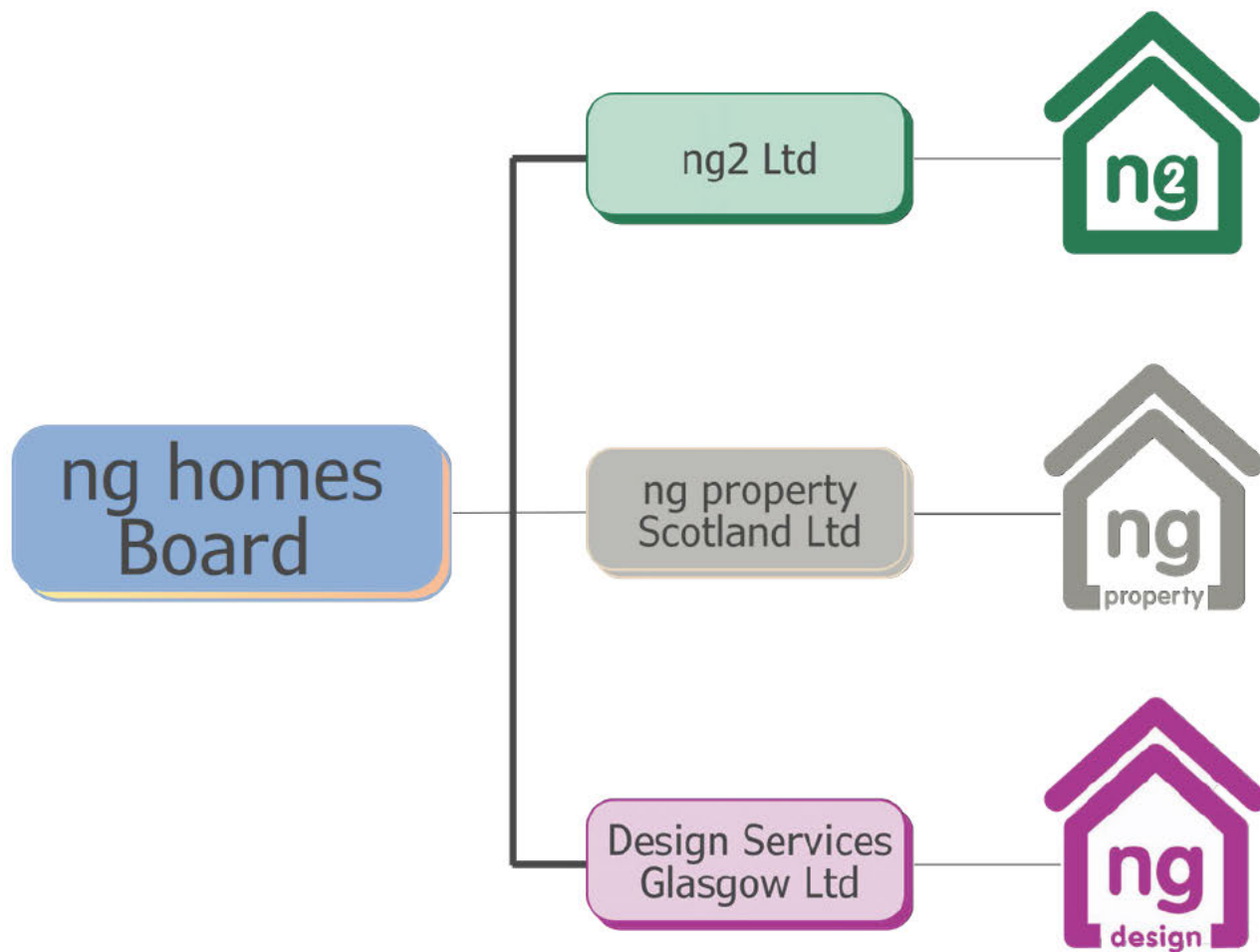




**BOARD MEETING
TUESDAY 28TH MARCH 2023 – 4:30PM
SARACEN HOUSE**



ng homes subsidiary companies



AGENDA

Meeting: Board Meeting

Invitees Board

Location: Saracen House

Date Tuesday 28 March 2023

Time 4.30pm

Please submit any apologies to Cheryl Murray

Email: cmurray@nghomes.net

Telephone: 0141 630 4324

	Agenda	Paper	Lead Officer	Page Number
1.	Apologies			
2.	Declaration of Interest and Attendance			5
3.	Minutes of Board Meeting on 7 February 2022 i) Matters arising			7
4.	For Approval			
a.	Management Accounts to 31 January 2023	Yes	BH	19
b.	NGHA Budget	Yes	BH	27
c.	NGPS Business Plan & Budget	Yes	BH	37
d.	ng2 Business Plan & Budget	Yes	BH	49
e.	DSGL Business Plan	Yes	BH	63
f.	Expenses Policy	Yes	AB	71
g.	Strategy Development Funding Plan (SDFP) 2023/24-2027/28	Yes	AB	79
h.	Key Performance Indicator (KPI) Targets	Yes	LC	87
i.	Maintenance Policy	Yes	LC	91
j.	Housing Services Risk Register	Yes	LC	107
5.	Chief Executive's Update			
6.	Chairs' Remarks			
7.	Delegates Feedback			
8.	AOCB			
9.	For Noting			
a.	Notifiable Events	Yes	LC	113

b.	Benchmarking	Yes	LC	115
c.	ng homes Engagement Plan Meeting with SHR	Yes	JD	117
10.	Minutes of Subsidiaries / Sub-Committees			
a.	Minutes of the ng2 Board Meeting on 14 February 2023	Yes		125
b.	Minutes of the Audit Committee on 16 February 2023	Yes		133
c.	Minutes of the ng Property Board Meeting on 22 February 2023	Yes		141
d.	Minutes of the Regeneration Committee on 7 March 2023	Yes		149
11.	Date of next meeting is Tuesday 23 May 2023			

Enclosures

None

Key for Colour Coding in Reports



Highlighting Good Performance



Requires Close Monitoring



Requires Urgent Attention

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED BOARD ATTENDANCE 2022-23

C Rossine	P	P	P										
J Thorburn	P	P	P										
Cllr A Gow	P	P	A*										
J Berrington	P	P	A										
G Satti	P	P	P										
J MacLeod	P	A	P										
P Nelson	P	A	A										
F Malcolm	P	P	A										
J Kennedy	P	P	P										
M Grimley	P	P	A										
J Fernie	A	P	A										
% Total	91%	82%	45%										

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

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 73%

Board Meeting Minutes

Meeting: Board Meeting **Location:** Saracen House / Microsoft Teams
Date: 7 February 2023 **Time:** 4.30pm

Attendees: J Thorburn
C Rossine
J Kennedy
J MacLeod
G Satti

Apologies: P Nelson, M Grimley, A Gow, J Fernie, J Berrington, F Malcolm

In Attendance: J Devine (CEO), B Hartness (DCEO) BH, T Sweeney TS (DCS),
L Cooper (DHS) LC, A Bell (DDPS) AB – left after item 4(b)

██████████ (Consultant) – left after item 4(a)

Minute Taker: C Murray CM (PA)

	Agenda	Action	Date
1.	Apologies		
	As above. J Fernie joined at 4.35PM and left after 9 minutes due to IT issues (no sound).		
2.	Declaration of Interest and Attendance		
	As Above. Chair declared an interest in item 4(f) Shared Ownership Buy Back Policy.		
3.	Minutes of Board Meeting on 22 November 2022		
	Board AGREED the minutes were an accurate record of the meeting. Proposed J Thorburn Seconded J Kennedy		

	i) Matters Arising None.		
4.	For Approval		
a.	Standing Orders Review		
	<p>TS introduced [REDACTED] who supported ng homes through the comprehensive review exercise conducted over the last year.</p> <p>TS presented the report detailing the proposed changes to the Standing Orders and highlighted the important main amendments including new additions. TS also referred to the proposed changes to the committee structure. Appendix 5, Meetings Etiquette, was marked to follow and TS proposed Board Members in formulating that document.</p> <p>TS referred to the proposal to no longer operate an Area Committee and assured Members that there is a low risk to the Association in this proposal as there are no items or policies due for review by that committee between now and June other than the risk registers that will be taken elsewhere in the meantime. The proposed additions/revisions of the committees and remits as planned and any other changes as required before June 2023 will be progressed using the provision of SO4.</p> <p>TS highlighted that most references to subsidiaries and Independence Agreements have been removed as these will be covered in the "Intergroup Agreements" currently being developed with support from BTO Solicitors.</p> <p>TS also mentioned the Appendices.</p> <p>TS invited questions and/or comments on the report or the proposed Standing Orders.</p> <p>[REDACTED] explained that part of her brief was to provide clarity about the governance structure. By removing sections from the main body of the Standing Orders and including those details in the remits laid out in the appendices, it gives the Association the flexibility to amend the remits as they see fit rather than be forced to re-write the</p>		

Standing Orders. The new layout aligns the governance structure with the operational structure. [REDACTED] went on to say that the Association needs to be confident it has sufficient members to resource the structure it implements.

The CEO commented on the huge commitment expected of Board members and staff and reminded members of the statistics TS presented at last year's Board Strategy Day on the number of reports produced and hours spent at meetings. The CEO would like the Association to operate more effectively and stressed the importance of getting the balance right between information presented to the Board and the time members need to digest, consider and make decisions appropriately.

[REDACTED] stressed that the Standing Orders are simply one item within the 'governance toolbox' to assist members to govern effectively and allow resources to be managed efficiently. [REDACTED] also referred to the importance of having the right scheme of delegation for both financial and non-financial elements and Officers being confident in knowing what should be going to the Board and what is an operational task; the scheme of delegation should provide clarity and allow staff to do their job operationally and be accountable to the Board.

TS pointed out that the scheme of financial and non-financial delegation is included in the ng homes Financial Regulations that are due for review during March 2023.

Members considered and APPROVED the following:

- The revised Standing Orders and appendices
- The CEO's Role Description in line with SO 11
- The proposed changes to the current committee structure as detailed in the report

Proposed J MacLeod Seconded J Thorburn

CEO congratulated TS and all staff involved in the review of the standing orders and thanked [REDACTED] for her support and guidance

	<p>throughout the review process.</p> <p>██████████ left the meeting.</p>		
b.	Business Plan Priorities Progress (Q3)		
	<p>TS presented the report providing an update to Members on progress with the Business Plan priorities over Q1-3 and the position statement at 31 December 2022.</p> <p>Members considered and APPROVED the report.</p> <p>Proposed G Satti Seconded J Kennedy</p>		
c.	Value for Money Strategy		
	<p>AB presented the revised Value for Money Strategy. Members considered and APPROVED the revisions and noted that the strategy will be used as the basis for ongoing work in achieving value for money and communicating that to all stakeholders.</p> <p>Proposed J Thorburn Seconded G Satti</p> <p>AB left the meeting.</p>		
d.	Management Accounts to 30 November 2022		
	<p>BH presented the management accounts to 30 November 2022. BH commented that there was nothing out of the ordinary. BH advised that amongst other systemic associations ng homes have one of the lowest debt per unit at approx. £7.5k per unit. CEO stressed the importance of continually managing and controlling spend.</p> <p>CEO advised Members that himself and BH have discussed budgets and although the position is healthy all plans for future spend will be done in line with tight budgeting controls and spend has to be affordable and scalable.</p> <p>Members APPROVED the Management Accounts for the period to 30th November 2022.</p> <p>Proposed G Satti Seconded J Thorburn</p>		
e.	Mortgage to Rent Policy		

	<p>BH presented the report and advised the purpose of the policy.</p> <p>Members APPROVED the continuation of ng homes' participation in the scheme as outlined within the updated policy.</p> <p>Proposed J Thorburn Seconded J Kennedy</p>		
f.	Shared Ownership Buy Back Policy		
	<p>Chair declared an interest. The Vice-Chair chaired this item.</p> <p>BH presented the report. Members considered and APPROVED that the Association should continue to buy back shared ownership units within the terms outlined within the policy.</p> <p>Proposed J Thorburn Seconded J Kennedy</p>		
g.	Legal Services Framework		
	<p>BH presented the report updating Members on progress with the joint procurement of a Legal Services Framework. Members considered and APPROVED the contents of the report.</p> <p>Proposed J MacLeod Seconded J Thorburn</p>		
h.	Rent Increase 2023/24		
	<p>LC presented the report updating Members on the methods and outcome of the consultation with tenants on the 2023/24 rent increase. Out of the three options offered, 86% of tenants who engaged voted for 6%. BH advised that 6% does not even cover some of the cost increases incurred by the Association and doesn't offer any additional income. Efficiencies and cost control will be necessary to cover the difference due to rent increase not covering the cost increases that have occurred and are continuing to occur.</p> <p>Members considered and APPROVED a 6% rent and service charge increase for 2023/24.</p> <p>Proposed J Kennedy Seconded G Satti</p> <p>CEO commended LC and her team as this would have been a difficult</p>		

	<p>task and conversation to have with tenants given the current financial climate. CEO advised that he has asked LC to pull together any key themes that came out of the conversations with tenants.</p> <p>LC added that staff are currently finalising the tenant survey which feeds into the business priority 'getting to know our tenants better' which should help the Association shape their services or signpost. Rather than use an external consultant for this exercise, LC was keen to use her own housing staff to engage with tenants which also helps staff get to know their own tenants better. The survey will take into account the recent guidance issued by the Scottish Housing Regulator as well as giving the opportunity to look at the equalities data that will be incorporated into the survey along with some customer service excellence elements.</p> <p>LC commented that it would be too big an exercise to fulfil during working hours and with the support of the CEO requested approval of overtime for the task to be carried out in the evenings and on weekends. The survey is expected to start in February but is unsure at this stage how long it will take and will depend on how well tenants engage and will update the Board on progress periodically.</p> <p>Members considered and APPROVED the request for overtime to carry out this task.</p> <p>Proposed J Thorburn Seconded G Satti</p>		
i.	Gas Safety Policy		
	<p>LC referred to the notifiable event detailed, in item 9(c), relating to a missed gas service. Following that event staff took the opportunity to fully review the gas safety policy. LC presented the detail as laid out in the report and advised that all staff who the policy will affect have been involved. Once approved each staff member will be asked to sign the policy to confirm they understand their responsibilities.</p> <p>CEO referred to the steps taken as soon as the out-of-date gas service was identified and stressed the importance of individuals understanding and being clear what their responsibilities are. Once the revised policy is approved and implemented people will be held</p>		

	<p>accountable but will not be without consultation and support for staff.</p> <p>The Association are currently considering who should be carrying out the audits of gas safety certificates and is looking at where technology can be implemented to remove the human element where possible and reduce the risks with dealing with high volumes of information.</p> <p>Member queried the review period of three years. LC confirmed that Corgi recommend a 3-year review period, however after some discussion members AGREED this policy should be reviewed every 2-years or earlier in line with regulatory or legislative changes and/or good practice guidelines.</p> <p>Proposed J MacLeod Seconded G Satti</p>		
j.	Rent Collection Policy		
	<p>LC presented the proposed changes to the Rent Collection Policy. Member asked if there are material changes to the cost-of-living crisis would the policy be reviewed sooner to which LC advised that it would.</p> <p>Members considered and APPROVED the amended Rent Collection Policy.</p> <p>Proposed G Satti Seconded J Thorburn</p>		
k.	Payments and Benefits Case no 149 – For Ratification		
	<p>LC presented payment and benefits case no 149 to which the Chair approved at an urgent decision meeting.</p> <p>Members RATIFIED Payments and Benefits Case no 149.</p> <p>Proposed J Thorburn Seconded J Kennedy</p>		
l.	Abbeyfield House Options Appraisal		
	<p>In the absence of the Investment Manager, [REDACTED] prepared the report requesting Members to consider options for the future of Abbeyfield House. CEO presented the report.</p> <p>CEO advised discounting the first option as he doubted demolition</p>		

	<p>would get approval from Scottish Government and the Association would incur some reputational damage if they went through with demolition.</p> <p>Structural engineers have confirmed the building is not fit for purpose as it stands leaving retrofit the only other options.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>CEO advised that office design has taken into account suggestions offered at the staff strategy day. Members agreed it is important to consider what people want from their working environment and to have a workplace that that attracts staff, especially now post pandemic.</p> <p>CEO advised that although his recommendation would be to opt for the third option 'Conversion of the existing building into office premises for ng homes' it is important for Members to discuss and consider all three options.</p> <p>BH added that at this point in time, the Association have sufficient funds to meet ongoing commitments, taking consideration of existing budgets.</p> <p>Members discussed and APPROVED option 3 to be progressed to procurement and delegated authority given to the Regeneration Sub-Committee to consider and approve the final tender.</p> <p>Proposed J MacLeod Seconded G Satti</p>		
5.	Chief Executive's Update		
	<p>CEO referred to a recent article on the front page of the Evening Times regarding SHQS standards across HAs in Scotland. CEO</p>		

	<p>commented that the figures reported were a reflection of completed EICRs. ng homes average 1500 EICR's per year but the limitations to accessing people's homes for two years due to the Covid-19 pandemic realistically meant those numbers were reduced which affected the overall SHQS figures reported in the 2022 ARC.</p> <p>CEO advised that ng homes have offered 114 properties to GCC to house Ukrainian refugees. LC has been in dialogue with the Scottish Government to iron out details. If successful it could generate approx. £500k revenue for the Association.</p> <p>CEO referred to the Levelling up BID that GCC were unsuccessful for. ng homes planned to improve the tenements at Stoneyhurst St as part of the BID. CEO commented that the £4.5m ng homes had budgeted to put towards it will remain ring-fenced, along with the Capital Regeneration Grant Fund, while alternative options are considered to replace the Levelling Up funds.</p> <p>CEO advised there will be a review of the concierge service to look at modernising it and to provide a more efficient service to for tenants. CEO asked TS if Corporate Services could carry out the work. TS answered that they did not have the resource in-house for such a large piece of work. An external consultant will therefore be appointed to carry out the work.</p> <p>CEO referred to an incident at NDH on Thursday where staff Members were seriously verbally assaulted and threatened with physical violence. Support has been offered to the staff members involved. BH immediately started a risk assessment, access/safety around reception areas are under review and technology for anyone working on their own or when out in their patch will be considered. BH will be speaking to TC Young regarding what options the Association has around the eviction of anyone who abuses staff members and wants to send a serious message that verbal or physical abuse will not be tolerated.</p>		
6.	Chairs' Remarks		
	Chair advised that [REDACTED] (SHARE) and herself have almost completed the reviews with all Board members and thanked members		

	for their time.		
7.	Delegates Feedback		
	<p>Chair gave an update from EVH.</p> <p>GWSF have announced their meetings will be restarted from March. JT will attend as the GWSF rep.</p> <p>JT asked to meet with JD to update him with information shared via CPP as it will have some implications for ng homes.</p>		
8.	AOCB		
	None.		
9.	For Noting		
a.	Governance Update		
	<p>Members NOTED the report providing an update on governance related matters from 12 November 2022 to 20 January 2023.</p> <p>TS highlighted the Customer Service Excellence report that is included as an appendix. TS thanked all those involved in the CSE Assessment staff, tenants and partner organisations and he congratulated the Board and staff, in particular the customer facing teams, including Housing Services, Property Services, the Regeneration team and ng2. TS highlighted that it had been a great result with the Assessor identifying 14 areas of Compliance Plus and a reduced number of partial compliances.</p>		
b.	Communications Update (Q3)		
	Members noted the report providing an update on all communications and media information from 1 October 2022 to 31 December 2022.		
c.	Notifiable Events		
	Members noted the report providing an update to Members on notifiable events that have been reported to the Scottish Housing Regulator since the last meeting.		
d.	KPI Performance YTD (Q1-3)		
	Members noted the report providing the year-to-date position on key performance indicators.		
e.	Complaints and Compliments (Q3)		

	Members noted the report providing an update on complaints and compliments received for the 3-month period 1 October to 31 December 2022 (Q3).		
10.	Minutes of Subsidiaries / Sub-Committees		
a.	Minutes of the ng Property Board Meeting on 16 November 2022		
	Noted.		
b.	Minutes of the Audit Sub-Committee on 17 November 2022		
	Noted.		
c.	Minutes of the Area Committee Meeting on 1 December 2022		
	Noted.		
d.	Minutes of the ng2 Board Meeting on 6 December 2022		
	Noted.		
11.	Date of Next Meeting – Tuesday 28 March 2023 Meeting concluded at 18:30		

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

To: Board
From: DCEO

SUBJECT: MANAGEMENT ACCOUNTS – PERIOD TO 31 JANUARY 2023 **DATE 28 March 2023**

1.	Introduction		
	Below are income and expenditure and balance sheet for the period to 31 st January 2023 together with cash flow and accompanying notes.		
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 2023 and compares the Income and Expenditure of the Association against the budget.		
		Effect - £k	Comment
	Rents	144	With ability to let properties and more properties being relet higher return from properties relet.
	Planned maintenance	2,260	Most costs incurred centred on the multis project with other contracts limited.
	Other expenditure	252	Less projects occurring in the period than expected
	Other variances	<u>923</u>	
	Total Positive variances	<u>3,579</u>	
	Effect		

	- £k	
Planned maintenance capitalisation	2,604	With lower planned maintenance spend then reduced capitalisation in period.
Other property costs	278	Additional costs including insurance valuation exercise
Other negative variances	<u>714</u>	
Total negative variances	<u>3,596</u>	
Total positive variances	3,579	
Total negative variances	<u>(3,596)</u>	
Net movement	(17)	
Projected deficit for period	<u>(259)</u>	
Actual deficit for period	<u>(276)</u>	
Ratios for lender are in an acceptable position. Interest cover of 1.29 (after transfer from designated reserves) against a required ratio of 1.1 and the ratio of secured assets to loan value at 2.53 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 £5.2m, other assets expenditure of £130k and depreciation of £4.42m leading to a net increase in fixed assets of £838k. This includes the expenditure on property acquisitions, property improvements, adaptations, and computer equipment. Bank balances moved downwards from £21.75m to £20.6m with negative cash flow of £1.15m. Loans decreased by £150k with the repayments made in the period. Now loans of £41.3m outstanding. 		
5.	Recommendation	
	Board Members are asked to APPROVE the Management Accounts for the period to 31 st January 2023.	

NORTH GLASGOW HOUSING ASSOCIATION LTD.

MANAGEMENT ACCOUNTS FOR PERIOD ENDED

31.01.23

INCOME AND EXPENDITURE

Year to		Jän.23	Oct 22 - Jan 23			CUMMULATIVE TO DATE			ANNUAL
31.3.22		Actual	Actual	Budget	Variance	Actual	Budget	Variance	BUDGET
Income									
25,416,007	Rental Income	2,187,222	8,742,440	8,725,825	16,615	21,851,317	21,707,562	143,755	25,892,417
-318,640	Voids	-30,824	-101,705	-109,073	7,368	-222,731	-271,345	48,614	-323,655
40,439	Service Income	3,617	14,368	14,126	242	35,936	35,731	205	43,210
25,137,806		2,160,015	8,655,103	8,630,878	24,225	21,664,522	21,471,949	192,573	25,611,972
0	Factoring Income	28,934	215,445	181,793	33,653	601,550	545,378	56,173	727,170
396,183	Grant release/received	65,298	352,980	271,829	81,151	652,980	679,573	-26,593	815,488
25,533,989	Net Income	2,254,247	9,223,528	9,084,500	139,028	22,919,052	22,696,900	222,152	27,154,630
Expenditure									
2,803,883	Day to Day	169,033	903,975	716,512	-187,463	1,980,349	1,804,173	-176,176	2,148,090
2,230,836	Cyclical	69,267	416,156	621,100	204,944	1,160,920	1,552,750	391,830	1,961,465
1,294,091	Void Maintenance	37,781	362,958	333,333	-29,625	876,823	833,333	-43,490	1,000,000
127,684	Bad Dbts-Rents	0	-7,188	133,333	140,521	208,325	333,333	125,008	400,000
0	Bad Dbts-services	0	0	0	0	0	0	0	0
18,449,671	Planned maintenance	582,609	3,618,237	4,768,112	1,149,875	9,660,032	11,920,281	2,260,249	14,304,337
-12,132,841	Capitalised to balance sheet	-227,702	-1,438,072	-2,949,103	-1,511,031	-4,769,206	-7,372,757	-2,603,551	-8,847,308
881,002	Other Property Costs	44,008	330,513	222,000	-108,513	832,601	555,000	-277,601	666,000
4,513,299	Depreciation	417,000	1,650,000	1,666,667	16,667	4,170,000	4,166,667	-3,333	5,000,000
1,811,741	Service Costs	109,901	845,592	546,948	-298,644	1,785,392	1,378,939	-406,453	1,658,874
-183,926	Factoring Expenditure	29,179	156,729	151,763	-4,966	435,376	404,408	-30,969	515,289
5,528,420	Salaries	419,965	1,833,656	1,783,603	-50,053	4,405,604	4,459,008	53,404	5,350,810
1,998,636	Overheads	104,148	691,346	694,900	3,554	1,731,711	1,737,250	5,539	2,084,700
27,322,496	Total Expenditure	1,755,189	9,363,902	8,689,169	-674,733	22,477,927	21,772,384	-705,543	26,242,257
-1,788,507	Surplus from Ordinary Activities	499,058	-140,374	395,331	-535,705	441,125	924,515	-483,390	912,374
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
753,342	Other Income	48,809	281,094	159,333	121,761	517,062	398,333	118,729	478,000
697,782	Other Expenditure	21,108	121,009	244,333	123,324	358,514	610,833	252,319	733,000
-1,732,947	Net Surplus	526,759	19,711	310,331	-290,620	599,673	712,015	-112,342	657,374
1,340,939	Loan Interest	100,731	381,928	405,043	23,115	1,040,528	1,012,608	-27,921	1,215,129
51,052	Interest received	19,694	74,494	16,667	57,827	144,635	41,667	102,968	50,000
91,064	Other finance charges	0	0	0	0	0	0	0	0
33,029	Property and fixed asset sales	0	0	0	0	0	0	0	0
-3,723,872	Pension adj/corp tax/gift aid	49	49	49	49	-19,951	0	-19,951	0
643,003	Net Surplus after interest	445,673	-287,772	-78,045	-209,727	-276,269	-258,926	-17,343	-507,755
3,000,000	Trans from Designated Reserve	-300,000	600,000	0	600,000	600,000	0	600,000	0
0	Trans to Designated Reserve	0	0	0	0	0	0	0	0
3,643,003	Net result after Transfer	145,673	312,228	-78,045	390,273	323,731	-258,926	582,657	-507,755

NORTH GLASGOW HOUSING ASSOCIATION LTD.

MANAGEMENT ACCOUNTS FOR PERIOD ENDED

31.Jän.23

INCOME AND EXPENDITURE

ANALYSIS OF DIRECT EMPLOYEE & ADMINISTRATION COSTS

31.03.22	Jän.23 <u>Actual</u>	<----- <u>Actual</u>	Oct 22 - Jan 23 <u>Budget</u>	<u>Variance</u>	CUMMULATIVE TO DATE			ANNUAL <u>BUDGET</u>
					<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	
4,454,454 Salaries	364,681	1,614,387	1578909	-35,478	3,847,395	3947273	99,878	4,736,727
1,073,966 Pensions	55,284	219,269	204694	-14,575	558,209	511736	-46,473	614,083
5,528,420 Total Direct Employee	419,965	1,833,656	1783603	-50,053	4,405,604	4459008	53,404	5,350,810
69,066 Heat & Light	14,740	28,358	23333	-5,025	59,743	58333	-1,410	70,000
300,749 Depreciation	25,000	100,000	86667	-13,333	250,000	216667	-33,333	260,000
16,243 Office & General	868	12,103	10000	-2,103	20,401	25000	4,599	30,000
93,300 Cleaning and Materials	0	30,251	28333	-1,918	69,912	70833	921	85,000
66,044 Subscriptions	2,837	29,250	25000	-4,250	63,163	62500	-663	75,000
10,402 Photocopier costs	0	2,890	6667	3,777	7,689	16667	8,978	20,000
45,349 Postage & Stationery	626	19,511	16667	-2,844	34,148	41667	7,519	50,000
33,900 Office Repairs & maintenanc	0	384	10000	9,616	1,994	25000	23,006	30,000
220,530 Rent, Rates, Insurance	24,861	94,074	80000	-14,074	231,002	200000	-31,002	240,000
181,975 Telephone & internet	13,550	63,356	45000	-18,356	158,556	112500	-46,056	135,000
18,114 Audit & Accountancy	0	24	10000	9,976	10,300	25000	14,700	30,000
25,173 Equipment Maintenance	1,645	6,629	16667	10,038	20,244	41667	21,423	50,000
32,856 Legal Fees	0	11,513	10000	-1,513	24,006	25000	994	30,000
13,892 Leasing Contracts	578	2,314	6667	4,353	5,784	16667	10,883	20,000
12,816 Promotions, publicity & ann	-3,780	4,491	8333	3,842	7,945	20833	12,888	25,000
115,101 Consultants	0	29,110	40000	10,890	66,716	100000	33,284	120,000
371,664 Computer Support	20,512	133,215	120000	-13,215	367,774	300000	-67,774	360,000
212,591 Computer - License & acce	360	87,151	67067	-20,084	218,700	167667	-51,033	201,200
0 Office Landscape Maintena	0	0	2500	2,500	0	6250	6,250	7,500
1,839,765 Total Office Overheads	101,797	654,624	612900	-41,724	1,618,077	1532250	-85,827	1,838,700
21,083 Recruitment advertising & c	416	2,443	6667	4,224	8,426	16667	8,241	20,000
32,307 Staff Training	70	8,632	20000	11,368	16,755	50000	33,245	60,000
10,000 Staff life cover	0	3,000	4000	1,000	9,000	10000	1,000	12,000
8,208 Staff uniforms	0	379	2000	1,621	1,997	5000	3,003	6,000
0 Temporary Staff	0	0	1667	1,667	0	4167	4,167	5,000
5,343 Conferences & Seminars	0	4,219	8333	4,114	18,593	20833	2,240	25,000
4,654 Travel & Subsistence	614	4,343	6667	2,324	9,091	16667	7,576	20,000
56,848 Health & Safety	1,251	12,041	23333	11,292	37,110	58333	21,223	70,000
138,443 Total Staff Overhead Cos	2,351	35,057	72667	37,610	100,972	181667	80,695	218,000
2,510 Training	0	0	2667	2,667	132	6667	6,535	8,000
697 Travel Expenses	0	437	1333	896	1,169	3333	2,164	4,000
4,417 Expenses to Committee	0	1,228	2000	772	4,350	5000	650	6,000
12,804 Conferences	0	0	3333	3,333	7,011	8333	1,322	10,000
20,428 Total Committee Costs	0	1,665	9333	7,668	12,662	23333	10,671	28,000
Total Direct Employee & Administration Costs	524,113	2,525,002	2478503	-46,499	6,137,315	6196258	58,943	7,435,510

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

31.Jän.23

Previous
year
totals

FIXED ASSETS

ACTUAL

146,365,386	Housing Properties	151,565,182
-29,599,612	Depreciation	-33,769,611

<u>116,765,774</u>		<u>117,795,571</u>
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Less:

0	Housing Association Grant	71,389
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<u>116,765,774</u>	Net Value	<u>117,724,182</u>
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1,534,382	Other Fixed Assets	1,414,904
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1,300	Investments	300
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<u>118,301,456</u>	TOTAL FIXED ASSETS	<u>119,139,386</u>
--------------------	---------------------------	--------------------

CURRENT ASSETS

103,476	Stock & WIP	103,476
---------	-------------	---------

21,752,552	Cash and Other Short Term Investments	20,593,664
------------	---------------------------------------	------------

468,884	Rent Arrears	556,794
---------	--------------	---------

1,332,523	Other Current Assets	1,330,993
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<u>23,657,435</u>	TOTAL CURRENT ASSETS	<u>22,584,927</u>
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CURRENT LIABILITIES

2,454,506	Short Term Loans and Current Loan Capital Repayments	2,584,506
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0	Bank Overdrafts	0
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5,826,856	Other Current Liabilities	4,104,962
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912	Pension liability under one year	912
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<u>8,282,274</u>	TOTAL CURRENT LIABILITIES	<u>6,690,380</u>
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<u>15,375,161</u>	NET CURRENT ASSETS	<u>15,894,547</u>
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<u>133,676,617</u>	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>135,033,933</u>
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CREDITORS DUE AFTER ONE YEAR

39,037,667	Long Term Loans	38,758,137
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937,000	Pension liability	672,665
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15,687,340	Deferred income	17,864,814
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<u>55,662,007</u>		<u>57,295,616</u>
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<u>78,014,610</u>	NET ASSETS	<u>77,738,317</u>
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RESERVES

17,091,245	Designated reserves	16,491,245
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19,768,367	Revenue	20,092,098
------------	---------	------------

41,154,887	Revaluation reserve	41,154,887
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<u>78,014,499</u>	TOTAL RESERVES	<u>77,738,230</u>
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111	SHARE CAPITAL	87
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<u>78,014,610</u>		<u>77,738,317</u>
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cashflow

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31.Jän.23
CASHFLOW

YEAR TO

31.03.2022

0

OPERATING ACTIVITIES

ACTUAL

-1,732,947	Operating surplus for period	599,673
4,513,299	depreciation - properties	4,170,000
300,749	Depreciation - fixtures	250,000
-354,032	Amortisation of capital grants	-652,980
33,029	Gain on sale of fixed assets	0
	Other finance charges	
221,059	Decrease/(Increase)in Debtors	-86,380
184,292	Decrease/(Increase)in stock	0
788,524	(Decrease)/Increase in Creditors	864,176
	share capital cancelled	

3,953,973 Net Cash In/(Out)flow From Operating Activities

5,144,489

INVESTING ACTIVITIES

0	Grants Received	71,389
-15,014,569	Acquisition and Construction Of Properties	-5,199,796
-440,436	Acquisition of Other Fixed Assets	-130,522
-8,577	Procceds on disposal of properties	-1

0 Investment in Activities

1,000

-15,463,582 Net Cash In/(Out)flow From Investing Activities

-5,257,930

-11,509,609

-113,441

FINANCING

1	Loans Received	1,945,277
-1,614,247	Less: Loans Repaid	-2,094,807
51,052	Interest Received	144,635
-1,340,939	Interest Paid	-1,040,528
-17	Share capital issued	-24

-2,904,150 Net cash In/(Out)flow From Financing

-1,045,447

-14,413,759 Increase/(Decrease) in Cash and Cash Equivalents

-1,158,888

-14,413,759 Movement in Cash & Bank

-1,158,888

0 Movement in Bank overdrafts

0

-14,413,759 Increase/(Decrease) in Cash and Cash Equivalents

-1,158,888

36,166,311 Opening cash balance

21,752,552

21,752,552

20,593,664

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

	Jän.23	2022	2021	2020
Share capital	87	111	128	142
Reserves	77,738,230	78,014,499	77,371,496	80,909,091
HAG	17,864,814	15,687,340	16,416,502	5,510,078
Net worth	95603131	93701950	93788126	86419311
Current assets	22,584,927	23,657,435	38,476,545	20,386,998
Current liabilities	6,690,380	8,282,274	6,907,116	5,210,813
Borrowings old facility	13,301,525	14,376,463	14,925,590	15,613,605
Borrowings new facility	824,467	922,587	972,680	1,042,196
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	599,673	-1,732,947	382,204	951,115
D Profit on sale of fixed assets	0	33,029	46,769	8,535
E Interest Receivable	144635	51052	98552	120858
F Interest Payable	-1040528	-1340939	-1207444	-908340
K Other Finance Charges	0	-91064	-41296	-104203
Gift aid	0	180000		
L Pension movement	0	3,543,872	-2,816,381	2,618,358
G Surplus before tax	-296220	643003	-3537596	2686323
H transfer from designated reserves	600,000	3,000,000	1,000,000	0
I transfer (to) designated reserves				
J Surplus after reserve transfer	303780	3643003	-2537596	2686323
Lenders definition of annual surplus (G+F+H+K+L)	1344308	1531134	1527525	1080508
Interest Cover Ratio - required ratio >1.1 unless year with agreed deficit				
Annual surplus/interest payable	1.29	1.14	1.27	1.19
Quick ratio	3.38	2.86	5.57	3.91
Borrowings to Net Worth - Nationwide	14.78	16.33	16.95	19.27
Charged value to Borrowings (CVB) - original loan EUV	2.236	2.069	1.993	1.905
CVB - original loan - EUV with sales	3.133	2.899	2.793	2.669
CVB new loan - EUV	8.442	7.544	7.155	6.678
CVB - EUV combined total both loans	2.53	2.34	2.25	2.145

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

To: Board
From: DECO

SUBJECT: NGHA BUDGET 2023/24**DATE 28 March 2022**

1.	Introduction
	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.
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 2023/24 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.• 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 2023/24 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 together with steps towards reducing fuel poverty.</p> <p>Rental and service income is projected at £27.4m. This is with the agreed rent increase of 6.0%.</p> <p>The salary levels have been updated to include the EVH 5.25% increase plus increments and planned recruitment.</p> <p>Spend for 2023/24 on planned maintenance has been set at £8.8m. The last three years were meant to be exceptional years with planned expenditure set at high levels but with delays due to Covid and contractor issues there was underspends. This spend this year is focused on completing the Balgrayhill multi storey contract and a range of other works. 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 £4.0m has been capitalised but will be subject to revision depending upon the final mix of works done.</p> <p>Day to day and cyclical maintenance costs have been increased to reflect the material and contractor cost increases that are affecting the RSL sector and the wider economy.</p> <p>Loan interest is projected at £1.58m. The additional costs of the various loans that were drawn down to meet our financing needs together with the rise in interest rates to 4% is behind the increase in costs from £1.22m. The level of projected repayments over the next five years will reduce the interest charge as the loans are paid down. There is not any grant funding for planned maintenance projects in the year or additional loan finance. That may change between the writing of this report and the time it is presented</p> <p>A surplus of £0.4m is projected for the year. The surplus 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 £1.5m spend on other fixed assets built into the balance sheet. Projected repayment of £2.2m of loans during the year.</p>

	<p>Cash flow is negative with projected decrease in cash of £3.6m bringing cash at bank down to £17.6m. 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 commitments and remains in a healthy financial position.</p>
5.	Recommendation
	<p>Members are asked to:</p> <ul style="list-style-type: none"> a) Approve the revised budget for 2023/24. 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.

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 longer-term pandemic effects has impacted on employment levels and income for our tenants. Costs are increasing over all headings with high inflation rates, but the effect was felt particularly in energy costs.

Budget Key Features

- **Rent** – increase of 6% leading to total rents and service charges of £27.4m net of voids.
- **Day to day maintenance** – set at £2.36m compared to £2.15m with increases in costs for contractors and materials built in at an expected rate of 10%. Savings expected from repairs review and additional procurement exercises.
- **Cyclical maintenance** – set at £2.3m compared to £1.96m. The increase is based on the general increase in costs together with the increase in compliance costs across various areas including ASHP, damp and environmental costs.
- **Planned Maintenance** – The projected cost for various programmes of work for this year is £8.8m. This is due to completing the project in the Balgrayhill multis together with a wide range of contracts being undertaken including rewires, boiler replacements, door replacements and other works. Of the overall total £4.0m 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 £300k.
- **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 in recent years and this year the charge has increased.
- **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 increases in costs of day-to-day repairs and planned maintenance. Income set to a total of £879k, and factoring costs of £625k has been put into the budget.

- **Loan Interest** – increased from £1.22m to £1.58m. Interest rates increasing is balanced out by repayments of £2.2m that are projected in the year. Repayments in the years after will reduce the interest charges. No new loans projected to be drawn down in the year balanced by repayments of £2.2m.
- **Salary costs** – Salary costs increased from £5.35m to £5.64m. Salary costs have been amended for staff changes and salary increments. A 5.25% pay increase has been included. No changes in pension rates this year.
- **Overheads** – Costs are projected to increase from £2.09m to £2.24m. General inflationary increases balanced by some areas of covid savings expected to continue.
- **Wider action projects** – For 23/24 income is projected to be £230k and expenditure of £478k. This includes a lottery funded recycling project, community support plus a range of ongoing projects.
- **Projected deficit of £0.4m for 2023/24.**
- **Investment in Housing Properties** - £4m for capitalised major repairs and £0.2m for adaptations.
- **Loan balances** – loans decreasing from £41.8m to £39.6m with normal repayments of £2.2m in the year.
- **Cash balances** – with the significant spend on planned maintenance and loan repayments the cash balance decreases from £21.25m to £17.65m.

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

- An Income and Expenditure Account and overheads summary with a comparison between the 2023/24 budget and the 2022/23 budget, and the actual results for 2021/22 is also shown.
- Projected balance sheet on 31 March 2024
- Projected cash flow for the year to 31 March 2024

NORTH GLASGOW HOU

ACCOUNTS FOR PERIOD ENDED

31.03.24

INCOME AND EXPENDITURE

Actual Year to 31.3.22	<u>Budget</u> 2023 -24	<u>Budget</u> 2022 -23	<u>Variance</u>	<u>Budget</u> 2021 -22
Income				
25,416,007 Rental Income	27,592,049	25,892,417	1,699,632	24,773,743
-318,640 Voids	-275,920	-323,655	47,735	-437,041
40,439 Service Income	44,659	43,210	1,449	40,496
25,137,806	27,360,788	25,611,972	1,748,816	24,377,199
0 Factoring Income	878,952	727,170	151,782	625,739
396,183 Grant release	783,575	815,488	-31,913	565,488
25,533,989 Net Income	29,023,315	27,154,630	1,868,685	25,568,426
Expenditure				
2,803,883 Day to Day	2,362,899	2,148,090	-214,809	1,861,900
2,230,836 Cyclical	2,311,500	1,961,465	-350,035	2,845,270
1,294,091 Void Maintenance	1,100,000	1,000,000	-100,000	700,000
127,684 Bad Dbts-Rents	300,000	400,000	100,000	460,000
0 Bad Dbts-services	0	0	0	0
18,449,671 Planned maintenance	8,845,530	14,304,337	5,458,807	20,797,402
-12,132,841 Capitalised planned maintenance	-4,000,000	-8,847,308	-4,847,308	-14,287,768
881,002 Other Property Costs	760,000	666,000	-94,000	916,000
4,513,299 Depreciation	5,000,000	5,000,000	0	4,650,000
1,811,741 Service Costs	1,845,118	1,658,874	-186,244	1,577,274
-183,926 Factoring Expenditure	625,190	515,289	-109,901	422,672
5,528,420 Salaries	5,637,091	5,350,810	-286,281	5,318,072
1,998,636 Overheads	2,243,900	2,084,700	-159,200	1,954,700
27,322,496 Total Expenditure	27,031,228	26,242,257	-788,971	27,215,522
-1,788,507 Surplus from Ordinary Activities	1,992,087	912,374	1,079,714	-1,647,096
0 Development Income	0	0	0	0
0 Development Expenditure	0	0	0	0
0 Development Surplus	0	0	0	0
753,342 Other Income	230,000	478,000	-248,000	691,387
697,782 Other Expenditure	479,000	733,000	254,000	814,000
-1,732,947 Net Surplus	1,743,087	657,374	1,085,714	-1,769,709
1,340,939 Loan Interest	1,578,349	1,215,129	-363,220	1,388,577
51,052 Interest received	250,000	50,000	200,000	75,000
91,064 Other finance charges				
33,029 Property and fixed asset sales	0	0	0	0
-3,723,872 Pension adj/Tax charge/gift aid rec	0	0	0	0
643,003 Net Surplus after interest	414,738	-507,755	922,494	-3,083,286
0 Trans from Designated Reserve	0	0	0	0
0 Trans to Designated Reserve	0	0	0	0
643,003 Net result after Transfer	414,738	-507,755	922,494	-3,083,286

NORTH GLASGOW HOUSING ASSOCIATION LTD.

ACCOUNTS FOR PERIOD ENDED 31.Mär.24

INCOME AND EXPENDITURE

ANALYSIS OF DIRECT EMPLOYEE & ADMINISTRATION COSTS

Actual Year to 31.3.22		2023 -24 <u>Budget</u>	2022 -23 <u>Budget</u>	<u>Variance</u>	2021 -22 <u>Budget</u>
4,454,454	Salaries	5,002,995	4,736,727	-266,268	4,679,101
1,073,966	Pensions	634,096	614,083	-20,013	638,971
5,528,420	Total Direct Employee	5,637,091	5,350,810	-286,281	5,318,072
69,066	Heat & Light	70,000	70,000	0	50,000
300,749	Depreciation	260,000	260,000	0	200,000
16,243	Office & General	31,200	30,000	-1,200	40,000
93,300	Cleaning and materials	90,000	85,000	-5,000	85,000
66,044	Subscriptions	75,000	75,000	0	75,000
10,402	Photocopier costs	20,000	20,000	0	20,000
45,349	Postage & Stationery	50,000	50,000	0	60,000
33,900	Office Repairs & maintenance	30,000	30,000	0	30,000
220,530	Rent, Rates, Insurance	300,000	240,000	-60,000	200,000
181,975	Telephone & internet	135,000	135,000	0	130,000
18,114	Audit & Accountancy	30,000	30,000	0	30,000
25,173	Equipment Maintenance	50,000	50,000	0	55,000
32,856	Legal Fees	30,000	30,000	0	30,000
13,892	Leasing Contracts	20,000	20,000	0	20,000
12,816	Promotions, publicity & annual report	25,000	25,000	0	30,000
115,101	Consultants	120,000	120,000	0	140,000
371,664	Computer Support	400,000	360,000	-40,000	320,000
212,591	Computer - License & accessories	251,200	201,200	-50,000	181,200
0	Office Landscape Maintenance	7,500	7,500	0	7,500
1,839,765	Total Office Overheads	1,994,900	1,838,700	-156,200	1,703,700
21,083	Recruitment advertising & costs	20,000	20,000	0	20,000
32,307	Staff Training	60,000	60,000	0	60,000
10,000	Staff Training - Computer	15,000	12,000	-3,000	12,000
8,208	Staff uniforms	6,000	6,000	0	6,000
0	Temporary Staff	5,000	5,000	0	5,000
5,343	Conferences & Seminars	25,000	25,000	0	25,000
4,654	Travel & Subsistence	20,000	20,000	0	25,000
56,848	Health & Safety	70,000	70,000	0	70,000
138,443	Total Staff Overhead Costs	221,000	218,000	-3,000	223,000
2,510	Training	8,000	8,000	0	8,000
697	Travel Expenses	4,000	4,000	0	4,000
4,417	Expenses to Committee	6,000	6,000	0	6,000
12,804	Conferences	10,000	10,000	0	10,000
20,428	Total Committee Costs	28,000	28,000	0	28,000
7,527,056	Total Direct Employee & Administration Costs	7,880,991	7,435,510	-445,481	7,272,772

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

31.Mär.24

Previous
year
totals

FIXED ASSETS		ACTUAL
150,888,054	Housing Properties	155,188,054
-32,935,611	Depreciation	-37,935,611
<u>117,952,443</u>		<u>117,252,443</u>
	Less:	
0	Housing Association Grant	0
<u>117,952,443</u>	Net Value	<u>117,252,443</u>
1,464,829	Other Fixed Assets	2,904,829
300	Investments	300
<u>119,417,572</u>	TOTAL FIXED ASSETS	<u>120,157,572</u>
CURRENT ASSETS		
103,476	Stock & WIP	103,476
21,254,349	Cash and Other Short Term Investments	17,645,512
0	Corporation tax debtor	0
448,964	Rent Arrears	748,964
1,229,009	Other Current Assets	1,229,009
<u>23,035,798</u>	TOTAL CURRENT ASSETS	<u>19,726,961</u>
CURRENT LIABILITIES		
2,584,506	Short Term Loans and Current Loan Capital Repayments	2,200,000
0	Bank Overdrafts	0
0	Corporation tax creditor	0
7,507,385	Other Current Liabilities	7,507,385
912	Pension liability under one year	912
<u>10,092,803</u>	TOTAL CURRENT LIABILITIES	<u>9,708,297</u>
<u>12,942,995</u>	NET CURRENT ASSETS	<u>10,018,664</u>
<u>132,360,567</u>	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>130,176,236</u>
CREDITORS DUE AFTER ONE YEAR		
39,171,652	Long Term Loans	37,356,158
678,477	Pension liability/other creditors	678,477
15,103,340	Deferred income	14,319,765
<u>54,953,469</u>		<u>52,354,400</u>
<u>77,407,098</u>	NET ASSETS	<u>77,821,836</u>
RESERVES		
16,341,245	Designated reserves	17,091,245
19,910,879	Revenue	19,575,617
41,154,887	Revaluation reserve	41,154,887
<u>77,407,011</u>	TOTAL RESERVES	<u>77,821,749</u>
87	SHARE CAPITAL	87
<u>77,407,098</u>		<u>77,821,836</u>

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31.Mär.24
CASHFLOW

OPERATING ACTIVITIES	ACTUAL
Surplus for year before interest	1,743,087
Depreciation - properties	5,000,000
Depreciation - fixtures	260,000
Amortisation of capital grants	-783,575
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	0
share capital cancelled	
Net Cash In/(Out)flow From Operating Activities	<u>5,919,512</u>
INVESTING ACTIVITIES	
Grants Received	0
Acquisition and improvements to Properties	-4,300,000
Acquisition of Other Fixed Assets	-1,700,000
Procceds on disposal of properties	
Investment in Activities	0
Net Cash In/(Out)flow From Investing Activities	<u>-6,000,000</u>
	<u>-80,488</u>
FINANCING	
Loans Received	0
Less: Loans Repaid	-2,200,000
Interest Received	250,000
Less: Interest Paid	-1,578,349
Net cash In/(Out)flow From Financing	<u>-3,528,349</u>
Increase/(Decrease) in Cash and Cash Equivalents	<u><u>-3,608,837</u></u>
Movement in Cash & Bank	-3,608,837
Movement in Bank overdrafts	0
Increase/(Decrease) in Cash and Cash Equivalents	<u><u>-3,608,837</u></u>
	<u>21,254,349</u>
	<u><u>17,645,512</u></u>

Board Meeting

For Approval

To: Board
From: DCEO

**SUBJECT: NGPS BUSINESS PLAN & BUDGET
2023/24**

DATE 28 March 2023

1.	Introduction
	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 annual budget that forms part of the overall business plan.
2.	Risks
	<p>The Business plan and budget 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 budget 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 2023/24 NGPS 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>In order 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. <p>As per the budget appendix attached there is a proposal to change the quarterly standard management charge of £40 to a £42 charge per quarter.</p>

	<p>We are waiting on the results of the insurance tender and so the projected charge will change. The standard quarterly insurance charge is projected to increase from £56.69 to £59.52 with this due to the increases in rebuilding costs and the claims record over the last year. We will only communicate a revised premium to the owners once we know the number from the insurance tender.</p> <p>The Keppochill new build was completed in February 2022. The company has taken over the management of the mid-market rent units and these were fully let by June 2022. A projected level of £154k turnover has been built in for the year with a £15k surplus arising from such.</p> <p>A surplus for 2023/24 of £25k after tax is projected.</p>
3.	Recommendation
	<p>That the Board approves the draft budget of NGPS for 2023/24 and the other recommendations below. A report of this will be put to the Board of the Association. Once the parent board approves it then it will be brought back to the NGPS Board for full approval.</p> <p>The Board are asked to:</p> <ul style="list-style-type: none"> a) Approve the draft budget for 2023/24; b) Approve factoring charges for 2023/24 subject to final confirmation of insurance premium. c) Receive quarterly reports on performance; d) Delegate DCEO with day-to-day responsibility for implementing and managing overheads and overall budget reporting any material changes as necessary.

NG Property (Scotland) Limited
Business Plan 2023/24

NG Property (Scotland) Ltd

Business Plan 2023/24

1. Introduction

This Business Plan for 2023/24 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 1,300 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 G Satti (Chairperson), C Rossine, J Thorburn, I Munro, P Miller, 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 2022/23. 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 was put in place to handle tenant's deposits and other funds. Agreements are in place for a tenancy deposit scheme and a credit checking agency. All tenants have to pay by direct debit in advance and Allpay cards have been put in place for miscellaneous payments.

7. Financial Plans

Financial Year 2023/24

The budget for 2023/24 projects an outcome of a surplus of £25k after tax.

The 2023/24 budget projects £879k of income and direct costs of £625k which gives a £254k gross surplus. Salary and overhead costs of £223k has been projected which leaves a £31k net surplus from activities before tax.

Rechargeable repairs and services income of £240k 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 £213k of management fee and £272k charged out for insurance. For 2023/24 an increase is proposed on the standard management charge from £40 to £42. The standard insurance premium for budget purposes has been increased by 5% to move from £56.69 to £59.52 per quarter. We are awaiting the results of the insurance renewal and the insurance premium may change. The revised insurance premium will be communicated to the owners once we know the number based on the renewal.

An estimate of £154k has been projected for mid-market rent (MMR) and £139k costs for the year for the units at Keppochill. After the initial voids and set up costs it is now expected that a greater margin will be made in 2023/24 and later years.

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 2022/23 and was regularly reviewed by the NGPS Board.

APPENDICES
Annual budget 2023/24 report

**SUBJECT: NG PROPERTY BUDGET 2023/24 –
 APPENDIX**

DATE 22nd February 2023

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 2023/24 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 2023/24 projects an outcome of a surplus of £25k after tax.</p> <p>The 2023/24 budget projects £879k of income and direct costs of £625k which gives a £254k gross surplus. Salary and overhead costs of £223k has been projected which leaves a £31k net surplus from activities before tax.</p> <p>Rechargeable repairs and services income of £240k 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 £213k of management fee and £272k charged out for insurance. For 2023/24 an increase is proposed on the standard management charge from £40 to £42. The standard insurance</p>

premium for budget purposes has been increased by 5% to move from £56.69 to £59.52 per quarter. We are awaiting the results of the insurance renewal and the insurance premium may change. The revised insurance premium will be communicated to the owners once we know the number based on the renewal.

An estimate of £154k has been projected for mid-market rent (MMR) and £139k costs for the year for the units at Keppochill. After the initial voids and set up costs it is now expected that a greater margin will be made in 2023/24 and later years.

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** (including MMR) – Income of £879k, direct expenses of £625k, £254k surplus before overheads and salary allocation of £223k.
- **Salary costs** – Salary costs have been amended for allocation of staff and salary increases. Salary costs at £157k 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 £20k.
- **MMR** - an estimate of £154k has been projected for mid-market rent (MMR) and £139k costs for the units at Keppochill.

Factoring charges

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

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Standard management fee	42.00	40.00	39.00	38.00	35.00	32.00

This represents a 5% increase over the previous year.

The Factoring Act requires insurance charges to be based upon the premium and associated charges. For 2022/23 £42.05 was the initial premium but was later revised to £56.69b once the final number came in from the renewal process. The level of claims and increase in rebuild costs had significantly increased the premium.

The claims record has continued at a significant level during 2022/23. There has also been a significant rise in the building costs index with the RICS rebuilding index increasing by over 10% The 2022/23 premium for the budget has been calculated for budget purposes at £59.52 which represents a 5% increase over the previous year. We are awaiting the results of the insurance tender and the insurance premium may change. The revised insurance premium will be communicated to the owners once we know the number based on the renewal so there is only one change in premium in the year.

	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Standard insurance charge	59.52	56.69	42.05	37.58	36.93	35.65

North Glasgow Property Services Limited

Projected Profit and Loss account Year to 31 March 2024

		2024	Budget 2023
	£	£	£
Turnover		878,952	749,673
Operating costs		625,190	527,289
Gross Profit		<u>253,762</u>	<u>222,385</u>
Overheads			
Salary costs	157,388		145,535
Overheads	65,500		58,580
		<u>222,888</u>	<u>204,115</u>
		30,873	18,270
Interest payable		-	-
Corporation Tax		5,866	3,471
Net Profit		<u>25,007</u>	<u>14,799</u>

Projected Balance Sheet as at 31 March 2024

	£	2024 £	2023 £
Current Assets			
Trade debtors	158,284		153,284
Inter company account – NGH A	219,883		197,357
Bank	<u>18,118</u>		<u>13,118</u>
		396,285	<u>363,759</u>
Current Liabilities			
Trade creditors	149,123		149,123
Other creditors	<u>5,866</u>		<u>6,711</u>
		154,989	155,834
		<u>241,926</u>	<u>207,925</u>
Capital and Reserves			
Share capital		1,000	1,000
Profit and Loss account		240,926	206,925
		<u>241,926</u>	<u>207,925</u>

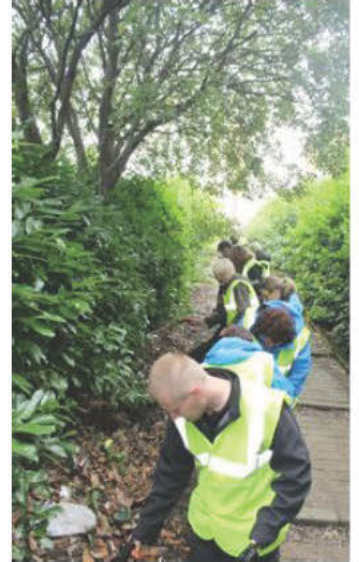
**Board Meeting****For Approval**

To: Board
From: DCEO

SUBJECT: NG2 BUSINESS PLAN 2023/24**DATE 28 March 2023**

1.	Introduction
	NG2 Limited (NG2) 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 NG2 is a subsidiary of the Association it is required by the independence agreement to have a business plan that can be integrated into and form part of the group business plan.
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 years ahead. It is a required document that must be submitted to the parent company under the independence. 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 within agreed timescales.</p>
3.	Underlying Principles
	<p>The principles listed below have been used in drawing up the business plan.</p> <ul style="list-style-type: none">• Ensuring adequate resources to deliver services• Sustaining good financial performance• Ensuring best practice is followed and that proper risk management is in place <p>In order to achieve the above the company must ensure that:</p> <ul style="list-style-type: none">• 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. <p>The Board is asked to consider the enclosed 2023 – 24 Business Plan for ng2.</p>

	<p>Summary Information</p> <p>ng2 makes a significant contribution to the Association's regeneration efforts:</p> <ul style="list-style-type: none"> • Physical regeneration in terms of improvement to homes with repair, maintenance and capital works; and • Economic regeneration by providing local sustainable jobs <p>2023 – 24</p> <p>The financial projections have been prepared for the year to 31 March 2024. Turnover is projected to remain steady with £3.5m in 2022/23 moving to £3.52m in 2023/24.</p> <p>Areas such as void works, day to day repairs and bulk will contribute to the works expected to increase. The garden and common areas maintenance programme has expanded across the last three years and further growth is not expected. This is balanced out by reduced level of electrical works with only one electrician, reduced door entry works and less smoke detector installations.</p> <p>The level of activities will help maintain the profitability of ng2. This will help support the continual upgrade of the vehicle fleet and other plant in use within the company. The investment in vehicles and plant will be a constant feature across any budget period.</p> <p>The balance sheet position continues to improve with an increased level of reserves. The cash flow position remains in a positive position with the drop in the investment programme after the substantial spend on new vehicles in the previous year.</p>
4.	Recommendations
	That the Board APPROVES the business plan of NG2 and remits it back to the NG2 Board to adopt.



Business Plan

2023 - 2024



BUSINESS PLAN

Business snapshot	3
Introduction	3
Structure	5
The Market	6
Priorities and Growth	8
Financial Projections	8
Risks and Critical Success Factors	9
Appendix 1	10

BUSINESS SNAPSHOT

Snapshot info:

- » Projected 2024 Turnover £3.52m
- » Employees: 80 Staff on average
- » Projected net profit 20243 before tax £84k
- » Single shareholder is North Glasgow Housing Association

INTRODUCTION

ng2 is an established social enterprise offering facilities management services in the North of Glasgow. It exists to support the regeneration of the North of Glasgow and to provide high quality services to North Glasgow Homes which is the single shareholder in the business.

The business was set up by North Glasgow Homes an established social landlord with 5,000+ housing units in the North of Glasgow. ng2's commercial operations cover specific aspects of facilities management - a growing industry sector across the UK. Since launch in 2010 ng2 has grown rapidly. In this period ng2 has supported over eighty previously unemployed people to gain qualifications and work experience and employed over sixty of them directly in ng2. ng2 is a 100% owned subsidiary of ng homes.

Drivers for setting up ng2:

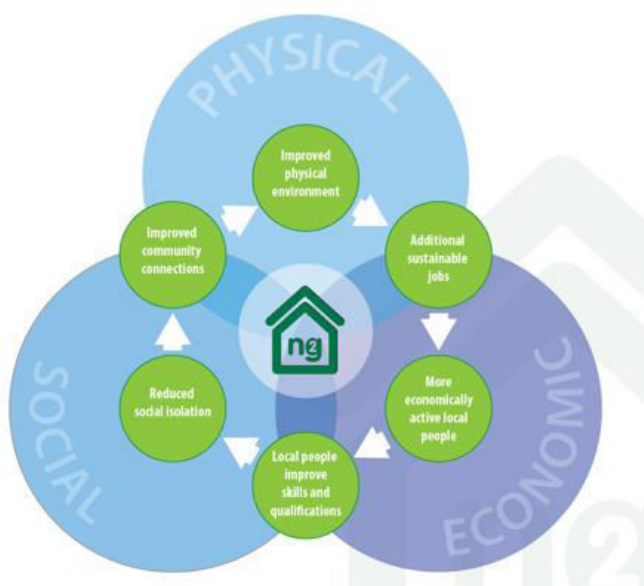
- Second stage housing transfer – Glasgow Housing Association transferred assets across the city. ng homes's housing stock increased from 2,376 to 5,400 overnight.
- The need to deliver a quality facilities management service to ng homes
- The need to ensure value for money of such services (regulatory).
- The creation of local job opportunities (economic regeneration)

ng homes remain ng2's main client with ng2 undertaking a number of facilities management services for ng homes related to their housing stock.

ng2 has gained a reputation for quality of delivery and can evidence significant social impact in North Glasgow, as well as having a financial track record and trading history. ng2 thus has a solid foundation as a business, an embedded position in the local community as a driver of regeneration and the support of the parent company ng homes. These circumstances provide the foundation for ng2 to launch into a further period of development, consolidating all of our learning and expertise to date.

ng2 has **'One Vision – A New North Glasgow'**. This links to ng homes's strategic vision of North Glasgow as a 'great place to live, learn, work, visit and invest'

ng2 Aims



- To improve the quality of life of the people of North Glasgow, by providing facilities and resources for improved employment, educational, volunteering opportunities and training in skills related to and assisting in the provision of employment and employment readiness, and in social interaction
- To improve the physical environment in ways which contribute to a cleaner, safer, healthier, and more secure locality
- To promote educational, training & volunteering opportunities which lead to sustainable employment for local people
- To build strong and sustainable partnerships with relevant agencies in pursuit of these aims

Initially ng2 was set up as part of ng homes regeneration focus, by establishing a social enterprise locally the association was able to meet twin goals of supporting employability locally and thereby ensuring more money was circulating in the local economy; at the same time, it ensured high quality facilities management service which was accountable to ng homes and to local residents. As ng2 was being established other regeneration activities around health and wellbeing, education, reducing social isolation and environmental sustainability were also being progressed through a mix of regeneration investment by ng homes and successful grant applications to a variety of funders. These community regeneration activities were established within the ng2 legal entity in order to minimise any potential risk to ng homes during the set-up phase of this activity. Now that our community regeneration arm is established the Board took a decision to transfer all community regeneration activities to the parent company. This leaves ng2 to operate exclusively as a commercially driven social enterprise, creating social impact through supporting the employment of local people, many of whom have faced barriers to accessing and sustaining employment. ng2 also contributes to ng homes overall efforts to address climate change and sustainable development through its core operations.

STRUCTURE

ng2 is a 100% owned subsidiary of ng homes which operates independently and autonomously of its parent, as governed by an Independence Agreement. ng2 both receives support services from ng homes and delivers services to ng homes. Support services received by ng2 include HR, governance, and finance. These services are managed through a Service Level Agreement. Ultimate responsibility for all companies within the group lies with ng homes Chief Executive. ng2 is 100% owned by North Glasgow Housing Association (ng homes) a not-for-profit community-based Registered Social Landlord (RSL) operating in the G21 and G22 postcode areas. The Association is controlled by a voluntary Board of local residents and is regulated by the Scottish Housing Regulator. The Association is a registered charity (SC030635).

As an RSL ng homes operates for the benefit of the local community and to assist people in need by providing good quality affordable rented housing. ng homes have grown into a substantial community business, through new-build and regeneration activity and successful stock transfers from Glasgow City Council, Scottish Homes and Glasgow Housing Association, it also operates a factoring service and retirement housing complexes.

ng homes plays an active regeneration role in the local community, with a range of initiatives beyond housing. ng homes's vision, is "to create a new North Glasgow - a great place to live, visit, work and invest".

To help achieve this, ng homes aim:

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

ng2's strategic direction is overseen by ng homes, with ng2 playing a pivotal role in helping ng homes to realise its strategic aims and objectives, and its wider role remit. In turn ng2 benefits from the wider support infrastructure ng homes can provide such as HR, Finance and Marketing, the highly experienced and skilled ng homes senior management team, as well as the security ng homes as an established and substantial community business can provide. Support services such as HR, Communications, Governance and Finance are provided by ng homes as parent company.

ng homes deliver regeneration initiatives in the local community; ng2's core operations sit alongside these community regeneration efforts adding value and enhancing impact particularly around the physical regeneration of the local area through g2's direct service delivery (cleaning communal areas, improving and repairing buildings) and recycling and energy efficiency.

Core operational areas

Trades			Non-Trades		
Electrical	Painting	Joinery	Cleaning	Environmental	Other
- Door entry - Stair lighting - Voids	- Residential - Commercial - Voids	- Residential - Commercial - Voids	Close cleaning Jet washing Concierge	- Hit Squad - Garden Maintenance - Grass cutting & gardening	Admin

THE MARKET

The facilities management market in the social housing sector has changed significantly in recent years, social housing providers are now looking for less risk, greater stability, and control over operations. There appears to have been a shift in the types of contracts placed, with smaller bundled packages being placed and often involving more than one contractor.

The Social Housing Sector

The social housing sector in which ng2 operates has 100% of all social housing is owned by Housing Associations.

Some key characteristics:

- A drive and pressure towards achieving ‘best value for money’ are impacting on facilities services provision within the social housing sector.
- Changes in supply chain following the demise of some service providers, leading to social housing landlords looking for less risk, greater stability, and control over operations.
- The majority of Local Authorities and Housing Associations retain the overall management of the housing stocks but sub-contract at least some of the work to external contractors.
- Individual contracts continue to be the main type of contract placed.
- ‘Bundled’ contracts are placed, there appears to be a shift towards the placement of smaller ‘bundled’ packages as well as multiple contractors.
- Work activities that are often bundled include responsive repairs and planned maintenance.
- The social housing sector is arguably one of the least mature in terms of Facilities Management outsourcing.
- Current expenditure (routine and planned maintenance) accounts for the largest expenditure on social housing.

The social housing market for repair and maintenance continues to rise year-on-year. This can be in part attributed to the comparatively low levels of new buildings in social housing, resulting in the need to upgrade, repair and future proof existing housing stock.

Private sector housing still continues to be the biggest market for repairs and maintenance. The findings and recommendations of the Glasgow Factoring Commission are that there has been significant underinvestment in the management, maintenance, and repair of private residential properties in Glasgow. There is need for greater openness, transparency, and value for money from factoring services.

PRIORITIES AND GROWTH

Over the next year, ng2 aims to expand its contracts base, gaining additional contracts from the main client – ng homes; and through growing the client base. By gaining contracts ng2 can secure and sustain the enterprise and employment it has created and develop to employ even more local people, contributing to the local economy. Public and private sector drivers around social enterprise and the need to evidence corporate social responsibility provide opportunity for a business like ng2, particularly as a sub-contractor.

ng2's core service delivery contributes to the regeneration of North Glasgow by maintaining and improving the physical environment in North Glasgow and supporting economic activity as a local business and employer. There is opportunity to more closely align the work undertaken by ng2 commercially with the community regeneration focus of ng homes, particularly around environmental projects, recycling, and energy usage.

For 2023/24

ng2 has a responsibility to its clients to deliver value for money, high quality facilities management services. This demands that the organisation operates under the same commercial lines as its competitors in the private sector.

Opportunities for business

Analysis of ng2's last business plan period highlighted door entry and bulk as growth areas.

For 2023 -24 focus will include:

- Increasing levels of void work and taking back in house work given to outside contractors.
- Being more proactive in general repairs works and reducing level of work given to day-to-day contractor.

Drivers for growth

In planning for growth ng2's key driver is to sustain and maintain what has already been built in order to safeguard the employment created locally by ng2. In order to achieve this ng2 must grow in a way which does not significantly increase the overheads of the organisation, in a manner which is sustainable, and which allows ng2 to maintain its profitability in order to continue to contribute to the physical, social, and economic regeneration of the North of Glasgow.

ng2 will achieve this through pursuing a business model which encompasses:

- i) the direct delivery of services to its clients;
- ii) the ongoing development of strategic partnerships and joint ventures; and
- iii) the use of outsourcing where beneficial.

By utilising such flexible structures ng2 can respond to the seasonal nature of some of the services it delivers, as well as respond quickly to business opportunities and can maintain and grow its community programmes. Underpinning all of this is a commitment to quality and customer satisfaction which will continue to drive our commercial decisions.

FINANCIAL PROJECTIONS

The financial projections have been prepared for the year to 31 March 2024. Turnover is projected to hold steady moving from £3.58m in 2021/22 to £3.52m in 2023/24. Planned maintenance and other projects are back to normal levels and work previously put to external contractors is being brought in house.

The level of activities will help maintain the profitability of ng2. This will help support the continual upgrade of the vehicle fleet and other plant in use within the company. The investment in vehicles and plant will be a constant feature across any budget period.

The balance sheet position continues to improve with an increased level of reserves. The cash flow position is in a positive position with the investment in new vehicles and plant being lower than in the previous year.

RISKS AND CRITICAL SUCCESS FACTORS

Risks

Seasonality: some aspects of ng2's operations are seasonal in nature. Financial analysis of trading has not shown this to have had any negative impact on the financial viability of ng2 however in growing the business an eye needs to be kept to the potential impact of seasonality on profitability and cash flow particular as seasonal services are targeted for growth e.g. garden maintenance.

Quality: monitoring of quality standards across all operations as the organisation grows will be critical to success and allow for speedy intervention should there be any quality issues. Plans to upgrade systems and processes for operational efficiency and contract monitoring will serve to mitigate this risk. An appropriate set of key performance indicators will further support the ongoing drive for high quality delivery.

Reputational: ng2 is a highly visible brand in the local area and ng homes is an established community organisation. Reputational risk is minimised through ensuring that the proposed business expansion of ng2 is in line with ng homes's strategic goals and growth options relate to expanding existing services which ng2 is experienced at delivering.

Financial: ng homes as the main client of ng2 operates a 14 day payment cycle which ensures a regular cash flow to ng2. In extending the client base of ng2 there is risk related to delayed payment and/or nonpayment. Robust credit control processes are needed to ensure this is managed and the wider support functions of ng homes are likely to be an advantage in this regard.

Critical success factors

- Ongoing business development and focus on quality
- Continue to invest in systems and people
- Monitoring and evaluation of best value and social value

APPENDIX 1 – BUDGET PROJECTIONS YEAR TO MAR 24

Year to 31/03/23	NG 2 Profit and Loss - period to	31-Mar-24			
		Sales £	Materials & contractors £	Wages £	Gross Profit £
189,399	Cleaning Services	698,155	82,343	421,015	194,797
	Maintenance and repair services				
64,831	- Joinery	752,900	457,300	214,182	81,418
60,000	- Electrical	280,425	199,250	37,800	43,375
17,592	- Painters	92,250	20,500	68,756	2,994
(80,000)	Management costs	-	-	86,400	(86,400)
62,920	Concierge services	319,500	-	256,047	63,453
214,291	Environmental activities	1,074,154	127,800	728,249	218,105
52,735	Other activities	274,403	-	221,314	53,089
580,767		3,516,687	893,318	2,037,808	585,562
-	Other income	-	-	-	-
580,767		3,516,687	893,318	2,037,808	585,562
	Overheads				
65,000	Management charges			65,000	
26,000	Rent and rates			27,690	
190,000	Motor expenses			202,350	
4,000	Telephone and IT support			4,260	
4,000	Printing, stationery, and advertising			4,260	
15,000	Professional fees			15,975	
2,600	Container hire			2,769	
25,000	Uniforms, safety equipment and repairs			26,625	
15,000	Training			15,975	
4,000	Insurance			4,260	
126,944	Vehicle and plant depreciation			112,944	
-	Loan interest			-	
400	Bank charges			426	
4,000	General expenses			4,260	
481,944					486,794
103,823	Net profit				98,767
29,394	Corporation tax/gift aid				14,894
74,429					83,873

2023	NG 2	31-Mar-24			
£	Balance sheet at		£	£	£
334,055	Fixed assets				306,111
	Current assets				
686,301	Debtors and stock			696,301	
33,749	Bank			131,066	
<u>720,050</u>				<u>8527,368</u>	
	Current Liabilities				
103,676	Trade Creditors	113,676			
<u>51,675</u>	Other creditors	<u>37,175</u>			
<u>155,351</u>				<u>150,851</u>	
<u>564,699</u>					<u>676,517</u>
<u>898,755</u>					<u>982,628</u>
100	Share capital				100
898,655	Profit and Loss account				982,528
<u>898,755</u>					<u>982,628</u>

2023	NG2	31-Mar-24
£	CASHFLOW	£
	OPERATING ACTIVITIES	
74,429	Surplus for year	83,873
-	Interest Received	-
-	Loan Interest Paid	-
74,429	Operating surplus excluding int & tax	83,873
126,944	Depreciation - vehicles and plant	112,944
(40,000)	Decrease/(Increase)in Debtors	(10,000)
30,000	(Decrease)/Increase in Creditors	(4,500)
191,373	Net Cash In/(Out)flow From Operating Activities	182,318
	RETURNS ON INVESTMENTS AND	
	SERVICING OF FINANCE	
-	Interest Received	-
-	Less: Interest Paid	-
-	Net Cash In/(Out)flow from Returns on Investments	-
-	and Servicing of Finance	-
-	Tax Paid Less Grants Received	-
	INVESTING ACTIVITIES	
(196,000)	Acquisition of Other Fixed Assets	(85,000)
-	Investment in Activities	-
(196,000)	Net Cash In/(Out)flow From Investing Activities	(85,000)
(4,627)		97,318
	FINANCING	
-	Loans Received	-
-	Less: Loans Repaid	-
-	Issue of Share Capital	-
-	Net cash In/(Out)flow From Financing	-
(4,627)	Increase/(Decrease) in Cash and Cash Equivalents	97,318
(4,627)	Movement in Cash & Bank	97,318
(4,627)	Increase/(Decrease) in Cash and Cash Equivalents	97,318

Board Meeting

For Approval

To: Board
From: DCEO

**SUBJECT: DSGL BUSINESS PLAN AND BUDGET
REPORT 2023/24**

DATE 28 March 2023

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>
2.	Underlying principles
	<p>The principles listed below have been used in drawing up the 2023/2024 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

	<p>best interests of the company and its parent.</p> <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 £8.3k of overheads, £0.5k of interest and £3.1k of corporation tax leading to a projected profit of £8.1k. There is a projected £67k of reserves at March 2024.</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>
3.	Recommendation
	That the Board APPROVES the business plan and budget of DSGL for 2023/24 and remits it back to the DSGL Board to formally adopt.

Design Services Glasgow Limited

Business Plan 2023/24

Design Services Glasgow Limited

Business Plan 2023/24

1. Introduction

This Business Plan for 2023/24 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 member is:

R Hartness

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 2021/22 were turnover of £20k and a profit after tax of £8.3k. Results for 2022/23 are expected to be at a similar level.

Financial Year 2023/24

The financial plan for 2023/24 projects £20k of income and £nil direct costs which gives a £20k gross profit. Admin, depreciation, interest, and tax costs of £11.9k has been projected which leaves a £8.1k 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 2023/24 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 2023/24

Design Services Glasgow Limited

Profit and Loss account	Year to 31/3/24 (Budget)	Year to 31/3/23 (Budget)	Year to 31/3/22	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
Turnover	20,000	20,000	20,000	20,000	27,839	336,462	26,731	36,873
Operating costs	-	-	-	-	7,800	314,888	15,000	27,451
Gross Profit	20,000	20,000	20,000	20,000	20,039	21,574	11,731	9,421
Overheads								
Management charges	-	-	-	-	-	-	-	-
Overheads	8,313	8,013	7,831	7,701	7,544	7,395	8,999	4,625
	8,313	8,013	7,831	7,701	7,544	7,395	8,999	4,625
	11,687	11,987	12,169	12,299	12,495	14,179	2,732	4,796
Interest payable	450	450	351	583	776	1,389	1,466	1,592
Corporation Tax	3,146	3,206	3,099	3,079	3,080	3,824	912	1,320
Net profit/(loss) after tax	8,091	8,331	8,719	8,637	8,639	8,966	354	1,884

Design Services Glasgow Limited

	31/3/24 (Budget)	31/3/23 (Budget)	31/3/22	31/3/21	31/3/20	31/3/19	31/3/18	31/3/17
Balance Sheet								
Fixed assets	86,600	91,093	95,584	100,077	104,570	109,063	113,558	116,854
Current Assets								
Debtors	1,777	1,777	827	827	6,778	106,982	777	2,672
Bank	10,382	17,348	1,256	12,501	7,709	9,236	7,635	19,748
	12,159	19,125	2,083	13,328	14,487	116,218	8,435	22,150
Current Liabilities								
Trade creditors	31,391	50,941	45,845	70,303	84,592	199,455	105,134	122,499
	(19,232)	(31,816)	(43,763)	(56,975)	(70,105)	(83,237)	(96,699)	(100,348)
	67,368	59,277	51,821	43,102	34,465	25,826	16,860	16,506
Capital and Reserves								
Share capital	100	100	100	100	100	100	100	100
Profit and Loss account	67,268	59,177	51,721	43,002	33,465	25,726	16,760	16,406
	67,368	59,277	51,821	43,102	34,465	25,826	16,860	16,506

Board Meeting**For Approval**

To: Board
From: DCEO

SUBJECT: EXPENSES POLICY 2023/24

DATE 28 March 2023

1.	Introduction
	<p>The expenses policy has been brought forward for review as the policy is updated annually.</p> <p>There are the normal changes proposed to the policy and levels of expenses with increases to the subsistence, first aid and fire warden allowances.</p> <p>Other changes include increases to the retiral and long service awards, increases to the child-care rates, and uplift to the official duties rate.</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 2023/24

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 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 Committees 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/DCEO/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, Committee 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/Directorate 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

7. Review of Policy

The Maintenance Policy will be reviewed annually, or sooner, if legislative or regulatory requirements change.

Appendix 1

ng homes

Staff and Committee Expenses
For the Year 1 April 2023 to 31 March 2024
Approved at the Board dated .

	2023/24	2022/23
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)	£18.91	£17.97
Daily (>5<10 Hours) Outwith Geographical Area	£11.57	£11.00
First Aid Allowance (EVH)	£523	£497
Fire Wardens Allowance	£523	£497
Retiral/Long Service Award (EVH)		
5 – 10 years service	£105	£100
10 – 15 years service	£132	£125
15 – 20 years service	£184	£175
20 years+ service	£237	£225
NGHA Allowances		
Breakfast	£11.00	£11.00
Lunch	£17.00	£17.00
Dinner	£21.00	£21.00
Conferences out with normal working hours	£30.00	£28.50
Official Duties out with normal working hours (4 hours and over)	£30.00	£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.

	2023/24	2022/23
BOARD/COMMITTEE		
Mileage (Based on HMRC Fixed Profit Car Scheme)	45p	45p
Passenger per mile	5p	5p
Motor cycles per mile	24p	24p
Bikes per mile	20p	20p
Care Allowance per hour		
One person or Child	£10.50	£8.00
Two Persons or Children	£14.00	£10.00
Three Persons or Children	£17.00	£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	£30.00	£28.50
Official duties overnight	£30.00	£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: Maintenance Manager

**SUBJECT: STRATEGY & DEVELOPMENT FUNDING
PLAN (SDFP) 2023/24-2027/28**

DATE: 28 March 2023

1.	Introduction
	The purpose of this report is to seek Board approval of the current Strategy & Development Funding Plan (SDFP) for 2023/24-2027/28.
2.	SDFP
	Glasgow City Council requested that all Registered Social Landlords review and submit a revised SDFP for the period 2023/24 - 2027/28 by 28 March 2023. The revised SDFP is attached.
3.	Recommendation
	The Board is requested to note and APPROVE the attached Strategy & Development Funding Plan 2023/24 - 2027/28 for submission to Glasgow City Council, Housing & Regeneration Services Department.

GLASGOW CITY COUNCIL

HOUSING AND REGENERATION SERVICES

STRATEGY & DEVELOPMENT FUNDING PLAN 2023/24 - 2027/28



RSL: _____ ng homes

GCC HOUSING & REGENERATION SERVICES
STRATEGY & DEVELOPMENT FUNDING PLAN

RSL _____ HA _____

PROJECT NAME AND KEY DATES

Acquisition
Tender
Start Date
Completion

Acquisition
Tender
Start Date
Completion

Acquisition
Tender
Start Date
Completion

Acquisition
Tender
Start Date
Completion

BLOCK A TENDERS APPROVED IN 2022/23 OR BEFORE

NO OF UNITS AND CLIENT GROUP

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs e.g. wheelchair adaptable			

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

ADDITIONAL	
Greener Standard	Yes/No
HA Ownership	Yes/No

Greener Standard	Yes/No
HA Ownership	Yes/No

Greener Standard	Yes/No
HA Ownership	Yes/No

Greener Standard	Yes/No
HA Ownership	Yes/No

EXPENDITURE PROFILE BY YEAR & TYPE OF FUNDING (£0.000Ms)

PREV. YRS (22/23 & prev)	YEAR 1 (23/24)	YEAR 2 (24/25)	YEAR 3 (25/26)	YEAR 4 (26/27)	YEAR 5 (27/28)	TOTAL
						0.000
						0.000
						0.000
						0.000
0.000	0.000	0.000	0.000			0.000

						0.000
						0.000
						0.000
						0.000
0.000	0.000	0.000	0.000			0.000

						0.000
						0.000
						0.000
						0.000
0.000	0.000	0.000	0.000			0.000

						0.000
						0.000
						0.000
						0.000
0.000	0.000	0.000	0.000			0.000

GCC HOUSING & REGENERATION SERVICES
STRATEGY & DEVELOPMENT FUNDING PLAN

BLOCK B TENDERS TO BE APPROVED 2023/24

RSL _____ HA _____
PROJECT NAME AND KEY DATES

NO OF UNITS AND CLIENT GROUP

Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

ADDITIONAL	Greener Standard	Yes/No
HA Ownership		Yes/No

Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

Greener Standard	Yes/No
HA Ownership	Yes/No

Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

Greener Standard	Yes/No
HA Ownership	Yes/No

Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
Provision for Particular Needs			

Greener Standard	Yes/No
HA Ownership	Yes/No

EXPENDITURE PROFILE BY YEAR & TYPE OF FUNDING (£0.000Ms)

PREV. YRS (22/23 & prev)	YEAR 1 (23/24)	YEAR 2 (24/25)	YEAR 3 (25/26)	YEAR 4 (26/27)	YEAR 5 (27/28)	TOTAL
GRANT						0.000
PRIVATE		0.600				0.600
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.600	0.000			0.600

GRANT						0.000
PRIVATE						0.000
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.000	0.000			0.000

GRANT						0.000
PRIVATE						0.000
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.000	0.000			0.000

GRANT						0.000
PRIVATE						0.000
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.000	0.000			0.000

GCC HOUSING & REGENERATION SERVICES
STRATEGY & DEVELOPMENT FUNDING PLAN

RSL _____ HA _____

BLOCK C TENDERS TO BE APPROVED AFTER 2023/24

PROJECT NAME AND KEY DATES

Crowhill Street / Ashfield Street NB	
Acquisition	2009
Tender	Mar.24
Start Date	Nov.24
Completion	Feb.26

RENT		MMR	NSSE	TOTAL
24				24
Provision for Particular Needs				

Greener Standard	Yes/No
HA Ownership	Yes/No

Acquisition	
Tender	
Start Date	
Completion	

Greener Standard	Yes/No
HA Ownership	Yes/No

RENT	MMR	NSSE	TOTAL
			0
Provision for Particular Needs			

Acquisition	
Tender	
Start Date	
Completion	

Greener Standard	Yes/No
HA Ownership	Yes/No

RENT	MMR	NSSE	TOTAL
			0
Provision for Particular Needs			

Acquisition	
Tender	
Start Date	
Completion	

Greener Standard	Yes/No
HA Ownership	Yes/No

RENT	MMR	NSSE	TOTAL
			0
Provision for Particular Needs			

EXPENDITURE PROFILE BY YEAR & TYPE OF FUNDING (£0.000M's)

PREV. YRS (22/23 & prev)	YEAR 1 (23/24)	YEAR 2 (24/25)	YEAR 3 (25/26)	YEAR 4 (26/27)	YEAR 5 (27/28)	TOTAL
GRANT	0.720	1.560	0.222			2.502
PRIVATE	0.684	1.560	0.077			2.321
SALES						0.000
OTHER						0.000
TOTAL	0.000	1.404	3.120	0.299		4.823

GRANT						0.000
PRIVATE						0.000
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.000	0.000			0.000

GRANT						0.000
PRIVATE						0.000
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.000	0.000			0.000

GRANT						0.000
PRIVATE						0.000
SALES						0.000
OTHER						0.000
TOTAL	0.000	0.000	0.000			0.000

STRATEGIC HOUSING INVESTMENT PLAN PRIORITY	Crowhill St / Ashfield St	Stage 3 Medical Adaptations	PROJECT 3 NAME	PROJECT 4 NAME
SUPPORT AREA BASED REGENERATION	√			
SOCIAL RENTED HOUSING TO MEET HOUSING NEED	√			
INTERMEDIATE HOUSING OPTIONS				
SUPPORTING PRIVATE SECTOR HOUSING DEVELOPMENT				
SOCIAL CARE HOUSING PRIORITY LEARNING DISABILITY				
SOCIAL CARE HOUSING PRIORITY PHYSICAL DISABILITY		√		
SOCIAL CARE HOUSING PRIORITY MENTAL HEALTH				
HOUSING FOR OLDER PEOPLE		√		
PROVISION OF WHEELCHAIR HOUSING				
LARGE FAMILY HOUSING				
SUSTAINING EXISTING SUPPLY	√	√		
PROTECTING GLASGOW'S BUILT FORM	√			
ADAPTATIONS		√		

Please Indicate Priority Compliance for each Project with a Tick

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

To: Board
From: Director of Housing Services

**SUBJECT: HOUSING SERVICES TARGETS 2023/24
FOR KEY PERFORMANCE INDICATORS** **DATE: 28 March 2023**

1.	Introduction
	<p>In 2021, the board approved targets for Key Performance Indicators following a year of Covid restrictions. It was agreed to revisit those targets during Q4 22/23, when we expected to be in a more stable position.</p> <p>Following a benchmarking exercise on performance for 21/22 with other local Housing Associations, we would look to retain the majority of our targets.</p> <p>The only target that we would propose to change is:</p> <p>Disabled Adaptations</p> <p>Our days taken to carry out Disabled Adaptations at the end of December 2022 is 30.86 days against a target of 25 days. The demand for adaptations has increased, as well as the cost and the lead in time for materials, therefore adaptations are generally taking longer. We would propose to change the target to 30 days from 25 days to ensure the target remains challenging.</p>
2.	Key Performance Indicators (KPIs):
	<p>This target report is accompanied by a benchmarking report (for noting) to allow members to look at our performance against our peers.</p> <p>Noted overleaf is the out turn for 21/22 and the year to date figure at the end of Quarter 3 as well as our current targets and proposed targets.</p>

Indicator	Out turn 21/22	YTD (Apr- Dec 22)	Targets 22/23	Proposed Targets 23/24
Voids/Letting				
Vacancies in lettable stock	(9%)	(9%)	(10%)	(10%)
Average re-let timescale	18.1 days	25 days	25 days	25 days
Section 5 Homeless Lets	35%	32%	35%	35%
Offers refused	15%	21%	30%	30%
Tenancy Sustainment	89%	91%	85%	85%
Rent & Arrears				
Void rent loss	0.5%	0.5%	0.7%	0.7%
Gross rent arrears (current & former)	5.6%	5.8%	5.5%	5.5%
Non Technical Arrears	3.7%	3.9%	4%	4%
Court Actions & Evictions				
New Court Actions	31	34	No Target	No Target
Court Actions that resulted in evictions	4 (Rent Arrears)	5 (Rent Arrears)	No Target	No Target
Anti Social Behaviour				
No of Anti Social Cases received in the year	71	30	No Target	No Target
% of Anti Social Cases resolved in the year within timescale	93%	100%	90%	90%
Repairs				
Number of emergency repairs	8447	6186	No Target	No Target
Average timescale to complete emergency repairs	3hrs	3hrs	24 hours	24 hours
Number of non emergency repairs	10,552	7643	No Target	No Target

Average timescale to complete non emergency repairs	5.6 days	5.6 days	5 days	5 days
Reactive repairs carried out right first time within timescale	92%	88%	90%	90%
Gas Safety Certificate Compliance				
% of properties with current gas safety certificate	100%	100%	100%	100%
Properties with gas certificate renewed by anniversary date	100%	100%	100%	100%
Number of properties with no certificate within anniversary date	0	0	0	0
Adaptations				
Total days taken to complete approved applications	17.4 days	30.86 days	25 days	30 days (NEW)
Number of medical adaptations completed	106	109	No Target	No Target
Customer Satisfaction				
Overall Satisfaction with the service	94.8%	86%	90%	90%
Landlord good at keeping you informed about services and decisions	89.2%	87%	90%	90%
Given opportunity to participate in decision making processes	92.3%	88%	90%	90%
Satisfied with overall quality of home	71.7%	78%	90%	90%
Satisfied with repairs service	78.8%	86%	90%	90%
Satisfied with management of neighbourhood	93.2%	82%	90%	90%
Satisfied that rent represents value for money	87.9%	84%	90%	90%
Satisfied with standard of home when moving in	97.5%	100%	90%	90%

3.	Risk and Mitigation
	The risk of not setting targets is that performance deteriorates as there is no targets to work towards. To mitigate against this risk, we benchmark against other Housing Associations as well as our own past performance to set realistic, achievable but challenging targets.
4.	Recommendation
	It is recommended that the Board approve the proposed targets for 23/24.

Board Meeting

For Approval

To: Board
From: Director of Housing Services

SUBJECT: MAINTENANCE POLICY

DATE: 28 MARCH 2023

1.	Introduction
	The Maintenance policy was last reviewed in May 2022 by the Area Committee and is not due for review until 2025, however Members are asked to consider the following change.
2.	Changes to the Policy
	<p>Complex Repairs</p> <p>These are repairs which are likely to involve multi-trades and can include jobs requiring time to dry out, removal of asbestos, jobs over a certain value, jobs requiring authority from owners, insurance approval. The response target time is currently 20 full working days.</p> <p>Based on the current environment in relation to timescales associated with obtaining materials, it is recommended that the timescale for complex repairs is changed to 30 working days.</p>
3.	Policy Review
	Board members will be aware that we are reviewing our repairs service and how it is delivered to our tenants. It is proposed that we have a full review of this policy in conjunction with the service review and will be brought back to the board for approval in Q1 23/24.
4.	Risk and Mitigation
	The risk associated with not having a maintenance policy is that it impacts on service delivery to our customers and the repairing standard in our homes. The mitigation is to have a regular review of the policy to ensure everything is in line with current regulations, legislation and good practice and to ensure the policy is strictly followed.
5.	Recommendation
	The Board are asked to approve the amended Maintenance Policy.



MAINTENANCE POLICY

Contents

- 1.0 Introduction
- 2.0 Legal objectives
- 3.0 Equal opportunities
- 4.0 General Data Protection Regulations (GDPR)
- 5.0 Landlord responsibilities
- 6.0 Classification of repairs
- 7.0 Void Properties
- 8.0 Pre and Post Inspections
- 9.0 Right to Repair
- 10.0 Alteration/Improvements
- 11.0 Cyclical and Planned Maintenance
- 12.0 Gas Responsibilities
- 13.0 Stock Condition Surveys
- 14.0 Recharge Repairs
- 15.0 Asbestos Control
- 16.0 Legionella Control
- 17.0 Scottish Housing Quality Standard
- 18.0 Energy Efficiency for Scottish Social Housing
- 19.0 Medical Adaptations
- 20.0 Tenant Satisfaction
- 21.0 Review of Policy

1.0 Introduction

The objective of the Maintenance Policy of ng homes is to:

Meet the Association's repairs and maintenance responsibilities and obligations in compliance with Section 5 of the Association's secure tenancy agreement.

Deliver a high quality responsive repairs service that meets the expectations of our customers.

Deliver cyclical and planned investment that keeps the housing stock in good condition, in demand and performing well.

Guide ng homes to compliance with the Scottish Housing Quality Standard, EESSH and all other statutory and regulatory obligations and frameworks.

2.0 Legal Objectives

ng homes will adhere to the following legislation to ensure the statutory and legal objections are fulfilled:

- Housing (Scotland) Act 2014 and any future amendments
- The Building (Scotland) Regulations & Building Standards 2017
- Construction (Design and Management) Regulations 2015
- The Gas Safety (Installation and Use) Regulations 1998 and The Gas Safety (Installation and Use) (Amendment) Regulations 2018
- The Control of Asbestos Regulations 2012
- Right to Repair (Housing Scotland Act 1987 as amended 2001 and 2010)
- Right to Compensation for Improvements (Housing Scotland Act 1987 as amended 2001 and 2010)
- Health and Safety Executive Guidance

3.0 Equal Opportunities

Our Maintenance Policy complies with ng homes Equalities and Diversity Policy to ensure that equality of treatment for all service users without discrimination or prejudice. At all times ng homes will provide services and meet our responsibilities including the nine groups with 'protected characteristics' as defined by the Act which include sex, faith or religion, race, ethnic origin, sexual orientation, mental or physical health, disability or marital status.

4.0 General Data Protection Regulations (GDPR)

ng homes will ensure that we safeguard the data we process. Your personal data will be treated in line with our obligations under the General Data Protection Regulations (GDPR) and the Data Protection Act 2018, as well as the terms of the tenancy agreement. Information regarding how your data will be used and the basis for processing your data is provided in the Association's privacy notice.

5.0 Landlord responsibilities

ng homes has a legal responsibility to ensure that the repair requirements of our tenancy agreements are met.

We will keep in repair the structure and exterior of the house, including:

- Drains, gutters and external pipes (this does not include the clearance of blockages caused by the tenants' negligence)
- The roof
- Outside walls, outside doors, windowsills, window catches, sash cords and window frames, including external painting and decoration
- Internal walls, floors and ceilings, doors, door frames and internal staircases and landings (but not including painting and decoration)
- Chimney, chimney stack and flues (but not including chimney sweeping)
- Pathway, steps, or other means of access
- Plasterwork
- Integral garages and stores
- Boundary walls and fences
- Keep in repair and in proper working order, any installations in the house we have provided for space heating, water heating and sanitation and for the supply of water, gas and electricity including:
 - Basins, sinks, baths, toilets, flushing systems and waste pipes, showers, water tanks
 - Electrical wiring, fire places, fitted fires and central heating installations, door entry systems, communal TV aerials and extractor fans.
- Installations include those which we own or lease which directly or indirectly serve the house. We will not, however, be responsible for repair of any fixtures and fittings not belonging to us which make use of gas, electricity or water neither will we be responsible for the repairs or maintenance of anything installed by you or belonging to you which you would be entitled to remove from the house at the end of the tenancy unless we have specifically agreed.
- We will inspect annually any gas installation in the house provided by us. We will provide you with a copy of the current inspection record before the beginning of the tenancy.
- If your house is served by a communal television or communications aerial provided by us we will take reasonable steps to repair any defect within a reasonable period. However, should the system become obsolete we will not be responsible for upgrading to a new system. Where repairs or maintenance have to be completed, we will make reasonable efforts to minimise disruption to you.

6.0 Classification of Repairs

Emergency Repairs:

Generally a repair is categorised as an Emergency and responded to within 24 hours if it:-

- Poses a significant threat to health and safety
- Poses a serious risk to the structure of the property
- Results in the property being insecure

Urgent Repairs:

Generally a repair is categorised as Urgent and responded to within three full working days where there is a:-

- Medium or moderate threat to health and safety.
- Medium or moderate risk to the structure of the property.

Routine Repairs:

Generally a repair is categorised as Routine and responded to within five working full days where there is a:-

- Low or minimal threat to health and safety.
- Low or minimal risk to the structure of the property.

Complex Repairs

These are repairs which are likely to involve multi-trades and can include jobs requiring time to dry out, removal of asbestos, jobs over a certain value, jobs requiring authority from owners, insurance approval. The response target time is within 30 full working days.

7.0 Void Properties

A void is defined as property for which rent is chargeable, but there is no tenant. It is the Association's aim to minimise the period that any void property lies un-occupied by completing all repairs and returning the property to the Housing Officer within ten full working days. A void property inspection is carried out in conjunction with the housing officer to identify the necessary repairs and safety checks, in order that the flat can be brought up to the relevant letting standard of the Association.

8.0 Pre and Post Inspection

Pre and Post-inspections will be carried out to ensure workmanship and quality of service to customers as follows:-

- All void properties (pre and post)
- 5% of all reactive repairs (pre and post), to be increased to 10% if unsatisfactory repairs are found to be of a poor quality craftsmanship.
- 10% common repairs affecting owner occupiers (pre and post), to be increased to 15% if unsatisfactory repairs are found to be of a poor quality craftsmanship.
- 10% of out of hours emergencies (post)
- All medical adaptations (pre and post)
- 10% contract works (post), to be increased to 15% if unsatisfactory repairs jobs are found to be of a poor quality.

9.0 Right to Repair

Under the Housing (Scotland) Act 2001 (amended 2010) and Scottish Secure Tenant and Short Scottish secure tenants (Right to Repair) Regulations 2002 (Scottish Statutory Instrument 2002/316), tenants have the right to have certain urgent repairs carried out within a given timescale.

Repairs which qualify for this Right to Repair Scheme include:

Number	Repair	Full working days to complete repair
1	Blocked flue to open fire or boiler.	1
2	Blocked or leaking foul drains, soil stacks or toilet pans where there is no other toilet in the house	1
3	Blocked sink, bath or drain	1

4	Loss of electric power;	1
5	Partial loss of electric power	3
6	Insecure external window, door or lock.	1
7	Unsafe access path or step	1
8	Significant leaks or flooding from water or heating pipes, tanks, cisterns	1
9	Loss or partial loss of gas supply	1
10	Loss or partial loss of space or water heating where no alternative heating is available	1
11	Toilet not flushing where there is no other toilet in the house	1
12	Unsafe power or lighting socket, or electrical fitting	1
13a	Full loss of water supply	1
13b	Partial loss of water supply	3
14	Loose or detached banister or hand rail	3
15	Unsafe timber flooring or stair treads	3
16	Mechanical extractor fan in internal kitchen or bathroom not working	7

Any compensation will be calculated as laid down by the Act, should work not be completed on time.

Any compensation paid to the tenant will be deducted from the Contractor.

Further details and procedures are contained in the Right to Repair Policy of the Association and the Right to Repair leaflet published by the Scottish Government.

10.0 Alterations/Improvements

ng homes will fully support its tenants' right to carry out improvements and alterations to the property.

In order to carry out alterations or improvements to the property permission must be sought from ng homes before work is carried out in accordance with the tenants' tenancy agreement.

11.0 Cyclical and Planned Maintenance

Cyclical Maintenance is defined as a programme that anticipates and makes provision for the gradual deterioration of building components and finishes over a short to medium term. It consists of cyclical inspections at planned intervals of building components and maintenance works arising from these inspections.

Examples of Cyclical Maintenance Works are:-

- Pre-Paintwork Inspections
- Decoration to communal areas
- Gutter cleaning
- Electrical inspection and condition reports
- Gas Servicing
- Roof inspections
- water pump inspections
- tank inspection & water hygiene
- fire system testing
- dry riser testing

- communal ventilation fan maintenance
- Lightning conductor testing

Cyclical maintenance is carried out at agreed intervals and usually involves inspection, servicing or cleaning. The allocated contract spend and any repair or remedial works for cyclical projects is recorded under the cyclical cost code. Where appropriate, any large scale repair works identified as part of a cyclical contract will be collated and programmed in as a planned maintenance contract.

Planned maintenance is work which is programmed in advance, normally over a five or thirty year period, and which usually involves the replacement of external or internal components of the property or common parts.

Planned maintenance will be programmed in line with our Asset Management Strategy and to regularly updated with stock condition survey information. Components will be replaced in accordance with their anticipated lifecycle.

There may be occasions when there is a premature failure or damage of a component outwith planned programmes. The Association will adjust its scenario planning software that updates its asset information and will budget annually for such works.

Examples of Planned Investment works are:-

- Lift renewal
- Over-cladding and re-roofing
- Full heating renewals
- Kitchen and Bathroom replacement
- Full electrical re-wiring
- Full replacement double glazing and door sets

12.0 Gas Responsibilities

The Gas safety (Installation and Use) Regulations 1998 places a legal duty on ng homes to complete an annual inspection of gas appliances, pipe work and flues provided by the Association within a 12 month period of the previous inspection.

In addition a gas safety check is carried out at every change of tenancy when there is a gas appliance within the property.

Further guidance is contained within the Gas Safety Policy.

13.0 Stock Condition Surveys

ng homes operates a 5 year and 30 year planned maintenance programme of component renewals in its properties based on the standard element lifecycles. (Appendix A)

We will carry out a stock condition survey at void stage if it hasn't been done within a 5 year period or as part of a planned maintenance project at five yearly intervals to enable the life cycle costings to be updated.

All stock condition survey information which is gathered will include the elements required for compliance with the Scottish Housing Quality Standard and the Energy Efficiency Standard for Social Housing.

14.0 Rechargeable Repairs

In compliance with clause 5.9 of the Association's secure tenancy agreement, repairs that are the responsibility of the tenant shall be re-charged appropriately.

Examples of rechargeable repairs include (but are not limited to):-

- Vandalism or wilful damage
- Replacing lost or supplying additional keys/key fobs
- Forcing access and/or repairing damage after losing keys
- Call outs that result in tenant's own equipment being faulty
- Tenant negligence
- Failure to clear out voids of all furniture, possessions etc.

In all circumstances, tenants will be advised of costs and agreement sought regarding payment before any work is carried out.

Where non payment occurs post repair, the cost of the repair will be recovered in compliance with the Association's Debt Recovery Policy.

15.0 Asbestos Control

It is the policy of ng homes to ensure that, as far as is reasonably practical, no person is exposed to any asbestos containing materials that may be present in any of the properties it owns, occupies, or manages.

ng homes will comply with all legal requirements and responsibilities in terms of managing asbestos safely.

ng homes' Asbestos Management policy and procedures conforms to the Health and Safety at Work Act 1974, and the Control of Asbestos Regulations 2012, and will apply to all buildings and all individuals employed, engaged, appointed or contracted by ng homes without exception.

16.0 Legionella Control

ng homes is responsible for health and safety and needs to take the right precautions to reduce the risks of exposure to legionella.

The Association will:

- Identify and assess sources of risk manage any risks (Legionella Risk Assessments)
- Prevent or control any risks
- Keep and maintain the correct records
- Carry out any other duties we may have with regards to compliance with all legionella legislation

17.0 Scottish Housing Quality Standards (SHQS)

To continue to achieve or exceed the standards defined in the Scottish Housing Quality Standard (SHQS) and the Energy Efficiency Standard for Social Housing (ESSH)

The SHQS is a national standard based on a minimum set of quality measures for all houses in the social rented sector.

The Association had an obligation to comply with these standards by 2015. This standard requires all property to be:

- Compliant with the tolerable standard
- Free from serious disrepair
- Energy efficient
- Provided with modern facilities and services
- Healthy, safe and secure.

These standards are continually monitored by housing officers during annual inspections and implemented through cyclical and planned maintenance projects.

18.0 Energy Efficiency for Scottish Social Housing (ESSH & ESSH2)

ESSH was introduced in March 2014 and set a first milestone for social landlords to meet for social rented homes by 31 December 2020. A second milestone, ESSH 2 was confirmed in June 2019, to be met by December 2032.

- The ESSH 2 milestone is that “All social housing meets, or can be treated as meeting, EPC Band B (Energy Efficiency rating) or is as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology and necessary consent.”
- The Standard does not prescribe how RSLs are to achieve these recommended minimum energy efficiency ratings but provides a list of ‘reasonable measures’ that we can consider when deciding what works we will undertake to bring properties up to the minimum rating.
- No social housing below EPC Band D should be re-let from December 2025, subject to temporary specified exemptions.
- We will individually assess our properties at void stage and if any cost-effective measures (such as low energy lighting for all fixed outlets or routine cyclical replacement of elements) can be implemented to bring the EE rating up to the next band then this work will be included.
- The Association’s will complete new EPCs at void stage and during planned maintenance improvement works. New EPC data and SAP calculations will be used on an ongoing basis to check and refine the quality of modelling.

The Association will produce an EESSH2 strategy in preparation for the 2025 review to confirm the 2032 milestone of meeting band B. In line with the EESSH 2 and Asset Management Strategy, the Association will investigate the implementation of more extensive measures, such as external or internal wall/floor insulation.

19.0 Medical Adaptations

The Association will adapt (and keep in good repair) any property that suits the changing needs of a tenant or a member of the tenant's household subject to:

- The provisions laid down in the Association's Adaptations Policy.
- Grant Funding or some other form of financial provision being confirmed.

20.0 Tenant Satisfaction

ng homes will continually assess tenant satisfaction of the maintenance service. Currently this is being carried out via a third party.

21.0 Review of Policy

The Maintenance Policy will be reviewed in 3 years, or sooner, if legislative or regulatory requirements change.

Appendix A: Component lifespan

Life Cycle Costing

The need to deliver sustainable buildings means ng homes need to consider the future ramifications that current decisions about our stock will have and use the standard method of life cycle costing which aligns with the maximum lifespans within the Building Cost Information Service (BCIS) and published in the "Life Expectancy of Building Components" and BCIS Building Running Costs online.

All component lifetimes will be reviewed and presented for relevant change if newer stock condition survey results become available.

Typical Life Expectancy of Building Components

Element	Component Name	Typical Life Expectancy (Years)
Substructure	Foundations	110
Frame	Steel frame	83
	Concrete frame	81
	Timber frame	69
	Laminated timber frame	65
	Space frame	73
Upper Floors	Profiled steel and reinforced concrete floor	71
	Precast concrete slab	78
	Timber joists	90
	Softwood decking to timber joists	71
	Chipboard decking to timber joists	51
Roof and Rainwater Disposal Installations	Timber batten on concrete slab raised access floor	45
	Timber pitched roof	84
	Softwood decking to flat roof	37
	Chipboard decking to flat roof	26
	Woodwool decking to flat roof	34
	Aluminium decking to flat roof	39
	Galvanised steel decking to flat roof	35
	Insulation to flat roof	36
	Bitument felt covering to flat roof	19
	Asphalt covering to flat roof	36
	PVC covering to flat roof	27
	Synthetic rubber (EPDM) covering to flat roof	25
	Tile covering to pitched roof	64
	Slate covering to pitched roof	74
	Thatch covering to pitched roof	31
	Aluminium covering to pitched roof	37
	Plastic covering to pitched roof	30
	Steel covering to pitched roof	37
	Composite cladding system	38
	Copper sheet covering	63
	Lead sheet covering	72
	Zinc sheet covering	48
	Cast iron gutters and rainwater pipes	51
	Plastic gutters and rainwater pipes	30
	Aluminium gutters and rainwater pipes	40
	Lead box gutters and flashings	61
	Zinc box gutters and flashings	41
	High performance felt box gutters and flashings	21
Stairs	Concrete stairs	74
	Steel stairs	59
	Softwood stairs	64
	Hardwood stairs	76
	Aluminium stair nosings	21
	Plastic stair nosings	15

Typical Life Expectancy of Building Components

Element	Component Name	Typical Life Expectancy (Years)
External Walls	Fair-faced brickwork	86
	Render to blockwork wall	53
	Plastic profiled sheet cladding	25
	Steel profiled sheet cladding	35
	Glass fibre profiled sheet cladding	27
	Aluminium curtain walling	43
	Plastic curtain walling	27
	Structural glass curtain walling	43
	Hung tile cladding	45
	Timber weatherboarding	30
	Plastic weatherboarding	28
Windows	Softwood windows	36
	Hardwood windows	50
	Aluminium windows	44
	uPVC windows	37
	Steel windows	50
Internal Walls	De-mountable steel partitioning	31
	De-mountable aluminium partitioning	31
	De-mountable glass reinforced gypsum partitioning	29
	De-mountable glass partitioning	29
Internal Doors	Internal softwood door	42
	Internal ply-flush door	33
	Internal hardboard flush door	31
	Internal glass door	29
	Internal flexible door	18
	Roller shutter doors	26
Wall finishes	Plasterboard to wall	39
	Clay tiling to wall	37
Floor finishes	Vinyl sheet floor covering	17
	Vinyl tile to floor covering	18
	Linoleum floor covering	20
	Carpet floor covering	13
	Parquet tile floor covering	39
	Epoxy resin based floor covering	20
	Timber skirting	51
	Plastic skirting	27
Ceiling Finishes	Suspended ceilings	24
Fittings	Kitchen wall units	18
	Kitchen floor units	18
Disposal Installations	Cast iron sanitary fittings and soil vent pipes	55
	Plastic sanitary fittings and soil vent pipes	36

Typical Life Expectancy of Building Components

Element	Component Name	Typical Life Expectancy (Years)
Water Installations	Plastic water storage tank	36
	GRP water storage tank	38
	uPVC water storage tank	34
	Copper pipework	47
Heat Source	Boiler	20
	Solid fuel back boiler	21
	Major pump	14
Space Heating and Air Treatment	Radiators	29
	Thermostatic radiator valves	17
	Aluminium air-conditioning ductwork	34
	Steel air-conditioning ductwork	30
	Air-conditioning heater	17
	Air-conditioning chiller	17
	Air-conditioning pump	15
	Air-conditioning fan	15
Electrical Installations	Heating programme controller/timer	18
	Thermostat controls	17
	Electric lighting circuits	32
	Electric power circuit	30
	Fuse box/consumer unit	29
	Power outlet socket	28
	Light switch	27
	Fluorescent luminaire	16
	Fluorescent tube	4
	Incandescent light bulb	2
Lift Installations	Traction drive passenger lift	30
	Hydraulic passenger lift	28
	Industrial scissor lift	22
Protective Installations	Wet riser sprinkler system	33
	Dry riser sprinkler system	42
	Sprinkler head	26
Site Works	Timber fence	22
	Steel fence	28
	Concrete chain and post fence	25
	In situ concrete pathway	37
	Concrete paving slab pathway	31
	Block paving	36
	Concrete surfacing to roadways	30
	Macadam surfacing to roadways	24

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

To: Board
From: Director of Housing Services

SUBJECT: RISK REGISTER REVIEW**DATE: 28 March 2023**

1.	Introduction
	The purpose of the risk management strategy is to ensure that the Association has an appropriate and proportionate approach to dealing with risks associated with our operating environment. Risk management is one of the key areas the Scottish Housing Regulator (SHR) expects to be embedded into business plans, governance and all areas of the Associations operation.
2.	Defining Risk
	Risk can be defined as any event or action that prevents the Association from maintaining good performance and/or meeting pre-set targets, goals and plans contained within our Business Plan and Annual Performance Plan; and /or results in loss being incurred.
3.	Approach to Risk Management
	<p>The Association's risk management strategy is fully integrated into our planning and performance framework. It links directly with our annual Business Plan and related objectives.</p> <p>The Risk Management Strategy covers:</p> <ul style="list-style-type: none">• how we identify risk• how we then assess these risks• how we manage and control the risks `• and how we monitor and review risk
4.	Risk register review
	<p>Attached is the operational risk register covering Housing Services. Comments are requested on the risks that are detailed within the registers and the scoring of these risks.</p> <p>The following changes have been made:</p>

	<ul style="list-style-type: none"> • All reference to the Area Committee has been removed • Covid 19 has been changed to pandemic • Gas access in relation to Covid 19 has been removed
5.	Risk and Mitigation
	The risk associated with not continually reviewing the Risk Register is that a risk is overlooked. The mitigation is to have a regular review of the register to ensure that there are no errors or omissions.
6.	Recommendation
	<p>The Board are invited to:</p> <ul style="list-style-type: none"> • Review the risk register and provide comments on such • Agree and approve the above changes and any changes recommended by members.

North Glasgow Housing Association

Risk Register (Operational): Housing Services						
Operational Risk Area / Hazard	Potential Risk Outcome	Risk Level: 1 (very low) to 5 (very high)		Who is responsible?	Control action	Monitoring / Review Procedure
		i) How Likely?	ii) Severity?			
Cost of Living Crisis	Loss of rental income; higher rent arrears; reduced income; increased poverty and affordability; Tenancies not sustained; more evictions /voids.	5	5	Director of Housing Services	Partnership Working with other agencies e.g. GEMAP and Pollok Credit Union Target Setting Rent Collection Policy. Staff Training. Arrears cases audits. Programmed visits.	Quarterly reports to Board. Pollok Credit Union GEMAP/ DWP Briefing/ Training events for staff. Policy Reviews Monthly audit of arrears cases.
Demand for Housing	Increase in refusals; failure to let properties within targets; increased voids; increased turnover; increased void rent loss; Increased repairs & Environmental costs	5	5	Director of Housing Services, Investment Manager	Analyse reason for low demand Allocation/Void Mgt/Estate Management Policies. Regeneration Activities. Planned Maintenance to improve houses. Hit Squad to improve the environment. Void meetings.	Analysis of lets. Demand analysis. Policy Reviews. Weekly void meetings. Queue purification. Stock Condition Survey. Increase Regeneration activities to enhance Neighbourhoods. Review planned investment. Develop other initiatives to increase demand.
Retirement Housing	poor tenant satisfaction; increased voids; demand	4	4	Director of Housing Services	Policies/procedures in place. Staff supervision/staff training. Tenant/staff consultations	Policy Reviews. Review Retirement Housing. Investigate MSFs for elderly.
Contractors Performance (Repairs/ng2)	Poor property condition; poor workmanship; reduced tenant satisfaction; increased costs/complaints; staff time on complaints; loss of reputation.	3	4	Director of Housing Services, Repairs Manager, Investment Manager	Target setting (KPI's) Tenant Satisfaction Surveys Pre/post inspections Policies/procedures. Repairs Meetings	Regular performance meetings, daily update from ng2 to Housing Services Team, Estate Inspections, Repair Post Inspections.
						4 x 4 =16
						4 x 4 =16
						2 x 4 = 8
						2 x 4 = 8

Contractors Performance (Projects/Maj or Works)	Poor contractor performance; Delays in completion of projects; poor workmanship; increased costs; lower satisfaction rates; loss of reputation. Unexpected circumstances (e.g. weather, contingency)	4	4	16	Director of Housing Services, Investment Manager	Procurement Policy. Framework Agreements. Tenant Satisfaction. Contract Reviews	Quarterly reports to Board Post project satisfaction surveys. Project Meetings. Site Review & Attendance Surveys. Quality Inspections.	2 x 2 = 4
Gas Safety Compliance	Failure to meet statutory obligations; increased costs; legal action; Change in engagement status with SHR	5	5	25	Director of Housing Services, Performance Manager	Gas Safety Registered Contractors. Policy/procedures. Audit process. Staff Training. Contractor Liaison Meetings.	Quarterly reports to Board. Contractor Liaison Meetings. Weekly 100% compliance audit carried out.	4 x 4 = 16
Financial loss due to failure to make appropriate insurance claims	Failure to notify insurers of incidents/potential claims Contractors' insurances are not up to date	3	4	12	Director of Housing Services, Investment Manager, Finance Manager	Insurance procedure Insurance training Review of insurance cover Contractor review and ensuring cover up to date and adequate Insurance broker consultation	Reconciliation of posted insurance repairs costs to claims in progress Review of claims reports from insurance companies	1 x 1 = 1
Fires within our stock	Reputational risk for the organisation, risk of insurance claims which could lead to increased premiums	3	3	9	Director of Housing Services, Housing Managers	Regular Fire Safety Checks in MSF Estate Management Checks by HO's Fire Prevention information in North News	Board will monitor Notifiable Events, all fires will be recorded as Notifiable Events.	2 x 2 = 4
Pandemic	Loss of income through rent, no houses being let. Reputational Risk of offices being closed	5	3	15	Director of Housing Services, Housing Managers	All office staff have the ability to work from home. Concierge on site 24 hours to deal with emergencies and provide a normal	Director of Housing and Housing Managers will monitor performance and adapt the service to suit the needs of the business continuously.	4 x 4 = 16

Dampness and Mould	Property deterioration, Poor living conditions can seriously affect tenant's health	5	5		25	Director of Housing Services, Repairs Manager, Investment Manager	service to tenants within the MSF. Offices remain open on an appointment basis. Service being provided as normal. Ensure properties are wind & watertight and of a high repair standard. Robust procedure in place to deal with damp and mould. Monitor property performance over a period of time, taking into account how the property should perform Awareness of how the tenant is living in the property	Collate information to analyse if there is a particular property type affected Investment Plan Programmed visits Allocation's Policy Policy/Procedure Reviews	4 x 4 = 16
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Risk Scoring for how likely and how severe:

- 1 Very Low
- 2 Low
- 3 Medium
- 4 High
- 5 Very High



Board Meeting For Noting

To: Board
From: Director of Housing Services

SUBJECT: NOTIFIABLE EVENTS

DATE 28 March 2023

1.	Introduction
	This report is to update the board on notifiable events that have been reported to the Scottish Housing Regulator since the last meeting.
2.	Notifiable Events
	<p>There has been one notifiable event reported to the Scottish Housing Regulator.</p> <p>On 16th March 2023, there was a fire in a takeaway in Saracen Street, which resulted in the full tenement close above being evacuated. [REDACTED]</p> <p>[REDACTED] SFRS advised that there was a wall in the shop that they would have to contact Building Control about, [REDACTED]</p> <p>[REDACTED] At 10.30pm – Building Control arrived on site and inspected the wall and advised that the building would have to remain empty pending a structural engineer visit the following day. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>The following day, the structural engineer visited and a Dangerous Building Notice was placed on the building, which meant that no one was able to access the property. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>The shop and the tenement have been secured and remain in the hands of building control. This also includes the dentist and the hairdressers below.</p> <p>Structural engineers are currently working on a temporary support design, which will also include a traffic and pedestrian management plan for the safety of residents and shop</p>

	<p>owners. This will be submitted to building control for approval and if approved, works will start.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
3.	Recommendation
	<p>Members are asked to note the notifiable event reported to the Scottish Housing Regulator.</p>



Board Meeting For Noting

To: Board
From: Director of Housing Services

SUBJECT: BENCHMARKING

DATE 28 March 2023

1.	Introduction
	<p>The Scottish Housing Regulator (SHR) collects a range of performance information from all landlords from the Annual Return on the Charter (ARC). The SHR uses this information to monitor and assess our performance against the Scottish Social Housing Charter and then produces a report about each landlord for tenants. This report details our performance in comparison to our peer landlords.</p>
2.	Comparison with Queens Cross, Maryhill and Wheatley Homes
	<p>The SHR's comparison tool allows us to compare our performance with other landlords. We have used this tool to compare our performance on a number of indicators with 3 other local Housing Associations - Queens Cross, Maryhill and Wheatley Homes, we have also noted our current targets (Appendix 1).</p> <p>Members will note that in our performance, the majority of the indicators compare favourably when comparing with the 3 Housing Associations.</p>
3.	Recommendation
	<p>Members are asked to note the comparisons with Queens Cross, Maryhill and Wheatley Homes and our performance in relation to these other Housing Associations.</p> <p>Based on an analysis of our current performance and the performance of others, we would propose to retain the majority of our targets, with the exception of disabled adaptations – which we would propose to extend to 30 days.</p>

Appendix 1

INDICATOR	Current Target	ng homes	Queens X	Maryhill	Wheatley Homes
SIZE	—	5,326	4,346	3,043	42,658
RENTAL INCOME	—	£23,894,760	£20,207,957	£12,123,328	£192,685,126
RENT INCREASE	—	2.9%	2.9%	3.6%	1.9%
AVERAGE WEEKLY 3APT RENT	—	£91.94	£87.53	£88.05	£89.63
EMERGENCY REPAIRS	24 hrs	3 hrs	1.3 hrs	2.5 hrs	3.1 hrs
NON EMERGENCY REPAIRS	5 days	5.6 days	4.5 days	5.5 days	8.1 days
REPAIRS COMPLETED FIRST TIME	90%	91.9%	98.9%	65.5%	91%
PROPERTIES MEETING SHQS	—	66.1%	40.6%	72.7%	89.7%
VOID RENTAL LOSS	0.7%	0.5%	0.8%	0.9%	0.6%
AVERAGE DAYS TO LET	25 days	18.1 days	31.8 days	2.83 days	23.5 days
TENANT SATISFACTION:					
OVERALL SERVICE	90%	94.8%	81%	73.5%	87.6%
REPAIRS SERVICE	90%	78.8%	84.8%	71.2%	88.8%
BEING KEPT INFORMED	90%	89.2%	86.9%	78.4%	88.2%
PARTICIPATE IN DECISION MAKING	90%	92.3%	76.5%	68.6%	80.1%

Board Meeting For Noting

To: Board
From: Directorate

SUBJECT: SHR ENGAGEMENT PLAN MEETING **DATE:** 28 March 2023

1.	Introduction
	<p>The Scottish Housing Regulator (SHR) publishes an engagement plan for every social landlord in Scotland. This follows an annual meeting between Housing Associations and the Regulator to discuss progress with the Business Plan and risks to the Association. In preparation of the 2023 Engagement Plan, ng homes met with the Regulator on Monday 12 December 2022. The agenda is attached as an appendix.</p> <p>In attendance from the SHR was [REDACTED]</p> <p>[REDACTED]</p> <p>In attendance from ng homes was John Devine (CEO), Bob Hartness (Deputy CEO), Tony Sweeney (Director of Corporate Services), Lynne Cooper (Director of Housing Services), Angela Bell (Deputy Director of Property Services) and Karin Sherriff (Deputy Director of Finance).</p> <p>CEO explained at the meeting the reason for having so many ng homes employees present at the meeting was for experience and succession planning. A summary of what was discussed at the meeting is set out in this report.</p>
2.	Finance
	<p>BH covered the following:</p> <ul style="list-style-type: none"> challenges regarding the rent freeze, cost of living crisis, increase costs, etc however it was made clear to ng homes the SHR had no financial concerns regarding ng homes. The Associations current financial position – cash flow, debt per unit, loans, funding There are no other developments planned for the near future. Ongoing discussions with Scottish and local government to bring various units back into operation as part of the support for Ukrainian refugees and levelling up projects. Work on the projects to put ASHP into the multi store blocks is nearing completion. Other works continue and the project is expected to run for another year.

3.	Affordability
	<ul style="list-style-type: none"> • Rent consultation - 6%, 7% and 8% and the results from the SFHA affordability model. • Additional costs the Association are facing (A minimum of £1.5m).
4.	Value for Money
	<ul style="list-style-type: none"> • ng homes undertake procurement in excess of £5m per annum and as such require to have a separate Procurement Strategy. • ng homes' combined 'Value for Money (VfM) and Procurement Strategy' document and the separate Procurement Strategy, which is reviewed annually, have been independently audited and found to be robust. • The Procurement Regulations were followed in the appointment of contractors and consultants to ensure VfM was achieved. High value works and services above the thresholds set by the procurement regulations are advertised on Public Contracts Scotland or 'called off' from national frameworks. • The Association establish both Measured Term Contracts and Framework looking at both quality and price. We have Measured Term Contracts for our compliance works to ensure single point responsibility. With other works we either call off from our framework or have a mini competition where we assess the tender costs only as the quality has already been determined at the point of procurement. Under the procurement regulations, we can make a direct award to ng2 as a wholly owned subsidiary without the requirement for public procurement. • Controlling costs and getting the best quality of services from all our contractors, suppliers and staff. • Difficulties over the last year due to the cost-of-living crisis, shortages of experienced contractors and staff, and supply chain issues. • Future major contracts over the next year may not yield savings as contractors cannot risk pricing too low along with a significant reduction in the number of contractors in some areas and even those who do remain are having staffing issues. • For utilities the cost increases are excessive with rates up three times or more. • cost increases will be moderated as much as possible but this feeds into the asset management programmes. Some areas are governed by regulation and legislation and cannot be delayed. • Other areas will look at the timing of when the work is done. Delaying investment is not a viable policy in the long term and other non-core areas will be getting reviewed for savings. The aim is to limit the rent increase as much as possible to reduce the pressure on tenants household budgets.

5.	Services to Tenants
	<p>LC covered the following:</p> <ul style="list-style-type: none"> • Increase in engagement with tenants since covid restrictions have lifted - offices are open on an appointment only basis but we would not turn someone away if they turned up without an appointment. • Staff continue to work on a hybrid basis. A recent customer survey saw 219 returns and the response was that customers are happy with how we are engaging with them. The Association has no plans to rush into a permanent position on hybrid working. • The next tenant consultation will include questions to get to know our tenants better such as how they heat their homes, travel, etc. Consultation includes invitations to consultation meetings, text messaging, phonecalls. We want to be able to offer other services so knowing what our tenants need will help shape that. • We offer free contents insurance to tenants over 60 or disabled. • We offer food, energy and furniture support. • We continue to work with local partners such as the Baby Food Bank and run local events. • We are also involved in active travel and have successfully been awarded £250k for bike sheds at the multi-storey blocks and for tools to have inmates at Barlinnie Prison repair bikes, give them an MOT and re-distribute back into the community. • We continue to work on a 'Vulnerable Person Strategy' and progress the 'Poverty Charter'. Housing staff carry out annual visits which has resulted in vulnerable tenants being identified. • Vulnerability is underpinned by IoT and the digital strategy and we currently have City Fibre and Openreach installing cables to increase the number of options of broadband providers to many of our properties. <p>AB covered the following:</p> <ul style="list-style-type: none"> • Health and Safety - both strategic and operational documents are continually reviewed. Due to recent tragic events we are also looking more closely at mould and dampness • ACS Physical Risk Ltd, our independent risk assessors, are currently undertaking a comprehensive review of all aspects of health and safety and are preparing an overarching Health and Safety policy for ng homes. • Internally we are working on a gap analysis of any outstanding policy areas for H&S internally and the impact on staff and offices as well as the external environment and how that affects buildings and tenants.

6.	Governance
	<p>TS covered the following:</p> <ul style="list-style-type: none"> • Board Recruitment – the success of the exercise we conducted previously and the confirmation of the four Co-optees as Board members at the September 2022 AGM and how this links into Board succession Planning. • The 2022 Annual Assurance Statement and the process the Association followed. • Board and staff Strategy Days (Business Planning). • Board Members learning and development including Board Induction for new members • Board Training Plan – provided examples of the wide range of topics covered. • Board CIH Membership – outlined the benefits for those Board members who are eligible (all eligible members have joined). • The Board Appraisal and Individual Board Member Reviews underway for this year. • Feedback on the Customer Service Excellence Review that took place on 7 December. • Information on the upcoming Investors in People assessments scheduled to take place early in 2023. • Plans for the full re-opening of the offices post the COVID-19 pandemic.
7.	Development
	<p>AB covered the following:</p> <ul style="list-style-type: none"> • ng homes first new build in over 12 years with a contract value of circa £ 8.2M had been completed in January this year with 49 units, 28 for social rent and 21 for mid-market rent. All flats are fully tenanted and negotiations with G1 group, licenced grocers are ongoing over the lease for the ground floor commercial unit. • Only future planned new build is on our gap site at Ashfield / Crowhill with 24 units for social rent. • The SDFP submitted to GCC last year 2022/23 - 2026/27 confirmed the following spend: <ul style="list-style-type: none"> ○ 22/23 - £1.4m ○ 23/24 - £3.1 m ○ 24/25 - £0.3 m • The previously reported total development costs were circa £4.8m. GCC has not requested an updated SDFP this year but this the anticipated site start and total development costs would require to be updated due to the challenges brought by the increase in material and labour costs and the impending rent freeze.

	<p>JD gave update on:</p> <ul style="list-style-type: none"> • £4.7M Bid to bring properties up to standard for Ukrainian refugees • Levelling up bid - £4.87m • Abbeyfield House • Saracen House
8.	Priorities in current environment
	<p>AB gave an update on:</p> <ul style="list-style-type: none"> • The review and re-write of the Asset Management Strategy (AMS) by M-Four Consultants, part of the McDermott Group and what is involved. <p>JD gave update on:</p> <ul style="list-style-type: none"> • KBR programme • ng3
9.	Recommendation
	Members are asked to note this report.

Agenda

Meeting: North Glasgow Housing Association

Date: 12 December 2022

Time: 14:00 hrs

Attendees: North Glasgow HA –

SHR – [REDACTED]

1. Welcome & Introductions
2. Update from Glasgow North on Business Plan and risks: <ul style="list-style-type: none">• Finance• Affordability• Value for money• Services to tenants• Governance• Development
4. Priorities in current environment
5. AOB

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED ng2 BOARD ATTENDANCE 2022-23

	06.12. 22	14.02. 23								
M Thomson	P	P								
I Cross	P	P								
J Berrington	A	P								
G Satti	P	P								
J Thorburn	A	P								
P Nelson	A	A								
B Hartness	P	P								
% Total	57%	86%								

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

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 71%



ng2 Board Meeting Minutes

Meeting:	ng2 Board meeting	Location:	Microsoft Teams
Date:	Tuesday 14 February 2023	Time:	4:00pm
Attendees:	John Thorburn Isabella Cross Margaret Thomson Gino Satti Jim Berrington	JT IC MT GS JB	
Apologies:	Paul Nelson	PN	Chair
In Attendance:	Bob Hartness David McIntyre	RH DM	Director Senior Operations Supervisor
Minute Taker:	Joanne Bradley	JPB	OS

	Agenda	Action	Date
1.	Apologies		
	PN sent apologies and has arranged a leave of absence. It was agreed that a quorum had been achieved despite IT issues affecting MS Teams, and that the meeting would go ahead with RH chairing the meeting		
2.	Disclosure of Interest and Attendance		
	None		
3.	Minutes for Approval		
a.	Minutes of Board Meeting on 6th December 2022		
	There were no matters arising and the previous minutes were adopted as correct: Proposed MT Seconded IC		

4.	Reports for Approval		
a.	Management Accounts to 31st December 2022		
	<p>RH highlighted that this set of accounts was “more normal” as far as activity levels are concerned. No smoke detectors were purchased for the Association in the period (materials supply only). Gross profit is down as this is activity led.</p> <p>Areas are profitable, with the garden maintenance contract under review due to the cost increases over the last 2 years. This is especially the case for vehicles as we still at present need to hire vehicles to supplement our own fleet to accommodate short term requirements. A significant rate increase for hires is going to take effect on 1/3/2023. Looking at acquiring more vehicles.</p> <p>Purchase of plant and machinery has increased due to the refreshing of the machinery for garden maintenance contract. Further purchases may be made before 31/3/23 when the super 130% capital expenditure allowance level ends.</p> <p>£41k net profit was achieved in the period before Corporation Tax.</p> <p>Balance Sheet position is acceptable, and the organisation is holding significant reserves. It is unlikely that there will be a Gift Aid donation for the period as the Super Capex allowance remains in effect and will allow for further investment in the fleet, resulting in the need for fewer hired vehicles.</p> <p>The Board enquired as to the monetary impact of the bulk uplift and fly tipping that has been prominent since the pandemic began.</p> <p>DM confirmed that this would be covered within the Operations report and that he and RH were working on costing for provision of bulk service to the Association.</p> <p>The Management Accounts for the period were approved</p>		

	by the Board.		
	Proposed JT Seconded MT		
b.	Business Plan		
	<p>The plan will be presented to the NGHHA Board in March 2023. The forecasting is based on a more normal year with no new activities being undertaken. A standstill year is expected, with a moderate surplus.</p> <p>JT pointed out that this plan is subject to approval by the main board and asked when ng2 report/seek approval from the Association about activities for the following year. RH pointed out that there is no reason to believe change is coming at the moment but that the principle would be that ng2 staff would TUPE over to any organisation taking over their function.</p> <p>GS enquired as to whether ng2 were able to offer services to other clients and RH confirmed this was the case however the Association have input on this if there is seen to be a potential effect on service. GS suggested that this should be considered if there was benefit to be gained by either creating employment or profitability</p> <p>Approval of the submission was recommended</p> <p>Proposed GS Seconded JT</p>		
c.	Additional Public Holiday		
	<p>A public holiday has been granted on 8th May 2023 for the Coronation of HM King Charles II. Approval of proposal of closure of ng2 office on this day was proposed.</p> <p>The Board approved the office closure</p> <p>Proposed JT Seconded IC</p>		
d.	Health & Safety		
	<p>Health and Safety continues to be high priority for ng2, and staff are encouraged to report all incidents, including near misses.</p> <p>There were three incidents in the period however these were not</p>		

	<p>classed as reportable. No accidents have occurred in the period and no days have been lost due to accidents at work.</p> <p>The report was approved by the Board.</p> <p>Proposed GS Seconded MT</p>		
e.	Risk Register		
	<p>Risk Register was distributed by DM after discussion with RH and JB.</p> <p>The report was approved by the Board.</p> <p>Proposed IC Seconded MT</p>		
f.	Financial Regulations Update		
	<p>Some wording changes have been applied to the policy i.e., CEO has now been replaced by "Director" and the grammar has been cleaned up slightly however the remainder of the document remains unchanged.</p> <p>The report was approved by the Board.</p> <p>Proposed GS Seconded JT</p>		
5.	For Ratification		
a.	Payments & Benefit Case # 148		
	<p>Approval was sought to appoint [REDACTED] as [REDACTED] [REDACTED] [REDACTED] successfully completed the internal application/interview process</p> <p>The case was approved by the Board and ratified.</p> <p>Proposed GS Seconded JT</p>		
b.	Payments & Benefit Case # 150		
	<p>Approval was sought to appoint [REDACTED] [REDACTED] [REDACTED] successfully completed the external application/interview process</p>		

	The case was approved by the Board and ratified.		
	Proposed GS Seconded JT		
6.	Reports for Noting		
a.	Operational Report		
	<p>The landscaping contract continues to be ng2's largest contract. Recruitment and retention issues continue to make delivery of this contract challenging in addition to the sharp rise in the cost of delivery. Ways of working are under review with a view to improving the processes and systems to optimise outcomes for the Association and their residents.</p> <p>Purchase of 6-7 vehicles being considered to get rid of the need for hired vehicles. Also, a budget of around £35k for two jet washing machines being considered.</p> <p>In response to an enquiry DM/RH confirmed that if a bin washing service was desirable to the client, then ng2 could undertake a feasibility study and supply costs for a service.</p> <p>MT commented that leaves on footway and carriageways are out of hand however this is the responsibility of GCC; not ng2.</p> <p>The Environmental Hit Squad continue to face increased workload due to fly tipping. This situation continues to be monitored and a further update will be given at the next meeting. It has been necessary to do this work as overtime due to sheer volume, in order to prevent failures in the delivery of normal service. GS observed that bulk uplift service now seems to be a prominent one and requested that a report be prepared for future Board meetings and added to the For Approval section.</p> <p>An analysis of bulk uplift is to be presented to the Association in order to help evaluate the cost levels across the estate. The garden maintenance team are currently being used to carry out bulk uplifts while in the "off-season" period.</p> <p>The Board confirmed that they had read and noted the contents of the report and Appendix 1.</p>	<p>DM</p> <p>DM</p>	<p>ASAP</p> <p>ASAP</p>
b.	Staffing Report		

	<p>ng2's current sickness rate for the period was below the target of 3%, at 2.2%. Seventy-five per cent of staff had perfect attendance and twelve qualified to receive their no sickness reward.</p> <p>Training has continued throughout the period.</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		
	<p>Date of next meeting was confirmed as</p> <p>Tuesday 13th June 2023 at 4pm</p>		

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED AUDIT COMMITTEE ATTENDANCE 2022-23

	17.11.22	16.02.23						
J Berrington	P	P						
J Thorburn	P	P						
C Rossine	P	P						
P Nelson	A	A						
G Satti	P	P						
M Grimley	P	P						
% Total	83%	83%						

P - PRESENT

A - APOLOGIES

X - ABSCENT

A* - LEAVE OF ABSENCE

AVERAGE ATTENDANCE - 80%

TARGET ATTENDANCE - 80%

Audit Committee Minutes

Meeting:	Audit Committee Meeting	Location:	The Ron Davey Enterprise Centre / Microsoft Teams
Date:	16 February 2023	Time:	4.00pm
Attendees:	J Berrington – JB C Rossine – CR M Grimley – MG		G Satti – GS J Thorburn – JT
Apologies:	P Nelson		
In Attendance:	R Hartness – RH (DCEO) K Sherriff – KS (ADF)		

	Agenda	Action	Date
1.	Apologies		
	As above.		
2.	Disclosure of Interest and Attendance		
	No interests disclosed.		
3.	Minutes of Meeting – 17th November 2022		
	Minutes were approved as a true and accurate record.		
	Proposed CR Seconded JT		
4.	For Approval		
(a)	Management accounts NGHA – period to 31st December 2022		
	KS gave summary of report for period to 31st December 2022. Deficit of £722k for the period with majority of positive variance over budget arising from underspend on planned maintenance and increased rental income being over budget. Main negative variance due to lower level of capitalisation of planned maintenance spend. Bank balances moving down from £21.8m to £20.4m. Loans moving upwards from £41.5m to £41.8m. Approved GS Seconded JT		

(b)	Management accounts – NG2 – period to 31st December 2022		
	<p>RH referred to report covering the period to 31st December 2022 detailing Income and Expenditure of the company and the balance sheet position.</p> <p>The income from activities amounted to £2.36m with £414k of direct costs and £1.49m of wages with a profit of £458k. Other income of £3k from the furlough scheme then produced a gross profit of £461k. Overheads of £399k for the period then left a net profit of £62k before tax and gift aid of £20k. Balance sheet position of reserves of £866k.</p> <p>Discussion over increasing rates for hiring vehicles. Looking at acquiring more vehicles particularly with super capital allowances rate of 130% ending at 31 March 2023.</p> <p>Proposed JT Seconded CR</p>		
(c)	Management accounts - NGPS – period to 31st December 2022		
	<p>KS referred to report covering the period to 31st December 2022 detailing Income and Expenditure of the company and the balance sheet position. Noted that:</p> <ul style="list-style-type: none"> ○ Factoring income of £573k in the period with £403k of costs. ○ Gross profit of £170k with £155k of salaries and overheads leaving a £15k profit for the period before tax. ○ Level of share capital and reserves at period end £208k. Intercompany balance £179k owed by the Association to NGPS. ○ Gross arrears level including the March 22 factoring run at £216k. <p>After discussion, the management accounts were recommended for approval to the Board and the Board of NGPS.</p> <p>Proposed GS Seconded CR</p>		

(d)	Management accounts –DSGL – period to 31st December 2022		
	<p>RH referred to the management accounts for the period to 31st December 2022. The turnover in the period was £15k.</p> <p>Overheads amounted to £5,738, interest charged from NGHHA amounted to £418 and corporation tax charge of £2,321 leading to a profit after tax of £6,523. Reserves now amount to £58k.</p> <p>After discussion, the management accounts were recommended for approval to the Board and the Board of DSGL.</p> <p>Proposed JT Seconded GS</p>		
(e)	Risk register review – Property Services		
	<p>Risk registers for Property Services presented to the Committee. Comment made on:</p> <ul style="list-style-type: none"> - Members felt that a list of abbreviations may need to be listed as not familiar with some of the terms. - Items previously reported to Area Committee will need to be updated. - Does Brexit/Covid-19 point need updated. No longer doing monthly reports to SHR. Maybe need amended to Pandemic and wording changed to what would happen rather than what happened during Covid 19. <p>Proposed GS Seconded CR</p>		
(f)	Internal Audit Report – Budgetary Control		
	<p>RH referred to the report done by Quinn Internal Audit. There were no points that were raised by the Internal Auditors for members to review.</p> <p>Proposed CR Seconded JT</p>		
(g)	External Audit Tender		

	<p>The external audit had been put out for tender as indicated at the AGM. The tender was placed on the Public Contracts Scotland website.</p> <p>There were expressions of interest put in from four firms but only one submission was received from the incumbent auditors Wylie & Bisset. This is becoming not unusual as there have been various reports in England and here that auditors are having difficulty in retaining staff. That applies particularly in niche areas such as regulated sectors. As a result, firms are not tendering for new business unless they feel they have a good chance of success and an appropriate price that fully covers their costs.</p> <p>The submission was checked for quality and price and found to be acceptable. Proposed that Wylie & Bisset be appointed as external auditors to the group.</p> <p>Proposed JT Seconded MR</p>		
5.	For Noting		
(a)	Loans Report – 31st December 2022		
	<p>RH referred to report providing details of the loan portfolio as at 31st December 2022 and the rates of interest currently being paid.</p> <p>Loans amounted to £41.8m at end of quarter. Loan increased from the start of the year with receipt of £1.9m from Energy Savings Trust but being balanced by increasing level of repayments. Loans ended the quarter at 68.17% fixed and 31.83% variable. Average interest rate 3.30% and loan covenant ratios being met.</p> <p>Committee noted report and that the loan portfolio is within the Association's borrowing limits.</p>		
(b)	Investment Report – 31st December 2022		
	<p>KS referred to report providing details of investments made and interest received for the quarter to 31st December 2022. Total of £55K was received in the quarter with interest rates increasing.</p>		

	<p>Ongoing review of interest rates and accounts to ensure we get a good return, and that institution is financially secure. Need to look at placing more funds with other institutions than main bankers.</p> <p>Committee noted the report.</p>		
(c)	Bad debt report		
	<p>KS referred to the bad debt report for the period November to December 2022. There was no bad debt write offs in the period as a review of write off procedures is currently being done.</p> <p>Committee noted the general report.</p>		
6.	AOCB		
	No matters raised.		
7.	Date of Next Meeting		
	<p>Date of next scheduled Audit Sub-Committee Meeting – 22nd June.</p> <p>Possibly looking to bring that forward to 1st June.</p>		

ng PROPERTY LIMITED BOARD ATTENDANCE 2022-23

	16.11.22	22.02.23							
C Rossine	P	P							
J Thorburn	P	P							
I Munro	P	P							
P Miller	P	A							
J Berrington	P	A							
G Satti	P	P							
L Cooper	P	P							
B Hartness	P	P							
C Baird	A	A							
% Total	89%	67%							

P - PRESENT

A - APOLOGIES

X - ABSENT

A* - LEAVE OF ABSENCE GRANTED

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 78%



Board Meeting Minutes

Meeting:	NGPS Board	Location:	The Ron Davey Enterprise Centre / Microsoft Teams
Date:	22 February 2023	Time:	4.00pm
Attendees:	C Rossine J Thorburn I Munro		R Hartness – BH G Satti (Chair) L Cooper
Apologies:	C Baird, P Miller, J Berrington		
Present	-		
Minute Taker:	R Hartness (BH)		

	Agenda	Action	Date
1.	Apologies		
	As above		
2 a	Disclosure of Interest and Attendance		
	No declarations of interest were made.		
3.	Minutes of Meeting 16th November 2022		
	Minutes were agreed as an accurate record.		
	Proposed: C Rossine Seconded: J Thorburn		
4.	Reports for Approval		
(a)	Management Accounts - period to 31st December 2022		
	<p>Information from the management accounts for the period to 31st December 2022 was reviewed. Noted that:</p> <ul style="list-style-type: none">o Factoring income of £573k in the period with £403k of costs.o Gross profit of £170k with £155k of salaries and overheads leaving a £15k profit for the period before tax.o Level of share capital and reserves at period end £208k. <p>Intercompany balance £179k owed by the Association to NGPS.</p> <ul style="list-style-type: none">o Gross arrears level including the March 22 factoring run at £216k. <p>Question over commercial unit and where it would be dealt with. Will deal with that within Association as minor levels of commercial activity can be done.</p>		

	Proposed I Munro Seconded J Thorburn		
(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. Comments on register included:</p> <ul style="list-style-type: none"> - Change point on Covid 19 to Pandemic - To consider risks re commercial units <p>Changes will be implemented and risk register brought back to the next meeting.</p> <p>Proposed Seconded J Thorburn</p>		
(c)	Budget – Year to 31 March 2024		
	<p>The budget was discussed and BH advised that the following was considered in drawing up the 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>It was proposed that the standard management charge will increase from £40 to £42. It was proposed that the standard insurance charge be increased from £56.69 to £59.52 per quarter We are awaiting the results of the insurance renewal and the insurance premium may change. The revised insurance premium will be communicated to the owners once we know the number based on the renewal.</p> <p>MMR is a new activity for the company in the past year. An estimate of £154k has been projected for mid-market rent (MMR) and £139k costs for the year for the units at Keppochill. After the initial voids and set up costs it is now expected that a greater margin will be made in 2023/24 and later years.</p> <p>One member raised objections to the management charge increase as felt that the services were not being fully provided. In relation to the insurance charge queried whether charge will be broken up to reflect</p>		

	<p>property size. This will be considered.</p> <p>The Board were asked to approval the above the budget for the year to March 2024.</p> <p>Proposed C Rossine Seconded I Munro</p>		
(d)	Business plan – Year to 31 March 2024		
	<p>The Business Plan for the year to March 2024 was discussed and focused on:</p> <p>Factoring – charges to cover the cost of managing the service Repairs & Services – Carried out effectively and economically Efficiency/VFM – Best use made of resources 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>A surplus for 2023/24 of £25K after tax is projected. The balance sheet reserves are projected to be £242k at March 2024.</p> <p>After discussion the Board were asked to approve the draft Business Plan for 2023/24</p> <p>The Business Plan will go the parent Board for approval then back to NGPS Board for full approval.</p> <p>Proposed C Rossine Seconded I Munro</p>		
(e)	Factoring debt recovery policy		
	<p>Policy was due for review. The policy has been updated to bring it up to current requirements. This included confirmation that costs of putting in place Notices of Liability will be recharged and that change interest rate on late balances from a fixed percentage to 3% above base rate.</p> <p>Clarification given on the sequence of the arrears process. Confirmation that legal fees will be recharged to individual accounts subject to any reallocation at Court decree stage.</p> <p>Board asked to approve the updated policy.</p>		

	Proposed I Munro Seconded C Rossine		
(f)	Factoring Management policy		
	<p>Policy was due for review. The policy has been updated to bring it up to current requirements.</p> <p>Board asked to approve the updated policy.</p> <p>Proposed J Thorburn Seconded C Rossine</p>		
(g)	Mid-Market rent increase and update		
	<p>Following on from previous reports on MMR.</p> <p>All twenty-one properties have now been let. To date there have been two voids. All the tenancy deposits have been transferred to Safe Deposit Scotland.</p> <p>The MMR units being private lets are covered by the legislation brought in by the Scottish Government to control rents and prevent evictions in the period to 31 March 2023. As our units were all let within the current year there is no immediate effect on our operations. As we now know the rent freeze was extended beyond 1 April 2023 as a maximum increase of 3% unless certain circumstances applied.</p> <p>As already approved by the Association Board a rent increase of 6% will be applied as of 1 April 2023. This will also include the MMR units we lease from the Association. The salary increase arising from the EVH/union agreement will be 5.25%. The overheads will be affected by all of the cost pressures that have affected the economy across the past year.</p> <p>So consideration of a rent increase is necessary taking the above into account. It is proposed that a flat rate increase is applied to all of the units of £15 per month. This represents a 2.45% increase to the one-bedroom properties currently on £610/month and a 2.38% increase to the two bedroom properties on £630/month. This keeps it within the 3% limit set by the Scottish Government but does provide a limited increase to balance the cost increases mentioned above. This would take effect</p>		

	<p>from 1 July 2023 as three month's notice must be given.</p> <p>Members discussed the rent increase. Questions re effect on new leases that were taken out in the last year. Clarified that rent increases can take effect as long as three months-notice is given.</p> <p>Proposed C Rossine Seconded J Thorburn</p>		
5.	Reports for Noting		
(a)	Factoring Report		
	<p>It was reported that the factoring arrears on 31st January 2023 was £79k. There was £16K of communal repairs added to the accounts during January 2023.</p> <p>It was noted that:</p> <ul style="list-style-type: none"> • There are 9 owners owing more than £2,000 and all of these have notices of potential liabilities over the property • 180 owners are currently on a payment plan <p>It was also noted that former owner's arrears are £2,049.</p> <p>There have been no referrals to the FTT.</p> <p>Update on investment works was given.</p> <p>An updated Statement of Services has to be sent out to all of the owners. A revised statement will be sent out to all owners by the end of the fourth quarter. This will include all of the required updates and amendments from comparison with other factoring bodies.</p> <p>A closer relationship will be established with the Property Services Department. This is to ensure that the contract and repair services that involve factoring owners fully take into account the requirements of the factoring act.</p> <p>Report noted.</p>		
(b)	Training report		

	<p>Staff attended the Factoring Conference in Central Hotel Glasgow in December. A report of the relevant points from the presentations was given and links provided to the presentations.</p> <p>Staff attended the SHARE training session on effective collection in Factoring.</p> <p>Report noted.</p>		
6.	AOCB		
	No points raised.		
7.	Date of Next Meeting		
	Next Meeting is scheduled for 12 th June		

'NORTH GLASGOW HOUSING ASSOCIATION LIMITED REGENERATION SUB- COMMITTEE ATTENDANCE 2022-23

	01.11.22	07.03.23							
J Berrington	P	P							
G Satti	P	P							
C Rossine	P	P							
J Thorburn	P	P							
P Nelson	A	A							
J Kennedy	A	A							
% Total	67%	67%							

P PRESENT
A APOLOGIES

X ABSENT
A* LEAVE OF ABSENCE GRANTED

TARGET ATTENDANCE - 80%

AVERAGE ATTENDANCE - 67%



Regeneration Committee Meeting Minutes

Meeting: Regeneration Committee **Location:** Saracen House

Date: Tuesday 7th March 2023 **Time:** 4.00pm

Attendees: J Berrington
C Rossine
J Thorburn (Chair)
G Satti

Apologies: Paul Nelson
Jim Kennedy

In Attendance: M Fraser (DDR) - MF
A Bell (DDPS) - AB
L Cooper (DHS) - LC
C Murray (PA) - CM

Minute Taker: C Bramham (SAC) - CB

	Agenda	Action	Date
1.	Apologies		
	As above		
2.	Declaration of Interest and Attendance		
	Apologies noted above		
3.	Minutes of the previous meeting – 1 November 2022		
	Members AGREED the minutes were an accurate record of the meeting. <u>Matters Arising</u> None Proposed C Rossine Seconded J Berrington		

4.	For Approval		
a.	Investment Risk Register		
	<p>AB presented the Property Services Risk Register. The only change made was amending references to the Regeneration Sub-Committee to Regeneration Committee.</p> <p>Members acknowledged that references to the Area Committee will need reviewed again once the Board agree the title and remit of the Area Committee fully.</p> <p>Members APPROVED the Investment Risk Register.</p> <p>Proposed J Berrington Seconded G Satti</p>		
b.	Regeneration Risk Register		
	<p>MF presented the Regeneration Risk register.</p> <p>No changes have been made to the existing policy.</p> <p>Members discussed and APPROVED the Regeneration Risk Register</p> <p>Proposed C Rossine Seconded J Berrington</p>		
c.	Development Handover Procedures Policy		
	<p>AB presented this policy</p> <p>No changes have been made to the existing policy.</p> <p>Members APPROVED the Development Handover Procedures Policy.</p> <p>Proposed G Satti Seconded C Rossine</p>		
d.	Abbeyfield House Tender Approval		
	<p>AB presented the tender from Morris & Spottiswood to carry out the conversion of Abbeyfield House to office accommodation.</p> <p>AB gave a description of the works, costs, and associated timescale for-the works. AB highlighted that having all Property Services staff under-one roof would promote better working practises and improve</p>		

	<p>communication and ultimately customer service.</p> <p>Member asked if there would be adequate parking to accommodate an additional 54 staff. AB advised that the planning condition will dictate parking and that; there is also ample nearby on-street parking.</p> <p>Members considered the proposal and APPROVED the tender from Morris & Spottiswood to carry out the conversion of Abbeyfield House to office accommodation [REDACTED]</p> <p>Proposed J Berrington Seconded G Satti</p>		
e.	MSF Emergency Fabric Repairs Tender Approval		
	<p>AB presented the report seeking approval to accept Balmore Specialist Contracts negotiated tender for the highly specialised emergency health and safety repair work to the following 11 multi-storey blocks:</p> <ul style="list-style-type: none"> • 178 Balgrahill Road • 198 Balgrayhill Road • 22 Viewpoint Place • 42 Viewpoint Place • 195 Fernbank Street • 12 Eccles Street • 15 Eccles Street • 53 Carbisdale Street • 9, 19 & 29 Carron Crescent <p>AB advised that several Category 5 emergency repair works have been identified and should be remedied as a matter of urgency for health and safety reasons.</p> <p>Members considered and APPROVED the acceptance of Balmore Specialist Contracts tender [REDACTED]</p> <p>Proposed G Satti Seconded C Rossine</p>		
f.	70 Broadholm Street – Lift Replacement – Budget Cost Approval		

	<p>AB presented the report seeking approval of a budget cost for the replacement of the lift at 70 Broadholm Street. AB outlined the rational for a lift replacement over lift refurbishment and highlighted the health and safety concerns in the event of a lift failure.</p> <p>Members were reassured there would be a coordinated effort between various teams within ng homes and that the tenants will be engaged with prior to the works starting and supported throughout the works.</p> <p>Members considered and APPROVED a budget cost of £123,000 (plus VAT of £24,600 amounting to £147,600) and allow a negotiated tender process to be undertaken and approved by the CEO.</p> <p>Proposed J Berrington Seconded G Satti</p>		
5.	Regeneration Committee Members Training		
	<p>AB commented that this standing item and is a reminder for Members to identify any training requirements.</p> <p>We are currently recruiting for the next Activate (Glasgow University Programme) which will be a daytime course and this is open to board members.</p>		
6.	AOCB		
	<p>Chair mentioned the Big Lunch, MF will contact the Eden Project for a date to be scheduled in May. To organise a community activity around this.</p> <p>MF advised a study visit has been organised for the 13th March 2023 with Cork and Glasgow universities.</p>		
7.	For Noting		
a.	Compliance Report		
	Members NOTED the report providing an update on progress with ongoing statutory and regulatory compliance works.		
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 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>AB highlighted section of 5 advising that following the launch of the new Scottish Government (SG) District Heating Support Unit ng homes has applied for grant funding for feasibility funding. If successful, this feasibility funding will support future phase developments of EESSH and Net Zero projects. This will enable ng homes to have shelf ready projects should future grant funding opportunities become available.</p>		
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 7multi-storey blocks in the Carron Estate.		
e.	Procurement Report		
	Members NOTED the report providing an update on progress technical procurements.		
f.	Regeneration Report		
	Members NOTED the report providing an update on progress across a range of regeneration initiatives.		
g.	Active Travel Grant		
	Members NOTED the report providing an update on the progress of the Active Travel/Biking project.		
8.	Date of Next Meeting Tuesday 2 May 2023		
	Meeting concluded at 16:45		



ng homes commended on hosting the first Community Improvement District in the UK.

(left to right) John Devine, CEO, ng homes; Phil Prentice, CEO, Scotland's Towns Partnerships;
Tom Arthur MSP, Minister for Public Finance, Planning and Community Wealth at Scottish Parliament.

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