



**BOARD MEETING
TUESDAY 29TH MARCH 2022 – 4:30PM
SARACEN HOUSE / MICROSOFT TEAMS**





AGENDA

Meeting: Board Meeting **Invitees** Board

Location: Saracen House, 139 Saracen Street / Microsoft Teams

Date Tuesday 29 March 2022

Time 4.30pm

Please submit any apologies to Cheryl Murray

Email: cmurray [REDACTED] **Telephone:** 0141 630 4324

	Agenda	Paper	Lead Officer	Page Number
1.	Apologies			
2.	Declaration of Interest and Attendance			1
3.	Minutes			
a.	Minutes of the Board Meeting on 1 February 2022	Yes		3
	i) Matters arising			
b.	Minutes of the Area Committee Meeting on 3 February 2022	Yes		11
c.	Minutes of the Regeneration Sub-Committee on 8 February 2022	Yes		21
d.	Minutes of the ng2 Board Meeting on 15 February 2022	Yes		31
e.	Minutes of the ng Property Board Meeting on 16 February 2022	Yes		39
f.	Minutes of the Audit Sub-Committee Meeting on 22 February 2022	Yes		45
g.	Minutes of the Staffing Sub-Committee on 23 February 2022	Yes		53
4.	Chief Executive's Update	Verbal	CEO	
5.	For Approval			
a.	Management Accounts to December 2021	Yes	BH	61
b.	NGHA Business Budget 2022/23	Yes	BH	71
c.	NGHA Business Plan 2022 - 2025	Yes	BH	83
d.	NGPS Business Plan	Yes	BH	145
e.	DSGL Business Plan	Yes	BH	157
f.	Code of Audit Practice	Yes	BH	165

g.	Expenses Policy	Yes	BH	175
h.	Garden Maintenance	Yes	LC	183
i.	Payments and Benefits – case 140	Yes	LC	185
j.	Anti-Fraud Policy	Yes	TS	187
6.	For Noting			
a.	Governance Update	Yes	TS	201
b.	Update on re-opening of offices	Verbal	TS	
c.	Notifiable Events	Yes	LC	209
7.	Chairs' Remarks			
8.	Delegates Feedback			
9.	AOCB			

Enclosures

Governance Calendar

Key for Colour Coding in Reports



Highlighting Good Performance



Requires Close Monitoring



Requires Urgent Attention

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED BOARD ATTENDANCE 2021-22

	05.10	26.10	30.11	22.12 Special	02.02.22															
I Cross	P	P	P	P	A															
C Rossine	P	P	P	P	P															
M Thomson	P	P	P	P	A															
J Thorburn	P	P	P	P	P															
Cllr A Gow	A*	P	P	P	A*															
J Berrington	P	P	P	X	P															
G Satti	P	P	P	P	P															
J MacLeod	P	X	P	P	P															
P Nelson	P	P	A	A*	P															
M Lam	P	A	P	X	X															
F Malcolm		P	A	X	P															
J Kennedy		P	P	P	P															
M Grimley		P	P	P	P															
J Fernie			P	A	P															
% Total	90%	85%	86%	64%	71%															

P - PRESENT X - ABSENT
 A - APOLOGIES A* - LEAVE OF ABSENCE GRANTED
 TARGET ATTENDANCE - 80% AVERAGE ATTENDANCE - 78%



Board Meeting Minutes

Meeting: Board Meeting **Location:** Microsoft Teams

Date: 1 February 2022 **Time:** 4.30pm

Attendees: J Thorburn (Chair), C Rossine (Vice-Chair), J Macleod, J Berrington, G Satti, P Nelson, J Kennedy (Co-optee), M Grimley (Co-optee), J Fernie (Co-optee), F Malcolm (Co-optee)

Apologies: M Lam, A Gow, I Cross, M Thomson

In Attendance: J Devine (CEO), B Hartness (DCEO) BH, L Cooper (DHS) LC, D Waugh (CSM) DW, 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.		
3.	Minutes		
a.	Minutes of Board Meeting on 30 November 2021		
	Board AGREED the minutes were an accurate record of the meeting. Proposed C Rossine Seconded J Berrington i) Matters Arising None.		
b.	Minutes of Special Board Meeting on 22 December 2021		
	Board AGREED the minutes were an accurate record of the meeting. Proposed G Satti Seconded P Nelson		

	i) Matters Arising None.		
c.	Minutes of the Urgent Decision Meeting on 15 December 2021 - For Ratification		
	Board RATIFIED the decision as detailed in the minutes. Proposed J MacLeod Seconded J Berrington Since this meeting took place the Scottish Government issued further guidance on 18 January 2022. Another meeting took place on 19 January 2022 with the Chair, Vice-Chair, CEO and Corporate Services Manager in attendance. Delegated authority to this group was approved at the previous Board Meeting in November and a revised date of 14 March 2022 to return to the workplace on a hybrid model was agreed.		
d.	Minutes of the Urgent Decision Meeting on 22 December 2021 - For Ratification		
	Board RATIFIED the decision as detailed in the minutes. Proposed J Berrington Seconded G Satti		
e.	Minutes of the Regeneration Sub-Committee Meeting on 9 November 2021		
	Noted.		
f.	Minutes of the ng2 Board Meeting on 11 November 2021		
	Noted.		
g.	Minutes of the Special ng2 Board Meeting on 6 December 2021		
	Noted.		
h.	Minutes of the Audit Sub Committee Meeting on 23 November 2021		
	Noted.		
i.	Minutes of the Staffing Sub-Committee on 25 November 2021		
	Noted.		
j.	Minutes of the ng Property Board Meeting on 8 December 2021		
	Noted.		

4.	Chief Executive's Update		
	<p>CEO advised Members that the Regulator reached out to all RSLs and requested that a H&S survey be completed and invited AB to advise Members what was involved.</p> <p>AB commented that part of her role is about looking at compliance and in conjunction with other staff members returned the survey to the SHR by the original deadline. The survey has allowed the Association to look internally and review areas that could be improved upon. AB went on to say that an action plan will be developed, and that the Association is striving for compliance plus in all areas. Members will be updated on progress.</p> <p>CEO referred to the Climate Emergency Training with Keep Scotland Beautiful that Members are aware of and five Members are already taking part in. CEO commented that sustainability is a priority for the Association and the training will help to form a policy and initiatives that will stretch across the business to lower carbon emissions. Members who were unable to attend this session will be invited to attend a future session.</p> <p>CEO referred to the work that is currently underway in reviewing the Association's standing orders with the support of external consultant, [REDACTED]. Members will be included in the review and a report on recommendations will come to the Board for APPROVAL.</p>		
5.	For Approval		
a.	HR Private and Confidential Report		
	<p>Members discussed and APPROVED the private and confidential staffing report.</p> <p>Proposed C Rossine Seconded J Berrington</p>		
b.	Management Accounts to 30 September 2021		
	BH presented the Management Accounts and referred to some specific areas. BH commented that the gap is beginning to narrow and anticipates planned maintenance should be close to budgeted level by year-end. BH went on to say that it was hoped the new build site		

	<p>would have been complete by November 2021 but unfortunately was delayed which impacted on projected income.</p> <p>CEO commented on the meeting with the Regulator in September 2021 and advised Members that they were interested in the financial effects of the Covid-19 pandemic and Brexit. CEO went on to say the LCITP contract terms were negotiated in such a way that ng homes suffered no financial uplift. However, other contractors have begun to reach out to request uplifts and discussions are in progress. CEO went on to say the Association is reviewing repairs and associated processes.</p> <p>Members considered and APPROVED the Management Accounts for the period to 30 November 2021.</p> <p>Proposed C Rossine Seconded P Nelson</p>		
c.	Business Plan Priorities Progress - Q3		
	<p>BH updated Members with progress on the Business Plan priorities. CEO invited Members to contact a Senior Officer either directly or via Cheryl, should they want to discuss any of the priorities.</p> <p>Members APPROVED the report.</p> <p>Proposed J Berrington Seconded P Nelson</p>		
d.	Rent Increase 2022/23		
	<p>LC reminded Members that they approved the figures for potential rent increases for consultation at the November 2021 Board meeting and advised that although the consultation was due to end on Friday 21st January 2022, it was extended until 28th January 2022 to maximise tenant engagement. LC reported that 1904 tenants had engaged which is more than double last year's figure and concluded that the approach this year and use of Wider Role Solutions contributed to that.</p> <p>LC went on to say that more information was captured and therefore reported for the first time this year such as how many tenants</p>		

	<p>declined to take part (no opinion) and how many tenants asked for no increase.</p> <p>LC advised that despite the high return, [REDACTED] [REDACTED] [REDACTED]</p> <p>An overwhelming 69.6% of tenants voted for a 2.9% rent increase. Members APPROVED a rent increase of 2.9% for 2022/23.</p> <p>Proposed C Rossine Seconded F Malcolm</p> <p>CEO commented that rent affordability is still under consideration. Discussions with GEMAP and Scotcash about how best to support tenants are ongoing.</p> <p>LC took the opportunity to verbally update Members on GCC's Tenant Grant Fund, to support tenants who are at risk of losing their home due to the Covid-19 pandemic. LC advised that ng homes has been successfully awarded approximately £53.6k to put towards the rent accounts of 29 tenants who were in arrears.</p>		
e.	Notifiable Events		
	<p>LC reported on one notifiable event since the last meeting, regarding a fire in a close caused by a toy car being set alight. The fire was contained.</p> <p>Member asked how it impacts on the Association's insurance policy. BH advised that the insurance policy excess is set at a high value and something of this scale would be dealt with by the Association with no need to contact the insurance company.</p> <p>Member asked if tenants had been advised of the dangers of leaving items in a close. LC said that tenants had been lettered in the past and inspections had been increased, however Housing Services would organise a reminder to all tenants and owners.</p>		

	<p>Member also pointed out the security risk of allowing strangers access to closes and requested housing services to include this in the correspondence.</p> <p>Members APPROVED the report.</p> <p>Proposed J Berrington Seconded P Nelson</p>		
f.	Gifts, Hospitality and Donations Report		
	<p>DW presented the report showing Members any gifts or hospitality given and received by the Association/group subsidiaries between 1 April to 30 September 2021.</p> <p>Members APPROVED the report.</p> <p>Proposed P Nelson Seconded C Rossine</p>		
6.	For Ratification		
a.	Payments and Benefits – Case 139		
	<p>CEO explained the details within the description of the benefit relating to attendance at the SURF Awards.</p> <p>Members RATIFIED Payments and Benefits Case no 139.</p> <p>Proposed J MacLeod Seconded J Berrington</p>		
7.	For Noting		
a.	Planning Process for a Safe Return to Work		
	Members NOTED the report providing information on the current position in relation to COVID 19 and the re-opening of non-essential offices.		
b.	Freedom of Information		
	Members NOTED the report providing statistics on FOI requests and SAR requests during Q1 and Q2.		
c.	Register of Interests		
	Members NOTED the report providing a breakdown of declaration information for all parts of the ng group.		

d.	Communications Report		
	Members NOTED the report providing an update on all communications and media information from 1 January to 31 December 2021.		
e.	Complaints and Compliments		
	Members NOTED the report providing a breakdown of complaints and compliments received from 1 October to 31 December 2021 (Q3).		
f.	KPI Performance		
	Members NOTED the report showing KPI performance from 1 April to 31 December 2021.		
8.	Chairs Remarks		
	<p>Chair asked Members to contact Cheryl should they have any confidential papers that need to be collected and destroyed.</p> <p>Chair also asked Members to contact Cheryl should they want to request attendance at any of the training or events organised by SHARE.</p> <p>Chair extended the Board's thanks to all staff for the work they continue to do.</p>		
9.	Delegates feedback		
	None.		
10.	AOCB		
	<p>None.</p> <p>Meeting concluded at 5:45pm</p>		

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED AREA COMMITTEE ATTENDANCE 2021-22

	28.10	03.02							
James Berrington (Chair)	P	P							
Hugh Corrigan	X	P							
Irene Munro	A	P							
Frank Spence	X	X							
Margaret Thomson	P	P							
Isabella Cross	P	P							
Catherine Rossine	P	P							
% Total	57%	86%							

P - PRESENT

A - APOLOGIES

X - ABSENT

A * - LEAVE OF ABSENCE GRANTED

AVERAGE ATTENDANCE - 71%

TARGET ATTENDANCE - 80%



Area Committee Meeting Minutes

Meeting: Area Committee **Location:** The Ron Davey Enterprise Centre, 10 Vulcan St / Microsoft Teams

Date: Thursday 3 February 2022 **Time:** 4:30pm

Attendees: J Berrington – Chair
C Rossine
M Thomson
I Cross
H Corrigan
I Munro

Apologies: F Spence

In Attendance: L Cooper LC (DHS); S Hazlett SH (HM); C Baird CB (IM) – left after item 5(a)

Minute Taker: C Murray – CM (PA)

	Agenda	Action	Date
1.	Apologies		
	As above.		
2.	Declaration of Interest and Attendance		
	None.		
3.	Minutes of Area Committee on 28 October 2021		
	Members AGREED that the minutes were an accurate record of the meeting. Proposed C Rossine Seconded I Cross <u>Matters Arising</u> None		
4.	For Approval		
a)	Risk Register		
	LC presented the Risk Register and advised that there were no proposed changes since it was reviewed at the last meeting in October, however, it is open to discussion and Members were invited to consider the Risk Register and comment.		

	Members discussed and considered the Risk Register and AGREED that no changes were required. Proposed M Thomson Seconded C Rossine		
b)	Tenancy Issues		
	LC reminded Members that legally, the Association could not take action to evict during the pandemic. LC presented case number ■ and case number ■ Members considered both cases and APPROVED permission to enforce the decree granted at court for both cases. Proposed I Munro Seconded M Thomson		
5.	For Noting		
a)	Investment Report		
	<p>CB presented the report providing Members with an update on progress with current planned maintenance projects.</p> <p>CB referred to the Kitchen, Bathroom and Re-wire (KBR) projects and commented that she had considered changing the reporting period to the financial year but left it from June 2020 as it is reflective of the effects of Covid-19.</p> <p>CB confirmed that the building control certificate has been received for the Carron Estate foyer and external façade works.</p> <p>CB is hopeful the painting for the Carron Estate balcony upgrades can resume at the end of March, when the weather should improve.</p> <p>The Scottish Govt. deadline for completion of LD2 works is February 2022. CB confirmed that the number of properties outstanding currently is 435 (558 at the time of writing the report). There was a shortage in obtaining the stock and staff continue to source and aim for 100% completion. CB advised that insurance has been increased for all properties not completed.</p>		

	<p>With regards to the roof repairs at Midton Street, revised drawings are still outstanding. CB assured Members that staff continue to work closely with City Building.</p> <p>CB confirmed the fire door replacement at Carbeth House is now complete.</p> <p>CB is hopeful there will be an owner/occupier meeting scheduled for the third week in February to discuss the wall on St Monance Street.</p> <p>Temporary repair works to the external fabric of 70 Broadholm Street are required which will involve using steeple jacks to test the fabric. Residents will be lettered at least 1 week in advance of the work starting and flyers will be placed in the foyers, however if the weather allows the work to start sooner, they will take the opportunity.</p> <p>CB moved onto the legislative works in the MSFs and summarised progress as detailed in the report. CB referred to some anti-social behaviour within the blocks and advised that staff are dealing with the issue.</p> <p>CB went on to say that access to the MSFs in the Carron estate has been challenging however staff continue to work close with residents.</p> <p>Finally CB referred to the new build site at Keppochhill Road and said 3 blocks have been handed back to ng homes and they are currently looking at snagging. CB advised Members that some of the social housing properties have been let and are now occupied. The Association continue to work through applications for the MMR properties. The commercial unit is still vacant while the arrangements are made for the new lease holder to sign.</p>		
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	<p>Member asked if it could be arranged to look around the new build site. CB asked any Member interested in visiting the site to contact her.</p> <p>The Area Committee NOTED the report.</p>		
b)	Homeless Report		
	<p>LC presented the report updating Members on the homelessness activity for April 2021 – December 2021.</p> <p>LC referred to the number of homeless lets for this year and commented that it is one of the best performing years yet with 104 lets – 33% against a target of 35%.</p> <p>Members discussed sustainability and reasons why a property was refused multiple times. LC advised staff continue to work closely with the casework team to ensure they are making referrals for the right area and property type.</p> <p>Member asked about the possibility of Stonyhurst Street empty properties being used for homeless cases.</p> <p>LC said that staff continue to work with structural engineers and quantity surveyors and referred to the update in the Investment Report (item 5(a)).</p> <p>Members NOTED the report.</p>		
c)	Neighbourhood Report		
	<p>SH reported on the activity in the Multi Storey Flats, Possilpark and Springburn Neighbourhoods for October, November and December 2021.</p> <p>LC advised Members that the arrears figures will be distorted due to the bank holidays and 2-week office closure in December. If tenant's direct debits fall on December bank holiday dates, it can push payments into January.</p>		

	<p>SH referred to staff training and advised that staff have found it beneficial and the Housing Services will be focusing more on staff training.</p> <p>Members NOTED the report.</p>		
d)	Universal Credit		
	<p>SH provided the Area Committee with an update on Universal Credit from April 2021 – December 2021 and commented that cases continue to be quite evenly split across each of the neighbourhoods.</p> <p>Members NOTED the report.</p> <p>NB: since the meeting a correction was identified in the report - Of the 1512 cases, 641 tenants are in arrears (42.4%) arrears totalling £517,788 (not £717,601 as quoted in the report). This is a decrease of £199,813 (not £199,821 as quoted in the report) from the previous quarter.</p>		
e)	Key Performance Indicators		
	<p>LC gave an update to the Area Committee on performance against the Scottish Social Housing Charter indicators for April 2021 – December 2021.</p> <p>LC commented on the vacancies lettable stock and that there is much more movement this year compared to last year when the pandemic restricted a lot.</p> <p>LC reminded Members that the Board agreed to increase the target for days-to-let from 23 to 25 days and currently lets are well within the previous target at 17.8 days.</p> <p>LC will check the figure of 246 applications received as it seems unusually low compared to last year's figure of 956.</p> <p>NB: since the meeting LC has confirmed that 246 applications are from October to December. The Total for the reporting period is 507</p>	LC	

	<p>Housing Services Managers will keep a close eye on the offers refused which currently sit at 30% against a target of 30% and referred to the comments made earlier in item 5(b) regarding working closely with the homeless casework team to avoid offers refused.</p> <p>LC advised that staff training is being organised on the monitoring system used in-house for anti-social behaviour.</p> <p>LC went on to summarise the comments made in the report regarding areas of improvement around customer satisfaction and is hopeful that when the investment programme can get up and running again post Covid, this should improve.</p> <p>Members NOTED the report.</p>		
f)	Money Advice Report		
	<p>LC gave an update to the Area Committee on activity on the Money Advice Service provided by GEMAP (Greater Easterhouse Money Advice Project) at ng homes. The report covers activity from 1 April 2021 – 31 December 2021.</p> <p>LC is planning to discuss with Housing Managers ways of promoting the “joining the dots” service and encouraging tenants to meet with the Financial Capability Officer.</p> <p>Members NOTED the report.</p>		
g)	Repairs Report		
	<p>SH presented the report advising Members on key repairs during the reporting period 1 April – 31 December 2021 and commented that the Association continues to work closely with contractors to improve repairs stats.</p> <p>Members NOTED the report.</p>		
h)	COVID-19 Tenant Grant Fund		
	<p>LC presented the report advising Members of new funding that has been awarded to ng homes to assist tenants who were at risk of losing their tenancy specifically because of effects of the</p>		

	<p>Covid-19 pandemic. LC advised of the strict application process and was delighted when it was confirmed that 29 tenants would benefit from the share of approx. £53,000 to clear their arrears. The monies will be paid directly to the Association which will then be credit to each tenants rent account.</p> <p>Members NOTED the report.</p>		
6.	AOCB		
	<p>LC advised Members that the new Housing Services Committee is still underway, and it is hoped the next meeting in May will be its first meeting. LC advised that the Association are working with an external consultant to review the Standing Orders which will include terms of reference for the new committee. Members will be advised of progress and plans prior to the May meeting.</p> <p>The meeting concluded at 5:40pm</p>	LC/CM	
7.	Date of Next Meeting – 26 May 2022		

[illegible]

TARGET ATTENDANCE - 80%



Regeneration Sub-Committee Meeting Minutes

Meeting: Regeneration Sub-Committee **Location:** The Ron Davey Centre, 10 Vulcan Street, G21 4BP / Microsoft Teams

Date: Tuesday 8 February 2022 **Time:** 4.30 pm

Attendees: G Satti - Chair
I Cross
M Thomson
Paul Nelson
J Berrington (virtual)
C Rossine (virtual)
John Thorburn (virtual)

Apologies: J Devine (CEO)

In Attendance: M Fraser (HOR) - MF
A Bell (HOI) - AB (virtual)
C Baird (IM) - CB (virtual)
G Cann (PM) - GC - (virtual) left at 6pm after item 4(g)
G McDowall (PM) - GM

████████████████████ (DMi) - left at 4:55pm

██ (Winning Scotland) (virtual) - left at 5:20pm

Minute Taker: C Murray (PA) - CM

	Agenda	Action	Date
1.	Apologies		
	As above		
2.	Declaration of Interest and Attendance		
	C Rossine, M Thomson, I Cross, J Thorburn declared an interest in item 4(a). Apologies noted above.		
3.	Minutes of Meeting- 9 November 2021		
	Members AGREED the minutes were an accurate record of the meeting.		

	Proposed M Thomson Seconded I Cross		
	<u>Matters arising</u> None.		
4.	For Approval		
a.	Health & Safety Concierge CCTV Works – Carron Estate		
	<p>C Rossine, M Thomson, I Cross, J Thorburn declared an interest.</p> <p>██████████ presented a PowerPoint (attached) explaining the history of what cameras were installed and the purpose of a technical survey that was undertaken by DMI in January 2020. ██████████ explained the recommendations made as a result of the survey.</p> <p>██████████ then referred to the introduction of data protection for CCTV and the seriousness of ensuring a CCTV system complies with GDPR and that it is the responsibility of ng homes as the systems operator and referred to 8 items that must be fulfilled with regards to GDPR (slide 6 of 8).</p> <p>The review of ng homes' CCTV identified what cameras needed to be removed, retained or repaired. ██████████ advised that some cameras, despite the age did not require to be upgraded, but some new equipment has been brought in where appropriate.</p> <p>██████████ referred to CCTV standards and Code of Practice, BS Standards and Legislation and commented that DMi are here to help guide ng homes in ensuring the CCTV system is fit for purpose.</p> <p>██████████ expanded on the various analytics the cameras can pick up and suggested discussing with the concierge where the problems areas are to position cameras appropriately. ██████████ explained that the cameras have the technology to pick up on suspicious activity rather than relying on someone calling in to report it.</p> <p>Chair expressed his gratitude to DMI for the presentation and although he commended the paperwork from AB, receiving a further</p>		

	<p>explanation from DMI puts some more perspective into a lengthy document.</p> <p>██████████ left the meeting at 4.55pm</p> <p>AB presented the report and commented that DMI, as our Measured Term Contractor, is familiar with ng homes' standards and customer service procedures and that a direct award is permissible as the contract value is well below the threshold for procurement.</p> <p>Member commented that they are also familiar with the area and the proposal seemed fair.</p> <p>Member commented that a system is only as good as the person who operates it and asked what training would be rolled out. CB confirmed there will be a training programme for concierge staff as well as Housing Managers with DMi. CB referred to the motion sensors which will be installed that will not require staff to be manning CCTV screens as much which should free up time.</p> <p>The Regeneration Sub-Committee APPROVED the appointment of DMI Fire & Security Ltd to install the new CCTV system and network at the above-mentioned locations in the tender sum of £143,197.00 plus VAT amounting to £171,836.40.</p> <p>Proposed J Berrington Seconded G Satti</p>		
b.	On Our Marks – Winning Scotland Foundation		
	<p>Chair introduced Winning Scotland who presented their 'On Our Marks' project. ██████████ explained to Members that the project was re-launched a few weeks ago and, in that time, had positively engaged with approximately 200 pupils and 80 parents and teachers. To date 25 teachers have committed to a full physical activity programme and feedback has been very positive.</p> <p>██████████ outlined the main points from his paper which highlighted the project aims in promoting physical activity and including the use of top-quality digital activity learning tools.</p>		

	<p>██████████ advised that they have increased the activity from 4 schools to 8 schools evidencing a demand for the project. A video of a recent session from St Teresa's Primary School was shown to the group.</p> <p>Member asked if the programme was just for children. ██████████ replied that the aim is for the children to get their families involved at home and once restrictions with the pandemic diminish invite parents and carers into the schools to join in as well as creating community clubs.</p> <p>Winning Scotland staff left the meeting at ██████████ thanked Members for their time and Winning Scotland left the meeting at 5.20 p.m. MF presented an approval paper with a request for funding to the value of £25k per year over three years for the "On Our Marks" project. MF also pointed out a correction to the report and that the last line starting from "£500...", under the recommendation within the report should be ignored.</p> <p>A discussion followed between members. It was noted that there was a lack of clarity on the funds requested. Member commented that the requested funds is a large increase on what Winning Scotland have been awarded in previous years and agreed that further clarity on the breakdown of funds should be explored before a decision is made.</p> <p>Members AGREED to delegate authority to the CEO, Chair of the Association and Chair of the Regeneration Sub-Committee to clarify details of the request prior to a decision being made to approve any costs.</p> <p>Proposed J Berrington Seconded C Rossine</p>		
c.	Investment Risk Register		
	AB presented Members with the Investment Risk Register and commented that some changes will be made in the near future to reflect the new job titles and areas of responsibility following the		

	<p>appointment of the Deputy CEO (Regeneration) to CEO of the Association.</p> <p>Members APPROVED the Investment Risk Register.</p> <p>Proposed M Thomson Seconded J Thorburn</p>		
d.	Regeneration Risk Register		
	<p>MF presented the Regeneration Risk Register and the change in job title of the person responsible from Head of Regeneration to Deputy Director of Regeneration. MF also commented on plans to restart activities face-to-face taking into account Covid-19 guidelines.</p> <p>Members APPROVED the Regeneration Risk Register.</p> <p>Proposed C Rossine Seconded J Berrington</p>		
e.	Essential Health & Safety Environmental Improvements Works Call-Off		
	<p>AB presented the report updating Members on essential health and safety backcourt, service path and drainage repairs required at 3 Broomfield Crescent, 56 Claddens Street and 50 Burnbrae Street and to retrospectively seek approval of the appointment of Mackenzie Construction Ltd to carry out the works.</p> <p>AB advised that increased costs on materials has been experienced across the industry and ng homes are currently in discussions with contractors regarding this.</p> <p>Members discussed the report and commented on the health and safety aspects of the work.</p> <p>Members retrospectively APPROVED the appointment of Mackenzie Construction Ltd to carry out the essential health and safety repair work to drains and service paths, in the sum of £41,440.35 (inclusive of VAT).</p> <p>Proposed J Thomson Seconded M Thomson</p>		

f.	Youth Engagement Strategy		
	<p>MF presented the report on the strategy to encourage young people to join a youth panel and subsequently give young people a voice, increase their confidence, improve succession planning for ng homes and broaden governance.</p> <p>As GC has been working on the developing the strategy, MF invited GC to comment.</p> <p>GC echoed the report and commented that there is very little youth representation at Board level around Scotland and the purpose of this strategy is to increase the confidence and voice of young people in the area and went on to say that that this is the start of that process.</p> <p>Members APPROVED the plan as detailed in the report, along with a budget of £1000 to be used to develop ideas within, and for, the group as it evolves.</p> <p>Proposed J Berrington Seconded J Thorburn</p>		
g.	NG Classic (Athletics)		
	<p>MF updated Members on plans to host and NG Classic (Athletics) Event and to reconnect with [REDACTED] (former Director of Sport at UTECH University, Jamaica) who worked with ng homes on Commonwealth Games initiatives.</p> <p>GC commented that there has not been much activity due to the Covid-19 pandemic and for a small amount the purpose of the event is to ng homes support physical activity. ng homes are supporters of Park Run and this event would be an extension of that.</p> <p>MF added that there will be ng homes branding and media around the event and Board Members will be invited to present medals, etc.</p> <p>Members APPROVED a budget of £500 from Regeneration budget towards this project costs as outlined in the report.</p>		

	Proposed M Thomson Seconded I Cross		
5.	For Noting		
a.	Development Report		
	Members NOTED the report providing an update on progress with the-Keppochhill newbuild development.		
b.	Investment Report		
	Members NOTED the report providing an update on progress with current planned maintenance projects.		
c.	Multi Storey Flats Major Works Report – Round 1 Funding		
	<p>Members NOTED the report providing an update on progress with the multi-storey flats major works project across 6x multi-storey (24/25 storeys high) blocks flats at Balgrayhill Road, Edgefauld Road, Croftbank Street and Viewpoint Place.</p> <p>Chair asked GM to explain the no access process/procedure. GM said the no access procedure has been applied because there is a sequence of works that follows a tight schedule. Tenants are issued with letters from approximately 6 weeks prior to work starting in their homes. Legal advice was sought on the process. GM said most tenants agree access however, to date, there have been ten properties where the Association have had to force access. GM commented that the number of no accesses is a very small percentage compared to the number of properties completed to date.</p> <p>MF has been attending the internal no access meetings and commented on how impressed she was with investment, housing, ng2 and community regeneration due to the amount of work everyone has been doing, how teams have worked together and the dignity in how it is carried out. The Association has been looking at further ways to support tenants as there has been an additional need in some instances.</p> <p>GM will update Members in future reports as the project progresses.</p>		

	Chair requested a site visit and for Members to report back on what they have observed. Any Members who are interested should contact GM.		
d.	Multi Storey Flats Major Works Report – Round 2 Funding		
	Members NOTED the report providing an update on progress with the multi-storey flats major works project across 7x multi-storey blocks in the Carron Estate.		
e.	Procurement Report		
	Members NOTED the report providing an update on progress against early action priorities for all Technical Procurements. AB pointed out that Chemtech had been taken over by Rock Compliance who were given a single procurement document (SPD) to complete to ensure the quality threshold was maintained. A novation document was passed to Brodies Solicitors to review, and some changes made to protect the interests of ng homes.		
f.	Regeneration Report		
	Members NOTED the report providing an update on Regeneration Activities.		
g.	Remade Network Partnership		
	Members NOTED the report detailing a partnership with Remade Network and the recruitment of 5 trainees.		
6.	Regeneration Sub-Committee Members Training		
	AB reminded Members of this standing item for Members to identify any training needs. No training needs were identified at this time.		
7.	AOCB		
	Chair also commented on the quality of the information within the reports and appendices and thanked all staff involved.		
8.	Date of Next Meeting Tuesday 3 May 2022		

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED ng2 BOARD ATTENDANCE 2021-22

	22.09	11.11	06.12 Special	15.02.21						
M Thomson	A	A	P	P						
I Cross	P	P	P	P						
J Berrington	P	P	P	P						
G Satti	P	P	P	P						
J Thorburn	P	P	P	P						
P Nelson	P	P	A*	P						
J Devine	A	A	P							
B Hartness	P	P	P	P						
% Total	75%	75%	88%	100%						

P	-	PRESENT	X	-	ABSENT
A	-	APOLOGIES	A*	-	LEAVE OF ABSENCE GRANTED

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 84%



ng2 Board Minutes

Meeting: ng2 Board meeting **Location:** Microsoft Teams

Date: Tuesday 15 February 2022 **Time:** 4:30pm

Attendees: Paul Nelson **PN** Vice Chair
 Isabella Cross **IC**
 Jim Berrington **JB**
 John Thorburn **JT**
 Margaret Thomson **MT**
 Gino Satti **GS**

Apologies: N/A

In Attendance: John Devine **JD** CEO
 Bob Hartness **RH** DCEO – Finance
 David McIntyre **DM** Senior Operations Supervisor

Minute Taker: Joanne Bradley **JPB** OS

	Agenda	Action	Date
1.	Apologies		
	None		
2.	Disclosure of Interest and Attendance		
	None		
3.	Election of Chair		
	Board Members were asked to indicate their interest in the position of Chairperson. The only nominee for the position was Paul Nelson (Nominated by JT and seconded by MT) Paul Nelson was duly elected as the new Chair.		
	Proposed JT Seconded IC		

4.	Minutes for Approval		
a.	Minutes of Board Meeting on 11th November 2021		
	i. Matters Arising		
	There were no matters arising and the previous minutes were adopted as correct: Proposed IC Seconded JT		
b.	Minutes of Special Board Meeting 6 December 2021		
	There were no matters arising and the previous minutes were adopted as correct: Proposed IC Seconded GS		
5.	Reports for Approval		
a.	Management Accounts to December 2021		
	<p>RH highlighted that this set of accounts showed increased activity, translating to a Turnover of £2.08m.</p> <p>No further income from the Furlough scheme will be received as the scheme ended during the reporting period so the accounts appear to show increased overheads due to this.</p> <p>Gift Aid for this financial year will be much reduced in comparison to the hefty donation for the previous year. This is because Capital allowances are very much increased and has made capital investment in equipment and vehicles very worthwhile. £260k of vehicles has been purchased over the year and there is consideration being given to purchase of a high-pressure jetting unit. DM will collate quotes for assessment. JD asked if this purchase could be approved in principle by the Board. GS highlighted that this would be a very good purchase in relation to jetting being a much eco-friendlier method of cleaning than use of chemicals and that would create a "green perception" of the business within the local community.</p> <p>Purchase of a high-pressure jetting unit was approved in principle. Proposed GS Seconded IC</p>	DM	ASAP

	<p>£47k for the period compared to £176k for the previous period, as the furlough scheme is being wound up and employees return to work, so overheads are at a more normal level.</p> <p>Gross profit was £562k with net profit of £208k.</p> <p>The Management Accounts for the period were approved by the Board.</p> <p>Proposed JT Seconded GS</p>		
b.	Risk Register		
	<p>The risk register is under review on an ongoing basis and updated as required by RH/PN/JT/DM/JB.</p> <p>Items 12 and 13 have updated references to ngh finance department and rewritten parts of the pandemic lines to convert the n to past tense i.e. now reflects what has been done instead of what was going to be done.</p> <p>Proposed GS Seconded IC</p>	RH/PN/ JT/DM/ JB	Ongoing
c.	Health & Safety Report		
	<p>Health and Safety continues to be high priority for ng2 and staff are encouraged to report all incidents. There were 2 incidents in the period however neither of these were classed as reportable incidents have occurred in the period and no days have been lost due to accidents at work.</p> <p>Proposed GS Seconded IC</p>		
d.	Salary Increase		
	<p>Approval is sought from the Board to increase the hourly rates of all staff by £0.40 across the organisation. This will bring ng2 into line with the increased Living Wage rate for 2022.</p> <p>JD also confirmed that the salary rates for trades will be reviewed to ensure that ng2 are able to retain and attract quality tradespeople. A proposal will be tendered by ng2 to the Association by RH when the review has been completed.</p>		

	The £0.40 increase per hour was approved by the Board Proposed JT Seconded MT		
6.	For Noting		
a.	ng2 Operations Report		
	<p>The landscaping contract continues to be ng2's largest contract. All cuts were completed by the extended deadline of 5/11/2021.</p> <p>The Environmental Hit Squad continue to face increased workload due to fly tipping. This situation will continue to be monitored and a further update will be given at the next meeting.</p> <p>Door Entry upgrade programme was completed in the period.</p> <p>Carron Balcony replacements have commenced however works were halted due to weather conditions and will resume at a later date.</p> <p>ng2 is providing support to the Association in MSFs with planned maintenance works involving heating and soil pipe works</p> <p>GS noted that the photographs and report had greatly improved in the previous 18 months and thanked the team for their efforts.</p> <p>The Board confirmed that they had read and noted the contents of the report and Appendix 1.</p>		
b.	Staffing Report		
	<p>Ng2's current sickness rate for the period continues to be well below the target of 3%, at 2.62%, compared to 0.13% for the previous reporting period.</p> <p>There have been 14 leavers in the period (■ of those were seasonal staff, ■ were resignations and there ■ exit interview was carried out.</p> <p>The Board noted the contents of the report.</p>		

7.	AOCB		
	There being no other competent business, the Chair thanked all for their attendance and closed the meeting.		
8.	Date of next meeting		
	Date of next meeting was confirmed as Tuesday 7th June 2022 at 4.30pm		

ng PROPERTY LIMITED BOARD ATTENDANCE 2021-22

	20.10	08.12	16.02.22						
C Rossine	P	P	P						
J Thorburn	P	P	P						
I Munro	P	P	P						
P Miller	P	P	P						
J Berrington	P	A	P						
G Satti	P	P	P						
L Cooper	P	P	A						
B Hartness	P	P	P						
% Total	100%	88%	88%						

P - PRESENT

A - APOLOGIES

X - ABSENT

A* - LEAVE OF ABSENCE GRANTED

TARGET ATTENDANCE -

80%

AVERAGE ATTENDANCE -

92%



Board Meeting Minutes

Meeting: NGPS Board **Location:** Teams

Date: 16 February 2022 **Time:** 4.30pm

Attendees: C Rossine (Chair) R Hartness – BH
J Thorburn C Wilson – CW
G Satti J Berrington
P Miller I Munro

Apologies: L Cooper

Minute Taker: C Wilson (CW)

	Agenda	Action	Date
1.	Apologies		
	As above		
2.	Disclosure of Interest and Attendance		
	No declarations of interest were made		
3.	Minutes of Meeting 8th December 2021		
	Minutes were agreed as an accurate record.		
	Proposed: P Miller Seconded: J Thorburn		
4.	Reports for Approval		
(a)	Management Accounts - period to 31st December 2021		
	<p>Information from the management accounts for the period to 31st December 2021 was reviewed. It was noted that:</p> <ul style="list-style-type: none"> Factoring income of £366K invoiced in the period. Gross profit of £134K with £142K in total of staff costs and overheads incurred or allocated from the Association. Left a loss of £8K before tax in the period. <p>BH noted the factoring position before bad debt provisions was £182K, which included items that were charged out in the factoring run for the December 2021 quarter. Bad debt provision of £49K which brings debt down to £133K (further £17K in Allpay transit)</p>		

	Proposed G Satti Seconded P Miller		
(b)	Risk Register		
	<p>BH reported that this will continue to be a standing item on all future agendas, as there is a focus on risk.</p> <p>A separate MMR risk register is still to be done.</p> <p>To update Covid point as circumstances have changed. Normal working now possible. No longer reporting to SHR.</p> <p>Proposed J Berrington Seconded J Thorburn</p>		
(c)	Budget and Business Plan 2022/23		
	<p>The business plan was discussed and BH advised that the following was considered in drawing up the business plan:</p> <ul style="list-style-type: none"> • Keeping charges comparable with other factoring bodies • Ensuring adequate resources to deliver services. • Sustaining good financial performance <p>The budget was discussed and focused on:</p> <p>Factoring – charges to cover the cost of managing the service</p> <p>Repairs & Services – Carried out effectively and economically</p> <p>Efficiency/VFM – Best use made of resources</p> <p>Board – Exercise proper control over the activities and ensure that decisions are taken in the best interests of the company and its parent.</p> <p>It was proposed that the standard insurance charge be increased from £42.05 to £43.46 per quarter. We are yet to finalise the insurance renewal so this might change. The standard management charge will increase from £39 to £40. MMR will be a new activity for the company. Expected this will add £139k to turnover with a minimal profit in the first year.</p> <p>The Board were asked to approval the above changes to the factoring charges.</p> <p>A surplus for 2022/23 of £15K after tax is projected.</p>		

	<p>After discussion the Board were asked to approve:</p> <p>The draft business Plan for 2022/23</p> <p>The draft budget for 2022/23</p> <p>Both reports will go the parent Board for approval then back to ngps Board for full approval.</p> <p>Proposed P Miller Seconded J Berrington</p>		
(d)	Appointment of Director		
	<p>Requested that Carmen Baird be appointed a Companies House director.</p> <p>Proposed J Thorburn Seconded G Satti</p>		
(e)	Mid-Market Rent update		
	<p>Following arrangements have been put in place:</p> <p>All of the following have now been completed:</p> <ul style="list-style-type: none"> • New client bank account • Private tenancy agreement and sign-up packs • New Allpay code for rent payments • Landlord registration – LARN 1533914/260/26012 • Sign up with tenancy deposit scheme • Sign up with credit checking agency <p>NGHA will lease the properties to NGPS at a social rent and NGPS will let them out at the MMR rent. NGHA cannot undertake the activity directly as a landlord due to its charitable status. Board approval sought to sign the lease once final amendments are done.</p> <p>Proposed J Thorburn Seconded I Munro</p>		
5.	Reports for Noting		
(a)	Factoring Report		
	<p>It was reported that the factoring arrears on 31st January 2022 was £69k. There was £10K of communal repairs added to the accounts during January.</p> <p>It was noted that:</p> <ul style="list-style-type: none"> • There are 8 owners owing more than £2,000 and all of these have notices of potential liabilities over the property 		

	<ul style="list-style-type: none"> 139 owners are currently on a payment plan <p>It was also noted that former owner's arrears are £1,970.</p> <p>CW advised that roof works at 32 Midton Street were almost complete. Gutter and stone works to be done at 145 Petershill Road. Grant of 50% for any owners to be received from GCC.</p> <p>St Monance retaining wall project meeting was pushed back, will now take place March. GS asked would it be appropriate to provide a paper on the agencies that have advised that they could not help with costs for the wall. CW to look into this as previous papers have been to main board.</p> <p>There have been no referrals to the FTT</p> <p>Report noted.</p>		
6.	AOCB		
	No points raised.		
7.	Date of Next Meeting		
	Next Meeting is scheduled for 1 June 2022		

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED AUDIT SUB-COMMITTEE ATTENDANCE 2021-22

	23.11	22.02.22						
I Cross	P	P						
M Thomson	P	P						
J Berrington	P	P						
J Thorburn	P	P						
C Rossine	P	P						
P Nelson	A	A						
G Satti	P	P						
% Total	86%	86%						

P - PRESENT

A - APOLOGIES

X - ABSCENT

A* - LEAVE OF ABSENCE

AVERAGE ATTENDANCE - 75%

TARGET ATTENDANCE - 80%

Audit Sub Minutes

Minutes

Meeting: Audit Sub Meeting **Location:** Vulcan Street/Teams

Date: 22 February 2022 **Time:** 4.30pm

Attendees: J Berrington – JB G Satti - GS
C Rossine – CR I Cross – IC
M Thomson –MT J Thorburn – JT

Apologies: P Nelson – PN

In Attendance: R Hartness –RH (DCEO)
K Sherriff – KS (ADF)

Agenda Item		Action	Date
1.	Apologies		
	As above.		
2.	Disclosure of Interest and Attendance		
	No interests disclosed.		
3.	Minutes of Meeting – 23rd November 2021		
	Minutes were approved as a true and accurate record.		
	Proposed JT Seconded GS		
4.	Management accounts NGHA – period to 31st December 2021		
	KS gave summary of report for period to 31st December 2021. Deficit of £1.5m 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 £36.2m to £23.9m. Loans moving downwards from £43.1m to £42.0m.		
	Approved CR Seconded MT		

5.	Management accounts – ng2 – period to 31st December 2021		
	<p>RH referred to report covering the period to 31st December 2021 detailing Income and Expenditure of the company and the balance sheet position.</p> <p>The income from activities amounted to £2.84m with £1.0m of direct costs and £1.33m of wages with a profit of £516k. All these numbers apart from wages are substantially up on the covid affected comparative period in previous year. Other income of £47k from the furlough scheme then produced a gross profit of £563k. Overheads of £354k for the period then left a net profit of £209k before tax. A £180k gift aid payment was made to the Association in the period. Balance sheet position of reserves of £808k.</p> <p>Proposed JT Seconded GS</p>		
6.	Management accounts - NGPS – period to 31st December 2021		
	<p>KS referred to report covering the period to 31st December 2021 detailing Income and Expenditure of the company and the balance sheet position. Noted that:</p> <ul style="list-style-type: none"> o Factoring income of £366k in the period. o Gross profit of £134k with £142k of salaries and overheads leaving £8k loss for the period before tax. Tax charge of £2k left £6k loss after tax. o Level of share capital and reserves at period end £188k. Intercompany balance £194k owed by the Association to NGPS. o Gross arrears level including the December factoring run at £182k. <p>After discussion the management accounts were recommended for approval to the Board and the Board of NGPS.</p> <p>Proposed CR Seconded JT</p>		

7.	Management accounts –DSGL – period to 31st December 2021		
	<p>RH referred to the management accounts for the period to 31st December 2021. The turnover in the period was £15k.</p> <p>Overheads amounted to £5,697 interest charged from NGHHA amounted to £335 and corporation tax charge of £2,344 leading to a profit after tax of £6,624.</p> <p>After discussion the management accounts were recommended for approval to the Board and the Board of DSGL.</p> <p>Proposed GS Seconded JT</p>		
8.	External audit plan 2021/22		
	<p>Wylie & Bisset had provided their Audit Planning Memorandum for the year ended 31 March 2022.</p> <p>Confirmed details on responsibilities, audit approach, risks, staffing of audit team and audit timetable.</p> <p>Proposed CR Seconded IC</p>		
9.	Risk Register review		
	<p>Risk register for Housing Services presented to the Committee. Comments made included:</p> <ul style="list-style-type: none"> - To update Covid section. No longer doing monthly returns to SHR. Control/action needs updated - Staff are working from the office and home not just "all working from home". Letting is being done. HS staff are back to a degree and by next review will be on 3/2 rota. - Do we not need reference to fire checks in properties other than MSF? If that's what Estate Management point means should say it is fire checks - Gas safety compliance – should we reword monitoring section as can now access most properties as covid symptoms will not last three month access period. <p>Proposed JT Seconded CR</p>		

9.	Loans Report – 31st December 2021		
	<p>RH referred to report providing details of the loan portfolio as at 31st December 2021 and the rates of interest currently being paid.</p> <p>Loans amounted to £42.0m at end of quarter. Loans ended the quarter at 77.45% fixed and 22.55% variable. Average interest rate 3.17% and loan covenant ratios being met.</p> <p>Committee noted report and that the loan portfolio is within the Association's borrowing limits.</p>		
10.	Investment Report – 31st December 2021		
	<p>KS referred to report providing details of investments made and interest received for the quarter to 31st December 2021. Total of £7.6K was received in the quarter.</p> <p>Ongoing review of interest rates and accounts to ensure we get a good return, and that institution is financially secure.</p> <p>Committee noted the report.</p>		
11.	Bad debt report		
	<p>KS referred to the bad debt report for the period November 2021 to February 2022. There was a bad debt write offs of £60k in the period with £49k previously provided leading to a £11k net write off.</p> <p>Four write offs amounting to £30k were presented for approval. With inability to remove tenants during the Covid period these arrears were at a higher level than we would normally expect. Greater detail to be provided in the future to give background to the larger write off's.</p> <p>Committee noted the general report and approved the four write off's of balances over £5k.</p> <p>Proposed JT Seconded GS</p>		
12.	AOCB		
	No matters raised.		

13.	Date of Next Meeting		
	Date of next scheduled Audit Sub-Committee Meeting – 16th June 2022.		

**'NORTH GLASGOW HOUSING ASSOCIATION LIMITED STAFFING SUB COMMITTEE
ATTENDANCE 2021-22**

	24.11	23.02.22						
J Thorburn	P	P						
C Rossine	P	P						
J Berrington	P	P						
G Satti	P	P						
P Nelson								
% Total	100%	100%						

**P - PRESENT
A - APOLOGIES**

**X - ABSENT
A* - LEAVE OF ABSENCE GRANTED**

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 100%

Staffing Sub-Committee Meeting Minutes

Meeting: Staffing Sub-Committee **Location:** Microsoft Teams

Date: 23 February 2022 **Time:** 4.30pm

Attendees: J Thorburn – JT – Chair
C Rossine – CR – Vice Chair
J Berrington – JB
G Satti – GS – arrived 4.43pm

Apologies: None

In Attendance: J Devine – JD (CEO) – left 4.37pm
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		
	None		
3.	Minutes of the Meeting of 24 November 2021		
	Members AGREED the minutes were an accurate record of the meeting. Proposed J Berrington Seconded C Rossine <u>Matters Arising</u> Item 4(d) – Corporate Services Risk Register – a full copy was sent out to all members.		

4.	Reports for Approval		
a.	Confidential Staffing Paper		
	<p>Members APPROVED the recommendations in the confidential report.</p> <p>Proposed G Satti Seconded C Rossine</p> <p>CEO left the meeting.</p>		
b.	Revised Policy for Approval: Unacceptable Behaviour		
	<p>Members APPROVED the updated policy which had been reviewed in line with our review schedule and good practice. There are no major changes to the policy but zero tolerance has been brought more to the fore.</p> <p>Proposed J Berrington Seconded C Rossine</p>		
c.	Revised Policy for Approval: Whistleblowing		
	<p>Members APPROVED the updated policy subject to any change in the addresses in the Appendix since the policy was reviewed and these will be double checked. There are no major changes to the policy but a link has been added to the SHR's website in Appendix 1 re. Whistleblowing.</p> <p>Member commented that "whistleblowing" sounds negative but a whistleblower may actually be trying to improve something.</p> <p>It was agreed that if any updates to addresses are required to be made to policies between reviews, these can be made without bringing them for formal approval.</p> <p>Proposed C Rossine Seconded J Berrington</p>	TS	asap
d.	Public Holidays 2022-2023		
	<p>EVH have distributed the public holiday notification which includes Monday 26th, Tuesday 27th, Wednesday 28th December 2022 and Monday 2nd, Tuesday 3rd and Wednesday 4th</p>		

	<p>January 2023.</p> <p>The Staffing Sub-Committee APPROVED the designation of Thursday 29th and Friday 30th December 2022 as the two additional public holidays for staff as per our local agreement and Thursday 5th and Friday 6th January 2023 as the two contractual annual leave days that staff are required to use during this period, subject to this being discussed and agreed with staff through the Employee Engagement Forum – this would mean that if agreed with staff there would be no need to revert to the staffing Sub-Committee.</p> <p>Proposed C Rossine Seconded G Satti</p> <p>It was agreed that in future this report would be brought for noting rather than approval as the holidays are issued by EVH and ng homes would not go against EVH.</p> <p>Proposed G Satti Seconded C Rossine</p>		
e.	Corporate Services Risk Register		
	<p>There are no proposed changes to the Corporate Services Risk Register at this time. This is likely to change when staff are back in the office next month and any changes will be discussed at the next meeting.</p> <p>Proposed C Rossine Seconded G Satti</p>		
5.	Reports for Noting		
a.	Planning for the safe return to the workplace and the reopening of our office		
	<p>This report was written before Nicola Sturgeon’s announcement yesterday, but safety and caution remain our watchwords and in the short term no changes are proposed to our health and safety protocols and procedures. The return to the office will take place on a hybrid basis from 14th March 2022, dependent on business</p>		

	<p>needs, and customer appointments will commence from 18th April 2022.</p> <p>Scottish Government guidance may change prior to the next Staffing Sub-Committee but it was AGREED that the Chair/Vice Chair/CEO and the Directors can meet to discuss and decide on any changes in the interim.</p> <p>Proposed J Berrington Seconded G Satti</p> <p>Member queried what safety processes would be in place to protect staff in the event customers might turn up at the office door demanding to come in. ng homes have sent information on re-opening to customers with the rent increase letters and have also posted it on the website, so customers have been made aware that we are operating on an appointment only basis. There will also be signage up on the entrance doors and internally. ng will continue to follow Scottish government guidance and will do as much as possible to protect staff, Board, tenants and other customers including wearing masks, providing hand sanitiser, signage and 1 metre social distancing (where possible) etc.</p> <p>Member raised the issue of lack of space in the interview rooms. Saracen House interview rooms only have one door so interviewer and interviewee cannot enter through different doors. This is being discussed at the Senior Managers meeting on 24th February. The architect has drawn up plans for 1m distancing (where possible) throughout the organisation and the interview rooms have been highlighted to him as something that needs to be addressed so the Association will await his proposals.</p> <p>The Association is also investigating technology where the tenant can be in the interview room with the interviewer in another room.</p>		
b.	Staff Recruitment, Leavers and Trainees Update		
	Members NOTED the report.		
c.	Staff Attendance: Sickness Absence		

	Members NOTED the report.		
d.	Staff Learning and Development		
	Members NOTED the report.		
e.	Health and Safety Update		
	There were five accidents, incidents or near misses reported during Quarter 3. It is encouraging that staff are reporting any incidents as these need to be recorded and learned from to ensure that we have a safe workplace. Our focus on safe working practices will also be reinforced in the new Health, Safety and Wellbeing Management System currently being looked at.		
f.	Employee Engagement Update		
	Members NOTED the report.		
g.	Customer Service Excellence (CSE) Assessment		
	Chair congratulated TS, the staff and Board re. achieving certification from CSE. The Investors in Young People (IIYP) re-assessment also took place in January and the Association retained Gold accreditation. Chair congratulated OF and staff for their work in this regard.		
h.	Disability Confident Employer		
	Chair congratulated the staff and Board on achieving Disability Confident accreditation.		
6.	AOCB		
	None.		
7.	Date of Next Meeting: 5th May 2022		

**Board Meeting****For Approval**

To: Board
From: DCEO

SUBJECT: MANAGEMENT ACCOUNTS – PERIOD TO 31 JANUARY 2022 **DATE 29 March 2022**

1.	Introduction		
	Below are income and expenditure and balance sheet for the period to 31 st January 2022 together with cash flow and accompanying notes. It should not need emphasis that this continues to be an unusual period. Even with lockdown ended there is still impediments to normal business.		
2.	Risk and other issues		
	The management accounts are reviewed on a regular basis by the management team, Audit Committee and Board, ensuring close monitoring of financial position of the organisation. This is a key element of budgetary control and monitoring		
	There are no applicable effects on sustainability or equality and diversity issues.		
3.	Comparison against budget		
	The Management Accounts cover the period to 31 st January 2022 and compares the Income and Expenditure of the Association against the budget.		
		Effect - £k	Comment
	Rents	222	With ability to let properties and more properties being relet higher return from properties relet.
	Planned maintenance	2,570	Most costs incurred centred on the multis project with other contracts limited.
	Wages	235	Unfilled positions with delays in recruitment due to pandemic.
	Gift aid	180	Gift aid payment from ng2
	Other variances	1,176	

	Effect	
	- £k	
Planned maintenance capitalisation	1,823	With lower planned maintenance spend then reduced capitalisation in period.
Day to day repairs	648	Catch up on previous years held back by lockdown and reduced access.
Voids	369	Catch up on voids previously held over
Other negative variances	<u>555</u>	
Total negative variances	<u>3,395</u>	
Total positive variances	4,383	
Total negative variances	<u>(3,395)</u>	
Net movement	988	
Projected deficit for period	<u>(2,194)</u>	
Actual deficit for period	<u>(1,206)</u>	
Total Positive variances	<u>4,383</u>	
Ratios for lender are in an acceptable position. Interest cover of 1.39 (after transfer from designated reserves) against a required ratio of 1.1 and the ratio of secured assets to loan value at 2.34 against a required ratio of 1.0.		
Turning to the balance sheet the significant factors within the period included:		
<ul style="list-style-type: none"> Property expenditure of £12.59m, other assets expenditure of £218k and depreciation of £4.0m leading to a net increase in fixed assets of £8.8m. This includes the expenditure on property acquisitions, property improvements, adaptations, and computer equipment. Bank balances moved downwards from £36.2m to £23.8m with negative cash flow of £12.4m. Loans decreased by £1.2m with the repayments made in the period. Now loans of £41.9m outstanding. 		

4.	Recommendation
	Board Members are asked to APPROVE the Management Accounts for the period to 31 st January 2022.

NORTH GLASGOW HOUSING ASSOCIATION LTD.

MANAGEMENT ACCOUNTS FOR PERIOD ENDED

31/01/22

INCOME AND EXPENDITURE

Year to 31/3/21	Jan-22 Actual	Oct 21 - Jan 22			CUMMULATIVE TO DATE			ANNUAL BUDGET
		Actual	Budget	Variance	Actual	Budget	Variance	
Income								
24,835,166 Rental Income	2,117,496	8,452,989	8,416,217	36,772	21,159,502	20,937,355	222,147	24,773,743
-440,408 Voids	-28,166	-96,275	-147,284	51,009	-252,805	-366,404	113,599	-437,041
38,381 Service Income	3,421	13,879	13,239	640	35,146	33,487	1,659	40,496
24,433,139	2,092,751	8,370,593	8,282,172	88,421	20,941,843	20,604,438	337,405	24,377,199
0 Factoring Income	11,661	132,344	156,435	-24,091	378,133	469,304	-91,171	625,739
555,085 Grant release/received	30,000	120,000	188,496	-68,496	323,117	471,240	-148,123	565,488
24,988,224 Net Income	2,134,412	8,622,937	8,627,103	-4,166	21,643,093	21,544,982	98,111	25,568,426
Expenditure								
1,859,479 Day to Day	224,596	1,019,983	621,115	-398,868	2,214,103	1,565,681	-648,422	1,861,900
888,969 Cyclical	440,697	974,383	916,268	-58,115	1,838,972	2,290,669	451,697	2,845,270
1,177,828 Void Maintenance	30,467	382,719	233,333	-149,386	952,419	583,333	-369,086	700,000
394,547 Bad Dbts-Rents	34,276	-3,049	153,333	156,382	258,404	383,333	124,929	460,000
0 Bad Dbts-services	0	0		0	0		0	0
15,273,257 Planned maintenance	400,386	6,560,836	6,932,467	371,631	14,761,516	17,331,168	2,569,652	20,797,402
-8,730,819 Capitalised to balance sheet	-414,850	-4,868,033	-4,762,589	105,444	-10,083,160	-11,906,473	-1,823,313	-14,287,768
687,365 Other Property Costs	127,492	307,986	305,333	-2,653	721,840	763,333	41,493	916,000
4,034,380 Depreciation	380,000	1,520,000	1,550,000	30,000	3,800,000	3,875,000	75,000	4,650,000
1,876,166 Service Costs	31,810	450,430	519,748	69,318	1,363,166	1,310,939	-52,227	1,577,274
-185,460 Factoring Expenditure	13,505	84,496	104,224	19,728	228,990	285,560	56,570	422,672
5,509,577 Salaries	376,892	1,662,282	1,772,691	110,409	4,196,444	4,431,727	235,283	5,318,072
1,935,252 Overheads	84,927	660,002	651,567	-8,435	1,544,970	1,628,917	83,947	1,954,700
24,720,541 Total Expenditure	1,730,198	8,752,035	8,997,490	245,455	21,797,664	22,543,187	745,523	27,215,522
267,683 Surplus from Ordinary Activities	404,214	-129,098	-370,387	241,289	-154,571	-998,205	843,634	-1,647,096
0 Development Income	0	0	0	0	0	0	0	0
0 Development Expenditure	0	0	0	0	0	0	0	0
0 Development Surplus	0	0	0	0	0	0	0	0
737,595 Other Income	21,885	121,576	229,333	-107,757	371,756	576,720	-204,964	691,387
615,451 Other Expenditure	18,908	149,202	271,333	122,131	474,215	678,333	204,118	814,000
389,828 Net Surplus	407,191	-156,724	-412,387	255,663	-257,030	-1,099,818	842,788	-1,769,709
1,207,444 Loan Interest	103,711	474,494	462,859	-11,635	1,193,322	1,157,148	-36,175	1,388,577
98,552 Interest received	2,324	10,010	25,000	-14,990	40,937	62,500	-21,563	75,000
41,296 Other finance charges	0	0		0	0		0	
46,769 Property and fixed asset sa	0	-402	0	-402	23,101	0	23,101	0
2,816,381 Pension adj/corp tax/gift aic	0	-180,000		-180,000	-180,000		-180,000	0
-3,529,972 Net Surplus after interest	305,804	-441,610	-850,246	408,636	-1,206,314	-2,194,465	988,151	-3,083,286
1,000,000 Trans from Designated Res	0	900,000	0	900,000	1,850,000	0	1,850,000	0
0 Trans to Designated Reser	0	0	0	0	0	0	0	0
-2,529,972 Net result after Transfer	305,804	458,390	-850,246	1,308,636	643,686	-2,194,465	2,838,151	-3,083,286

NORTH GLASGOW HOUSING ASSOCIATION LTD.

MANAGEMENT ACCOUNTS FOR PERIOD ENDED

31-Jan-22

INCOME AND EXPENDITURE

ANALYSIS OF DIRECT EMPLOYEE & ADMINISTRATION COSTS

2021	Jan-22 Actual	<----- Actual	Oct 21 - Jan 22 Budget	Variance	CUMMULATIVE TO DATE Actual	Budget	Variance	ANNUAL BUDGET
4,687,932 Salaries	323,848	1,445,463	1559700	114,237	3,634,850	3,899,251	264,401	4,679,101
821,645 Pensions	53,044	216,819	212990	-3,829	561,594	532,476	-29,118	638,971
5,509,577 Total Direct Employee	376,892	1,662,282	1772691	110,409	4,196,444	4,431,727	235,283	5,318,072
98,465 Heat & Light	5,776	18,291	16667	-1,624	41,104	41,667	563	50,000
228,151 Depreciation	20,000	80,000	66667	-13,333	200,000	166,667	-33,333	200,000
12,571 Office & General	1,620	5,421	13333	7,912	10,582	33,333	22,751	40,000
59,851 Cleaning and Materials	1,196	23,558	28333	4,775	64,507	70,833	6,326	85,000
75,007 Subscriptions	7,462	23,544	25000	1,456	54,843	62,500	7,657	75,000
7,695 Photocopier costs	623	3,617	6667	3,050	8,018	16,667	8,649	20,000
41,759 Postage & Stationery	1,049	16,722	20000	3,278	31,622	50,000	18,378	60,000
0 Office Repairs & maintenar	3,952	11,896	10000	-1,896	24,432	25,000	568	30,000
204,629 Rent, Rates, Insurance	18,393	111,598	66667	-44,931	243,536	166,667	-76,869	200,000
136,269 Telephone & internet	14,785	70,882	43333	-27,549	139,149	108,333	-30,816	130,000
17,190 Audit & Accountancy	3,507	14,028	10000	-4,028	15,738	25,000	9,262	30,000
32,031 Equipment Maintenance	1,719	10,110	18333	8,223	20,313	45,833	25,520	55,000
40,680 Legal Fees	614	15,951	10000	-5,951	26,310	25,000	-1,310	30,000
16,209 Leasing Contracts	578	4,631	6667	2,036	12,735	16,667	3,932	20,000
4,247 Promotions, publicity & anr	0	6,692	10000	3,308	12,816	25,000	12,184	30,000
120,967 Consultants	2,469	38,380	46667	8,287	84,541	116,667	32,126	140,000
414,229 Computer Support	-29,906	80,966	106667	25,701	256,543	266,667	10,124	320,000
223,589 Computer - License & acce	16,725	73,032	60400	-12,632	170,492	151,000	-19,492	181,200
0 Office Landscape Maintene	0	0	2500	2,500	0	6,250	6,250	7,500
1,733,539 Total Office Overheads	70,562	609,319	567900	-41,419	1,417,281	1,419,750	2,469	1,703,700
5,496 Recruitment advertising & c	3,046	4,147	6667	2,520	17,946	16,667	-1,279	20,000
15,699 Staff Training	0	8,229	20000	11,771	27,218	50,000	22,782	60,000
0 Staff life cover	9,000	9,000	4000	-5,000	9,000	10,000	1,000	12,000
3,358 Staff uniforms	308	3,409	2000	-1,409	5,318	5,000	-318	6,000
0 Temporary Staff	0	0	1667	1,667	0	4,167	4,167	5,000
3,015 Conferences & Seminars	0	3,655	8333	4,678	3,700	20,833	17,133	25,000
10,938 Travel & Subsistence	695	1,349	8333	6,984	2,903	20,833	17,930	25,000
141,910 Health & Safety	1,127	16,936	23333	6,397	48,226	58,333	10,107	70,000
180,416 Total Staff Overhead Cos	14,176	46,725	74333	27,608	114,311	185,833	71,522	223,000
13,162 Training	110	585	2667	2,082	1,105	6,667	5,562	8,000
1,286 Travel Expenses	79	108	1333	1,225	175	3,333	3,158	4,000
3,420 Expenses to Committee	0	1,059	2000	941	3,234	5,000	1,766	6,000
3,429 Conferences	0	2,206	3333	1,127	8,864	8,333	-531	10,000
21,297 Total Committee Costs	189	3,958	9333	5,375	13,378	23,333	9,955	28,000
Total Direct Employee & Administration Costs	461,819	2,322,284	2424257	101,973	5,741,414	6,060,643	319,229	7,272,772

**NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO
BALANCE SHEET**

31-Jan-22

Previous
year
totals

FIXED ASSETS

ACTUAL

131,350,817 Housing Properties
-25,094,890 Depreciation

143,944,467
-28,894,890

106,255,927

115,049,577

Less:
0 Housing Association Grant

0

106,255,927 Net Value

115,049,577

1,394,695 Other Fixed Assets
1,300 Investments

1,412,610
300

107,651,922 **TOTAL FIXED ASSETS**

116,462,487

CURRENT ASSETS

287,768 Stock & WIP
36,166,311 Cash and Other Short Term Investments
513,240 Rent Arrears
1,509,226 Other Current Assets

114,595
23,832,916
475,163
1,157,482

38,476,545 **TOTAL CURRENT ASSETS**

25,580,156

CURRENT LIABILITIES

2,154,506 Short Term Loans and Current Loan Capital Repayments
0 Bank Overdrafts
4,749,794 Other Current Liabilities
2,816 Pension liability under one year

2,454,506
0
3,776,174
2,816

6,907,116 **TOTAL CURRENT LIABILITIES**

6,233,496

31,569,429 **NET CURRENT ASSETS**

19,346,660

139,221,351 **TOTAL ASSETS LESS CURRENT LIABILITIES**

135,809,147

CREDITORS DUE AFTER ONE YEAR

40,951,913 Long Term Loans
4,481,312 Pension liability
16,416,502 Deferred income
61,849,727

39,470,440
4,061,949
16,111,478
59,643,867

77,371,624 **NET ASSETS**

76,165,280

RESERVES

20,211,168 Designated reserves
14,885,518 Revenue
42,274,810 Revaluation reserve
77,371,496 **TOTAL RESERVES**

18,361,168
15,529,204
42,274,810
76,165,182

128 **SHARE CAPITAL**

98

77,371,624

76,165,280

cashflow

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31-Jan-22
CASHFLOW

YEAR TO
31/03/2021
0

OPERATING ACTIVITIES

ACTUAL

382,204	Operating surplus for period	-257,030
4,034,380	depreciation - properties	3,800,000
228,151	Depreciation - fixtures	200,000
-351,385	Amortisation of capital grants	-300,000
46,769	Gain on sale of fixed assets	23,101
	Other finance charges	
-380,474	Decrease/(Increase)in Debtors	389,821
-144,929	Decrease/(Increase)in stock	173,173
12,090,293	(Decrease)/Increase in Creditors	-1,218,007
	share capital cancelled	

<u>15,905,008</u> Net Cash In/(Out)flow From Operating Activities	<u>2,811,058</u>
---	------------------

INVESTING ACTIVITIES

0	Grants Received	0
-13,410,851	Acquisition and Construction Of Properties	-12,593,650
-357,047	Acquisition of Other Fixed Assets	-217,915
-6,553	Procceds on disposal of properties	0

0 Investment in Activities	1,000
----------------------------	-------

<u>-13,774,451</u> Net Cash In/(Out)flow From Investing Activities	<u>-12,810,565</u>
2,130,557	-9,999,507

FINANCING

18,400,000	Loans Received	1
-1,857,508	Less: Loans Repaid	-1,181,474
98,552	Interest Received	40,937
-1,207,444	Interest Paid	-1,193,322
-14	Share capital issued	-30

<u>15,433,586</u> Net cash In/(Out)flow From Financing	<u>-2,333,888</u>
--	-------------------

<u>17,564,143</u> Increase/(Decrease) in Cash and Cash Equivalents	<u>-12,333,395</u>
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17,564,144 Movement in Cash & Bank	-12,333,395
0 Movement in Bank overdrafts	0

<u>17,564,144</u> Increase/(Decrease) in Cash and Cash Equivalents	<u>-12,333,395</u>
18,602,167 Opening cash balance	36,166,311
<u>36,166,311</u>	<u>23,832,916</u>

North Glasgow Housing Association Limited

Nationwide Ratios

All information contained in these ratios are taken from the annual accounts except for current figures which is management accounts

	Jan-22	2021	2020	2019
Share capital	98	128	142	144
Reserves	76,165,182	77,371,496	80,909,091	78,222,768
HAG	16,111,478	16,416,502	5,510,078	3,654,930
Net worth	92276758	93788126	86419311	81877842
Current assets	25,580,156	38,476,545	20,386,998	19,869,107
Current liabilities	6,233,496	6,907,116	5,210,813	4,285,090
Borrowings old facility	14,356,811	14,925,590	15,613,605	16,268,124
Borrowings new facility	919,813	972,680	1,042,196	1,108,002
Number of charged properties - original loan	1192	1192	1192	1192
Value per property	24955	24955	24955	24955
Total value	29746000	29746000	29746000	29746000
Number of charged properties (A) - New loan	71	71	71	71
Value per property	25606	25606	25606	25606
Total value - Category A	1818000	1818000	1818000	1818000
NB properties (B) new loan EUV	124	124	124	124
Value per property	41468	41468	41468	41468
Total value - Category B EUV	5142000	5142000	5142000	5142000
Total A + B	6960000	6960000	6960000	6960000
C Operating surplus	-257,030	382,204	951,115	1,371,368
D Profit on sale of fixed assets	23,101	46,769	8,535	38,631
E Interest Receivable	40937	98552	120858	116652
F Interest Payable	-1193322	-1207444	-908340	-1088873
K Other Finance Charges	0	-41296	-104203	-85337
L Pension movement	180,000	-2,816,381	2,618,358	-1,146,288
G Surplus before tax	-1206314	-3537596	2686323	-793847
H transfer from designated reserves	1,850,000	1,000,000	0	500,000
I transfer (to) designated reserves				
J Surplus after reserve transfer	643686	-2537596	2686323	-793847
Lenders definition of annual surplus (G+F+H+K+L)	1657008	1527525	1080508	2026651
Interest Cover Ratio - required ratio >1.1 unless year with agreed deficit				
Annual surplus/interest payable	1.39	1.27	1.19	1.86
Quick ratio	4.10	5.57	3.91	4.64
Borrowings to Net Worth - Nationwide	16.56	16.95	19.27	21.22
Charged value to Borrowings (CVB) - original loan EUV	2.072	1.993	1.905	1.828
CVB - original loan - EUV with sales	2.903	2.793	2.669	2.562
CVB new loan - EUV	7.567	7.155	6.678	6.282
CVB - EUV combined total both loans	2.34	2.25	2.145	2.056

**Board Meeting****For Approval**

To: Board
From: DECO – Finance

SUBJECT: BUDGET 2022/23**DATE 29 March 2022**

1.	Introduction
	<p>ng homes must plan and control its finances by setting an annual budget which includes an accurate assessment of the full cost of each activity and a fair allocation and apportionment of costs.</p>
2.	Risk
	<p>The Budget is a necessary part of the governance structure of the Association. The budget sets out the financial objectives, actions and initiatives agreed by the Board for the year ahead. Not to prepare the budget and failure to submit would be a failure in controls and a breach of agreements.</p> <p>The risk is mitigated by the proper preparation of the budget and consideration of such against required standards. Review of such at management and Board level and submission to the Regulator within agreed timescales.</p>
3.	Underlying principles
	<p>The principles listed below have been used in drawing up the 2022/23 budget.</p> <ul style="list-style-type: none">• Protecting tenant's interests in terms of keeping rents affordable and ensuring adequate resources for maintenance.• Ensuring adequate staff resources to deliver services• Retaining the confidence of private lenders.• Sustaining good financial performance <p>In order to achieve the above the Association must ensure that:</p> <ul style="list-style-type: none">• rents - income is maximised whilst remaining affordable.• factoring - charges cover the costs of managing the service.• repairs - there is a plan and funding for the lifetime maintenance of stock.• development - the process is carried out efficiently, effectively, and economically.

	<ul style="list-style-type: none"> • Efficiency / value for money - best use is made of resources. • Board - exercise proper control over the activities and ensure that decisions are taken in best interests of the tenants and the Association.
4.	Summary
	<p>The budget for 2022/23 is detailed below and in the attached pages. This year is a continuation of the promises that were made being implemented with significant planned maintenance, improving the lives of our tenants and a programme of wider action expenditure. It is a commitment to ensuring the health and safety of our tenants in the multi's stock together with steps towards reducing fuel poverty.</p> <p>Rental and service income is projected at £25.6m. This is with the agreed rent increase of 2.9% and additional income from the new build units. The rental income has been reduced to reflect units expected to be demolished in future years.</p> <p>The salary levels have been updated to include a 2.65% increase and the NI increase of 1.25% plus increments and planned recruitment. There is no agreed EVH increase as the increase is still in negotiation at the time of writing this report.</p> <p>Spend for 2022/23 on planned maintenance has been set at £14.3m. The last two years were meant to be exceptional years with planned expenditure set at levels of about £20m but with delays due to Covid there was underspends and the addition of the Carron ASHP contract. This spend this year is primarily focused on completing the multi storey contracts. Under component accounting works that have an extended life and can be identified to specific properties should be capitalised and written off over the useful life of the asset. A provisional total of £8.8m has been capitalised but will be subject to revision depending upon the final mix of works done.</p> <p>Loan interest is projected at £1.22m. The additional costs of the various loans that were drawn down over the last two years to meet our financing needs is partially balanced by the end of a fix on £4.7m of loans that will reduce interest rates by 4%. . There is not any grant funding for planned maintenance projects in the year or additional loan finance.</p> <p>A deficit of £0.5m is projected for the year. The deficit may change as we go through the work programme.</p> <p>Beyond the planned maintenance capitalisation there is net investment of £0.2m on adaptations and £0.5m spend on other fixed assets built into the balance sheet. Projected</p>

	<p>repayment of £2.7m of loans during the year.</p> <p>Cash flow is negative with projected decrease in cash of £9.1m bringing cash at bank down to £19.0m. Cash balances will continue to decline over the immediate future till we run through the short-term programme.</p> <p>The Association is meeting its stock transfer and other commitments and remains in a healthy position.</p>
5.	Recommendation
	<p>Members are asked to:</p> <ul style="list-style-type: none"> a) Approve the revised budget for 2022/23. b) Receive quarterly reports on performance. c) Delegate DCEO / C.E.O (and Executive Team) with day-to-day responsibility for implementing and managing overheads and overall budget reporting any material changes as necessary. d) Executive team to continue to review expenditure for savings and to report back to Board on such. <p>Robert Hartness (<u>DCEO</u>)</p>

Budget Detail

The attached extracts from the budget model have been prepared in consultation with the overall staff team and considering the changes in the financial environment since the last time the budget was approved.

Economic conditions

Economic conditions have continued to be problematic since the preparation of the last budget. The pandemic has impacted on employment levels and income for our tenants. Costs are increasing over all headings but particularly in energy costs.

Budget Key Features

- **Rent** – increase of 2.9% leading to total rents and service charges of £25.6m net of voids.
- **Day to day maintenance** – set at £2.15m with increases in costs for contractors and materials built in at an expected rate of 15%. Savings expected from repairs review and additional procurement exercises.
- **Cyclical maintenance** – set at £1.96m. This is down on last year with the smoke detector installations completed within 2021/22.
- **Planned Maintenance** – The projected cost for various programmes of work for this year is £14.3m. This is due to ongoing ASHP projects in the multis together with a wide range of contracts being undertaken including rewires, boiler replacements, door replacements and other works. Of the overall total £8.8m will be capitalised into the balance sheet.
- **Bad debts** – expected with economic circumstances still being depressed for our customer group together with ongoing universal credit implementation that projected bad debts will still be significant so adopting a charge of £400k.
- **Property depreciation** – set at £5.0m with continuing charges on existing capitalised major repair costs and general properties. With the substantial investment in the stock last year and this year the charge has increased significantly.
- **Factoring** is an area that is difficult to project at any point in time as the level of repairs included within the gross levels of income and expenditure are always variable. This is particularly true this year with the catch up on day-to-day repairs and planned maintenance

delayed by Covid. Income set to a total of £727k, and factoring costs of £515k has been put into the budget.

- **Loan Interest** – decreased to £1.22m from £1.39m. Interest rates increasing is balanced out by the ending of a fix on £4.7m of loans that will reduce interest rates on such by 4%. No new loans projected to be drawn down in the year balanced by repayments of £2.7m.
- **Salary costs** – Salary costs held steady at about £5.35m. Salary costs have been amended for staff changes and salary increments. A 2.65% pay increase has been included as well as the 1.25% NI increase. No agreement on EVH salary increase has been reached yet. No changes in pension rates this year.
- **Overheads** – Costs are projected to increase from £1.955m to £2.085m. General inflationary increases balanced by some areas of Covid savings expected to continue.
- **Wider action projects** – In 20/21 project income was expected to reduce substantially with a limited number of projects approved but due to Covid related support and unexpected applications income was at a level higher than 19/20. For 22/23 income is projected to decrease to £478k and costs to £733k. This includes a welfare project for the Northeast, lottery funded recycling project, community support plus a range of ongoing projects.
- **Projected deficit of £0.5m for 2022/23.**
- **Investment in Housing Properties** - £14.3m for capitalised major repairs and £0.5m for adaptations.
- **Loan balances** – loans decreasing from £44m to £41.3m with normal repayments of £2.7m in the year.
- **Cash balances** – with the significant spend on planned maintenance the cash balance decreases from £28.1m to £19.0m.

The recommended version of the budget has attached to this report:

- An Income and Expenditure Account and overheads summary with a comparison between the 22/23 budget and the 2021/22 budget, and the actual results for 2020/21 is also shown.
- Projected balance sheet on 31 March 2023
- Projected cash flow for the year to 31 March 2023

NORTH GLASGOW HOU

ACCOUNTS FOR PERIOD ENDED

31/03/23

INCOME AND EXPENDITURE

Actual Year to 31/3/21		<u>Budget</u> 2022 -23	<u>Budget</u> 2021 -22	<u>Variance</u>	<u>Budget</u> 2020 -21
Income					
24,835,166	Rental Income	25,892,417	24,773,743	1,118,674	24,095,817
-440,408	Voids	-323,655	-437,041	113,385	-367,437
38,381	Service Income	43,210	40,496	2,714	38,284
24,433,139		25,611,972	24,377,199	1,234,774	23,766,664
0	Factoring Income	727,170	625,739	101,431	569,501
555,085	Grant release	815,488	565,488	250,000	430,422
24,988,224	Net Income	27,154,630	25,568,426	1,586,205	24,766,587
Expenditure					
1,859,479	Day to Day	2,148,090	1,861,900	-286,190	2,400,000
888,969	Cyclical	1,961,465	2,845,270	883,805	1,400,000
1,177,828	Void Maintenance	1,000,000	700,000	-300,000	620,000
394,547	Bad Dbts-Rents	400,000	460,000	60,000	460,000
0	Bad Dbts-services	0	0	0	0
15,273,257	Planned maintenance	14,304,337	20,797,402	6,493,065	23,536,287
-8,730,819	Capitalised planned maintenance	-8,847,308	-14,287,768	-5,440,460	-17,512,685
687,365	Other Property Costs	666,000	916,000	250,000	916,000
4,034,380	Depreciation	5,000,000	4,650,000	-350,000	4,400,000
1,876,166	Service Costs	1,658,874	1,577,274	-81,600	1,895,118
-185,460	Factoring Expenditure	515,289	422,672	-92,617	367,296
5,509,577	Salaries	5,350,810	5,318,072	-32,738	5,308,931
1,935,252	Overheads	2,084,700	1,954,700	-130,000	1,975,900
24,720,541	Total Expenditure	26,242,257	27,215,522	973,265	25,766,847
267,683	Surplus from Ordinary Activities	912,374	-1,647,096	2,559,469	-1,000,260
0	Development Income	0	0	0	0
0	Development Expenditure	0	0	0	0
0	Development Surplus	0	0	0	0
737,595	Other Income	478,000	691,387	-213,387	275,548
615,451	Other Expenditure	733,000	814,000	81,000	538,778
255,000					
389,828	Net Surplus	657,374	-1,769,709	2,427,082	-1,263,490
1,207,444	Loan Interest	1,215,129	1,388,577	173,448	1,243,400
98,552	Interest received	50,000	75,000	-25,000	110,000
41,296	Other finance charges				
46,769	Property and fixed asset sales	0	0	0	0
2,816,381	Pension adj/Tax charge/gift aid rec	0	0	0	0
-3,529,972	Net Surplus after interest	-507,755	-3,083,286	2,575,530	-2,396,890
1,000,000	Trans from Designated Reserve	0	0	0	0
0	Trans to Designated Reserve	0	0	0	0
-2,529,972	Net result after Transfer	-507,755	-3,083,286	2,575,530	-2,396,890

NORTH GLASGOW HOUSING ASSOCIATION LTD.

ACCOUNTS FOR PERIOD ENDED 31-Mar-23

INCOME AND EXPENDITURE

ANALYSIS OF DIRECT EMPLOYEE & ADMINISTRATION COSTS

Actual Year to 31/3/21		2022 -23 Budget	2021 -22 Budget	Variance	2020 -21 Budget
4,687,932	Salaries	4,736,727	4,679,101	-57,626	4,657,797
821,645	Pensions	614,083	638,971	24,888	651,134
5,509,577	Total Direct Employee	5,350,810	5,318,072	-32,738	5,308,931
98,465	Heat & Light	70,000	50,000	-20,000	50,000
228,151	Depreciation	260,000	200,000	-60,000	200,000
12,571	Office & General	30,000	40,000	10,000	51,200
59,851	Cleaning and materials	85,000	85,000	0	80,000
75,007	Subscriptions	75,000	75,000	0	75,000
7,695	Photocopier costs	20,000	20,000	0	30,000
41,759	Postage & Stationery	50,000	60,000	10,000	75,000
0	Office Repairs & maintenance	30,000	30,000	0	20,000
204,629	Rent, Rates, Insurance	240,000	200,000	-40,000	200,000
136,269	Telephone & internet	135,000	130,000	-5,000	120,000
17,190	Audit & Accountancy	30,000	30,000	0	30,000
32,031	Equipment Maintenance	50,000	55,000	5,000	55,000
40,680	Legal Fees	30,000	30,000	0	30,000
16,209	Leasing Contracts	20,000	20,000	0	20,000
4,247	Promotions, publicity & annual report	25,000	30,000	5,000	40,000
120,967	Consultants	120,000	140,000	20,000	150,000
414,229	Computer Support	360,000	320,000	-40,000	320,000
223,589	Computer - License & accessories	201,200	181,200	-20,000	161,200
0	Office Landscape Maintenance	7,500	7,500	0	7,500
1,733,539	Total Office Overheads	1,838,700	1,703,700	-135,000	1,714,900
5,496	Recruitment advertising & costs	20,000	20,000	0	25,000
15,699	Staff Training	60,000	60,000	0	70,000
0	Staff Training - Computer	12,000	12,000	0	10,000
3,358	Staff uniforms	6,000	6,000	0	6,000
0	Temporary Staff	5,000	5,000	0	5,000
3,015	Conferences & Seminars	25,000	25,000	0	25,000
10,938	Travel & Subsistence	20,000	25,000	5,000	30,000
141,910	Health & Safety	70,000	70,000	0	60,000
180,416	Total Staff Overhead Costs	218,000	223,000	5,000	231,000
13,162	Training	8,000	8,000	0	8,000
1,286	Travel Expenses	4,000	4,000	0	4,000
3,420	Expenses to Committee	6,000	6,000	0	6,000
3,429	Conferences	10,000	10,000	0	12,000
21,297	Total Committee Costs	28,000	28,000	0	30,000
7,444,829	Total Direct Employee & Administration Costs	7,435,510	7,272,772	-162,738	7,284,831

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO
BALANCE SHEET

31-Mar-23

Previous
year
totals

FIXED ASSETS

ACTUAL

144,137,433 Housing Properties
-26,994,890 Depreciation

153,184,741
-31,994,890

117,142,543

121,189,851

Less:

0 Housing Association Grant

0

117,142,543 Net Value

121,189,851

1,361,210 Other Fixed Assets

1,601,210

300 Investments

300

118,504,053 **TOTAL FIXED ASSETS**

122,791,361

CURRENT ASSETS

60,091 Stock & WIP

60,091

28,138,222 Cash and Other Short Term Investments

18,980,256

0 Corporation tax debtor

0

336,463 Rent Arrears

636,463

815,196 Other Current Assets

815,196

29,349,972 **TOTAL CURRENT ASSETS**

20,492,006

CURRENT LIABILITIES

2,154,506 Short Term Loans and Current Loan Capital Repayments

2,100,000

0 Bank Overdrafts

0

0 Corporation tax creditor

0

4,777,962 Other Current Liabilities

4,777,962

2,816 Pension liability under one year

2,816

6,935,284 **TOTAL CURRENT LIABILITIES**

6,880,778

22,414,688 **NET CURRENT ASSETS**

13,611,228

140,918,741 **TOTAL ASSETS LESS CURRENT LIABILITIES**

136,402,589

CREDITORS DUE AFTER ONE YEAR

41,916,002 Long Term Loans

39,225,286

4,271,631 Pension liability/other creditors

3,769,438

20,044,065 Deferred income

19,228,577

66,231,698

62,223,301

74,687,043 **NET ASSETS**

74,179,288

RESERVES

18,461,168 Designated reserves

18,461,168

13,950,947 Revenue

13,443,192

42,274,810 Revaluation reserve

42,274,810

74,686,925 **TOTAL RESERVES**

74,179,170

118 SHARE CAPITAL

118

74,687,043

74,179,288

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31-Mar-23
CASHFLOW

OPERATING ACTIVITIES	ACTUAL
Surplus for year before interest	657,374
Depreciation - properties	5,000,000
Depreciation - fixtures	260,000
Amortisation of capital grants	-815,488
Gain on sale of fixed assets	0
Other finance charges	
Decrease/(Increase)in Debtors	-300,000
Decrease/(Increase)in stock	0
(Decrease)/Increase in Creditors	-502,193
share capital cancelled	
Net Cash In/(Out)flow From Operating Activities	<u>4,299,693</u>
INVESTING ACTIVITIES	
Grants Received	0
Acquisition and improvements to Properties	-9,047,308
Acquisition of Other Fixed Assets	-500,000
Procceds on disposal of properties	
Investment in Activities	0
Net Cash In/(Out)flow From Investing Activities	<u>-9,547,308</u>
	<u>-5,247,615</u>
FINANCING	
Loans Received	0
Less: Loans Repaid	-2,745,222
Interest Received	50,000
Less: Interest Paid	-1,215,129
Net cash In/(Out)flow From Financing	<u>-3,910,351</u>
Increase/(Decrease) in Cash and Cash Equivalentts	<u><u>-9,157,966</u></u>
Movement in Cash & Bank	-9,157,966
Movement in Bank overdrafts	0
Increase/(Decrease) in Cash and Cash Equivalentts	<u><u>-9,157,966</u></u>
	<u>28,138,222</u>
	<u><u>18,980,256</u></u>

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31-Mar-23

Turnover

Turnover, operating surplus and surplus before taxation by class of business

	Turnover	operating costs	cost of sales	operating surplus/ deficit	interest receivable	interest payable	surplus/def before taxation
Income & exp from letting	26,427,460	25,484,491		942,970		1,215,129	-272,159
Development administration	0	0		0			0
Factoring	727,170	701,611		25,559			25,559
Homestake sales	0		0	0			0
LSVT income and costs	0	0		0			0
Other inc & exp	478,000	789,155		-311,155			-311,155
	1,205,170	1,490,766	0	-285,596	0	0	-285,596
	<u>27,632,630</u>	<u>26,975,257</u>	<u>0</u>	<u>657,374</u>	<u>0</u>	<u>1,215,129</u>	<u>-557,755</u>
Interest payable						0	0
Investment income					50,000		50,000
Property sales	0	0		0			0
				<u>657,374</u>	<u>50,000</u>	<u>1,215,129</u>	<u>-507,755</u>
Total less factoring line	26,259,813	28,029,522	0	-1,769,709	75,000	1,388,577	-3,083,286

Particulars of Lettings

	Letting	shared ownership	sheltered	Total	Unit number 5,425	Previous period	Unit number 5,425
Rents	25,892,417	0	0	25,892,417	4773	24,773,743	4567
Service charge income	43,210		0	43,210	8	40,496	7
	25,935,628	0	0	25,935,628		24,814,239	
Less:rent losses from voids	323,655	0		323,655	60	437,041	81
	<u>25,611,972</u>	<u>0</u>	<u>0</u>	<u>25,611,972</u>	<u>4721</u>	<u>24,377,199</u>	<u>4493</u>
Revenue grants	0			0		0	
Deferred income	815,488			815,488		565,488	
	<u>26,427,460</u>	<u>0</u>	<u>0</u>	<u>26,427,460</u>	<u>4871</u>	<u>24,942,687</u>	<u>4598</u>
Services	1,563,813		95,061	1,658,874	306	1,577,274	291
Management & maintenance overheads	7,035,697	163,171	660,164	7,859,033	1,449	7,950,944	1,466
Day to day repairs and maintenance	3,148,090			3,148,090	580	2,561,900	472
Cyclical maintenance	1,961,465			1,961,465		2,845,270	
Major repairs	5,457,029			5,457,029	1,006	6,509,634	1,200
	<u>19,166,095</u>	<u>163,171</u>	<u>755,225</u>	<u>20,084,491</u>	<u>3,035</u>	<u>21,445,021</u>	<u>3,138</u>
Other operating costs							
Bad debts written off	400,000			400,000	74	460,000	85
Property depreciation	5,000,000	0		5,000,000	922	4,650,000	857
	<u>24,566,095</u>	<u>163,171</u>	<u>755,225</u>	<u>25,484,491</u>	<u>4698</u>	<u>26,555,021</u>	<u>4895</u>
Surplus on letting	<u>1,861,366</u>	<u>-163,171</u>	<u>-755,225</u>	<u>942,970</u>	<u>174</u>	<u>-1,612,335</u>	<u>-297</u>

Board Meeting

For Approval

To: Board
From: DCEO

SUBJECT: BUSINESS PLAN 2022/25

DATE 29 March 2022

1.	Introduction
	This Report highlights key business planning assumptions and seeks Board approval for the 2022/25 Business Plan.
2.	Risk
	<p>The Business plan is a necessary part of the governance structure of the Association and the group. The business plan sets out the strategic objectives, actions and initiatives agreed by the Board for the year ahead. It is a required document that must be submitted to the Regulator as part of the information requested under the Regulation Plan. Not to prepare the plan and failure to submit would be a failure in controls and a breach of agreements.</p> <p>The risk is mitigated by the proper preparation of the business plan and consideration of such against required standards. Review of such and submission to the Regulator within the agreed timescale.</p>
3.	Business Plan 2022/25
	<p>The full draft Business plan is attached to this paper for consideration.</p> <p>Proposed Financial Assumptions</p> <p>Headline proposals include:</p> <ul style="list-style-type: none"> • Inflation is assumed at 2% for almost all years. Rent increases are expected to follow inflation. The exception to this is 2023/24 to 2027/28 where rent increases are expected to be 1% higher. • 4% provision for void rent loss and bad debt for years 3 to 30 • Almost £42m of planned maintenance expenditure in the first five years. • Completion of the ASHP projects for both the Balgrayhill and Carron multis. • Nationwide, THFC and EST debt fully repaid by 2037. GBSH loan repayable in full in 2038 with drawdown of £5m in 2038 to help finance this. Long term interest

assumption of 4%.

- Additional planned maintenance expenditure being built in for EESSH and other regulatory changes.

Our financial position going into 2022/23 continues to be healthy. The Association is planning to run a deficit in 2022/23, thereafter is profitable for the next 11 years before another deficit occurs. The future will contain unexpected events so maintenance of our income stream and control of our costs has to be the prime focus.

Sensitivity analysis

The Business Plan incorporates sensitivity analysis, showing the impact of significant, adverse changes. The sensitivities modelled include the following, considered both on an individual and combination basis:

- Base with bad debts and voids at 5% each
- Planned maintenance costs increasing by 10%
- LIBOR at 5% by year 5
- Inflation only rent increases of 1% years 2 to 30
- Planned maintenance plus 10% and inflation only rent increases
- Staff costs plus 10%

The worst-case scenarios/combinations result in ng homes borrowing significant additional loans and would require smoothing out later years' investment expenditure for the Association to remain viable. At present, few of the potential changes are anticipated though some are becoming more of a reality. However the situation will be monitored closely and in the event of a change occurring appropriate action will be taken so that ng homes remains financially viable and compliant with lenders' covenants.

Business Plan priorities 2022/25

The Plan also describes our major priorities going forward, reflecting discussions and issues carried over from last year:

- Deliver the £14m investment programme for 2022/23 including progress with EESSH
- Improve performance v Housing Charter indicators
- Maximise grant income to support regeneration and stock investment programmes

	<ul style="list-style-type: none"> Ongoing review of group governance <p>Review of meeting the annual and medium-term priorities will be provided in ongoing Board and committee reports and in the Performance Plan review meetings for 2022/23.</p>
4.	Recommendation
	The Board is requested to review the Business Plan and approve 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.



ng homes
Business Plan
2022 – 2025

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Introduction

At ng homes the importance of people and community remains as strong as ever. The last two years have been a difficult period for everyone, and we know that the future will be unpredictable with ongoing concerns about the Covid-19 pandemic, the rising cost of living, the impact of Brexit and global conflicts.

This updated Business Plan provides us with the opportunity to review our performance, to take stock of the progress we have made during the past year and identify the challenges and opportunities that lie ahead. Our former Chief Executive, Robert Tamburrini retired last year after 28 years of service to the North Glasgow community, and I would like to thank him for all his hard work. I am confident that our new CEO, John Devine, will continue to successfully lead the organisation in ensuring that we deliver customer service excellence in all that we do.

The health, safety and wellbeing of our tenants, residents and staff will be at the heart of the Association over the next three years. We continue to operate in line with current legislation and good practice and are fully committed to ensuring that we have a strong and sustainable health and safety culture in place across the ng group. Environmental sustainability is also a top priority, improving the lives of those who live in North Glasgow is of prime importance, central to this is the continued development of our services whether that is more carbon neutral activities, additional money and benefits advice, helping residents to live at home independently for longer or providing people with support to get a job.

We will maintain our focus on achieving good governance. We have a comprehensive governance framework in place with an emphasis on robust financial and risk management and rigorous processes including self-assessment and internal audit. This approach will support us in upholding our high standards to ensure compliance with the Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management and this will inform the development of the Association's Annual Assurance Statement.

The Association will continue to champion equality and value diversity to ensure that North Glasgow is recognised as a place where people are treated fairly and given an equal chance in life. We aim to provide good quality, comfortable homes within a safe integrated community where people are proud to live and can realise their aspirations and we will be working in partnership with others to achieve this.

Investing in the quality of our homes is a key priority for the Association to ensure we meet all statutory and regulatory standards and provide our tenants with good quality houses and flats that they are proud to call home. The increase in material and construction costs being experienced has been mitigated up to now by adopting a prudent approach to contract management. It is recognised that this will have an effect going forward and costs are continually monitored to alleviate the impact of any increases and to achieve value for money.

I want to recognise the hard work and commitment of our people. Our Board, staff and volunteers are central to the success of the organisation. We value their contribution, and we appreciate how fortunate we are to have skilled knowledgeable people who care about North Glasgow and are dedicated to serving our community.

We know that there will be challenges along the way whilst we work tirelessly to improve and develop North Glasgow. Even with the care and attention to detail that goes into developing the Business Plan it is impossible to definitively predict what lies ahead for the organisation. What is certain, however, is that the Association remains committed to giving our tenants a voice in shaping the future of North Glasgow. We will continue to champion North Glasgow as a vibrant place with talented people and work together with you to achieve our vision of a community where people can flourish and prosper.

John Thorburn
ng homes Chair

Context

ng homes was established in 1976 as a community-controlled housing association, originally formed to protect and improve sub-standard Victorian sandstone tenements in Springburn. The Association has built a strong reputation for serving people and its communities for over 40 years. During this time, it has grown and developed into a well-respected organisation that makes a positive difference to the lives of people in North Glasgow and now provides 5,424 units for social rent, 21 units for mid-market rent and 35 shared-ownership properties. The Association also provides factoring services to 1,275 owner-occupied homes.

Today ng homes is a registered social landlord (RSL), a community benefit society and a registered charity. The Association is regulated by the Scottish Housing Regulator, Office of the Scottish Charity Regulator (OSCR) and the Financial Conduct Authority (FCA). ng homes is an award winning organisation and recent 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), 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 and Best Practice in Reporting Performance - ng homes Area Committee.

Strategic Direction 2022 - 2025

The strategic direction for ng homes across the next three years is:

- Consolidation and continued improvement of our role as a provider of rented housing
- Continued development of our role as a community anchor organisation and as a provider and enabler of services that address wider needs in our community
- Safeguarding our financial viability, organisational wellbeing and the community-controlled values and traditions that underpin our ethos and governance

It is likely that the need for community support services will increase in the aftermath of the Covid-19 pandemic and as the longer-term social and economic impacts become clearer. The effects of Brexit and global conflicts will put further strain on our communities with the costs of living increases not being matched by increases in wages or benefits.

The Business Plan sets out actions for service delivery, community support and safeguarding ng homes' financial resilience. However, the many uncertainties apparent after Covid-19, Brexit and the challenging economic environment will require us to be flexible and adaptable in how we take our proposals forward and with a continuing need to develop further plans.

Objectives

These are as follows:

1. To do what matters most for our tenants, other customers and the community
2. To provide housing and property management services that are of a high standard, affordable and good value for money for tenants and other customers
3. To manage our assets and resources well and invest in tenants' homes
4. To be a strong community anchor, bringing positive changes that benefit our community
5. To protect and future-proof the organisation, ensuring that is well-governed, well-managed and continues to be fit for purpose
6. To maximise the contribution that ng homes and our subsidiaries make to the well-being of our community.

Strategic Analysis

ng homes Operating Environment: External Issues

This chapter provides a **PESTLE analysis** that reviews Political, Economic, Social, Technological, Legislative/Regulatory and Environmental factors that are relevant to ng homes' business and future plans.

The analysis describes factors that could represent a significant risk to ng homes or the achievement of our objectives, with the key risks then feeding through to the Business Plan chapter on Risk Management.

At ng homes we view these issues in the following way: will they help or hinder us in achieving our purpose of serving and achieving positive changes for our local community. We will comply with essential external requirements while ensuring we augment our activities to meet ng homes' own objectives and priorities.

PESTLE Analysis 2022

Political Factors

Scottish Government Policy and Priorities

- Devolved functions include housing, regeneration, local government, the Scottish budget and some aspects of taxation and welfare policy.
- SNP remain a minority government following the Scottish parliamentary elections in May 2021 though strengthened by their alliance with the Green Party. A further independence referendum may happen which could produce political and economic uncertainty.
- The Scottish Government's main housing priorities at present are affordable housing investment and climate change standards. Funding and subsidy for new development post-2021 has been reduced.
- SG has mitigated the impact of the Bedroom Tax in Scotland over a long period, but its plans to abolish this tax in Scotland have not yet been agreed by Westminster.

UK Government Policy and Priorities

- Elected with a majority in December 2019 and responsible for many major areas of policy that have a high impact on ng homes, including welfare, macro-economic policy, public spending through the Barnett Formula and Brexit.
- Policy on reducing housing benefit spending in England. No immediate prospect of this being applied in Scotland – but should remain on the risk radar.

Economic and Financial Factors

Covid-19

- The UK economy entered recession because of Covid-19. This was harmful for ng homes residents (e.g. unemployment increased sharply) and has resulted in higher tender prices and receiverships in the construction sector.
- The Bank of England produced its initial report on Covid-19's economic and financial impacts in May 2020. Its conclusions were that Covid-19 dramatically reduced jobs and incomes in the UK; that there had been a large fall in output in the economy, but that the disruption would be temporary, and the economy would recover once social distancing measures were

lifted. Other sources (such as the Scottish Government's Chief Economist) predicted that recession could last for up to three years.

Universal Credit (UC)

- Presents increasing challenges for maintaining rent collection and managing arrears and bad debts. UC is also causing significant hardship for claimants.
- Impacts are likely to increase rather than reduce, as more ng homes tenants move to UC to get help with housing costs. Full rollout of UC is now planned for completion by September 2024.
- ng homes have taken a comprehensive approach to mitigating UC risks, but the actions needed are resource intensive.

Other Welfare Changes and In Work Poverty

- Both factors affect ng homes tenants' ability to pay rent. The Association's welfare rights service has been extremely successful in maximising tenants' incomes and must be sustained.
- In 2020, we were successful in securing three-year funding for our 'Joining the Dots' programme, which will provide additional welfare rights and budgeting for our tenants and residents who need it most.

Inflation

- Bank of England's forecasts are that CPI inflation will remain higher than the target level of 2% for the next two years. This could change, due to global economic factors and conflict which could push the inflation rates even higher and for longer.

Interest Rates

- Base rates were cut to 0.1% in March 2020, due to the Covid-19 pandemic. Higher inflation together with forecasts that this may continue for a period of years have brought about a reversal with interest rates increased to 0.5% with more increases anticipated. Higher inflation/global economic factors will create pressure for higher rates to become a permanent feature. Some analysts are predicting rates will increase to 2% by the end of 2023. The decade of very low rates appears to be at an end, and we have assumed that rates will rise to 4% by 2028.

Availability of External Funding

- Policy on Housing Benefit/Universal Credit will have the greatest impact on ng homes.
- ng homes refinanced and secured funding for its future needs in 2020. The facility agreed with GB Social Housing PLC (GBSH) provided £19m to meet the costs of planned investment in the stock.

Social and Technological Factors

Covid-19 Pandemic

- The outbreak of Covid-19 and the resulting UK/Scottish Government measures to prevent its spread had an immediate and profound impact on ng homes' residents, employees, services and business management. The impact was minimised by the move towards to remote and hybrid working practices.
- ng homes put in place a range of measures to protect both tenants and staff, while ensuring that we continued to provide as comprehensive a service as possible.
- Steps are being taken to re-open the offices and provide a more normal service augmented by the changes in digital meetings, electronic signing of documents and putting in place video communication channels to allow service users greater flexibility.

Deprivation

- Scottish Index of Multiple Deprivation
- The Scottish Government and Glasgow City Council (GCC) both aim to promote policies of "inclusive growth". The purpose of these policies is to help poorer citizens and communities to share more equally in prosperity.
- The Scottish Government and other funders channelled funds to combat Covid-19 through community anchor organisations, including ng homes. This raised hopes that a continuing approach to empowering and supporting communities may emerge as part of post Covid-19 policy.
- Opportunities for co-operation was evident throughout the pandemic by the strengthening of existing partnerships and formation of new partnerships.

Technology

- Opportunities: could include supporting smarter working and delivering customer services differently.
- Risks: cybercrime

Legislative and Regulatory Factors

Freedom of Information and General Data Protection Regulation (GDPR)

- ng homes has taken the necessary actions to meet its obligations for both FOI and GDPR.

Building Standards

- The Scottish Government published a new Building Standards Technical Handbook in 2019.
- Following the Grenfell Tower fire, social landlords in Scotland were required to meet the standards for smoke and heat detection by February 2022.

- Social landlords must maintain their properties in a way that ensures continued compliance with the Scottish Housing Quality Standard (SHQS).
- Other than where external funding has been obtained (as is sometimes the case for energy efficiency works), the costs of compliance fall to social landlords to meet.

Scottish Housing Regulator (SHR)

- ng homes must comply with the SHR Regulatory Framework published in 2019, which emphasises the need for self-assurance about compliance with regulatory standards.
- SHR is also requiring social landlords to greatly expand their monitoring systems, to align with the nine 'protected characteristics' in the Equality Act 2010.
- SHR has expectations on a range of topics. These include business planning, asset management, governance, financial performance and risk management, rent affordability and rent increases and value for money.

Environmental Factors

Scottish Government targets to support climate change objectives and mandatory raising of standards for social housing

- In addition to the continuing requirement to comply with SHQS, social landlords had to comply with the Energy Efficiency Standard for Social Housing (EESH) by the end of 2020.
- Scottish Government has set a further target that homes in the social housing sector should meet EPC Band B+ (81-91 SAP Rating) with exemptions on grounds of cost and technical reasons, with a further goal for all social housing in Scotland, as far as reasonably practical, to be carbon neutral by 2040/45.
- The availability of finance for landlords and whether the market can provide the technological solutions needed are both matters of considerable uncertainty at the present time. These questions are particularly important for organisations like ng homes that have a high proportion of Victorian sandstone tenements.

Stakeholder Relationships

The final part of the Strategic Analysis describes ng homes' key stakeholders, shown in the following table:

Specific to ng homes	Strategic & Regulatory
<ul style="list-style-type: none"> • ng homes' tenants • Residents and factored owners • Housing applicants • Local groups and volunteers • ng homes' employees • Local businesses • Local partners with whom we work to benefit our tenants and the local area • Our lenders, auditors and insurers • Funders 	<ul style="list-style-type: none"> • Glasgow City Council (GCC) • The Scottish and UK Governments • Department of Work & Pensions (DWP) • The Scottish Housing Regulator (SHR) • The Office of the Scottish Charity Regulator (OSCR) • The Financial Conduct Authority (FCA)

Tenants and Residents

This is the Association's most important stakeholder group, since our core purpose is to provide tenants with quality homes and services and serve our community.

ng homes encourage tenants and residents to be involved in our decision-making, most commonly through area-based residents' groups and specific working groups.

We gather feedback about tenants' views through a quarterly comprehensive programme of surveys. The results of the surveys confirm that ng homes are achieving overall very high levels of satisfaction.

The Wider Community

Consistent with our purpose, ng homes has a high level of engagement and maintains productive relationships with many community organisations and volunteers, as follows:

- Our in-house team's role in property management and estate management and the support it gives to many groups in the area
- The work of our Social Regeneration team
- The community services that are delivered through our subsidiary ng2.

These include income maximisation support, support for vulnerable residents, sports activities, community events and community furniture recycling. In addition, local people volunteer to facilitate clubs and activities.

As a result, ng homes has a higher profile and a more active role in the community. Key to our approach is staying close to our community by involving local people.

Housing Benefit/Department of Work and Pensions (DWP)

ng homes maintain good working relationships with both GCC (Housing Benefit) and the Department of Work and Pensions (Universal Credit). As more tenants switch to UC, we are encouraging tenants to have their housing costs payments made directly to us.

Funders

The Association's total borrowing is £42.0million and our principal funders are now Nationwide, THFC, Energy Savings Trust and GB Social Housing. We only have financial covenants with the Nationwide that are tested through our audited accounts.

Glasgow City Council

GCC is the strategic housing authority. Its Local Housing Strategy has six objectives, which ng homes must address when seeking financial or other support from the Council.

GCC plays the lead role in the city on homelessness and the funding of revenue costs for supported accommodation.

Scottish Government/Parliament and UK Government/Parliament

The UK Government's Welfare Reform legislation has affected ng homes and our residents significantly. The range of matters reserved to Westminster means we must be mindful of events and pipeline changes from both Westminster and Holyrood.

Regulatory Bodies

The Association's regulators are:

- The Scottish Housing Regulator
- The Office of the Scottish Charity Regulator
- The Financial Conduct Authority

The SHR has the greatest impact on what we do. Its most significant powers include:

- Assessing compliance with the Scottish Social Housing Charter
- Setting and then assessing compliance with Regulatory Standards
- Intervening in the governance or management of RSLs, where it considers this is necessary to secure improvement and protect the interests of tenants and others.

GCC Local Housing Strategy Objectives

- 1) Promote area regeneration and enable investment in new build housing
- 2) Manage, maintain and improve the existing housing stock
- 3) Raise standards in the private rented sector
- 4) Tackle fuel poverty, energy inefficiency and climate change
- 5) Improve access to housing across all tenures
- 6) Promote health and wellbeing.

We submit our annual return and accounts to OSCR, but otherwise we have few direct dealings with them or the FCA. We are aware of the importance of their roles and the effect of breaching their regulations.

ng homes' Staff

We aim to create a positive, supportive working environment for our staff team. We want all staff members to be clear about ng homes' purpose and priorities and how they contribute to achieving these.

Our Response to the Climate Emergency

A key business objective for all organisations must be a response to the Climate Emergency. A Sustainability Strategy must be developed which will aim to reduce our impact on climate change through embedding a green impact assessment approach to every aspect of our business.

The Sustainability Strategy will:

- Promote sustainable ways to deliver services to reduce the environmental impact and carbon footprint of the organisation's activity
- Invest in green infrastructure and green technology to help tackle the Climate Emergency and in turn, achieve efficiencies for the organisation and better services and homes for ng homes communities
- Become more adaptable with the way we deliver services and the homes we provide which will increase our resilience to the potential impacts of climate change

The purpose of this Strategy will be to set out our aims and objectives in respect of investment in future green infrastructure, services and technology so we are innovative and well placed to take advantage of new opportunities and to be clear about our direction and priorities. This can be achieved by:

- Reducing waste, energy consumption and harmful emissions by improving the efficiency of service delivery and office management
- Improving/enhancing the environment of our communities through investment in green infrastructure
- Reducing our carbon footprint and ensuring that our properties are resilient to the potential impact of climate change, through our approach to the improvement of existing homes
- Improving the health and wellbeing of our staff and communities by raising awareness and changing behaviours in respect of the climate emergency and by offering opportunities to positively contribute to the environment
- Working with partners who are environmentally aligned with us and are committed to delivering 'green' benefits to our assets, customers and communities

2040 Vision for Housing

The Scottish Government has produced a 2040 vision for housing. In order to meet the challenges identified in the 2040 vision we will undertake the following:

- Provide affordable housing and reduce their running costs
- Play our part in reducing homelessness in the city
- Address the needs of an ageing population and higher life expectancy
- Respond to the growing number of households and the increase in people living alone
- Seek to mitigate the impact of climate change and reduce our carbon footprint

We are also part of a wider network of local and city partners and work closely with them to try through collaboration to meet the challenges above.

Partnership Working

We work closely with our tenants to create vibrant, diverse neighbourhoods, places where people choose to live and want to raise their families.

Our communities offer activities for young people and support for older generations and people with poor health – and a welcome to the new citizens of Glasgow. We want North Glasgow to be a place where everyone feels at home.

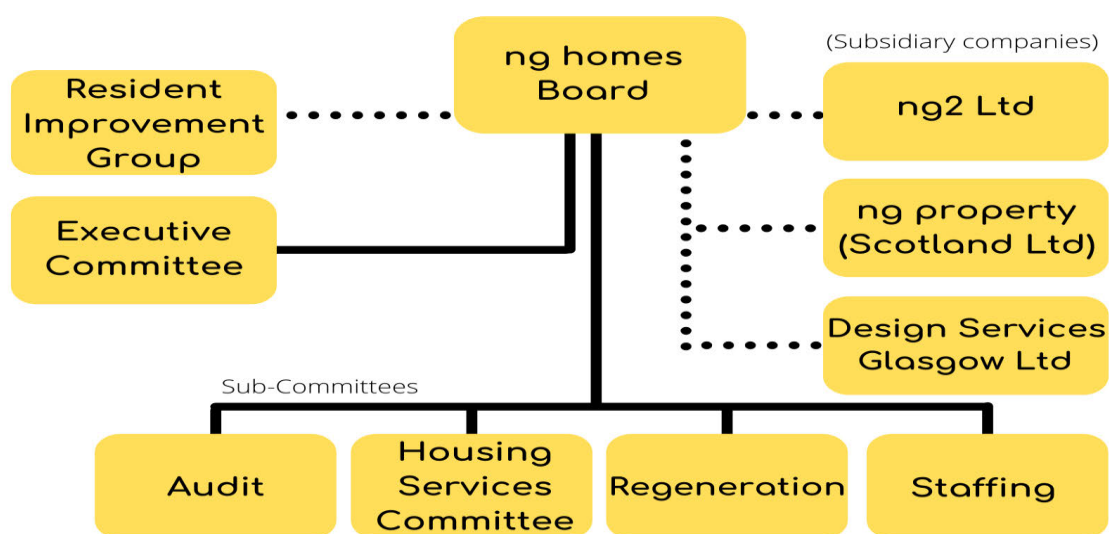
Underpinning our delivery is a commitment to partnership working. Over future years we will build on the good relationships we already have, continuing to work closely with the Scottish Government, Glasgow City Council, Scotlands Towns Partnership, Keep Scotland Beautiful, Scottish Fire and Rescue Services, Glasgow Kelvin College, University of Glasgow, Glasgow's Health and Social Care Partnership and our fellow housing associations.

Organisational Structure

Board and Committee Structure

The Board is the governing body that controls ng homes. It is responsible for the strategic direction, setting standards, monitoring performance and the effective running and financial management of ng homes.

Some business areas with a more operational focus are delegated to Sub-Committees and activities of a more commercial nature are delivered via wholly owned subsidiary companies within ng homes' group structure:



ng2

A wholly owned subsidiary company, ng2 is a social enterprise delivering services direct to the community. Since its establishment in 2010, ng2 has grown and diversified to provide a wide range of environmental and facilities management services. ng2 has grown to employ 80 people and has an annual turnover of approximately £3.5 million.

ng2 is an important part of ng homes strategic delivery plans; we anticipate continued growth for ng2 aligned to ng homes planned investment programme. ng2 has a significant role to play in helping ng homes to sustain tenancies, deliver value for money and ultimately reduce the pressure on rents through cost/VAT savings for the Association.

ng property (Scotland) Ltd

ng property provides property factoring services to owners. This factoring role increased dramatically with the GHA stock transfer in 2011 and the subsidiary now provides services to 1,200 owners. There is no direct employment in this subsidiary; rather ng homes provide staff support services. ng property has now taken on letting of our recently built mid-market rent properties.

ng homes is a trading name of North Glasgow Housing Association Ltd.

Design Services Glasgow Ltd

This subsidiary company acts as agent for new design and build housing, enabling VAT reclaim on consultants' fees.

Executive Committee - comprises office bearers of ng homes' Board plus sub-committee and subsidiary Chairs with the remit to plan agendas, co-ordinate across the group and deal with emergency business.

Audit Sub-Committee - reviews the financial affairs of the organisation, effectiveness of risk management and internal and external audit.

Regeneration Sub-Committee - oversees the implementation of the regeneration strategy and programme, approving and monitoring individual projects and reviewing progress against target outcomes.

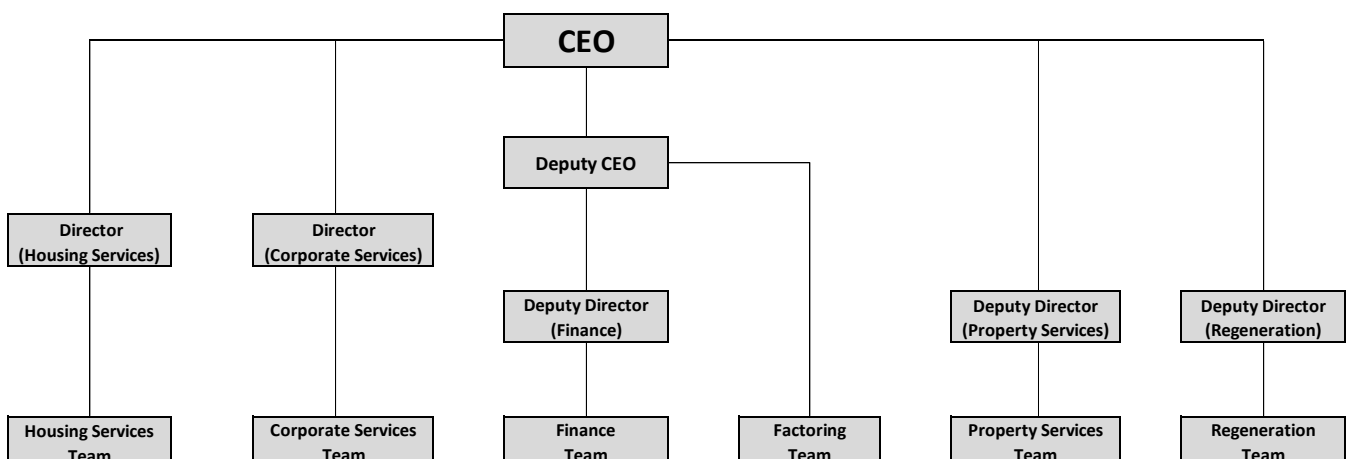
Staffing Sub-Committee - considers staffing and organisational development, training and health and safety matters.

Housing Services Committee - monitors local performance for housing service delivery, estate management, repairs and maintenance.

Staffing Structure

ng homes have one Deputy CEO reporting directly to the CEO. They are supported by directors, depute directors and managers who have day-to-day responsibility for Finance, Factoring, Regeneration, Property Services, Housing Services and Corporate Services.

At 1 March 2022 ng homes had 120.11 (full time equivalent) staff in post, this includes 5.0 staff whose posts are fully funded via external grant support. The ng homes staff are supplemented by 20.7 ng2 (full time equivalent) staff who provide direct services to the Association.



Governance

ng homes is run by a voluntary Board. It has a maximum of 15 places; 9 designated for local community members, up to 5 places for independent members and 1 place for a nominated Glasgow City Council elected member.

Board and Sub-Committee Members have the requisite skills, knowledge and awareness to carry out their role in a confident and effective manner. Any skills gaps identified are addressed through a combination of training and development of individuals plus review of the Board and Sub-Committee composition, with scope via our Rules to co-opt up to 5 independent members.

Good governance is a cornerstone of our approach to business and all our Board and staff members are responsible for maintaining our performance. We have an effective governance framework in place with high standards on audit, risk, probity, governance and health and safety. Governance self-assessment is a key feature in this respect. During 2021, the Board and senior managers continued the comprehensive self-assessment of our governance framework, which was supported by experienced, independent consultants. This exercise will be reviewed annually in order to produce the Association's Annual Assurance Statement for the SHR.

Board Appraisal and Board Member Reviews

The annual Board appraisal and individual Board member review exercise is led by ng homes' Chairperson and supported by an independent consultant. This process covers assessment of individual board members contribution, plus evaluation of how the Board functions collectively. An overall report is produced as part of this exercise which informs the individual and collective Board training and development priorities for the year ahead. We aim to extend the appraisal process to all Sub-Committee members during the lifetime of this Business Plan.

Board Training and Development

Good governance is at the heart of our approach to Board training and development, ensuring that Board members are equipped with the skills and knowledge to ensure they can perform their role effectively. 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.

Training for the Association's Board carried out during 2021 – 2022 included Recruitment & Selection, Equality & Diversity, Housing to 2040, Climate Emergency and Health & Safety. In addition to core Board training sessions individual Board members also attended training webinars and virtual conferences covering a wide range of related subjects including governance, finance, Housing Charter consultation, chairing skills and treasury management.

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 2022/23 will include other priorities identified from the 2021 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.

Whilst Covid-19 related restrictions made training and conferences particularly challenging the importance of having access to ongoing up-to-date training and awareness sessions for Association's Board and staff members remains undiminished. In addition to in person events there is a raft of virtual training, webinars, conferences and seminars now on offer. SHARE, SFHA, EVH, CIH and other organisations continue to offer training remotely by utilising technology and ng homes Board members have embraced the new opportunities for remote training and development.

Business Priorities 2022 - 2025

These business priorities along with operational priorities have been developed in a consultative manner across the organisation, engaging the Board, senior managers and staff whilst also taking account of tenant and customer views from earlier consultation. Each staff team is directly engaged in shaping and defining specific action and work plans to ensure we deliver on our priorities for the benefit of our customers and the community. We will monitor departmental work plans and will ensure these are reviewed and updated half yearly and reported to the Board.

	2022/23	2023/24	2024/25
Robust Governance			
Governance Framework and Governance Self-Assessment	X	X	X
Risk Strategy		X	
Succession Planning for Board and staff	X	X	X
Options Appraisal for the business			X
Know our tenants and other customers' needs	X	X	
Prudent Financial Management			
Rents and Affordability	X	X	X
Creating a Positive Culture			
Invest in the community – building capacity	X	X	X
Health, safety and wellbeing of staff	X	X	X
Continuous Improvement			
Options Appraisal for low demand stock	X		
Demolition of low demand stock		X	X
Tenants Health and Safety	X	X	X
EESHS 2032 and fuel poverty	X	X	X
Masterplan for Springburn and Possilpark		X	X
Growing our Business			
Explore growth potential of ng2	X	X	X
New grant funding for regeneration projects	X	X	X
Regeneration – Physical, Social and Economic	X	X	X
Business Improvement District	X		

Managing Finance and Scenario Planning

Financial Headroom

To survive in the economic environment, we must have appropriate and sustainable headroom in our financial projections. This should demonstrate that loans are repaid timeously and that we can handle any risks that arise. The Board will ensure that it is able to detect any serious risk to the financial sustainability of the Association in a timely manner and take quick and appropriate corrective action. We need to be candid about our finances and realistic about the implications of, among other issues, rent affordability, welfare reform, pension deficits, increases in inflation, covenant compliance, tenant safety, the effects of Brexit, the Covid-19 pandemic and global conflict.

The Board will consider the risks in the Business Plan, model the effects of changes to key assumptions and have contingency plans in place as appropriate. It is anticipated that the operating environment will remain challenging for the foreseeable future.

For many families, the Covid-19 pandemic brought greater instability and insecurity, disrupting work and education and destabilising incomes. The full impact of the pandemic on the Association, our tenants and other service users will continue to emerge. However, we believe that the scale and the nature of the disruption has been significant and has led to disproportionate social impacts across poorer communities such as ours, which are already affected by substantial social, economic and health inequalities. Rising gas, oil and wheat prices will not help communities already living with poverty.

5 year and 30-year Financial Plans

Our 5-year financial projections show ng homes generating the following projected net surplus/(deficit) for years 1-5 (2022/23 to 2026/27). The planned deficit in 2023 is a direct result of our plans to address issues relating to tenant safety and fuel poverty in our multi-storey blocks. The projections show that ng homes are covenant compliant and viable, whilst it delivers a major investment programme (component replacement) of £42m over the first 5 years.

<u>Year March</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Net surplus(deficit)	(£1,612,300)	£2,242,900	£2,801,500	£1,519,900	£332,700
Cash balances	£18,221,500	£16,246,200	£15,184,600	£14,531,700	£14,238,000
Loan Balances	£41,276,200	£38,479,100	£35,676,200	£33,064,600	£30,434,600
Investment	£8,847,300	£5,359,200	£5,841,400	£4,640,800	£3,305,900

Based on the current covenant definitions and during the loan terms covenants are met.

The full key financial assumptions are set out in Appendix 1.

Summary of Financial Assumptions for Business Plan

Opening rental income of £25.9m is projected to rise above base line inflation rate of 2% in 2023/24 to 2026/27 by 1%. This assumption is to provide additional rental income in future years lost through the pandemic and below inflation rent increase in 2022/23 of 2.9%

Libor is projected to rise to 4% by 2028. Opening cash balance is projected to be £28.1m and loans at £44.1m. We have built in contingencies such as rises above inflation for all maintenance and salary costs. We recognise the importance of financial headroom to meet challenges associated with the uncertain economic environment brought about by Covid-19 and global conflict. The void and bad debts are assumed to be 5% (3% for Bad Debts and 2% Voids), in the first 2 years then 4% (2% Voids and 2% Bad Debts) thereafter. The additional bad debt provision to reflect the possible downturn in the economy.

Despite this assumption the baseline plan is sustainable in the short, medium and long term. The average cash at Bank projected over the next 5 years is £15.7m. Our current cost of loan interest is just below 3.11% so our 3.5% long term assumption (variable lending) plus margin provides additional headroom. The current fixed rate deal with the Nationwide of 5.37% on loan balances of £4.5m will end on 31 March 2022 and will run on a variable rate plus a margin of 0.37%. There are currently no plans to fix any more loans in the short term.

Our focus in the next year is to complete the energy efficiency work within the multi- storey blocks and generally upgrade them.

We will continue to seek operational efficiencies and review our operating costs to ensure we deliver best value for our customers. It is appreciated that we must have a strong focus on cost control in this high inflationary environment. We understand that we cannot look to our tenants to continually face above inflation rent increases and we must ensure that value for money, spending well, spending wisely. We have undertaken sensitivity analysis on our plan, the outcome of this is highlighted in the table below. This demonstrates the impact of different assumptions on annual surplus/deficit and borrowing. Risks modelled include increased bad debts/voids; rent increases below inflation; increased management and maintenance costs; LIBOR 5% and decreased inflation:

Sensitivity	Year 30 Cash	Peak Debt	Year	Year 30 Debt	Min Cash
Base	£45.9m	£41.3m	1	£2.3m	£2.4m 2035
Base Voids 5% Bad debts 5% (5 Years)	£37.8m	£41.3m	1	£2.3m	-£5.5m 2035
Major Repairs + 10%	£15.2m	£41.3m	1	£2.3m	-£9.7m 2039
LIBOR 5% Year 5	£44.9m	£41.3m	1	£2.3m	£1.9m 2035
Inflation 1% and inflation only rent increase	-£9.9m	£41.3m	1	£2.3m	-£9m 2051
Major repairs + 10% and inflation only rent	£-17.7m	£41.3m	1	£2.3m	-£27.1m 2039
Staff cost +10%	£20.7m	£41.3m	1	£2.3m	-£6.7m 2039

Some of the scenarios above would cause significant financial stress to the Association. No lender would accept continuing outflow of funds without remedial action being taken. At the time of preparing the Business Plan, few of these scenarios are anticipated. However, the situation will be continually monitored closely and in the event of one or more changes in the assumptions made, appropriate action will be taken to ensure the Association remains viable and fully compliant with lenders' covenants.

Loan portfolio covenant structures

We have current loan facilities with three mainstream lenders to the RSL sector, Nationwide Building Society (NBS), The Housing Finance Corporation (THFC) and GB Social Housing (GBSH). Each lender sets covenants over their lending and we must satisfy these conditions of lending on an ongoing basis. Lenders apply their own definitions and covenants. We have fully considered the implications of their different covenant structures over the lifetime of these loans. Full compliance is evidenced throughout. Other loans secured from the Scottish Government and the Energy Savings Trust do not include corporate covenants.

Financial Accounts and Treasury Management

Our financial position going into 2022/23 continues to be healthy. The table below provides a comparison of the position over the next five years. The Association is planning to run a deficit in 2022/23, thereafter is profitable for the next 11 years, when it is assumed a provision of £14m has been provided to replace some of the cladding on the multi-storey blocks. The Association is viable, profitable and of greater importance has sufficient cash resources to deliver for their customers as highlighted in the tables below:

Period: 01 April 2022 - 31 March 2027	2023	2024	2025	2026	2027
	£000's	£000's	£000's	£000's	£000's
Total Turnover	27,538.20	28,315.10	29,127.10	29,962.20	30,767.90
Operating Expenditure	-27,525.70	-24,452.70	-24,731.60	-26,886.00	-28,944.20
Operating Surplus/(deficit)	12.4	3,862.50	4,395.60	3,076.20	1,823.70
Interest Receivable	47.1	34.5	31.4	29.6	28.6
Interest and financing costs	-1,671.80	-1,654.10	-1,625.50	-1,585.90	-1,519.60
Surplus before tax	-1,612.30	2,242.90	2,801.50	1,519.90	332.7
Surplus after tax	-1,612.30	2,242.90	2,801.50	1,519.90	332.7

Period: 01 April 2023 - 31 March 2027	2023	2024	2025	2026	2027
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Fixed Assets					
Tangible fixed assets	122,683.40	122,774.50	123,019.20	121,764.80	118,945.70
Investments FA	0.3	0.3	0.3	0.3	0.3
Fixed Assets Total	122,683.70	122,774.80	123,019.50	121,765.10	118,946.00
Current Assets					
Stock					
Trade and other debtors	1,211.80	1,211.80	1,211.80	1,211.80	1,211.80
Cash and cash equivalents	18,221.50	16,246.20	15,184.60	14,531.70	14,238.00
Current Assets Total	19,433.20	17,457.90	16,396.30	15,743.50	15,449.80
Less - Creditors - amounts due within 1 year	-4,778.00	-4,778.00	-4,778.00	-4,778.00	-4,778.00
Net current assets/liabilities	14,655.30	12,680.00	11,618.40	10,965.50	10,671.80
Assets less current liabilities Total	137,339.00	135,454.80	134,637.90	132,730.60	129,617.90
Creditors - amounts due after more than 1 year	-64,763.80	-61,151.20	-57,532.90	-54,105.70	-50,660.30
Provisions for liabilities - Pension provisions	499.6	1,014.10	1,014.10	1,014.10	1,014.10
Net assets Total	73,074.80	75,317.60	78,119.10	79,639.00	79,971.70
Reserves					
Income and Expenditure Reserve	73,074.60	75,317.50	78,119.00	79,638.90	79,971.60
Restricted [and/or Endowment] Reserve	0.1	0.1	0.1	0.1	0.1
Total reserves	73,074.80	75,317.60	78,119.10	79,639.00	79,971.70

Stakeholders

Customers

Our customers are at the heart of our business. They are our most important stakeholder group and include tenants, residents and other service users. We are committed to achieving customer service excellence in all that we do. In November 2021, the Association achieved another successful review against the Customer Service Excellence (CSE) Standard and our accreditation is valid until December 2024. This was a comprehensive review with the Assessor meeting staff, customers and members of partner organisations. The review was very positive with 24 areas of 'Good Practice' identified together with 12 areas of 'Compliance Plus'.

The CSE Assessor was extremely positive about the Association in general, he stated "You have become a role model, anchor organisation and catalyst for change, you are well known for your community involvement and development work in addition to Housing Services." The Assessor was very impressed by the way the Association continues to make a positive difference for our tenants and other customers. He specifically highlighted the excellent level of joined up working across the ng group and the strength of partnership working with external organisations. The Assessor confirmed that tenants had provided excellent examples of support and high levels of service and he noted how much staff care about our tenants and other customers and was impressed by the variety of ways they have demonstrated this including innovative approaches during challenging times.

In reference to the level of service being delivered and the value of ng homes' approach to partnership working, the Assessor said "You continue to further develop the breadth and strength of partnerships that the Association has entered into and often leads. You have a significant involvement in the social, physical and economic life of the communities served. The activities in which you are involved impact on the lives of local people in an increasing number of ways."

In regard to the Covid-19 pandemic, the Assessor noted "During this period, you had to reconfigure the ways in which you provided service delivery when Scottish Government guidance restricted all but home working and measures such as social distancing impacted on service delivery. You reacted speedily by equipping staff with the necessary IT equipment to enable services to be delivered remotely where possible. You have provided blended solutions and service delivery to provide essential services. Several staff have returned to the workplace working on a hybrid model promoted by the Scottish Government. You will respond to changes in guidance where required and appropriate. Throughout this period, stakeholders confirmed that you delivered your service effectively given the difficult operating environment."

The report also stated, “Your vision statement ‘A community where people can flourish and prosper’ and your mission of ‘to provide quality homes and on-going community regeneration and empowerment’ demonstrates the wider goals of the organisation.”

We always strive to treat our customers with respect and be responsive to their needs and we will continue to focus on achieving customer service excellence. We value the views of our customers and actively seek ways in which to engage with and listen to our customers, involving them and working with them to develop and deliver the services that they want and need. We acknowledge that our customers have different communication preferences, and we ensure that we adopt a blended approach to meet their varying needs. The ng homes App continues to be a success and we continue to develop the ng group website and our social media channels. In addition, during 2021 we also focused on more traditional forms of communication, and we produced spring, summer and winter editions of our North News tenants’ newsletter. This included a range of information from local news features to safety messages and detail on accessing essential services during the pandemic. We will continue to develop a range of communication methods including our social media channels to further maximise the potential for effective two-way communication with our customers.

Value: We are customer focused and put the customer first

Staff

At ng homes we understand that our people are our greatest resource. Our staff are committed to delivering an excellent level of service to our communities and we value and support all our people and encourage them to achieve their maximum potential. We are committed to ensuring that we are a good, fair and supportive employer and strive to create an organisation where people are proud to work. Our staff are motivated, supported and developed to ensure that the organisation provides excellent services to tenants and other customers and achieves our ambitious objectives. The Association is recognised with the Investors in People Gold Award and the Investors in People Health and Wellbeing Award. A renewed focus on staff engagement has led to number of innovative initiatives being underway and has contributed to the creation of a positive work environment where everyone can contribute to achieving high performance. We work together to make the organisation the best it can be. We aim to create a workplace where we can harness the skills and talents of all our people, where everyone is personally involved and understands how their role contributes to the success of the organisation.

Succession planning at all levels is a priority, so we identify clear development routes for staff and recognise the importance of informal types of development, such as mentoring and coaching as well as more formal methods of training and development and we continue to provide opportunities for staff to grow and develop with the organisation.

The Association has the Investors in People (IIP) Gold and the IIP Health and Wellbeing Award which had been renamed ‘We Invest in Wellbeing’. Accreditation is in place until 2023 when we will

undertake our next full assessment. In addition to this, we achieved a successful 3-year review of our Investors in Young People (IIYP) Gold in January 2022, and this recognition will remain in place until January 2025. The IIYP Assessor spoke highly of the Association's approach stating, "Conversations provided clear evidence of good practice in the attraction, selection, induction, development, progression and retention of young people." The Assessor added "I found it encouraging to see so many aspects of the employment of young people being done well and I congratulate you on what you and the young people who work for you, are achieving." Overall, it was a very positive review with the Assessor stating "Yours is a learning organisation and this applies to all employees, not just young people. A particularly impressive aspect of this is the way that staff are encouraged to understand other parts of the company, or other organisations, through use of the Two-Day Passport."

The Association remains committed to ensuring that the housing sector is seen as a place where young people can have a fulfilling job and build a rewarding and meaningful career. We are passionate about playing our part in ensuring that there is a constant supply of talent coming into the housing sector in Scotland. The Association aims to develop an Employability Strategy including further strengthening partnerships with local schools and colleges to create awareness of the careers available within the housing sector and to provide training and job opportunities to support succession planning. Previous trainees have gone on to permanent positions in ng homes and other organisations. Trainees are provided with comprehensive training which includes guidance and support to ensure that they are equipped with the skills and ability to work in a wide range of important roles within the housing sector. Training can also include studying towards a recognised qualification from the Chartered Institute of Housing.

We fully embrace the principles of equality and diversity; the Association is recognised as a Disability Confident Employer. Reaccreditation was achieved in February 2022 and is in place until February 2025. The Association continues to play a key role in supporting under-represented groups in the community in a number of ways including providing support to obtain work experience and employment opportunities. This includes people from the black and minority ethnic communities. In this regard we continue to support and work closely with PATH (Scotland) by providing training opportunities within the Association and have also worked with local groups such as African Challenge Scotland and Glasgow Afghan United to achieve this.

Value: We are a quality organisation delivering excellence

Volunteers

Volunteers play an increasingly important role in ng homes. We are very fortunate to have dedicated, skilled and enthusiastic volunteers who support and complement our staff teams. We value the contribution and role of volunteers and we work in partnership with a range of organisations to support them with training and development opportunities to ensure that they can get the most from their volunteering, including accreditation where appropriate.

Our Volunteer Strategy forms the basis of this aspect of our work. We intend to build on the current framework for volunteering opportunities to consolidate and expand our regeneration activities and services in order to improve the lives of our tenants, residents and local people across all ages and cultures.

Volunteering opportunities are achieved through a variety of initiatives and activities, from helping develop the landlord report, to focus groups and community-based projects. These included “Activate” a community development training course delivered in partnership with Glasgow University and “Song/Shimmy” which is a regular social event for older residents. Both will be restarted after an interruption caused by the Covid-19 pandemic.

Value: We are friendly and treat people with respect

Regulators

ng homes are registered with and regulated by the Scottish Housing Regulator. The SHR has updated its Regulatory Framework and the Association is committed to ensuring that we are compliant with all the seven Regulatory Standards contained within the Framework. We have been classified by the SHR as ‘systemically important’. The SHR will be reviewing our Business Plan and financial projections as part of this engagement. The Association provided the Regulator with an Annual Assurance Statement by 31 October 2021, and we will work closely with the Regulator to ensure that we continue to meet the regulatory standards of governance and financial management. Governance self-assessment will continue to be a key feature of our approach. We are also a registered charity regulated by OSCR and as a community benefit society we are overseen by the Financial Conduct Authority.

Value: We are accountable

Scottish Government

The Scottish Government has supported several of our key programmes and initiatives with funding, and this has enabled us to deliver innovative programmes within our communities. We take account of the Scottish Government’s national policy priorities when developing and delivering our services. We are committed to excellent customer service and meeting customer expectations in line with the Scottish Social Housing Charter ensuring quality and standards of service and supporting the Scottish Government’s long-term vision for a safer, stronger Scotland. Where appropriate, we will work with others to influence government policy on housing, community and health and social care for the benefit of our customers. This was reflected in previous funding support direct from the Scottish Government and from other public grant programmes including Climate Challenge Fund, People and Communities Fund, BIG Lottery Fund and others. The level of funding support over the last nine years shows a high degree of confidence in us by various national funders.

Value: We act with integrity

Partners

ng homes are an established 'community anchor' and we work with local partners to deliver community events and develop community assets, build capacity, develop local people and improve access to support and services. Our aim is to work with a range of partners to deliver lasting benefits to local communities and to have a positive influence on the housing sector in general. Our partners include small local organisations or groups, or they can be large national organisations. Key partners include SFHA, CIH, SHARE, Employers in Voluntary Housing, Glasgow and West of Scotland Forum, Glasgow City Council and the Scottish Government as well as local community based voluntary groups and local businesses / organisations. We also have a strong partnership with SFRS (Scottish Fire Rescue Services) and are aiming to host a seconded post again.

Value: We are trusted and trusting

Lenders

We understand the importance of loans and treasury management to our business and maintain a strong professional relationship with our lenders. Finance is important to allow us to build new homes and refurbish our existing stock.

We recognise the necessity of compliance with the terms set out in its loans with current lenders, the Nationwide Building Society (NBS) and The Housing Finance Corporation (THFC). We communicate with our lenders in an open, professional and timely manner to ensure that our lenders are aware of our plans and that we are meeting all our obligations within the terms of our loan agreements and covenants.

Value: We are accountable

Suppliers / Contractors

We have strong working relationships with a variety of suppliers and contractors. Our relationships are built on mutual respect and integrity. We engage with professional, ethical companies that deliver value for money products and services. We will ensure that we continue to develop and maintain sound positive relationships in line with good practice in procurement, contract management and professional services.

Value: We are a quality organisation delivering excellence

Housing Provision

Stock in Ownership

ng homes own a total of 5,424 self-contained properties for social rent as shown in the table below:

Stock Type	1 apt	2 apt	3 apt	4 apt	5 apt+	Total	% of total
Multi-storey flats	0	358	578	0	0	936	17.3%
Deck access/Other flats	51	149	101	83	17	401	7.4%
Tenement flats	27	768	1,267	316	6	2,384	43.9%
4-in-a block cottages	0	57	743	160	1	961	17.7%
Houses	0	6	341	327	68	742	13.7%
Total	78	1,338	3,030	886	92	5,424	
% of total	1.4%	24.7%	55.9%	16.3%	1.7%		

From the stock figure of 5,424 there are 83 properties excluded from the letting pool. These are decant properties being held for structural repair and pending an options appraisal on future use. In addition to this, there are 21 units for mid-market rent and 37 sharing owner properties. This figure does not include 3 office premises.

The Business Plan has assumed that 122 properties will be demolished, subject to appropriate permissions. Provision has been made for demolition, decant and home loss and disturbance payments within the projections.

Our housing is geographically concentrated in 4 adjoining neighbourhoods across North Glasgow, approximately 2 miles from Glasgow city centre. The Springburn area has the largest share of stock (40%), most of which are flats including multi storey and deck access properties. This contrasts with Parkhouse, our smallest neighbourhood (9% of stock), has mostly houses and 4-in-a-blocks. Balornock accounts for 25% of the stock with an even split between flats, houses and 4-in-a blocks. Possilpark accounts for 26% of stock, with a majority of flats but with a sizeable proportion of houses.

General Needs

The majority of our housing stock is general needs which is let to single people, couples and families. These properties are let in line with our Allocations Policy.

Housing for Older People

We have housing for older people at:

- Hawthorn Street
- Carron Crescent
- Kemp Street
- Gourlay Street
- Barloch Street

Our Retirement Housing is available to applicants over 50 years of age and allows our tenants to live independently. Retirement Housing Officers work from a hub at Hawthorn Street and provide regular visits to each complex. In addition to this, staff can be on site to assist tenants with social activities. Concierge carry out security patrols at each of the complexes out of hours and at weekends.

Particular Needs

We have 44 elderly amenity flats and 22 wheelchair properties spread across our areas. A significant proportion of our stock has been physically adapted to meet medical needs, supporting tenants to remain in their own homes. As at 31 December 2021, we had completed 97 medical adaptations, which were part funded by a Glasgow City Council grant of £151k.

Supported Housing / Special Lets

We provide housing which is leased to a variety of agencies to allow tenants with a range of different needs to live in our communities. These agencies include but are not limited to:

Agency	Springburn	Possilpark
Glasgow City Council	90	26
Mears	60	39
Phoenix Futures	_____	11
Key Housing	3	_____
Penumbra	_____	1 x 8-bedroom unit
Mungo Foundation	_____	1 close with 10 flats
Richmond Fellowship	_____	3
Quarriers	1	_____

Housing Initiatives

We support the Government's mortgage-to-rent scheme and other initiatives to prevent people losing their home and will continue to pursue Mortgage to Rent purchase and shared ownership buy-backs where these make business sense. Over the past few years, we have undertaken a modest programme of one-off open market purchases, where this meets our financial and other criteria (e.g. to help consolidate common factoring and houses suitable for tenants with medical support requirements).

Services

Housing Advice

Our staff provide housing advice to applicants and tenants. For applicants, they will provide advice using the Housing Options model to ensure all possible options for housing are discussed and in 2020/21, 902 applicants were given advice on their housing options. For tenants, staff will provide general advice and assistance on housing and for more complex cases we will signpost to GCC, Citizens Advice, Shelter and others for specialist advice.

Factoring Service

We provide a factoring service to 1,275 owners, managing properties and supporting owners. We consult owners in terms of future investment and have a quarterly owners' forum to discuss topics of interest. We benchmark our management fees against other local housing associations and our fees are very competitive within the sector and less than private factors. Our first Mid-Market rent development at Keppochhill Road will be run through our subsidiary company, ng property (Scotland) Ltd.

Repairs Service

We carry out emergency, routine and complex repairs and are constantly reviewing how we deliver our service in order to ensure Value for Money, as well as a more positive experience for our customers.

Concierge Service

We currently have a 24-hour a day, 365 days a year Concierge service that covers our multi-storey flats, providing the following services:

- Cleaning the multi-storey flat and deck access communal areas
- Clearing out empty houses in the multi-storey flat area
- Assisting tenants
- Maintaining and preparing the bin area for cleansing uplift
- Safety patrols around our areas and offices
- Monitoring our CCTV
- Assistance at weekends for our elderly tenants
- Electrostatic disinfecting spraying in high traffic areas
- Regular cleaning of common touch points

Our Concierge provide emergency support out with office hours and tenants and staff provide very positive feedback on this service.

Welfare Benefits and Budgeting Advice Service

We want to ensure that our tenants receive advice and assistance about benefits. We use Greater Easterhouse Money Advice Project (GEMAP) to provide a welfare benefits service to our tenants. This service is available in both our Springburn and Possilpark offices. The service is available to all our tenants and referrals can be made from the tenants themselves or a third party. In 2020/21, GEMAP secured over £3.4m in additional income for over 1,300 of our tenants. £926K was Housing Benefit/Discretionary Housing Payment. GEMAP also secured over £750K in Universal Credit for our tenants. This was money which would otherwise have been unclaimed. We will continue to monitor this service, to ensure the services provided by GEMAP have a direct impact on our rent arrears. This is an excellent service for our tenants, particularly when we are operating in areas of deprivation. In addition to this service, we were also successful in securing funding from GCC for our 'Joining the Dots' programme until 2023, which allows us to have another Welfare Benefits Advisor and also a Financial Capability Officer to assist with budgeting, fuel poverty and opening bank accounts.

Operating Environment

Our tenant profile encompasses a wide range of ages and ethnic origins as detailed in the tables below:

Age	Percentage of Stock
Under 25	3%
25 – 54	49%
55 – 74	36%
75 and over	12%
Total	100%

Gender	Percentage of Stock
Male	49%
Female	51%
Total	100%

	Percentage of Stock
White	70%
Black	5%
Chinese / Indian / Asian	3%
Other	22
Total	100%

Our operating environment is challenging, the North Glasgow area includes areas of multiple deprivation with 67% of our tenants either in receipt of Housing Benefit or Universal Credit. It is important to us that we use this information to shape our services to tenants and to deliver services that encourage tenancy sustainment and community cohesion.

Tenant Engagement

Engaging with our tenants is very important for us. Housing Officers are responsible for tenant participation and work closely with our Regeneration Team to engage our tenants in local activities. In line with the Scottish Social Housing Charter's significant emphasis on tenant participation, we worked with the Tenant Participation Advisory Service (TPAS) Scotland to develop a more

comprehensive tenant participation strategy which was approved in June 2021. We are working closely with TPAS to strengthen our Residents Improvement Group and focus groups. We also have a group of tenants who work on our annual landlord report, and they play an active role in designing the report that is delivered to our tenants. We are keen to support any group of tenants, particularly in the initial stages and will use TPAS or Tenants Information Service (TIS) to set up new groups.

Health & Safety

The health, safety and wellbeing of our tenants, customers and staff is our main priority. We view this as critically important in regard to our responsibilities as both an employer and a landlord and we have full access to both the Employers in Voluntary Housing/ACS Employer and Landlord Control Manuals to support us in this vital area of our work.

In April 2017, we undertook an internal health and safety audit of our multi-storey flats and following the Grenfell tower tragedy in June 2017 we also undertook risk assessments. As a result, remedial works were carried out. We contracted with experienced health and safety consultants, ACS Physical Risk Control Ltd, to conduct updated fire risk assessments throughout 2019 to 2021. In addition to this, we are working with a tenants' focus group along with TPAS to review health and safety issues in our multi-storey flats.

We are committed to continuing to operate in line with health and safety legislation and good practice across the whole of North Glasgow and in 2020 we started to develop and implement a comprehensive Occupational Health, Safety and Welfare Management System covering the entire group. This approach will ensure that we maintain a robust, effective and sustainable health and safety culture into the future. This includes all Board and staff members understanding the role they have to play. The system will be designed to ensure the group reaches the highest possible health and safety standards and will also provide the opportunity to seek external accreditation as a mark of achievement through the ISO45001:2018 standard which was recently introduced.

Demand

Maintaining demand for our stock is essential for the financial viability of the organisation. Consequently, we will closely monitor other Housing Association's new build plans to minimise risk of any displacement and to ensure this does not adversely affect demand on our stock. Much of our stock is located in the Springburn ward where the population has reduced significantly due to extensive demolition carried out by Glasgow Housing Association (GHA) in previous years and the population is projected to fall further.

The findings of an independent demand analysis that was carried out by Northstar Consulting Services reinforced what we know already, that despite the fall in population there is currently demand for the majority of our homes with our highest demand areas being Parkhouse and Balornock. We have a healthy waiting list of just over 3,000 applicants, which is an increase of 1,000 from 2019/20 and our waiting list is significantly higher than other neighbouring Housing

Associations. This demonstrates that we do have a demand for our stock. Some of our accommodation however including Possilpark tenements and the Balgrayhill Road deck access homes are in low demand. The plan assumes that 122 of these low demand properties will be demolished over the next three years.

In general, turnover in the last 5 years has ranged between 5% and 20% with an overall average of around 10% per annum. The turnover in tenements and deck access houses has been higher than the turnover for main door houses and multi-storey flats and turnover is at its highest in Possilpark. We will analyse these high turnover areas, to determine which specific patches, streets or closes are low demand and this will, in accordance with our Asset Management Strategy, allow our Board to make informed investment decisions in future.

SWOT Demand Analysis

Strengths *	Weaknesses **
<ul style="list-style-type: none"> • High Demand Areas • Low Turnover • Low Maintenance Costs • Healthy Waiting List • High Acceptance Rate 	<ul style="list-style-type: none"> • Low Demand Areas • High Turnover • High Maintenance Costs • High Refusals • Poor Retail Facilities
Opportunities	Threats
<ul style="list-style-type: none"> • Increase existing levels of owner occupation including alternative use for low demand stock • Analyse areas, streets and closes to ascertain reasons for low demand • Achieve informed investment based on information from Stock Condition Survey and Asset Management Strategy • Extend Retirement Housing into multi-storey blocks 	<ul style="list-style-type: none"> • Complacency /Do Nothing • New Build by other Housing Associations • Investment in low demand housing

* Applies to High Demand Areas, such as Parkhouse and Balornock

** Applies to Low Demand Areas, such as Balgrayhill decks and Possilpark tenements.

Based on 2012 figures, the levels of social rented tenancies were above the Scottish average and owner-occupation was below the Scottish average at 65% social rented and 35% privately owned.

Since then, the Springburn and Canal wards has changed across the last decade. The demolition of the Red Road flats together with the Pinkston multi-storey flats that were on the North Bridge site has changed the position. Taken together with another five years of Right to Buy up to the date of its abolition helped to change the position. Based on the 2018 numbers the position had altered to 52.5% social rented and 47.5% privately owned.

Beyond 2018 there is a substantial increase in private and mid-market developments in the area. The North Bridge development will bring 824 owned units and private rented. The redevelopment of the distillery site is resulting in 84 social housing and 500 private units. The Hamiltonhill redevelopment by Queens Cross HA will result in 350 units for sale and 320 for social housing. The redevelopment of the Ruchill Hospital site will result in 403 private units.

Taken together with other developments there has been a significant change in the area with private ownership over 50%. The development of the Keppochhill Park site (bounded by Keppochhill Road, Carlisle Street and Hawthorn Street) which will follow on from North Bridge will further augment the area.

Homelessness

We are continuing to work closely with Glasgow City Council to house homeless households. In 2020/21, we let 111 houses to homeless applicants, which is 26% of our total lets.

Health and Social Care Integration

We recognise that health and social care integration and related proposals to switch care from acute hospital services to support in the community presents a challenge. 48% of our tenants are over the age of 55 and we can make a positive contribution to delivering the Government's integration aims in Glasgow e.g. in our multi-storey flats where we have a 24/7 Concierge service.

Welfare Reform

We monitor the UK and Scottish Government's policy on this key issue. We will take action to mitigate impacts on tenants and our business. On 31 December 2021, we had 1,512 tenants in receipt of Universal Credit. Our Housing Services Team have Housing Officers specifically dealing with arrears to ensure intense management of rent accounts. They will take all necessary steps to keep any arrears increases to a minimum and to maximise income for our tenants as they migrate onto Universal Credit.

Performance

The Association is a member of an established benchmarking group – Scottish Housing Network (SHN) which looks at Housing Management performance information and value for money. This, along with the information provided by each landlord to the Scottish Housing Regulator in the annual return, allows us to compare our performance against our peer group. We pride ourselves on our performance, without being complacent and we reported the following for 2020/21:

- Re-Let Timescales – Houses were let within an average of 36.4 days (27.2 if we discount days where we could not let due to Covid) compared to 25 days for 2019/20.
- Void Rent Loss was 0.9% compared to 0.5% for 19/20. This was due to Covid-19 and a period where letting was suspended.
- Arrears - Total gross arrears performance (current and former tenant arrears combined) is 6.1% compared to 6.0% for 19/20.
- Tenancy Sustainment was 89%, compared to 85% for 19/20.
- Emergency Repairs - The average length of time taken to complete emergency repairs is 2.38 hours compared to 3.05 hours in 19/20.
- Non-Emergency Repairs - Average length of time taken to complete non-emergency repairs were 4.68 days compared to 4.07 days in 19/20.
- Medical Adaptions - a total of 105 adaptations were completed during the year in an average timescale of 16.8 days from referral date compared with 25.7 days in 19/20.
- Gas – 9 of our properties did not have a gas certificate renewed within 12 months, this was due to tenants shielding or self-isolating. These services were carried out as soon as it was safe to do so and 100% of our properties now have a current gas safety certificate.
- Anti-Social Cases – 93% of our cases were resolved within timescale compared to 96% for the previous year
- Customer Satisfaction - 90% of our tenants were satisfied with the overall service provided by the landlord and 90% of our tenants were satisfied with the opportunities given to them to participate in the landlord's decision-making process

We will continue to work with the Scottish Housing Network this year and will use the SHR's data to benchmark our performance against similar size landlords to determine how we are performing in relation to others within the sector.

Regeneration

Key Themes

Our Regeneration Strategy is aligned with National, and Local Government Housing and Regeneration objectives, these will be reviewed in line with Business Plan priorities. Our 3 Strategic themes of Physical, Economic and Social regeneration are designed to improve housing quality and tenure, place making, health and wellbeing, social isolation, community cohesion and capacity building, digital inclusion, challenging poverty and fuel poverty, recycling and environmental impacts, employability, health, education, and physical participation. The Regeneration Department continues to provide a wide range of activities for our residents and the wider community.

Our strategy will be developed upon the success of existing regeneration initiatives and emerging themes designed to improve the lives of our tenants, residents, local people and help to support the most vulnerable and marginalised members of our community.

Glasgow North Strategic Development Framework

Glasgow City Council released their Glasgow North Strategic Development Framework (GNSDF) consultation document in October 2020.

The document identifies 4 main outcomes; **Working North** which would include digital infrastructure and inclusive economic growth; **Liveable North** with housing as a key element; **Connected North** which would include issues related to local travel and town centre shopping; **Green North** to consider access to good quality open spaces and development proposals for vacant and derelict land.

ng homes will continue to develop discussions with partners in Glasgow City Council to play a lead role in the transformation of Glasgow North. We look forward to working for residents and businesses, both existing and new, on creating a thriving, inclusive, prosperous, green and healthy Glasgow North.

Physical

ng homes are committed to providing high quality, sustainable, energy efficient homes for all our tenants. This is being enhanced through our new build housing programme. We completed a 49-unit flatted development at Keppochhill Road, Springburn, comprising 28 units for social rent and 21 units for mid-market rent, which came off site in February 2022. A greater choice of tenure, beyond purely social rent will attract a more diverse range of households into the area. This will also assist with Glasgow City Council's Affordable Housing Supply Programme.

Economic

Our economic regeneration is channelled through our social enterprise company ng2, which supports the delivery and outcomes of our employability and personal development initiatives. ng2 also

provides a significant financial and value for money benefit for ng homes residents, as no vat is payable on the labour costs. This equates to a vat saving of 20% on an average salary bill of £1.7 million per annum. We will re-engage post pandemic with a range of third sector organisations to explore employment opportunities for young people and vulnerable groups.

As a social enterprise ng2 is committed to delivering a social as well as financial return. We continue to engage with a range of third sector organisations including Scottish Council for Voluntary Services (SCVO), Help for Heroes charity focusing on re-engaging ex British Army veterans back into employment and Scottish Government Community Jobs Scotland (CJS) programme for young people, which also prioritises those from vulnerable groups.

Private Sector – Business Improvement District Possilpark

The concept of a Business Improvement District (BID) is for local business leaders to form a group to discuss how establishing a BID could help revitalise the Possilpark area. Thereafter, a steering group is established to formulate budget proposals. The Council will agree a baseline service agreement to ensure the BID doesn't replace statutory council services as it is for additional activity. An initial seed corn grant was received from Scottish Government to help work with businesses, establish the local steering group, engage with the Council and create a Business Plan.

Funding of circa £350,000 has been granted from Glasgow Town Centre Action Plan fund for a shop front improvement programme. The ballot for the BID area is due to complete in March 2022.

Social

Our social regeneration focuses on community development, capacity building and community cohesion. These themes are supported by a range of community charities, local volunteers, schools, colleges and universities vital to the delivery of local projects and initiatives.

We will continue to involve and further develop our relationships with young people and provide them with a platform to have a 'voice' in North Glasgow, particularly around shaping and influencing our strategies and services for young people. This will include the development of a Youth Strategy which will give young people a more prominent role within the community and help with the establishment of a Youth Board. The Board strongly support this approach.

Cultural Integration

We continue to maintain and develop our cultural integration programmes. There has been a strong element of cross-cultural integration through our engagement with Chinese, African and Afghan communities and their associated organisations. Activities include weekly, monthly and larger multicultural community events. Our engagement in this area of work has been recognised by the presentation of awards for work in promoting cultural integration.

Cultural integration has a strategic fit with the New Scots Refugee Integration Strategy. Our activities meet and complement strategic outcomes such as Refugees and Asylum Seekers living in safe, welcoming and cohesive communities and able to build diverse relationships and connections. The associated objective is that refugees can share their language and culture with local communities.

Climate Challenge

As a socially responsible and ethical Registered Social Landlord, we are committed to undertake our business activities in a sustainable and ethical manner.

Throughout our partnership with Keep Scotland Beautiful Climate Challenge programme we have increased opportunities and access for residents to recycle and reduce waste going to landfill. We have a local distribution unit where we operate our textile and furniture re-use and recycling project.

A key priority within our Climate Challenge actions was to address issues around energy efficiency, energy awareness and fuel poverty. Our future investment programme aims to deliver significant reductions in greenhouse gas emissions and energy consumption. We will achieve this by addressing how people live in their homes. Using the latest technology and working closely with tenants, we will support them in adopting energy-saving behaviours and educate them on how best to use their new systems.

The projects in the multi-storey flats will generate social and economic benefits through the reduction of fuel poverty in a deprived area of Glasgow. Our upgrades will do this by:

- Saving households up to £6.8 million in fuel bills
- Supporting vulnerable tenants to manage fuel poverty
- Improving tenants' health & wellbeing
- Having a national benefit of £23m on the economy
- Having a local benefit of £22m on the economy
- Providing £150k to support the community.

Support During Covid-19

External grant funding is extremely important to our regeneration efforts; aligned with ng homes' own regeneration budget. We continue to source funding opportunities harnessing a powerful combination of internal and external funding for the benefit of the community.

The range of ongoing external funding and additional Covid supported activities allowed an increase in ng homes direct role in providing community support services during the Covid-19 pandemic. The National Lottery Community Fund; Supporting, Connecting and Building Resilience of North Glasgow Community is funded for a period of three years. The main elements of this project include maintaining and building on the furniture and furnishing referral service and it also includes a 'wrap around' support model working alongside a wide range of community partners. There is a substantial

amount of partnership involved within this project with an overall partner groups and thematic groups to link in with regeneration themes.

Asset Management Strategy

A major objective for ng homes was to complete a comprehensive Asset Management Strategy for all our stock. This resulted in carrying out a full stock condition survey of over 80% of our stock which included a voluntary social survey. This has allowed us to make an informed assessment of the future maintenance requirements over the next 30 years, for business planning and investment purposes. The survey has taken full account of the Energy Efficiency Standard for Social Housing (ESSH) and the Scottish Housing Quality Standard (SHQS)

Investment

The Investment spend for 2020/21 was £15m. The types of works programmes undertaken were wide-ranging and included:

- Air Source Heat Pump heating systems in the multi-storey flats
- Kitchen and bathroom replacements
- Rewiring
- Fire Safety Works
- Electrical Testing
- Digital Aerial Upgrades

All future investment priorities will be determined by the following key strategic drivers:

- Legislative Requirements
- Regulatory Requirements
- Stock Condition
- Fire Safety

ESSH

The Scottish Government requirements for ESSH 2022 has provided targets for social housing to be EPC Band B by 2022 (within the limits of cost, technology and consent).

As a result of this and due to the large leap required for some of the properties to move from their current EPC rating to Band B, significant investment has been undertaken and planned for future years. Additionally, no social housing EPC Band D and below is to be re-let from December 2025. The business case for doing this is dependent upon the savings made by the tenants to ensure that the investment required is not disproportionate to the benefits for the tenants. To achieve this, we need more data on the positive effects that this will have on fuel poverty and the health and wellbeing of our tenants. We also identified, based on the budgets which had been set within our 30-year Business Plan, that we would need to access financing/grant funding to achieve our aspirations. We have implemented a large-scale heat survey within our own multi-storey flats.

Risk Management

The operational and strategic risks are monitored on an ongoing basis and the Strategic Risk Register was approved by the Board in July 2021

Our Audit Sub-Committee has specific responsibility for overseeing the work of external and internal auditors, conducting reviews and implementing procedures necessary to maintain internal control. This is done to ensure that the internal control arrangements are systematically reviewed and that any weaknesses in control are identified, reported and corrected. As part of this the Audit Committee produces annual reports for the Board, commenting on the internal control system, the external auditor's Audit Findings Report and the internal audit annual report.

The role of the auditors is only part of the internal control process and management of risk. The Board, staff and external consultants contribute to the process of risk management through a variety of different reports and reviews that are presented to the Board. When significant decisions are being made these are always accompanied by appropriate reports outlining the options relating to that decision and what effect this will have on ng homes.

We proactively work to contain and limit the risks to which our organisation is exposed. Each activity we undertake will bring its own area of risk. We will regularly identify and appraise risks, taking a prudent approach to managing them.

In our management of risk, we:

- Recognise that ultimate responsibility rests with the Board, with high quality advice and support from the management team and auditors
- Recognise that everyone in the organisation has a role to play in identifying, managing and mitigating risk
- Comply with all statutory, regulatory and good practice requirements
- Adopt structures which delegates authority to the appropriate level for risk management of various activities
- Adopt, implement and regularly review key policies
- Support Board members and staff with risk and business continuity training
- Employ a programme of internal audit to assist in risk identification
- Obtain verification from external auditors of the statements of internal control

To enable risk management reporting, identified risks need to be assessed and evaluated in terms of the likelihood or probability of the risk occurring and the impact that such an occurrence would have.

We have developed a high-level Strategic Risk Register that identifies the risks to our Business Plan and the achievement of our strategic goals. This includes the actions that we undertake to mitigate these risks. The operational risk registers are reviewed on a regular basis by all Boards and Sub-Committees to assess whether any new risks should be added, evaluate existing risks and agree on any action required.

Progress Monitoring and Reporting

The ongoing monitoring, review and reporting of performance against the Business Plan are key components of the business planning process at ng homes.

We will assess our performance in a variety of ways with a comprehensive rolling programme implemented to ensure that progress is measured and evaluated as follows:

- Managers will work with and support teams and individuals to achieve their objectives – this will be achieved through regular team and departmental progress review meetings, individual discussions and via the performance review process
- Performance will be reviewed with staff at the operational level monthly
- An internal review will be undertaken by the Executive Team on a quarterly basis reviewing progress/status reports and financial information
- A six-monthly update report will be provided to the Board on performance and progress against the Business Plan
- A Business Plan review and update session will be held with the Board and staff every 6 months to report and examine performance against the business objectives, review achievements, discuss any issues that have impacted on the plan and explore any new opportunities that have emerged.

The approach outlined above reinforces the importance of the Business Plan as a strategic planning tool and will ensure that we respond quickly to any changes in the internal and external environment and are able to take the appropriate action in line with our strategic plan.

Appendix 1

Detailed financial management and scenario planning

1. Operating Environment

For many families, the Covid-19 pandemic has brought greater instability and insecurity, disrupting work and education and destabilising incomes. This economic uncertainty will be exacerbated by ongoing global conflicts. Many of our customers have less money coming in and some have lost their jobs. Stretched family finances mean there is little headroom for cutbacks to spending.

The full economic impact on the Association, our tenants and other service users will emerge later. However, we believe that the scale and the nature of the disruption will be significant and could lead to disproportionate social impacts across poorer communities such as ours, which are already affected by substantial social, economic and health inequalities.

Our focus going forward is to ensure the financial well-being of the Association. How financially healthy we are and how well we use our money with a focus on best value, viability and our ability to remain resilient against the economic challenges. It is important for our tenants that rents remain affordable, investment is delivered, and ng homes continues to look after their health and safety.

To maximise the benefits for our tenants, going forward ng homes must also develop a strategy that delivers efficiencies and focuses on budgetary control. This is key to the future success of the Association.

2. Economic Outlook

The International Monetary Fund (IMF) has recently warned that the Covid-19 pandemic is set to bring long-lasting damage to the UK economy. Their forecasts showed that while most advanced nations would return to the economic growth expected before the pandemic struck, Britain's economy would still be 3 per cent smaller in 2024. The IMF predictions are consistent with forecasts from the Institute for Fiscal Studies and Citigroup.

In its November policy statement, the Bank of England said it expected consumer price inflation to reach 5% next year, well above the 2 per cent bank target and then to fall back. This now seems to be optimistic with global conflict expected to push inflation to over 8% with the prospect of these rates being embedded longer in the economy.

Much of the recent rise in UK inflation has stemmed from higher energy costs, the increasing costs of imported goods, as well as international commodity prices, which are now expected to last longer as the prices of oil and gas continue to rise to record levels. We will have to monitor the inflationary effects going forward and adjust our costs when necessary. The major challenge for all RSLs is that

repair costs appear to be rising well in excess of the published rate of inflation and this will have to be reflected in our future projections.

But the magnitude and duration of the inflation spikes is proving greater than expected and this is now pointing to an interest rate rise sooner than previously thought. Traders are betting on interest rates rising from the current level of 0.5 per cent to 2% per cent by the end of 2022.

3. Asset Management

We are a property business that owns 5,424 homes for social rent and 21 for mid-market rent. We understand that an effective Asset Management Strategy is key to the delivery of our business objectives and ensure continued financial viability, compliance with obligations to lenders and safeguarding the interests of all our stakeholders.

It is essential that the performance of existing assets continues to be effectively monitored and managed. We will be updating our asset management module in 2022/23 with the aim of assessing which schemes are making an appropriate level of return.

3.1 Asset Management Strategy Objectives and Responsibilities

The current Asset Management Strategy will be revised and will have several key objectives which will include:

1. Ensuring that ng homes have accurate information that enables structured and rigorous planning and analysis to support good decision making.
2. Ensuring that ng homes houses are fit for purpose, compliant and supports the business objectives.
3. Making the right decisions about homes that are either underperforming or failing to reach their full potential in line with ng homes' objectives.
4. Protecting and enhancing income streams by ensuring properties continue to meet customer expectations.

The revised strategy will assist us in:

1. Compliance with the Energy Efficiency Standard for Social Housing and where financially sensible EESSH2 guidance.
2. Continued compliance with Scottish Housing Quality Standards (SHQS) and
3. Compliance with relevant regulatory inspection and servicing regimes (including gas, water hygiene, fire, asbestos and electrical testing).

The asset management objectives will be monitored, and compliance reported to the Board throughout the year.

The strategy will:

1. Give greater certainty for planned investment.
2. Provide a clear understanding of the financial implications of investment

3. Increase consultation and satisfaction with tenants and other stakeholders

3.2 Financial Appraisals

There are several reasons why a property may cease to meet strategic requirements and become worthy of appraisal. This can include issues relating to:

1. Tenant satisfaction
2. Costs of regulatory compliance
3. Long term sustainability

We will develop an appraisal model that will scrutinise the performance of our homes considering a set of inputs effectively a measure of property performance, or cost benefit analysis. This would consider a range of inputs, such as income, demand, management and projected maintenance costs (including health and safety).

Financial Appraisals will be undertaken by the calculation of a positive Net Present Value (NPV), indicating long-term financial sustainability. NPV will be calculated for all properties.

Assessment of the necessary course of action can always be completed on a house-by-house basis, if required or by identified groups of homes. When assessment suggests that property assets performance is not sustainable, ng homes will consider:

1. Additional reinvestment, as determined by stock condition data.
2. Use for an alternative customer or client group to improve financial viability.
3. Partnerships with developers for mixed tenure developments/regenerated blocks
4. Disposal to other affordable housing providers
5. Disposal on the open market.

Any disposals will need to take account of loan security issues or Housing Association Grant (HAG) conditions relating to the properties in question.

4. Rent Restructure

Most of our homes have been acquired through stock transfers in 2001 (Scottish Homes) and 2011 (GHA), which has led to rent inconsistencies across our homes. Simplicity and ease of understanding is critical in ensuring that tenants fully understand the rent setting process. We will review this issue in 2022/23.

The commonest criteria for determining rental charges are:

- Property type (house, flat, bungalow)
- Size of property (number of bedrooms / person size)
- Condition (unimproved, refurbished, new build)
- Amenities and the cost of heating in a property are important factors

- Factors like driveways, garages, gardens can also be built into considerations.

5. Financial Headroom

To survive in the economic environment, it is important that we provide appropriate and sustainable headroom in the financial projections. This should demonstrate that loans are repaid timeously, and we can handle any risks that arise.

The Board must ensure that it is able to detect timeously any serious risk to the financial sustainability of the Association and take quick and appropriate corrective action. We need to be candid about our finances and realistic about the implications of:

- Global conflict
- Pandemic
- Effects of Brexit
- Affordable rents
- Demand for properties
- Welfare Reform
- Pension deficits
- Increase in inflation
- Building Cost inflation
- Increases in interest rates
- Covenant compliance

The Board must consider all the risks in the Business Plan, model the financial effects of changes to key assumptions and have contingency plans in place as appropriate. The operating environment will remain challenging for the foreseeable future. We understand that we must continue to adopt a prudent approach to financial management and provide an efficient service. These include:

- Bad debts assumed to be 3% for years 1 to 5 and then 2%. Voids 2%. The void rate for the Association for the year to March 2021 was 1.3% and the bad debts write off was 1.3% of the rental income.
- Cost uplifts above inflation of 0.5% in the long term for all maintenance and salary costs
- In 2023/24 salary and maintenance costs are assumed to increase by 5% above inflation and in 2024/25 increases of 1% above inflation.
- Interest rates rising to 4%

6. 5 year and 30-year financial plans

Our 5-year financial projections show us generating the following results for years 1-5 (2023 - 2027). Even with the planned deficits in earlier years, the projections show that we are covenant compliant and viable. The impact on projected operating spending and cash is noted below:

Year March	2023	2024	2025	2026	2027
Net surplus/(deficit)	(£1,612,300)	£2,242,900	£2,801,500	£1,519,900	£332,700
Cash balances	£18,221,500	£16,246,200	£15,184,600	£14,531,700	£14,238,000
Loan Balances	£41,276,200	£38,479,100	£35,676,200	£33,064,600	£30,434,600

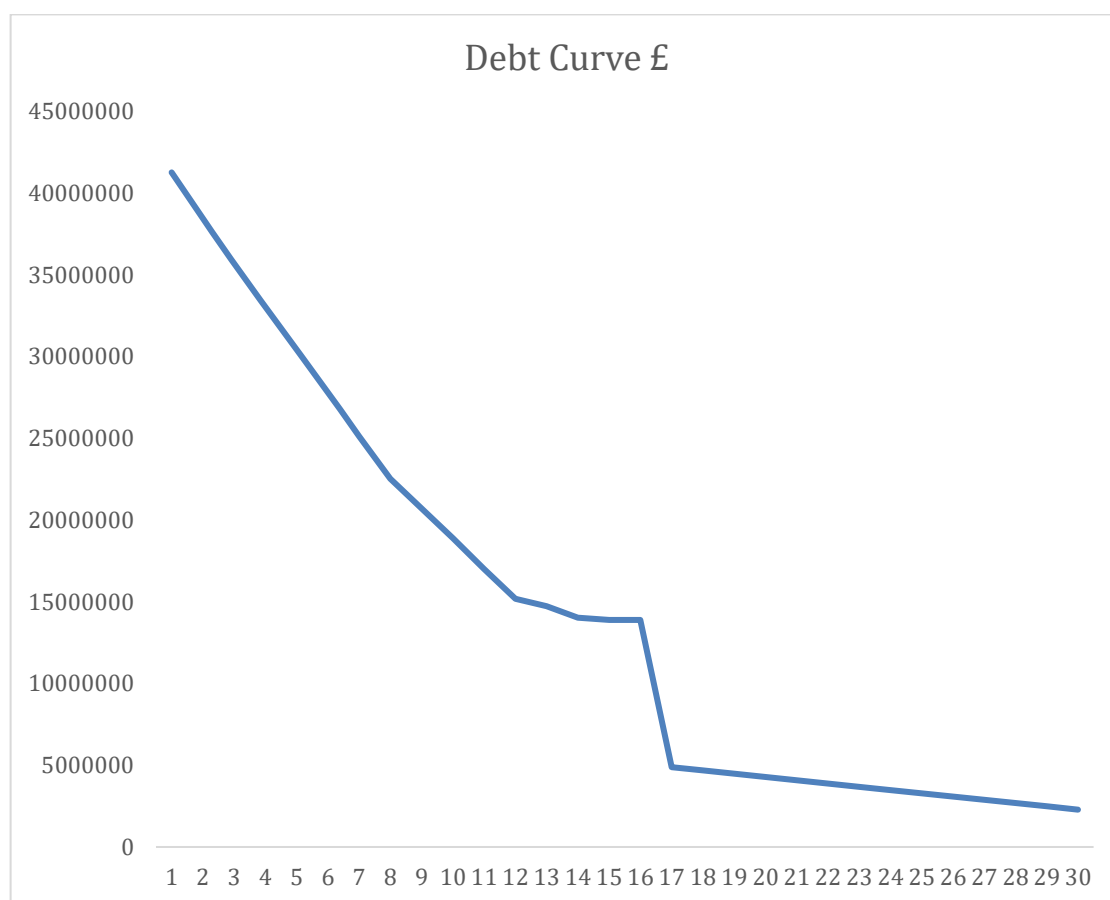
Our 30-year projections indicate that we are viable in the long term and fully compliant with current lending covenants and loans repaid within the required term. A summary of our key financial assumptions is set out below:

Summary of Financial Assumptions for Business Plan

Key Assumption	Business Plan 2022/23
Opening stock	5,396
New build units social rent	28
Demolitions 2022-2023	122
Average rent	£4,821 per unit
Annual rent increase	+ 1% year 2 to year 5, +0.5% till year 9 then inflation only increases (2%) years 10-30
Void loss/bad debt	3% Voids; 2% bad debts Years. 1 to 2 2% Voids; 2% bad debts Years. 3 to 30
staff costs	£5.351m year 1 with 5% uplift above inflation in yr. 2 and 1 % above inflation in year 3, then uplifts of 0.5 % above inflation.
Pension deficit provision	£500k per annum (2 Years)
Planned maintenance	Average spends per year £6.6m with 5% uplift above inflation in year 2 and 1 % above inflation in year 3, then uplifts of 0.5 % above inflation.
cyclical maintenance	£1.961m years.1 -30;+ 5% (above inflation) cost Year 2 +1% cost growth Y3 +0.5% Y 4 to 30
reactive maintenance	£3.148m years. 1-30: + 5% (above inflation) cost Year 2 +1% cost growth Y3 +0.5% Y 4 to 30
Opening loan balance	£44.1m
Opening cash at bank	£28.1m

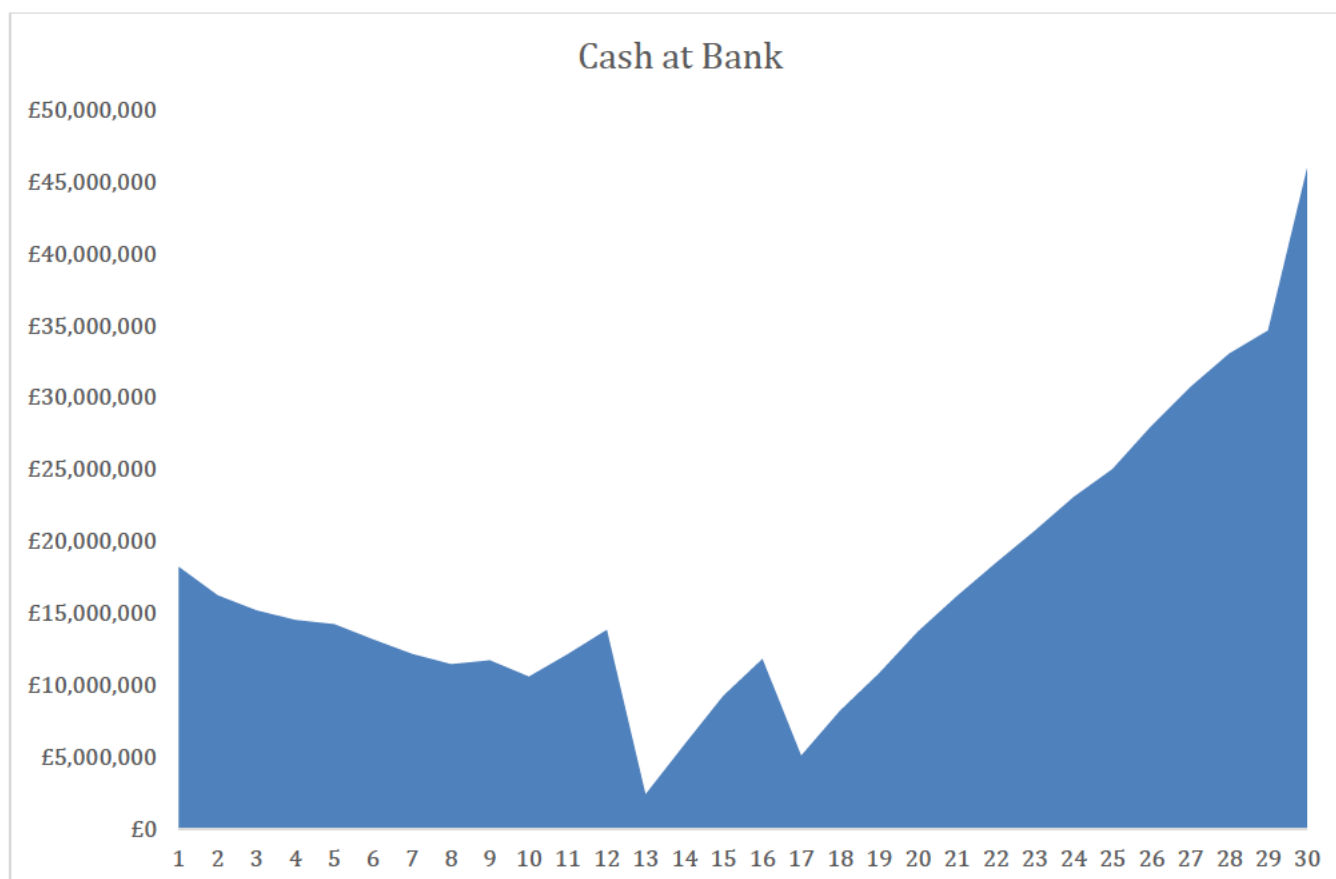
LIBOR	Rising to 4% by year 6
Annual inflation rate	2% Year 2 to 30

The baseline plan is viable in the short, medium and long term.



The current loans with THFC will be repaid by year 8 and NBS by year 12. The debt curve above illustrates the bond finance secured last year being repaid by year 17 of the plan. A loan balance of £2.3m remains outstanding in 2051 which represents the balance of a £5m loan secured to pay off the bond in 2039.

We are in a strong position to deal with potential financial pressures. The average Cash at Bank projected over the next 5 years is £15.7m. The lowest cash balance is £2.4m in 2035. There is a provision that year of £15.2m to cover any costs in renewing cladding on some of the multi-storey blocks.



We continue to seek operational efficiencies and we will continue to review our operating costs to ensure we deliver best value for our customers. We appreciate that we must have a strong focus on cost control in the current environment.

7. Sensitivity analysis

We have undertaken sensitivity analysis on our plan, the outcome of this is highlighted in the table below.

Sensitivity	Year 30 Cash	Peak Debt	Year	Year 30 Debt	Min Cash
Base	£45.9m	£41.3m	1	£2.3m	£2.4m 2035
Base Voids 5% Bad debts 5% (5 Years)	£37.8m	£41.3m	1	£2.3m	-£5.5m 2035
Major Repairs + 10%	£15.2m	£41.3m	1	£2.3m	-£9.7m 2039
LIBOR 5% Year 5	£44.9m	£41.3m	1	£2.3m	£1.9m 2035
Inflation 1% and inflation only rent increase	-£9.9m	£41.3m	1	£2.3m	-£9m 2051
Major repairs + 10% and inflation only rent	£-17.7m	£41.3m	1	£2.3m	-£27.1m 2039
Staff cost +10%	£20.7m	£41.3m	1	£2.3m	-£6.7m 2039

Some of the scenarios above would cause significant stress to the Association. No lender would accept continuing outflow of funds without remedial action being taken. At the time of preparing the Business Plan, few of these scenarios are anticipated. However, the situation will be continually monitored closely and in the event of one or more changes in the assumptions made, appropriate action will be taken to ensure the Association remains viable and fully compliant with lenders' covenants.

8. Loan Portfolio Covenant Structures

Our main loan facilities are with three mainstream lenders to the RSL sector, Nationwide Building Society (NBS), The Housing Finance Corporation (THFC) and GBSH. Each lender sets covenants over their lending, and we must satisfy these conditions of lending ongoing. Lenders apply their own definitions and covenants. NBS sets an interest cover and asset cover testing.

We monitor these covenants against the set definitions on a quarterly basis within our management accounts. Interest cover tests the ability to repay interest back to the lender and asset cover tests the level of security (property) to be given to the lender to support their facility.

THFC have no specific accounting covenants but simply require their loan security to be met and net income from their rented properties to be greater than their interest payable. Therefore, Business Plan movements do not impact on these covenants.

GBSH have no specific accounting covenants but simply require their loan security to be met and net income from their rented properties to be greater than their interest payable. Therefore, Business Plan movements do not impact on these covenants.

We have fully considered the implications of the different covenant structures over the 30-year plan. Full compliance is evidenced throughout. The Income and Expenditure worksheet in the Business Plan model contains all covenant calculations for gearing, interest cover and debt per unit. We continue to monitor these covenants on a quarterly basis, and we will be tested and reported to the Board and lenders annually.

9. Lenders' Information Requirements

We have and will continue to comply with lenders' information requirements as set out below:

Nationwide	Annual Accounts 180 days after year end Quarterly accounts within 60 days Business plan within 90 days of year end	Annual Accounts certified by 2 authorised officers that there is no default Quarterly accounts accompanied by covenant calculations
THFC	Annual Accounts 180 days after year end	Annual Accounts certified by authorised officer that there is no default
GBSH	Annual Accounts 180 days after year end Quarterly Accounts within 45 days Quarterly Report on MSF refurbishment BP sent to SHR (5YP)	Certified by Principal Executive Officer Including commentary on variances to budgets Details of any changes in the SMT or Governing Body

Appendix 2









30 Year financial projections








This is contained in a separate document (attached)

Appendix 3

Key Performance Indicators

The table below provides a detailed breakdown of our performance for 2020/21:

1.	Key Performance Indicators (KPIs):				
	Indicator	Out turn 19/20	Target 20/21	Year to Date April 20 - March 21	Risk
	Voids				
	Vacancies in lettable stock	10%	10%	437 (8%)	
	Section 5 Homeless Lets	30%	35%	26%	
	Average re-let timescale	25 days	23 days	36.4 days (27 days if discount covid)	
	Offers Refused	27%	25%	44%	
	Rent & Arrears				
	Void rent loss	0.5%	0.5%	0.9%	
	Gross rent arrears (Current, Former & W/Off)	6.0%	5%	5.86%	
	Non-Technical Arrears	4.1%	4%	4.2%	
	% of tenants with arrangements.	44% £779,977	No Target	65% £588,966	
	Tenancy Sustainment				
	Tenancies Sustained for more than 12 months	85%	85%	89%	
	Anti-Social Behaviour				
	No of Anti-Social Cases received in the year	128	No Target	99	
	No of Anti-Social Cases resolved in the year	123	No Target	96 (93%)	

Indicator	Out Turn 19/20	Target 20/21	Year to Date April 20 - March 21	Risk
Court Action & Evictions				
New Court Actions	39	No Target	19	
Court Actions that resulted in Evictions	15	No target	1 (Anti-Social)	
Repairs				
Average timescale to complete emergency repairs	3.05 hrs (7242)	24 hrs	2.63 hrs (8804)	
Average timescale to complete non-emergency repairs	4.07 days (12,952)	5 days	4.68 days (5715)	
Reactive Repairs completed right first time.	94.02%	90%	94.29%	
Gas Safety Certificate Compliance				
% with current gas safety certificate	100%	100%	100%	
Properties with gas certificate renewed within 12 months	100%	100%	99.8%	
Adaptations				
Applications approved YTD	9 B/F + 145	No Target	5 B/F + 95 New (3 Cancelled)	
Average days taken to complete approved applications	29 days	25 days	16.8 days	
Number of medical adaptations	160	No Target	105	
Overall Service Level	91%	90%	90%	

Board Meeting

For Approval

To: Board
From: DCEO

SUBJECT: NG PROPERTY BUSINESS PLAN AND BUDGET 2022/23

DATE 29 March 2022

1.	Introduction
	<p>NG Property (Scotland) Limited (NGPS) must plan and control its activities and future direction. One of the elements in doing this is by having an overall business plan. This is not just a case of good business practice, as NGPS is a subsidiary of the Association it is required by the Regulator to have a business plan that can be integrated into and form part of the group business plan.</p>
2.	Risks
	<p>The Business plan is a necessary part of the governance structure of the company and the group. The business plan sets out the strategic objectives, actions and initiatives agreed by the Board for the year ahead. It is a required document that must be submitted to the parent company under the independence agreement and submitted to the Regulator as part of the information requested under the Regulation Plan. Not to prepare the plan and failure to submit would be a failure in controls and a breach of agreements.</p> <p>The risk is mitigated by the proper preparation of the business plan and consideration of such against required standards. Review of such at subsidiary and parent level and submission to the Regulator within agreed timescales.</p>
3.	Underlying Principles
	<p>The principles listed below have been used in drawing up the 2022/23 NGPS business plan.</p> <ul style="list-style-type: none"> • Keeping charges at a level that provides a positive return while balancing this with value to Money for the customers • Ensuring adequate resources to deliver services • Sustaining good financial performance • Ensuring best practice is followed and that proper risk management is in place

In order to achieve the above the company must ensure that:

- **Factoring** - charges cover the costs of managing the service.
- **Repairs and services** – carried out effectively and economically.
- **Efficiency / value for money** - best use is made of resources.
- **Board** - exercise proper control over the activities and ensure that decisions are taken in best interests of the company and its parent.

With the pandemic easing it is expected that the scale of the operations will return to a normal level. Additional turnover will arise from taking on management of the twenty-one mid-market rent units that reached completion in February. This represents a new area of activity for the company and staff have been trained on the legislation that comes with being a private landlord.

NGPS registered on the Scottish Letting Agent Register during 2021/22. This was done so that it could let the MMR units that was leased to it from the Associations Keppochill development. The Association due to its charitable status could not manage or privately let the MMR units. NGPS with its role in managing services to non-social housing units was chosen to manage the stock. A client bank account has been put in place to handle tenant's deposits and other funds. Agreements have been signed for a tenancy deposit scheme and a credit checking agency. All tenants will be expected to pay by direct debit in advance and an agreement for Allpay cards has been put in place for miscellaneous payments.

As per the budget appendix attached to the business plan there is a proposal to change the quarterly standard management charge of £39 to a £40 charge per quarter. The increase this year is covering the inflationary and other increases in costs for salary and overheads.

We are waiting on the results of the insurance renewal and so the projected charge may change. The standard quarterly insurance charge is projected to increase from £42.05 to £43.46 with this due to the increases in rebuilding costs and the claims record over the last three years.

A surplus for 2022/23 of £18k after tax is projected. A review will be done of our charges and processes to try and increase the level of profit. Previous advice had limited the recharge of legal costs and a revision of what is charged and under what heading will be done. The aim is to recognise that various owners take a higher level of activity and that

	this should be reflected in the charges that are made.
4.	Recommendations
	That the Board approves the business plan and budget of NGPS for 2022/23 and remits it back to the NGPS Board to formally adopt.

NG Property (Scotland) Limited
Business Plan 2022/23

NG Property (Scotland) Ltd

Business Plan 2022/23

1. Introduction

This Business Plan for 2022/23 brings together and summarises various plans and strategies including the financial plans and budget.

2. About the Company

NG Property (Scotland) Limited (NGPS) is a subsidiary of North Glasgow Housing Association (NGHA), a not-for-profit community-based Registered Social Landlord operating in the north of the city, with stock located in the Springburn, Balornock and Possilpark neighbourhoods. The Association is controlled by a voluntary Board of local residents and is regulated by the Scottish Housing Regulator. The Association is also a registered charity. NGHA has adopted the trading name of NG Homes.

Formed in 1976 by local people to improve sub-standard Victorian tenement housing, the Association operates for the benefit of the local community and to assist people in need by providing good quality affordable rented housing. The Association took over 3,000 houses at the start of 2011/12 from Glasgow Housing Association and now owns over 5,400 properties. The Group has a staff complement of 180 and operates from three local offices, in central Springburn and in Possilpark.

NGPS operates the factoring services to the outright and shared ownership owners. The company has been in operation since 2003 and is within the VAT group with the Association. The company has been improving its level of profitability and is now owed funds by the Association rather than the other way around. The company currently factors about 1,200 private properties, shops, and shared ownership units.

3. Governance and Organisation structure

Governing Body

NGPS as a limited company has a board of directors.

Current board Members are C Rossine (Chairperson), J Thorburn, I Munro, P Miller, G Satti and J Berrington. L Cooper, R Hartness and C Baird also serve as nominated Companies House directors.

NGPS is a 100% subsidiary of North Glasgow Housing Association.

Role of Board

The Board review and set the strategic direction and priorities on an annual basis, and in response to major events and policy shifts.

The Board agrees the strategy and the staff implement the policy arising from such. The Business Plan and related Budget are approved by the Board each year and management accounts will be reported to the Board on a quarterly basis. The Board also approves the company's policies. The policies are updated and reviewed on a rolling basis.

Equality and diversity

The importance of equal opportunity is a theme throughout the policies of the NG Homes group. Our staff and Board members are given regular refresher training on this topic. The group equal opportunities policy demonstrates the importance of equality and fairness across every area of our business, and appendix 3 of the policy document highlights other key policies directly affected by these principles.

4. Our vision and values

The Association's vision, put simply, is "to create a new North Glasgow - a great place to live, visit, work and invest". To help achieve this, NGPS aims:

- To provide high quality services for local people
- and to work with the local community and other partners to deliver regeneration across the North Glasgow area.

We will focus on the existing business and services, driving continuous improvement in business performance. NGPS's *operational* priorities include:

- Achieving a reduction in arrears levels
- Compliance with the Factoring Act and other legislation
- Compliance with legislation relating to private lets and being a letting agent
- Implementing a programme of self-assessment
- Improve service quality and customer satisfaction

5. Partnerships

NGPS recognises partnership working as increasingly vital to the achievement of our objectives and strategy. Our principal stakeholders are the Association and the owners for whom we provide services.

The Association will always seek to develop partnership working with other local providers. The aim is that this partnership working will provide a strong platform for supporting a greater range of activities to benefit the local communities and to help deliver efficiencies. NGPS will work with the Association and its partners to improve its services.

6. Services

NGPS places high priority on the quality of our services to the owners and we seek to continually improve the effectiveness and efficiency of our services – ensuring excellent standards of customer care, continued affordability for owners, and capacity to meet changing needs.

Service charges and rechargeable costs

In setting charges the Association's policy is to take account of comparability with other factoring organisations and the costs that require to be covered. NGPS will be re-reviewing the conditions built into the title deeds and ensuring that the owners are complying with such. Particular attention will be paid to requirements for the factor to provide the insurance cover and charges that can be applied to balances in arrears.

Arrears management

Arrear's performance had been an area which the company had prioritised for improvement in 2021/22. Arrear's position has improved, and arrears have been kept down despite the difficult circumstances with the pandemic. However further effort is required for those in persistent arrears to reduce their balances. This will assist in reducing the level of gross and net arrears. Owners will be targeted and reminded that as per the title deed conditions arrears balances may carry additional charges.

Service Standards

The company is committed to good customer service. NGPS utilises its parent for repairs services. The Association sets targets through its maintenance policy to achieve 95% of repairs within the following timescales:

- emergency repairs will be made safe within 4 hours and follow up work with 24 hours
- urgent within 3 working days
- routine within 5 working days

The Association, through its subsidiary NG2, provides a weekly stair cleaning service for tenants and some owners. We regularly inspect stairs and monitor the effectiveness of the cleaning service. Owners have a responsibility to clean their part of the close unless they are paying for this to be done for them. A review will be undertaken on a close-by-close basis as to extending the offer to owners to cleaning the entire close as part of the services offered to them.

Ng2 also carries out environmental work in common areas, back courts, and gardens. Again, the standard of work is monitored regularly.

Payment facilities

Owners can pay charges by using Allpay Swipe Cards at Post offices or local shops with PayPoint facility. Charges can also be paid by using telephone, internet, direct debit and standing orders. IT systems are currently being reviewed to extend the ways owners can pay. North News carries regular features on payment methods.

Customer satisfaction

The Association reviews arrangements for gauging customer satisfaction and has a programme of surveys to cover:

- quality of repairs service – monthly
- administrative services – quarterly
- tenant/owner satisfaction and customer service

Factoring Act

NGPS is registered in line with the requirements of the Act.

The Statement of services has been issued to all owners and sharing owners. The Factoring Act brought in responsibilities and procedures and NGPS will continue to ensure these are properly complied with. An update of the statement of services has commenced and an updated copy will be issued to all owners.

Mid-Market Rent (MMR) and Private letting

NGPS registered on the Scottish Letting Agent Register during 2021/22. This was done so that it could let the MMR units that was leased to it from the Associations Keppochill development. The Association due to its charitable status could not manage or privately let the MMR units. NGPS with its role in managing services to non-social housing units was chosen to manage the stock. A client bank account has been put in place to handle tenant's deposits and other funds. Agreements have been signed for a tenancy deposit scheme and a credit checking agency. All tenants will be expected to pay by direct debit in advance and an agreement for Allpay cards has been put in place for miscellaneous payments.

7. Financial Plans

Financial Year 2022/23

The financial plan for 2022/23 projects £750k of income and direct costs of £528k which gives a £222k gross surplus. Salary and overhead costs of £204k has been projected which leaves a £18k net surplus before tax.

Rechargeable repairs and services income of £210k matches off with the costs for such (i.e. no mark-up is made on the direct costs for this). The balance of income arises from £203k of management fee and £198k charged out for insurance. For 2022/23 an increase is proposed on the standard management charge from £39 to £40. The standard insurance premium is proposed to move from £42.05 to £43.46 per quarter. We are awaiting the results of the insurance renewal and the insurance premium may change slightly.

An estimate of £139k has been projected for mid-market rent (MMR) and costs for the next year for the units at Keppochill. The twenty-one units completed in February 2021 and NGPS will do the management of these units to prevent any problems with the Associations charitable status. With additional costs in first period for marketing and fees there is projected to be a small profit on this activity. In future years this is expected to increase.

8. ICT

NGPS utilises the factoring module within the OpenHousing package. In addition to the continuing upgrade of OpenHousing a range of other systems allow the company to operate effectively. These include:

- Document management package
- Insight reporting package

NGHA has a disaster recovery policy and has improved back-up procedures. Other items such as the document management system also contribute to data security and recovery for NGPS.

9. Communications

NGPS, through the Associations publications, has a comprehensive communications strategy in place and is committed to ensuring effective communication, participation, and consultation with all stakeholders, most particularly the owners. Our main priorities for communication are:

- To provide owners and other stakeholders with good information
- To maintain our profile within the community
- To adopt approaches that will keep everyone informed of our activities, progress, and achievements

In implementing our strategy, communications must be:

- clear, open, concise, timely and consistent
- two-way
- And tailored to the needs of the specific audience

The Association's "North News" newsletter is delivered to the Association tenants, owners and sharing owners. Factoring newsletters are also produced and distributed. An owner's focus group meets regularly and provides feedback on proposals and requests from owners.

The Association also provides information via the website, including electronic versions of the newsletters. The Association positively promotes its activities, and this has generated positive coverage in the local media, and a news section is also part of our website.

10. Risk assessment

The Association has a Risk Management Strategy and a full set of risk registers. These are constantly reviewed and upgraded to reflect current conditions. The Board of the Association and the Board of NGPS is involved through the strategy and performance review days in formulating the ongoing risks facing the Group. As well as drawing upon the knowledge and experience of the staff and Board, use is made of various outside consultants for specific and wider ranging reviews of the Group's activities and structure. The approach helps to ensure that the policies produced reflect the current risks facing the Group, and that consideration of risk is applied to all areas. The risk register for the company was updated during 2021/22 and was regularly reviewed by the NGPS Board.

APPENDICES

Appendix

1 Annual budget 2022/23 report

SUBJECT: NG PROPERTY BUDGET 2022/23 – APPENDIX

DATE 17th February 2021

1.	Introduction
	<p>North Glasgow Property (Scotland) Limited (NGPS) must plan and control its finances by setting an annual budget which includes an accurate assessment of the full cost of each activity and a fair allocation and apportionment of costs.</p> <p>The budget includes the following component parts:</p> <ul style="list-style-type: none"> • Income & Expenditure Account • Balance Sheet
2.	Underlying principles
	<p>The principles listed below have been used in drawing up the 2022/23 budget.</p> <ul style="list-style-type: none"> • Keeping charges comparable with other factoring bodies • Ensuring adequate resources to deliver services • Sustaining good financial performance <p>To achieve the above the company must ensure that:</p> <ul style="list-style-type: none"> • Factoring - charges cover the costs of managing the service. • Repairs and services – carried out effectively and economically. • Efficiency / value for money - best use is made of resources. • Board - exercise proper control over the activities and ensure that decisions are taken in best interests of the company and its parent.
3	Budget detail
	<p>The budget for 2022/23 projects an outcome of a surplus of £15k after tax.</p> <p>The financial plan for 2022/23 projects £750k of income and direct costs of £528k which gives a £222k gross surplus. Salary and overhead costs of £204k has been projected which leaves a £18k net surplus from activities.</p> <p>Rechargeable repairs and services income of £210k matches off with the costs for such (i.e., no mark-up is made on the direct costs for this). The balance of income arises from £203k of management fee and £198k charged out for insurance. For 2022/23 an increase is proposed on the standard management charge from £39 to £40. The standard insurance premium is proposed to move from £42.05 to £43.46 per quarter. We are awaiting the results of the insurance renewal and the insurance premium may change slightly.</p> <p>An estimate of £139k has been projected for mid-market rent (MMR) and £132k costs for the year for the units at Keppochill. It is expected that initial voids and set up costs will inflate the costs in the first period and that a larger margin will be made in later years.</p>

Budget Detail

The attached extracts from the budget model have been prepared in consultation with the overall staff team and considering the changes in the level of trading since the last time the budget was approved.

Budget Key Features

- **Factoring** – Income of £750k, direct expenses of £528k, £222k surplus before overheads and salary allocation of £204k. Level of repairs based on a normal year rather than reduced levels of work that happened in 21/22.
- **Salary costs** – Salary costs have been amended for allocation of staff and salary increases. Salary costs at £146k with a staff complement of three front line staff to provide the service together with support from Finance staff and Management.
- **Overheads** reflect primarily the allocation of costs from the Association.
- **Bad debts and legal fees**– expected with continuing economic circumstances that projected bad debts and legal fees will be about £20k.
- **MMR** - an estimate of £139k has been projected for mid-market rent (MMR) and £132k costs for the year for the units at Keppochill. It is expected that initial voids and set up costs will inflate the costs in the first period and that a larger margin will be made in later years.

Factoring charges

It is proposed that the quarterly management charges applying should be amended as follows:

	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Standard management fee	40.00	39.00	38.00	35.00	32.00	32.00

This represents a 2.86% increase over the previous year.

The Factoring Act requires insurance charges to be based upon the premium and associated charges. For 2021/22 £37.61 was set as the initial premium but was later revised to £42.05 as the level of claims and increase in rebuild costs had significantly increased the premium.

For the 2022/23 premium we are awaiting the results of the insurance renewal. The claims record has continued at a significant level during 2021/22. There has also been a significant rise in the building costs index with the RICS rebuilding index increasing by 8.7% The 2022/23 premium for the budget has been calculated at £43.46 which represents a 3.4% increase over the previous year.

	2022/23	2021/22	2020/21	2019/20	2018/19	2017/18	2016/17
Standard insurance charge	43.46	42.05	37.58	36.93	35.65	33.21	32.85

North Glasgow Property Services Limited

Projected Profit and Loss account Year to 31 March 2023

		2023	2022
	£	£	£
Turnover		749,673	625,739
Operating costs		<u>527,289</u>	<u>422,672</u>
Gross Profit		222,385	<u>203,067</u>
Overheads			
Salary costs	145,535		141,390
Overheads	58,580		55,921
		<u>204,115</u>	<u>197,311</u>
		18,270	5,756
Interest payable		-	-
Corporation Tax		<u>3,471</u>	<u>1,094</u>
Net Profit		<u>14,799</u>	<u>4,662</u>

Projected Balance Sheet as at 31 March 2023

	£	2023 £	2022 £
Current Assets			
Trade debtors	153,284		148,284
Inter company account – NGH A	197,357		190,246
Bank	<u>13,118</u>		<u>8,118</u>
		363,759	<u>346,648</u>
Current Liabilities			
Trade creditors	149,123		149,123
Other creditors	<u>6,711</u>		<u>4,399</u>
		155,834	<u>153,522</u>
		<u>207,925</u>	<u>193,127</u>
Capital and Reserves			
Share capital		1,000	1,000
Profit and Loss account		206,925	192,127
		<u>207,925</u>	<u>193,127</u>

Board Meeting

For Approval

To: Board
From: DECO - Finance

**SUBJECT: DSGL BUSINESS PLAN AND BUDGET
REPORT 2022/23**

DATE 29 March 2022

1.	Introduction
	<p>Design Services Glasgow Limited (DSGL) must plan and control its activities and future direction. One of the elements in doing this is by having an overall business plan. This is not just a case of good business practice, as DSGL is a subsidiary of the Association it is required by the Regulator to have a business plan that can be integrated into and form part of the group business plan.</p> <p>The Board of DSGL has reviewed the draft business plan. In line with clause 7 of the Independence Agreement the business plan is now presented for comment and approval.</p>
2.	Risks
	<p>The Business plan is a necessary part of the governance structure of the company and the group. The business plan sets out the strategic objectives, actions and initiatives agreed by the Board for the year ahead. It is a required document that must be submitted to the parent company under the independence agreement and submitted to the Regulator as part of the information requested under the Regulation Plan. Not to prepare the plan and failure to submit would be a failure in controls and a breach of agreements.</p> <p>The risk is mitigated by the proper preparation of the business plan and consideration of such against required standards. Review of such at subsidiary and parent level and submission to the Regulator within agreed timescales.</p>
3.	Underlying principles
	<p>The principles listed below have been used in drawing up the 2022/2023 DSGL business plan.</p> <ul style="list-style-type: none"> • Maintaining a level of charges that keeps the company solvent • Ensuring development activities are undertaken with a high quality of services to clients and contractors <p>In order to achieve the above the company must ensure that:</p>

	<ul style="list-style-type: none"> • Development services - charges cover the costs of performing the service. • Board - exercise proper control over the activities and ensure that decisions are taken in best interests of the company and its parent. <p>With the low turnover in recent years for the company it was operating at a very low level of operations for a company that was audited. While there is ongoing profitability from the current activities, the Associations activities will be reviewed for any additional activities that could be done profitably within the company. The company is still required as it is the only one outside of the VAT group.</p> <p>As detailed in the business plan the financial projection includes £20k of income from rental income. In expenses there is £8.0k of overheads, £0.5k of interest and £3.2k of corporation tax leading to a projected profit of £8.3k.</p> <p>The Board of DSGL has already reviewed the business plan and budget and now submits it to the Association Board for their approval as required by the independence agreement.</p>
4.	Recommendation
	That the Board APPROVES the business plan and budget of DSGL for 2022/23 and remits it back to the DSGL Board to formally adopt.

Design Services Glasgow Limited
Business Plan 2022/23

Design Services Glasgow Limited

Business Plan 2022/23

1. Introduction

This Business Plan for 2022/23 brings together and summarises various plans and strategies including the financial plans and budget.

2. About the Company

Design Services Glasgow Limited (DSGL) is a subsidiary of North Glasgow Housing Association branded as NG Homes (NGH), a not-for-profit community-based Registered Social Landlord operating in the G21 and G22 postcode areas in the north of the city, with stock located in the Springburn, Balornock and Possilpark neighbourhoods. The Association is controlled by a voluntary Board of local residents and independent members and is regulated by the Scottish Housing Regulator. The Association is also a registered charity.

Formed in 1976 by local people to improve sub-standard Victorian tenement housing, the Association operates for the benefit of the local community and to assist people in need by providing good quality affordable rented housing. The Association took over 3,000 houses at the start of 2011/12 from Glasgow Housing Association and now owns almost 5,400 properties. The Group has a staff complement of 190 and operates from three local offices, in central Springburn and in Possilpark.

The Associations original subsidiary was NG Property (Scotland) (NGPS) who operates the factoring services to the outright and shared ownership owners. The company has been in operation since 2003 and is within the VAT group with the Association. The company now factors about 1,300 private properties, shops and shared ownership units.

DSGL was the Associations second subsidiary and was formed in 2009. The purpose of the company was so that the Association was not disadvantaged by employing Architects and other consultants directly by having to suffer the costs of VAT on their fees. Creating DSGL allowed a level playing field with other 'design and build' contracts as the input VAT could be recovered by DSGL and the construction contract would be invoiced up to the Association as one zero rated VAT supply of new build construction.

A third subsidiary NG 2 was formed in 2010 and now handles a range of cleaning and maintenance activities for the Association.

3. Governance and Organisation structure

Governing Body

DSGL as a limited company has a board of directors. The present board members are:

R Hartness
J Devine

The intention is to look at increasing the numbers on the Board, but with the limited future activities of the company this will be a long term aim. DSGL is a 100% subsidiary of North Glasgow Housing Association.

Role of Board

The Board review and set the strategic direction and priorities on an annual basis, and in response to major events and policy shifts.

The Board agrees the strategy and the staff implement the policy arising from such. The Business Plan and related Budget are approved by the Board each year. The Board also approves the company's policies. The policies are updated and reviewed on a rolling basis.

Equality and diversity

The importance of equal opportunity is a theme throughout the policies of the NG group. Our staff and Board members are given regular refresher training on this topic. The group equal opportunities policy demonstrates the importance of equality and fairness across every area of our business, and appendix 3 of the policy document highlights other key policies directly affected by these principles.

4. Our vision and values

The Association's vision, put simply, is "to create a new North Glasgow - a great place to learn, live, visit, work and invest". To help achieve this, DSGL aims:

- To provide high quality services to the Association
- and to work with the local community and other partners to deliver regeneration across the North Glasgow area.

We will focus on the existing business and services, driving continuous improvement in business performance. DSGL's operational priorities include:

- Maintaining a level of charge that maintains the company in a profitable position
- Maximising the level of possible VAT recovery from the contracts undertaken
- Ensuring development activities are undertaken with a high quality of services to clients and contractors

5. Partnerships

DSGL recognises partnership working as increasingly vital to the achievement of our objectives and strategy. Our principle stakeholders are the Association and the possible future partners for development services. The aim is that this partnership working will provide a strong platform for supporting a greater range of activities to benefit the local communities and to help deliver efficiencies. The Association also works in partnership with GCC on a range of common issues. DSGL will work with the Association and its partners to improve its services.

6. Services

DSGL places high priority on the quality of our services to our clients and we seek to continually improve the effectiveness and efficiency of our services – ensuring excellent standards of customer care and capacity to meet changing needs.

7. Financial Plans

DSGL was set up in May 2009 and agreed to take on all of the development contracts that were in progress for the Association on 1 June 2009. The period to March 2010 resulted in a turnover of £12.5m with a net profit of £132k before a £120k gift aid contribution to the Association.

Later years followed with declining levels of turnover. The results for 2020/21 were turnover of £20k and a profit after tax of £8.6k. Results for 2021/22 are expected to be at a similar level.

Financial Year 2022/23

The financial plan for 2022/23 projects £20k of income and £nil direct costs which gives a £20k gross profit. Admin, depreciation, interest, and tax costs of £11.7k has been projected which leaves a £8.3k net profit before tax.

The projected results are just based on the rent from 43 Atlas Street. The property at 43 Atlas Road is leased to a dentist partnership at a £20k per annum rent for an initial period of twenty years.

Attached at Appendix 1 is the projected result for 2022/23 together with some of the company's financial history up until that point.

8. ICT

DSGL utilises a SAGE Line 50 Accounting package with a CIS module built in. It is registered with HMRC for online submission of CIS and VAT data.

9. Risk assessment

The Board of the Association and the Board of DSGL is involved through the strategy and performance review days in formulating the ongoing risks facing the Group. As well as drawing upon the knowledge and experience of the staff and Board, use is made of various outside consultants for specific and wider ranging reviews of the Group's activities and structure. All of the required reports are reviewed in conjunction with the risk maps. The approach helps to ensure that the policies produced reflect the current risks facing the Group, and that consideration of risk is applied to all areas. Specific risk plans have been prepared for each development.

APPENDICES

Appendix

1 Annual budget 2022/23

Design Services Glasgow Limited

Profit and Loss account	Year to 31/3/23 (Budget)	Year to 31/3/22 (Budget)	Year to 31/3/21	Year to 31/3/20	Year to 31/3/19	Year to 31/3/18	Year to 31/3/17	Year to 31/3/16
Turnover	20,000	20,000	20,000	27,839	336,462	26,731	36,873	23,829
Operating costs	-	-	-	7,800	314,888	15,000	27,451	17,075
Gross Profit	20,000	20,000	20,000	20,039	21,574	11,731	9,421	6,754
Overheads	-	-	-	-	-	-	-	-
Management charges	8,013	7,963	7,701	7,544	7,395	8,999	4,625	4,324
Overheads	8,013	7,963	7,701	7,544	7,395	8,999	4,625	4,324
Interest payable	11,987	12,037	12,299	12,495	14,179	2,732	4,796	2,430
Corporation Tax	450	520	583	776	1,389	1,466	1,592	2,081
	3,206	3,202	3,079	3,080	3,824	912	1,320	729
Net profit/(loss) after tax	8,331	8,315	8,637	8,639	8,966	354	1,884	(380)

Design Services Glasgow Limited

Balance Sheet	31/3/22 (Budget)	31/3/22 (Budget)	31/3/21	31/3/20	31/3/19	31/3/18	31/3/17	31/3/16
Fixed assets	91,093	95,586	100,077	104,570	109,063	113,558	116,854	120,150
Current Assets								
Debtors	1,777	1,778	827	6,778	106,982	777	2,672	-
Bank	17,348	15,868	12,501	7,709	9,236	7,635	19,748	6,155
	19,125	17,645	13,328	14,487	116,218	8,435	22,150	6,155
Current Liabilities								
Trade creditors	50,941	62,285	70,303	84,592	199,455	105,134	122,499	111,683
	(31,816)	(44,640)	(56,975)	(70,105)	(83,237)	(96,699)	(100,348)	(105,528)
	59,277	50,946	43,102	34,465	25,826	16,860	16,506	14,622
Capital and Reserves								
Share capital	100	100	100	100	100	100	100	100
Profit and Loss account	59,177	50,846	43,002	33,465	25,726	16,760	16,406	14,522
	59,277	50,946	43,102	34,465	25,826	16,860	16,506	14,622

**Board Meeting****For Approval**

To: Board
From: DCEO

SUBJECT: CODE OF AUDIT PRACTICE

DATE 29 March 2022

1.	Introduction
	<p>The Associations Code of Audit Practice was last reviewed by the Board in March 2020. The purpose of this review is to review that the contents of it are still appropriate to the Association.</p> <p>There is no proposed amendments to the policy.</p>
2.	Recommendation
	<p>The recommendation is that the Board should APPROVE the policy.</p>

1. EXTERNAL AUDIT RESPONSIBILITIES OF ASSOCIATIONS

Every Housing Association is required under the Housing (Scotland) Act 2010 to have an annual external audit. The responsibilities of the Association with respect to the external audit include: -

- annual appointment of external auditor;
- agreeing the scope of the audit and provision of other services & the arrangements for implementing the audit plan;
- receiving & responding to reports from the auditor;
- agreeing the auditor's remuneration, and reviewing the audit fees charged;
- reviewing the auditor's appointment on an ongoing basis & instituting a tender process for the provision of external audit services at least every 7 years.

Furthermore, it is the Associations responsibility for maintaining effective internal controls in order to safeguard the assets of the Association, and for preventing and detecting fraud and other irregularities, and also for supplying the Scottish Housing Regulator with the relevant documents within the relevant time limits.

1.1 Appointing the Auditor

It is the responsibility of the Board to select an external auditor. Suitable candidates must be identified & tenders from at least 3 audit firms sought. Selection criteria should be drawn up with such considerations as track record of auditors, relevant experience in Housing Associations & whether other services would be available. The criteria should be fair, reasonable & well documented. The tenders received should be evaluated by the Audit Sub Committee and the firm offering the best value for money and quality of service should be offered the post. The lowest bid may not necessarily offer the best value for money, as other considerations need to be taken into account such as experience and skills. If this is the case however, the reasons for not accepting the bid should be clearly documented.

Before commencement of each audit, the fee should be agreed by senior management that it is consistent with the tender price received from the auditors. Any fees for other services provided by of the duties & responsibilities of the auditor must be established. This is achieved by the auditor drawing up a document called an engagement letter within which his responsibilities will be clearly defined.

The auditor should not normally be involved with the accounting work of the Association but should this situation arise, any external audit staff involved in this work should not be involved in the annual audit.

It should be noted that, if the auditor does provide these services, it still remains the responsibility of the Association to maintain proper accounting records.

With the size of the Association the external auditor should not also be providing internal audit services.

1.2 **Implementing Audit Plan**

The external auditor is responsible for planning and controlling the audit and the extent of reliance on internal controls, internal audit function and any aspects of the audit requiring particular attention will be detailed in the plan. The timetable for the preparation of the accounts by the Association, together with associated working papers and schedules to be supplied by the Association should be documented in this report. This should then be discussed with the senior officers of the Association.

1.3 **Reports from External Auditors**

The findings of the external audit should be presented to the Audit Sub Committee by the senior auditor, at the earliest opportunity, with significant matters previously discussed with the senior officers of the Association.

An Audit Findings Report should also be presented at this time. This document sets out any weaknesses & deficiencies in the accounting systems & internal controls uncovered during the audit & also reports on any non-compliance with appropriate legislation. The Audit Sub Committee must formally reply to this report stating, the actions to be taken and the relevant time scales.

1.4 **Review of External Auditors Appointment**

Once appointed, a review of the auditor's performance should be made each year with such matters as quality, and cost effectiveness considered. If satisfactory, the auditor should be formally reappointed in accordance with the rules of the Association. If the Audit Sub Committee is not satisfied with the auditor & any differences cannot be resolved, the audit should be put out to tender again & the above noted procedures followed. In any event, in order to ensure continued value for money, the Association must conduct a formal tendering process at least every 7 years.

1.5 **Fraud & Errors**

The Board is ultimately responsible for the prevention and detection of fraud and errors.

This can be discharged through the implementation by senior management of effective internal controls. Management should report to the Audit Sub Committee on any actual or attempted fraud & a register of all incidents maintained for inspection.

It should be noted that the external auditor will plan his audit so as to give a reasonable expectation of detecting fraud or irregularities but the audit should not be relied upon for this purpose.

2. **RESPONSIBILITIES OF EXTERNAL AUDITOR**

The primary role of the external auditor is to report on the financial statements of the Association & to carry out appropriate investigations of the underlying records & control system in order to form an opinion on the statements.

If, in his opinion, the Association has not maintained a satisfactory system of control over its transaction, then the auditor has a statutory duty to report his findings to the Board.

2.1 **Defining Extent of Auditors Responsibilities**

As previously mentioned, the auditor should prepare an engagement letter to present to the Board, clearly defining the responsibilities in order to prevent future misunderstandings. The engagement letter is effectively the contract between the auditor and the Association. The letters contents should be previously discussed with the senior officers before being sent to the Audit Sub Committee.

2.2 **Reports to Audit Sub Committee**

The auditor should report to the Audit Sub Committee on any weaknesses in the structure of the accounting systems and internal controls in the Audit Findings Report. It should also report on any deficiencies in the operation of controls and on whether any inappropriate accounting policies and practices are being used.

The auditor will only pick up on matters that have come to light as a result of his audit work and as with the engagement letter, the contents of the Audit Findings Report should be discussed first with the senior officers. Even if there are no significant matters to report, the auditor must still provide the Audit Sub Committee with the Audit Findings Report.

3. **AUDIT SUB COMMITTEE**

The Scottish Housing Regulator will assess the Association's compliance with the code and generally expects adherence to the standards and guidelines of the Institute of Internal

Auditors – UK. The Audit Sub Committee has the duty to oversee and report to the Board on the financial reporting process, the accounting and internal control systems, and on audit matters.

3.1 **Constitution and Composition**

The Audit Sub Committee is constituted formally as a standing committee and is empowered with the right of access to all records and documentation as deemed necessary.

It is comprised in line with the number of members specified within Standing Orders. The chairperson should be appointed in line with Standing Orders. Meetings should take place on a regular basis and the Director of Finance, other senior officers as required and Internal Auditor should normally attend.

A copy of the Audit Sub Committee minutes should be made available to all members of the Board.

3.2 **Principal Duties**

The Audit Sub Committee should: -

1. Monitor the financial reporting process ensuring that the financial statements conform to accounting standards & ensure that there are no outstanding matters of concern or disagreement with the external auditors;
2. Monitor and review the performance and work of the external auditors, recommending on their re-appointment or otherwise;
3. Ensure that internal control arrangements are systematically reviewed and that weaknesses in control are identified, reported and corrected;
4. Review the appropriateness of the planned work of the internal & audit function;
5. Produce an annual report for the Board commenting on the internal control system, the external auditor's Audit Findings Report and on the internal audit annual report.

4. **INTERNAL AUDIT FUNCTION**

4.1 **Scottish Housing Regulator Requirements**

The Scottish Housing Regulator requires that the Association should be able to demonstrate that:

- i) it carries out a rolling programme of internal reviews covering all aspects and activities and that
- ii) a formal report is provided annually to the Audit Sub Committee commenting on the adequacy, reliability and effectiveness of the Internal Control System.

In order to comply with the above requirement of the Scottish Housing Regulator, the Association through the Audit Sub Committee will assess areas of risk and sensitivity and monitor the programme of audit examinations, which ensures that all areas of activity are included and that the frequency of examination is appropriate to the risk involved.

4.2 **Role of Internal Auditor**

It is the responsibility of the Audit Sub Committee to define the extent of internal control and the internal audit function contributes to internal control by examining, evaluating and reporting on its adequacy and effectiveness.

Accordingly, the scope of the internal audit function should cover all the Associations operations, resources, staff services and responsibilities, and internal audit staff should be given every assistance in discharging their duties and allowed access to records, assets and personnel as necessary.

4.3 **Terms of Reference**

The purpose, scope, authority and responsibility of the internal audit function should be clearly defined in a formal document approved by the Audit Sub Committee and Management.

4.4 **Conduct**

The external firms of internal auditors, designated to fulfil the role of Internal Audit will discharge their audit duties throughout the year and will examine the controls laid down to ensure adherence to management policies, to safeguard the assets, ensure compliance with statutory requirements, ensure the reliability of the financial information and ensure the efficient use of resources.

At the conclusion of each audit, a report will be provided detailing findings and recommendations and an opinion on the controls examined. The operation and conduct of the Internal Audit function should conform to the standards laid down in the "Standards and Guidelines for Professional Practice of Internal Auditing" issued by the IIA – UK.

APPENDIX 1 - Glossary

INTERNAL CONTROL SYSTEM

The whole system of controls, financial & otherwise, established by the Board in order to carry on the business of an enterprise in an orderly & efficient manner, ensure adherence to management policies, safeguard the assets and secure as far as possible the completeness and accuracy of the records. The individual components of an internal control system are known as "controls" or "internal controls".

INTERNAL AUDIT

An independent appraisal function within an organisation, for the review of systems of control and the quality of performance, as a service to the organisation. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper, economic efficient use of resources.

VALUE FOR MONEY

Usually defined in this context in terms of economy, efficiency and effectiveness as follows:

Economy	–	acquiring services for the minimum of cost
Efficiency	–	whether the supplier is competent and able to provide services within the required timescale
Effectiveness	–	consideration of the objectives of the Association and whether the supplier will be able to help meet these objectives

APPENDIX II – Issues Arising

TENDERING PROCESS

Although the Scottish Housing Regulator suggest that this process is conducted at least every 7 years, a period of 5 years or even more frequently, may be more appropriate for the Association. This would ensure that the most competitive rates are obtained & high standards of service are maintained.

FRAUD & ERRORS

Although the responsibility for prevention and detection of fraud and errors lies with the Board, the senior management of the Association are responsible for ensuring an effective internal control structure is in place and adhered to.



Board Meeting

For Approval

To: Board
From: DCEO

SUBJECT: EXPENSES POLICY 2022/23

DATE 29 March 2022

1.	Introduction
	<p>The expenses policy has been brought forward for review as the policy is updated annually.</p> <p>There are minimal changes proposed to the policy and levels of expenses at this time. EVH has not concluded the salary negotiations at the time of writing this paper. So there have not been any changes to the first aid allowance and subsistence allowances to bring them into line with the revised EVH levels. Once matters are concluded then revised figures will be brought forward for approval.</p> <p>Other changes include a rate for being a fire warden and Board rates for using a cycle or a motor bike. A time period for submission of expense claims of two months after the end of the month in which the expense was incurred has been included.</p>
2.	Risk
	<p>Risk level is low. Adoption of policy is meant to mitigate risk by confirming agreed EVH rates and local variations.</p>
3.	Recommendation
	<p>Board to APPROVE the revised expenses policy.</p>



Expenses Policy 2022/23

1. Introduction

The Association will meet expenses which Staff, Board and Committee members (including voluntary officers), and co-opted members incur while carrying out duties on behalf of the Association and which are reasonable & within the terms of this policy. The payment of expenses to employees is covered within the EVH Terms & Conditions of Employment, subject to local variations where agreed. In addition, in applicable circumstances staff can also claim the NG Homes allowances specified in the appendix.

This policy also covers the conditions on which the Association will make payments related to loss of earnings and the circumstances in which allowances are payable.

2. Conditions for Paying Expenses

Expenses will only be paid:

- For actual expenses incurred e.g. travel, telephone, refreshments etc, and where a receipt or signed declaration is provided
- To attend Board meetings or meetings of Sub or Area Committees of which the person is a member
- When undertaking other official business on behalf of the Association on the authority of the Board. This includes attendance at conferences, training events and seminars.
- All staff whether claiming mileage expenses or not should have business use on their insurance cover. Not to do so could invalidate the insurance coverage if used during their hours of employment for trips between business locations or on route to training.

3. Eligible Expenses

In any of the above circumstances, expenses will only be paid for the following, & where alternative provision was not included e.g. expenses cannot be claimed for meals, accommodation, transport etc, where these are already included in any attendance fee, or they are provided free of charge.

- **Travel**

Staff, Board or Committee members are expected to use the most cost effective form of transport unless there are specific reasons why an alternative has to be used, such as for issues of safety, inaccessibility where a member is frail or disabled, or where the times of departure or arrival are not suitable.

The Association will meet any reasonable travel expenses incurred by any member of the Board or Area Committee providing it falls within the conditions for paying expenses as set out above.

Under the terms of this policy this includes:

- Fares on rail, bus, air or ferry
- Taxi fares where appropriate e.g. lower comparable costs, security considerations, other commitments, time constraints etc
- Car mileage is paid at the respective EVH rates for staff & committee (return journeys over 100 miles subject to taxi criteria above and subject to authorisation from CEO/Director Director/Manager or Office Bearer)
- Bridge tolls, car park fees (N.B fines for breaching parking regulations are not included)

- **Meals**

Meal expenses will be payable to Board or Committee Members who are prevented by their official duties from taking their meals at home (or where they would normally take their meals) and thereby incur additional expenses.

This does not include attendance at Board, Area Committee, Sub Committees or any other meeting at the Association's offices, or where a suitable meal is provided or has been reimbursed.

This would cover lunch and afternoon tea, and where it involves an overnight stay, evening meals and breakfast. Actual expenses will only be paid up to the maximum amounts shown in the appendix.

- **Child Care**

The costs incurred through having to have a child looked after while carrying out duties as a Board or Committee Member will be met by the Association provided:

- a receipt for expenses incurred is supplied and;
- the person minding the child is not a member of the member's household

Childminding expenses will be paid for any child or stepchild of a Member, or any child for whom the Member is the legal guardian. The child must normally live with them and be under the age of 16.

Members can only claim "reasonable and legitimate expenses" as per levels set out in the appendix.

The Association may ask for documentary evidence of any child's age, or their legal guardian before paying expenses.

Childcare costs cannot be claimed where cheaper or free alternatives are available e.g. a crèche. N.B See appendix for allowances.

- **Care of Other Dependent Relatives**

Board or Committee Members can claim expenses incurred through having other dependent relatives cared for while they are carrying out duties as a Member, subject to:

- providing a receipt for expenses incurred and
- the person caring for the dependent is not a member of the Member's household

The household rates (see appendix) will apply as for childcare with the same maximum amount payable.

- **Accommodation**

Where accommodation costs are not covered in any other way e.g. within a delegate fee, committee members will have their actual accommodation expenses paid. The sum per night must be "reasonable". Obviously what is reasonable in say Stirling will vary from London and so on. In every case a receipt will be required.

4. Claiming Expenses

Claims should be made for actual expenses incurred and as provided for in this policy.

All claims must be made on the official expenses claim form and will normally be settled from payment through the payroll or by other means if there is urgent need or the claimant is not on the payroll. The claim form must be completed in full, signed & dated by the claimant. All claims must be countersigned by Chair/CEO/ET member/Manager as appropriate. All claims must be submitted within two months from the end of the month in which the expenses is incurred.

5. Conference Allowances

The Association will cover out of pocket expenses for representatives who are required to be away from home on the Association's business e.g. seminars, conferences etc. This allowance is in addition to those made for expenses otherwise covered in this policy. The allowance levels are set out in the appendix. Receipts for such should be provided for expenses related to food, travel, telephone and misc expenses (not alcohol). Any excess of allowances over allowable receipts provided will be taxed within the payroll for staff.

6. Loss of Earnings

The Association will reimburse a Board or Committee Member for any loss of earnings or annual leave entitlement in the following circumstances under NG Homes payments and benefits policy:

- The payment is not being made in respect of a routine meeting
- The meeting or event could not have reasonably been held at an alternative time
- The attendance of the member was required and authorised by the Board or Director
- Another Committee Member who would not lose earnings could either not attend in their place, or it would not have been appropriate for them to attend in their place e.g. where the Chairperson should attend
- The claimant must submit an official letter from the employer confirming that earnings have been lost or annual leave entitlement used, on which date and the amount or value involved
- The upper limit for payment of loss of earnings will be broadly in line with jury level expenses provided that the member is not self employed

Appendix 1

ng homes

Staff and Committee Expenses
For the Year 1 April 2022 to 31 March 2023
Approved at the Board dated .

	2022/23	2021/22
STAFF		
Casual Users Mileage (EVH)		
Staff joined pre 1 April 2011 per mile (local variation)	53.65p	53.65p
Staff joined post 1 April 2011 per mile	45.00p	45.00p
Passenger per mile	5.00p	5.00p
Motor cycles per mile	24.00p	24.00p
Bikes per mile	20.00p	20.00p
Subsistence (EVH)		
Daily (> 10 Hours)	£17.26	£17.12
Daily (>5<10 Hours) Outwith Geographical Area	£10.56	£10.56
First Aid Allowance (EVH)	£478	£478
Fire Wardens Allowance	£478	-
Retiral/Long Service Award (EVH)		
5 – 10 years service	£100	£100
10 – 15 years service	£125	£125
15 – 20 years service	£175	£175
20 years+ service	£225	£225
NGHA Allowances		
Breakfast	£11.00	£11.00
Lunch	£17.00	£17.00
Dinner	£21.00	£21.00
Conferences out with normal working hours	£28.50	£28.50
Official Duties out with normal working hours (4 hours and over)	£28.50	£28.50
Visits outwith Scotland – add up to 25% to above rates		

A condition of mileage expenses is that a copy of the current insurance documentation has been provided at start of claiming mileage expenses and at the date of each insurance renewal. Notification of nine or more penalty points on the licence is a mandatory requirement if that should occur. All staff should carry business use insurance on their vehicle insurance policy whether claiming expenses or not. If this is not the case then staff should not use their vehicles for business trips during the day as they may not be legally covered for driving. The Association will require the staff member to provide a copy of their driving licence information as held by the DVLA when requested. Non-compliance will mean expenses will not be paid and an explanation of why the request has not been complied with will be required.

If an individual is both a First aider and a Fire Warden then they will only be entitled to 1.5 times the standard allowance for the role.

	2022/23	2021/22
BOARD/COMMITTEE		
Mileage (Based on HMRC Fixed Profit Car Scheme)	45p	45p
Passenger per mile	5p	5p
Motor cycles per mile	24p	-
Bikes per mile	20p	-
Care Allowance per hour		
One person or Child	£8.00	£8.00
Two Persons or Children	£10.00	£10.00
Three Persons or Children	£12.00	£12.00
Meals		
Breakfast	£11.00	£11.00
Lunch	£17.00	£17.00
Dinner	£21.00	£21.00
Official Duties		
Official duties over 4 hours	£28.50	£28.50
Official duties overnight	£28.50	£28.50

N.B. Board and Committee Members are responsible for advising HMRC of any allowances paid to them by North Glasgow Housing Association.

The Association is responsible for advising HMRC of any allowances paid to staff.

**Board Meeting****For Approval**

To: Board
From: Director of Housing Services

SUBJECT: GARDEN MAINTENANCE**DATE: 29 March 2022**

1.	Introduction
	<p>Following stock transfer from Glasgow Housing Association in 2011, the Board approved the transferring properties to be added to our garden maintenance list to ensure all ng homes tenants receive a grass cutting service. The exception to this was where the tenant was already on Glasgow City Council's assisted garden maintenance scheme. These tenants continued to receive the service from Glasgow City Council, which was a cost saving to the Association.</p> <p>Glasgow City Council have formally announced that they will be withdrawing the Assisted Garden Maintenance Service with immediate effect.</p> <p>To ensure a consistent service to all ng homes tenants, it is proposed to add the tenants currently on the assisted garden maintenance scheme to the ng homes garden maintenance list, a service which is provided by ng2.</p> <p>Through purifying our existing list and cross checking against Glasgow City Council's list, this would be an addition of 258 gardens to be added to the contract.</p>
2.	Cost Implications
	<p>In order to keep the additional cost to a minimum, it is proposed to reduce the number of garden cuts from 16 to 14. This would save £88k at current rates.</p> <p>Incorporating the additional 258 gardens would cost £62k. This will be accommodated within the current budget as a result of the changes to the number of cuts. The overall budget is expected to be at about the same level with the increase in fuel and other costs.</p> <p>If Board approval is received, it is proposed to commence this service from 1st April 2022.</p>

3.	Recommendation
	The Board are asked to APPROVE the additions to the garden maintenance list.



1. DESCRIPTION OF BENEFIT		
BENEFIT	✓	DETAILS (e.g. tenancy address, post etc.)
Tenancy		
Contract of Employment	x	
Works to tenanted property		
Voluntary Severance (Supplementary Board Report to be provided re Business Case)		
Contract or Payment to a business		
Other (e.g. non-statutory disturbance payment)		

DETAILS OF BENEFICIARY		
NAME:		
ADDRESS: (where relevant)		
RELATIONSHIP		DETAILS
Board Member		
Sub-Committee Member		
Connection to Board member		
Connection to Sub-Committee member		
Employee		
Connection to employee		██████████ is a close friend of ██████████ ██████████
A Business		
Other		

[REDACTED]

[REDACTED] was not involved in any part of the recruitment process and [REDACTED] will be based in a different [REDACTED] team. Therefore, [REDACTED] will have no line manager responsibilities for [REDACTED]


Directors Signature _____**Chair's Signature** _____**Meeting where approved****Date of meeting****4. RATIFICATION****Date of Board meeting where ratified
(if not approved at Board meeting)**

**Board Meeting****For Approval**

To: Board
From: Director of Corporate Services

SUBJECT: ANTI-FRAUD POLICY

DATE 29 MARCH 2022

1.	Introduction
	<p>This policy was developed to support the Association's approach to strong financial management, good practice, and compliance with the SHR's Regulatory Framework including the Standards of Governance and Financial Management which were implemented on 1 April 2019.</p> <p>The development and adoption of an Anti-Fraud Policy was identified within the Governance Continuous Improvement Plan produced as an outcome of the Governance Self-Assessment process and so the policy was first introduced in March 2020.</p> <p>The policy is now due for review. There has only been minor changes made to the policy primarily relating to changes in job titles.</p>
2.	Recommendation
	<p>Members are asked to APPROVE the Anti-Fraud Policy.</p>



Anti-Fraud Policy

Contents

Section 1	Introduction and Scope
Section 2	Context and Definition
Section 3	Strategy and Principles
Section 4	Roles and Responsibilities
Section 5	Reporting
Section 6	Fraud Response Plan
Section 7	Policy Review
Section 8	Key Related Policies
Appendix 1	Fraud Response Plan

1. Introduction and Scope

1.1 NG Homes Group ('the Group') is made up of North Glasgow Housing Association (trading as NG Homes), and its subsidiaries, ng2 Limited (ng2), NG Property (Scotland) Limited (NGPS), Design Services Glasgow Limited (DSGL). The Group is committed to achieving the highest standards of openness, probity and accountability. It recognises the particular importance of this as it works to maintain its reputation and that of the housing association sector as a whole.

1.2 In pursuit of its aim to carry on a viable and sustainable business it takes appropriate actions to identify and guard against adverse financial and business risks. In this context, the Group is committed to reducing its risk of fraud to the lowest possible level.

1.3 This policy outlines the broad principles the Group will adopt in order to protect the organisation and the public funds it receives, its assets and its services against fraud. It is of relevance to Board and Committee Members, staff, tenants and residents, members of the public, contractors, consultants and service providers. In particular it aims to emphasise the importance the Group places on deterring fraud, and the specific responsibilities on all members of staff to identify and report any suspicion of fraudulent activity.

2. Context and Definition

2.1 For the purpose of this policy fraud may be defined as "wrongful or criminal deception intended to result in financial or personal gain." The Group identifies fraud as a distinct business problem and risk. It operates a separate Anti-Bribery Policy outlining its approach to dealing with this discrete, but often related issue.

3. Strategy and Principles

3.1 The Group recognises the potential for fraudulent activity taking place within or targeting any area of its business. At a strategic level, its response embraces identified good practice. The key elements of this involve:

- developing and maintaining an anti-fraud culture;
- creating a strong deterrent effect;
- preventing fraud by designing weaknesses out of processes and systems;
- detecting fraud, where it is not prevented;
- investigating suspicions of fraud in an expert, fair and objective manner;
- seeking to apply a range of sanctions where fraud is believed to be present;

- seeking redress and recovery of any losses that are incurred.

3.2 Central to this anti-fraud 'strategy' are a range of operational policies, systems and procedures that are designed to deter, and enable detection and reporting of fraud. In particular, this includes:

- Financial Regulations, Treasury Management, and Delegated Authority policies and the controls detailed therein;
- Standing Orders and other governance related policies, covering matters including Whistleblowing, Payments and Benefits and Conflict of Interest; and the associated management systems;
- service based policies, guidance and operating procedures covering tenancy related matters; repairs, maintenance and development activities; estates services; care and support services; and staff recruitment.

3.4 Established Internal Audit arrangements further support the detection of fraud, through testing the appropriateness, adequacy, effectiveness and robustness of relevant policies and systems. Similarly, through the annual examination of the financial statements, the External Auditor identifies any audit and accounting issues and assesses the effectiveness of internal control.

4. Roles and Responsibilities

4.1 The NG Homes board and the subsidiary boards is responsible for ensuring the Group:

- operates an anti-fraud culture;
- maintains effective risk management and internal control systems;
- has relevant policies and systems in place to deter, detect and report suspected fraudulent activity;
- maintains appropriate procedures that ensure reported incidents of suspected fraud are promptly and vigorously investigated; and effective sanctions and redress are applied in instances where fraud is detected.

4.2 Ng Homes Board is also responsible for ensuring it conducts its own affairs in accordance with the Scottish Housing Regulator's regulatory standards of governance and financial management; and recognised principles of good governance. In adhering to the published Code of Conduct individual Board Members are responsible for reporting any suspicions of fraud or

attempted fraud they encounter; and otherwise acting with integrity and propriety, within the law, and in accordance with relevant policies and procedures.

ng2, NGPS and DSGL boards

4.3 ng2, NGPS and DSGL boards will ensure the responsibilities set out in 4.1 and 4.2 are fulfilled in their entirety in each of the respective organisations.

Audit Sub Committee

4.4 As detailed within its terms of reference, the Audit Sub Committee's role includes:

- monitoring and reviewing the effectiveness of internal, including financial, controls and risk management systems;
- reviewing internal audit reports;
- reviewing findings of external audit;
- monitoring and reviewing the effectiveness of internal audit activities; and also in reviewing arrangements for whistleblowing and detection of fraud.

Chief Executive Officer

4.5 The Chief Executive Officer has the authority to invoke the provisions of the Fraud Response Plan (see section 6.) As part of this the Chief Executive Office is responsible for:

- convening an initial meeting of the Fraud Response Team;
- appointing an Investigating Officer, where the Fraud Response Team decides that a fraud investigation is the appropriate course of action;
- informing the Chair of the Audit Sub Committee that an incident of suspected fraud or attempted fraud has been reported and is to be investigated.

The Chief Executive Officer also has a particular role in relation to whistleblowing. This is defined within the Whistleblowing Policy.

Executive Team (ET)

4.6 ET has collective responsibility for:

- developing and maintaining effective policies, procedures and control systems for deterring, detecting and reporting fraud; and ensuring these are both working effectively, and periodically reviewed in accordance with good practice;

- ensuring the Board has up to date and accurate information on regulatory requirements in relation to governance and financial management, governance good practice and expected standards of conduct;
- fostering a culture of honesty and openness amongst all staff, and ensuring staff are aware of expectations relating to their professional conduct and the requirements of this policy;
- ensuring all staff have the required level of knowledge and understanding of the range of policies, procedures and systems that are relevant to the Group's anti-fraud strategy;
- implementing any relevant operational anti-fraud measures, including segregation of duties;
- ensuring staff receive appropriate training that enables them to identify suspected fraud;
- ensuring the notification requirements of regulators are met.

4.7 Individual members of ET, primarily including the Chief Executive Officer, DCEO, Director of Corporate Services and Director of Housing Services, have roles in relation to the Fraud Response Team as detailed in the Fraud Response Plan.

4.8 The CEO also has a particular role in relation to whistleblowing. This is defined within the Whistleblowing Policy.

Staff Members

4.9 In adhering to the published Code of Conduct all staff members are responsible for:

- being vigilant to possible indicators of fraud or attempted fraud, within their respective areas of work;
- reporting any suspicions of fraud or attempted fraud they encounter; and otherwise,
- acting with integrity and propriety, within the law, and in accordance with relevant policies, systems and procedures.

4.10 Similarly, staff members should report to their line manager any areas of weakness they identify in procedures or systems; or suggested ways of reducing the possibility of fraud.

5. Reporting

5.1 The Whistleblowing Policy enables staff, Board or Committee members, or any other person to raise concerns relating to conduct which they believe to be improper, illegal or immoral. Notwithstanding this, the Chief Executive Officer should be informed of all suspected or detected fraud at the earliest opportunity. Where suspicions or allegations of fraud relate to the Chief

Executive Officer, the separate policy on Handling Serious Complaints against the Chief Executive Officer should be referred to for guidance on the appropriate process.

5.2 The Group acknowledges the requirement to report fraud, the investigation of fraud and instances of whistleblowing to the Scottish Housing Regulator (SHR) as a Notifiable Event. It shall report to SHR without delay, in accordance with the SHR guidance note and the policy on Notifiable Events.

5.3 The Group notes that where SHR is notified and makes regulatory enquiries, SHR will report to the Office of the Scottish Charity Regulator (OSCR), in accordance with legal provisions (The Charities and Trustee Investment (Scotland) Act 2005) and the associated Memorandum of Understanding between OSCR and SHR. In addition to this, auditors have a statutory duty to report matters of “material significance” to OSCR. This includes “matters suggesting dishonesty or fraud involving a significant loss of, or a major risk to, charitable funds or assets.”

5.4 Dependent on the nature of the fraud or suspected fraud, it may be appropriate or necessary to report to other bodies.

Monitoring

5.5 As part of its governance systems, the Group maintains various registers to record certain types of activity. Its Fraud, Whistleblowing and Notifiable Events Registers are of relevance to this policy and will be maintained accordingly.

5.6 The Chair of Ng Homes Board and Chief Executive Officer will sign the Housing Association Fraud Register on an annual basis to verify its completeness. In regards to the subsidiaries the Chair of the respective boards will sign their Fraud register on annual basis; thereafter, the status of all Fraud Registers will be reported to the NG Homes Audit Committee.

6. Fraud Response Plan

6.1 The Group is committed to the rigorous investigation of any suspected fraud. It has in place a Fraud Response Plan, which the Chief Executive Officer can invoke on receipt of an allegation or the identification of suspected fraud. This Plan provides a consistent framework for investigating and reporting fraud, and is contained within Appendix 1 to this policy.

6.2 Fraudulent activity constitutes gross misconduct and where fraud is detected, the disciplinary procedures operated by the Group will be instigated. Where there is direct evidence of fraud, the police shall be informed. The Group will co-operate fully with the police and pursue prosecutions where advised that this is feasible. The Group acknowledges that the decision to

initiate criminal prosecution rests with the police in conjunction with the Crown Office and Procurator Fiscal Service.

6.3 Similarly, where it is determined that an allegation of fraud has been made maliciously, the Group may pursue disciplinary and or legal action against the perpetrator(s).

6.3 It should be noted that suspects have certain legal rights and no action (such as interviewing staff) should be taken without prior consultation with the Chief Executive Officer. Failure to follow appropriate procedures can invalidate disciplinary action and compromise the success of any investigation and or prosecution.

7. Other Related Policies

- Declaration of Interests
- Financial Regulations and delegated authority
- Gifts, Hospitality and Donations
- Treasury Management
- Bribery
- Whistleblowing
- Standing Orders
- Staff Code of Conduct
- Board Members Code of Conduct
- Notifiable Events
- Personal Relationships at Work
- Freedom of Information and Environmental Policy and Procedures

8. General Data Protection Regulation

The organisation will treat your personal data in line with our obligations under the General Data Protection Regulation 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 Employee Fair Processing Notice.

9. Policy Review

This Policy will be reviewed every two years or earlier in line with regulatory or legislative guidance/changes or good practice guidelines.

10. Equality Impact Assessment

This Policy is equally applicable to all and has no impact on protected characteristic groups.

APPENDIX 1

Fraud Response Plan

1. Introduction

1.1 The purpose of this Plan is to outline the steps to be followed in the event of a suspected fraud. It provides a consistent framework for investigating and reporting fraud by defining authority levels, responsibilities for action and lines of reporting. This Plan should be read in conjunction with the Anti-Fraud Policy and Whistleblowing Policy.

2. Initiating Action

2.1 Suspicion of fraud may be captured through a number of means. This includes internal audit work, external audit, or incidences of whistleblowing. In all cases the Chief Executive Officer should be alerted to the matter without delay. In the Chief Executive's Officers absence, another member of the Executive Team should be informed, and they will inform the Chair of the Audit Sub Committee.

2.2 The Chief Executive Officer (or in their absence, another member of the Executive Team) shall, as soon as possible and normally within 24 hours, convene a meeting of the Fraud Response Team. This Team shall normally comprise the Chief Executive Officer, DCEO, Director of Corporate Services and Director of Housing Services, The Team has the task of deciding on initial action to be taken. This action will normally involve:

- engaging the internal auditor to act as Investigating Officer and undertake an investigation;
- informing external auditors of the matter, and agreeing arrangements for keeping the external auditors informed about the work of the Team;
- considering how to secure records/assets and prevent further loss;
- considering the membership of the Fraud Response Team, and the need to involve other members of the Executive Team. This will typically be determined by the area of business where the alleged or suspected fraud has taken place;
- seeking expert legal advice from the Group's solicitors, as required;
- confirming responsibilities and arrangements for submitting relevant regulatory notifications;
- confirming requirements and arrangements for notifying funders.

2.3 The Chief Executive Officer should advise the Chair of the Audit Sub Committee as soon as an investigation under this procedure has been initiated.

3. Preliminary Investigations

3.1 The Investigating Officer must conduct an initial information gathering exercise to enable the circumstances to be investigated rigorously, confidentially and without undue delay. They should thereafter report their initial findings to the Fraud Response Team, any interim conclusions and provide an action plan to guide the full investigation if this is the recommended course of action.

3.2 The Fraud Response Team will consider the Investigating Officer's report, but the information will not be disclosed or discussed with anyone else who does not have a legitimate need to know. In cases where an individual is suspected of fraud, which a subsequent investigation does not substantiate, every effort must be made to minimise potential damage to the individual's reputation.

4. Involving the Police

4.1 Where preliminary investigations establish that there are reasonable grounds to suspect that fraud has taken place, it is the Group's policy to pass details directly to the police, normally without undue delay and prior to any further internal investigation. The Chief Executive Officer will notify the Chair of the Audit Sub Committee of this action.

4.2 The police will lead any further investigations from this stage. All employees are required to co-operate fully with police enquiries in this regard. The Chief Executive officer will establish and maintain appropriate lines of communication with the police.

4.3 The provisions of this Plan apply in full in cases where external frauds, perpetrated by third parties, are identified or suspected and there is any suspicion of collusion of staff members.

4.4 In all other cases of suspected external fraud the Chief Executive Officer, in consultation with the Fraud Response Team and Chair of the Audit Sub Committee shall normally report the matter to the police without delay.

4.5 A major objective in any fraud investigation will be the punishment of any perpetrator, to act as a deterrent to other potential perpetrators. NG Homes and its subsidiaries will follow the respective Disciplinary Policy and Procedures in dealing with any member of staff who has committed fraud; and will normally pursue the prosecution of any such individual.

5. Subsequent Investigations

5.1 Where preliminary investigations provide reasonable grounds for suspecting a member or members of staff of fraud, the Fraud Response Team will decide whether there is a requirement to suspend the suspect(s). It will do so, with reference to the relevant Disciplinary Policy and Procedures. It may be necessary to plan the timing of suspension to prevent the suspect(s) from destroying or removing evidence that may be needed to support disciplinary or legal action.

5.2 In these circumstances, the suspect(s) should be approached unannounced. They should be supervised at all times before leaving the Group's premises. They should be allowed to collect personal property under supervision, but should not be able to remove any property belonging to the Group. Any keys to premises, offices and furniture should be returned.

5.3 DCEO – Finance or any available officer should arrange for the withdrawal, without delay, of access permissions to the Group's computer systems. The suspect(s) should be requested to hand over all IT and communications equipment provided to them by the Group, including laptops, mobile telephones and other devices.

5.4 If no suspension takes place following preliminary investigations, the Fraud Response Team should review this at subsequent stages of the ensuing investigation.

5.5 The Investigating Officer shall consider whether it is necessary to investigate systems other than that which has given rise to suspicion, through which the employee may have had opportunities to misappropriate the Group's assets. In consultation with the Fraud Response Team they will also determine whether there is a need to collect additional information in order to provide an appropriate level of evidence.

5.6 Dependent on the nature of the suspected fraud, the investigation may require technical expertise that the Investigating Officer does not possess. In these circumstances, the Fraud Response Team has responsibility for the appointment of external specialists to lead or contribute to the investigation.

Access to Information

5.7 Any requests for information from the press or other external agency concerning any fraud investigation must be referred to the Chief Executive Officer and dealt with in accordance with the Media Handling Procedure and Openness and Confidentiality Policy. Under no circumstances should the Investigating Officer or any other employee provide statements or information to the press or external agencies.

6. Recovery of Losses

6.1 The Investigating Officer shall ensure that the amount of any loss is quantified wherever possible. Repayment of losses will be sought in all cases. Where the loss is substantial, legal advice should be obtained without delay about the need to freeze the suspect's assets through the court, pending conclusion of the investigation. Legal advice should also be obtained about prospects for recovering losses through the civil court, where the perpetrator refuses repayment. The Group will normally expect to recover costs in addition to losses.

6.2 The Investigating Officer, in discussion with the Chief Executive Officer and or DCEO should also decide whether any of the losses warrant a claim under any Group insurance policy. Action to recover losses via insurance will normally be taken only as a last resort.

7. Investigation Report

7.1 On completion of a fraud investigation, the Investigating Officer will submit a written report to the Fraud Response Team. If a fraud has been established, the report shall contain:

- a description of the incident, the people involved, and the means of perpetrating the fraud;
- the measures taken to prevent a recurrence;
- quantification of losses;
- progress with recovery action;
- progress with disciplinary action;
- progress with criminal action;
- actions taken to prevent and detect similar incidents.

7.2 The report will normally be submitted to the next meeting of Audit Sub Committee. Where the fraud is significant, in terms of losses incurred, or particularly novel, unusual or complex, a special meeting of the Audit Sub Committee may be convened. Audit Sub Committee will report fully to the next meeting of the Board, or where appropriate to the subsidiaries boards, on matters considered and relevant management responses.

8. Review of the Fraud Response Plan

8.1 As a minimum, the Plan will be reviewed every two years to ensure fitness for purpose. It will also be reviewed after any fraud incident in order to identify any need for change.

Board Meeting For Noting

To: Board
From: Director of Corporate Services

SUBJECT: GOVERNANCE UPDATE

DATE: 29 March 2022

1.	Introduction
	This report provides an update on governance related matters from 23 November 2021 to 4 March 2022.
2.	SFHA COVID-19 Updates
	<p>The SFHA continue to produce their briefings to help members through the COVID-19 crisis. Their briefings on practical governance advice have been included in past reports. All briefings are available at https://www.sfha.co.uk/COVID-19-Briefings</p> <p>The briefing notes have been included in previous Board reports and these are all easily accessible at the above address. We are advised that the SFHA team will update the briefings as circumstances change and more information becomes available. SFHA ask if you would like a new briefing or have any feedback on the published briefings, to please contact enquiries@sfha.co.uk.</p>
3.	Social Housing Resilience Group Update
	<p>As previously reported, the Social Housing Resilience Group (SHRG) comprises of representatives from the following: Scottish Federation of Housing Associations, Scottish Government, Public Health Scotland, Scottish Housing Regulator, Wheatley Group, Chartered Institute of Housing Scotland, Glasgow and West of Scotland Forum of Housing Associations, Association of Local Authority Chief Housing Officers, and Convention of Scottish Local Authorities (COSLA). It was convened by SFHA in response to the coronavirus outbreak. The SHRG aims to deal with the significant challenges the outbreak is causing so that social landlords can continue to provide the support their tenants and communities need. Issues identified by social landlords are fed directly into the group in order to find solutions and provide support.</p> <p>In the November Board report members were advised that the SHRG had produced Version 11 of the Guide to Managing Services – 14 July 2021 and a copy of the document was attached for your reference together with information on the revisions included at that time. Please note that Version 11 remains the most current version.</p>

4.	Scottish Housing Regulator News / Publications
	<p>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 now has specific Coronavirus (Covid-19) related news / articles. You can access the SHRs Coronavirus latest news and information through their website. The SHR has updated a whole raft of previously published information, guidance and advice for RSL's and Governing Bodies. These updates are available on the SHR's website at https://www.housingregulator.gov.scot/publications?p=3&s=10</p> <p>There are also links to speeches and other information.</p> <p>Other SHR news and publications can be accessed at the links below:</p> <p>https://www.housingregulator.gov.scot/about-us/news</p> <p>https://www.housingregulator.gov.scot/publications</p> <p>For ease of reference your search for publications can be filtered by date range and publication type which includes the following categories:</p> <ul style="list-style-type: none"> • Advice for landlords • Statutory guidance for landlords • National Reports • Consultations • Forms and questionnaires • Speeches and presentations • Corporate Publications • Archived Reports • Information for tenants <p>Recent news/features</p> <p>Information about whistleblowing: Information for potential whistleblowers; 24 February 2022</p> <p>https://www.housingregulator.gov.scot/for-landlords/advisory-guidance/how-we-work/information-about-whistleblowing</p> <p>How we will deal with whistleblowing concerns about your organisation; 24 February 2022</p> <p>This factsheet explains how we deal with whistleblowing concerns about your organisation;</p>

<https://www.housingregulator.gov.scot/for-landlords/advisory-guidance/how-we-work/how-we-will-deal-with-whistleblowing-concerns-about-your-organisation>

Statement of Compliance with the Public Services Reform (Scotland) Act 2010 2020-2021;
22 February 2022

<https://www.housingregulator.gov.scot/publications/statement-of-compliance-with-the-public-services-reform-scotland-act-2010-2020-2021>

Full quarterly returns data set from all landlords from April 2021; 11 February 2022

<https://www.housingregulator.gov.scot/landlord-performance/national-reports/covid-19-dashboards/full-quarterly-returns-data-set-from-all-landlords-from-april-2021>

COVID-19 Quarterly dashboard report 2021-22 - Quarter 3; 11 February 2022

<https://www.housingregulator.gov.scot/landlord-performance/national-reports/covid-19-dashboards/covid-19-quarterly-dashboard-report-2021-22-quarter-3>

Regulator's report shows increases in rent arrears; Updated 11 February 2022

<https://www.housingregulator.gov.scot/about-us/coronavirus-latest-news/regulator-s-report-shows-increases-in-rent-arrears>

Statutory intervention at Thistle Housing Association; 3 February 2022

<https://www.housingregulator.gov.scot/landlord-performance/national-reports/statutory-intervention/statutory-intervention-at-thistle-housing-association>

Statutory intervention at Ruchazie Housing Association; Updated 2 February 2022

<https://www.housingregulator.gov.scot/landlord-performance/national-reports/statutory-intervention/statutory-intervention-at-ruchazie-housing-association>

Statutory intervention at Arklet Housing Association; Updated 2 February 2022

<https://www.housingregulator.gov.scot/landlord-performance/national-reports/statutory-intervention/statutory-intervention-at-arklet-housing-association>

	<p>Five Year Financial Projections Return: Submission date for 2022 - New FAQs January 2022; 25 January 2022</p> <p>https://www.housingregulator.gov.scot/publications/five-year-financial-projections-return-submission-date-for-2022-new-faqs-january-2022</p> <p>New dates for FYFP returns 2022 - letter to landlords 25 January 2022; 25 January 2022</p> <p>https://www.housingregulator.gov.scot/publications/new-dates-for-fyfp-returns-2022-letter-to-landlords-25-january-2022</p> <p>Volunteer Tenant Advisors - Information pack; 10 January 2022</p> <p>https://www.housingregulator.gov.scot/for-tenants/volunteer-tenant-advisors-information-pack-for-applicants/volunteer-tenant-advisors-information-pack</p> <p>Summary of the Annual Loan Portfolio Returns at 31 March 2021; Our annual analysis of RSLs' annual loan portfolio returns; Updated 2 December 2021</p> <p>https://www.housingregulator.gov.scot/landlord-performance/national-reports/financial-analysis/summary-of-the-annual-loan-portfolio-returns-at-31-march-2021</p> <p>The risks we will focus on - November 2021; 30 November 2021</p> <p>Each year, we assess risk in social landlords to determine what assurance we need from them and what they may need to improve. Here we describe which risks we will focus on.</p> <p>https://www.housingregulator.gov.scot/landlord-performance/the-risks-we-will-focus-on/the-risks-we-will-focus-on-november-2021</p>
5.	The Office of the Scottish Charity Regulator (OSCR)
	The OSCR website; www.oscr.org.uk 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.
6.	Board attendance at training / conferences
	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 events attended by members during the period covered by this report.

Training course / Webinar	No of Board members attending	Date	Training Provider
Audit Responsibilities for Committee/Board	1	13/1/22	SHARE (online)
Climate Emergency Training	4	17/1/22 (for 4 weeks)	Keep Scotland Beautiful (online)
New Year Targets: Net Zero 101	1	27/1/22	Inspired Energy (online)
Corporate Governance Conference	2	28/1/22	SHARE
Equality & Diversity for Board Members	9	10/2/22	██████████ (SHARE) (online)
Treasury Management Guidance Launch	1	11/2/22	SFHA (online)
HR Conference	1	17/2/22	SHARE (online)

The total cost of Board member training/attendance for the above was £1,065.

It is important that members have access to the range of learning and development resources. Some Board members have booked training for April and May, and we are keen to support anyone who would like to take part in any session or event.

SHARE's website www.share.org.uk is a useful resource where you can access information on their latest news, planned training, networks and events.

Two upcoming events at SHARE which could be of interest to members are:

- The role of the Committee/Board in delivering good governance on 24 March 2022
- Finding the confidence to contribute to Committee/Board conversations on 31 March 2022

	<p>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.</p> <p>If members are interested in any of the courses, webinars or events advertised or have any specific training requirements please contact Tony Sweeney or Cheryl Murray to discuss sourcing the appropriate course and making any necessary arrangements.</p>
7.	Next Board Training Session (7 December 2021)
	The next scheduled Board training session will cover 'The Board's Responsibilities for Health & Safety'. This will take place on Tuesday 22 March 2022 and it will be delivered by the Association's Health & Safety advisers ACS.
8.	2021 Annual Board Appraisal and Board Member Reviews
	<p>As members will be aware, [REDACTED] at SHARE, supported the Association with last year's Annual Board Appraisal and Board member reviews. [REDACTED] completed the Outcomes Report for the Association and this was presented to the Board for discussion at a virtual feedback session (MS Teams) held on 26 January 2022. There was a good level of positive discussion at the session and the importance of Board members using IT effectively and attendance at meetings was emphasised. Board members agreed to meet again in around 6 months time to review progress.</p> <p>Board Members Individual Learning Statements</p> <p>As agreed at the feedback session on 26 January 2022 the Individual Learning Statements have now been sent to members.</p>
9.	Review of Standing Orders
	<p>As previously reported, we are currently undertaking a full review of the Association's Standing Orders supported by [REDACTED] an independent consultant with expertise in this area. [REDACTED] is well respected in the housing sector and she has been closely involved with the SFHA and others in producing key governance documents for the sector over the years. It is a good juncture to be conducting this piece of work following on from the recent adoption of the new revised Rules. This will ensure consistency and clarity across the documents and will support the Association in achieving good governance practice and meeting regulatory requirements. This will also include a review of other related matters including Sub-Committee remits to ensure consistency with delegated authority.</p>

10.	Board Strategy Day (24 April 2022)
	<p>The Board Strategy Day is being planned to take place in Glasgow city centre on Sunday 24 April 2022. This will be a full day event culminating in a dinner for Board and senior staff in attendance. The draft agenda for the event is currently being produced and we will share this with the Board when it is available. It will include a review of the past year and a look ahead in relation to our objectives and the challenges we may face. As usual it will be planned to be an interactive event where everyone's contribution is valued.</p> <p>As will be aware, unfortunately the decision to cancel the mid-year strategy day planned for the end of 2021 was taken due to health and wellbeing concerns for Board members and staff related to the Covid-19 situation at that time and taking account of the available guidance and concerns raised by the Scottish Government and Health experts. Thankfully we are now in a more stable position and the Scottish Government guidance allows us to plan for a physical get together and Board members will be kept fully informed of the arrangements.</p>
11.	Ombudsman/ First Tier Tribunal Complaints
	<p>Scottish Public Services Ombudsman (SPSO)</p> <p>There were no tenant complaints investigated by the Scottish Public Services Ombudsman.</p> <p>First Tier Tribunal Complaints</p> <p>There were no First Tier Tribunal Complaints to report</p>
12.	Recommendation
	Members are asked to NOTE the contents of this report.



Board Meeting For Noting

To: Board
From: Director of Housing Services

SUBJECT: NOTIFIABLE EVENTS

DATE 29 March 2022

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 have been no notifiable events during this reporting period.
3.	Recommendation
	Members are asked to note that there have been no notifiable events reported to the Scottish Housing Regulator.



Accreditation Report Investors in Young People

"Having carried out this assessment in accordance with the guidelines provided by Remarkable I am satisfied that you continue to fully meet the requirements of the Investors in Young People Award."

Currently all eight indicators are at In Place and Active with seven of the eight at Positive outcomes which means you achieve the higher level of Gold. I would encourage you to look at opportunities to move themes to Always Improving, giving the potential to achieve the higher level of Platinum."

Assessor



Undertaken By: Christopher Cox
On behalf of Remarkable

Project Reference Number: IYP/20/5195

Date: JAN 2022

Re:remarkable

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