuarial assumptions of a qualified actuary which have been reviewed
Pension Fund	and are considered reasonable and appropriate.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

2. Particulars of revenue, operating costs, operating surplus or deficit

	Note	Note Turnover	2023 Operating Costs	Operating (Deficit)	Turnover	2022 Operating Costs	Operating Surplus/ (deficit)
Social lettings	3a	3a 26,725,935	(28,135,770)	(1,409,835)	25,533,989	(27,188,011)	(1,654,022)
Other activities	36	679,289	(672,281)	7,008	753,342	(832,267)	(78,925)
Total	ı <b>!</b>	27,405,224	(28,808,051)	(1,402,827)	26,287,331	(28,020,278)	(1,732,947)

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2023 (Continued)

3a - Particulars of turnover, operating costs, and operating surplus/(deficit) from social letting activities

	General Needs Housing	Shared Ownership Housing	Total 2023	2022
Income from lettings	0	D		
Rent receivable net of service charges	26,131,792	86,712	26,218,504	25,416,007
Service charges	41,150	-	41,150	40,439
Gross income from rents and service charges	26,172,942	86,712	26,259,654	25,456,446
Less: Voids	272,282		272,282	318,640
Net Income from rents and service charges	25,900,660	86,712	25,987,372	25,137,806
Amortisation of Social Housing and other grants	685,158	53,405	738,563	354,032
Grants from the Scottish Ministers	1	1	1	42,151
Grants from local authorities and other agencies		1	1	•
Total turnover from social letting activities	26,585,818	140,117	26,725,935	25,533,989
Management and maintenance administration costs	8,555,453	52,637	8,608,120	8,089,647
Service costs	2,345,953	ı	2,345,953	1,811,471
Planned and Cyclical maintenance	8,203,164	1	8,203,164	8,547,666
Reactive maintenance costs	3,686,257	ı	3,686,257	4,097,974
Bad debts – rents and service charges	276,449	1	276,449	127,684
Depreciation of social housing	4,951,146	64,681	5,015,827	4,513,299
Operating costs for social letting activities	28,018,452	117,318	28,135,770	27,188,011
Operating surplus for social lettings	(1,432,634)	22,799	(1,409,835)	(1,654,022)
2022	(1,676,903)	22,881	(1,654,022)	

The total amount of major repairs expenditure incurred in the year was £11,856,631 (2022 - £18,449,671). Component expenditure of £5,274,679 (2022 - £12,132,841) was for component replacement and £nil (2022 £nil) was for improvements.

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 March 2023 (Continued)

# 3b - Particulars of turnover, operating costs and operating surplus or deficit from other activities

	Grants from Scottish Ministers	Other revenue grants	Supporting people income	Other income	Total Turnover	Operating costs – bad debts	Other operating costs	Operating surplus/ (deficit)	Operating surplus/(deficit) for previous period of account
Wider Action/wider role	76,812	266,018		8,960	351,790	ł	529,228	(177,438)	(197,060)
Care and repair of property	ı		•		ı	1		` I	
Factoring	ı	•	ı	•	ı	ı	ı	ı	1
Development activities	ı	ı	ı	ı	1	1	•	1	•
Support activities	ı	•	ı	•	ı	ı	ı	ı	•
Care activities	ı	ı	ı	ı	ı	1	1	1	1
Agency services for RSL's	1	•	1	•	1	1	1	1	•
Other agency/management services	•	•	1	1	1	1	1	1	•
Developments for sale to RSL's	1	ı	ı	ı	1	1	1	1	
Developments and improvements for sale to non registered social landlords, (including first tranche									
shared ownership sales)	ı	•	ı	•	ı	ı	ı	ı	1
Other activities	ı	ı	ı	327,499	327,499	ı	143,053	184,446	118,135
Total from other activities	76,812	266,018	1	336,459	679,289		672,281	7,008	(78,925)
2022	107,608	107,608 393,025	1	252,709	753,342	1	(832,267)	(78,925)	

The total for other activities includes £40,891 (2022 - £41,811) for rental of radio masts and RHI income of £111,537 (2022 - £nil).

Further details on projects and funding from partners are given in note 27. Particular thanks for their support and assistance across various projects is given to the Big Lottery Fund.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 4. Profit on sale of fixed assets

	2023	2022
	£	£
Sale proceeds	-	42,980
Cost of sales	<del></del>	<u>(9,951)</u>
Gain on sale of fixed assets		33,029

The Association is potentially liable to repay amounts on sales arising from the stock transfer from Glasgow Housing Association. During the year no such sales occurred.

### 5. Interest payable and Other Charges

	2023	2022
	£	£
Loan interest on housing properties	1,336,074	1,340,939
Other interest	<del></del>	<del>_</del>
	1,336,074	1,340,939
Less: loan interest capitalised	<del>_</del>	
	<u>1,336,074</u>	<u>1,340,939</u>

Interest rates charged on loans during the year ranged from 1.15% to 5.27% (2022: 0.4% to 5.27%). There was no deferred interest or interest charged on the late payment of taxation.

### 6. Taxation

The Association has charitable status and is no longer liable for tax on its ordinary activities.

### 7. (Deficit)/surplus for the year

	2023	2022
(Deficit)/surplus for the year is stated after charging: -	£	£
Depreciation – Housing Properties	5,015,827	4,513,299
Depreciation – Other Tangible Assets	307,760	300,748
	5,323,587	4,814,047
External Auditors Remuneration – Audit Services	11,898	11,466
External Auditors Remuneration – Other services	624	600
Operating Lease Rentals – Land & Buildings	93,431	93,431

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 8. Non Current Assets – Housing properties

	Housing properties held for letting	Housing properties in course of construction	Completed shared ownership properties	Total £
Cost				
At 1 April 2022	143,932,482	-	2,432,901	146,365,383
Additions	5,900,241	-		5,900,241
Disposals	-	-	-	-
Transfers				
At 31 March 2023	149,832,723	-	2,432,901	152,265,624
Depreciation and impairment				
At 1 April 2022	28,848,894	-	750,715	29,599,609
Charge in year	4,951,146	-	64,681	5,015,827
Disposals	-	-	-	-
At 31 March 2023	33,800,040		815,396	34,615,436
Net book value				
As at 31 March 2023	116,032,683		1,617,505	117,650,188
As at 1 April 2022	115,083,588		1,682,186	116,765,774

None of the Associations land or property is held under a lease.

Housing properties held for letting are stated at deemed cost at 1 April 2014, as amended by subsequent additions and disposals, as part of the transitional changes allowed under FRS 102. The deemed cost was calculated from the Existing Use Value – Social Housing (EUV- SH) of the housing letting stock at 1 April 2014 by Jones Lang Lasalle in line with the RICS Valuation Professional Standards required by the RICS "Red Book".

9. Shared equity - LIFT loans	2023	2022
	£	£
LIFT Loans made to owners	490,382	490,382
LIFT Grants	(490,382)	(490,382)

These amounts represent the amount granted to the LIFT owner up to 1 April 2008 and the corresponding grant North Glasgow has received from Glasgow City Council. North Glasgow is responsible for the administration of these grants. As from 1 April 2008 the Scottish Government has taken security over completed sales and North Glasgow no longer includes the grants and related loans to the owner on the balance sheet.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 10. Non Current Assets – Other Tangible Assets

	Office Accommodation £	Furniture & Equipment £	Computer Hardware £	Sheltered Fixtures & Fittings £	Total £
Cost					
At 1 April 2022	1,753,410	1,974,937	1,391,621	47,944	5,167,912
Additions during year		104,403	28,823	-	133,226
At 31 March 2023	1,753,410	2,079,340	1,420,444	47,944	5,301,138
Depreciation At 1 April 2022 Charge for the year	858,845 54,679	1,549,830 146,922	1,176,911 106,159	47,944	3,633,530 307,760
At 31 March 2023	913,524	1,696,752	1,283,070	47,944	3,941,290
Net Book Value					
As at 31 March 2023	839,886	382,588	137,374	-	1,359,848
As at 1 April 2022	894,565	425,107	214,710	-	1,534,382

### 11. Debtors: Amounts falling due within one year

	2023	2022
	£	£
Rents in arrears	1,478,803	1,467,254
Less: bad debt provision	(1,017,654)	( <u>998,369</u> )
	461,149	468,884
Trade debtors	1,350	99,806
Amounts due from group companies	27,845	37,299
Prepayments and accrued income	1,444,587	771,989
Other debtors	428,728	423,429
	<u>2,363,659</u>	<u>1,801,407</u>

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

2022

2022

### 12. Creditors due within one year

2023	2022
£	£
,216	2,454,506
,334	-
,269	2,586,219
,340	8,794
,097	652,055
,331	649,215
,882	613,398
,563	354,031
912	912
,281	963,145
<u>,225</u>	<u>8,282,275</u>
	£,216 ,334 ,269 ,340 ,097 ,331 ,882 ,563 ,912 ,281

### 13. Creditors due after more than one year

	2023	2022
	£	£
Liability for past service contributions (note 14)	684	1,592
Other creditors	3,862,829	4,141,087
Loans (note 15)	<u>38,329,951</u>	39,037,667
	<u>42,193,464</u>	43,180,346

### 14. Liability for past service contributions

The Association has staff in three pension schemes that are defined as a defined benefit scheme. Strathclyde Pension Fund (SPF) has been reported as a liability on the statement of financial position in previous years. The Scottish Housing Association Pension Scheme and the Pension Trust Growth Plan were reported as defined contribution schemes with inclusion of agreed deficit repayment plans included on the statement of financial position. Last year due to sufficient information becoming available the SHAP scheme is now treated as a defined benefit scheme and only the Growth Plan continues to be treated as a defined contribution scheme with deficit liabilities provided for.

### **Growth Plan**

	2023	2022
	£	£
At 1 April 2022	2,504	11,128
Unwinding of discount factor	47	64
Deficit contribution paid	(912)	(2,816)
Remeasurements in assumptions	(43)	(5,872)
At 31 March 2023	1,596	2,504
Due in under one year	912	912
Due in over one year	684	1,592
	1,596	2,504

The liability for past service contributions for the Growth Plan has been accounted for in accordance with FRS 102 Para 28.13A and represents the present value of the contributions payable. The cash out flows have been discounted for the Growth Plan at a rate of 5.52% (2022 - 2.35%).

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 15. Loans

Loans are secured by specific charges on the Association's properties. Loans are repayable at varying rates of interest of 1.15% to 5.27% (2022 - 0.4% to 5.27%) in instalments due as follows:

	2023	2022
	£	£
In one year or less (note 12)	2,489,216	2,454,506
Between one and two years	2,562,822	2,567,753
Between two and five years	6,461,823	6,040,131
In five years or more	<u>29,305,306</u>	30,429,782
•	<u>40,819,167</u>	41,492,172

The Association has a number of long-term housing loans the terms and conditions of which are as follows:

Lender	Security	Effective Interest rate	Maturity	Variable/ Fixed
Nationwide	Standard security	5.03%	2034	Fixed
Nationwide	Standard security	5.51%	2034	Fixed
Nationwide	Standard security	Libor + 0.37%	2034	Variable
Nationwide	Standard security 195 properties	Libor + 0.75%	2034	Variable
THFC	Standard security 185 properties	4.395%	2030	Fixed
GBSH	Standard security 1,068 properties	5.193%	2038	Fixed

The Nationwide Building Society holds a standard security over 1,173 properties for its first facility. These properties secure the loans in the first three lines above. The fixes end at dates before the final loan maturity date.

### 16. Deferred income

	2023	2022
Social Housing and other Grant	£	£
Balance at 1 April 2022	11,898,692	12,070,285
Additions in year	4,512,167	182,438
Amortisation in year	(738,563)	(354,031)
	15,672,296	11,898,692
Due in under one year	738,563	354,031
Due in over one year	14,933,733_	11,544,661
	15,672,296	11,898,692

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

<b>17.</b>	Share Capital	2023	2022
	•	£	£
	Shares of £1 fully paid and issued at 1 April	111	128
	Shares issued during year	1	15
	Shares cancelled in year	<u>(25</u> )	(32)
	Shares issued at 31 March	<u>87</u>	<u>111</u>

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceases to be a member, that person's share is cancelled, and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

### 18. Statement of Cash Flow

Reconciliation of operating surplus	2023	2022
	£	£
Operating (deficit)/surplus for year	(1,402,827)	(1,732,947)
Depreciation – housing properties	5,015,827	4,513,299
Depreciation – other assets	307,760	300,749
Amortisation of capital grants	(738,563)	(354,032)
Change in stock	77,755	184,292
Change in debtors	(562,252)	221,059
Change in creditors	(2,157,838)	(2,937,667)
Change in pension provision	257,043	3,543,872
Share capital cancelled	(25)	(32)
Net cash inflow from operating activities	796,930	3,738,593
	2023	2022
The number of units in management at 31 March was as follows:	No.	No.
General needs housing	5,427	5,426
Shared ownership accommodation	<u>37</u>	<u>37</u>

Twenty one units of mid-market rent properties are under management by the Associations subsidiary NG Property (Scotland) Limited.

5,464

5,463

20. Employees	2023	2022
• •	£	£
Wages and salaries	4,224,903	3,969,802
Social security costs	428,032	367,171
Other pension costs	<u>879,544</u>	1,054,807
-	<u>5,532,479</u>	<u>5,391,780</u>

The total above includes payments totalling £nil (2022 - £107,765) for zero members of staff (2022 – two) who left during the year under a voluntary severance scheme. This total includes £nil (2022 - nil) due to Strathclyde Pension Fund for strain payments on the fund.

The number of persons employed by the Association	No	No
during the year were as follows:		
- full time equivalent	<u>117</u>	<u>121</u>

Full time equivalent is based on a thirty-five-hour week as staff are employed on varying contracts ranging up to 42 hours per week.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 20. Employees (contd)

The definition of key management personnel in the 2019 Determination includes those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. This includes governing body members. The aggregate amount of emoluments payable to or receivable by, the key management personnel and former key management personnel of the Association landlord whose total emoluments are £60,000 or more, excluding employer's pension contributions, during the reporting period is disclosed below.

Emoluments payable to key management personnel earning over £60k	£ 360,465	£ 407,241
Emoluments payable to all key management personnel (without pension contributions)	<u>360,465</u>	<u>407,241</u>
Emoluments payable to the CEO (Appointed 1 October 2021) Pension contributions for the CEO (Appointed 1 October 2021)	118,663 <u>19,037</u> <u>137,700</u>	55,663 <u>9,017</u> <u>66,680</u>

Emoluments over £60,000 including pension contributions paid to key management personnel can be analysed as follows:

	No	No
£60,001 - £70,000	-	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	1
£90,001 - £100,000	2	2
£110,001 - £120,000	-	1
£120,001 - £130,000	1	1
£120,001 - £140,000	<u> </u>	

No member of the Board received any emoluments in respect of their services to the Association.

Expenses paid to the Board  $\underline{5,723}$   $\underline{4,417}$ 

The Association's contributions to the pension scheme for key management personnel earning over £60k in the year amounted to £88,763 (2022 - £105,307).

### 21. Related Parties

Members of the Board are related parties of the Association as defined by Financial Reporting Standard 102. Tenants, sharing owners and owners who are members of the Board are not treated differently to any other tenants or owners. City Councilors who are members of the Board declare their interests relating to relevant decisions taken by the Association or the City Council. Governing Board members cannot use their position to any advantage. Any transaction between the Association and any entity with which a Governing Body Member has a connection with is made at arms length and is under normal commercial terms.

The related party relationships of the members of the Board are that five members were tenants of the Association, two members were factored owners, and seven members were neither tenants nor factored owners.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 21. Related Parties (Contd)

Transactions with Governing Board Members in the year were £18,240 (2022 - £19,606) of rent was charged and £851 (2022 £737) of factoring charges. At the year end there were arrears of rent of £378 (2022 - £190) and factoring charges of £46 (2022 - £nil).

The Association has taken advantage of the exemptions conferred by FRS102 in not disclosing transactions with wholly owned subsidiaries of the Association.

One Board member is a director of SHARE (Scottish Housing Association Resource for Education). The purchases in the year from SHARE was £14,321 (2022 - £19,770). At the year end there was a balance of £7,525 owed to SHARE.

### 22. Subsidiary Companies

The Association has four subsidiary companies NG Property (Scotland) Limited (NGPS), Design Services Glasgow Limited (DSGL), ng2 Limited and ng3 Limited. All companies are companies limited by shares and are registered in Scotland

	% Holding	Class of shares	Country of Incorporation	Cost £
NGPS	100	Ordinary	Scotland	1,000
DSGL	100	Ordinary	Scotland	100
ng2	100	Ordinary	Scotland	100
ng3	100	Ordinary	Scotland	100

NGPS handles the factoring and other activities that the Association cannot undertake due to its charitable status. NGPS had capital and reserves of £211,000 (2022 capital and reserves of £195,034) and profits of £15,966 (2022 profit of £211) for the year ended 31 March 2023. The principal activity of the company is that of property management. Balance due to NGPS at year end was £198,700 (2022 – balance due to NGPS £212,360).

DSGL handles the development contracts for the group. DSGL has capital and reserves of £60,359 (2022 – £51,821) and profit of £8,537 for the year (2022 – profit £8,719). The principal activity of the company is that of design services and contracting. Balance of £27,846 was owed from DSGL at the year end (2022 – owed by DSGL £37,299).

ng2 was formed to handle the Associations social economy activities and to encourage local employment and training opportunities. The result for the year was a profit of £51,185 (2022 £44,795) and capital and reserves of £875,510 (2022 - £824,325). Balance due by the Association at 31 March 2023 was £147,632 (2022 – due by the Association £436,857).

ng3 Limited was formed in 2010 and is a dormant company.

The Board is of the opinion that it would be of no real value to the members of the Association to consolidate or include the accounts of the Association's subsidiaries in the group accounts, required to be prepared under Section 98 of the Co-operative and Community Benefit Societies Act 2014 for the year ended 31 March 2023, because the business of the Association and that of the subsidiaries are so different they cannot be treated as a single undertaking and there is no value to the members in preparing group accounts.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 23. Pension Fund – Scottish Housing Associations Pension Scheme

The company participates in the Scottish Housing Associations' Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increases in salaries and pensions. The principal actuarial assumptions at the year end were as follows:

	2023	2022
Discount rate	4.88%	2.79%
Future salary increases	3.20%	4.21%
Inflation RPI	2.74%	3.62%
Inflation CPI	3.74%	3.21%
Allowance for commutation of pension for	75% of max	75% of max
cash at retirement	allowance	allowance

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies for a 65-year-old to live for a number of years as follows:

	2023	2022
Male retiring in 2023	20.5	21.6
Female retiring in 2023	23.0	23.9
Male retiring in 2041	21.7	22.9
Female retiring in 2041	24.4	25.4

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

2022

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 23. Pension Fund – Scottish Housing Associations Pension Scheme (contd)

The present	value of the	defined	benefit ol	bligation	is as follows:

r g g	2023	2022
	£000's	£000's
Opening defined benefit obligation	20,633	21,409
Current service cost	279	440
Expenses	16	16
Interest expense	572	461
Contributions by plan participants	152	153
Actuarial losses/(gains) due to scheme experience	(2,641)	213
Actuarial losses/(gains) due to changes in demographic assumptions	(322)	(1.640)
Actuarial losses/(gains) due to changes in financial assumptions Liabilities extinguished on settlements	(4,814)	(1,649)
Liabilities assumed in a business combination	_	<b>-</b>
Benefits paid and expenses	(666)	(479)
Closing defined benefit obligation	13,209	20,633
Closing defined benefit boligation	13,207	20,033
Movements in fair value of plan assets		
Opening fair value of plan assets	20,554	19,499
Interest income	574	424
Experience on plan assets (excluding amount in interest)	(8,629)	131
Contributions by the employer	567	826
Contributions by plan participants	152	153
Benefits paid and expenses	(666)	(479)
Closing fair value of plan assets	12,552	20,554
The actual return on the plan assets (including any changes in share of assets) over the was £??	e period ended 31	March 2023
Defined benefit costs recognised in statement of comprehensive income		
Current service cost	279	440
Expenses	16	16
Net interest expense	(2)	37
Defined benefit costs recognized in SOCI	293	493
D.C. dl C4 4		
Defined benefit costs recognised in other comprehensive income	(9.620)	440
Experience on plan assets (excluding amount in interest)	(8,629)	440
Experience gains and losses arising on the plan liabilities  Effect of changes in the demographic assumptions underlying	2,641 322	16 37
the present value of the defined benefit obligation	344	37
Effect of changes in the financial assumptions underlying the	4,814	493
present value of the defined benefit obligation	1,011	173
Defined benefit costs recognized in OCI	(852)	440
Defined benefit costs recognized in OC1	(032)	440

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 23. Pension Fund – Scottish Housing Associations Pension Scheme (contd) Movement in deficit during the year

(D. C. : ). (1 . : C.	(70)	(1.010)
(Deficit) at beginning of year	(79)	(1,910)
Current service cost	(279)	(440)
Losses on settlements or curtailments		- 010
Employer contributions	551	810
Past service costs	-	-
Net interest expense	2	37
Actuarial gain/(losses)	(852)	1,498
(Deficit) at end of the year	(657)	(79)
The value of the plan assets were as follows		
	2023	2022
	£000's	£000's
Global Equity	331	4,064
Absolute Return	171	942
Distressed Opportunities	386	737
Credit Relative Value	479	659
Alternative Risk Premia	72	849
Emerging Markets Debt	97	765
Risk Sharing	915	670
Insurance-Linked Securities	349	431
Property	523	533
Infrastructure	1,352	1,283
Private Debt	561	517
Opportunistic Illiquid Credit	555	681
High Yield	64	200
Opportunistic credit	1	72
Cash	53	57
Corporate Bond Fund	16	1,299
Liquid Credit	-	132
Long Lease Property	421	592
Secured Income	839	1,098
Over 15 Year Gilts	-	9
Liability Driven Investment	5,315	4,973
Currency hedging	24	(75)
Net Current Assets	28	66
Total assets	12,552	20,554

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Present value of scheme liabilities	(13,209)	(20,663)
Fair value of scheme assets	12,552	20,554
(Deficit)	(657)	(79)

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 24. Pension Fund – Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### **Deficit contributions**

From 1 April 2023 to 31 January 2025:	£3,312,000 per annum	(payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

### **Deficit contributions**

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 24. Pension Fund – Pensions Trust Growth Plan (continued)

PRESENT VALUES OF PROVISION			
	31 March 2023	31 March 2022	31 March 2019
Present value of provision	1,596	2,504	11,128
RECONCILIATION OF OPENING AND CLOSI	NG PROVISIONS		
		Year Ending 31 March 2023 £	Year Ending 31 March 2022 £
Provision at start of period		2,504	11,128
Unwinding of the discount factor (interest expense	2)	47	64
Deficit contribution paid		(912)	(2,816)
Remeasurements - impact of any change in assump	otions	(43)	(58)
Remeasurements - amendments to the contribution	schedule	-	(5,814)
Provision at end of period		1,596	2,504
INCOME AND EXPENDITURE IMPACT			
		Year Ending 31 March 2023 £	Year Ending 31 March 2022 £
Interest expense		47	64
Remeasurements – impact of any change in assumptions		(43)	(58)
Remeasurements – amendments to the contribution schedule		-	(5,814)
Contributions paid in respect of future service*		-	-
Costs recognised in income and expenditure account		-	-
ASSUMPTIONS			
	31 March 2023 % per annum	31 March 2022 % per annum	31 March 2019 % per annum
Rate of discount	5.52%	2.35	0.66

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The Association made payments totalling £912 (2022: £2,816) to the pension scheme during the year.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 25. Pensions Fund – Strathclyde Pension Fund

Some of the Associations employees belong to the Strathclyde Pension Fund which is administered by Glasgow City Council and is a defined benefit scheme. The assets of the scheme are held separately from those of the Association in investments under the overall supervision of the Fund Trustees. The last full actuarial valuation was carried out at 31 March 2017. The next full actuarial valuation is due as at 31 March 2023. The following information was updated for FRS 102 purposes to 31 March 2023 by a qualified independent actuary

The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increases in salaries and pensions. The principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:

	2023	2022	2017	2016	2015
Discount rate	2.95%	2.70%	2.0%	2.3%	2.4%
Future salary increases	3.65%	3.90%	3.55%	3.0%	3.7%
Pension increase rate	4.70%	3.20%	2.85%	1.9%	2.5%

In valuing the liabilities of the pension fund at 31 March 2023, mortality assumptions have been made as indicated below. The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year-old to live for a number of years as follows:

- Current pensioner aged 65: 19.3 years (male), 22.2 years (female)
- Future retiree upon reaching 65: 20.5 years (male), 24.2 years (female).

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

The present value of the defined benefit obligation is as follows:

Defined Benefit Plans	2023	2022
	£000's	£000's
Opening defined benefit obligation	15,311	15,844
Current service cost	499	568
Past service cost	_	-
Interest cost	418	321
Loss on curtailment	_	-
Actuarial losses/(gains)	(5,927)	(1,273)
Contributions by members	72	74
Liabilities extinguished on settlements	_	-
Liabilities assumed in a business combination	_	-
Estimated benefits paid	(240)	(223)
Closing defined benefit obligation	10,133	15,311

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 25. Pensions Fund – Strathclyde Pension Fund (continued)

Movements in fair value of plan	assets
---------------------------------	--------

viovements in fair value of plan assets				_
	2023		202	
	£000's		£000'	S
Opening fair value of plan assets	14,453		13,28	1
Expected return on plan assets	391		26	7
Return on assets	(721)		76	7
Contributions by the employer	275		28	7
Contributions by the members	72		7.	
Estimated benefits paid	(240)		(223	
Closing fair value of plan assets	14,230	-	14,45	_
5		_		
Defined benefit costs recognised in statement of comprehensive incom	1e			
Current service cost	499		588	
Past service cost	-		-	
Interest on defined benefit pension plan obligation	391		283	
Expected return on defined benefit pension plan asset	(418)		(247)	
Expected return on defined benefit pension plan asset		_	/	_
	<u>472</u>	_	622	=
The Color of the classes of the color of the				
The fair value of the plan assets were as follows	6000	0/	6000	0/
	£000	%	£000	%
Equities	8,538	60	8,765	61
Corporate bonds	3,984	28	3,055	26
Property	1,423	10	1,195	11
Cash	285	2	266	2
	14,230		14,453	
Movement in deficit during the year				
(Deficit) at beginning of year	(858)		(2,563)	
Current service cost	(499)		(588)	
Losses on settlements or curtailments	-		-	
Employer contributions	275		287	
Past service costs	_		_	
Unwinding of discount	(54)		(54)	
Actuarial gain/(losses)	5,233		2,040	
Gain not recognised	(4,097)		2,0.0	
Surplus/(deficit) at end of the year	(1,057)	_	(858)	_
Surprus/(deficit) at end of the year		_	(030)	=
The amounts recognised in the belonce sheet are as follows:				
The amounts recognised in the balance sheet are as follows:  Present value of scheme liabilities	(10 122)		(15 211)	
	(10,133)		(15,311)	
Fair value of scheme assets	14,230	_	14,453	_
Surplus/(deficit) per actuarial report	4,097		(858)	
Asset not recognised	(4,097)	_	- (0.75)	_
Recognised in the accounts		_	(858)	=

The actuarial report indicates that there is surplus within the scheme. As North Glasgow Housing Association do not have the authority to recover this surplus it has not been recognised as an asset.

North Glasgow Housing Association Limited expects to contribute £311,000 (2022 - £316,000) to the Strathclyde Pension Fund in the coming year.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 26. Provision for Pension liability

The Association has staff in two pension schemes that are defined as both defined benefit schemes and where there is sufficient information to be reported as a liability on the statement of financial position. Strathclyde Pension Fund has been reported as such in previous years.

	SHAPS £000	SPF £000	2023 £000	2022 £000
At 1 April 2022	(79)	(858)	(937)	(4,473)
Transfer from other comprehensive income	-	- -	-	_
Current service cost	(279)	(499)	(778)	(1,008)
Employer contributions	551	275	826	1,097
Past service costs	-	-	-	_
Net interest expense	2	(54)	(52)	(91)
Actuarial gain/(losses)	(852)	5,233	4,381	3,5 08
Gain not recognized	-	(4,097)	(4,097)	-
At 31 March 2023	(657)	<u> </u>	(657)	(937)

### 27. Contingent liabilities

The Association is potentially liable until 2033 to repay amounts on property sales on stock that originated from the stock transfer from Glasgow Housing Association. At 31 March 2023 the Association had no other contingent liabilities (2022 -£Nil).

### 28. Funding from partners

The National Lottery Community Fund agreed to fund the Supporting, Connecting and Building Resilience of North Glasgow Community project. The main elements of this project include maintaining and building on the previous furniture and furnishing referral service and it also includes a 'wrap around' support model working alongside a wide range of community partners. This Lottery funded project is supported by three full time staff members for a period of three years. Partnerships are an important element of the project and support the 'wrap around' support of individuals coming through the project. This 'wrap around' working closely with residents to link them into the support they need such as financial advice, food and furniture assistance, information on community services, health and wellbeing activities, access to one-to-one mental health partners, educational and entrepreneurship opportunities. The Community Fund support for the project amounts to £276k.

Funds were awarded from a Social Housing Fund grant from Cycle Scotland to assist plans to increase Active Travel and cycling in the local communities. Investment in cycle storage pods was done in the year and will continue in the next year.

Glasgow City Council once again provided funds for the Holiday Food Programme during the year.

Glasgow Communities Fund awarded an amount of £237k over a three-year period for financial inclusion posts as part of the funding for the Joining the Dots project. The project has now come to an end.

The Association is grateful for the support given from all its funders and collaborative partners.

### NOTES TO THE FINANCIAL STATEMENTS

### AS AT 31 MARCH 2023 (Continued)

### 29. Commitments under operating leases

At 31 March 2023 the Association had commitments under non-cancellable operating leases as set out below:

	2023	1	2022	
	Land &	Other	Land &	Other
	Buildings	Items	Buildings	Items
	£	£	£	£
Within 1 year	93,431	_	93,431	_
Within 2- 5 years	258,649	_	318,689	-
Over 5 years	130,783	_	164,174	-
•	482,683	_	576,294	_
30. Capital Commitments			2023 £	2022 £
Capital expenditure that has been contracted f	for but has not			
been provided for in the financial statements			3,359,609	8,199,138
This is to be funded by:				
SHG			-	3,374,752
Private finance			3,359,609	4,824,386
			3,359,609	8,199,138

The commitments relate to the investment in six of the multi storey blocks at Balgrayhill/Wellfield.

### 31. Details of Association

The Association is a Registered Society registered with the Financial Conduct Authority under reference 1865 R(S) and is domiciled in Scotland. The Associations principal place of business is 50 Reidhouse Street, Glasgow, G21 4LS.

The Association is a Registered Social Landlord with reference HCB 187 and a Scottish Charity with reference SC030635 that owns and manages social housing property in Glasgow.

### Design Services Glasgow Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2023

### Design Services Glasgow Limited OFFICERS AND PROFESSIONAL ADVISERS

### **DIRECTORS**

R Hartness

**SECRETARY** 

R Hartness

REGISTERED OFFICE

410 Petershill Road Glasgow G21 4AA

**AUDITORS** 

Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP

**BANKERS** 

Clydesdale Bank plc 30 St Vincent Place Glasgow G1 2HL

### **DIRECTORS' REPORT**

For the year ended 31 March 2023

The directors submit their report and financial statements of Design Services Glasgow Limited for the year ended 31 March 2023.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of design services and contracting.

#### **BUSINESS REVIEW**

The company continued to operate some of the development contracts of North Glasgow Housing Association Limited. The company in future years is looking to expand its range of activities and partners.

### **DIRECTORS**

The directors who served the company during the year were as follows:

R Hartness

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

#### **AUDITORS**

Wylie & Bisset (Audit) Limited has indicated its willingness to continue in office.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board

R Hartness Director

Date: 25 July 2023

# Design Services Glasgow Limited Directors' responsibilities in the preparation of Financial Statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Independent Auditor's Report to the Members of Design Services Glasgow Limited

#### Opinion

We have audited the financial statements of Design Services Glasgow Limited (the 'company') for the year ended 31st March 2023 which comprise; the Statement of Income and Retained Earnings; the Statement of Financial Position; and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*] (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2023, and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### Independent Auditor's Report to the Members of Design Services Glasgow Limited (continued)

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

### Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- The nature of the company and the industry, control environment and business performance including key drivers for gift aid to the parent company and performance targets; and
- Our enquiries of management about their identification and assessment of the risks of irregularities.

Based on our understanding of the company and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the company's industry operations; and
- UK tax legislation.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries; and
- Management bias in accounting estimates.

### Independent Auditor's Report to the Members of Design Services Glasgow Limited (continued)

### Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and legal advisors concerning actual and potential litigation and claims;
- Reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments' assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Gillon BA (Hons) FCCA, CA, (Senior Statutory Auditor) For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor Chartered Accountants, 168 Bath Street Glasgow G2 4TP

Date: 25 July 2023

# Design Services Glasgow Limited Statement of income and retained earnings for the year ended 31 March 2023

	Notes	2023 £	2022 £
TURNOVER		20,000	20,000
Cost of sales		-	_
Gross profit		20,000	20,000
Administrative expenses		(7,856)	(7,831)
OPERATING PROFIT Interest payable and similar charges	1	12,144 545	12,169 351
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		11,599	11,818
Tax on profit on ordinary activities	2	(3,061)	(3,099)
RETAINED PROFIT FOR THE FINANCIAL YEAR		8,538	8,719
RETAINED EARNINGS AT 1 APRIL 2022		51,721	43,002
RETAINED EARNINGS AT 31 MARCH 2023		60,259	51,721

The notes on pages 9 to 13 form part of these accounts.

# Design Services Glasgow Limited STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS – property, plant and equipment	3	91,091	95,584
CURRENT ASSETS Debtors Cash at bank	4	855 4,807	827 1,255 2,082
CREDITORS Amounts falling due within one year NET CURRENT (LIABILITIES)	5	$\frac{36,394}{(30,772)}$	$\frac{45,845}{(43,763)}$
TOTAL ASSETS LESS CURRENT LIABILITIES CAPITAL AND RESERVES		60,359	51,821
Called up share capital Profit and loss account SHAREHOLDERS' FUNDS	6	100 60,259 60,359	100 51,721 ————————————————————————————————————

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A- small entities.

The financial statements were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on their behalf by:

R Hartness Director

The notes on pages 9 to 13 form part of these accounts.

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

#### STATUTORY INFORMATION

Design Services Glasgow Limited is a private company, limited by shares, domiciled in Scotland, registration number SC359676. The registered office is 410 Petershill Road, Glasgow, G21 4AA.

#### COMPLIANCE WITH ACCOUNTING STANDARDS

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2023 are prepared in accordance with FRS 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland.

### ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year/period and also have been consistently applied within the same accounts.

### **TURNOVER**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business.

### FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

### ACCOUNTING POLICIES (CONTINUED)

### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

### Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are included at cost less depreciation and impairment. Depreciation has been computed so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Heritable Property - 2% straight line Property refurbishment - 8% straight line

Depreciation accrues from the date of being brought into use, or to the date of disposal in respect of assets acquired or disposed of in the year.

### GOING CONCERN

The company has net assets but net current liabilities. The company has sufficient projected income to meet its cash expenditure as it falls due and the parent company continues to provide support to the company. The only significant creditor is the inter company balance owed to the parent company. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

### ACCOUNTING POLICIES (CONTINUED)

#### **TAXATION**

The tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

### Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

# Design Services Glasgow Limited NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

1 OPERATING PROFIT			
Operating profit is stated after charging	<b>g</b> :		
		2023	2022
Depreciation of owned fixed assets Auditor's fees – External audit - Non audit		£ 4,493 910 360	£ 4,493 917 300
2 TAXATION ON ORDINARY ACTIV	TITIES		
Analysis of charge in the period		2023 £	2022 £
Current tax: UK Corporation tax based on the results for 19%) Adjustment in respect of previous periods	the year at 19% (2022	3,057 4	3,099
Total current tax		3,061	3,099
3 TANGIBLE FIXED ASSETS			
	Heritable Property £	Property Refurbishment £	Total £
Cost			
At 1 April 2022 Additions	104,973	29,925	134,898
At 31 March 2023	104,973	29,925	134,898
Depreciation At 1 April 2022 Charge for the year At 31 March 2023	21,957 2,099 24,056	17,357 2,394 19,751	39,314 4,493 43,807
Net Book Value			
At 31 March 2023	80,917	10,174	91,091
At 31 March 2022	83,016	12,568	95,584

# Design Services Glasgow Limited NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

4 DEBTORS			
	2023 £	2022 £	
Other debtors	855	827	
	855	827	
5 CREDITORS: Amounts falling due within one year			
Amounts due to group companies Corporation Tax Other taxes and social security Other creditors and accrued charges	2023 £ 27,846 3,057 1,000 4,491 36,394	2022 £ 37,299 3,099 955 4,492 45,845	
6 SHARE CAPITAL	2023	2022	
Allotted, called up and fully paid:	£	£	
100 Ordinary shares of £1 each			

### ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of North Glasgow Housing Association. North Glasgow Housing Association is a Community Benefit Society registered with the Financial Conduct Authority (Reg. No 1865RS).

# Design Services Glasgow Limited MANAGEMENT INFORMATION

for the year ended 31 March 2023

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 4 to 6.

# Design Services Glasgow Limited DETAILED INCOME STATEMENT for the year ended 31 March 2023

	2023 £	2022 £
TURNOVER	20,000	20,000
Cost of sales	-	_
Gross profit	20,000	20,000
OVERHEADS Administrative expenses	(7,856)	(7,831)
OPERATING PROFIT	12,144	12,169
Interest	(545)	(351)
PROFIT ON ORDINARY ACTIVITIES	11,599	11,818

# Design Services Glasgow Limited NOTES TO THE DETAILED INCOME STATEMENT

for the year ended 31 March 2023

	2023 £	2022 £
ADMINISTRATIVE EXPENSES		
Management charges	-	-
General expenses		
Sundry expenses	13	13
IT licences and support	2,170	1,998
Auditors remuneration	1,070	1,217
Depreciation	4,493	4,493
Financial costs		
Bank charges	110	110
	7,856	7,831

FINANCIAL STATEMENTS

for the year ended

31 March 2023

### OFFICERS AND PROFESSIONAL ADVISERS

### **DIRECTORS**

R Hartness L Cooper C Baird

SECRETARY

R Hartness

### REGISTERED OFFICE

Ned Donaldson House 50 Reidhouse Street Springburn Glasgow G21 4LS

### **AUDITORS**

Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP

### **BANKERS**

Clydesdale Bank plc 30 St Vincent Place Glasgow G1 2HL

### **DIRECTORS' REPORT**

For the year ended 31 March 2023

The directors submit their report and financial statements of NG Property (Scotland) Limited for the year ended 31 March 2023.

#### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property management.

### **DIRECTORS**

The directors who served the company during the year were as follows:

R Hartness L Cooper

### **BOARD**

In addition to the directors above the Board includes representatives from owners and other independent parties to oversee the governance and strategy of the company. During the year these were as follows:

C Rossine ( P Miller
J Berrington I Munro
G Satti Chairperson) J Thorburn

#### **BUSINESS REVIEW**

As with most companies the pandemic affected the ability to fully trade during the previous year. Across this year the company has tried to ensure that a normal level of service has been provided to the factored owners. The level of turnover and operating costs has increased to more normal levels. The company started to manage twenty one mid-market rent properties and this also increased the levels of turnover and profitability in the year..

The Property Factors (Scotland) Act came into force on 1<sup>st</sup> October 2012. The company is registered under the Act and has taken the necessary advice and action to comply with such.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### **AUDITORS**

Wylie & Bisset (Audit) Limited has indicated its willingness to continue in office.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the Board

R Hartness Director

Date: 25 July 2023

### DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG Property (Scotland) Limited

### **Opinion**

We have audited the financial statements of NG Property (Scotland) Limited (the 'company') for the year ended 31st March 2023 which comprise; the Statement of Income and Retained Earnings; the Statement of Financial Position; and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*] (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2023, and of its profit for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG Property (Scotland) Limited (Continued)

### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

### Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- The nature of the company and the industry, control environment and business performance including key drivers for gift aid to the parent company and performance targets; and
- Our enquiries of management about their identification and assessment of the risks of irregularities.

Based on our understanding of the company and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the company's industry operations; and
- *UK tax legislation.*

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries; and
- Management bias in accounting estimates.

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG Property (Scotland) Limited (Continued)

#### Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and legal advisors concerning actual and potential litigation and claims;
- Reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments' assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Gillon BA (Hons) FCCA, CA, (Senior Statutory Auditor)
For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor
Chartered Accountants
168 Bath Street
Glasgow G2 4TP

Date: 25 July 2023

Income statement for the year ended 31 March 2023 Statement of income and retained earnings for the year ended 31 March 2023

	Notes	2023 £	2022 £
TURNOVER		763,732	492,919
Cost of sales		(532,226)	(295,577)
Gross profit		231,506	197,342
Administrative expenses		(211,795)	(197,082)
OPERATING PROFIT	1	19,711	260
Interest payable			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		19,711	260
Gift aid Corporation tax for year	2	3,745	49
RETAINED PROFIT ON ORDINARY ACTIVITIES RETAINED EARNINGS AT 1 APRIL 2022		15,966 194,034	211 193,823
RETAINED EARNINGS AT 31 MARCH 2023		210,000	194,034

The notes on pages 9 to 12 form part of these accounts.

### STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

	Notes	2023 £	2022 £
CURRENT ASSETS			
Debtors	3	365,154	347,138
Cash at bank		14,244	12,815
		379,398	359,953
CREDITORS		,	,
Amounts falling due within one year	4	(168,398)	(164,919)
NET CURRENT ASSETS		211,000	195,034
TOTAL ASSETS LESS CURRENT LIABILITIES		211,000	195,034
CAPITAL AND RESERVES			
Called up equity share capital	5	1,000	1,000
Profit and loss account		210,000	194,034
SHAREHOLDERS' FUNDS		211,000	195,034

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A- small entities.

The financial statements were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on their behalf by:

R Hartness Director

The notes on pages 9 to 12 form part of these accounts.

### **ACCOUNTING POLICIES**

#### STATUTORY INFORMATION

NG Property (Scotland) Limited is a private company, limited by shares, domiciled in Scotland, registration number SC251415. The registered office is 50 Reidhouse Street, Glasgow, G21 4LS.

#### COMPLIANCE WITH ACCOUNTING STANDARDS

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2023 are prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **TURNOVER**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business.

### FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates, or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

### ACCOUNTING POLICIES (CONTINUED)

### Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### GOING CONCERN

The company meets its day to day working capital requirements by managing its cash flow and through treasury operations with its parent organisation. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is continuing to reduce the need for any ongoing support and is well past the point where the parent owes funds to the company.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

### **TAXATION**

The tax expense represents the sum of the tax currently payable and deferred tax.

### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

### Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

1	OPERATING PROFIT		
	Operating profit is stated after charging:	2023	2022
	Auditor's fees – External audit - Non audit	£ 3,595 660	£ 3,470 655
2	TAXATION ON ORDINARY ACTIVITIES		
	Analysis of charge in the year	2023 £	2022 £
	Current tax: UK Corporation tax based on the results for the year at 19% (2022: 19%)	3,745	49
	Adjustment in respect of previous periods	-	_
	Total current tax	3,745	49
3	DEBTORS		
		2023	2022
	Trade debtors	£	£
	Other debtors	155,318 11,136	125,953 8,825
	Amounts due from group companies	198,700	212,360
		365,154	347,138
4	CREDITORS: Amounts falling due within one year		
		2023	2022
	Other creditors	£	£
	Corporation tax	164,653 3,745	164,870 49
	Corporation and	168,398	164,919

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2023

### 5 SHARE CAPITAL

	2023 £	2022 £
Allotted, called up and fully paid: 1,000 Ordinary shares of £1 each	1,000	1,000

### 6 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of North Glasgow Housing Association. North Glasgow Housing Association is a Community Benefit Society registered with the Financial Conduct Authority (Reg. No 1865RS).

MANAGEMENT INFORMATION for the year ended 31 March 2023

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on page 4 to 6.

## DETAILED PROFIT AND LOSS ACCOUNT for the year ended 31 March 2023

	2023 £	2022 £
TURNOVER	763,732	492,919
Factoring expenditure	(532,226)	(295,577)
Gross profit	231,506	197,342
OVERHEADS Administrative expenses OPERATING PROFIT	$\underbrace{(211,795)}_{19,711}$	$\underbrace{\frac{(197,082)}{260}}_{}$
Interest paid to group undertakings PROFIT ON ORDINARY ACTIVITIES	19,711	

# NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT for the year ended 31 March 2023 $\,$

	2023 £	2022 £
ADMINISTRATIVE EXPENSES Management charges	197,4456	183,926
General expenses		
General expenses		-
Consultancy and marketing fees	1,000	1,320
Auditors remuneration	4,255	4,125
	202,700	5,445
Financial costs		
Bank charges	792	679
Collection Charges	8,303	7,032
	211,795	197,082
	<del></del>	

### NG2 Limited

### FINANCIAL STATEMENTS

for the year ended

31 March 2023

### NG2 Limited

### OFFICERS AND PROFESSIONAL ADVISERS

### **DIRECTORS**

R B Hartness J Berrington

**SECRETARY** 

R B Hartness

### REGISTERED OFFICE

50 Reidhouse Street Glasgow G21 4LS

### **AUDITOR**

Wylie & Bisset (Audit) Limited 168 Bath Street Glasgow G2 4TP

### **BANKERS**

Clydesdale Bank plc 2- 4 Royal Exchange Square Glasgow G1 3AB

### NG2 Limited

### **DIRECTORS' REPORT**

For the year ended 31 March 2023

The directors submit their report and financial statements of NG2 Limited for the year to 31 March 2023.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of cleaning and maintenance services.

### REVIEW OF THE BUSINESS

North Glasgow Housing Association Limited (NGHA) set up NG2 during 2010 as a social economy company to encourage local employment, provide training opportunities and to provide more efficient working practices and cost savings in the Association's contracted operations.

The company now carries out among other activities close cleaning, bulk uplift, close maintenance, void works, painting, joinery work, concierge services, general environmental improvement and wider action activities.

We wish to provide services to our clients which are of high quality and accountable to the residents of our community. We want people to live and work in an improved and appealing environment which makes them stay in and contribute positively to their area. NG2 also wishes to help people out of the poverty trap by providing opportunities for training and employment which are sustainable and open to local people. NG2 has committed to pay at least the Glasgow Living Wage to its staff.

We believe that NG2 has achieved some of these aims and allowed the overall NGHA group to be more responsive to the needs of the North Glasgow Community. This has helped to create further employment and training opportunities within the North Glasgow area.

### **DIRECTORS**

The directors who served the company during the year were as follows:

R B Hartness J Berrington

### **BOARD**

In addition to the directors above the Board includes representatives from the Association and other independent parties to oversee the governance and strategy of the company. During the year these were as follows:

M Thomson I Cross
G Satti P Nelson

J Thorburn

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

# NG2 Limited DIRECTORS' REPORT

### **AUDITOR**

Wylie & Bisset (Audit) Limited has indicated its willingness to continue in office.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

R Hartness Director

Date: 25 July 2023

# DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG2 LIMITED

#### **Opinion**

We have audited the financial statements of ng2 Limited (the 'company') for the year ended 31<sup>st</sup> March 2023 which comprise; the Statement of Income and Retained Earnings; the Statement of Financial Position; and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*] (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2023, and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
   and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG2 LIMITED (CONTINUED)

#### Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

#### Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- The nature of the company and the industry, control environment and business performance including key drivers for gift aid to the parent company and performance targets; and
- Our enquiries of management about their identification and assessment of the risks of irregularities.

Based on our understanding of the company and the industry we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the company's industry operations; and
- UK tax legislation.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries; and
- Management bias in accounting estimates.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NG2 LIMITED (CONTINUED)

#### Audit response to the risks identified;

Our procedures to respond to the risks identified included the following:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance
  with provisions of relevant laws and regulations described as having a direct effect on the financial
  statements;
- Enquiring of management and legal advisors concerning actual and potential litigation and claims;
- Reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments' assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would be to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scott Gillon BA (Hons) FCCA, CA, (Senior Statutory Auditor) For and on behalf of Wylie & Bisset (Audit) Limited, Statutory Auditor 168 Bath Street Glasgow G2 4TP

Date: 25 July 2023

Income statement for the year ended 31 March 2023 Statement of income and retained earnings for the year ended 31 March 2023

		2023	2022
	Notes	£	£
TURNOVER		3,152,300	3,579,788
Cost of sales		2,433,780	2,880,280
Gross profit		719,420	699,508
Administrative expenses		654,229	531,866
Other operating income	1	19,001	47,148
		84,122	214,790
Interest payable			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		84,122	214,790
Gift aid		20,000	180,000
Taxation	3	12,937	(10,005)
RETAINED PROFIT ON ORDINARY ACTIVITIES		51,185	44,795
RETAINED EARNINGS AT 1 APRIL 2022		824,225	779,430
RETAINED EARNINGS AT 31 MARCH 2023		875,410	824,225

The notes on pages 10 to 15 form part of these accounts.

#### STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

ENVED AGGETG	Notes	2023 £	2022 £
FIXED ASSETS Tangible assets	4	486,253	265,000
CURRENT ASSETS Stock and work in progress Debtors	5	372,540 147,632	158,944 487,357
Cash at bank and in hand CREDITORS		114,757 634,929	$\frac{107,735}{754,036}$
Amounts falling due within one year	6	187,155	149,131
NET CURRENT ASSETS TOTAL ASSETS LESS CURRENT LIABILITIES		447,774 ———— 934,027	604,905  869,905
PROVISIONS FOR LIABILITIES	7	58,517 875,510	45,580 824,325
CAPITAL AND RESERVES		<del>6/3,310</del>	<u> </u>
Called up share capital Profit and loss account	8	100 875,410	100 824,225
SHAREHOLDERS' FUNDS		875,510	824,325

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A- small entities.

The financial statements were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on their behalf by:

R Hartness Director

The notes on pages 10 to 15 form part of these accounts.

# NG2 Limited ACCOUNTING POLICIES

#### STATUTORY INFORMATION

NG2 Limited is a private company, limited by shares, domiciled in Scotland, registration number SC381740. The registered office is 50 Reidhouse Street, Glasgow, G21 4LS.

#### COMPLIANCE WITH ACCOUNTING STANDARDS

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2023 are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

#### **TURNOVER**

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers.

#### FIXED ASSETS

All fixed assets are initially recorded at cost.

#### **DEPRECIATION**

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 33% on cost Motor Vehicles - 20% - 33% on cost

#### **TAXATION**

The tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### Deferred tax

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### ACCOUNTING POLICIES (CONTINUED)

#### FINANCIAL INSTRUMENTS

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

#### Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **GOVERNMENT GRANTS**

Government grants in respect of employee costs are credited to the profit and loss account as they become receivable.

# NG2 Limited ACCOUNTING POLICIES (CONTINUED)

#### GOING CONCERN

The company meets its day to day working capital requirements by managing its cash flow and through treasury operations with its parent organisation (which is also its primary customer). The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company is continuing to reduce the need for any ongoing support.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

# NOTES TO THE FINANCIAL STATEMENTS for the year to 31 March 2023

1	OTHER OPERATING INCOME		
		2023	2022
	Furlough income	£ 3,182	£ 47,148
		3,182	47,148
2	OPERATING PROFIT		
	Operating profit is stated after charging:	2023 £	2022 £
	Depreciation of owned fixed assets	120,857	99,333
	Auditor's fees – External audit	3,582	3,780
	- Non audit	660	708
3	TAXATION ON ORDINARY ACTIVITIES		
	Analysis of charge in the period		
		2023	2022
	Current tax: In respect of the period:	£	£
	UK Corporation tax based on the results for the period at 19% (2022 - 19%)	-	_
	UK Corporation tax adjustment to previous year	-	(33,188)
	Total current tax	-	(33,188)
	Deferred tax: Origination and reversal of timing differences		
		12,937	23,183
	Tax on profit on ordinary activities	12,937	(10,005)

# NOTES TO THE FINANCIAL STATEMENTS for the year to 31 March 2023

4	TANGIBLE FIXED ASSETS	DI o	26.	
		Plant & Machinery	Motor Vehicles	Total
		£	£	£
	Cost	~	~	~
	At 1 April 2022	171,276	796,196	967,472
	Additions	72,358	272,461	344,819
	Disposals		(27,089)	(27,089)
	At 31 March 2023	243,634	1,041,568	1,285,202
	Depreciation			
	At 1 April 2022	155,569	546,903	702,472
	Charge for the year	18,195	102,662	120,857
	Disposals	<del>-</del>	(24,380)	(24,380)
	At 31 March 2023	173,764	625,185	798,949
	Net book value			
	At 31 March 2023	69,870	416,383	486,253
	At 31 March 2022	15,707	249,293	265,000
5	DEBTORS			
			2023 £	2022 £
	Trade debtors		-	-
	Amounts owed by group undertakings		147,632	436,857
	Other debtors			50,500
			147,632	487,357
6	CREDITORS: Amounts falling due within one year			
			2023	2022
	T 1 1'4		£	£
	Trade creditors Corporation tax		181,060	143,036
	Other creditors		6,095	6,095
			187,155	149,131

#### NOTES TO THE FINANCIAL STATEMENTS

for the year to 31 March 2023

#### 7 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred Taxation £
Balance brought forward	45,580
Movement in the year	12,937
Balance carried forward	58,517
The provision for deferred taxation consists of the tax effect of timing differences in res	spect of:
20	023 2022
	£
Excess of taxation allowances over depreciation on fixed assets 58,	517 45,580
58,	517 45,580
SHARE CAPITAL	2022

#### 8

SIR INCE CITE ITTE		
	2023	2022
	£	£
Allotted, called up and fully paid:		
100 Ordinary shares of £1 each	100	100

#### 9. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of North Glasgow Housing Association. North Glasgow Housing Association is a Community Benefit Society registered with the Financial Conduct Authority (Reg. No 1865RS).

# NG2 Limited MANAGEMENT INFORMATION for the year to 31 March 2023

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 7.

# DETAILED PROFIT AND LOSS ACCOUNT for the year to 31 March 2023

	2023 £	2022 £
TURNOVER	3,152,300	3,579,788
COST OF SALES		
Purchases	577,054	1,237,049
Direct wages	1,856,726	1,634,231
	2,433,780	2,880,280
Gross profit	719,420	699,508
OVERHEADS		
Administrative expenses	654,229	531,866
	73,291	167,642
OTHER OPERATING INCOME	19,001	47,148
PROFIT ON ORDINARY ACTIVITIES	84,122	214,790

# NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT for the year to $31\ \text{March}\ 2023$

	2023 £	2022 £
ADMINISTRATIVE EXPENSES	£	£
Personnel costs		
Wages and salaries	89.003	77,658
Establishment expenses		
Rent, rates and water	24,636	25,220
Insurance	4,000	4,000
Repairs and maintenance	1,600	531
	30,236	29,751
General expenses	266.065	206.644
Motor expenses	266,965	206,644
Telephone and IT	4,000	4,000
Hire of equipment Printing, stationery and advertising	3,118 4,296	3,115 2,378
Staff training	27,254	8,031
General expenses	3,878	4,455
Clothing and safety goods	28,816	24,756
Management charges payable	60,000	60,000
Legal and professional fees	11,314	7,134
Auditors remuneration	4,242	4,388
Depreciation	120,857	99,333
	534,740	424,234
Financial costs		
Bank charges	250	223
	654.229	531,866
OTHER OPERATING INCOME		
Gain on sale of fixed assets	15,819	-
Furlough income	3,182	47,148
	19,001	47,148

Item 4(b)



### **Board Meeting**

For Approval

To: Board From: Deputy CEO

SUBJECT: AUDIT FINDINGS REPORT AND LETTERS
OF REPRESENTATION

DATE: 25 July 2023

#### 1. Introduction

The external auditors are required each year to produce an audit findings report for each organisation they audit. The Association must send the audit findings report and our response to the Scottish Housing Regulator.

#### 2. Risk

The audit findings report is a document the external auditor must produce and must be submitted to the Regulator along with a response from the Association. Not to do so would bring about a high level of review from the Regulator.

The external auditors have provided the group audit findings report together with short form reports for each of the subsidiaries. These will be submitted along with the statutory accounts to the Regulator within the deadline for such.

#### 3. Audit findings points

The final audit findings report has now been received from Wylie & Bisset. In respect of either audit and accounting issues identified during the audit or significant deficiencies in internal control the results noted were:

North Glasgow Housing Association - No points noted

NG Property (Scotland) Limited - No points noted

Design Services Glasgow Limited - No points noted

NG2 - One point noted re not pricing some stock items

This represents another satisfactory set of reports across the four companies. The report for the Association will be forwarded to the Scottish Housing Regulator and appropriate response made back to Wylie & Bisset from the chair of the Association.

Included within the NGHA audit findings report is the letter of representations. Also attached is the letters of representation for the three subsidiaries and each contains the standard representations made each year in relation to the accounting records and affairs of the companies.

#### 4. Recommendation

To APPROVE the audit findings report as produced by the external auditors and to recommend signing of the letters of representation.



# North Glasgow Housing Association Limited

Annual Report to the Board of Management on the External Audit for Year Ended 31 March 2023

+ July 2023





Topic	Date
Commencement of audit fieldwork	5 June 2023
Audit clearance meeting	10 July 2023
Presentation to Audit Committee	20 July 2023
Presentation to Board of Management	25 July 2023



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# 1. Executive Summary

#### 1.1 Financial Review

The Statement of Comprehensive Income for the year shows a deficit of £2,286,291 (2022: surplus of £643,003).

The Balance Sheet shows a net asset position of £75,728,294 compared to £78,014,609 in the prior year. The decrease is due to the loss generated in the year to 31 March 2023.

#### 2.2 Financial Statements

We expect to issue an unqualified opinion on the accounts of North Glasgow Housing Association Limited for the year ended 31 March 2023.

#### 1.3 Recommendations to Management

We have not identified any new recommendations for management this year. There were no brought forward recommendations in relation to the 2022 audit requiring to be resolved.



## 2. Introduction

#### 2.1 Appointment

Wylie & Bisset were re-appointed as the External Auditors of North Glasgow Housing Association Limited for the year ended 31 March 2023. This Annual Report has been prepared following the conclusion of our audit of the financial statements of the company for that year.

#### 2.2 Respective Responsibilities

Our audit has been carried out in accordance with our statutory responsibilities and International Standards on Auditing (UK) issued by the Financial Reporting Council. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

#### 2.3 Reporting

Our audit report on the financial statements for the year ended 31 March 2023 is expected to be unqualified.

Our audit work has been designed to enable us to form an audit opinion on the financial statements of the company and should not be relied upon to disclose all weaknesses in internal controls in relation to the company's systems and financial statements.

This Annual Report has been prepared for the purposes of the management and Directors and should not be issued to third parties without our prior written consent. We would emphasise that our comments in this report are not intended to be any reflection on the integrity of the company's employees whom we would like to thank for their help and assistance throughout our audit work.

Should you have any queries on the contents of the Annual Report please do not hesitate to contact us. Details of the senior members of the audit team are included in Appendix C.



## 3. Financial Review

#### 3.1 Financial Statements

The financial statements of the company are the means by which it accounts for its stewardship of the resources made available to it and its financial performance in the use of these resources. In accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), it is the responsibility of the Directors to prepare financial statements, which give a true and fair view of the Association's financial position and the income and expenditure for the year. As a registered social landlord, North Glasgow Housing Association Limited is required to comply with the Statement of Recommended Practice for Social Housing Providers 2018 ("The FRS102 SORP").

#### 3.2 Audit Opinion

We are pleased to record that there are no anticipated qualifications in our audit opinion on the company's accounts for the year ended 31 March 2023, as in our opinion, the financial statements give a true and fair view of the company's financial position and the income and expenditure for the year and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the requirements of the Financial Reporting Standard 102, the Social Housing Providers SORP 2018 and the Co-operative and Community Benefit Societies Act 2014.

#### 3.3 Submission of Working Papers

The working papers that were provided to us for our audit were of a good standard and increased the efficiency of our audit testing.



#### 3.4 Statement of Comprehensive Income

- + Revenue has increased by £1.1m in the year. This is largely due to a 2.9% rent increase during the year, as well as an increased grant release.
- + Operating costs increased by £788k in the year, mainly due to increases in the depreciation charge and admin and service costs, partially offset by a reduction in maintenance costs.
- + Interest receivable has increased by £150k during the year as the Association took advantage of improved interest rates on deposits.
- + The Association generated a deficit pre gift and actuarial movements of £2,563,334 (2022: £3,080,869) and had a deficit on total comprehensive income of £2,286,291 (2022: £643,003 surplus) after accounting for gift aid and actuarial movements.

	31 March 2023	31 March 2022
Revenue	<b>£</b> 27,405,224	£ 26,287,331
Operating costs	(28,808,051)	(28,020,278)
Operating (deficit)	(1,402,827)	(1,732,947)
Gain on sale of housing stock Interest receivable and other income Interest payable and other charges Other finance charges (Deficit) for year Gift aid Actuarial gain in respect of pension schemes	200,614 (1,336,074) (25,047) (2,563,334) 20,000 257,043	33,029 51,052 (1,340,939) (91,064) (3,080,869) 180,000 3,543,872
Total Comprehensive Income	(2,286,291)	643,003



#### 3.5 Statement of Financial Position

- + Tangible fixed assets increased by £884k due to additions of £5.9m and a depreciation charge for the year of £5m.
- + The overall decrease in other fixed assets reflects additions in the year of £133k and a depreciation charge of £308k.
- + Stock has decreased by £78k as this was utilised for installations in the year.
- + The debtor increase is mainly due to the timing of the insurance invoice resulting in this being shown as a prepayment in the current year.
- + Creditors have decreased by £1.04m mainly due to the timing of the final supplier payment run falling just before the year end this year.
- Deferred income has increased due to grant receipts of £4.5m partially offset by the release of £739k.

	31 March 2023 £	31 March 2022 £
Tangible Fixed Assets Housing properties	117,650,188	116,765,774
Other non-current assets	1,359,848	1,534,382
Investments – subsidiaries	119,010,036 1,300	118,300,156 1,300
	119,011,336	118,301,456
Current Assets		
Stocks	25,721	103,476
Debtors	2,363,659	1,801,407
Cash in hand and at bank	19,352,000	21,752,552
Current Liabilities	21,741,380	23,657,435
Creditors due within one year	(7,240,225)	(8,282,275)
Net Current Assets	14,501,155	15,375,160
<b>Total Assets less Current Liabilities</b>	133,512,491	133,676,616
Creditors due after more than one year	(42,193,464)	(43,180,346)
	91,319,027	90,496,270
Deferred income	(14,933,733)	(11,544,661)
Provision for pension liability	(657,000)	(937,000)
	75,728,294	78,014,609
Capital and Reserves		
Share Capital	87	111
Revenue Reserves	35,693,243	36,859,611
Revaluation Reserve	40,034,964	41,154,887
	75,728,294	78,014,609



## 4. Audit Approach & Key Findings

#### 4.1 Our Approach

Our audit approach is risk based and focused on the key risks facing the company.

During our initial planning procedures, we identified a number of areas where we considered the risk of misstatement in the financial statements to be greater than normal. Our audit procedures were designed and undertaken to ensure greater focus on these risk areas in order that specific conclusions could be made with regard to the identified risks. Details of the risks identified, and our proposed audit response were communicated to the Board of Management via our audit planning memorandum. Our conclusions with regard to these areas are included within Appendix B.

As part of our planning procedures, we documented the systems and controls in place at the company and obtained an understanding of their operation. In accordance with auditing standards, we confirmed our documented understanding of the main operating cycles and associated accounting systems via interviews of staff and the performance of walk-through tests. This process has allowed us to review, in the course of our audit, the key elements of the company's systems of internal financial controls in the main operating cycles.

Based on our audit procedures, we have not identified any areas where we believe the operation of internal financial controls could be improved.

It should be noted that the primary objective of our audit is to express an opinion on the truth and fairness of the company's financial statements as a whole. An audit does not examine every operating activity and accounting procedure in the company, nor does it provide a substitute for management's responsibility to maintain adequate controls over the company's activities. Our work is not designed therefore to provide a comprehensive statement of all weaknesses or inefficiencies that may exist in the company systems and working practices, or of all improvements that could be made.

#### 4.2 Audit Issues Arising

During the course of the audit a number of discussion points arose which were resolved in discussion with, or formally reported to the Deputy Chief Executive Officer. This practice is an established part of the audit process. This report draws to the attention of the Board of Management any matters of particular significance or interest, which arose from the audit.



#### 4.3 Unadjusted Errors

Appendix A includes a copy of the letter of representation which we have sought from the Board of Directors in support of the matters reported to us during our audit procedures. This also includes reference to the summary of unadjusted errors and deviations.

#### 4.4 Independence

Our professional standards require that we communicate at least annually with you regarding all relationships between our firm and North Glasgow Housing Association Limited which, in our professional judgement, may reasonably be thought to bear on our independence and the objectivity of the audit engagement partner and the audit staff and to detail the related safeguards in place.

There is one issue arising which can be addressed by the safeguard implemented below.

#### **Ethical Threat**

# Self-review threat as Wylie & Bisset's Tax department prepare the year end Corporation Tax return for the various group entities.

#### Safeguard

The staff involved in the audit were independent to the Tax function and appropriate Ethical Screens were put in place between the two teams to ensure the audit team's independence was not affected.

In our professional judgement, as of the date of this report, Wylie & Bisset (Audit) Limited is independent of North Glasgow Housing Association Limited within the meaning of United Kingdom regulatory and professional requirements and the objectivity of Scott Gillon, and the audit staff is not impaired.



## 5. Governance and Internal Controls

#### 5.1 Governance

Governance is concerned with structures and processes for decision making, accountability, control and behaviour at the upper levels of an organisation. The respective responsibilities of the company and Wylie & Bisset (Audit) Limited are summarised in Directors' Report.

Although we are not required to form an opinion on the adequacy and effectiveness of the individual components of internal control the scope of our procedures will include a review of such. We will bring to your attention any deficiencies of which we become aware.

#### 5.2 Governance Arrangements

As part of our audit, we have performed a limited review and assessment of the company's Corporate Governance systems relating to standards of conduct, openness and integrity. In addition, we reviewed the company's risk register and risk management arrangements along with the minutes of meetings of key company committees issued during the year.

Based on our limited review, we are satisfied that the company operates appropriate Governance procedures, and that management has adequate arrangements in place covering standards of conduct.

We found no matters therein to impact upon our audit opinion.

#### 5.3 Internal Controls

We have reviewed in the course of our audit the key elements of the company's systems of internal financial controls in the main operating cycles.

In reaching our audit opinion we carried out our audit work based on the audit plan with evidence obtained by:

- Discussions with senior management and staff at the company;
- + Completing appropriate audit programmes;
- + Carrying out analytical review procedures;
- + Carrying out substantive and compliance audit tests on a judgemental basis; and,
- + Review of minutes of Board and management meetings.

Based on our review we have not identified any areas where the operation of internal financial controls could be improved.



# 6. Fraud and Irregularities

#### 6.1 Best Practice

Best practice requires that the company should establish arrangements for the prevention and detection of fraud and other irregularities as part of its Governance procedures.

An assessment was made of the adequacy of the systems and controls for the prevention and detection of fraud and irregularities during our audit planning procedures.

#### 6.2 Audit Findings

In the course of the audit we have reviewed the following areas with regard to the prevention and detection of fraud and irregularities:

- + The monitoring and compliance with financial procedures;
- + The company's strategy to prevent and detect fraud and other irregularities;
- + The internal controls operated for segregation of duties, authorisation and approval processes and reconciliation procedures.

No areas of significant concern were found during normal audit procedures.

We emphasise that our audit of the financial statements is planned to ensure there is a reasonable expectation of detecting misstatements arising from fraud or other irregularity that are material in relation to those financial statements but cannot be relied upon to detect all frauds and irregularities.



# 7. Audit Recommendations - Prior Year

There were no recommendations in the prior year which require to be followed up on.



# 8. Audit Recommendations – Current Year

#### 8.1 Current Year Recommendations

There are no new points to bring to the Directors' attention in relation to the current year.

# Appendices



# A. Letter of Representation – North Glasgow Housing Association

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the Registered Social Landlord's (RSL's) financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### General

- 1. We have fulfilled our responsibilities as members of the Board, as set out in the terms of your engagement letter dated 8th June 2023, under the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2. All the transactions undertaken by the RSL have been properly reflected and recorded in the accounting records.
- 3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the RSL, and with all other records and related information requested, including minutes of all Board, general and management meetings, and correspondence with the RSL's regulatory body.
- 4. The financial statements are free of material misstatements, including omissions.
- 5. The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.



#### Internal control and fraud

- 6. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7. We have disclosed to you all instances of known or suspected fraud affecting the RSHP involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the RSL's financial statements communicated by current or former employees, analysts, regulators or others.

#### Assets and liabilities

- 9. The RSL has satisfactory title to all assets and there are no liens or encumbrances on the RSL's assets, except for those that are disclosed in the notes to the financial statements.
- 10. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 12. We have not breached any covenants which might affect any outstanding loans.

#### **Accounting estimates**

13. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.



#### Loans and arrangements

14. The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

#### Legal claims

15. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

#### Laws and regulations

16. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

#### **Related parties**

17. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

#### Subsequent events

18. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

#### Going concern

19. We believe that the RSL's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the RSL's needs. We also confirm our plans for future action(s) required to enable the RSHP to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the RSL's ability to continue as a going concern need to be made in the financial statements.



#### Yours faithfully

 . Board Member
 . Secretary
Finance Director



## B. Identified Audit Risks

Risk	Audit response	Conclusion
Revenue recognition.  There is a risk of material misstatement due to errors in revenue recognition. Note that this is considered a specific risk for all audit engagements in accordance with the requirements of ISAs unless it can be specifically rebutted.	Our standard testing procedures in this area will adequately address the associated risk such that a specific additional audit response is not required.	We have reviewed accounting policies and found them to be appropriate. Our analytical and substantive testing procedures of income did not identify any material misstatements in the Association's revenue recognition.
Override of Internal Controls.  There is a risk of material misstatement as a result of fraud or error due to management override of controls. Note that this is considered a specific risk for all audit engagements in accordance with the requirements of ISAs.	Our audit procedures will include testing the appropriateness of journal entries recorded within the general ledger and other adjustments made in the preparation of the financial statements, along with a review of accounting estimates for any evidence of bias. We will also consider specifically any significant transactions outside the normal operations of the Association.	No evidence was found from our testing of fraud or error resulting from management override of controls.
Rental arrears & voids  There is a risk that rental arrears and voids are irrecoverable and not adequately provided for in the accounts.	We will ensure appropriate work is undertaken to assess recoverability of rentals and voids and that adequate provision is made in the accounts to ensure there is no material overstatement.	Our audit work found that the Association's bad debt provision was appropriately calculated such that there was no material overstatement of rental arrears.



#### Loan covenant compliance

There is a risk of loan covenants being breached which could ultimately lead to penalties and early settlement of outstanding loans.

We will ensure, as part of our audit procedures, there are no technical breaches in loan covenants. Any breaches uncovered will be brought to the attention of senior management.

No breaches of loan covenants were identified during our audit testing.



## C. Contact Details

Name	Position	Email
	Audit Partner	
	Audit Manager	
	Audit Senior	

#### Wylie & Bisset (Audit) Limited

168 Bath Street

Glasgow

G2 4TP

Tel: 0141 566 7000

Fax: 0141 566 7001



## Wylie & Bisset

#### Head Office

168 Bath Street, Glasgow G2 4TP

T: 0141 566 7000

E: info@wyliebisset.com

#### Oban

4 High Street, Oban, Argyll PA34 4BG

T: 01631 562 478

#### Manchester

3 Hardman Square, Spinningfields, Manchester M3 3EB

T: 0161 694 2830

#### NORTH GLASGOW HOUSING ASSOCIATION LIMITED

Possilpark Office Saracen House 139 Saracen Street Possilpark Glasgow G22 5AZ

25 July 2023

Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP

**Dear Sirs** 

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the Registered Social Landlord's (RSL's) financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### General

- 1. We have fulfilled our responsibilities as members of the Board, as set out in the terms of your engagement letter dated 8th June 2023, under the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2. All the transactions undertaken by the RSL have been properly reflected and recorded in the accounting records.
- 3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the RSL, and with all other records and related information requested, including minutes of all Board, general and management meetings, and correspondence with the RSL's regulatory body.
- 4. The financial statements are free of material misstatements, including omissions.
- 5. The effects of uncorrected misstatements (as set out in the appendix to this letter) are immaterial both individually and in total.

#### Internal control and fraud

- 6. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7. We have disclosed to you all instances of known or suspected fraud affecting the RSHP involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 8. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the RSL's financial statements communicated by current or former employees, analysts, regulators or others.

Charity No: SC030635

#### Assets and liabilities

- 9. The RSL has satisfactory title to all assets and there are no liens or encumbrances on the RSL's assets, except for those that are disclosed in the notes to the financial statements.
- 10. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 12. We have not breached any covenants which might affect any outstanding loans.

#### Accounting estimates

13. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

#### Loans and arrangements

14. The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

#### Legal claims

15. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

#### Laws and regulations

16. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

#### Related parties

17. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

#### Subsequent events

18. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

#### Going concern

19. We believe that the RSL's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the RSL's needs. We also confirm our plans for future action(s) required to enable the RSHP to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the RSL's ability to continue as a going concern need to be made in the financial statements.

Yours faithfully	
	Board Member
	Secretary
	Finance Director

Charity No: SC030635



	& Tax Advisers
NG Property (Scotland) Limited	
50 Reidhouse Street	
Glasgow	
G21 4LS	
Dear Sirs,	
REPORT TO MANAGEMENT	
During the course of our audit for the period ended 31 March 2023 we perform	
tests. These tests provided us with a level of understanding of your systems a operations of your business and controls. We have no recommendations for n	_
Please note that our audit tests were designed to assist us in forming our opin	nion on the financial
statements and may not necessarily disclose all errors or irregularities whether	
statements or your systems of control and hence should not be relied upon to report should not be considered as confirmation that no weaknesses exist witle	
that there are no improvements which could be made.	
We should like to take this opportunity to express our thanks to all members of	of the company's staff
who assisted us in carrying out our work.	
V 5 20 5 10.	
Yours faithfully	
Wylie & Bisset (Audit) Ltd	
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 $^{+}$  Wylie & Bisset – Annual Report to the Board of Management

#### **NG Property Scotland**

50 Reidhouse Street Glasgow G21 4LS

Date: 25 July 2023

Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP

#### **Dear Sirs**

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the company's financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation, where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### General

- We have fulfilled our responsibilities as directors, as set out in the terms of your engagement letter dated 08 June 2023 under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2. All the transactions undertaken by the company have been properly reflected and recorded in the accounting records.
- 3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the company, and with all other records and related information requested, including minutes of all management and shareholder meetings.
- 4. The financial statements are free of material misstatements, including omissions.
- 5. We confirm we are satisfied the notes to the accounts are sufficient for the financial statements to give a true and fair view of the state of the company's affairs as at 31 March 2023 and its profit for the year then ended.
- 6. The effects of uncorrected misstatements noted below are immaterial both individually and in total.

Nature of deviation & reason for it	Actual deviation	Unadjusted profit effect Dr / (Cr) £	Unadjusted Balance Sheet effect Dr / (Cr)
Being correction of year-end intercompany	1,353	-	1,353
debtor			(1,353)

Company No: SC381740

#### Internal control and fraud

- 7. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 8. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 9. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

#### Assets and liabilities

- 10. The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed in the notes to the financial statements.
- 11. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 12. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

#### Accounting estimates

13. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

#### Loans and arrangements

14. The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

#### Legal claims

15. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

#### Laws and regulations

16. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

#### Related parties

17. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

#### Subsequent events

18. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Company No: SC381740

#### Going concern

19. We believe that the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. We also confirm our plans for future action(s) required to enable the company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the company's ability to continue as a going concern need to be made in the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully
Signed on behalf of the board of directors
Date: 25 July 2023

Company No: SC381740



	& Tax Advisers
Design Services Glasgow Limited	
50 Reidhouse Street	
Glasgow	
G21 4LS	
Dear Sirs,	
REPORT TO MANAGEMENT	
During the course of our audit for the period ended 31 March 2023 we perform	
tests. These tests provided us with a level of understanding of your systems a operations of your business and controls. We have no recommendations for m	-
	g
Please note that our audit tests were designed to assist us in forming our opini	on on the financial
statements and may not necessarily disclose all errors or irregularities whether	within the financial
statements or your systems of control and hence should not be relied upon to	
report should not be considered as confirmation that no weaknesses exist with that there are no improvements which could be made.	iii your systems nor
We should like to take this opportunity to express our thanks to all members of	the company's staff
who assisted us in carrying out our work.	
Yours faithfully	
Wylie & Bisset (Audit) Ltd	

 $^{+}$  Wylie & Bisset – Annual Report to the Board of Management

#### **Design Services Glasgow Limited**

50 Reidhouse Street Glasgow G21 4LS

Date: 25 July 2023

Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP

#### **Dear Sirs**

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the company's financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation, where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### General

- We have fulfilled our responsibilities as directors, as set out in the terms of your engagement letter dated 08 June 2023 under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2. All the transactions undertaken by the company have been properly reflected and recorded in the accounting records.
- 3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the company, and with all other records and related information requested, including minutes of all management and shareholder meetings.
- 4. The financial statements are free of material misstatements, including omissions.
- 5. We confirm we are satisfied the notes to the accounts are sufficient for the financial statements to give a true and fair view of the state of the company's affairs as at 31 March 2023 and its profit for the year then ended.
- 6. The effects of uncorrected misstatements noted below are immaterial both individually and in total.

Nature of deviation & reason for it	Actual deviation	Unadjusted profit effect Dr / (Cr)	Unadjusted Balance Sheet effect Dr / (Cr)
Being correction of audit accrual	700	700	(700)

Company No: SC381740

#### Internal control and fraud

- 7. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 8. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 9. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

#### Assets and liabilities

- 10. The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed in the notes to the financial statements.
- 11. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 12. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

#### Accounting estimates

13. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

#### Loans and arrangements

14. The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

#### Legal claims

15. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

#### Laws and regulations

16. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

#### Related parties

17. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

#### Subsequent events

18. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Company No: SC381740

#### Going concern

19. We believe that the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. We also confirm our plans for future action(s) required to enable the company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the company's ability to continue as a going concern need to be made in the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully
Signed on behalf of the board of directors
Date: 25 July 2023

Company No: SC381740



NG 2 Limited

50 Reidhouse Street

Glasgow

G21 4LS

Dear Sirs,

#### **REPORT TO MANAGEMENT**

During the course of our audit for the period ended 31 March 2023 we performed a number of audit tests. These tests provided us with a level of understanding of your systems and an insight into the operations of your business and controls.

Accompanying this letter is a memorandum noting our points together with the recommendations we have for possible improvements which could be made. We have raised one new point. Please note that our audit tests were designed to assist us in forming our opinion on the financial statements and may not necessarily disclose all errors or irregularities wither within the financial statements or your systems of control and hence should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

This report has been prepared for the sole use of the directors of NG 2 Limited and must not be shown to third parties without our prior consent. No responsibilities are accepted by Wylie & Bisset towards any party acting or refraining from action as a result of this report.

We should like to take this opportunity to express our thanks to all members of the company's staff who assisted us in carrying out our work.

Yours faithfully

+ Wylie & Bisset – Annual Report to the Board of Management



Wylie & Bisset (Audit) Ltd

#### PRIOR YEAR RECOMMENDATIONS

No recommendation was noted in the prior year.

#### **CURRENT YEAR RECOMMENDATIONS**

Background	Recommendations	Priority
We noted that there are some stock items with nil value, there is a risk that the stock is understated.	We recommend that stock listing be updated to reflect the true stock position in value and quantity.	Low
Management Response:		

#### NG 2 Limited

50 Reidhouse Street Glasgow G21 4LS

Date: 25 July 2023

Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP

#### **Dear Sirs**

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the company's financial statements for the year ended 31 March 2023. These enquiries have included inspection of supporting documentation, where appropriate, and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

#### General

- We have fulfilled our responsibilities as directors, as set out in the terms of your engagement letter dated 08 June 2023 under the Companies Act 2006, for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2. All the transactions undertaken by the company have been properly reflected and recorded in the accounting records.
- 3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the company, and with all other records and related information requested, including minutes of all management and shareholder meetings.
- 4. The financial statements are free of material misstatements, including omissions.
- 5. We confirm we are satisfied the notes to the accounts are sufficient for the financial statements to give a true and fair view of the state of the company's affairs as at 31 March 2023 and its profit for the year then ended.
- 6. The effects of uncorrected misstatements noted below are immaterial both individually and in total.

Nature of deviation & reason for it	Actual deviation	Unadjusted profit effect Dr / (Cr) £	Unadjusted Balance Sheet effect Dr / (Cr)
Being extrapolated error supplier statements	16,047	16,074	(16,074)

Company No: SC381740

7. We confirm that we approve the journal adjustments detailed below which have been processed in drafting the statutory accounts.

Nature of deviation & reason for it	Actual deviation £	Adjusted profit effect Dr / (Cr) £	Adjusted Balance Sheet effect Dr / (Cr)
Being deferred tax movement	12,937	12,937	(12,937)
Being reclassification from trade debtors to inter-company	81,201	-	81,201 (100) (81,101)
Being reclassification from WIP to inter-co	144	-	144 (144)

#### Internal control and fraud

- 8. We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 9. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.
- 10. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

#### Assets and liabilities

- 11. The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except for those that are disclosed in the notes to the financial statements.
- 12. All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 13. We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

#### Accounting estimates

14. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

#### Loans and arrangements

15. The company has not granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

#### Legal claims

16. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

#### Laws and regulations

17. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Company No: SC381740

#### Related parties

18. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of company law or accounting standards.

#### Subsequent events

19. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

#### Going concern

20. We believe that the company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. We also confirm our plans for future action(s) required to enable the company to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the company's ability to continue as a going concern need to be made in the financial statements.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully
Signed on behalf of the board of directors
Date: 25 July 2023

Company No: SC381740

Item 4(c)



#### **Board Meeting**

For Approval

To: Board From: Deputy CEO

SUBJECT: FCA RETURN 2023 DATE 25 July 2023

#### 1. Introduction

It is a requirement that each year the Association submits an annual return to the Financial Conduct Authority (FCA). The return confirms standard details regarding the Association as a Community Benefit Society. It confirms the membership of the Board of the Association and details of the financial results for the year and balance sheet position. The signed financial statements and proof from HMRC that the Association is a charity is submitted with the return.

The Return will be submitted to the FCA once the Associations signed accounts are available.

#### 2. Risk

The Mutual Societies Annual Return is a required regulatory return which has to be completed accurately and submitted to the Financial Conduct Authority within the deadline. Non submission or completion with inaccurate data would result in a risk of increased engagement with the FCA.

The risk is mitigated by accurate and timeous submission of the return. The return has been checked against our records. Once approved the DCEO will complete the submission process through the on-line portal.

#### 3. Recommendation

That the Board approves the submission of the annual return to FCA.



### **Annual Return (AR30) form**

#### Section 1 - About this form

An Annual Return must be completed by all societies registered under the Cooperative and Community Benefit Societies Act 2014 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1965) or the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969 ('the Act') (including any societies previously registered under the Industrial and Provident Societies Act 1969). The Annual Return must include:

- this form;
- a set of the society's accounts; and
- where required, an audit report or report on the accounts.

A society must submit the Annual Return within 7 months of the end of the society's financial year. Failure to submit on time is a prosecutable offence.

Please note that this form, including any details provided on the form, will be made available to the public through the Mutuals Public Register <a href="https://mutuals.fca.org.uk">https://mutuals.fca.org.uk</a>.

For guidance on our registration function for societies under the Co-operative and Community Benefit Societies Act 2014, which includes guidance on the requirement to submit an Annual Return, please see here:

https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf

#### **Section 2 – About this application**

Society name	North Glasgow Housing Association Limited
Register number	1865RS
Registered address	50 Reidhouse Street, Glasgow
Postcode	G21 4LS

#### 2.1 What date did the financial year covered by these accounts end?

3	1	0	3	2	0	2	3

#### **Section 3 - People**

# **3.1** Please provide the names of the people who were directors of the society during the financial year this return covers. Some societies use the term 'committee member' or 'trustee' instead of 'director'. For ease of reference, we use 'director' throughout this form.

Name of director	Month and year of birth		
John Thorburn	January	1958	
James Berrington	March	1953	
Paul Nelson	February	1962	
Gino Satti	August	1961	
Catherine Rossine	July	1952	
John McLeod	June	1960	
Allan Gow	May	1963	
Isabel Cross	January	1934	
Margaret Thomson	October	1926	
Frank Malcolm	April	1975	
James Kennedy	May	1974	
Mairead Grimley	May	1988	

Continue on to a separate sheet if necessary.

#### 3.2 All directors must be 16 or older. Please confirm this is this case:

All directors are aged 16 or over  $\square$ 

## 3.3 Societies are within the scope of the Company Directors Disqualification Act 1986 (CDDA). Please confirm that no director is disqualified under that Act:

3.4 Please state any close links which any of the directors has with any
society, company or authority. 'Close links' includes any directorships or
senior positions held by directors of the society in other organisations.

James Berrington – Director Ng2 Limited	

## 3.5 Please provide the name of the person who was secretary at the end of the financial year this return covers. Societies must have a secretary.

Name of secretary	Month and year of birth	
James Berrington	March	1953

#### **Section 4 – Financial information**

#### 4.1 Please confirm that:

accounts are being submitted with this form	$\boxtimes$
the accounts comply with relevant statutory and accounting requirements	$\boxtimes$
the accounts are signed by two members and the secretary (3 signatures in total)	$\boxtimes$

## 4.2 Based on the accounts, please provide the information requested below for the financial year covered by this return.

Number of members	87
Turnover	£27,405,224
Assets	£140.752,716
Number of employees (if any)	117
Share capital	£87
Highest rate of interest paid on shares (if any)	0%

<b>4.3 What Standard Industrial Classification code best describes the society's main business?</b> Where more than one code applies, please select the code that you feel best describes the society's main business activity. You will find a full list of codes here: <a href="http://resources.companieshouse.gov.uk/sic/">http://resources.companieshouse.gov.uk/sic/</a>			
68201			
Section 5 – Audit			
Societies are required to appoint an audit have disapplied this requirement. For fur guidance: <a href="https://www.fca.org.uk/pt.12.pdf">https://www.fca.org.uk/pt.12.pdf</a>	ther guidance see chapter 7 of our		
5.1 Please select the audit option the	e society has complied with:		
Full professional audit			
Auditor's report on the accounts			
Lay audit			
No audit			
5.2 Please confirm the audit option u the society's own rules and the Act	sed by the society is compliant with		
We have complied with the audit require	ments 🗵		
5.3 Please confirm any audit report ( with this Annual Return	where required) is being submitted		
Yes ⊠			
Not applicable $\square$			
The information below impacts the level accounts. Please provide answers to the			

5.4 Is this society accepted by charity for tax purposes?	HM Revei	nue and Customs (HM	RC) as a		
Yes ⊠					
No $\square$					
5.5 If the society is registered Regulator (OSCR) please prov			-		
Not applicable □					
OSCR number: SC030635					
5.6 Is the society a housing as	ssociation?	•			
No Go to <b>section</b>	າ 6				
Yes 🛛 Go to questio	n <b>5.7</b>				
5.7 Please confirm which housing regulator you are registered with, and provide the registration number they have given you:					
		Registration number			
Homes and Communities Ager	псу				
Scottish Housing Regula	tor 🗵	HCB187			
The Welsh Minist	ers 🗆				
Department for Communit (Northern Irelar					

#### **Section 6 - Subsidiaries**

<b>6.1</b> Is the society a subsidiary of another s	society?
---	----------

Yes	
No	$\boxtimes$

## **6.2 Does the society have one or more subsidiaries?** (As defined in sections 100 and 101 of the Act)

Yes	$\boxtimes$	Continue to question 6.3
No		Continue to Section 7

## **6.3** If the society has subsidiaries, please provide the names of them below (or attach an additional sheet)

Registration Number	Name
SC251415	NG Property (Scotland) Limited
SC359676	Design Services Glasgow Limited
SC381740	NG2 Limited
SC378119	NG3 Limited

# **6.4 Please provide below (or on a separate sheet) the names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions:** (the society must have written authority from us to exclude a subsidiary from group accounts)

Registration Number	Name	Reason for exclusion
SC251415	NG Property (Scotland) Limited	No value to the members
SC359676	Design Services Glasgow Limited	No value to the members
SC381740	NG2 Limited	No value to the members
SC378119	NG3 Limited	Dormant

#### **Section 7– Condition for registration**

All societies are registered meeting one of two conditions for registration. These are that the society is either:

- a bona fide co-operative society ('co-operative society'); or
- are conducting business for the benefit of the community ('community benefit society').

A society must answer the questions set out in either Section 7A or Section 7B of this form, depending on which condition of registration it meets.

If you are not sure which condition for registration applies to the society please see chapters 4 and 5 of our guidance:

https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf

#### **Section 7A - Co-operative societies**

Co-operative societies must answer the following questions in relation to the financial year covered by this return. **7A.1 What is the business of the society?** For example, did you provide housing, manufacture goods, develop IT systems etc. 7A.2 Please describe the members' common economic, social and cultural needs and aspirations. In answering this question, please make sure it is clear what needs and aspirations members had in common. 7A.3 How did the society's business meet those needs and aspirations? You have described the society's business answer to question 7A.1, and in question 7A.2 you have described the common needs and aspirations of members. Please now describe how during the year that business met those common needs and aspirations. 7A.4 How did members democratically control the society? For example, did the members elect a board at an annual general meeting; did all members collectively run the society.

<b>7A.5 What did the society do with any surplus or profit?</b> For instance you pay a dividend to members (and if so, on what basis); did money get reinvested in the business; put into reserves; used for some other purpose	•

#### **Section 7B - Community benefit societies**

Community benefit societies must answer the following questions in relation to the financial year covered by this return.

**7B.1 What is the business of the society?** For example, did you provide social housing, run an amateur sports club etc.

As a Housing Association for those wishing to obtain housing at a fair social rent that wish to reside in the North Glasgow area.

**7B.2** Please describe the benefits to the community the society delivered? Here we are looking to see *what* the benefits to the community were. Community can be said to be the community at large. For example, did you relieve poverty or homelessness through the provision of social housing.

By providing over 5,400 properties at a fair social rent. This helped reduce poverty and the City Council had 50% nominations rights to properties that mostly went to homeless. By undertaking various wider action activities that provided sporting, educational and cultural opportunities to the residents of North Glasgow.

**7B.3** Please describe how the society's business delivered these benefits? The business of the society must be conducted for the benefit of the community. Please describe *how* the society's business (as described in answer to question 7B.1) provided benefit to the community.

By providing over 5,400 properties at a fair social rent. We do not do "affordable" rents as everything is at a social rent. By undertaking various wider action activities that provided sporting, educational and cultural opportunities to the residents of North Glasgow.

**7B.4** Did the society work with a specific community, and if so, please describe it here? For instance, were the society's activities confined to a

specific location; or to a specific group of people? Please note that in serving the needs of any defined community, the society should not inhibit the benefit to the community at large.

The Associations area of operation is in the postcodes G21 and G22. We are highly concentrated as we are the largest community based housing association in Scotland. We accept applications for housing from anywhere.

**7B.5 What did the society do with any surplus or profit?** For instance, did you donate the money; did money get reinvested in the business; put into reserves; used for some other purpose?

To build up reserves for future planned maintenance programmes and to prepare for a programme of new build social housing for rent at a fair social rent.

**7B.6** Please state any significant commercial arrangements that the society has, or had, with any other organisation that could create, or be perceived as creating, a conflict of interest. Please tell us how you ensured that any such conflict of interest did not prevent the society from acting for the benefit of the community.

No conflicts of interest. All of the subsidiaries are 100% owned and are there for the purpose of value for money or ensuring the Association's charitable status is not compromised.

#### **Section 8- Declaration**

The secretary of the society must complete this section.

Name	Jim Berrington
My signature below confirms to the best of my knowledge	s that the information in this form is accurate
Signature	
Position	Secretary
Date	25/7/2023

#### **Section 9 – Submitting this form**

Please submit a signed, scanned version of this form along with your accounts and any auditor's report by email to: mutualsannrtns@fca.org.uk.

Or you can post the form to:

Mutual Societies Financial Conduct Authority 12 Endeavour Square London E20 1JN

This form is available on the Mutuals Society Portal:

https://societyportal.fca.org.uk

Registered as a Limited Company in England and Wales No. 1920623. Registered office as above.

## North Glasgow Housing Association 1865RS

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### 3. Details of members of the Committee (contd)

Name	Month of Birth	Year of birth
Mary Lam	November	1952
Jacqueline Fernie	November	1977

Item 4(d)



## **Board Meeting**

For Approval

To: Board From: Deputy CEO

SUBJECT: OSCR RETURN 2023 DATE 25 July 2023

#### 1. Introduction

It is a requirement that each year the Association submits an annual return to the Office of the Scottish Charity Regulator (OSCR). The return is a short document and confirms standard details regarding the Association. It also confirms the turnover of the Association calculated on the basis applying to charities including grants received.

The return is submitted online, and this will be done once the Associations signed accounts are available.

#### 2. Risk

The Annual Return to OSCR is a required regulatory return which must be completed accurately and submitted to OSCR within the deadline. Non submission or completion with inaccurate data would result in a risk of increased engagement with OSCR.

The risk is mitigated by accurate and timeous submission of the return. The return has been checked against our records. Once approved the DCEO will complete the submission process through the on-line portal.

#### 3. Recommendation

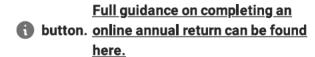
Members are asked to APPROVE the submission of the annual return to OSCR.

BACK CANCEL

#### **ANNUAL RETURN (SC030635.2023.1)**

If you would like further guidance on an individual question, please click on the corresponding

**ANNUAL RETURN DETAILS** 



1. Charity Type <b>1</b>
Standard Cross Border Registered Social Landlord
CHARITY PRINCIPAL CONTACT DETAILS
1. Title
Mr
2. Forename
John
3. Surname
Devine

4. Suffix

5. Position in the Organisation
6. Address Line 1 ⊕
Ned Donaldson House
7. Address Line 2 🕀
8. Address Line 3 🕀
9. Address Line 4 ⊕
10. Address Line 5 ⊕
11. Post Code ⊕
G21 4LS
12. Country
Scotland
13.Telephone Number
01415606000

14. Mobile Number

15. Fax Number
16. Email
jdevine@nghomes.net
17. Principal Office Or Trustee Address
principal
18. Website Address
www.nghomes.net
19. Alternative Contact Email
SECTION A
1. Accounting Reference Date   1. Accounting Reference Date
31/03/2023
2. Gross Income * 🕀 🐧
£ 32138005
3. Gross Expenditure * 🕀 🐧
£ 35945596
4a. Does your charity publish its annual reports and accounts on its website? * 🌐 🐧

Yes No

4b. Copy & paste the link to you	ur publish	ed accounts here * 🕀 🐧	
URLs must start with https://o	r http:// or	www	
https://nghomes.net/annual-a	accounts/		
5. Total Number Of Charity Tru	stees *	•	
11			
6. Total Number Of Paid Staff	* 1		
117			
7.a Does your charity have chil	dren and/	or vulnerable adults as beneficiaries? * <b>①</b>	
7.b If yes, can you confirm that these vulnerable individuals?	your char	ity has appropriate policies in place to protect	*
Yes No			
Pa	ge 1	SAVE AND NEXT	

Item 4(e)



# **Board Meeting**

For Approval

To: Board From: Deputy CEO

SUBJECT: STRATEGIC RISK REGISTER REVIEW DATE: 25 JULY 2023

#### 1. Introduction

The purpose of the risk management strategy is to ensure that the Association has an appropriate and proportionate approach to dealing with risks associated with our operating environment. Risk management is one of the key areas the Scottish Housing Regulator (SHR) expects to be embedded into business plans, governance, and all areas of the Associations operation.

The strategic risk register was brought in front of the Audit Committee on the 22nd of June meeting for consideration of what amendments were possibly required. The attached draft register is the result of those discussions.

#### 2. Defining Risk

Risk can be defined as any event or action that prevents the Association from maintaining good performance and/or meeting pre-set targets, goals and plans contained within our Business Plan and Annual Performance Plan; and /or results in loss being incurred either financial or reputational.

#### 3. Approach to Risk Management

The Association's risk management strategy is fully integrated into our planning and performance framework. It links directly with our annual Business Plan and related objectives. In turn, the Business Plan is informed by our annual Strategy Review, where the Board decide on medium-term strategic objectives as well as specific priorities for the year ahead. Assessment of external environment and related potential risks is an integral feature of the annual Strategy Review.

The Risk Management Strategy covers:

- how we identify risk
- how we then assess these risks
- how we manage and control the risks

and how we monitor and review risk

#### 4. Management and control of risk

The Board has responsibility for approving the risk management strategy and for ensuring appropriate control and monitoring arrangements are in place. The Board as per the Financial Regulations has delegated responsibility for regular review of risk to the Audit Sub Committee.

For both strategic and operational risks, we have Risk Registers which identify a senior staff member as having responsibility for assessing and controlling the risk. For every risk, the Register will identify specific control measures and where no existing controls are in place or existing controls are considered inadequate, specific actions and related timescales are identified to address the risk. The Area and other committees together with the subsidiary Boards will regularly review the risk registers for the areas relevant to them. On a half yearly basis the Audit Sub-Committee reviews the Strategic Risk Register and recommends any changes to the Board.

#### 5. Strategic Risks - Audit Committee review

Following on from the discussion held at the June Audit Sub Committee meetings the following comments were made at the June Audit Committee meeting:

- The residual risk on political change to be left as it is at sixteen. Brexit problems ongoing. Effects on trade negative and shortages of staff in some areas. Rapidly increasing interest rates. Scottish and Westminster Governments unstable due to events. That could bring about further economic issues and problems.
- Economic risk left at sixteen. High inflation, utility costs still high and increased costs of materials and contractors. Ongoing pressure on resources for local authorities leading to services not being done or burden placed with Associations.

There may be other areas, but the above areas were felt to be the areas where there is noticeable risk and the effects from such.

#### 6. Recommendation

The Board is invited to review the revised Strategic Risk Register.

ÖZ	TH GLA	SGOW HO	DNISC	NORTH GLASGOW HOUSING ASSOCIATION: STRATEGIC RISK REGISTER JULY 2023	SIC RISK R	EGISTER JULY 2023		
STRATEGIC RISK AREA	RESIDU	RESIDUAL RISK		CONTROL/ ACTION 2023	RE- GRADED June 22	UPDATE since July 2022 - WHAT HAD CHANGED?	WHAT ELSE SHOULD NG HOMES DO?	Who is responsible
	How likely?	How Severe?	total Score					
1) POLITICAL/LEGISLATIVE: a) Welfare Benefit Reform loss of rental income /higher arrears; reduced income levels	4	×	16	1) Welfare Benefit Action Plan: tenant profiling; staff re- structure; financial inclusion; technology 2) partnership working with GCC etc. on WBR 3) engagement with politicians etc.	<b>^</b>	Benefits increased by inflation and some additional benefits provided by Scottish Government.	Continue with strategy. Review effectiveness/ outcomes	ET Team
b) political change uncertainty +increased financial pressure, e.g. energy standards / new services	4	* 4	16	maintain financially robust Business Plan     s) regular environmental scanning and influence via engagement with politicians etc.	<b>↑</b>	Brexit problems ongoing. Effects on trade negative and shortages of staff in some areas. Scottish and Westminster Governments unstable due to events. Increased uncertainty on currency and future economic performance. (1)	Not within our control.	ET Team
2) ECONOMIC a) economy + employment high unemployment and reduced income for tenants, with knock on arrears	4	*	16	1) financially robust Business Plan 2) cost efficiency to ensure affordable rents 3) regular environmental scanning and influence via engagement with politicians etc.	<b>↑</b>	Unemployment has dropped back but long-term position at high level and interest rates increasing. Local position still a top area for deprivation.	Assess impact on business plan	ET Team

DCEO	ET Team	ET Team	ET Team
Maintain strong cash position and continue to reduce loan balances.	To be kept under consideration. Membership of SPF and SHAPS DB schemes declining with increases in contributions and retiral of members.	Assessment required re local population projections (increasing elderly? And gender imbalance) + review of retirement homes and greater use of technology.	Analysis of lettings to feed into business planning. Stock
Interest rates on variable loans now increasing. No new loams planned at this time. Loans to be repaid at over £2m per year.	Increased deficit on SHAPS balanced by SPF scheme now in surplus though not recognised.  Triannual reviews done on a different basis. Stock markets holding steady but increasing bond yields reducing liabilities significantly.	Continued review of former retirement homes services and staff levels.	Increase in stock turnover in recent years. Still strong demand for
<b></b>	<b>^</b>	<b>↑</b>	<b></b>
Treasury  Management policy and maintain covenant compliance     robust Business Plan     + healthy reserves	Business Plan     provision built in for     pension liabilities plus     sensitivity modelling     Seview financial     implications of     pensions/ develop     proposals with     independent advice	examine feasibility     of using staff and stock     to support independent     living for elderly     tenants     exelop partnership     working with GCC     Social Work and other     relevant agencies	<ol> <li>monitor local housing supply/demographics</li> <li>regeneration to enhance</li> </ol>
9	12	12	<b>6</b>
m ×	m ×	m ×	m ×
7	4	4	м
b) private finance increased interest rates / inability to build or improve stock due to lack of access to private funding	3) FINANCIAL: Pensions increasing cost of pensions with negative impact on finances	4) DEMOGRAPHIC/SOCIAL a) ageing population higher costs due to demand for services for elderly tenant base	b) reduced demand for bhousing higher voids and increased stock turnover reducing rental income

	ET Team	DCEO	DDPS	ET Team	ET Team
condition survey being updated.	Explore all sources of external funding. Ongoing work to improve stock.	Procurement strategy produced. Robust procedures to ensure compliance.	Maximise grant subsidy. Review of longer term development capacity.	Maintain focus of all on need for H&S. Ongoing reviews and talks.	Strategy Review - ensure focus on core business.
properties, changing profile of tenants.	Ongoing review of stock. EESSH review ongoing and works being completed.	Procurement rules in force. Need to demonstrate value for money	Continued focus by Government on achieving new build target. Separate development risk registers done.	Ongoing review of risks across all operations and departments. Increased levels of investment in cyclical maintenance.	SHR Regulation Plan - medium engagement. Continuing internal
	<b></b>	<b>^</b>	<b>^</b>	<b>^</b>	<b>1</b>
neighbourhood quality/competitiveness 3) planned maintenance to improve stock quality	innovative proposals and external funding     regular environmental scanning/engagement with politicians etc.	<ol> <li>robust procurement policies in place</li> </ol>	Business Plan     assumes only modest     new-build     viability of projects     kept under review     Seview of longerterm development     programme and     planned maintenance     requirements.	1) Robust health and safety policy, with Board/H&S Consultants 2) Disaster Recovery/Emergency Plan	<ol> <li>Board training /development programme</li> <li>governance review</li> </ol>
	12	6	12	10	9
	m ×	m ×	× 4	κ ×	κ ×
	4	m	m	7	2
	5. ENVIRONMENTAL climate change, carbon reduction etc. increasing costs for ng /tenants	6. PROCUREMENT failure to deliver service to tenants and value for money	7. NEW_BUILD subsidy levels impact on financial viability and Business Plan	8. HEALTH & SAFETY/STOCK DISASTER major H&S failure or stock damage	9. GOVERNANCE Emajor governance failure - poor decision-making /leadership; strategic

	IT Manager	ET Team
Group governance ongoing review. Preparing for options review.	Upgrade of IT security systems. Review of requests and outcomes from such. Data mapping and impact assessments GDPR Group review Board and Audit Committee reporting.	Continue with strategy. Review effectiveness/ outcomes. Matter mostly not within our control.
audit programme. Continuing training programmes.	Work done to date and ongoing work into the future to minimise risk from the various issues. Data Protection Officer put in place and professional consultants assisting.	To continue to review the existing plans (Contingency Plan), – taking the noted risks / concerns into consideration & where possible & practicable agree on process / procedures that can safeguard on the same.  Access any government
	<b>^</b>	<b></b>
to ensure full compliance v SH governance standards 3) robust governance policies + procedures 4) Succession planning	IT electronic security systems Encryption or securing of data being transferred. Staff training Staff training Staff and office supervision Security controls on computers and mobile phones. Removal of paper files no longer required. Data mapping exercises on ongoing basis Compliance with ICO guidance Update of website and policies for FOI	
	<b>&amp;</b>	50
	**	ν N
	2	4
direction; poor reputation	10. GDPR/DP Act 2018/FOI Failure to comply with the GDPR requirements leading to data loss or improper use of personal or sensitive data. Non compliance could lead to reputational damage and potentially fines.	11. National Pandemic

	Project Manager
	Ongoing monitoring of the project and regular progress reports to all partners in the project.
assistance that is available. With ongoing Covid strains encourage vaccination if available.	No significant changes. Carron project almost complete. GHA multis on course to finish February 2024.
	<b>^</b>
	N 75
Travel (Social Distancing) etc Potential Shortage of PPE, Materials, Equipment & Sub Contractor Partners.	1) Robust health and safety policy, with Board/H&S Consultants 2) Use of specialised consultants 3) Involvement of Scottish Government, Energy Savings Trust and Scottish Fire Brigade in providing technical assistance and support. 4) Specific risk register drawn up for the project.
	12
	* 4
	ღ
	12. Multis projects Significant and complex projects with significant health and safety risks. Reliance on main contractor.

Risk scoring for likelihood and severity 1 Very Low 2 Low 3 medium 4 high 5 very high

position such as global financial change and Scottish independence. It has not identified specific risks relating to these items as the most likely impacts are to increase or decrease the levels of risk already identified in relation to the Association. Beyond this there may be (1) The Association maintains awareness of political and legal changes which can affect its operations, strategic, legal and financial known threats where the Association has little control and ability to mitigate, and so these are not included in the register.

Item 4(f)



## **Board Meeting**

For Approval

To: Board

**From:** Deputy Director of Property Services

SUBJECT: REPAIRS AND MAINTENANCE POLICY DATE: 25 JULY 2023

#### 1. Introduction

The Maintenance Policy was last reviewed and approved at the Board on 28 March 2023 to change the response timescale for complex repairs from 20 to 30 working days. Ordinarily the Policy would not have been revisited for a further three years, however, since the repairs service delivery was under review and the Repairs Team were being transferred to the Property Services Team, it was agreed that the Policy would be fully reviewed again in Q1 2023.

#### 2. Changes to the Policy

A full review of the Policy has now been undertaken and several changes made as follows:

- The Maintenance Policy has been renamed Repairs and Maintenance Policy to more accurately reflect the areas of work encompassed within it.
- Reference to the Property Factors (Scotland) Act 2011 and Code of Conduct has been added under the heading of Legal Obligations.
- The order of some paragraphs has been amended to clarify repairs and maintenance that the Association is **not** responsible for.
- The water hygiene requirements which minimise the risk of exposure to Legionella now also states 'or other water-borne diseases'.
- The policy review period now refers to any changes in good practice as well as legislative or regulatory requirement changes.
- The definition of complex repairs has been extended to include works with long material supply lead-in times.
- A section listing other related strategies, policies and procedures has been added.

#### 3. Policy Review

The Policy will be reviewed every three years, or earlier, in line with legislative or regulatory changes and/ or good practice guidelines.

#### 4. Risk and Mitigation

The **risk** associated with not having a Repairs and Maintenance policy is that it impacts on service delivery to our customers and the repairing standard in our homes. The **mitigation** 

	is to have a regular review of the policy to ensure everything is in line with current regulations, legislation, and good practice and to ensure the Policy is strictly followed.
5.	Recommendation
	The Board is asked to APPROVE the revised Repairs and Maintenance Policy.



# REPAIRS AND MAINTENANCE POLICY

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1. Introduction

The objective of ng homes' Repairs and Maintenance Policy is to:

Meet the Association's repairs and maintenance responsibilities and obligations in

compliance with Section 5 of the Association's secure tenancy agreement.

Deliver a high-quality responsive repairs and maintenance service that meets the

expectations of our customers.

Deliver cyclical and planned investment that keeps the housing stock in good condition,

in demand and performing well.

Guide ng homes to compliance with the Scottish Housing Quality Standard (SHQS),

Energy Efficiency Standard for Social Housing (EESSH) and all other statutory and

regulatory obligations and frameworks.

2. Legal Obligations

ng homes will adhere to the following legislation to ensure the statutory and legal

objections are fulfilled:

Housing (Scotland) Act 2014 and any future amendments

The Building (Scotland) Regulations & Building Standards 2017

Construction (Design and Management) Regulations 2015

• The Gas Safety (Installation and Use) Regulations 1998 and the Gas Safety (Installation

and Use) (Amendment) Regulations 2018

• The Control of Asbestos Regulations 2012

• Right to Repair (Housing Scotland Act 1987 as amended 2001 and 2010)

Right to Compensation for Improvements (Housing Scotland Act 1987 as amended 2001

and 2010)

Health and Safety Executive Guidance

The Property Factors (Scotland) Act 2011 and Code of Conduct

3. Equal Opportunities

Our Repairs and Maintenance Policy complies with ng homes Equalities and Diversity

Policy to ensure equality of treatment for all service users without discrimination or

prejudice. At all times ng homes will provide services and meet our responsibilities

including the nine groups with 'protected charatistics' as defined by the Act which include

sex, faith or religion, race, ethnic origin, sexual orientation, mental or physical health,

disability or marital status.

4. General Data Protection Regulations (GDPR)

ng homes will ensure that we safeguard the data we process. All personal data will be

treated in line with our obligations under the General Data Protection Regulations

(GDPR) and the Data Protection Act 2018, as well as the terms of the tenancy

agreement. Information regarding how personal data will be used and the basis for

processing such data is provided in the Association's privacy notice.

5. Landlord Responsibilities

ng homes has a legal responsibility to ensure that the repair and maintenance

requirements of our tenancy agreements are met.

ng homes will keep the interior, exterior and structure of homes in good repair,

including:

Drains, gutters and external pipes (this does not include the clearance of blockages

caused by the tenants' negligence)

Roof

Outside walls, outside doors, windowsills, window catches, sash cords and window

frames, including external painting and decoration

Internal walls, floors and ceilings, doors, door frames and internal staircases and

landings (but not including painting and decoration)

Chimney, chimney stack and flues (but not including chimney sweeping)

Pathway, steps, or other means of access

**Plasterwork** 

Integral garages and stores

Boundary walls and fences

Installations for space heating, water heating and sanitation and for the supply of water, gas and electricity including:basins, sinks, baths, toilets, flushing systems and waste

pipes, showers, water tanks

Electrical wiring, fireplaces, fitted fires and central heating installations, door entry

systems, communal TV aerials and extractor fans.

Installations including those that ng homes own or lease which directly or indirectly

serve the house.

The Association will **not** be held responsible for:

The repair of any fixtures and fittings not belonging to ng homes which make use of gas,

electricity or water.

The repairs or maintenance of anything installed by, or belonging to, a tenant which

should have been removed at the end of the tenancy.

If a home is served by a communal television or communications aerial provided by ng

homes,—the Association will take reasonable steps to repair any defect within a

reasonable period. However, should the system become obsolete the Association will not

be responsible for upgrading to a new system. Where repairs or maintenance have to be

completed, the Association will make reasonable efforts to minimise disruption to

tenants.

6. Classification of Repairs

**Emergency Repairs:** 

Generally a repair is categorised as an Emergency and responded to within 24 hours if it:

Poses a significant threat to health and safety

Poses a serious risk to the structure of the property

Results in the property being insecure

**Urgent Repairs:** 

Generally a repair is categorised as Urgent and responded to within three full working

days where there is a:

Medium or moderate threat to health and safety.

Medium or moderate risk to the structure of the property.

**Routine Repairs:** 

Generally a repair is categorised as Routine and responded to within five working full

days where there is a:

Low or minimal threat to health and safety.

• Low or minimal risk to the structure of the property.

**Complex Repairs** 

These are repairs which are likely to involve multi-trades and can include works of high

value, those requiring long material supply lead-in times or drying out times, removal

of asbestos, or works requiring owners or insurance approval. The response target time

is within 30 full working days.

7. Void Properties

A void is defined as a property for which rent is chargeable, but there is no tenant. It is

the Association's aim to minimise the period that any void property lies unoccupied by

completing all repairs and returning the property to the Housing Officer within ten full

working days. A void property inspection is carried out in conjunction with the Housing

Officer to identify the necessary repairs and safety checks, in order that the flat can be

brought up to the Association's lettable standard. An Electrical Installation Condition

Report (EICR) and gas safety check must be carried out at the end of every tenancy.

8. Pre and Post Inspection

Pre and post inspections will be carried out to ensure good workmanship and high

quality of service to customers as follows:

• All void properties (pre and post)

• 5% of all reactive repairs (pre and post), to be increased to 10% if unsatisfactory

repairs are found to be of a poor quality workmanship

10% common repairs affecting owner- occupiers (pre and post), to be increased

to 15% if unsatisfactory repairs are found to be of a poor quality workmanship

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- 10% of out of hours emergencies (post)
- All medical adaptations (pre and post)
- 10% contract works (post), to be increased to 15% if unsatisfactory repairs jobs are found to be of a poor quality.

#### 9. Right to Repair

Under the Housing (Scotland) Act 2001 (amended 2010) and Scottish Secure Tenant and Short Scottish secure tenants (Right to Repair) Regulations 2002 (Scottish Statutory Instrument 2002/316), tenants have the right to have certain urgent repairs carried out within a given timescale.

Repairs which qualify for this Right to Repair Scheme include:

		Full
Number	Repair	working
		days to
		complete
		repair
1	Blocked flue to open fire or boiler.	1
2	Blocked or leaking foul drains, soil stacks or toilet pans where there is	1
	no other toilet in the house	
3	Blocked sink, bath or drain	1
4	Loss of electric power	1
5	Partial loss of electric power	3
6	Insecure external window, door or lock	1
7	Unsafe access path or step	1
8	Significant leaks or flooding from water or heating pipes, tanks,	1
	cisterns	
9	Loss or partial loss of gas supply	1
10	Loss or partial loss of space or water heating where no alternative	1
	heating is available	
11	Toilet not flushing where there is no other toilet in the house	1
12	Unsafe power or lighting socket, or electrical fitting	1
13a	Full loss of water supply	1

13b	Partial loss of water supply	3
14	Loose or detached banister or handrail	3
15	Unsafe timber flooring or stair treads	3
16	Mechanical extractor fan in internal kitchen or bathroom not working	7

Any compensation will be calculated as laid down by the Act, should work not be completed on time.

Any compensation paid to the tenant will be deducted from the Contractor.

Further details and procedures are contained in the Right to Repair Policy of the Association and the Right to Repair leaflet published by the Scottish Government.

#### 10. Alterations and Improvements

ng homes will fully support its tenants' right to carry out improvements and alterations to their home.

In order to carry out alterations or improvements to the property, permission must be sought from ng homes before work is carried out in accordance with the tenants' tenancy agreement.

#### 11. Cyclical and Planned Maintenance

Cyclical maintenance is defined as a programme that anticipates and makes provision for the gradual deterioration of building components and finishes over a short to medium term. It consists of cyclical inspections at planned intervals of building components and maintenance works arising from these inspections.

Examples of cyclical maintenance works are:

- Pre-painting inspections
- Decoration to communal areas
- Gutter cleaning and roof inspections
- Electrical installation condition reports (EICRs)
- Gas servicing
- Water pump inspections

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Tank inspection and water hygiene

Fire system testing

Dry riser testing

• Communal ventilation fan maintenance

Lightning conductor testing

Cyclical maintenance is carried out at agreed intervals and usually involves inspection, servicing or cleaning. The allocated contract spend and any repair or remedial works for cyclical projects is recorded under the cyclical cost code. Where appropriate, any large scale repair works identified as part of a cyclical contract will be collated and

programmed in as a planned maintenance contract.

Planned maintenance is work which is programmed in advance, normally over a five or

thirty year period, and which usually involves the replacement of external or internal

components of the property or common parts.

Planned maintenance will be programmed in line with our Asset Management Strategy

and regularly updated with stock condition survey information. Components will be

replaced in accordance with their anticipated lifecycle.

There may be occasions when there is a premature failure or damage of a component

outwith planned programmes. The Association will adjust its scenario planning software

that updates its asset information and will budget annually for such works.

Examples of planned investment works are:

Lift renewal

· Overcladding and re-roofing

Full heating renewals

• Kitchen and bathroom replacement

Full electrical rewiring

• Full replacement double glazing and door sets

12. Gas Responsibilities

The Gas Safety (Installation and Use) Regulations 1998 places a legal duty on ng homes

to complete an annual inspection of gas appliances, pipework and flues provided by the

Association within a 12 month period of the previous inspection.

ng homes will inspect annually any gas installation in the house provided by the

Association and will provide the tenant with a copy of the current inspection

record before the beginning of the tenancy. In addition, a gas safety check is carried

out at every change of tenancy when there is a gas appliance within the property.

Further guidance is contained within the Gas Safety Policy.

13. Stock Condition Surveys and Life Cycle Costing

In order to deliver sustainable buildings, ng homes needs to consider current stock

condition and future expenditure and will use the standard method of life cycle costing

which aligns with the maximum lifespans within the Building Cost Information Service

(BCIS) and published in the "Life Expectancy of Building Components" and BCIS Building

Running Costs online. ng homes operates a 5 year and 30 year planned maintenance

programme of component renewals in its properties based on the standard BCIS

element life cycles.

The Association will carry out a stock condition survey at void stage if it has not been

done within a 5 year period, or as part of a planned maintenance project at five yearly

intervals to enable the life cycle costings to be updated. All stock condition survey

information will include the elements required for compliance with the Scottish Housing

Quality Standard and the Energy Efficiency Standard for Social Housing.

14. Rechargeable Repairs

In compliance with Clause 5.9 of the Association's secure tenancy agreement, repairs

that are the responsibility of the tenant shall be re-charged appropriately to the tenant.

9

Examples of rechargeable repairs include (but are not limited to):

Vandalism or wilful damage

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Replacing lost or supplying additional keys/key fobs

Forcing access and/or repairing damage after losing keys

• Call outs as a result of tenant's own equipment being faulty

Tenant negligence

Failure to clear out voids of all furniture, possessions etc.

In all circumstances, tenants will be advised of costs and agreement sought regarding

payment before any work is carried out.

Where non-payment occurs post repair, the cost of the repair will be recovered in

compliance with the Association's Debt Recovery Policy.

15. Asbestos Control

It is the policy of ng homes to ensure that, as far as is reasonably practical, no person is

exposed to any asbestos containing materials that may be present in any of the

properties it owns, occupies, or manages.

ng homes will comply with all legal requirements and responsibilities in terms of

managing asbestos safely.

ng homes' Asbestos Management Policy and Procedures conforms with the Health and

Safety at Work Act 1974, and the Control of Asbestos Regulations 2012, and will apply to

all buildings and all individuals employed, engaged, appointed or contracted by ng

homes without exception.

16. Water Hygiene and Legionella Control

ng homes is responsible for health and safety and needs to take the right precautions to

reduce the risks of exposure to legionella or other water-borne diseases.

The Association will:

· Identify and assess sources of risk

Manage any risks (Legionella Risk Assessments)

Prevent or control any risks

10

Keep and maintain correct records

• Carry out any other duties we may have with regards to compliance with all water

hygiene and legionella legislation

17. Scottish Housing Quality Standards (SHQS)

To continue to achieve or exceed the standards defined in the Scottish Housing Quality

Standard (SHQS) and the Energy Efficiency Standard for Social Housing (EESSH)

The SHQS is a national standard based on a minimum set of quality measures for all

houses in the social rented sector.

The Association had an obligation to comply with these standards by 2015. This standard

requires all property to be:

Compliant with the tolerable standard

• Free from serious disrepair

Energy efficient

• Provided with modern facilities and services

Healthy, safe and secure.

These standards are continually monitored by Housing Officers during annual inspections

and implemented through cyclical and planned maintenance projects and repairs.

18. Energy Efficiency Standard for Social Housing (EESSH & EESSH2)

The Scottish Government introduced EESSH in March 2014 and set a first milestone for

social landlords to meet for social rented homes by 31 December 2020. A second

milestone, EESSH 2 was confirmed in June 2019, to be met by December 2032.

• The EESSH 2 milestone is that "All social housing meets, or can be treated as

meeting, EPC Band B (Energy Efficiency rating) or is as energy efficient as

practically possible, by the end of December 2032 and within the limits of cost,

technology and necessary consent."

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The standard does not prescribe how RSLs are to achieve these recommended

minimum energy efficiency ratings but provides a list of 'reasonable measures'

that must be considered when deciding what works will be undertaken to bring

properties up to the minimum rating.

• No social housing below EPC Band D should be re-let from December 2025,

subject to temporary specified exemptions.

The Association will individually assess our properies at void stage and if any cost

effective measures (such as low energy lighting for all fixed outlets or routine

cyclical replacement of elements) can be implemented to bring the EE rating up

to the next band then this work will be included.

• The Association will complete new EPCs at void stage and during planned

mainenance improvement works. New EPC data and SAP calculations will be used

on an ongoing basis to check and refine the quality of modelling.

The Association will produce an EESSH2 strategy in preparation for the 2025 review to

confirm the 2032 milestone of meeting Band B. In line with the EESSH 2 and Asset

Management Strategy, the Association will investigate the implementation of more

extensive measures, such as external or internal wall/floor insulation.

19. Medical Adaptations

The Association will adapt (and keep in good repair) any property that suits the changing

needs of a tenant or a member of the tenant's household subject to:

• The provisions laid down in the Association's Adaptations Policy.

Grant funding or some other form of financial provision being confirmed.

20. Tenant Satisfaction

ng homes will continually assess tenant satisfaction of the maintenance service.

Currently this is being carried out via a third party.

#### 21. Other Related Strategies, Policies and Procedures

- Asset Management Strategy
- Risk Management Strategy
- Complaints Policy
- No Access Policy
- Data Protection Policy
- Estate Management Policy
- Adaptations Policy
- Void Management policy
- Customer Care Policy
- Asbestos Management Policy
- Gas Safety Policy
- Electrical Safety Policy
- Electrical Safety in Multi-Storey Blocks Policy
- Emergency Lighting in Multi-Storey Blocks Policy
- Fire Safety in Multi-Storey Blocks Policy
- Tenants Right to Repair Policy
- Clerk of Works Procedures
- Design and Specification Policy
- Development Defects Policy and Procedures
- Development Handover Procedures Policy

#### 22. Review of Policy

The Repairs and Maintenance Policy will be reviewed in 3 years, or sooner, if legislative, regulatory or good practice requirements change.

Item 4(g)



# **Board Meeting**

For Approval

To: Board

From: Director of Housing Services

SUBJECT: NO ACCESS POLICY DATE: 25 July 2023

# Introduction The no access Policy was put in place in 2020. Attached is the updated policy. 2. Changes to Policy The following changes have been made to the policy. A contents page has been added. The letter process has been reduced by one letter as tenant feedback was that the process started too far in advance of the appointment. The process is now 2 letters and then a Notification of Intention to Enter, which will streamline the process. Where it previously stated that the letter would be hand delivered, this has been removed to allow the letter to be delivered in the most effective way. At the Notification to Enter stage, this has been updated to state that the date will not be changed unless under exceptional circumstances and as agreed by an ng homes Manager or Director. 3. **Risk and Mitigation** The **risk** of not having an up to date no access policy is that we are not following our own process in relation to gaining access to properties where access is hindered. The mitigation of having an up to date policy is that staff and tenants are clear on the process and when the policy will be executed. Recommendation 4. The Board are asked to APPROVE the revised No Access Policy.



# NO ACCESS POLICY

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1. Scope of Policy

This policy sets out the framework used by ng homes to ensure access to all of its social

housing stock when required. ng homes have many legal, regulatory and contractual

duties as a social landlord. These include ensuring its social housing stock meets

national legal standards in terms of conditions, as well as ensuring the safety of all their

tenants. To enable ng homes to meet the duties, it is vital that there are no barriers to

accessing any of its tenants houses when necessary. Where barriers do exist ng homes

will work with the tenant to ensure the access is mutually agreeable, providing support

to the tenant where required.

2. Context

The No Access Policy will assist ng homes to meet the aims of its Physical Regeneration

Strategy and the Business Plan

3. Objective and Principle of this Policy Objective and Principle of this Policy

The overall aim of ng homes' No Access Policy is to ensure that its social housing stock is

safe and meets all minimum required standards as set out in legislation, regulation and

any contractual obligations.

The specific objectives of the Policy are:

• to ensure a robust escalation process is in place to provide the tenant with the

opportunity to give access at a mutually convenient time while advising that it

may lead to forced entry where no access is provided;

to allow ng homes to exercise its legal right as a landlord to enter the property,

having given the tenant the legally required notice of 24 hours,

to inspect the property's condition or carry out works required to meet any legal,

regulatory and/or contractual obligations;

to provide a fair and transparent process to gain access to the property where the

tenant has either:

not agreed to give access; or

ignores any contact requesting access;

to ensure that any forced entries are carried out with minimum disruption,

complying with relevant legislation and good practice;

to ensure that any tenant(s) who do not allow access to a ng homes property are

re-charged for any associated costs ng homes incurs by having to force entry.

4. The Principle of Unpderpinning the Policy

The overall aim of ng homes' No Access Policy is to ensure that its social housing stock is

safe and meets all minimum required standards as set out in legislation, regulation and

any contractual obligations.

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tenant has either:

not agreed to give access; or

ignores any contact requesting access;

to ensure that any forced entries are carried out with minimum disruption,

complying with relevant legislation and good practice;

to ensure that any tenant(s) who do not allow access to a ng homes property are

re-charged for any associated costs ng homes incurs by having to force entry.

The principles underpinning the Policy are:

• ng homes will implement supporting procedures to ensure compliance. These will

incorporate agreed good practice to ensure consistency;

• staff training will be provided to ensure that staff are equipped to carry out the

roles expected of them;

communication with tenants and service users will be in 'plain language'; and

performance will be monitored to ensure the policy is being adhered to.

5. Legal Provisionsm Regulations and standards

The primary housing legislation governing the rights of a landlord in relation to property

condition and repairs, including access to carry out necessary repairs, is contained within

the Housing (Scotland) Act 1987 as amended by the Housing (Scotland) Acts 2001, 2006 and the Housing (Scotland) Act 1987 (Tolerable Standard) Extension of Criterion) Order 2010

2019.

Section 86 of the Housing (Scotland) Act 1987 sets out a 'Tolerable Standard' which is

the minimum standard required for all housing. Any property below this standard is unfit

for human habitation. The Housing (Scotland) Act 1987 (Tolerable Standard) (Extension

of Criterion) Order 2019 revises the tolerable standard to include:

• satisfactory equipment for detecting and warning in the event of fire or suspected

fires; and

• satisfactory equipment for early detection and warning of carbon monoxide (CO)

at hazardous levels.

Schedule 4 of the 2001 Act states that landlords have a duty to ensure that a house is

wind and watertight and reasonably fit for human habitation, both at the beginning of

the tenancy and throughout its term:

1) The landlord in a Scottish secure tenancy must—

(a) ensure that the house is, at the commencement of the tenancy, wind and

watertight and in all other respects reasonably fit for human habitation, and

(b) keep the house in such condition throughout the tenancy.

2) The landlord must, before the commencement of the tenancy—

(a) inspect the house and identify any work necessary to comply with the duty in

paragraph 1(a), and

(b) notify the tenant of any such work.

3) The landlord must—

(a) ensure that any work necessary to comply with the duty in paragraph 1(b) is

carried out within a reasonable time of the tenant notifying the landlord, or the

landlord otherwise becoming aware, that it is required, and

(b) make good any damage caused by the carrying out of the work.

4) The landlord, or any person authorised by it in writing, may at any reasonable time, on giving 24 hours' notice in writing to the tenant or occupier, enter the house for the purpose of—

(a) viewing its state and condition,

(b) carrying out any work necessary to comply with the duty in paragraph 1(b) or

Part 3 of the Housing (Scotland) Act 2010 governs the performance of Social landlords through the introduction of the Scottish Social Housing Charter outcomes. This set out the standards and outcomes tenants can expect from social landlords regarding the quality and standard of their home, as well as the value for money regarding the services they receive.

Outcome 4 - Quality of Housing - All ng homes properties should meet the Scottish Housing Quality Standards (SHQS) at the time of allocation, meaning they are clean, tidy and in a good state of repair. These standards describe what all social landlords should be achieving in all their properties unless there are exemptions. This outcome also incorporates the Energy Efficiency Standard for Social Housing (EESSH) which plays a vital part in meeting national energy efficiency standards set by the Scottish Government's aim of warm, high quality, affordable, low carbon homes across Scotland. SHQS Technical Guidance for Social Landlords sets out the minimum housing standards required.

The Scottish Secure Tenancy Agreement (SST) is a legally binding contract based on the above legislation and must be signed by all tenants. It protects both the tenants' and the ng homes interests as well as setting out the responsibilities of both parties.

Section 5 of the SST states ng homes right and responsibilities as a landlord to carry out any work (repairs) necessary to put the house into a state which is wind and watertight and, in all respects, reasonably fit for human habitation. This duty includes:

• taking into account the extent to which the house falls short of any current building regulations and or safety standards; and

keeping in repair the structure and exterior of the house;

• keep in repair and in proper working order, any installations in the house provided by us for:

• the supply of water, gas and electricity;

sanitation (for example basins, sinks, baths, showers, toilets);

hot water heating;

• space heating (for example central heating) including fireplaces, flues and

chimneys.

• the right of access in order to lay wires, cables and pipes for the purposes of

telecommunications, water, gas, electricity.

It explains ng homes right to enter the property, having given 24 hours' notice in

writing. Where entry is refused, forcible entry can be made provided the tenant has been

given every reasonable opportunity to give access voluntarily. The tenant will be liable

for the costs of any damage reasonably caused by ng homes due to forcing entry to the

property.

Other relevant provisions include, but are not restricted to, the following:

• The Gas Safety (Installation and Use) Regulations 1998 as amended by the Gas

Safety (installation and Use) (Amendment) Regulations 2018. These are supported by the Health and Safety Executive's (HSE's) Approved Code of

Practice (ACOP).

• General Data Protection Regulations (GDPR) and the Data Protection Act 2018 -

ng homes will ensure that any information obtained will be processed and used

accordingly.

• Equality Act 2010

• Human Rights Act 1998 - right to property (article 1 of protocol 1) and right to

privacy (article 8) apply however the safety of tenant's would provide an

objective justification with these rights due to it being a proportionate means to a

legitimate aim.

6. Reason for Access

The main reasons ng homes would require access are listed as follows:

Servicing

Any legally required safety checks or services to all heating system types, gas

appliances, flues, chimneys, smoke alarms, carbon monoxide alarms or any other

landlord duty covered by Section 4 above. This would include any tenant installed

systems ng homes have taken over responsibility for.

Improvement Works

Any improvement work or upgrade needed to meet new safety or energy

efficiency legislation, regulations or standards will be prioritised. ng homes must

fulfil its duties as a landlord in terms of safety of tenants, neighbours and communities. This may include electrical re-wiring, upgrades to smoke alarms and carbon monoxide alarms, energy efficiency measures such as insulation heating system upgrades, carrying out EPC surveys, asbestos surveys etc.

### New Build Housing

Each new build house has a one year defects period to identify and/or address any issues with the property. The terms of construction contracts requires each contractor to fulfil their obligations in terms of addressing any defects within a set timescale. These include value for money and a set specification for standards.

# • Property Inspections

ng homes has the right to access any of its properties to view the condition of the property so long as they have given the tenant 24 hours' notice in writing.

This list is not exhaustive and will apply to any situation where ng homes need access to a property to inspect or carry out work required to meet any legal and regulatory standard or contractual obligation.

Each scenario will be assessed in accordance with the relevant legislation in relation to it at the time.

## 7. Notice

ng homes will always attempt to make contact with the tenant(s) to give prior warning of any work/inspection required, giving as much notice as possible to arrange a mutually convenient time for the work/inspection to be carried out.

Following any initial, unsuccessful attempts to make contact, normally carried out by our Contractor, ng homes will send a letter to the tenant advising of works required and asking tenant to make contact to arrange an appointment.

Following further no contact from the tenant after 5 working days from the  $1^{st}$  Letter a  $2^{nd}$  No access Letter will be delivered, this will be strongly worded to advise that forced access arrangements will be made if no contact is made in the next 7 days.

If there is no contact then the 3<sup>rd</sup> Letter which is a Notice of Intention to Enter will be issued giving a minimum of 24 hours notice and a maximum of 7 days notice of the date and time arrangement as have been made to force entry to the property.

8. Summary

Letter 1 - Initial letter to advise contractor/nghomes has been unable to contact to

arrange appointment and tenant must contact within 7 days advising of consequences if

no contact is made.

7 Days

Letter 2 - 2<sup>nd</sup> Letter Further letter advising again a further 5 working days to contact

or forced access arrangements will be made.

7 Days

Letter 3 - Notice Of Intention To Enter (NOITE) detailing time and date of forced Access,

detailing recharge.

9. Special Circumstances

ng homes will always take into account any special circumstances that tenants may have

which may affect access to carry out any work. Where it is identified that the tenant has

any physical or mental impairment, medical issues, disabilities and/or vulnerabilities that

will prevent the work or inspection from going ahead, ng homes will work with the

tenant to try and find a mutually convenient solution to allow the work to be carried out

with minimal disruption or where possible delay the work to a more convenient time.

ng homes will provide assistance to the tenant. The level of assistance provided will

depend on whether the tenant has household and/or family members who could be

reasonably expected to support and assist them. ng homes will use its discretion to

establish the level of assistance that will need to be provided in line with the

circumstances of each case.

**10.Forced Entry** 

Where the tenant has failed to engage or give access, ng homes will follow their

supporting escalation procedures, up to and including forced entry to the property where

necessary.

Each case will be assessed and authorised by the relevant Manager.

A Notice of Intention to Enter (NOITE) will be hand delivered to the property giving a

minimum of 24 hours' notice from the date and time of the appointment specified in the

notice. This date will not be changed unless in exceptional circumstances and only if

approved by an ng homes Manager or Director.

An ng homes representative and any relevant tradesperson will be present at each

forced entry. If there is any concern in relation to safety ng homes will -liaise with Police

Scotland regarding their attendance at the forced entry appointment.

ng homes will ensure the property is secure following a forced entry and will change

locks where necessary, ng homes will leave information at the property advising the

tenant where they can collect new keys and of the re-charges they will incur for not

allowing access to the property. ng homes will request the tenant shows suitable

identification before allowing the new keys to be collected.

11. Rechargeable Costs

ng homes will re-charge the tenant(s) for any costs associated with the enforcement of a

NOITE. The re-charges will be based on the Schedule of Rates for the relevant financial

year. This will include the costs of trades' time and any materials required to repair the

damage caused by forcing entry such as locks.

In cases where the tenant initially agrees to give access for the work but then refuses at

a later stage, ng homes will also seek to recover any abortive costs that have been

incurred at the date of the subsequent refusal. This may include design costs, materials,

bespoke materials and so on.

In line with ng homes Rechargeable Repairs Policy, where re-charges cause financial

pressure, affordable repayment agreements be offered to the tenant. Any re-charges not

paid will be escalated to ng homes debt recovery process which can lead to any future

offers of housing being suspended.

12. Complaints

Any tenant who is not satisfied with the manner in which ng homes has dealt with any

aspect of the no access process should contact the Housing Manager in the first instance

who will investigate and respond within timescales set out in ng homes complaints

policy.

13. Performance Monitoring

The Scottish Social Housing Charter sets out the outcomes and standards that all social

landlords should aim to achieve when performing their landlord functions. The outcomes

are as follows:

• the customer/landlord relationship;

housing quality and maintenance

· access to housing and support; and

• getting good value from rents and service charges.

The Charter places a statutory duty on ng homes to complete the Annual Return on the

Charter (ARC) to the Scottish Housing Regulator (SHR). The ARC provides key

information on ng homes performance throughout the financial year in relation to the

quality and maintenance of its housing stock using national indicator 6 - percentage of

stock meeting the Scottish Housing Quality Standards (SHQS).

ng homes will internally monitor the number of forced accesses carried out to ng homes

properties across the year.

14. Review of Policy

The No Access Policy will be reviewed in 3 years, or sooner, if legislative, regulatory or

good practice requirements change

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Repairs and Maintenance Policy

Last Review: July 2023 Next Review: July 2026

15. Appendix 1 Lettable Standard

**CLEANLINESS** 

• Removal of all rubbish, furniture, floor coverings, tenants improvements where of

poor standard/no value, tenant contents and belongings.

• Clean all floorboards, woodwork, cupboards, kitchen fitments, bathrooms

including all sanitary ware.

Clear house of all smells

• Removal of all contractors' waste and complete sweep and clean out.

**EXTERNAL STRUCTURES & FACILITIES** 

Gardens MUST be cleared of rubbish & made safe.

• Any structures e.g. sheds, outhouses, Anderson shelters etc. which are unsafe or

in a state of disrepair must be removed.

PATHWAYS, STEPS, HANDRAILS, ETC

Clearly defined and safe access routes from the public footpath to the front door

• Safe access from bin storage area to the public footpath

• Safe and clear access from rear door of property to drying areas

Previous tenant's alterations improvements can remain insofar as they comply

with standards

Safe and secure steps

· Handrails secure and safe

LANDSCAPING (HOUSES)

• Grass areas will be left in a short maintainable condition. Trees, bushes, etc will

be left in a safe, maintainable condition

**FENCING** 

Gates and boundary fencing must be safe and secure

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• Fencing between neighbouring properties must be left in safe condition and will

be repaired or sections replaced depending on cost effectiveness. Gates to be

repaired or replaced as required. Fences and gates will become the responsibility

of the incoming tenants to maintain thereafter.

**BINSTORES** 

Binstores and gates (with numerals), should be in a safe and usable condition.

**DRYING AREAS AND FACILITIES** 

• Clothes poles and rotary driers should be in a usable safe condition.

• Missing clothes lines to be replaced (Clothes lines are a consumable item that the

new tenant will be expected to maintain and replace thereafter).

**ROOFS** 

• Where possible, roofs should be free from major disrepairs and are safe.

**EXTERIOR WALLS** 

• Exterior walls should be checked for cracks, damage to, or deterioration in its

condition and any unsafe parts made good before letting.

**RAINWATER SYSTEMS** 

• Gutters and downpipes must be safe and secure, correctly fixed and if leaking or

sagging repaired/adjusted

• Rhone pipes which appear over grown, if extreme will require to be cleaned. This

work can be implemented before or after the re-let (cross reference check to be

made with rhone pipes/gutter cleaning programme).

All drainage channels, grills, rodding eyes etc. MUST have safety grills or covers

securely fitted.

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**PARKING & PARKING FACILITIES** 

• Where provided, any integral car parking areas must be left reasonably level, safe

and tidy

**ELECTRICAL SYSTEMS** 

• All electrics and appliances must be checked and in the main a full electrical

periodical test & inspection is carried out and a test certificate provided, copied to

new tenant

All voids will have an electrical test undertaken at the commencement of the void,

if at this point it does not comply with ng homes electrical standard the property

will be brought up to the standard while the house is void, this work will include

rewiring if required. .

• Meter boxes should function and where possible incoming tenants should be

issued with a meter box key.

• Generally, previous tenants fittings will be removed, However certain appliances

i.e. cooker extractor hoods, electric fires, showers or exterior lighting can remain

within the property if they meet standards, or it is reasonably cost effective to

bring up to standard

• Smoke and CO alarms must be checked as part of the electrical check and

maintained in accordance with the manufacturer's recommendations. Any missing

smoke alarms must be replaced with hard wired type.

• All properties with any gas appliances MUST have a mains wired Carbon Monoxide

detector correctly installed. If no detector is fitted a detector MUST be correctly

located within the property.

Generally tenant's cookers, hobs and ovens will be removed unless they are

clearly in very good condition and of use to the new tenant. They will then be

tested as part of the electrical checks. Incoming tenant shall take fully

responsibility thereafter

• Owned integrated electric hobs and ovens (in special needs and wheelchair

houses) will be retained, tested and repaired/replaced, if necessary for new

tenants.

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**ELECTRIC FIRES** 

• Electric fires installed are to be checked as part of the certification process. Any

electric fires that are beyond economical repair will be removed and upgraded to

electric fire suits.

**LIGHTING** 

• Appropriate pendant or batten holder in each room

• Wall lighting left when decoration very good and new tenant accepts

responsibility

**FANS** 

Mechanical extract fan in kitchen and bathrooms.

• Fans must be clean, operational, and free from noise with outside cowl.

• Alternatively positive ventilation system in place.

STORAGE, PANEL, WALL AND PLINTH HEATING

Each room in every property must have some heat source.

• Panel or storage heaters to be checked and fully tested, be clean, safe, secure,

free from excessive damage.

**SHOWERS** 

Showers to be checked as part of electrical check and must be properly fitted

within appropriate tiled/ wet wall area.

• If the installation does not comply with standards, then where at reasonable cost

the installation can be made good then the shower should be left. If not then the

shower shall be removed and any necessary patching/repairs carried out.

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**TELEVISIONS** 

• Television equipment i.e. aerials, cabling and outlets in the main will not be

disturbed as part of void works unless deemed unsafe e.g. aerial broken lying on

roof. Main TV outlet plates will be replaced if damaged.

**SATELLITE & CABLE** 

• Satellite dishes may be left if in a safe and reasonable condition. Any unsafe

dishes must however be removed. Cabling left tidy. If however the new tenant

does not want the Satellite dish it can be removed at anytime.

**TELEPHONE CONNECTIONS** 

• Telephone containing systems to be left operational and safe including any

extensions

**GAS** 

• All gas supplies, fires and gas central heating installations to be in a safe and

operational manner ready for the incoming tenant. Certificate to be ready for new

tenant. Any unsafe gas fires beyond economical repair will be removed.

• Stand alone gas cookers MUST be removed

• Integrated gas hobs and ovens can remain for incoming tenants if they are in

good condition, fully operational, have been checked for safety and may be of use

to the new tenant.

**WATER SUPPLY** 

• All water outlets (especially shower heads) are to be run for 10 minutes at

reinstatement to minimise the risk of legionella.

**PLUMBING** 

• Hot water cylinders checked for leaks, rust, appropriate controls, secure base and

insulation. Testing, repairs and/or replacements to be carried out during re-let

**WASTE PIPE WORK** 

• Clean out all traps. Ensure that appropriate waste pipework in place, safe, secure

and operational with plug and chain assemblies.

**SUPPLY AND SERVICE PIPE WORK** 

• Check condition of all hot and cold domestic pipework for leaks, damage and

dead legs. Repairs/replacements affected during re-let.

• The condition of cold water storage tanks should also be checked for corrosion.

Tanks may need repaired/replaced and/or cleaned out.

• Stopcock checked for operation

**TOILETS** 

The WC should be secure, clean and free from damage and leaks, fully

functional with sound toilet seat

**TAPS** 

• Taps should be relatively easy to operate, give ample flow of water, in

reasonable condition and intact (Where replacements are required taps are to

be upgraded in the main to 3" lever taps unless there is some sort of medical

adaptation)

**WASHING MACHINE FITTINGS** 

All properties which have the facilities for a washing machine MUST have isolator

valves fitted to hot and cold supply pipes, and a new sealed waste cone should

also be in place.

**WINDOWS** 

Windows must be operating properly, checked for safety, wind and watertight

with appropriate locks, handles and restrictor mechanisms. Keys (where

applicable must be provided for the incoming tenant)

• Internal cills must be in sound condition.

Where double glazed units have in excess of 25% of the units affected by

condensation, the unit to be replaced.

**INTERNAL DOORS** 

• All pass doors are to be intact, operating correctly, fitting properly with

appropriate ironmongery and timber finishes.

Older Bakelite handles can be upgraded to standard aluminium satin anodised

handles.

Doors should only need to be replaced when non-standard, damage is extensive,

ill fitting beyond repair, or where a fire door is required.

Fire door installations should comply with the appropriate regulations. (Kitchens

and living rooms in flats above GF; all rooms in houses above two storeys)

**EXTERNAL DOORS** 

• All installed locks to be working correctly, with a full set of keys available. Doors

to be secure and weatherproof. Letter plates should be installed in front doors

• The need for draft proofing should be investigated at the time of the void, if

needed this should be installed as part of void repairs.

**FLOORS** 

· All floor boards to be made safe, secure and free from excessive noise and where

possible level. Location of pipe runs shall be taken into account where known.

All laminate flooring to be removed in upper flatted dwellings. Laminate flooring

can be left in ground floor housing only if in extreme good condition and we are

not required to check floor condition below (new build or recently checked).

**SKIRTING & FACINGS** 

Missing or badly damaged skirting/ facings should be replaced or repaired as

necessary. Upgrading older sized finishes shall be implemented where cost

effective.

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Repairs and Maintenance Policy

Last Review: July 2023 Next Review: July 2026

**CUPBOARDS** 

• All bedroom cupboards should have 1 plywood edged shelf with a hanging rail

installed with additional support if necessary

• Slatted shelving should be installed within cylinder or boiler cupboards above the

cylinder/boiler depending on the space available within

• Within hall or kitchen cupboards, plywood edged shelving should be installed

depending on the space available

**KITCHEN UNITS** 

• All units to be checked to ensure they are fit for purpose, sturdy enough to take

the loading, free from any major damage, (e.g. water damage in sink base units)

and are correctly secured to the wall.

Doors should line up adequately, damaged doors/drawers to be replaced with

matching or close matching doors wherever possible. If not possible then new

doors should be installed.

• There should be at least 1 shelf per base unit (including sink units) and 1 or 2

shelves per wall unit.

• Damaged worktops to be replaced with matching where possible. Where it is not

possible to match worktops then all worktops should be replaced where practical

- e.g. where a roll top sink unit is installed.

Where matching of doors/worktops is not possible then replacements should be

as near a match as possible. However, if a kitchen is in poor condition and the

property may be seen as difficult to let then consideration will be given to replace

entire kitchen fittings.

**MEDICAL ADAPTATIONS** 

• Every adaptation should be checked to ensure they are operational and meet the

needs of the incoming tenant. If not, small installations such as grab rails and

handrails should be removed with holes etc. being refilled.

Where there is a level access shower, every effort must be made to let house to a

family requiring such a shower. Level access showers will **not** be removed.

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Repairs and Maintenance Policy

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Stair lifts will be removed completely as a health and safety measure unless an

incoming tenant requires the facility.

• Temporary ramps to be removed.

**BATHROOMS** 

• Bathroom suite to be checked for chips, cracks etc. and where possible repaired.

Where a replacement unit is required, the colour should match remaining parts of

suite. If unavailable and all units are in poor condition then an entire white suite

should be fitted, otherwise individual units should be replaced in white.

**CEILINGS** 

· Ceilings to be left in good condition, tapes replaced or patched, artex patched,

polystyrene tiles or coves removed and ceilings made good.

**DECORATION** 

Decoration will be carried out up to a maximum of 2 rooms and / or a decoration

voucher given. This will be based on the condition of the property and with the

agreement of the prospective tenant.

• In exceptional cases where a property has been identified as in extreme poor

condition part decoration and an additional décor voucher can be given on the

authority of the Manager.

Last Review: July 2023 Next Review: July 2026

Item 4(h)



# **Board Meeting**

For Approval

To: Board

From: Director of Corporate Services

**DECLARATION OF INTERESTS BY** 

SUBJECT: GOVERNING BODY MEMBERS AND DATE 25 July 2023

**EMPLOYEES POLICY** 

1.	Introduction		
	The purpose of this report is to seek approval from the Board for the adoption of an existing		
	policy which has been reviewed. This Policy has been reviewed as a Group policy, in line with		
	the Association's policy review schedule. As a governance policy, this policy will be reviewed		
	every two years or earlier to reflect any regulatory or legislative changes or good practice		
	guidelines.		
2.	Proposed changes		
	To ensure clarity and consistency, where appropriate reference to "Committee" has been		
	changed to "Board" throughout. Section 9 has been updated to reflect the UK GDPR 2021.		
	The scheduled review date has been updated.		
3.	Risk / Mitigation		
	It is important to review our policies in line with the Association's policy timetable or earlier in		
	line with regulatory or legislative guidance/changes or good practice guidelines. This will		
	ensure that the Association's policies are up to date and reflect current good practice.		
4.	Recommendation		
	Members are asked to APPROVE the adoption of the revised Declaration of Interests by		
	Governing Body Members and Employees Policy.		





# DECLARATION OF INTERESTS BY GOVERNING BODY MEMBERS AND EMPLOYEES

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#### 1. Purpose of this Policy

- 1.1 This Policy describes the practical steps governing body members and employees should take to declare and manage any personal, financial or business interests that are relevant to our business. The term "employees" covers permanent and temporary staff, agency workers and people seconded to us.
- 1.2 The Policy applies to all members of the ng group. This means that:
  - The Association's Board members and employees must declare any interests that relate to the work of our subsidiaries;
  - Board members and employees of our subsidiaries must declare any interests that relate to the work of the Association or other members of the ng group.

#### 2. Code of Conduct Requirements

- 2.1 This Policy is consistent with our Codes of Conduct for Board Members and Staff. The Codes of Conduct ensure that we comply with charity law, our Rules and the Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management.
- 2.2 As a Board or staff member, the Codes of Conduct require you to declare openly, and manage effectively, any potential conflict between your role with us and your other interests. This means that you must:
  - **Declare promptly** any personal, financial or business interests you and people closely connected to you may have that are relevant to our business and our current or future decisions;
  - **Record these interests** in the Register of Interests and keep your entry in the Register complete, accurate and up to date;
  - **Not play any part in discussions or decisions** on matters affected by the interest you have declared, unless permitted by this Policy.

## 3. Related Policies

- 3.1 You must also comply with our **Policies on Payments and Benefits** and on **Gifts and Hospitality**. These policies require you to make an entry in the **Register of Payments and Benefits** or the **Register of Gifts and Hospitality** if:
  - You (or someone closely connected to you) have a personal or financial interest in the granting of a tenancy; an offer of employment; the sale or purchase of land; or the supply of goods and services to us.

- You receive any gifts or hospitality (unless the estimated value is below the "de minimis" levels set out in the Gifts and Hospitality Policy).
- 3.2 You must also comply with our **Policy on Bribery**, which absolutely prohibits any governing body member or employee offering, seeking or accepting any kind of bribe.

#### 4. Completing a Declaration of Interests Form

- 4.1 All Board members and employees must complete the attached declaration of interests form. This sets out the range of interests governing body members and employees are required to declare, including in some cases the interests or activities of people who are closely connected to them. The Guidance Notes for Completion attached to the form explain the meaning of the term "closely connected".
- 4.2 The form will provide a snapshot of your interests at the date on which you complete the form and we will also ask you to review your declared interests annually. As well as taking part in annual updates/reviews, you are personally responsible for keeping your Register of Interests entry up to date at all times, by declaring any changes <u>as soon as they occur</u> (e.g. any new interests that have arisen; any changes to interests already declared).
- 4.3 Declarations relating to Gifts and Hospitality

  If and when you are offered a gift or hospitality, you should notify the Corporate Services

  Team of:
  - The date of the offer and who made it
  - A description of the gifts or hospitality offered to you, including the estimated value
  - Whether you accepted or refused the offer
  - Any additional comments (e.g. gift accepted but it was passed on to the Association to donate to charity)

You should send a copy of the information above to your head of department (employees) or the Chief Executive or Chairperson (governing body members).

The Corporate Services Team will record the information you provide in the Register of Gifts and Hospitality (unless the value of the gift or hospitality is below the threshold for recording stated in our Policy on Gifts and Hospitality).

4.4 Declarations relating to Payments and Benefits
Payments and benefits to governing body members and employees are subject to the controls set out in our Policy on Payments and Benefits.

Governing body members and employees are responsible for declaring relevant interests that they are aware of, as set out in the declaration of interests form.

The Association is responsible for ensuring that any required entries are made in the Register of Payments and Benefits, after a payment or benefit has been granted to a governing body member, employee or someone closely connected to a governing body member or employee. Where required, entries in the Register of Payments and Benefits will record:

- Description of the payment or benefit
- Name of person or business receiving the payment or benefit
- The recipient's status (e.g. governing body member, employee, or relationship with a governing body member or employee)
- Value of the payment or benefit (if it has a monetary value)
- Date of the Board or Committee meeting at which the payment or benefit was approved (if such approval was required)

#### 5. Register of Interests

- 5.1 The Corporate Services Team will administer the Register of Interests for the Association and other members of our group structure. They will do this by sending out forms for initial completion and annual updating.
- 5.2 You should contact the Corporate Services Team about any changes or updates as soon as they arise. Procedures for doing this are described in the Guidance Notes accompanying the Declaration of Interests form. You should use the same procedure to declare any offers of gifts or hospitality, as and when you receive these.
- 5.3 Information in the Register of Interests will generally be available for public inspection. You should inform your head of department (employees) or the Chairperson and Chief Executive (governing body members) if there are any reasons why public disclosure of a particular relationship or interest would be inappropriate.

## 6. Information Collected from Service Users and Suppliers

Our codes of conduct recognise that Board members and employees are not always aware of the actions of family members and friends and should not be required to conduct research into this. Accordingly, we will ask service users and suppliers to tell us about any close connection they may have to Board members and employees throughout our group

structure. Our approach to doing this will be risk-based. We will focus our resources on areas where a failure on our part to identify any close connections could damage our reputation or could undermine community confidence in the fairness and objectivity of our decisions.

- 6.2 Applying these principles, we will always ask for information about any connections to Board members and employees in the following service/business areas:
  - Housing application forms
  - Job application forms
  - Applications to lease commercial properties or workspace units
  - Documentation relating to the purchase or sale of land or property
  - Company information forms for businesses on our lists of approved suppliers or contractors, where the annual value of work placed exceeds or is likely to exceed £1.000
  - Tender lists or procurement documentation, including pre-qualification questionnaires

## 7. Checking for Relevant Interests When Decisions Are Being Made

- 7.1 The responsible staff member should check the Register of Interests and any disclosures provided by applicants for housing, employment, commercial contracts etc., and note any interests or connections in the relevant files and systems.
- 7.2 If an interest has been declared in the Register or the relevant applicant/supplier form, the potential conflict of interest should be managed by following:
  - The policy/procedures for the business area concerned and, where relevant,
  - The procedures for decision-making set out in the Payments and Benefits Policy (including any requirements for Board or Committee approval, as set out in the Policy).
- 7.3 If the procedures to be followed are unclear, staff should refer the matter to their head of department for further guidance, as required.

#### 8. Conduct at Meetings and Involvement in Decision Making

- 8.1 You must always inform the person chairing a meeting, if you are attending a meeting and a matter in which you have a personal, business or financial interest is to be discussed. You should do this at the start of the meeting, or as soon as you become aware that this is the case. Any interests declared at meetings will be recorded in the minutes of the meeting, along with a statement explaining what action was taken in response to the declaration.
- 8.2 Unless the Board decides otherwise, the following circumstances shall generally be exempt from the requirement to leave meetings. The rationale is that declared interests in these cases will not always involve personal, business or financial interests:
- Board members who are tenants or factored owners can take part in discussions and vote on all general policy and performance matters, unless the matters being discussed relate specifically to their own tenancy or factoring agreement, or to the tenancy/factoring agreement of someone they are closely connected to.
- Board members who are also members of other groups (e.g. community groups or a Registered Tenants Organisation) can take part in votes on all general policy and performance matters, but should leave the meeting during any discussions or votes relating to contractual arrangements with/funding for the group they are involved with.
- Board members who are directors of any subsidiary of the Association can take part in
  discussions and vote on matters relating to the Association's relationship with the subsidiary
  unless the matter under discussion concerns a proposed contractual arrangement with the
  subsidiary.
- 8.3 If Board approval is required under our Policy on Payments and Benefits, the Board (or a Committee with delegated authority) will require anyone affected by a declaration of interest to withdraw from the Board or Committee meeting while the matter is discussed and decided.

#### 9. Conflicts of Interest

- 9.1 A declaration or conflict of interest will not by itself prevent the Board from approving a particular course of action if the course of action is lawful and is consistent with our policies. For example, our Policy on Payments and Benefits sets controls on payments and benefits, but does not prohibit them in every circumstance since that would unfairly disadvantage Board members and their families.
- 9.2 There are some types of conflicts of interest that would make a Board member's position untenable. For example:

- Board members must never have a financial interest in any business trading for profit that is seeking to enter into a business relationship with the Association or any of its subsidiaries.
- Board members must always act in the best interests of the Association at all times and should not promote the interests of a particular group or body of opinion to the exclusion of others.
- 9.3 If a Board member has a major or ongoing conflict of interest that impairs their objectivity or their ability to act in our best interests, they should consider resigning. Alternatively, the remaining members of the Board may seek the member's resignation.

#### 10. Compliance with this Policy

10.1 This Policy has been adopted, to help ensure that our affairs are conducted with transparency and integrity. Failure to comply with this Policy may result in disciplinary action against Board members or employees, in line with the Association's codes of conduct and our procedures for addressing alleged breaches.

# 11. UK General Data Protection Regulations 2021

11.1 The organisation will treat your personal data in line with our obligations under the UK General Data Protection Regulation 2021 (UK GDPR) and our own Data Protection Policy. Information regarding how your data will be used and the basis for processing your data is provided in our Fair Processing Notice.

#### 12. Other Related Policies

- Payments and Benefits
- Gifts and Hospitality
- Code of Conduct for Staff
- Code of Conduct for Board Members
- Bribery
- Data Protection
- Equality and Diversity

#### 13. Equality Impact Assessment

13.1 This Policy is equally applicable to all and has no detrimental impact on protected characteristic groups as specified within the Equality Act 2010.

#### 14. Policy Review

14.1 This Policy will be reviewed every two years or earlier in line with regulatory or legislative guidance/changes or good practice guidelines.



# NG HOMES DECLARATION OF INTERESTS BY GOVERNING BODY MEMBERS AND EMPLOYEES

Your Name		Job Title/Role	
que	t 1: Checklist for identifying interests you shou estions). Please see attached notes on completions ase provide details in part 2 overleaf		
YO	UR OWN INTERESTS		
1)	Are you a tenant of ng homes, or on our list for rehe	ousing?	□ Yes □ No
2)	Do you receive any other services from ng homes o (e.g. factoring services for a property you own)	r any of its subsidiaries	□ Yes □ No
3)	Are you a director or Board member of any other or structure?	ganisation in our group	□ Yes □ No
4)	Are you a member or director of any other voluntar organisations that are active in our local area?	y or community	□ Yes □ No
5)	Do you do paid or voluntary work with any organisa to do, business with ng homes or our subsidiaries?	tion that does, or is likely	□ Yes □ No
6)	Do you have a financial or business interest* in any may seek to do, business with ng homes or any of i		□ Yes □ No
	all or part ownership of a company; or as a director of a pany; or ownership or control of more than 2% shar		
7)	Are you an elected member of Glasgow City Council any other housing association?	or a Board member of	□ Yes □ No
8)	Are you a member of any political, campaigning or of interests and/or activities may affect our work or activities.	-	□ Yes □ No
9)	Have you purchased goods or services from any of contractors/suppliers? – <b>see attached list</b> Reminde an interest, you must notify your head of department Chairperson and Director (Board members) before y	er: as well as declaring nt (employees) or the	□ Yes □ No
10)	Do you own any land or property in our area of ope G21 and G22? (excluding any house in which you no		□ Yes □ No

11) Are you involved in any unresolved dispute with ng homes or its subsidiaries? (e.g. in relation to the provision of services, a tenancy agreement or lease, or a contractual dispute with us)	□ Yes □ No		
THE INTERESTS OF PEOPLE YOU ARE CLOSELY CONNECTED TO (see attached notes on completion for guidance)			
To the best of your knowledge:			
12) Is anyone closely connected to you a tenant of ng homes, or on our list for rehousing?	□ Yes □ No		
13) Does anyone closely connected to you receive other services from ng homes or any of its subsidiaries (e.g. factoring services for a property they own)	□ Yes □ No		
14) Is anyone closely connected to you a Board or Committee member of ng homes or any of its subsidiary companies?	□ Yes □ No		
15) Is anyone closely connected to you an employee of ng homes or any of its subsidiary companies?	□ Yes □ No		
16) Is anyone closely connected to you currently seeking employment with ng homes or any of its subsidiaries?	□ Yes □ No		
17) Does anyone closely connected to you have a financial or business interest* in any company that does or may seek to do business with ng homes or any of its subsidiaries? *[see definition at 6) above]	□ Yes □ No		
18) Do you, or anyone closely connected to you, have any other interests that you should declare because they are relevant to our activities or to your role as a Board Member or employee of ng homes or its subsidiaries?	□ Yes □ No		
Part 2: Description of the interests you are declaring			
For the boxes in Part 1 where you have ticked "Yes", please provide details of the interest you are declaring. Please provide enough information to make clear what interest you are declaring and who the declaration relates to. See the examples below on how to describe things.			
Examples  1) I am a tenant of the Association (joint tenancy with my partner Alan Mackay)  3) I am also a Board member/company Director of no Ltd.			
3) I am also a Board member/company Director of n2 Ltd			

5) I am a board member of xxx (local service providing welfare rights and money advice)		
13) Sister (Mary Quinn, 45 Grove Street) lives in a house factored by the Association		
15) Brother Joe Bloggs is an ng2 employee		
17) Partner (Alan MacKay) owns a small building firm (AMK Contracts). No contracts w	rith ng homes	
Please note that we are required to maintain a Register of declared interests and that this will generally be available for public inspection on request.		
Is there any reason why any of the information in this declaration of interests should be regarded as confidential? If yes, please provide brief details.	□ Yes □ No	
The information provided in this declaration is truthful and accurate, to the be knowledge.	st of my	
I agree to update my declaration if there are any changes or additions to the inhave declared.	nterests I	
I also agree to make a declaration for inclusion in the Register of interests if I receive any offer of gifts or hospitality that needs to be registered, or if I receive any payments or benefits that need to be declared under the Policy on Payments and Benefits.		
Signed: Date:		

Guidance Notes for Completion

To make the declaration easy to complete, the form is in two parts:

In part 1, tick Yes or No for all of the questions that are asked

In part 2, provide a brief description of the interest you are declaring for each of the questions you

ticked as Yes.

Most of the questions relate to your own interests, but some of the questions ask about people you

are "closely connected to". This term is used in our codes of conduct, please see the relevant parts

of the codes of conduct which are reproduced below.

If you are in any doubt about whether you need to declare an interest, you should always seek

advice from your head of department (employees) or from the Chief Executive or Chairperson

(governing body members).

A good test is to ask yourself how an interest or relationship, if not disclosed and recorded in the

Register of Interests, might be seen by rent-payers, members of the local community or the media.

The Corporate Services Team will ask you to review your declaration of interests every year and

will record the interests you declare in the Register of Interests.

You yourself should contact the Corporate Services Team with details of any changes or updates as

soon as they arise. You should ideally contact the Corporate Services Team by e-mail, copying the

e-mail to your head of department (employees) or the Chairperson and Chief Executive (governing

body members). If you do not have access to e-mail, please speak to the Corporate Services Team

face to face or by telephone.

You should use the same procedure to:

Declare any offers of gifts or hospitality as and when you receive these (seeking guidance if you

are unsure about whether an offer can be received or not);

Declare any interests that need to be recorded under out Policy on Payments and Benefits.

The following extracts from the codes of conduct for governing body members and for employees

contain the following guidance on declarations relating to people you are "closely connected to".

Code of Conduct extracts

- Definition of 'close connection'
- 3.1 Someone 'closely connected' to you includes family members and persons who might reasonably be regarded as similar to family members even where there is no relationship by birth or in law.
- 3.2 The following table outlines those who you should consider when declaring interests:

Group 1	Group 2	Group 3
Members of your	People closely associated with you	Others you need to
household		consider
Anyone who normally	Parents, parents-in-law and their	Other relatives (e.g.
lives as part of your	partners	uncles, aunts, nieces,
household, whether	Sons and daughters; stepsons and	nephews & their
they are related to you	step-daughters and their partners	partners)
or not, including	Brothers and sisters and their	
spouses/partners who	partners	Other friends (e.g.
work away from home	A partner's parent, child, brother	someone you are
and sons and	or sister	acquainted with
daughters who are	Grandparents, grandchildren and	socially, neighbours,
studying away from	their partners	business
home	Someone who is dependent on you	contacts/associates)
	or whom you are dependent on	
	Close friends	

- 3.3 If you become aware of any action or involvement relating to anyone in the table then you should declare and manage this as soon as possible.
- 3.4 However, we recognise that you will not always be closely acquainted with or in regular contact with all of the people listed and we do not expect you to go to unreasonable lengths to identify actions or involvement that are covered by this policy.
- 3.5 Please note, we do expect you to be familiar with the actions of members of your household (Group 1) and of any other people listed in the table above with whom you are closely associated and/or in regular contact and you must take steps to identify, declare and manage these.

- 3.6 You are not expected to be aware of the actions of people in groups 2 and 3 that you do not have a close association and/or regular contact with. We do not expect you to research into the employment, business interests and other activities of all persons with whom you are closely connected.
- 3.7 In relation to 3.3 3.6 above, when considering your actions you should do so from the point of view of a reasonable and objective observer.

Item 4(i)



# **Board Meeting**

For Approval

To: Board

From: Director of Corporate Services

SUBJECT: BOARD SUCCESSION PLANNING POLICY DATE 25 July 2023

#### 1. Introduction

The purpose of this report is to seek approval from the Board for the adoption of an existing policy which has been reviewed. This Policy has been reviewed in line with the Association's policy review schedule. As a governance policy, this policy will be reviewed every two years or earlier to reflect any regulatory or legislative changes or good practice guidelines.

#### 2. Proposed changes

There was some duplication within the previous version of the policy and this has been addressed during this revision. Some parts of the policy have been transposed to improve the flow of the document. To ensure clarity and consistency, reference to "Management Committee" and "Management Board" has been changed to "Board".

- 2.4 (previously 2.3) minor change replacing "identifying" with "recruiting".
- 4.2 reference changed to reflect the UK GDPR 2021.
- 4.3 reference made to the Association's Notifiable Events Policy.

Section 7 includes a reference to participating in planned or ad-hoc training / awareness sessions. 7.4 refers to the Board Succession Planning Review taking place with the outcomes linking into the development of the annual Board Training Plan. It states that the Board may commission an independent consultant/organisation to provide support with conducting the annual Board Succession Planning Review.

Section 8.1 minor changes incorporated to include additional reference to "positive attitude" and "Board composition".

Section 9 has been updated to reflect the UK GDPR 2021.

The scheduled policy review date has been updated.

#### 3. Risk / Mitigation

It is important to review our policies in line with the Association's policy timetable or earlier in line with regulatory or legislative guidance/changes or good practice guidelines. This will ensure that the Association's policies are up to date and reflect current good practice.

#### 4. Recommendation

Members are asked to APPROVE the adoption of the revised Board Succession Planning Policy.



# Board Succession Planning Policy

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1. Purpose

1.1. ng homes is a leading community-based Housing Association that provides housing and

support services to almost 7,000 tenants and owners within North Glasgow. The Association

is a registered Scottish Charity and a registered social landlord and is regulated by the

Scottish Housing Regulator. Our customers are at the heart of our business, we are

accredited with the Customer Service Excellence award and we strive to deliver a first-class

service in all that we do.

1.2. Our vision is to create a community where people can flourish and prosper. To support the

Association in achieving this it is important to focus on Board succession planning and to

ensure that the Association has enthusiastic, committed and skilled Board members who

have a passion for the North Glasgow community.

1.3. Board members at ng homes are part of a team that is responsible for the overall strategic

direction of the business together with ultimate control of corporate governance and

financial management.

1.4. The Association considers Board succession planning to be about pro-actively preparing the

organisation for likely or inevitable changes in order to minimise future challenges and

difficulties. This encompasses Board Members and Committee membership, and the office

bearer positions of Chairperson, Vice-Chairperson and Secretary. It also applies to the Chair

and Vice-Chair positions for the Association's Committees.

1.5. The Board will discuss the make-up of the Board membership annually or more frequently if

required and where appropriate will approach suitable potential Board members or conduct

a Board recruitment drive to identify tenants or residents from the local community and/or

independent Board members with the appropriate skills, knowledge and/or experience. This

will enable the Association to meet its strategic objectives; fill skills gaps and ensure that

the Association has sufficient Board members in place, in compliance with the Association's

Rules and to meet its regulatory requirements.

1.6. The Association's Board Succession Planning Policy aims to secure the long-term viability of

the organisation. As such the issues it addresses include:

Ensuring that Board Members have the key skills and competencies required and how to

retain these Board members.

Identification of additional skills and competencies that need to be developed/attracted.

Expected and unexpected Board member retirements / resignations and turnover during the

Association's Business Plan period.

Personal development and training plans for Board members.

Anticipated growth and change of the Association.

1.8. Board Succession planning is therefore a process for retaining; developing and recruiting

Board members to fill positions within the organisation, either in the short or the long term

and to ensure future needs are met.

1.9. Given this key strategic link, the Board succession plan will be reviewed annually as part the

Association's business planning and review process.

2. Policy Statement

2.1. This policy on Board succession planning formalises the Association's practice in this area.

2.2. Our primary accountability is to ng homes' tenants and service users and to the

communities we serve in North Glasgow. We also acknowledge our wider accountability and

relationships, for example with people seeking to use our services and with our funders,

regulators and partner organisations.

2.3. The Board, supported by the Chief Executive and the senior management team has

responsibility to lead the organisation and it is therefore critical that Board members have

the right skills, knowledge and behaviours to meet the requirements of their role. This will

support the achievement of the Association's strategic business objectives and is in line with

the SHRs Governance Standard.

2.4. Reflecting good governance, the Association's voluntary Board will plan for and have a

strategy for its own renewal with any planned Board recruitment being open and focused on

creating a diverse, skilled and effective Board. The Association therefore will systematically

plan for recruiting new Board members to succeed departing Board members, as well as to

retain and to prepare its existing Board members for potential leadership positions on the

Board (office bearers) if they so wish.

2.5. This Policy will be supported by a Board Succession Plan, which will be reviewed on an

annual basis.

3. Equality and Diversity

3.1. ng homes is committed to the principles of equality and diversity and will act in accordance

with the terms of the Equality Act 2010 and the nine protected characteristics. This includes

working towards a Board that is representative of the communities it serves and ensuring

that everyone including under-represented groups have the opportunity to apply for Board membership.

3.1 Board members at ng homes have the opportunity to help shape the future of the services

the Association provides for its tenants, residents and other customers in North Glasgow. In

doing so the Association recognises that customers may have a variety of needs and that

the needs of different groups/people may require to be satisfied in different ways.

Notwithstanding this, what will be consistent is that people will be treated fairly and with

respect in an environment that is free from discrimination and harassment.

3.2 Further detail on our commitment to equality and diversity can be found in the Association's

Equality & Diversity Policy.

4 Compliance & Legal Requirements

4.1 This Policy will support compliance with the current regulatory requirements of the Scottish

Housing Regulator (SHR) and OSCR (Office of the Scottish Charity Regulator), including the

SHR's Regulatory Standards of Governance and Financial Management, in particular Standard 6 which seeks to ensure that the Board and senior officers have the skills and

knowledge they need to be effective.

4.2 This Policy complies with current legislation in relation to equality and diversity and to data

protection, and in particular the Equality Act 2010 and the UK General Data Protection

Regulation 2021.

4.3 The removal or resignation of a Board member for non-personal reasons is a notifiable event

and it will be dealt with appropriately in line with the Association's Notifiable Events Policy.

5 Aims & Objectives

5.1 Board Succession planning is an ongoing process used by the Association to help achieve

the following aims:

To ensure ng homes takes a strategic approach to Board continuity and the development of

Board members linked to the Association's Business Plan;

That the Association strives to have a voluntary Board that reflects the community that it

serves. This demonstrates the Association's commitment to equality and diversity in all that

we do.

To demonstrate how ng homes will plan for the future when dealing with Board member

recruitment, retention and development.

- To ensure that there are sufficient, suitably trained Board members in place for effective governance.
- To ensure that the Association is planning ahead and pro-actively responding to both the unexpected circumstances (e.g. Board member resignations, long term sickness etc.) and also expected circumstances (e.g. Board member retirements).
- To smooth the transition as Board members leave the Board and ensure that vacant positions are filled and skills/knowledge gaps within the Board are addressed.

#### 5.2 This policy has several objectives as follows:

- To ensure the Board members have the required skills, knowledge and behaviours to enable
  them to effectively carry out their roles. This relates to the process of annual Board
  appraisal and individual Board member reviews and links to the collective Board skills
  assessment and focused recruitment to address any skills gaps.
- To ensure the Board receive appropriate learning and development; recognising that additional skills may be required. This demonstrates the Association's commitment to providing collective Board and individual development opportunities.
- To ensure that there are suitably trained Board members available to take on office bearer positions within the Board.

#### 6 Benefits of Board Succession Planning

- 6.1 The benefits of good Board succession planning include the following:
  - Encouraging a strategic approach to the way in which our Board Succession planning is linked to our Business Plan and strategic objectives.
  - Through open and fair assessment, identifying people with the potential for further development and/or the skills and knowledge to fill office bearer positions on the Board.
  - To deliver our vision, values, mission and strategic objectives, as detailed in the Association's Business Plan, the Association needs to be well run and well managed: led by the Board and supported by the Chief Executive (and Senior Management Team) who understand their governance responsibilities.
  - The Board has ultimate responsibility for setting the overall strategic direction of the Association. The Board's central role is to direct the Association's work and to make decisions that are in the Association's and its tenants' best interests. The Board, therefore, needs to have the right number of people with the right skills and knowledge. The Association should work to retain existing members and where required attract new members.
  - As the Association continues to change and evolve, the Board and staff team should also adapt to meet new challenges and opportunities. An effective Board will work closely with

the Chief Executive and the Senior Management Team in particular. This is key to ng homes' ongoing success and as such Board and senior staff should have the appropriate skills, experience and drive to lead the strategic delivery of the organisation's mission and objectives.

• To support continued effectiveness, the Association will provide Board members with the opportunity to continually develop and learn through access to a variety of learning events including e-learning, planned training sessions, webinars and conferences.

#### 7 Board Succession Planning (Our Approach)

- 7.1 Our approach to Board succession Planning is designed to ensure that the Association is able to harness the skills and talents of all its Board members.
- 7.2 Underpinning our Succession Planning Policy is the concept of talent management. This refers to the Association's ability to attract and retain skilled and dedicated voluntary Board members, who share the Association's vision and values. The Association aims to harness Board members abilities and provide ongoing development opportunities for Board members to support in achieving current and future business objectives. This will support the Association in attracting and retaining skilled and dedicated Board members.
- 7.3 Providing training and learning and development opportunities are key factors in ensuring that Board members can contribute effectively to the business of the Association. ng homes Board members will be provided with the opportunity for personal and professional development including learning about the wide range of activities undertaken within a progressive, customer focused organisation operating within the Scottish housing sector. This can be achieved in a variety of ways including participation in planned or ad-hoc training/awareness sessions. This approach will support Board members in being able to use and develop a wide range of skills, knowledge and experience.
- 7.4 Following the annual Board Appraisal and Board member reviews, a Board collective skills matrix will be created and a Board Succession Planning Review will take place with the outcomes linking into the development of the annual Board Training Plan. The Board may commission an independent consultant/organisation to provide support with conducting the annual Board Succession Planning Review which will assess the following:
  - Identify skills and knowledge gaps within the Board. This will take account of skills and knowledge required in the future, whilst also addressing any current gaps and will explore the provision of relevant training and development for all Board members.
  - Ensuring that all Board members have the necessary skills and knowledge to perform their roles effectively.

- Identifying Board members with potential and/or desire for further development.
- The future needs with regard to office bearer positions, the availability of Board members to
  meet these needs and the accessibility of development opportunities to equip them to fill
  those positions effectively.

Achieving the above will require the following;

- Ensuring any identified training and support needs are provided by the Association.
- Ensuring that Board members are provided with equal opportunity for learning and development.
- Encouraging attendance at forums, conferences and seminars, webinars or training sessions and Strategy / Business Planning Reviews as well as providing support where appropriate for new Board members e.g. through a mentoring and/or a "buddy" system.
- Providing a comprehensive induction programme for new Board members supported by appropriate resources;
- Developing an annual Board Training Plan taking account of matters arising from the annual Board Appraisal and Board Member Reviews or changes in the sector etc.
- 7.5 To ensure the Association meets its policy aims and objectives as outlined in Section 5 above, on an annual basis the Board will:
  - Review the Association's strategic objectives on an annual basis as part of the annual Strategy / Business Planning Reviews. There will also be a mid-year review of the Strategy / Business Plan.
  - Assess how the strategic objectives will impact on existing and future Board resources.
  - Link the Board Appraisal and Board Member Reviews and any 9-year rule appraisals to the achievement of our strategic objectives.
- 7.6 To support good governance the Board will also:

ng homes - Charity No: SCO30635

- Ensure that the Association's Board members and staff have a good understanding of local issues; and
- Use demographic information obtained from the Association's Tenant Surveys to compare the Board and staff profile with that of our customers to help us achieve a Board that is representative of the community it serves.
- Ensure that the Chairperson does not hold office for more than five consecutive years.
- Once the Chairperson reaches four consecutive years, the Association will seek potential successors from within the Board members and provide those interested with appropriate training for the role of Chairperson. It should be noted that the Vice-Chairperson will not automatically become Chairperson.

7

- Where possible, at the first Management Board meeting after the AGM, the Board should elect the office bearers, Chairperson, Vice-Chairperson and Secretary.
- Where possible on an annual basis for all Office Bearer positions, other than the Chairperson
  the Board should identify another Board member who will succeed to, or provide cover in
  the absence of that Office Bearer and provide these Board members with appropriate
  training and support.

#### 8 Recruitment of New Board Members

8.1 Whenever the Board deems it is required, people with the appropriate skills, knowledge of experience to be potential Board members may be approached and/or a more general Board recruitment drive will be undertaken within the community. This will support the Association in identifying and recruiting people with the appropriate positive attitude, commitment, skills, knowledge and experience to meet the Associations strategic objectives and regulatory requirements, fill skills gaps and ensure that the Board composition complies with the Association's Rules.

In doing so the Association will seek to achieve the following:

- Any Board member positions being advertised will be placed to maximise the
  exposure to all sections of the community together with information on eligibility i.e.
  those seeking to be community Board members have to be members of the
  Association.
- Make the best use of co-opting additional members during the year, as and when required, due to vacancies or to meet identified skills, knowledge or experience gaps within the existing Board.
- All applications for Board member positions will be assessed in a fair and transparent
  way with an agreed set of criteria being objectively applied to take account of any
  gaps in Board's collective skills/knowledge as demonstrated in the Board Skills Matrix
  produced as an outcome of the annual Board appraisal exercise.
- 8.2 New Board members will receive a comprehensive Board Induction programme. The Induction programme will be bespoke to the individual's needs however as standard it will include meetings with the Association's Chief Executive and Directors, information of the work conducted by each of the departments and access to the Association's Policies including the Rules and Standing Orders. All new Board members will have access to appropriate training and development including e-learning modules.
- 8.3 All new Board members will be required to sign and abide by the Code of Conduct for Board members and to comply with all other relevant policies.

#### 9 UK General Data Protection Regulation 2021

9.1 The organisation will treat your personal data in line with our obligations under the UK General Data Protection Regulation 2021 (UK GDPR) and our own Data Protection Policy. Information regarding how your data will be used and the basis for processing your data is provided in our Fair Processing Notice.

#### 10 Other Related Policies

- Board Appraisal and Board Member Reviews
- Board Recruitment
- Induction Policy for New Board members
- Learning, Development and Further Education
- Membership
- Rules
- Standing Orders
- Code of Conduct for Board Members
- Equality and Diversity
- Declaration of Interest by Governing Body Members and Employees
- Data Protection
- Expenses
- Payments and benefits

#### 11 Equality Impact Assessment

11.1 This Policy is equally applicable to all and has no detrimental impact on protected characteristic groups as specified within the Equality Act 2010.

#### 12 Policy Review

12.1 This Policy will be reviewed every two years or earlier in line with regulatory or legislative guidance/changes or good practice guidelines.

Appendix 1 Board Succession Planning; Timetable of related actions/events

Action / Event	Target Date
Annual Board appraisal and Board Member	March / April
Reviews (to include the development of a Board	
Skills Matrix)	
Annual Strategy / Business Planning Day	April / May Board Strategy
	/ Business Planning Day
Conduct the annual Board succession planning review	May / June
Develop the Annual Board Training Plan	June / July
Business Planning Mid-Year Reviews	October / November
Board Training / Awareness Events	Throughout the year
(Planned and ad-hoc)	
Recruitment of new Board members	(As required)
New Board member Induction	(As required)

Item 4(j)



# **Board Meeting**

For Approval

To: Board

From: Director of Corporate Services

SUBJECT: BOARD TRAINING PLAN 2023/24 DATE 25 July 2023

#### 1. Introduction

The draft Board Training Plan (attached) has been produced as an outcome from the annual Board Appraisal and the Individual Board Member Reviews. This addresses the training / development needs identified through that exercise conducted earlier this year supported by SHARE. The training plan assists Board members in ensuring that they have the requisite skills and knowledge required for their role. The individual Board member reviews highlighted that several Board members said they would benefit from training in the year ahead. A wide range of topics were identified however in some cases just one or two people indicated that they would benefit from training on a particular subject. We have taken account of this in developing the draft training plan.

The proposed Training Plan prioritises the main topics identified by Board members. The draft plan covers the period August 2023 to April 2024 and in addition to the topics specified by Board members it also includes sessions on Equalities and Cyber Security due to the importance of these subjects. Some of the other training/awareness needs identified by individuals could be addressed through e-learning, or with staff doing a short input at meetings and this can be explored going forward.

#### 2. Risk

The Board Training Plan is vital in providing Board members with the opportunity to access training to develop their knowledge and awareness on key topics relevant to their role within the Association and the housing sector in general. This is key in supporting compliance with the SHR's Regulatory Standards of Governance and Financial Management, in particular Standard 6; "The governing body and senior officers have the skills and knowledge they need to be effective." Failure to provide Board members with access to the appropriate training/awareness and learning opportunities to develop their skills and knowledge could lead to the risk of non-compliance and an ineffective Board.

#### 3. Recommendation

Board members are asked to APPROVE the adoption of the 2023/24 Board Training Plan attached to this report.

# ng homes 2023/24 Board Training Plan (August 2023 - June 2024) Draft for discussion / approval

The following draft Training Plan has been developed as an outcome of the 2023 Board Appraisal and individual Board Member Reviews conducted by SHARE. The plan also includes additional important topics.

This is being presented to the Board for discussion and approval at the Board meeting on 25 July 2023.

All sessions will be designed to last 1.5 - 2 hours maximum including discussion / Q & A time.

The sequence of the sessions listed below can be changed as prioritised by the Board. Whilst it is our intention to follow the schedule the delivery timescales may be subject to change depending on circumstances e.g. availability of trainers.

internal staff or external trainers. It is also proposed to offer training through a hybrid model i.e. in person with the option for members to join on-line The proposed method of delivery is to follow the 'normal' format of separate training dates (starting at 4.30pm) with the sessions delivered by either via Microsoft Teams as required, this can be reviewed over the timeframe of the plan and adjusted accordingly in line with the wishes of the Board.

Session	Title	Month	Delivered by
1.	Governance & Role of the Board / Regulatory and	August 2023	External; John Mulholland (Mulholland Housing Consultancy)
2.	Cyber Security	September 2023	Robert Campbell / Ronan Horton (Assure IT Consultants)
e,	The Procurement Process	October 2023	Internal; ng homes staff
4	Health and Safety for Board Members	November 2023	TBC. Could be covered by Learn-Pro e-learning or delivered by an external organisation (SHARE/EVH/ACS)
Ņ.	Tenant Participation / Community Engagement	December 2023	TBC. (TPAS / TIS)
9.	Accounts & Finance / Treasury Management and associated risks.	February 2024	Internal ng homes staff; Bob Hartness (Depute CEO) and Karin Sherriff (Deputy Director Finance)
7.	Asset Management – Housing and Investment	March 2024	Internal; ng homes staff
8.	Business/Strategic Planning – To include Purpose, Vision, Mission and Values	April 2024	Internal; ng homes staff; to be included in the 2024 Board Strategy Day
·6	The Board's role in approving and implementing policies including Succession Planning and Severance	May 2024	Internal; ng homes staff; discussion session facilitated by Bob Hartness (Deputy CEO) & Tony Sweeney (Director of Corporate Services)
10.	Equalities and Human Rights	June 2024	External; TBC

Item 4(k)



# **Board Meeting**

For Approval

To: Board

From: Director of Corporate Services

SUBJECT: HYBRID / REMOTE WORKING - DATE 25 July 2023

#### 1. Introduction

The purpose of this report is to provide the Board with an update on the Association's approach to hybrid / remote working going forward and to allow the Board to consider and approve the proposal from the Board Sub-Group and the draft Hybrid Working Policy attached to this report.

The Covid-19 pandemic forced many employers to adopt new ways of working. At the outset, protecting the health and wellbeing of our staff, Board members and customers was of paramount importance and the Association adopted remote working as a temporary measure. Since then, it is generally accepted that the world of work has changed as a direct result of the pandemic and many organisations, in the housing sector and beyond, have either implemented or are considering adopting a hybrid/remote working model to maintain an element of remote working for employees whilst keeping service delivery at the forefront of the business. In this respect it is important that the Association now carefully considers our approach to remote working going forward.

This was the subject of much discussion at the recent Chartered Institute of Personnel and Development (CIPD) World of Work Conference and it is widely accepted that many progressive organisations already have or are planning to adopt hybrid working and that each organisation should develop an approach that fits their own particular circumstances.

As a reminder, for those job roles where it is possible our temporary arrangements for remote working have evolved since it was first introduced. Currently anyone who wishes to attend the workplace/office for their full working week can do so. Any remote working days must suit business needs and must be agreed between the staff members and their line manager, as a consequence of this, there are times when staff are required to attend the workplace on specific days. As previously communicated, we have kept staff informed of our approach over the last three years and we have communicated clearly that any longer-term change, permanent or otherwise e.g. a trial arrangement would be decided by the Board.

#### 2. The Way Forward

At the Board Strategy Day held on 14<sup>th</sup> May there was a facilitated discussion session on hybrid/remote working and the way forward for the Association. From this discussion and early analysis of the information available there was a shared understanding of the complexity and the challenges around this matter. Following on from this, it was agreed at the Board meeting on 23<sup>rd</sup> May that a Board Sub-Group would be formed to meet with the group of senior staff who were looking at the matter internally discussing a draft policy and operational procedures. This would allow the Board Sub-Group to fully understand the position and develop a suitable proposal for final Board approval during Q2 this year.

The Board Sub-Group considering this matter comprised, the Chairperson, Catherine Rossine, Vice-Chairperson, Gino Satti, and Board Member, John Thorburn.

It was agreed that in reaching their decision the Board Sub-Group would consider the following important factors to arrive at an informed decision;

- The results of the tenants' survey conducted during 2022 seeking tenants' views on service delivery during our period of hybrid/remote working.
- The result of the staff survey on hybrid/remote working (conducted in September 2022 and as discussed at the Staff Mid-Year Review sessions in November and December last year).
- The legal view on hybrid/remote working including any associated risks (as provided by BTO Solicitors).
- 4. What other organisations in the sector are doing in respect of hybrid/remote working, in particular, our local peer group of housing associations.
- 5. The up-to-date view/guidance from key organisations within the sector and beyond e.g. Employers in Voluntary Housing (EVH), Scottish Federation of Housing Associations (SFHA), Scottish Housing Regulator (SHR), ACAS, Chartered Institute of Personnel and Development (CIPD).

Whilst it is recognised that there is a "no one size fits all" model that can be applied but rather each organisation has to develop an approach that suits their needs. Key elements for success are ensuring that business needs are always to the forefront and that a robust policy and operating procedures are in place and discussed with staff prior to implementation.

#### 3. Board Sub-Group Decision

Following the meeting between the Board Sub-Group and the Staff Group. The Board

Sub-Group provided their decision on Hybrid Working. This is as follows:

"We are proposing an approach to Hybrid working with the following conditions:

Staff can request to work remotely (from home) for up to 2 days a week (maximum) or pro-rata equivalent for part-time staff. There is no obligation on staff to request to work from home. They can, if they wish, work in the office for their full working week.

Any days working from home will be based on business needs and must be agreed with the staff member's line manager.

There should be no 'entitlement' to set days for working from home.

No flexi can be accumulated on the days staff work from home.

All staff team meetings should be held in person, unless there are exceptional circumstances which stop a staff member from attending the office. If a staff member attends the office for a meeting they should be in the office for their normal working hours.

If working from home, the staff member must be in a private residence and have secure storage for any paperwork or equipment they may have at home. Working in public places such as business centres, cafes, libraries etc. is not acceptable due to confidentiality and risk to data security / equipment.

The Good Attendance Award granted under the Attendance and Absence Management Policy will apply as usual.

We propose a trial period from 1st September 2023 to 28th June 2024, with a report being presented at the Board Meeting in May/June 2024 to enable the Board to evaluate the trial and reach a decision on a more permanent arrangement e.g. whether we should continue the proposed hybrid working, discontinue it or develop a new approach. However, should any problems arise during the trial period these must be brought to the attention of the Board immediately.

We are looking for the Hybrid Working Policy to go to the July Board meeting."

#### 4. Risk

Many employers are now considering how to embrace hybrid working through a model which keeps service delivery at the forefront of the business whilst incorporating an element of remote working for employees, where their jobs allow this. This flexible

approach is viewed by many as the way forward and hybrid working is now offered by many employers since the pandemic. Not to do so may be detrimental in regard to recruiting and retaining good quality staff and being seen as the "the employer of choice". A robust policy and operating procedures discussed with staff prior to implementation and applied consistently will minimise any risk of failure.

#### 5. Hybrid Working Policy

The group of senior staff members mentioned above, (Director of Housing Services, Corporate Services Manager, Deputy Director of Property Services, Deputy Director of Finance, and Director of Corporate Services) have recently been looking at this matter internally including developing the draft policy and discussing the operational procedures that will be required.

The draft policy has been produced using a base template provided by BTO Solicitors, it covers all the relevant legal and legislative requirements related to hybrid working.

If the Policy is approved, the staff group detailed above will work on agreeing the operating procedures and will prepare a timetable for discussing the policy and procedures with staff in preparation for the implementation planned for 1st September.

#### 6. Recommendation

Board members are asked to APPROVE the following;

- the Board Sub-Group's proposal on Hybrid Working as detailed in Section 3 above
- the attached draft Hybrid Working Policy



# **Hybrid Working Policy**

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#### 1. About this policy

- 1.1 As part of our commitment to flexible working, the Association is trialling hybrid working arrangements where this can be accommodated within your job role. A hybrid working arrangement will only be agreed where it meets our business needs and is authorised by your line manager.
- 1.2 This policy aims to ensure that those working under a hybrid working arrangement are treated equally to workers based in the workplace and that hybrid working is carried out safely and in accordance with our policies and current legislation. It sets out the conditions on which hybrid working will be considered and the rules that apply to all hybrid workers. If you are allowed to work under a hybrid working arrangement, you must comply with this policy.
- 1.3 Any reference to "workplace" in this policy is a reference to the place of work as specified in your contract of employment or, where not specified, your usual place of work when you attend our premises.
- 1.4 This policy has been approved by the Association's Board taking account of a variety of factors including business needs and staff survey results and its implementation is subject to discussion with staff.
- 1.5 This policy does not form part of any contract of employment or other contract to provide services and we may amend it at any time following consultation with Board members.

#### 2. Who does this policy apply to?

This policy applies to all directors, employees and trainees.

#### 3. Who is responsible for this policy?

- 3.1 The Association's Board has overall responsibility for the effective operation of this policy. The Board has delegated responsibility for overseeing its implementation to the Director of Corporate Services.
- 3.2 Any questions you may have about the day-to-day application of this policy should be referred to your line manager in the first instance. If your line manager is unable to answer your query Corporate Services will assist.
- 3.3 This policy will be reviewed annually.

#### 4. Hybrid working arrangements

4.1 A hybrid working arrangement is an informal flexible working arrangement which allows you to split your working time between the workplace and an agreed remote working location, such as your home.

- 4.2 Hybrid working arrangements will differ depending on the nature of your role, duties and responsibilities and so are discretionary and subject to agreement with your line manager.
- 4.3 Staff can request to work remotely (from home) for up to 2 days a week (maximum) or pro-rata equivalent for part-time staff. This does not mean that staff are guaranteed to work from home 2 days every week. There is no obligation on staff to request to work from home. Staff can, if they wish, attend the workplace for their full working week.
- 4.4 The days and times worked from your workplace and your remote working location are subject to agreement with your line manager and may vary from week to week to accommodate the needs of our business.
  - There will be no 'entitlement' to set days for working from home.
- 4.5 The Association will continue to operate its Flexi Time Procedure for staff members working from the workplace. For the avoidance of doubt this will not apply to staff whilst working remotely.
- 4.6 All hybrid working arrangements will be subject to a trial period of 9 months. The Board may, at their discretion, extend this period for up to a further 6 months. During the trial period, we will monitor the hybrid working arrangements. At the end of the trial period, the Board will reach a decision on the future of any hybrid working arrangements and staff will be informed of the outcome.
- 4.7 All hybrid working arrangements are subject to a requirement for you to attend the workplace on our reasonable request to accommodate the needs of our business, such as to attend meetings or training sessions.
- 4.8 Hybrid working is not a substitute for caring responsibilities, this includes adults, children or pets.
- 4.9 All hybrid working arrangements are subject to ongoing review and may be modified for reasons including a change in business needs or performance concerns.
- 4.10 If you have a flexible working arrangement that has been approved under a flexible working request, then it may not be possible for you to also work under a hybrid working arrangement.
- 4.11 Hybrid working arrangements agreed in accordance with this policy are discretionary and can be withdrawn at any time. If you want to permanently vary your contractual working arrangements so that you work from a remote working location for all or part of your working week, you will need to make a

flexible working request (if eligible) in accordance with our Flexible Working Policy.

#### 5. Conditions necessary for hybrid working

- 5.1 Not all roles and not all jobs are suitable for hybrid working. A hybrid working arrangement is unlikely to be agreed if:
  - a) you need to be present in the workplace to perform your job (for example, because it involves a high degree of personal interaction with customers, colleagues or third parties or duties that can only be performed on site, or involves equipment that is only available in the workplace);
  - b) there are any concerns related to your performance, for example, your line manager has advised you that your current standard of work or your productivity is unsatisfactory;
  - c) you have an unexpired warning, whether relating to conduct or performance; or
  - d) you need on-site training or supervision or you are responsible for the face to face training and supervision for another staff member
- 5.2 If you are working under a hybrid working arrangement you agree:
  - a) to have a suitable working environment at your remote working location that enables you to carry out your role effectively;
  - b) to continue to work the hours required by your contract of employment;
  - c) to work independently, motivate yourself and use your own initiative;
  - d) to manage your workload effectively and complete work to set deadlines;
  - e) to identify and resolve any new pressures created by working from a remote working location;
  - f) to adapt to new working practices, including maintaining daily contact with your line manager and colleagues at work;
  - g) to attend the workplace as requested by your line manager, which may be at short notice, to meet the needs of our business;
  - h) to determine any resulting tax implications for yourself;
  - i) not to use the hybrid working for the provision of care, which includes adults, children and pets.

- j) to finance any travel and/or related expenses incurred when travelling to and from your remote working location and your workplace.
- k) to travel to and from your workplace during your own time. For half days this would require travel to be undertaken in your own time, for example, during your lunch break.

#### 6. Location

- 6.1 Your primary remote working location should be agreed with your line manager in advance.
- 6.2 Your primary remote working location must be within your usual commuting distance.
- 6.3 If you wish to work from a different remote working location at any time during your hybrid working arrangement, this will need to be agreed with your line manager in advance and is subject to their written approval.
- 6.4 If you wish to work from a remote working location in a different country at any time during your hybrid working arrangement, this will require approval from your line manager and separate authorisation from the Chief Executive. Please note that there is no guarantee that this will be possible. Working remotely from a location abroad is not subject to this policy due to different compliance and legislative requirements including data protection rules.
- 6.5 If we agree to you working from a different remote working location at any time during your hybrid working arrangement, this will be subject to our right to require you to return to your primary remote working location.
- 6.6 If your internet connection is of poor quality or has been/or will be lost for a prolonged period of time and you have not agreed any suitable alternative work with your line manager, you will be required to attend the workplace.

#### 7. Management, training and workplace attendance

7.1 Your line manager will:

North Glasgow HA Ltd - Charity No: SCO30635

- a) remain responsible for supervising and assessing you in the same way as staff based in the workplace, and will agree with you the best way to appraise your performance and provide ongoing supervision in a remote way. This will include ensuring that the Staff Check-in process is followed.
- b) regularly review your hybrid working arrangements and take steps to address any perceived problems; and
- c) ensure that you are kept up to date with any changes to the workplace or information relevant to your work.

- 7.2 You will be subject to the same performance measures, processes and objectives that would apply if you worked permanently in the workplace.
- 7.3 If your performance becomes unsatisfactory or you are subject to a (verbal or written) warning for any reason, your hybrid working arrangements may be withdrawn immediately, in which case you will be expected to return to work in the workplace.
- 7.4 You will be provided with the same opportunities for training, development and promotion as staff based permanently in the workplace. If your hybrid working arrangement will impact on your ability to apply for certain roles, your line manager will discuss this with you to ensure that you are not denied any opportunity unfairly.
- 7.5 You agree to attend the workplace or other reasonable location for meetings, training courses or other events which we require you to attend.

#### 8. Health, safety and wellbeing

North Glasgow HA Ltd - Charity No: SCO30635

- 8.1 When working from your remote working location you have the same health and safety duties as other staff. You must take reasonable care of your own health and safety and that of anyone else who might be affected by your actions and omissions. You must attend our usual health and safety courses, read the Health and Safety policy and undertake to use equipment safely.
- 8.2 To identify any potential health and safety hazards at your remote working location and take appropriate steps to minimise risk, we retain the right to carry out a health and safety risk assessment (either remotely or by arranging a visit) before or shortly after you begin hybrid working. Where appropriate, we will contact you to arrange completion of the risk assessment. The need for these inspections will depend on the circumstances, including the nature of the work you undertake.
- 8.3 You are responsible for conducting a comprehensive Display Screen Equipment (DSE) assessment of your remote workplace. You will be provided with the guidance and template for completing this. In exceptional circumstances where you are unable to complete this we may need to arrange a visit to your remote working location to conduct the DSE assessment.
- 8.4 You must not have in-person meetings in your remote working location with customers and must not give customers the address or telephone number of your remote working location.
- 8.5 You must ensure that your working patterns and levels of work when working from your remote working location are not detrimental to your health and wellbeing. If you have concerns about your health or wellbeing arising as a

- result of your workload or working pattern, you should inform your line manager without delay so that we can discuss measures to deal with this.
- 8.6 You must use your knowledge, experience and training to identify and report any health and safety concerns to your line manager.

#### 9. Equipment and suitable workspace

- 9.1 We will provide the equipment that we consider you reasonably require to work from your remote working location. We will make all necessary arrangements for and bear the cost of maintaining, repairing or replacing (where necessary) any of our equipment, at your remote working location. Where any equipment is provided, it remains our property and you must:
  - a) ensure it is only used by you and only for the purposes for which we have provided it;
  - b) take reasonable care of it and use it only in accordance with any operating instructions and our policies and procedures;
  - c) return it to us in good condition or make it available for collection by us or on our behalf when requested to do so; and
  - d) not use any personal device or computer for work.
- 9.2 To arrange installation or service of any equipment that we provide, you should contact your line manager who will advise our IT Support who can guide you through the process remotely. If this is not possible, we may need to arrange a visit to your remote working location.
- 9.3 When travelling between your remote working location and your workplace you agree to keep equipment provided by us safe and secure at all times.
- 9.4 On termination of your hybrid working arrangement or on termination of your employment you will return all equipment provided by us. Where necessary, we may need to arrange a visit to your remote working location to reclaim equipment.
- 9.5 It is your responsibility to ensure that you have a suitable workspace at your remote working location with adequate lighting for working.
- 9.6 If you have a disability, you should inform us of any equipment you require to work from your remote working location comfortably. The Association will bear the reasonable cost or reimburse you for the reasonable cost of providing the equipment.

9.7 You are responsible for meeting the associated costs of you working from your remote working location, including the costs of heating, lighting, electricity, broadband internet access, mobile or telephone line rental or calls.

#### **10.** Insurance requirements

- 10.1 The Association shall be responsible for taking out and maintaining a valid policy of insurance covering any equipment we provide against fire, theft, loss and damage throughout your employment. You must not do, cause or permit any act or omission which would invalidate the insurance policy.
- 10.2 We are not liable for any loss, injury or damage that may be caused from any equipment that is not provided by us when you are working from your remote working location.
- 10.3 If your remote working location is your home address, you are responsible for ensuring that working from home will not invalidate the terms of your home insurance. Before commencing hybrid working, you should ensure that you check your home insurance policy and inform your home and contents insurance provider of your working arrangements as required.
- 10.4 If your remote working location is your home address, before commencing working from home, you should check the terms of your mortgage, lease or rental agreement to ensure this does not breach any of the terms. It is your responsibility to inform your mortgage provider or landlord that you are working from your home address and seek any necessary approval before commencing hybrid working.
- 10.5 When you are working from your remote working location you are covered by our employers' liability insurance policy. Any accidents must be reported immediately to your line manager in accordance with our Health and Safety Policy.

#### 11. Data security and confidentiality

- 11.1 Your line manager must be satisfied that all reasonable precautions are being taken to maintain confidentiality in accordance with our requirements.
- 11.2 You are responsible for ensuring the security of confidential information in your remote working location and when travelling to and from your workplace. You must not use your personal phone or personal computer equipment for storing any confidential business information.
- 11.3 When working from your remote working location you undertake to:
  - a) change your password as required and comply with any instructions provided by our IT Support relating to password security

- b) use our designated two/multi-factor authentication at all times, where required
- c) abide by all cyber security guidelines
- d) not use personal devices for work purposes
- e) comply with our instructions relating to software security and to implement all updates to equipment as soon as you are requested to do so
- f) send work-related emails and messages through our designated communication channels/facilities
- g) share data only through our designated secure systems following all guidelines
- h) make all work-related calls through our designated software work laptops can log-in to Jabber and MS Teams
- i) maintain a private space for confidential work/business calls
- j) ensure that any display screen equipment is positioned so that only you can see it or a privacy screen is used
- k) lock your computer terminal whenever it is left unattended
- I) ensure no one else in your remote working location has access to confidential information stored on our equipment
- m) ensure any wireless network used is secure
- n) ensure that your wireless network router has software security updates applied
- keep all papers containing confidential information in a secure place when not in use, and ensure that no one else in your remote working location has access to them; and
- shred or otherwise dispose securely of confidential information when it is no longer required and at all times comply with our instructions on document retention.
- 11.4 To comply with data protection obligations, you will only store or process company data or personal data on equipment that has been provided by or authorised by us.
- 11.5 To comply with data protection legislation, we retain the right to conduct a data protection impact assessment (DPIA) to assess the risks involved with data processing in your remote working location. Where this is necessary, we will contact you to arrange the DPIA.

#### 11.6 You confirm that you:

- a) have read and understood our Data Protection Policy, Cyber Security procedures, Acceptable Use, Data Retention Guidelines and any other relevant policies from time to time in force regarding the retention of personal data, electronic communications and data security
- b) will regularly keep yourself informed of the most current version of these policies; and
- will attend any training on data protection and confidentiality, cyber security or any other relevant subject whether online or in person when requested to do so.
- 11.7 If you discover or suspect that there has been a data breach or an incident involving the security of information relating to us, our clients, our customers, or anyone working with or for us, you must report it immediately to your line manager and IT Support.

#### 12. Misconduct

12.1 Any breach of the rules set out in this policy is treated as a disciplinary matter in accordance with our Disciplinary Procedure. It may result in disciplinary action being taken against you. A serious breach of this policy may amount to gross misconduct resulting in dismissal.

#### 13. Other Related Strategies, Policies or Procedures

- Flexible Working
- Data Protection
- Cyber Security
- Staff Code of Conduct
- Home Working
- Terms and Conditions of Employment
- Lone Working
- Acceptable Use
- Staff Check-in

- Openness, Accountability and Confidentiality
- Equality and Diversity
- Attendance and Absence Management
- Disciplinary and Grievance Procedures
- Health & Safety Manual
- Stress and Mental Wellbeing at Work
- Dignity at Work
- Customer Care
- Smoke Free
- Learning, Development and Further Education

#### 14. UK General Data Protection Regulation 2021

The ng group will treat your personal data in line with our obligations under the UK General Data Protection Regulation 2021 (UK GDPR) and our own Data Protection Policy. Information regarding how your data will be used and the basis for processing your data is provided in our Fair Processing Notices.

#### 15. Policy Review

This Policy will be reviewed annually or earlier in line with regulatory or legislative guidance/changes or good practice guidelines.

#### 16. Equality Impact Assessment

This Policy is equally applicable to all and has no impact on protected characteristic groups.

Item 5(a)



# Register of Payments and Benefits Case No 153

SENEFIT $$ DETAILS, (e.g. event name, host,		DETAILS, (e.g. event name, host, venue, attendees, cost per
	1	person, date)
Attendance at Event	1	National Good practice Awards hosted by TPAS. ng homes are
		shortlisted for two awards:
		Best practice in Developing Community Award
		2. Champion of the Year: Individual Staff – Margaret Fraser
		The awards dinner is on Thursday 29 June 2023 in Glasgow.
		There are three already attending the conference and an additiona
		7 joining them for the awards dinner to represent ng homes:
		1. John Devine (CEO)
		2. Margaret Fraser (Deputy Director of Regeneration)
		3. Lynne Cooper (Director of Housing Services)
		4. Bob Hartness (DCEO)
		5. Catherine Rossine (conference delegate) (Board Member)
		6. John MacLeod (conference delegate) (Board Member)
		7. John Thorburn (Board Member)
		8. Gino Satti (Board Member)
		9. Karen Johnson (conference delegate) (Housing Services
		Manager)
		10. Allan Gow (Board Member)

11.BOARD APPROVAL		
		Details
Checklist – please tick as appropriate		
Has an ng group member been nominated for an award?		
Is attendance in recognition of achievement or in pursuit of appropriate business development?	<b>✓</b>	
Is event directly relevant to our objectives/business aims?		
Are total costs reasonable and appropriate as determined by Chair and	<b>V</b>	Cost for table of 10 £1500.00
CEO? (If costs exceed £500 per person, Board must give specific approval based on business case)		Cost per person £150.00

3. RECOMMENDATION	
Meeting where approved	CEO and Chair Meeting
Date of meeting	8 June 2023
Directors Signature	
Chair's Signature	
4. RATIFICATION	
Date of Board meeting where rate (if not approved at Board meeting)	100

Item 5(b)



# Register of Payments and Benefits Case No 154

BENEFIT	V	DETAILS, (e.g. event name, host, venue, attendees, cost per person, date)
		Unlock Net Zero Awards – LCITP project shortlisted for Green Homes Upgrade of the Year
		The awards dinner is on Tuesday 27 June 2023 in Manchester.  There are five attending to represent ng homes:  1. John Devine (CEO)  2. Lynne Cooper (Director of Housing Services)  3. Graham McDowall (Project Manager)  4. Carmen Baird (Investment Manager)  5. John Thorburn (Board Member)

6. BOARD APPROVAL			
		Details	
Checklist – please tick as appropriate			
Has an ng group member been nominated for an award?			
Is attendance in recognition of achievement or in pursuit of appropriate business development?	1		
Is event directly relevant to our objectives/business aims?			
Are total costs reasonable and appropriate as determined by Chair and CEO?  (If costs exceed £500 per person, Board must give specific approval based on business case)	<b>✓</b>	Cost for table £1734.00 Accommodation total £282.12 Train Travel £189.15  Cost per person £441.05	

3. RECOMMENDATION	
Meeting where approved	CEO and Chair Meeting
Date of meeting	14 June 2023
Directors Signature	
Chair's Signature	

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4. RATIFICATION	**************************************
Date of Board meeting where ratified	
(if not approved at Board meeting)	

Item 9(a)



# Board Meeting For Noting

To: Board

From: Director of Corporate Services

available on the SHR's website at;

SUBJECT: GOVERNANCE UPDATE DATE: 25 July 2023

1.	Introduction
	This report provides an update on governance related matters from 9 May to 30 June 2023.
2.	Scottish Housing Regulator News / Publications
	As previously reported, a comprehensive archive of news and publications is available on
	the SHR's website www.housingregulator.gov.scot The sections for news and publications
	are clear and easily accessible. The SHR has updated a whole raft of previously published
	information, guidance and advice for RSL's and Governing Bodies. These updates are

https://www.housingregulator.gov.scot/publications?p=3&s=10

There are also links to speeches and other information.

Other SHR news and publications can be accessed at the links below:

https://www.housingregulator.gov.scot/about-us/news

https://www.housingregulator.gov.scot/publications

For ease of reference your search for publications can be filtered by date range and publication type which includes the following categories:

- Advice for landlords
- Statutory guidance for landlords
- National Reports
- Consultations
- Forms and questionnaires
- Speeches and presentations
- Corporate Publications
- Archived Reports
- Information for tenants

#### Recent news/features

Regulator's National Panel highlights worsening financial difficulties facing tenants

Updated; 30 June 2023

https://www.housingregulator.gov.scot/about-us/news/regulator-s-national-panel-highlights-worsening-financial-difficulties-facing-tenants

Regulator launches national discussion on the future of social housing regulation in Scotland Updated; 9 June 2023

https://www.housingregulator.gov.scot/about-us/news/regulator-launches-national-discussion-on-the-future-of-social-housing-regulation-in-scotland

Regulator publishes revised engagement plans for Copperworks Housing Association and Spire View Housing Association; 5 June 2023

https://www.housingregulator.gov.scot/about-us/news/regulator-publishes-revisedengagement-plans-for-copperworks-housing-association-and-spire-view-housing-association

We're recruiting Regulation Analysts; 2 June 2023

https://www.housingregulator.gov.scot/about-us/news/were-recruiting-regulation-analysts

SHR welcomes sector report on tenant and resident safety; 30 May 2023

https://www.housingregulator.gov.scot/about-us/news/shr-welcomes-sector-report-on-tenant-and-resident-safety

SHR publishes lessons learned on effective recording of decisions and discussions by governing bodies of Registered Social Landlords; 26 May 2023

https://www.housingregulator.gov.scot/about-us/news/shr-publishes-lessons-learned-on-effective-recording-of-decisions-and-discussions-by-governing-bodies-of-registered-social-landlords

We're seeking a Financial Reporting Analyst; 16 May 2023

https://www.housingregulator.gov.scot/about-us/news/were-seeking-a-financial-reportinganalyst

Regulator publishes updated engagement plan for Milnbank Housing Association Updated; 16 May 2023

https://www.housingregulator.gov.scot/about-us/news/regulator-publishes-updated-engagement-plan-for-milnbank-housing-association

# 3. The Office of the Scottish Charity Regulator (OSCR)

The OSCR website; <a href="www.oscr.org.uk">www.oscr.org.uk</a> provides access to a comprehensive suite of information for charities. This includes news, updates, reports and guidance documents and links to videos and information on webinars that are planned.

## Recent news/features

What do the changes to Scottish charity law mean for you?; 29 Jun 2023

https://www.oscr.org.uk/news/what-do-the-changes-to-scottish-charity-law-mean-for-you/

How to prepare a good Trustees' Annual Report; 28 Jun 2023

https://www.oscr.org.uk/news/how-to-prepare-a-good-trustees-annual-report/

Inquiry Report: Free Wheel North; 15 Jun 2023

https://www.oscr.org.uk/news/inquiry-report-free-wheel-north/

OSCR: a regulator, not a mediator; 14 Jun 2023

https://www.oscr.org.uk/news/oscr-a-regulator-not-a-mediator/

OSCR becomes a Volunteer Charter Champion; 14 Jun 2023

https://www.oscr.org.uk/news/oscr-becomes-a-volunteer-charter-champion/

OSCR's Corporate Strategy 2023-26; 13 Jun 2023

https://www.oscr.org.uk/news/oscrs-corporate-strategy-2023-26/

OSCR launches new podcast; 13 Jun 2023

https://www.oscr.org.uk/news/oscr-launches-new-podcast/

Interim Inquiry Report: Pollokshields Development Agency; 5 Jun 2023

https://www.oscr.org.uk/news/interim-inquiry-report-pollokshields-development-agency/

When do your charity's accounts have to be audited?; 2 Jun 2023

https://www.oscr.org.uk/news/when-do-your-charity-s-accounts-have-to-be-audited/

OSCR launches new Inquiry Policy; 1 Jun 2023

https://www.oscr.org.uk/news/oscr-launches-new-inquiry-policy/

# 4. Board attendance at learning/development events (training/conferences etc)

Board members remain committed to keeping their skills and knowledge up to date and continue to embrace the opportunities that technology has provided by taking part in training events and conferences. The table below provides details of the learning events scheduled for Board members during the period covered by this report.

Course / Webinar	No of Board	Date(s)	Training Provider
/ Conference	members		
	attending		
EVH Annual	3	19/5/23 - 21/5/23	EVH (various)
Conference			
Mergers and	1	1/6/23	Brodies LLP
consolidation in the			
Social Housing			
Sector			
Social Housing;	1	13/6/23	Brodies LLP
Mould and damp			
considerations for			
landlords			
GWSF Regeneration	1	23/6/23	GWSF / SHARE
Conference			
TPAS Conference	2	28/6/23 - 30/6/23	TPAS
TPAS Conference -	5	29/6/23	TPAS
Good Practice			
Awards			

The direct cost of the above events was £4,235 and this equated to approximately 104 hours of Board member learning / development.

It's important that members have access to a wide range of learning and development resources and we are keen to support anyone who would like to take part in any session or event. SHARE's website <a href="www.share.org.uk">www.share.org.uk</a> is a useful resource where you can access information on planned training, network groups and learning events. Other training and learning opportunities are provided by a range of organisations including SFHA, EVH and CIH that continue to offer training and awareness sessions, webinars, and conferences.

If members are interested in any of the courses, webinars or events advertised or have any specific training requirements please speak to the Chairperson in the first instance and thereafter contact Tony Sweeney or Cheryl Murray to make the necessary arrangements.

# 5. Board Training Plan 2023/24

The draft Board Training Plan has been produced as an outcome from the annual Board Appraisal and the Individual Board Member Reviews (this is the subject of a separate report for discussion and approval). The training plan addresses the training/development needs identified through that exercise conducted earlier this year supported by SHARE. The Training Plan assists Board members in ensuring that they have the requisite skills and knowledge required for their role. The proposed Training Plan covers the period August 2023 to June 2024 and in addition to the topics identified by Board members it also includes sessions on Equalities and Cyber Security.

# 6. Review of ng group Independence Agreements (Intragroup Agreements)

As previously reported, this exercise is underway. BTO Solicitors will be supporting the Association in this however there has been a slight delay in the process and we now aim to present the revised Intragroup Agreements to the Board for discussion and approval during Q2/Q3 2023/24.

# 7. Planned Governance Assessment (three-year review)

This is currently underway with external consultant (Mulholland Housing Consultancy) supporting the Association by conducting a comprehensive governance assessment/audit. As members will be aware, the Association conducts a self-assessment review of its governance arrangements every year as part of the process for preparing the Annual Assurance Statement. A full comprehensive review is planned every three years with a lighter touch review conducted in the intervening years. The three-year review is happening this year as detailed above. The outcome of the review will inform and support the Association in the preparation of the 2023 Annual Assurance Statement to be submitted to the SHR by 31 October.

# 8. Business Strategy Days

The Board Strategy Day was held in Glasgow on 14<sup>th</sup> May this year, the event was designed to be interactive and to fully involve the Board members and senior staff attending through discussing, addressing and agreeing strategic matters. The event allowed attendees to look back at the last 12 months and look ahead at the challenges and to discuss and agree our strategic priorities going forward. The Staff Strategy Days are planned to take place in July and August this year.

9.	Ombudsman/ First Tier Tribunal Complaints					
	Scottish Public Services Ombudsman (SPSO)					
	There were no tenant complaints investigated by the Scottish Public Services Ombudsman.					
	First Tier Tribunal Complaints					
	There were no First Tier Tribunal Complaints to report.					
10.	Recommendation					
	Board members are asked to NOTE the contents of this report.					

Item 9(b)



# Board Meeting For Noting

To: Board

From: Director of Corporate Services

SUBJECT: RULE 68 DATE 25 July 2023

# 1. Introduction

RULE 68

At the last Board meeting before the Annual General Meeting the Secretary must confirm in writing to the Board that all requirements of Rules 62 to 67 have been followed relating to the items listed below or, if they have not been followed, the reasons for this:

- Signing of Minutes
- Use of Seal
- · Register of Members etc
- Accounts, Registers, Securities etc

The Secretary's confirmation or report must be recorded in the minutes of the Board meeting.

In accordance with Rule 68, I am writing to confirm that all requirements of Rules 62 to 67 have been complied with in terms of Board Minutes.



Jim Berrington

(Secretary)

## 2. Recommendation

Board Members are asked to NOTE this report.





# Board Meeting For Noting

To: Board

From: Communications Officer

SUBJECT: COMMUNICATIONS UPDATE DATE: 25 July 2023

# 1. Introduction

This report provides the Board with an update on communications and media information from 1 April 2023 to 30 June 2023 (Q1).

# 2. Overview

Since the previous report, the winter/Christmas issue of North News for 2022, the summer 2023 issue of North News and two issues of the staff newsletter (February/March and May/June 2023) have been completed. Comments received regarding this have all been highly positive. The North News issue for summer 2023 was delivered to tenants at the beginning of July.

The 'Getting to Know You' tenant survey and the online version of ng homes' Housing Application have progressed this quarter. The online housing application tool has been completed; the form went live on 6 July 2023 to a highly positive reception with more than 12 applications completed within 24 hours of launch with no promotion. The online housing application can be accessed through a link on the ng homes website from the 'Apply for a home' page – this will be monitored for a six-month period for any changes or issues.

The 'Getting to Know You' survey is undergoing final checks/tests in anticipation of a July 2023 launch. This will be a soft launch with links shared on the ng homes website and our social media channels.

We are currently building a staff Intranet using Sharepoint (part of Office365) as the platform. This will be ongoing over the upcoming quarters with the aim to have in ready to launch towards mid/late 2023. A survey of staff for feedback on what they'd like to see went out late June asking for suggestions on what pages/features they'd like to see/what would be useful. Further feedback will also be collected during upcoming staff strategy days taking place in July and August 2023.

The Communications Officer has supported other projects including:

- A new CEO biography for The Leaders Council of Great Britain and Northern Ireland which is now live on the site.
- Website Audit monitoring the ng homes website looking at all pages, links, documents and updating/changing anything as required. This will be an ongoing project.
- Heating Installation tenant survey (for phase 1 multi-storey flats) this took place early July.
- TPAS Best Practice Award applications these were submitted in mid-May. Two
  applications (Best Practice in Developing Community and Champion of the Year –
  Individual) were successfully shortlisted. ng homes won two awards Champion of
  the Year (Individual) and a bespoke award, Best Practice (Developing Community) –
  Outstanding Achievement.
- Reviewed and confirmed a case study of investment work at the Hawthorn Street retirement housing complex submitted by DMI.

# 3. Website Analysis

Google Analytics (GA) monitors the ng group's website traffic and can be used to produce reports covering audiences, locations, popular pages, and what devices are used.

The previous version of Google Analytics (known as Universal Analytics or GA3) stopped recording data on the 1 July 2023. It has been replaced by Google Analytics 4 (GA4). Early indications are that all is working without issue. The Media Centre property was problematic to get set up so we will be watching this over the upcoming quarter to ensure it's working correctly; an internal reporting feature exists within MyNewsDesk so we will not lose all ability to report on this feature even if GA4 does not or fails to work as anticipated.

We are continuing to look at ways to save/maintain access to historical GA3 data. Dates supplied by Google indicate this will be available through the existing GA3 accounts until October 2023.

During Q1, the ng group website had:

Audience	Popular pages	Devices used
4,042 users	Apply for a Home	Mobile phone devices (72%)
	Thank you for your	Desktop computer/laptop (27%)
	email (auto	Tablets (1%)
	response)	
	<ul> <li>Vacancies</li> </ul>	

# 4. App

For the period there have been 27 downloads. The app is promoted regularly through social media channels, appears on the homepage of the website and has been featured in both the staff newsletter and in North News. We have also developed QR codes which now appear as part of the promotional material for the app. These QR codes allow anyone interested to launch the download link by scanning a barcode with their smartphone.

We will be checking to see if the housing application tool can be accessed through the app as the app can be downloaded to tablets. This could help raise the profile and use of the app. We are continuing to look at new ways to promote the app.

# 5. Social Media

ng homes are utilising the use of social media to communicate with customers and make it easier for customers to contact the Association. Changes to the algorithms (within each platform, which determine how many see posts appear to followers) and reporting analytics launched in late 2022-2023 appear to have settled and are running without issue. This is standard for social media platforms – minimal changes have been required to report like for like.

We use the following channels:

# Twitter - @ng\_homes

This channel shares housing and corporate related information. Where appropriate, this channel also shares community-based events and updates, particularly where ng homes is actively involved.

## Twitter - @ngha\_community

This channel shares and promotes community activities. This channel is run by the Project Manager, Regeneration.

# Facebook - @nghacommunity

This channel shares and promotes community activities along with sharing essential housing and corporate information.

# Instagram - @ng\_\_homes

This channel shares housing and corporate related information in a visual format. Where appropriate, this channel also shares community-based events and updates, particularly where ng homes is actively involved.

# LinkedIn - ng homes

This channel shares housing and corporate related information, particularly around vacancies for both ng homes and ng2. Relevant visits and media coverage will also be shared. The social media accounts mentioned above will be reported on moving forward.

### Twitter

We are continuing to expand the content shared on the @ng\_homes page/channel to support regular posting of content and to support continued engagement.

The new Staff Wellbeing Group may be able to offer support through developing 'social media champions' who can identify/highlight content to further grow engagement and ng homes' social profile.

Social channel	Tweets	Impressions	Profile views	Mentions	Followers
@ng_homes	117	35,638	1,790	56	2,333
@ngha_community	36	21,043	289	35	1,228

### Facebook

Analytics covers the @nghacommunity Facebook page. Figures here have been calculated using the 'Meta Business Centre' recording tools, following changes implemented by the parent company, Meta, towards the end of 2022.

There is a housing/corporate channel set up – we are hoping to revisit development over the upcoming quarter as Facebook continues to be a strong channel for engagement for businesses/organisations.

Page reach - Q1	Page likes - end of Q1	Audience – Q1
12,553	Page likes - 682	73% Female
	Page followers - 790	• 27% Male
		70% viewing from Glasgow

### Instagram

Instagram recently upgraded their internal analytical tool which is available through the Professional Dashboard section (visible through the mobile app). ng homes' account has had a strong start to the year through the end of Q4 and Q1.

Figures for Q1 are included below:

Accounts reached	Post and stories reach	Profile visits
496	529	119
	(Impressions: 4,214)	

We will continue to explore the use of social media channels to communicate with the Association's customers.

# 6. North News

Issue 64 of North News was released in early July (2023). Following discussion with the Chair, we have re-launched a 'Meet the Board' feature. We have also brought back a 'Kids Corner' for younger readers. We will be monitoring distribution of this issue with an eye to having a better understanding where North News is handed out and identifying community locations where copies could be distributed.

As always, we are already on the lookout for content/suggestions. The next issue will be Winter/Christmas 2023 due out in early December. If members have any suggestions or would like to contribute to the next issue, please contact our Communications Officer, Amanda Krats, at: <a href="media@nghomes.net">media@nghomes.net</a>.

# 7. Media Centre

The Media Centre is a valuable channel of communication – this quarter we have posted content regularly utilising a range of options from press releases to news updates, blogs, and events.

The period from April 2023 to the end of June 2023 performed well. The platform received 3,150 views, the majority being on a desktop (53%), followed by mobile (46%) and tablet (3%).

The most viewed press releases and news articles include (views in period – report viewed 4 July 2023):

Karen Dunbar's 'School of Rap' showcases the talent of North Glasgow through new documentary	407
Scotland Fashion Week - Unheard Voices: celebrating diversity and creativity in North Glasgow	403
Springburn Week of Action - Lenzie Area	328

We are seeing an increase in views and engagement with content shared through the Media Centre. The past quarter saw a range of content shared, utilising all options (press release, news, blogs and events) to try and maximise use of the MyNewsDesk platform. Stories shared through the Media Centre are currently being picked up by multiple outlets including Scottish Housing News on a regular basis. A new content calendar is due to be drawn up for use over the summer months with the aim of continuing to build on current levels of engagement and maximised use of the subscription.

As noted previously, the Communications Officer spoke with the account manager for 'MyNewsDesk' in December 2022 to learn more about how to maximise the tool. Tips shared by the account manager were implemented where practical over Q4 and Q1. A follow-up meeting took place in June 2023 – the account manager was again pleased with analytics on the site. Further suggestions including the use of the AI (Artificial Intelligence) tool were suggested by the account support manager in June 2023. These will be reviewed over the coming months and incorporated where possible.

# 8. Google Accounts - Reviews

### Google Reviews

There were two reviews left over the period – these were shared with Housing Services. One review required to be followed up; further details were requested, and an email address provided should the individual wish to reach out directly. No further activity has appeared on Google.

### 9. Recommendation

Board Members are asked to NOTE the contents of this report.

Item 9(d)



# **Board Meeting**

For Approval

To: Board

From: Director of Housing Services

SUBJECT: SCOTTISH HOUSING REGULATOR DATE 25 July 2023

# 1. Introduction This report is to update the board on notifiable events that have been reported to the Scottish Housing Regulator since the last meeting. 2. **Notifiable Events** There has been one notifiable event reported to the Scottish Housing Regulator. On 12th July 2023, there was a fire in the common area at 53 Lenzie Terrace. While concierge were on patrols at around 9pm, they noted the fire brigade in attendance at this block. Concierge headed to the site, fire brigade and police were dealing with a mattress that was on fire at the top landing leading to the corridors of flats A-F and G-L. No homes were affected and no residents were affected. Scottish Power came on site to deal with burned cables and City Building were also in attendance to check electrics, isolate melted lighting and supply cabling. Concierge Manager - attended to assess the situation. When the fire brigade left the scene, concierge got into the common area to clear any cabling and debris to try to avoid trip hazards as lighting was limited. The concierge did what they could to clean the area. On 13th July, the aerial contractor and our electrical contractor were onsite to reinstate electrics, lighting and aerials and Greenerleaf carried out a specialist clean in the common area. This will require painting and a line will be raised for this. We will liaise with police regarding who is responsible for the fire and take action if it is found to be a tenant/householder of ng homes. 3. Recommendation Members are asked to note the notifiable event reported to the Scottish Housing Regulator.



# Board Meeting For Noting

To: Board

From: Director of Housing Services

SUBJECT: KPI PERFORMANCE INDICATORS
23/24

DATE: 25<sup>th</sup> July 2023

	23/24						
1.	Key Performance Indicators (KPIs):						
	Indicator	Out turn 22/23	Target 23/24	Year to Date April 23 – June 23	Risk		
	Voids						
	Vacancies in lettable stock	8%	10%	112 (8%)			
	Lets	424	No Target	105	G		
	Section 5 Homeless Lets	35%	35%	49%			
	Average re-let timescale	28.5 days	25 days	24.1 days			
	Offers Refused	22.8%	30%	28.9%			
	Rent & Arrears						
	Void rent loss	0.5%	0.7%	0.71%			
	Gross rent arrears (Current, Former & W/Off)	5.8%	5.5%	5.0%			
	Non-Technical Arrears	3.5%	4.0%	3.6%			
	% of tenants with arrangements.	68% £602,140	No Target	69% (£618,752) are on an arrangement and 79% are maintaining their arrangement			
	Tenancy Sustainment						
	Tenancies Sustained for more than 12 months	91%	85%	93%			

Indicator	Out turn 22/23	Target 23/24	Year to Date April 23 – June 23	Ris
Anti-Social Behaviour	n .			*
No of Anti-Social Cases received in the year	44	No Target	11	
No of Anti-Social Cases resolved in the year & within timescale	39 Resolved 100%	90%	8 Resolved 100%	
Court Action & Eviction	าร			
New Court Actions	52	No Target	13	
Court Actions that resulted in Evictions	9 Rent Arrears, 1 Housing Issue	No target	3 Rent Arrears	
Repairs				
Average timescale to complete emergency repairs	3.34 hrs (8408)	24 hrs	3.35hr (1984)	
Average timescale to complete non-emergency repairs	5.24 days (10192)	5 days	7.48 days (2048)	
Reactive Repairs completed right first time.	88.16%	90%	87%	
Gas Safety Certificate	Compliance			
% with current gas safety certificate	100%	100%	100%	
Properties with gas cert' renewed within 12 months	99.98%	100%	99.98%	

Indicator	Out turn 22/23	Target 23/24	Year to Date April 23 – June 23	Risk
Adaptations				L
Application brought forward from 21/22	22	No Target	19 (2 of these have now been cancelled)	
Applications approved YTD	117	No Target	50 (1 Cancelled)	
Number of medical adaptations completed.	113	No Target	22	
Average days taken to complete adaptations	36.7 days	30 days	31.8 Days	
<b>Customer Satisfaction</b>		8		
Overall Service Level	83.6%	90%	84%	

# 2. Areas for Improvement

### Repairs

The days to complete non-emergency repairs has increased from 5 to 7 days due to an increase in complex repairs in this quarter and an increase in lead in times for parts such as window and door mechanisms. 184 complex repairs were logged this quarter in comparison to 148 in the previous quarter. There is also an increase due to a focus on treating mould and damp, which requires a longer timescale to allow for monitoring and we will be reviewing how these repairs are logged within the system during the next quarter.

## **Customer Satisfaction**

13 of the tenants surveyed were not satisfied as they were looking for investment in their homes i.e Kitchens, Bathrooms and Windows. We will be restarting our investment programme during 23/24, which should improve customer satisfaction in this area. In addition to this, 12 tenants surveyed were not satisfied with the environment. As we are not responsible for a lot of the external environment, we are working closely with Glasgow City Council on this issue in and Housing Officers are reporting concerns with the service daily.

# 3. Recommendation

The Board are asked to note the Key Performance Indicators for 1<sup>st</sup> April 2023 – 30<sup>th</sup> June 2023.



# Board Meeting For Noting

To: Board

From: Senior Corporate Services Officer

SUBJECT: COMPLAINTS AND COMPLIMENTS (Q1 2023/24)

DATE: 25 July 2023

1. Introduction

# This report updates the Board on complaints and compliments received for the 3-month period 1 April to 30 June 2023 (Q1).

# 2. Complaints Monitoring Q1 2023/24

# a) Analysis of Complaints received in the period 1 April to 30 June 2023

Over the 3-month period, a total of 91 complaints were received. The table below details the service area which the complaint was logged under.

Complaint Service Area	Received at Stage 1 *	Received at Stage 2	Total
Contractors	36	0	36
Investment	7	0	7
Repairs	17	1	18
Other Housing	4	0	4
Anti-Social	1	0	1
Rent and Arrears	1	0	1
Allocations	0	1	1
Close Cleaning and Backcourt Maintenance	4	0	4
About a Staff Member	6	7	13
Landscaping and Garden Maintenance	2	0	2
Factoring	1	1	2
Concierge	1	1	2
Total	80	11	91

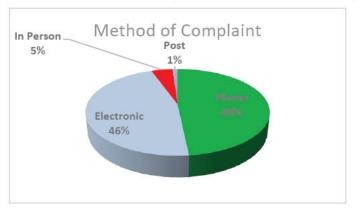
<sup>\*</sup> NB this includes escalated complaints as they were first received at Stage 1

## b) SPSO Key Performance Indicators

The SPSO published a standardised set of KPIs for the Model Complaints Handling Process for RSLs on their website in March 2022. It includes mandatory reporting and publishing requirements of complaints performance, statistics, complaints trends and outcomes, and actions taken to improve services. The attached Appendix contains a snapshot of ng homes complaints data for Quarter 4.

# 3. Method of Complaint

The phone and electronic methods were the preferred method of making a complaint.



# 4. You Said, We Did (complaints made and action taken)

**You Said** – A tenant was unhappy because the grass in her back garden had not been cut despite several phone calls regarding this.

**We Did** – We arranged for the grass cutters to re-attend to cut the grass. The lack of information on the sign off sheets, which did not give a reason why the grass was not cut, to be discussed at the next Garden Maintenance Meeting.

**You Said** – A complaint was received from a tenant who had received a bill from our factoring department which the tenant did not think applied to them.

**We Did** - We apologised and explained that this was due to an IT system error which has now been resolved and the charges were not applicable.

**You Said** –A tenant complained about the bins being located in her front garden and that it's a health and safety issue due to their position and that they should be in the back garden so that the refuse collectors can take them up and down the path.

**We Did** – We visited the tenant and explained that Glasgow City Council are responsible for the location of the bins and provided details of the Myglasgow app and who to contact.

## Compliments received Q1 2023/24

As well as receiving complaints, 7 compliments were recorded in our register for Q1.

These included the following messages of thanks:

- Thanks for helping me sort out my garden and getting it all nice.
- Thanks for help with Universal Credit when tenant moved into tenancy.
- Very happy with recent kitchen installation and full rewire which was completed in a timely manner and most professionally.
- Thanks for help and support during the recent Police evacuation. The team's work
  is invaluable to the community and much appreciated by everyone.

# 6. Recommendation

Board members are asked to NOTE this report.

# **Complaints KPIs**

# Indicator One

Quarter	Number of complaints	Number of complaints received Total complaints received.	Total complaints <b>received</b> .	Relation to organisation's
	received at Stage 1	directly at Stage 2		housing stock per
	(includes escalated			thousand units
	complaints as they			
	were first received at			
	Stage 1)			
01	80	11	91	1.37%

# Indicator Two

Quarter	Number of Stage	% of all Stage 1	Number of Stage 2   % of all Stage 2	% of all Stage 2	Number of	Number of
	1 complaints	complaints <b>closed</b>	complaints <b>closed</b>	complaints <b>closed</b> in full	Stage 2	escalated
	closed in full	in <b>5</b> working days	in full within 20	at Stage 2 within 20 days	complaints	complaints
	within 5 working	as % of all Stage	working days	as % of all S2 complaints	closed in full	closed in full
	days	1 complaints		responded to in full	after escalation	within 20 working
		closed in full			within 20	days as % of
					working days	escalated
						complaints
						responded to in full
Q1	53	71.62%	6	81.81%	6	100%

# **Indicator Three**

Quarter	The average time in	The average time in	The average time in
	working days to respond	working days to respond	working days to <b>respond</b>
	to complaints at Stage 1	to complaints at Stage 2	to complaints after
			escalation
Q1	4.99 days	15.7 days	16.22 days

# **Indicator Four**

Quarter 1	Upheld	Partially Upheld	Not Upheld	Resolved
Number of S1 complaints in each category:	32	19	8	25
% of complaints as % of all complaints closed at Stage 1	43.24%	25.68%	10.81%	33.78%
Number of S2 complaints in each category:	2	23	4	2
% of direct S2 complaints closed at S2 in each category:	18.18%	27.27%	36.36%	18.18%
No of complaints closed after escalation in each category:	2	2	0	0
% of all complaints closed after escalation	77.78%	22.22%	%0	%0
Extensions are parellored in social organizations of the moves those are seen as a second second	Tio leaditagoxo	1 John Chamin	Te open though	o concidered

Extensions can be authorised in exceptional circumstances. However these are considered as "late" ie not completed in timescale



# Board Meeting For Noting

To: Board

From: Senior Corporate Services Officer

SUBJECT: ANNUAL COMPLAINTS REPORT DATE: 25 July 2023

# Introduction This report updates the Board on complaints received between 1<sup>st</sup> April 2022 and 31<sup>st</sup> March 2023

# 2. Complaints Monitoring 2022/23

286 complaints were received over the year which is an increase of 69 from the 217 complaints received the previous year. 248 complaints were received at Stage 1 and 38 received directly at Stage 2 in 2022/23. In addition to the complaints received directly at Stage 2, 7 complaints were escalated in the period from Stage 1 to Stage 2. The chart below shows the service area which the complaints related to.



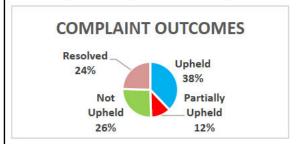
Standard of service in relation to the service areas of contractors and repairs received the highest number of complaints at 61 and 100 respectively. This compares to 38 and 56 for 2021/22. Delays in ongoing repairs and poor communication were a recurring feature. Team meetings are held on a regular basis to discuss complaints internally and with contactors as well to discuss any issues.

Some examples of learning points identified by managers over the year are:

- Staff reminded to keep tenants updated even if there is nothing to update them on so that they know they have not been forgotten.
- Staff to follow up telephone calls to contractors with an email.

- Staff to ensure the contactor always takes a photo of the finished works when complete.
- Staff to manage customer expectations and also ensure the contractor is being pursued for updates.

The pie chart below shows the complaint outcomes including the resolved outcome which applies when both ng homes and the customer agree what action, if any, will be taken to provide full and final resolution for the customer without making a decision about whether the complaint is upheld or not upheld.



# 3. Time to Respond to Complaints

The Scottish Public Services Ombudsman specifies response times of a maximum of 5 working days for Stage 1 complaints (frontline complaints) and 20 days for Stage 2 complaints which require further investigation. There is scope to extend the time limit to reply to a Stage 1 complaint to 10 days in exceptional circumstances, however this would still be considered as being outside the SPSO timescales. 66% of complaints this year were responded to in SPSO target timescales. This increases to 85% when approved extensions are included. The comparative numbers for 2021/22 are 77% and 97%. Our average times to respond to complaints are shown in the table below compared to last year.

Level	2021/2022	2022/2023
Stage 1 - Frontline	5.72 days	5.78 days
Stage 2 - Investigation	19.56 days	28.06 days

The average time to reply to complaints at Stage 2 was affected this year by the following factors:

- A tenant requested us to keep the complaint open until all works were completed.
- Obtaining advice from an external health and safety consultant on how to proceed.
- Further investigations being carried out and contactor availability.
- Engagement of an external consultant to investigate a complaint about a staff member.

# 4. Recommendation

Members are asked to NOTE this report.

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED STAFFING SUB COMMITTEE ATTENDANCE 2022-23

	03.11	02.02	18.05			
J Thorburn	d	Ь	Ь			
C Rossine	Ь	Ь	Ь			
J Berrington	Ь	٧	Ь	30	2 8	
G Satti	Ь	Ь	Ь			
P Nelson	A	A	A			
% Total	%08	%09	%08			

P - PRESENT A - APOLOGIES A\* - LEAVE OF ABSENCE GRANTED

TARGET ATTENDANCE - 80%

**AVERAGE ATTENDANCE -**

73%

Item 10(a)



# Human Resources Committee Minutes

Meeting: Human Resources Committee Location: Microsoft Teams

**Date:** 18 May 2023 **Time:** 4pm

Attendees: C Rossine - CR - Chair

J Thorburn - JT - Vice Chair

G Satti - GS J Berrington - JB

**Apologies:** P Nelson

In Attendance: T Sweeney - TS (DCS)

D Waugh - DW (CSM) O Friary - OF (HRO)

Minute Taker: A Whiteford - AW (SCSO)

	Agenda	Action	Date
1.	Apologies		
	As above.		
2.	Disclosure of Interest and Attendance	5	
	None.		
3.	Minutes of the Staffing Sub-Committee Meeting held on 2 February 2023		
	Members AGREED the minutes were an accurate record of the meeting. Proposed J Thorburn Seconded G Satti  Matters Arising None.		
4.	Reports for Approval		
a.	Occupational Shared Parental Pay		
	Members APPROVED the introduction of Occupational Shared Parental Pay (as part of the changes to the EVH staff T&Cs) at		

	ı		
	an enhanced level to bring this in line with our current levels of pay for maternity and adoption which will support the Association with staff recruitment and retention. It was noted that there have not been any applications for this so far.  Proposed J Berrington Seconded J Thorburn		
b.	New Policy for Approval: Shared Parental Leave		
	Members APPROVED the new introduction of a new Shared Parental Leave Policy which has been created in line with the EVH Model Policy and taking account of current good practice. The policy will be reviewed every 3 years or earlier, as required. ShPL enables eligible parents to choose how to share the care of their child during the first year from birth/adoption. This reinforces our commitment to family friendly policies and will assist with staff retention and progression. The risk of not having a Shared Parental Leave policy could lead to a breach of employment legislation.  Member queried the situation in relation to fostering and this will be explored and information brought back to the next meeting for discussion / action.  Proposed G Satti Seconded J Berrington		
C.	Corporate Services Risk Register		
	Members APPROVED the proposed changes to the Corporate Services Risk Register as detailed in the report.  The World Health Organisation (WHO) have downgraded the level of threat of Covid 19 and has stated it no longer qualifies as a global emergency. Members discussed and agreed to change Section 6 – "Covid 19 Related Risks" to "Risks Related to Other Types of Pandemic" and to remove all mentions of Covid in this section. This section will be reviewed and brought back to the next meeting.	TS	Next Meeting

	Г		
	TS will speak to the Depute CEO regarding standard wording to	TS	Next Meeting
	go into each individual Risk Register.		
	Proposed J Thorburn Seconded J Berrington		
5.	Reports for Noting		
a.	Staff Recruitment, Leavers and Trainees Update		
	Members NOTED that there were 2 posts advertised and 3 leavers during the period 1 January to 31 March 2023.		
b.	Staff Attendance: Sickness Absence		
	Members NOTED the report providing them with information relating to staff sickness absence for the period 1 January to 31 March 2023.		
c.	Staff Learning and Development		
	Members NOTED the report providing them with details of staff learning and development activities and events which have been delivered/attended during the period 1 January to 31 March 2023.		
d.	Health and Safety Update		
	Members NOTED the report providing an update on health and safety in the workplace, in particular on accidents, incidents and near misses in the period 1 January to 31 March 2023.		
e.	Employee Engagement Update		
	Members NOTED the report providing information on progress to date in relation to further developing our approach to employee engagement which is linked to the Association's strategic priority "Creating a Positive Culture".		
	The Committee recognised the hard work which has gone into the new Staff Check-In system by the HRO and CSM and it was agreed that an interim progress report would be provided so that the Committee could see the feedback received from staff and managers. Thereafter a quarterly report could be brought to the Committee on progress.	DW/ OF	Next Meeting

f.	Company Health Plan Update: Simplyhealth		
	Members NOTED the report providing an update on the company health plan available to employees through our provider Simplyhealth for the period 1 January to 31 March 2023.		
g.	Changes to EVH Terms and Conditions of Employment		
	Members NOTED the summary of changes which have been agreed by the JNC this year and will take effect from 1 May 2023. The changes include the addition of Shared Parental Pay (as referred to in 4a above) and the addition of a section about Mental Health First Aiders. The Association will be looking into training for staff on Mental Health First Aid as well as resilience training for those people to support them in their role.		
h.	Employability Update		
	Members NOTED the report providing them with an update on the progress of the Employability Strategy and associated marketing.		
i.	2023 IIP Assessment		
	Members NOTED the report providing an update on this year's Investors in People (IIP) Review which had been rescheduled and took place over two days on 16 and 17 May. The Assessor met with staff and also some partner organisations including the Baby Food Bank. Amongst other things, the Assessor looked at the Association's approach to learning and development and was interested to hear about the Board strategy Day and other strategic initiatives. The Assessor commented that the assessment had been very positive.	OF	ASAP
	It is anticipated that the outcome report will be received shortly and will be shared with members thereafter.		
6.	АОСВ		
	None.		
7.	Date of Next Meeting: Thursday 10 August 2023 at 4pm. This will be an in person meeting in the Ron Davey Enterprise		

Item 10(a)

Control in Wolcon Ct	
Centre in Vuican St.	



ng PROPERTY LIMITED BOARD ATTENDANCE 2022-23

	16.11.22	22.02.23	7.6.23				
C Rossine	Ь	Ь	Ь	8.2 8.2			
J Thorburn	Ь	Ь	Ь				
I Munro	Ь	Ь	d				
P Miller	d	Α	d				
J Berrington	Ь	A	A	. V.	5		
G Satti	Ь	Ь	A				
L Cooper	Ь	Ь	Ь				
B Hartness	Ь	Ь	Ь				
C Baird	А	А	Ь		3		
% Total	%68	67%	%82				

80% **28%** AVERAGE ATTENDANCE -TARGET ATTENDANCE -A - APOLOGIES X - ABSENT A\* - LEAVE OF ABSENCE GRANTED

P - PRESENT

Item 10(b)



## **Board Meeting Minutes**

C Baird (Joined at 4.15pm)

Meeting: NGPS Board Location: Vulcan Street

**Date:** 7 June 2023 **Time:** 4.00pm

Attendees: C Rossine R Hartness

J Thorburn (chair) L Cooper

I Munro P Miller

Apologies: J Berrington, G Satti, C Wilson

Present -

Minute Taker: Lynne Cooper

	Agenda	Action	Date
1.	Apologies		
	As above		
2.	Disclosure of Interest and Attendance		
	No declarations of interest were made.		
3.	Minutes of Meeting 22nd February 2023		
	Minutes were agreed as an accurate record.  Proposed: C Rossine Seconded: I Munro		
4.	Reports for Approval		
(a)	Management Accounts - period to 31st March 2023		
	Information from the management accounts for the period to 31 <sup>st</sup> March 2023 was reviewed. Noted that:		
	<ul> <li>Factoring income of £764k in the period with £532k of costs.</li> <li>Gross profit of £231.5k with £209.2k of salaries and overheads leaving a £22.3k profit for the period before tax.</li> <li>Level of share capital and reserves at period end £213k.         Intercompany balance £205k owed by the Association to NGPS.     </li> <li>Gross arrears level including the March 23 factoring run at £210k.</li> </ul>		
	Proposed P Miller Seconded I Munro		

(b)	Risk Register		
	BH reported that this will continue to be a standing item on all future		
	agendas, as there is a focus on risk.		
	There were no changes proposed to the risk register and it was agreed to		
	retain the existing risk register.		
	Discussion took place on the commercial unit at Keppochill Road and C		
	Baird gave an update on the current situation with this.		
	Proposed C Rossine Seconded I Munro		
(c)	Business Plan and Budget - Year to 31 March 2024		
	The business plan and budget were previously approved on 22nd		
	February 2023 and submitted to the ng homes Board.		
	Both reports have now been approved at the parent ng homes board.		
	Approval requested for both reports following this.		
	7, pp. oval requested for seal reports renorming allies		
	Proposed I Munro Seconded C Rossine		
		I	
5.			
5.	Reports for Noting		
5. (a)			
	Reports for Noting		
	Reports for Noting Factoring Report		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31st March 2023 was £179k.		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k.  There was £37K of communal repairs added to the accounts during April		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k.  There was £37K of communal repairs added to the accounts during April		
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	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan  It was also noted that former owner's arrears are £2,305.		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan  It was also noted that former owner's arrears are £2,305.  There have been no referrals to the FTT.		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan  It was also noted that former owner's arrears are £2,305.		
	Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan  It was also noted that former owner's arrears are £2,305.  There have been no referrals to the FTT.  Update on investment works was given by C Baird		
	Reports for Noting  Factoring Report  It was reported that the factoring arrears on 31 <sup>st</sup> March 2023 was £179k. There was £37K of communal repairs added to the accounts during April 2023.  It was noted that:  • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property  • 180 owners are currently on a payment plan  It was also noted that former owner's arrears are £2,305.  There have been no referrals to the FTT.		

(b)	Mid Market Rent Update	
	All 31 properties are let	
	2 void properties to date, which have both been successfully relet.	
	Repairs are now out with the defects liability period and repairs will be treated as day to day repairs.	
	All gas services due within the first year were complete within the year.	
	Report noted.	
6.	AOCB	
	No points raised.	
7.	Date of Next Meeting	
	Next Meeting is scheduled for 16 August 2023.	

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED ng2 BOARD ATTENDANCE 2022-23

		A	April 100 miles and a second				
	06.12.	14.02.	13.06.				
	22	23	23				
M Thomson	Ь	Ь	Ь				
I Cross	Ь	Ь	Ь				0) 
J Berrington	A	Ь	Ь				
G Satti	Ь	Ь	Ь				
J Thorburn	A	Ь	Ь				
P Nelson	A	A					
<b>B</b> Hartness	Ь	Ь	Ь				
% Total	27%	%98	%001				

P - PRESENT X
A - APOLOGIES A\* -

ABSENT
LEAVE OF ABSENCE GRANTED

**TARGET ATTENDANCE - 80%** 

**AVERAGE ATTENDANCE - 80%** 

Item 10(c)



## ng2 Board Minutes

Meeting: ng2 Board meeting Location: The Ron Davey Enterprise

Centre, 10 Vulcan St

Date: Tuesday 13 June 2023 Time: 4:00pm

Attendees: John Thorburn JT

Isabella Cross IC
Margaret Thomson MT

Gino Satti GS

Jim Berrington JB

Apologies: None

In Attendance: Bob Hartness RH Director/Chair

David McIntyre - left after DM Senior Operations Supervisor

CM

item 4(d)

Minute Taker: Cheryl Murray

Jade Redmond – left after JR

item 4(d)

	Agenda	Action	Date
1.	Apologies		
	As above.		
	Chair advised of P Nelson's resignation from both the main		
	Board and all committees/subsidiaries including ng2. BH will		
	continue as Chair keeping the status quo until the elections for		
	Office Bearers takes place as scheduled at the first meeting of		
	the main Board following the AGM.		
2.	Disclosure of Interest and Attendance		
	None.		
3.	Minutes of Board Meeting on 14 February 2023		
	Board AGREED the minutes were an accurate record of the meeting.		
	Proposed J Thorburn Seconded I Cross		

4.	Reports for Approval		
a.	Management Accounts		
	Chair presented the Management Accounts for the period to 31 March 2023.		
	Chair commented that the year was much busier than previous years (due to the Covid-19 pandemic) and activities were more realistic to a typical year including having a full staffing level. The fleet of vehicles has increased resulting in increased costs for fuel and insurance. Chair was not proposing more gift aid as ng2 has spent more on fixed assets this year and had sufficient capital allowances to reduce corporation tax to zero. Chair commented that the reserves were acceptable to meet the needs of the business.		
	Members considered and APPROVED the Management Accounts for the period to 31 March 2023.  Proposed J Berrington Seconded M Thomson		
b.	Business Plan		
	Chair advised Members that the Business Plan 2023/24, previously approved by the ng2 Board had been approved by the Board of ng homes. It was subsequently being brought back to the ng2 Board to formally adopt:  Proposed J Berrington Seconded J Thorburn		
c.	Health and Safety		
	DM presented the health and safety report for the period covering January to March 2023. There were no incidents to report but it is a quieter time and operations are at their lowest. All staff are reminded to report incidents, accidents and near misses to their supervisor or manager and the importance of the learning points that come out of such incidents.		
	The report will be adapted for the next meeting as it still takes into account measures that were implemented to ensure staff could work safely during the Covid-19 pandemic.	DM	Next Meeting

	Members APPROVED the contents of the report:		
	Proposed I Cross Seconded G Satti		
d.	Risk Register		
	DM presented the risk register, and no changes were proposed.		
	The risk register as presented shall remain:		
	Proposed J Thorburn Seconded J Berrington		
	The risk register is presented at every meeting and Members		
	are reminded to consider any changes to discuss at each		
	meeting.		
e.	Confidential report		
	All ng2 staff left the room. Chair presented the P&C report.		
	Members discussed and APPROVED the content of the report.		
l	BH, DM, JB and MT were delegated authority to scope out any		
	further changes could be made.		
	Proposed J Thorburn Seconded G Satti		
5.	For Ratification		
a/b.	Payments & Benefit Cases #151 & #152		
	Chair presented the contend of two payment and benefit cases		
l	that were subsequently RATIFIED by members:		
	Proposed J Thorburn Seconded G Satti		
6.	Reports for Noting		
a.	Operational Report		
	Members NOTED the report providing Members with an update		
	on business operations for Q4 2022/23.		
	DM commented that the report would be amended removing	DM	Next
	references to Covid-19 for the next meeting.		Meeting
b.	Staffing Report		
	Members NOTED the report covering staffing matters for quarter		
	four.		
	l .	·	

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	BH highlighted the low sickness levels and training carried out	
	and commented on the employability strategy and work	
	placements currently underway within ng2. BH advised	
	Members of resignation.	
c.	Performance Assessment	
	Members NOTED the report advising of an offer of a permanent	
	contract to an ng2 employee.	
7.	AOCB	
	None.	
8.	Date of next meeting	
	Date of next meeting was confirmed as Tuesday 22 August	
	2023 at 4pm	
	Meeting ended at 4:45pm	

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED AUDIT COMMITTEEE ATTENDANCE 2022-23

	17.11.22	16.02.23	11.22 16.02.23 22.06.23			
J Berrington	Ь	Ь	Ь			
J Thorburn	Ь	Ь	Ь			
C Rossine	Ь	Ь	Ь			
P Nelson	A	Α				
G Satti	Ь	Ь	Ь			
M Grimley	Ь	Р	×			
% Total	83%	83%	%08			

P - PRESENT A - APOLOGIES X - ABSCENT

A\* - LEAVE OF ABSENCE

AVERAGE ATTENDANCE -

%98 80% TARGET ATTENDANCE -

Item 10(d)



## Audit Committee Minutes

Meeting: Audit Committee Meeting Location: The Ron Davey Enterprise

Centre / Microsoft Teams

**Date:** 22nd June 2023 **Time:** 4.00pm

Attendees: J Berrington – JB G Satti - GS

C Rossine – CR J Thorburn – JT

Apologies: M Grimley - MG

In Attendance: R Hartness -RH (DCEO)

K Sherriff - KS (ADF)

	Agenda	Action	Date
1.	Apologies		
	MG confirmed apologies after meeting.		
2.	Disclosure of Interest and Attendance		2
	No interests disclosed.		
	Paul Nelson has resigned from the Association Board and other		
	appointments with the group.		
3.	Minutes of Meeting – 16 <sup>th</sup> February2023		
	Minutes were approved as a true and accurate record.		
	Proposed JT Seconded GS		
4.	For Approval		
(a)	Management accounts NGHA – period to 31st March 2023		
	KS gave summary of report for period to 31st March 2023. Deficit		
	of £2.1m for the period with majority of positive variance over		
	budget arising from underspend on planned maintenance and		
	increased rental income being over budget. Main negative variance		
	due to lower level of capitalisation of planned maintenance spend.		
	Bank balances moving down from £21.8m to £19.2m. Loans		
	moving down from £41.5m to £40.8m.		

	Approved CR Seconded JT	
(b)	Management accounts - NG2 - period to 31st March 2023	
(6)	Management accounts - NG2 - period to 31st March 2023	
	RH referred to report covering the period to 31st March 2023	
l	detailing Income and Expenditure of the company and the balance	
l	sheet position.	
	The income from activities amounted to £3.16m with £577k of	
	direct costs and £1.95m of wages with a profit of £630k. Other	
	income of £3k from the furlough scheme then produced a gross	
	profit of £633k. Overheads of £549k for the period then left a net	
	profit of £84k before tax and gift aid of £20k. Balance sheet	
	reserves of £888k.	
	reserves of Eddok.	
	Proposed GS Seconded JT	
(c)	Management accounts - NGPS - period to 31st March 2023	
	KS referred to report covering the period to 31st March 2023	
	detailing Income and Expenditure of the company and the balance	
	sheet position. Noted that:	
	<ul> <li>Factoring income of £764k in the period with £532k of</li> </ul>	
	costs.	
	<ul> <li>Gross profit of £232k with £212k of salaries and overheads</li> </ul>	
	leaving a £20k profit for the period before tax.	
	<ul> <li>Level of share capital and reserves at period end £211k.</li> </ul>	
	Intercompany balance £199k owed by the Association to	
	NGPS.	
	Gross arrears level including the March 22 factoring run at	
	£210k.	
	After discussion, the management accounts were recommended for	
	approval to the Board and the Board of NGPS.	
	Proposed CR Seconded JT	
	I .	

(d)	Management accounts -DSGL - period to 31st March 2023	
	RH referred to the management accounts for the period to 31st	
	March 2023. The turnover in the period was £20k.	
	Overheads amounted to £7,856, interest charged from NGHA amounted to £546 and corporation tax charge of £3,061 leading to a profit after tax of £8,538. Reserves now amount to £60k.	
	After discussion, the management accounts were recommended for approval to the Board and the Board of DSGL.	
	Proposed GS Seconded JT	
(e)	Risk register review – strategic risk register	
	The Strategic Risk Register and accompanying report were discussed to consider what changes were needed. Narrative updated in various areas to reflect current events. Discussion on various areas.  - The residual risk on political change to be left as it is at sixteen. Brexit problems ongoing. Effects on trade negative and shortages of staff in some areas. Rapidly increasing interest	
	rates. Scottish and Westminster Governments unstable due to events. That could bring about further economic issues and problems.  - Economic risk left at sixteen. High inflation, utility costs still high and increased costs of materials and contractors. Ongoing pressure on resources for local authorities leading to services not being done or burden placed with Associations.	
	There may be other areas, but the above areas were felt to be the areas where there is noticeable risk and significant effects from such.	
	Committee discussed the overall strategic risk register and happy with changes made.	
(f)	Loan portfolio return	

	RH referred to the report regarding the Loan Portfolio Return which confirms standard details regarding the Association's loans and interest rates being paid. The return has to be submitted to SHR by 30 June.	
	Committee approved the loan portfolio return and its submission to the Regulator.	
	Proposed JT Seconded GS	
5.	For Noting	
(a)	Loans Report – 31st March 2023	
	RH referred to report providing details of the loan portfolio as at	
	31st March 2023 and the rates of interest currently being paid.	
	Loans amounted to £40.8m at end of quarter. Loan decreased from	
	the start of the year with receipt of £1.9m from Energy Savings	
	Trust but being outrun by level of repayments. Loans ended the	
	quarter at 68.46% fixed and 31.54% variable. Average interest	
	rate 3.70% and loan covenant ratios being met.	
	Nationwide has given us a waver on most of the covenant	
	conditions with no longer needing to send them management	
	accounts or meet the interest covenant calculations.	
	Committee noted report and that the loan portfolio is within the	
	Association's borrowing limits.	
(b)	Investment Report - 31st March 2023	
	KS referred to report providing details of investments made and	
	interest received for the quarter to 31st March 2023. Total of £72k	
	was received in the quarter with interest rates increasing.	
	Ongoing review of interest rates and accounts to ensure we get a	
	good return, and that institution is financially secure. Need to look	
	at placing more funds with other institutions than main bankers.	

	Committee noted the report.	
(c)	Bad debt report	
	KS referred to the bad debt report for the period January to March 2023. Resumed bad debt write offs in the period with a net £41k of arrears under £5k done. In addition six cases over £5k discussed	
	with a combined write off of £38k after having been approved by NGHA Chairperson. New debt collection agents put in place to collect from former tenants.	
	Committee noted the report.	
6.	AOCB	
	No matters raised.	
7.	Date of Next Meeting	
	Date of next scheduled Audit Sub-Committee Meeting – 20 July 2023.	



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## ng homes

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