

Tuesday 17 March 2026
5pm



ng homes

BOARD MEETING

The Ron Davey Enterprise Centre





AGENDA

Meeting: Board Meeting **Invitees** Board

Location: The Ron Davey Enterprise Centre,
10 Vulcan St

Date Tuesday 17 March 2026

Time 5.00pm

Please submit any apologies to Aileen Whiteford

Email: awhiteford@nghomes.net **Telephone:** 0141 630 4266

	Agenda	Paper	Lead Officer	Page Number
1.	Apologies			
2.	Declaration of Interest and Attendance			5
3.	Minutes of the Previous Meeting			
a.	Minutes of Board Meeting on 3 February 2026 i) Matters Arising			7
4.	For Approval			
a.	Management Accounts Q3	Yes	BH	15
b.	NGHA Budget	Yes	BH	25
c.	Strategic Risk Register	Yes	BH	35
d.	CEO Role Description	Yes	TS	45
e.	Strategy and Development Funding Plan (SDFP)	Yes	BH	101
f.	DSGL Business Plan and Budget 2026/27	Yes	BH	105
g.	Membership Application	Yes	TS	115
5.	For Discussion			
a.	Reconvening the Board Working Group to address Board Succession Planning (a copy of the current SHR Engagement Plan is enclosed to inform the discussion)	Verbal	TS	-
6.	Updates from Chairs of Committees/Subsidiaries			
a.	Audit, Risk & Compliance Committee Meeting on 12 February 2026	Verbal	JT	-
b.	ng2 Board meeting on 17 February 2026	Verbal	GS	-

c.	Finance, Performance & Risk Committee on 26 February 2026	Verbal	GS	-
7.	Chief Executive's Update	Verbal	CEO	
8.	Chairs' Remarks	Verbal	Chair	
9.	Delegates Feedback	Verbal		
10.	AOCB			
11.	Date of the Next Meeting – 29 April 2026			

Enclosures

Engagement Plan

Minutes of Committees and Subsidiaries – available to view on SharePoint:



Board Meeting Minutes

Meeting: Board Meeting **Location:** The Ron Davey Enterprise Centre

Date: 3 February 2026 **Time:** 5.00pm

Attendees: C Rossine (Chair)
G Satti
J Thorburn (virtual)
C Cook (virtual)
A Gow(virtual)
J MacLeod

Apologies: J Berrington, F Malcolm, J Kennedy, J Devine

In Attendance: B Hartness (DCEO) BH, L Cooper (DHS) LC,
T Sweeney (DCS) TS, H Lovatt, (H&S Mgr) HL (left after Item 4(a))

Minute Taker: A Whiteford (SCSO)

	Agenda	Action	Date
1.	Apologies		
	As above.		
2.	Declaration of Interest and Attendance		
	As above. The Board agreed that J Berrington be granted a leave of absence for the next 2 meetings and then this would be reviewed. Proposed J Thorburn Seconded J MacLeod		
3.	Minutes of the Previous Meeting		
a.	Minutes of Board Meeting on 4 December 2025		
	Board AGREED the minutes were an accurate record of the meeting.		

	<p>Proposed A Gow Seconded C Cook</p> <p>i) Matters Arising None.</p>		
<p>4.</p>	<p>For Approval</p>		
<p>a.</p>	<p>Health and Safety Policy</p>		
	<p>HL presented the report regarding the Health and Safety Policy which has been prepared to support the Association’s approach to strong health and safety management, best practice, and compliance with the Health and Safety at Work Act 1974. The policy is due for annual review in compliance with HSE recommendations.</p> <p>HL confirmed that there are no material changes or changes in organisational structure or legislation which require any amendments to the Association’s Health and Safety Policy.</p> <p>Member referred to HL’s reference to there being no changes in organisational structure which require any amendments to the policy and queried whether there would be any changes required as a result of the Housing Services restructure. HL advised that once the restructure has taken place training will be carried out if required but the roles in the policy are generic roles for Directors, Heads of Service, Managers etc and the roles will remain the same. Refresher training will also take place.</p> <p>Member queried what the current position is with the restructure and LC advised that the Housing Managers have been appointed and interviews took place for the Project Officer today. Housing Assistant positions have been filled externally and are now in post. Housing Officers are being looked at in terms of their skillset and it is hoped the restructure will be complete by the end of March.</p> <p>Members APPROVED the Health and Safety Policy.</p> <p>Proposed J MacLeod Seconded J Thorburn</p>		

b.	Rent Increase Consultation Results		
	<p>LC presented the report seeking approval from the Board for the Rent and Service Charge increase for 2026/27 which includes information on the tenant rent consultation. Members noted that at the close of the consultation we had engaged with 2,832 tenants which is a 54.9% return (our highest engagement to date) and that the majority of our tenants who took part have voted to increase the rent by 6%.</p> <p>Various methods were used to engage with tenants including Wider Role (who spoke to 46% of the respondents) to ensure as many people as possible were contacted and LC gave full credit to the teams for all their hard work in trying to get in touch with tenants during difficult times.</p> <p>Member congratulated LC and the teams for exceeding the percentage achieved last year of 52.45%.</p> <p>Member commented that he has heard that tenants don't want to engage because they think we are just going to put the rent up anyway but ng homes put in a lot of time conducting the survey and it is actually the Board who decide what the rent increase will be, not the staff. He queried whether the report would be uploaded to the website or an article placed in North News to show the results of the engagement. LC confirmed that information on the consultation will be publicised before April in some way (possibly via the use of CX Feedback) and will include information on how people voted. We will also publicise that tenants who responded were entered into a prize draw and 6 tenants won vouchers.</p> <p>Members considered the contents of the report and the rent increase amount which would be required taking into account factors such as increased costs, salaries, legislation etc and what tenants can afford to pay and AGREED the rent increase for 2026/2027 to be 6%.</p> <p>Proposed J Thorburn Seconded G Satti</p>		

c.	Policy Calendar Review		
	<p>TS presented the report seeking approval from the Board for a change to the timescale for policy revisions which was previously discussed at the Board Strategy and Training Event in October last year. The change was proposed to free up staff time and relieve pressure.</p> <p>The discussions at the Board event did not take into account the distinction between the more general operational policies and governance policies which are currently reviewed on a 2 year cycle. TS clarified that it is proposed to change the review cycle for governance policies to every 3 years.</p> <p>Therefore the review period for general policies will change from 3 years to 5 years and governance policies will change from 2 years to 3 years.</p> <p>TS drew attention to the caveat that the policy will still be reviewed earlier if required in line with regulatory or legislative changes or good practice guidelines so that all policies reflect the up to date position. Member commented that it is good to see the caveat within the report and that any issues which come up will be brought to the Board for discussion.</p> <p>Member asked for a sense of the numbers of policies which would be affected by the change to 5 years and was advised that it would affect the majority of the of policies. There are currently 81 policies, however many of these, 33, are operational and would now be approved by the CEO and Directorate and the remainder would be approved by the Committees or the Board. Approximately 20 would come to the Board on a 5 year review cycle in addition to the 11 governance policies which would change to a 3 year review. The extension to the review periods would allow the Board to spend more time on strategic issues which is in line with the governance review undertaken as a result of SHR's engagement with ng homes.</p> <p>Members APPROVED the change to the Association's policy review schedule as detailed within the report.</p>		

	Proposed G Satti Seconded J Thorburn		
5.	For Ratification		
	<p>LC presented Payment and Benefits Case No 175 which relates to the allocation of a tenancy to a member of staff.</p> <p>Members APPROVED the tenancy allocation.</p> <p>Proposed J Thorburn Seconded G Satti</p>		
6.	Updates from Chairs of Committees/Subsidiaries		
a.	NGPS Board Meeting on 17 December 2025		
	JT reported on the above meeting which he said was a standard meeting which was not particularly long and they discussed the usual item including the accounts, MMR, shared costs etc.		
b.	Finance, Performance and Resources Committee		
	<p>GS advised the Board that he has invited the Chair of the Board to sit on the FPR Committee throughout 2026 while the Board Working Group explores recruitment for the Board and Committees.</p> <p>Members considered and APPROVED the appointment of CR to the FRP Committee.</p> <p>Proposed J Thorburn Seconded J MacLeod</p>		
7.	Chief Executive's Update		
	<p>BH provided an update in the absence of the CEO. He commented that today's agenda is slightly lighter than in previous year's in order to allow the Board greater time to discuss more strategic papers and provide a more strategic focus. He listed some of the areas that staff are currently working on outside of the normal Housing and Finance issues as follows:</p> <p>Cyber Security</p> <p>BH gave an up update on the new software which is being installed involving cloud servers which will provide enhanced protection from cyber security threats. This will be in place in a few month's time and BH will invite the IT Consultant to the next ARC Committee to speak to them about this.</p>		

Awaab's Law

This legislation is coming into effect in October 2026 and we are currently endeavouring to get ahead of the legislation. As part of this we have a funding deal with the City Council for damp and mould sensors in over 90% of our properties. We are aiming to place 3500 sensors by the end of March and so far we have placed 2000 sensors in 950 properties so we are on target.

BH attended a GWSF session on damp today with over 60 Associations attending including Wheatley who have over 60,000 units but only 10 cases of damp which have reached legal claims so far.

We have also made use of the Scottish Government fund in relation to Single Building Assessments and a meeting has taken place on site to go through the first set of results (c20 single building assessments for all the MSFs and most of the decks). The work needs to be completed and the contractors paid by 31st March 2026.

Saracen House

BH gave an update on the current situation with the purchase of Saracen House and it is hoped to be complete by 31 March 2026. We will continue to house CAB and another couple of tenants.

Ayr Street

We are still in discussions in relation to acquiring the old Springburn library to rehouse ng2.

Compliance Audits

The final draft audits have been received and we are currently working on providing the final items requested.

Ashfield/Crowhill Site

This will be taken out to consultation with local residents re cleaning the area up and turning it into a carpark or grassy area.

8.	Chairs' Remarks		
	<p>Chair referred to the email which the Board had seen from the SHR regarding the updated Engagement Plan which has been extended until the end of March 2027. Chair had met with the SHR on Thursday and had a very positive discussion.. The SHR advised that ng homes will no longer be considered a systemically important landlord. Chair asked SHR if they wanted to attend a Board meeting but they did not require this.</p> <p>Chair attended the Network Breakfast in Saracen House which was the busiest so far with 32 organisations and 60 people attending. Very good feedback was received.</p> <p>Chair informed the Board about upcoming conferences and events and said she will send an email round in relation to these.</p> <p>Chair said that this was Cheryl's last Board meeting before she finishes up for maternity leave and the Board wished her good luck with the birth and thanked her for all the hard work.</p>	CR	
9.	Delegates Feedback		
	None.		
10.	AOCB		
	<p>TS informed the Board that the SHR still want to receive feedback and updates, particularly in relation to Board succession planning and the improvements and benefits that have come from the changes to the governance structure implemented during 2025. The Chair and members will discuss a suitable time for bringing the Board Working Group together to address succession Planning.</p> <p>JT informed the Board that ng homes now has another Regulator as we now fall under Ofgem.</p>	TS/ Chair	
11.	Date of next meeting – Tuesday 17 March 2026 Meeting ended at 6pm.		



Board Meeting

For Approval

To: Board
From: DCEO

SUBJECT: MANAGEMENT ACCOUNTS – PERIOD TO 31ST DECEMBER 2025 **DATE: 17th March 2026**

1.	Introduction		
	Below are income and expenditure and balance sheet for the period to 31 st December 2025 together with cash flow and accompanying notes.		
2.	Comparison against budget		
	The Management Accounts cover the period to 31 st December 2025 and compares the Income and Expenditure of the Association against the budget.		
		Effect - £k	Comment
	Planned maintenance	1,074	Underspend on planned works.
	Rental income	290	Rent restructure.
	Grant release/received	154	Additional grant related to GCC Homeless programme
	Other variances	<u>577</u>	Void loss £51k; Service income £61k; Other property costs £94k; Depreciation £85k; Fact exp £9k; Salaries £82k; Overheads £49k; Other Income £11k; Other expenditure £71k; Gain on sale £65k
	Total positive variances	<u>2,095</u>	
		Effect - £k	
	Planned maintenance	1,070	Underspend on spend so can't capitalise
	Day to day repairs	509	Catch up on City Building certificates following system change over
	Voids	384	Increase in void numbers and asbestos removal costs
	Other negative variances	<u>1,005</u>	Fact income £63k; Cyclical £355k; Rent bad debts £23k; Service costs £449k; interest received £26k; Loan interest £89k
	Total negative variances	<u>2,968</u>	
	Total positive variances	2,095	
	Total negative variances	<u>(2,968)</u>	
	Net movement	<u>(873)</u> ⁴	

	<p>Original projected surplus for period <u>1,348</u></p> <p>Actual surplus for period <u>475</u></p> <p>Ratios for lender are in an acceptable position. The Nationwide ratio of secured assets to loan value at 4.66 against a required ratio of 1.0.</p> <p>Turning to the balance sheet the significant factors within the period included:</p> <ul style="list-style-type: none"> • Property expenditure of £2.93m, other assets expenditure of £809k and depreciation of £4.4m leading to a net decrease in fixed assets of £665k. This includes the expenditure on property acquisitions, property improvements, adaptations, and computer equipment. • Bank balances moved downwards from £11.8m to £10.2m. • Loans decreased by £1.58m with the repayments made in the period. Now loans of £34.37m outstanding.
3.	<p>Risk and other issues</p> <p>The management accounts are reviewed on a regular basis by the management team, FRP Committee and Board, ensuring close monitoring of financial position of the organisation. This is a key element of budgetary control and monitoring.</p> <p>There are no applicable effects on sustainability or equality and diversity issues.</p>
4.	<p>Link to the Association's Business Plan priorities and the SHR Governance Standards</p> <p>Link to the Association's Business Plan priorities</p> <p>The Association's Business Plan priorities are:</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Creating a Positive Culture · Continuous Improvement · Growing our Business <p>The actions taken and the subsequent process followed in relation to this matter are predominately relate to the first two priorities and the last one listed above, i.e.</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Growing our Business

	<p>Link to the SHRs Regulatory Standards of Governance and Financial Management</p> <p>Ensuring we adhere to regulatory guidance and legislative requirements and follow our policies, and good practice is a key requirement for good governance and supports compliance with the SHR Standards.</p> <p>In arriving at the recommendations in this matter, the SHR Standards of Governance and Financial Management that apply are:</p> <p>STANDARD 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 4: The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.</p> <p>STANDARD 5: The RSL conducts its affairs with honesty and integrity.</p>
5.	Recommendation
	Board Members are asked to APPROVE the management accounts for the period to 31st December 2025.

NORTH GLASGOW HOUSING ASSOCIATION LTD.

MANAGEMENT ACCOUNTS FOR PERIOD ENDED

31/12/25

INCOME AND EXPENDITURE

Year to 31/3/25	Oct - Dec 25			CUMMULATIVE TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance
Income						
30,306,804	7,968,345	7,910,080	58,264	23,931,505	23,641,989	289,516
-349,311	-80,262	-79,101	-1,161	-184,885	-236,420	51,535
51,758	74,948	12,805	62,143	101,423	40,548	60,875
30,009,251	7,963,031	7,843,784	119,247	23,848,043	23,446,117	401,926
0	220,000	248,910	-28,910	683,891	746,730	-62,839
1,201,035	337,105	219,338	117,767	811,812	658,014	153,798
31,210,286	8,520,136	8,312,032	208,104	25,343,746	24,850,861	492,885
Expenditure						
3,682,188	1,195,279	743,554	-451,725	2,766,452	2,257,169	-509,282
2,243,902	1,098,421	600,275	-498,146	2,156,181	1,800,825	-355,356
1,777,547	701,038	375,000	-326,038	1,508,832	1,125,000	-383,832
261,670	0	75,000	75,000	247,729	225,000	-22,729
0	0	0	0	0	0	0
7,366,465	1,779,759	2,088,655	308,896	5,192,242	6,265,964	1,073,722
-3,612,581	-1,052,368	-1,288,655	-236,287	-2,796,326	-3,865,964	-1,069,638
1,252,981	215,282	323,750	108,468	877,070	971,250	94,180
5,304,848	1,346,612	1,375,000	28,388	4,039,960	4,125,000	85,040
3,154,965	850,183	364,517	-485,666	2,808,144	2,359,098	-449,047
-236,449	186,980	175,291	-11,690	516,671	525,872	9,201
5,375,760	1,560,043	1,528,880	-31,164	4,504,686	4,586,639	81,952
2,806,226	652,810	714,500	61,690	2,095,102	2,143,500	48,398
29,377,522	8,534,040	7,075,766	-1,458,274	23,916,744	22,519,353	-1,397,391
1,832,764	-13,904	1,236,266	-1,250,170	1,427,002	2,331,508	-904,506
Surplus from Ordinary Activities						
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
Development Surplus						
328,256	41,695	42,500	-805	138,023	127,500	10,523
380,635	2,813	68,750	65,937	135,662	206,250	70,588
1,780,385	24,978	1,210,016	-1,185,039	1,429,363	2,252,758	-823,395
Net Surplus						
1,604,148	369,398	367,578	-1,820	1,191,371	1,102,733	-88,638
359,689	65,346	66,000	-654	172,027	198,000	-25,973
76,020	0	0	0	0	0	0
0	-470	0	-470	65,421	0	65,421
-34,462	0	0	0	0	0	0
494,368	-279,544	908,438	-1,187,982	475,440	1,348,025	-872,584
Net Surplus after interest						
0	0	0	0	0	0	0
0	0	0	0	0	0	0
494,368	-279,544	908,438	-1,187,982	475,440	1,348,025	-872,584
Net result after Transfer						

NORTH GLASGOW HOUSING ASSOCIATION LTD.

MANAGEMENT ACCOUNTS FOR PERIOD ENDED

31-Dec-25

INCOME AND EXPENDITURE

ANALYSIS OF DIRECT EMPLOYEE & ADMINISTRATION COSTS

31/03/25	Oct - Dec 25			CUMMULATIVE TO DATE			ANNUAL BUDGET
	Actual	Budget	Variance	Actual	Budget	Variance	
5,053,694 Salaries	1,431,217	1,408,426	-22,791	4,123,376	4,225,279	101,903	5,289,098
322,066 Pensions	128,826	120,453	-8,373	381,310	361,360	-19,950	450,665
5,375,760 Total Direct Employee	1,560,043	1,528,880	-31,164	4,504,686	4,586,639	81,952	5,739,763
152,191 Heat & Light	41,917	25,000	-16,917	105,928	75,000	-30,928	90,000
468,215 Depreciation	121,256	112,500	-8,756	363,767	337,500	-26,267	350,000
26,655 Office & General	11,568	10,000	-1,568	28,646	30,000	1,354	40,000
121,831 Cleaning and Materials	50,684	32,500	-18,184	111,548	97,500	-14,048	100,000
70,828 Subscriptions	-7,392	20,000	27,392	29,307	60,000	30,693	75,000
10,388 Photocopier costs	4,235	3,750	-485	6,863	11,250	4,387	20,000
65,294 Postage & Stationery	24,511	15,000	-9,511	48,717	45,000	-3,717	55,000
2,605 Office Repairs & maintenance	323	10,000	9,677	989	30,000	29,011	40,000
283,626 Rent, Rates, Insurance	68,756	80,000	11,244	226,417	240,000	13,583	300,000
224,996 Telephone & internet	71,471	47,500	-23,971	208,993	142,500	-66,493	165,000
34,172 Audit & Accountancy	1,308	10,000	8,692	13,660	30,000	16,340	35,000
23,396 Equipment Maintenance	1,908	10,000	8,092	4,497	30,000	25,503	40,000
18,478 Legal Fees	7,046	7,500	454	14,834	22,500	7,666	35,000
18,146 Leasing Contracts	4,869	5,000	131	16,403	15,000	-1,403	25,000
7,341 Promotions, publicity & annua	0	3,750	3,750	1,525	11,250	9,725	20,000
177,641 Consultants	152,828	45,000	-107,828	231,465	135,000	-96,465	150,000
483,143 Computer Support	87,628	118,750	31,122	298,173	356,250	58,077	450,000
428,680 Computer - License & access	-37,820	100,000	137,820	258,108	300,000	41,892	350,000
0 Office Landscape Maintenan	0	0	0	0	0	0	0
2,617,626 Total Office Overheads	605,097	656,250	51,153	1,969,841	1,968,750	-1,091	2,340,000
12,903 Recruitment advertising & cos	730	3,750	3,020	7,168	11,250	4,082	22,000
52,459 Staff Training	8,746	15,000	6,254	18,421	45,000	26,579	60,000
15,000 Staff life cover	0	3,750	3,750	10,000	11,250	1,250	15,000
4,598 Staff uniforms	2,620	1,500	-1,120	4,377	4,500	123	6,000
0 Temporary Staff	0	0	0	0	0	0	0
13,908 Conferences & Seminars	4,056	6,250	2,194	9,693	18,750	9,057	30,000
21,946 Travel & Subsistence	7,902	5,000	-2,902	16,334	15,000	-1,334	20,000
56,057 Health & Safety	19,660	17,500	-2,160	49,832	52,500	2,668	70,000
176,869 Total Staff Overhead Costs	43,715	52,750	9,035	115,826	158,250	42,424	223,000
1,617 Training	0	1,250	1,250	161	3,750	3,589	8,000
817 Travel Expenses	258	750	492	486	2,250	1,764	4,000
3,644 Expenses to Board	1,996	1,500	-496	3,291	4,500	1,210	6,000
5,653 Conferences	1,744	2,000	256	5,497	6,000	503	10,000
11,731 Total Committee Costs	3,998	5,500	1,502	9,435	16,500	7,065	28,000
8,181,986 Total Direct Employee & Administration Costs	2,212,853	2,243,380	30,526	6,599,788	6,730,139	130,351	8,330,763

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

31-Dec-25

Previous
year
totals

FIXED ASSETS

ACTUAL

160,903,011	Housing Properties	163,833,594
-44,920,928	Depreciation	-48,960,764

<u>115,982,083</u>		<u>114,872,830</u>
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Less:

0	Housing Association Grant	0
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<u>115,982,083</u>	Net Value	<u>114,872,830</u>
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3,562,825	Other Fixed Assets	4,007,887
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1,300	Investments	300
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<u>119,546,208</u>	TOTAL FIXED ASSETS	<u>118,881,017</u>
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CURRENT ASSETS

39,720	Stock & WIP	210,185
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11,773,699	Cash and Other Short Term Investments	10,161,814
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521,483	Rent Arrears	560,834
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1,436,240	Other Current Assets	3,345,655
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<u>13,771,142</u>	TOTAL CURRENT ASSETS	<u>14,278,488</u>
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CURRENT LIABILITIES

2,289,500	Short Term Loans and Current Loan Capital Repayments	2,289,500
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0	Bank Overdrafts	0
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4,924,397	Other Current Liabilities	6,851,215
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551	Pension liability under one year	551
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<u>7,214,448</u>	TOTAL CURRENT LIABILITIES	<u>9,141,266</u>
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<u>6,556,694</u>	NET CURRENT ASSETS	<u>5,137,221</u>
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<u>126,102,902</u>	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>124,018,239</u>
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CREDITORS DUE AFTER ONE YEAR

33,657,209	Long Term Loans	32,079,506
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1,605,993	Pension liability	1,588,506
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17,196,903	Deferred income	48,433,823	16,354,317
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<u>52,460,105</u>		<u>50,022,329</u>	50,022,329
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<u>73,642,797</u>	NET ASSETS	<u>73,995,910</u>
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RESERVES

14,591,245	Designated reserves	14,591,245
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20,136,437	Revenue	20,489,551
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38,915,041	Revaluation reserve	38,915,041
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<u>73,642,723</u>	TOTAL RESERVES	<u>73,995,837</u>
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74	SHARE CAPITAL	73
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<u>73,642,797</u>		<u>73,995,910</u>
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cashflow

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31-Dec-25
CASHFLOW

EAR TO

31/03/2025

0

OPERATING ACTIVITIES

ACTUAL

1,780,385	Operating surplus for period	1,307,036
5,304,848	Depreciation - properties	4,039,960
468,215	Depreciation - fixtures	363,767
-958,758	Amortisation of capital grants	-712,059
0	Gain on sale of fixed assets	65,421
	Other finance charges	
444,075	Decrease/(Increase)in Debtors	-1,948,766
-25,204	Decrease/(Increase)in stock	-170,465
-1,079,936	(Decrease)/Increase in Creditors	1,778,804
	share capital cancelled	

<u>5,933,625</u>	Net Cash In/(Out)flow From Operating Activities	<u>4,723,699</u>
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INVESTING ACTIVITIES

0	Grants Received	0
-4,036,535	Acquisition and Construction Of Properties	-2,930,583
-1,012,989	Acquisition of Other Fixed Assets	-808,829
-66	Proceeds on disposal of properties	-124

0	Investment in Activities	1,000
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<u>-5,049,590</u>	Net Cash In/(Out)flow From Investing Activities	<u>-3,738,536</u>
884,035		985,162

FINANCING

0	Loans Received	0
-2,489,500	Less: Loans Repaid	-1,577,703
359,689	Interest Received	172,027
-1,604,148	Interest Paid	-1,191,371
-7	Share capital issued	-1

<u>-3,733,966</u>	Net cash In/(Out)flow From Financing	<u>-2,597,047</u>
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<u>-2,849,931</u>	Increase/(Decrease) in Cash and Cash Equivalents	<u>-1,611,885</u>
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-3,820,326	Movement in Cash & Bank	-1,611,885
970,395	Movement in Bank overdrafts	0

<u>-2,849,931</u>	Increase/(Decrease) in Cash and Cash Equivalents	<u>-1,611,885</u>
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14,623,630	Opening cash balance	11,773,699
<u>11,773,699</u>		<u>10,161,814</u>

**North Glasgow Housing Association
Numbers table**

Results	Dec-25	To date	Budget	2025
Turnover	8,561,831	25,481,769	24,978,361	31,538,542
Operating costs	8,536,854	24,174,733	22,725,603	29,758,157
Cost of sales				
Operating (deficit)/surplus	<u>24,978</u>	<u>1,307,036</u>	<u>2,252,758</u>	<u>1,780,385</u>
Bank interest receivable	65,346	172,027	198,000	359,689
Bank Interest payable	369,398	1,191,371	1,102,733	1,680,168
gain on sale of housing properties	-470	65,421	0	0
Tax charge/gift aid receipt	0	0	0	-34,462
Surplus/(deficit) for period	<u>-279,544</u>	<u>353,114</u>	<u>1,348,025</u>	<u>494,368</u>

Per unit costs

Management & maintenance overheads	1,748	1,651
Day to day repairs and maintenance	1,039	995
Planned maintenance	582	684

Arrears

	Dec-25	Mar-25
Gross rent arrears	1,892,056	1,661,123
Bad debt provision	- 1,331,222	-1,139,640
Net rent arrears	<u>560,834</u>	<u>521,483</u>
Gross arrears as % of annual rent	5.90	5.47
Net arrears as % of annual rent	1.75	1.72

Net factoring arrears	299,442	239,978
Bad debt provision	- 90,645	-69,724
Net factoring arrears	<u>208,797</u>	<u>170,254</u>

Lenders ratios

Annual surplus/interest payable	1.30	1.29
EUV to borrowings ratio	4.66	3.83

Loan numbers

Loans THFC	3,600,000	4,000,000
Loans - Dunfermline	11,490,270	13,333,242
Loans - Energy Savings Trust	5,378,736	6,202,967
Loans - GBSH	13,900,000	13,900,000
EUV of charged properties - Nationwide	53,500,000	53,500,000
Unit numbers	5,489	5,488
Debt per unit	6,261	6,550
Annual interest (projected/actual)	1,251,757	1,362,656
Average interest rate	3.64	3.79
Average interest on opening loan balance	3.64	3.79

Accounts Ratios - annual trend

	Dec-25	Sep-25	Aug-25	Jul-25	Jun-25
Arrears					
Gross rent arrears	1,892,056	1,854,326	1,800,299	1,702,870	1,656,617
Bad debt provision	-1,331,222	-1,331,222	-1,224,406	-1,224,406	-1,224,406
Net rent arrears	<u>560,834</u>	<u>523,104</u>	<u>575,893</u>	<u>478,464</u>	<u>432,211</u>
Gross arrears as % of annual rer	5.90	5.80	5.63	5.34	5.20
Net arrears as % of annual rent	1.75	1.64	1.80	1.50	1.36
Gross factoring arrears	299,442	259,442	134,616	220,126	293,147
Bad debt provision	-90,645	-90,645	-74,502	-74,502	-74,502
Net factoring arrears	<u>208,797</u>	<u>168,797</u>	<u>60,114</u>	<u>145,624</u>	<u>218,645</u>
	1,748	1,772	1,772	1,726	1,747
	1,039	867	902	853	821
	582	608	633	666	566
Lenders ratios					
Annual surplus/interest payable	1.30	1.92	1.69	1.85	2.67
EUV to borrowings ratio	4.66	4.55	4.57	4.55	4.44
Loan numbers					
Loans THFC	3,600,000	3,800,000	4,000,000	4,000,000	4,000,000
Loans - Dunfermline	11,490,270	11,768,930	11,695,235	11,762,305	12,043,960
Loans - Energy Savings Trust	5,378,736	5,497,660	5,537,118	5,576,487	5,615,766
Loans GBSH	13,900,000	13,900,000	13,900,000	13,900,000	13,900,000
EUV of charged properties - dunf	53,500,000	53,500,000	53,500,000	53,500,000	53,500,000
Debt per unit	6,261	6,334	6,401	6,420	6,478
Annual interest (projected/actual)	1,251,757	1,279,680	1,294,637	1,330,765	1,345,359
Average interest rate	3.64	3.68	3.69	3.78	3.78



Board Meeting For Approval

To: Board
From: DECO

SUBJECT: BUDGET 2026/27

DATE 17th March 2026

1.	Introduction
	<p>NG Homes must plan and control its finances by setting an annual budget which includes an accurate assessment of the full cost of each activity and a fair allocation and apportionment of costs.</p>
2.	Underlying principles
	<p>The principles listed below have been used in drawing up the 2026/27 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.
3.	Summary
	<p>The budget for 2026/27 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 reducing fuel poverty.</p> <p>Rental and service income is projected at £33.8m. This is with the agreed rent increase of</p>

	<p>6.0% and the additional rent from letting rehabilitated properties.</p> <p>The salary levels have been updated to include a 5.1% increase and the movement in pension contributions.</p> <p>Spend for 2026/27 on planned maintenance has been set at £9.1m. The main contract for this year will be the works on three closes in Stonyhurst Street. Outside of that the range of works will be concentrated on kitchens, bathrooms, rewires, windows and other work. 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 £5.8m 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 have affected the RSL sector and the wider economy. Also increased compliance and storm costs.</p> <p>Loan interest is projected at £1.25m. The repayments of various loans and reduced interest rates is behind the decrease in costs from £1.47m. 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 additional loan finance planned for the year. That may change if proposals for further net zero works is approved.</p> <p>A surplus of £2.5m is projected for the year.</p> <p>Beyond the planned maintenance capitalisation there is net investment of £0.5m on property assets and £0.3m on other fixed assets built into the balance sheet. Projected repayment of £2.0m of loans during the year.</p> <p>Cash flow is negative with projected decrease in cash of £0.8m bringing cash at bank down to £9.6m.</p> <p>The Association is meeting its commitments and remains in a healthy financial position.</p>
<p>4.</p>	<p>Risk</p>
	<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</p>

	<p>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>
5.	<p>Link to the Association's Business Plan priorities and the SHR Governance Standards</p>
	<p>Link to the Association's Business Plan priorities</p> <p>The Association's Business Plan priorities are:</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Creating a Positive Culture · Continuous Improvement · Growing our Business <p>The actions taken and the subsequent process followed in relation to this matter are predominately relate to the first two priorities and the last one listed above, i.e.</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Growing our Business <p>Link to the SHRs Regulatory Standards of Governance and Financial Management</p> <p>Ensuring we adhere to regulatory guidance and legislative requirements and follow our policies, and good practice is a key requirement for good governance and supports compliance with the SHR Standards.</p> <p>In arriving at the recommendations in this matter, the SHR Standards of Governance and Financial Management that apply are:</p> <p>STANDARD 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 4: The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p> <p>STANDARD 5: The RSL conducts its affairs with honesty and integrity.</p>

6.	Recommendation
	<p>Members are asked to:</p> <ul style="list-style-type: none">a) Approve the revised budget for 2026/27.b) Receive quarterly reports on performance.c) Delegate DCEO / C.E.O (and Senior Management Team) with day-to-day responsibility for implementing and managing overheads and overall budget reporting any material changes as necessary.d) Senior Management Team to continue to review expenditure for savings and to report back to Board on such. <p>Robert Hartness (<u>DCEO</u>)</p>

Budget Detail

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

Economic conditions

Economic conditions have continued to be problematic since the preparation of the last budget. Costs have increased over most headings and the recent storms have brought about additional expenditure.

Budget Key Features

- **Rent** – increase of 6.0% leading to total rents and service charges of £33.8m net of voids.
- **Day to day maintenance** – set at £3.2m compared to £3.0m with increases in costs for contractors and materials built in plus increased compliance and storm costs. Savings expected from repairs review and procurement exercises.
- **Cyclical maintenance** – set at £2.74m compared to £2.52m. 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 £9.1m. This is due to the Stonyhurst Street contract and a wide range of contracts being undertaken including kitchens, bathrooms, rewires, boiler replacements, windows and other works. Of the overall total £5.8m will be capitalised into the balance sheet.
- **Bad debts** – expected with economic circumstances still being depressed for our customer group together with ongoing universal credit implementation that projected bad debts will still be significant so adopting a charge of £320k.
- **Property depreciation** – set at £6.0m with continuing charges on existing capitalised major repair costs and general properties.
- **Service costs** – reflecting increases in utility costs and contractor costs with rises in living wage.

- **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 with the increases in costs of day-to-day repairs and planned maintenance. Income set to a total of £1.06m, and factoring costs of £755k has been put into the budget.
- **Loan Interest** – decreased from £1.47m to £1.25m. Loan repayments of £2.0m are projected in the year. Repayments in the years after will reduce the interest charges. No new loans currently projected to be drawn down in the year.
- **Salary costs** – Salary costs increased from £6.11m to £6.40m. Salary costs have been amended for staff changes and a 5.1% pay increase.
- **Overheads** – Costs are projected to reduce slightly from £2.86m to £2.84m. General inflationary increases together with increases in IT investment and communications. Office and other assets depreciation is increased costs for Bill Rossine House and NDH. Reductions in IT licence costs as only paying for one system in 26/27.
- **Wider action projects** – For 26/27 income is projected to be £175k and expenditure of 400k. This includes community support plus a range of projects.
- **Projected surplus of £2.5m for 2026/27.**
- **Investment in Housing Properties** - £5.8m for capitalised major repairs, £0.5m for adaptations and acquisitions and £0.3m for other assets.
- **Loan balances** – loans decreasing from £34.7m to £32.7m with repayments of £2.0m in the year.
- **Cash balances** – with the spend on planned maintenance and loan repayments the cash balance decreases from £10.4m to £9.6m.

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

- An Income and Expenditure Account and overheads summary with a comparison between the 2026/27 budget and the 2025/26 budget, and the actual results for 2024/25 is also shown.
- Projected balance sheet on 31 March 2027
- Projected cash flow for the year to 31 March 2027

NORTH GLASGOW HOU

ACCOUNTS FOR PERIOD ENDED

31/03/27

INCOME AND EXPENDITURE

Actual Year to 31/3/25		Budget 2026 -27	Budget 2025 -26	Variance	Budget 2024 -25
Income					
30,306,804	Rental Income	33,785,772	31,377,699	2,408,073	29,683,030
-349,311	VOIDS				
		33,447,914	-337,858	-313,777	-296,830
51,758	Service Income	56,127	55,487	640	52,984
30,009,251		33,504,041	31,119,409	2,384,633	29,439,183
0	Factoring Income	1,063,206	995,640	67,566	906,232
1,201,035	Grant release	958,758	877,352	81,406	888,575
31,210,286	Net Income	35,526,005	32,992,401	2,533,605	31,233,990
Expenditure					
3,682,188	Day to Day	3,200,000	3,000,000	-200,000	2,481,044
2,243,902	Cyclical	2,744,826	2,515,926	-228,900	2,357,428
1,777,547	Void Maintenance	1,800,000	1,500,000	-300,000	1,200,000
261,670	Bad Dbts-Rents	320,000	300,000	-20,000	250,000
0	Bad Dbts-services	0	0	0	0
7,366,465	Planned maintenance	9,080,000	8,354,618	-725,382	8,899,020
-3,612,581	Capitalised planned maintenance	-5,780,000	-5,154,618	625,382	-4,671,750
1,252,981	Other Property Costs	1,372,000	1,295,000	-77,000	795,000
5,304,848	Depreciation	6,000,000	5,500,000	-500,000	5,400,000
3,154,965	Service Costs	2,923,976	2,723,976	-200,000	2,323,976
-236,449	Factoring Expenditure	754,590	701,163	-53,427	632,482
5,375,760	Salaries	6,407,109	6,115,518	-291,591	5,739,763
2,806,226	Overheads	2,843,000	2,858,000	15,000	2,591,000
29,377,522	Total Expenditure	31,665,500	29,709,583	-1,955,918	27,997,962
1,832,764	Surplus from Ordinary Activities	3,860,505	3,282,818	577,687	3,236,028
0	Development Income	0	0	0	0
0	Development Expenditure	0	0	0	0
0	Development Surplus	0	0	0	0
328,256	Other Income	175,000	170,000	5,000	220,000
380,635	Other Expenditure	400,000	275,000	-125,000	430,000
		225,000			
1,780,385	Net Surplus	3,635,505	3,177,818	457,687	3,026,028
1,604,148	Loan Interest	1,251,757	1,470,311	218,554	1,523,244
359,689	Interest received	120,000	264,000	-144,000	400,000
76,020	Other finance charges				
0	Property and fixed asset sales	0	0	0	0
-34,462	Pension adj/Tax charge/gift aid rec	0	0	0	0
494,368	Net Surplus after interest	2,503,748	1,971,507	532,241	1,902,784
0	Trans from Designated Reserve	0	0	0	0
0	Trans to Designated Reserve	0	0	0	0
494,368	Net result after Transfer	2,503,748	1,971,507	532,241	1,902,784

NORTH GLASGOW HOUSING ASSOCIATION LTD.

ACCOUNTS FOR PERIOD ENDED 31-Mar-27

INCOME AND EXPENDITURE

ANALYSIS OF DIRECT EMPLOYEE & ADMINISTRATION COSTS

Actual Year to 31/3/25		2026 -27 <u>Budget</u>	2025 -26 <u>Budget</u>	<u>Variance</u>	2024 -25 <u>Budget</u>
5,053,694	Salaries	5,969,753	5,633,705	-336,048	5,289,098
322,066	Pensions	437,356	481,813	44,458	450,665
5,375,760	Total Direct Employee	6,407,109	6,115,518	-291,591	5,739,763
152,191	Heat & Light	130,000	100,000	-30,000	90,000
468,215	Depreciation	550,000	450,000	-100,000	350,000
26,655	Office & General	40,000	40,000	0	40,000
121,831	Cleaning and materials	120,000	130,000	10,000	100,000
70,828	Subscriptions	75,000	80,000	5,000	75,000
10,388	Photocopier costs	15,000	15,000	0	20,000
65,294	Postage & Stationery	65,000	60,000	-5,000	55,000
2,605	Office Repairs & maintenance	40,000	40,000	0	40,000
283,626	Rent, Rates, Insurance	275,000	320,000	45,000	300,000
224,996	Telephone & internet	180,000	190,000	10,000	165,000
34,172	Audit & Accountancy	40,000	40,000	0	35,000
23,396	Equipment Maintenance	35,000	40,000	5,000	40,000
18,478	Legal Fees	30,000	30,000	0	35,000
18,146	Leasing Contracts	20,000	20,000	0	25,000
7,341	Promotions, publicity & annual report	15,000	15,000	0	20,000
177,641	Consultants	180,000	180,000	0	150,000
483,143	Computer Support	450,000	475,000	25,000	450,000
428,680	Computer - License & accessories	350,000	400,000	50,000	350,000
0	Office Landscape Maintenance	0	0	0	0
2,617,626	Total Office Overheads	2,610,000	2,625,000	15,000	2,340,000
12,903	Recruitment advertising & costs	15,000	15,000	0	22,000
52,459	Staff Training	60,000	60,000	0	60,000
15,000	Staff Training - Computer	15,000	15,000	0	15,000
4,598	Staff uniforms	6,000	6,000	0	6,000
0	Temporary Staff	0	0	0	0
13,906	Conferences & Seminars	25,000	25,000	0	30,000
21,946	Travel & Subsistence	20,000	20,000	0	20,000
56,057	Health & Safety	70,000	70,000	0	70,000
176,869	Total Staff Overhead Costs	211,000	211,000	0	223,000
1,617	Training	5,000	5,000	0	8,000
817	Travel Expenses	3,000	3,000	0	4,000
3,644	Expenses to Committee	6,000	6,000	0	6,000
5,653	Conferences	8,000	8,000	0	10,000
11,731	Total Committee Costs	22,000	22,000	0	28,000
8,181,986	Total Direct Employee & Administration Costs	9,250,109	8,973,518	-276,591	8,330,763

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

31-Mar-27

Previous
year
totals

	ACTUAL
FIXED ASSETS	
162,781,226 Housing Properties	169,061,226
-47,614,152 Depreciation	-53,614,152
<hr/> 115,167,074	<hr/> 115,447,074
Less:	
0 Housing Association Grant	0
<hr/> 115,167,074 Net Value	<hr/> 115,447,074
3,711,461 Other Fixed Assets	3,461,461
300 Investments	300
<hr/> 118,878,835 TOTAL FIXED ASSETS	<hr/> 118,908,835
CURRENT ASSETS	
39,720 Stock & WIP	39,720
10,393,018 Cash and Other Short Term Investments	9,588,008
0 Corporation tax debtor	0
523,104 Rent Arrears	573,104
2,542,093 Other Current Assets	2,542,093
<hr/> 13,497,935 TOTAL CURRENT ASSETS	<hr/> 12,742,925
CURRENT LIABILITIES	
2,289,500 Short Term Loans and Current Loan Capital Repayments	2,000,000
0 Bank Overdrafts	0
0 Corporation tax creditor	0
5,010,320 Other Current Liabilities	5,010,320
551 Pension liability under one year	551
<hr/> 7,300,371 TOTAL CURRENT LIABILITIES	<hr/> 7,010,871
<hr/> 6,197,564 NET CURRENT ASSETS	<hr/> 5,732,054
<hr/> 125,076,399 TOTAL ASSETS LESS CURRENT LIABILITIES	<hr/> 124,640,889
CREDITORS DUE AFTER ONE YEAR	
32,477,089 Long Term Loans	30,766,589
1,594,335 Pension liability/other creditors	1,324,335
16,607,196 Deferred income	15,648,438
<hr/> 50,678,620	<hr/> 47,739,362
<hr/> 74,397,779 NET ASSETS	<hr/> 76,901,527
RESERVES	
14,591,245 Designated reserves	14,591,245
20,891,421 Revenue	23,395,169
38,915,041 Revaluation reserve	38,915,041
<hr/> 74,397,707 TOTAL RESERVES	<hr/> 76,901,455
72 SHARE CAPITAL	72
<hr/> 74,397,779	<hr/> 76,901,527

cashflow

NORTH GLASGOW HOUSING ASSOCIATION LIMITED
 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31-Mar-27
 CASHFLOW

	ACTUAL
OPERATING ACTIVITIES	
Surplus for year before interest	3,635,505
Depreciation - properties	6,000,000
Depreciation - fixtures	550,000
Amortisation of capital grants	-958,758
Gain on sale of fixed assets	0
Other finance charges	
Decrease/(Increase)in Debtors	-50,000
Decrease/(Increase)in stock	0
(Decrease)/Increase in Creditors	-270,000
share capital cancelled	
Net Cash In/(Out)flow From Operating Activities	8,906,747
 INVESTING ACTIVITIES	
Grants Received	0
Acquisition and improvements to Properties	-6,280,000
Acquisition of Other Fixed Assets	-300,000
Procceds on disposal of properties	
Investment in Activities	0
Net Cash In/(Out)flow From Investing Activities	-6,580,000
	2,326,747
 FINANCING	
Loans Received	0
Less: Loans Repaid number	-2,000,000
Interest Received	120,000
Less: Interest Paid	-1,251,757
Net cash In/(Out)flow From Financing	-3,131,757
Increase/(Decrease) in Cash and Cash Equivalents	-805,010
Movement in Cash & Bank	-805,010
Movement in Bank overdrafts	0
Increase/(Decrease) in Cash and Cash Equivalents	-805,010
	10,393,018
	9,588,008



Board Meeting

For Approval

To: Board
From: Deputy CEO

SUBJECT: STRATEGIC RISK REGISTER REVIEW

DATE: 17TH MARCH 2026

1.	Introduction
	<p>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.</p> <p>The strategic risk register was brought in front of the ARC Committee at the 12 February meeting for consideration of what amendments were possibly required. The attached draft register is the result of those discussions.</p>
2.	Defining Risk
	<p>Risk can be defined as any event or action that prevents the Association from maintaining good performance and/or meeting pre-set targets, goals and plans contained within our Business Plan and Annual Performance Plan; and /or results in loss being incurred either financial or reputational.</p>
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. In turn, the Business Plan is informed by our annual Strategy Review, where the Board decide on medium-term strategic objectives as well as specific priorities for the year ahead. Assessment of external environment and related potential risks is an integral feature of the annual Strategy Review.</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.	Management and control of risk
	<p>The Board has responsibility for approving the risk management strategy and for ensuring appropriate control and monitoring arrangements are in place. The Board as per the Financial Regulations has delegated responsibility for regular review of risk to the ARC Committee.</p> <p>For both strategic and operational risks, we have Risk Registers which identify a senior staff member as having responsibility for assessing and controlling the risk. For every risk, the Register will identify specific control measures and where no existing controls are in place or existing controls are considered inadequate, specific actions and related timescales are identified to address the risk. The various committees together with the subsidiary Boards will regularly review the risk registers for the areas relevant to them. On a half yearly basis the ARC Committee reviews the Strategic Risk Register and recommends any changes to the Board.</p>
5.	Strategic Risks – Audit Committee review
	<p>Following on from the discussion held at the February ARC Committee meeting there was no specific comments made on the revised points.</p> <p>As a measure of how quickly matters can change the attack on Iran has now brought into consideration a long term rise in gas and oil prices and the effect on inflation. This had already been a consideration with the uncertainty over the tariff wars and effect on commodity prices.</p>
6.	Risk
	<p>The Strategic Risk Register is a necessary part of the governance structure of the Association. Not to prepare the Strategic Risk Register would be a failure in controls and a breach of commitments.</p> <p>The risk is mitigated by the proper preparation of the Strategic risk register and consideration of such against required standards. Review of such at management and Board level and submission to the Regulator within agreed timescales.</p>
7.	Link to the Association’s Business Plan priorities and the SHR Governance Standards
	<p>Link to the Association’s Business Plan priorities</p> <p>The Association’s Business Plan priorities are:</p>

	<ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Creating a Positive Culture · Continuous Improvement · Growing our Business <p>The actions taken and the subsequent process followed in relation to this matter are predominately relate to the first two priorities and the last one listed above, i.e.</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Growing our Business <p>Link to the SHRs Regulatory Standards of Governance and Financial Management</p> <p>Ensuring we adhere to regulatory guidance and legislative requirements and follow our policies, and good practice is a key requirement for good governance and supports compliance with the SHR Standards.</p> <p>In arriving at the recommendations in this matter, the SHR Standards of Governance and Financial Management that apply are:</p> <p>STANDARD 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 4: The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.</p> <p>STANDARD 5: The RSL conducts its affairs with honesty and integrity.</p>
8.	Recommendation
	The Board is invited to review the revised Strategic Risk Register.

NORTH GLASGOW HOUSING ASSOCIATION: STRATEGIC RISK REGISTER Feb 2026

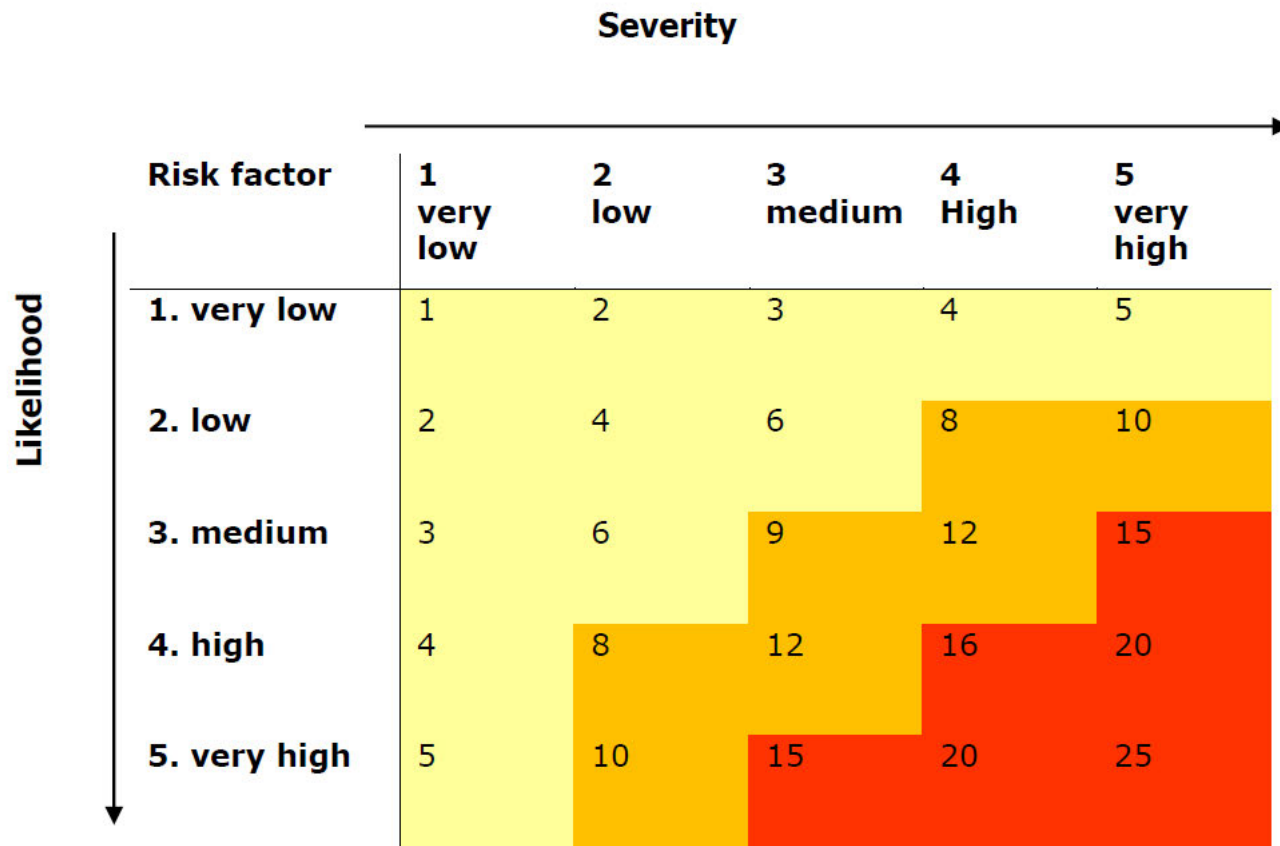
STRATEGIC RISK AREA	RESIDUAL RISK			CONTROL/ ACTION	RE- GRADED June 25	UPDATE since June 2025- WHAT HAD CHANGED?	WHAT ELSE SHOULD NG HOMES DO?	Who is responsible
	How likely?	How Severe?	total Score					
1) POLITICAL/LEGISLATIVE: a) Welfare Benefit Reform loss of rental income /higher arrears; reduced income levels/Cost of living crisis/ increasing demand for homelessness lets against waiting list lets.	4	x 4	16	1) Welfare Benefit Action Plan: tenant profiling; staff re-structure; financial inclusion; technology 2) partnership working with GCC etc. on WBR 3) engagement with politicians etc.	→	Benefits increased by inflation and additional benefits provided by Scottish Government. Both Westminster and Scottish Govt has problem issues affecting their ability to concentrate on issues.	Continue with strategy. Review effectiveness/ outcomes	Directorate
b) political change uncertainty +increased financial pressure, e.g. energy standards / new services/ shortage of staff/ increase in maintenance costs/ increase in energy costs.	4	x 4	16	1) maintain financially robust Business Plan 2) regular environmental scanning and influence via engagement with politicians etc.	→	Shortages of staff in some areas. Scottish Government now not a majority. Westminster government is a majority. But not governing. Future economic performance uncertain. (1)	Not within our control.	Directorate
2) ECONOMIC a) economy + employment high unemployment and reduced income for tenants, with knock on arrears	4	x 4	16	1) financially robust Business Plan 2) cost efficiency to ensure affordable rents 3) regular environmental scanning and influence via engagement with politicians etc.	→	Inflation dropped to lower level and interest rates may decrease further. Unemployment increasing. Local position still a top area for deprivation.	Assess impact on business plan	Directorate

b) private finance increased interest rates / inability to build or improve stock due to lack of access to private funding	3	x 3	9	1) Treasury Management policy and maintain covenant compliance 2) robust Business Plan + healthy reserves	→	New loans may be required with net zero funding in future. Loans to be repaid at over £2m per year.	Maintain cash position and continue to reduce loan balances.	DCEO
3) FINANCIAL: Pensions increasing cost of pensions with negative impact on finances	4	x 3	12	1) Business Plan provision built in for pension liabilities plus sensitivity modelling 2) Review financial implications of pensions/ develop proposals with independent advice	→	Deficit on SHAPS balanced by SPF scheme now in large surplus though not recognised. Triannual reviews done on a different basis. Stock markets holding steady but bond yields varying with political interventions.	To be kept under consideration. Membership of SPF and SHAPS DB schemes has reduced. This may reverse with decrease in SHAPS contributions.	DCEO
4) DEMOGRAPHIC/SOCIAL a) ageing population higher costs due to demand for services for elderly tenant base	4	x 3	12	1) examine feasibility of using staff and stock to support independent living for elderly tenants 2) develop partnership working with GCC Social Work and other relevant agencies	→	Continued review of stock and services to tenants. May reduce staff numbers.	Assessment required re local population projections + review of greater use of technology.	Directorate
b) reduced demand for housing higher voids and increased stock turnover reducing rental income	3	x 3	9	1) monitor local housing supply/demographics 2) regeneration to enhance neighbourhood quality/competitiveness 3) planned maintenance to improve stock quality	→	Increase in stock turnover in recent years. Still strong demand for properties, changing profile of tenants.	Analysis of lettings to feed into business planning. Stock condition survey being updated.	Directorate
5. ENVIRONMENTAL climate change, carbon reduction etc. increasing costs for ng /tenants	4	x 3	12	1) innovative proposals and external funding 2) regular environmental	→	Ongoing review of stock. EESSH review ongoing and works	Explore all sources of external	Directorate

				scanning/engagement with politicians etc.		being completed. Net zero works unaffordable even with significant grant.	funding. Ongoing work to improve stock.	
6. PROCUREMENT failure to deliver service to tenants and value for money	3	x 3	9	1) robust procurement policies in place	→	Procurement rules in force. Need to demonstrate value for money	Procurement strategy produced. Robust procedures to ensure compliance.	DCEO DDPS
7. NEW_BUILD subsidy levels impact on financial viability and Business Plan	3	x 4	12	1) Business Plan assumes no new-build 2) viability of projects kept under review 3) Review of longer-term development programme and planned maintenance requirements.	→	Continued focus by Government on achieving new build target, but costs unaffordable.	Maximise grant subsidy. Review of longer-term development capacity.	DDPS
8. HEALTH & SAFETY/STOCK DISASTER major H&S failure or stock damage	2	x 5	10	1) Robust health and safety policy, with Board/H&S Consultants 2) Disaster Recovery/ Emergency Plan	→	Ongoing review of risks across all operations and departments. Increased levels of investment.	Maintain focus of all on need for H&S. Ongoing reviews and talks. Greater focus on risks in all stock.	Directorate
9. GOVERNANCE major governance failure - poor decision-making /leadership; strategic direction; poor reputation	4	x 3	12	1) Board training /development programme 2) governance review to ensure full compliance v SH governance standards 3) robust governance policies + procedures 4) Succession planning	→	Continuing internal and external audit programmes. Continuing training programmes.	Strategy Review - ensure focus on core business. Group governance ongoing review.	Directorate

<p>10. GDPR/DP Act 2018/FOI Failure to comply with the GDPR requirements leading to data loss or improper use of personal or sensitive data. Non compliance could lead to reputational damage and potentially fines.</p>	2	x4	8	<p>IT electronic security systems Encryption or securing of data being transferred. Staff training Staff and office supervision Security controls on computers and mobile phones. Removal of paper files no longer required. Data mapping exercises on ongoing basis Compliance with ICO guidance Update of website and policies for FOI</p>	→	<p>Work done to date and ongoing work into the future to minimise risk from the various issues. Data Protection Officer in place</p>	<p>Upgrade of IT security systems. Review of requests and outcomes from such. Data mapping and impact assessments GDPR Group review Board and Audit Committee reporting.</p>	<p>Directorate IT Manager</p>
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- (1) The Association maintains awareness of political and legal changes which can affect its operations, strategic, legal and financial position such as global financial change. It has not identified specific risks relating to these items as the most likely impacts are to increase or decrease the levels of risk already identified in relation to the Association. Beyond this there may be known threats where the Association has little control and ability to mitigate, and so these are not included in the register.





Board Meeting

For Approval

To: Board
From: Director of Corporate Services

SUBJECT: CEO ROLE DESCRIPTION AS PER SO11 AND THE FINANCIAL REGULATIONS **DATE:** 17 March 2026

1.	<p>Introduction</p> <p>The Association’s Standing Order (SO11) states: “The responsibilities of the CEO are set out in the CEO’s role description approved by the Board. In particular, the CEO is responsible for all matters delegated to them and, specifically, the effective implementation and operation of the Schemes of Financial and Non-Financial Delegation (as contained in the Financial Regulations), the effective delivery of the Association’s business plan and the Association’s legal and regulatory compliance. The responsibilities and authority delegated from the Board to the CEO must be reviewed and approved annually by the Board and are set out in the Financial Regulations which form part of these Standing Orders at Appendix 2.”</p> <p>The Standing Orders were last reviewed at the July 2025 Board meeting. At that meeting the Board approved a new document ‘Scheme of Delegated Authority’ as appendix 3 of the revised and approved Standing Orders. This document clarifies the authority levels for actions across the various parts of the business, as follows: Level 1: Authority reserved to Board Level 2: Authority delegated to Committee Level 3: Authority delegated to the CEO / Directorate</p> <p>The following documents are attached to this report:</p> <ul style="list-style-type: none"> - CEO’s Role Description - Financial Regulations (SO Appendix 2) - Scheme of Delegated Authority (SO Appendix 3) <p>For clarity going forward, it is proposed that the last sentence of the wording of Standing Order 11 is amended to read: “The responsibilities and authority delegated from the Board to the CEO must be reviewed and approved annually by the Board and are set out in the Financial Regulations, and the Scheme of Delegated Authority which form part of these Standing Orders at Appendix 2 and Appendix 3.”</p>
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	If the amended wording to Standing Order 11 is approved by the Board, the Association's Standing Orders document will be updated accordingly.
2.	Risk /Mitigation
	Failure to follow the process set out in SO11 could negatively impact the implementation and operation of the Schemes of Financial and Non-Financial Delegation (as contained in the Financial Regulations), and the Scheme of Delegated Authority which in turn could hinder the effective delivery of the Association's business plan and the Association's legal and regulatory compliance. This is mitigated by following the Association's approved standing orders including the relevant appendices.
3.	Link to the Association's Business Plan priorities and the SHR Governance Standards
	<p>The CEO has a key role in ensuring that all the Association's business plan priorities are achieved and the CEO leads the Directorate and staff teams in supporting the Association's Board to ensure compliance with the SHR Standards of Governance and Financial Management, listed below, and good business practice going forward. To carry out this role effectively the CEO requires the appropriate responsibility and authority to be delegated by the Board. Therefore, the subject of this report is linked to all of the business plan priorities and the SHR Standards listed below.</p> <p>The Association's Business Plan priorities</p> <ul style="list-style-type: none"> • Robust Governance • Prudent Financial Management • Creating a Positive Culture • Continuous Improvement • Growing our Business <p>SHR Standards of Governance and Financial Management</p> <p>STANDARD 1</p> <p>The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</p> <p>STANDARD 2</p> <p>The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.</p> <p>STANDARD 3</p>

	<p>The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 4</p> <p>The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p> <p>STANDARD 5</p> <p>The RSL conducts its affairs with honesty and integrity.</p> <p>STANDARD 6</p> <p>The governing body and senior officers have the skills and knowledge they need to be effective.</p> <p>STANDARD 7</p> <p>The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.</p>
4.	Recommendation
	<p>Members are asked to review and approve the following:</p> <ul style="list-style-type: none"> i) The responsibilities and authority delegated from the Board to the CEO as set out in the Financial Regulations and the Scheme of Delegated Authority which form part of the Association's Standing Orders. ii) The amendment to the wording of the Association's Standing Order 11.



FINANCIAL REGULATIONS

Contents

Foreword.....	2
1. Status of Financial Regulations	3
2. Financial Control Board	3
3. Income & Banking.....	10
4. Expenditure.....	13
5. Salaries and Wages	16
6. Assets	18
7. Other	19
8. Subsidiaries.....	21

Foreword

To conduct its business effectively a Housing Association needs to ensure that it has sound financial management systems in place and that they are strictly adhered to. Part of this process is the establishment of regulations which set out the financial policies of The Association.

1. Status of Financial Regulations

- 1.1. The financial regulations of North Glasgow Housing Association form part of its overall system of financial and management control. The rules of the Association and the terms of reference of the Board and its Committees outline how the Association will be controlled and run.
- 1.2 This document sets out the Association's financial regulations which form part of the overall rules of the Association. It translates the Association's broad policies relating to financial control into practical guidance. It applies to the Association and all its subsidiary undertakings.
- 1.3 Compliance with the financial regulations is compulsory for all staff connected with the Association. It is the responsibility of heads of departments to ensure that their staff are made aware of the existence and content of the Association's financial regulations and that an adequate number of copies are available for reference within their department.
- 1.4 The Deputy Chief Executive Officer (DCEO) is responsible for maintaining a continuous review of the financial regulations and advising the Board of any additions or changes as necessary.
- 1.5 The Association's detailed financial procedures set out how the regulations will be implemented and are contained in a separate manual. It is the DCEO's responsibility to prepare and maintain the Association's financial procedures which should be available to all departments.

2. Financial Control Board

- 2.1 The Board has ultimate responsibility for the Association's finances. Its financial responsibilities are:
 - a. to ensure the solvency of the Association
 - b. to safeguard the Association's assets
 - c. to ensure the effective and efficient use of resources
 - d. to ensure compliance with performance standards produced by Scottish Housing Regulator and the SFHA

- e. to ensure that financial control systems are in place and are working effectively
- f. to ensure that the Association complies with the code of audit practice
- g. to approve the Association's strategic plan
- h. to approve annual estimates of income and expenditure and to approve the annual financial statements
- i. to recommend to the Annual General Meeting (AGM) the appointment of the Association's external auditors.

2.2 The Board delegates most of these responsibilities to the Audit Risk and Compliance Committee (ARC) as detailed below. This committee is accountable to the Board.

Audit Risk and Compliance Committee

2.3 The ARC Committee is independent and reports to the Board. It has right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors. The Committee is responsible for identifying and approving appropriate performance measures for internal and external audit and for monitoring their performance. It must also satisfy itself that satisfactory arrangements are in place to promote economy, efficiency and effectiveness and that the Board is able to give an annual statement of assurance in respect of financial control systems. The Committee is charged with monitoring the risks facing the Association, to take reports on such and to make recommendations on reducing the risks from such.

2.4 The audit requirements of the Association are set out in the code of audit practice produced by Scottish Housing Regulator. Every registered social landlord is required, under the Housing (Scotland) Act 2010 to have an annual independent external audit.

Audit Requirements

2.5 The DCEO is responsible for drawing up a timetable for final accounts purposes and will advise staff and the external auditors accordingly. The Association shall prepare all accounting work, together with a fully referenced audit file, in a

format agreed in advance with the auditors, in order that the audit can be carried out as efficiently and effectively as possible. This also ensures the complete independence of the external audit.

2.6 The accounts and audit findings letter should be reviewed by the ARC Committee. A formal response to the audit findings letter will be issued to the auditor. The Association will, wherever possible, act upon the issues raised and recommendations made, in order to become more efficient in its financial arrangements and systems of financial control.

2.7 External auditors and internal auditors shall have authority to:

- a. access association premises at reasonable times
- b. access all assets, records, documents and correspondence relating to any financial and other transactions of the Association.
- c. require and receive such explanations as are necessary concerning any matter under examination
- d. require any employee of the Association to account for cash or any other association property under his/her control

2.8 Whenever any matter arises which involves, or is thought to involve, irregularities or fraud concerning cash, or other property of the Association or there is any other suspected irregularity in the exercise of the activities of the Association, the head of department concerned shall notify the DCEO or Chief Executive Officer (CEO) of the Association. He/she will take steps as necessary by way of investigation and involvement of internal audit and report the matter to the Board in the first instance and if necessary Scottish Housing Regulator where required. The Association should also ensure that a procedure for whistle blowing is in place and operating effectively.

External Audit

2.9 The appointment of external auditors will take place annually at the AGM and it is the responsibility of the Board to make recommendations following advice received from the ARC Committee. The primary role of external audit is to report on the Association's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach

their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the code of audit practice and the Auditing Practices Board's auditing standards. Each year the ARC Committee will review the effectiveness of external audit and, provided the auditors' work is of a sufficiently high standard and reasonably priced, should recommend that the Board re-appoint them. In addition, a competitive tendering exercise will be held at least every seven years. This is to comply with good practice and recommendations laid down by the Scottish Housing Regulator.

- 2.10 On appointment, the content of the external auditor's engagement letter should be clearly discussed and agreed with the CEO and DCEO in order that there is a clear understanding of the external auditor's responsibilities. This engagement letter should be reviewed every three years to ensure that it is still appropriate.

Internal Audit

- 2.11 The main responsibility of internal audit is to provide the Board, the CEO and Senior Management Team with assurances on the adequacy of the internal control system.
- 2.12 The internal audit service has direct access to the Board, CEO and Chairperson of the ARC Committee.
- 2.13 The internal auditor will comply with the Auditing Practices Board's auditing guideline *Guidance for Internal Auditors*.

Other Auditors

- 2.14 The Association may, from time to time, be subject to audit or investigation by external bodies such as HMRC who have statutory rights of access.

Responsibilities

The Chief Executive Officer (CEO)

- 2.15 The CEO and in the absence of the CEO, the Depute CEO's are responsible for the operational management of the Association's affairs. He or she will assist the Board in determining its strategic objectives and promote the achievement of such objectives through the effective deployment of The Association's resources.

The DCEO

- 2.16 Day to day financial administration is the responsibility of the DCEO. The DCEO is responsible to the CEO for:
- a. financial and business planning
 - b. preparing annual capital and revenue budgets
 - c. preparing management accounts and information, monitoring and control of income and expenditure against budgets and all financial operations
 - d. preparing the Association's annual accounts and other financial statements and accounts which the Association is required to submit to other authorities
 - e. preparing appraisals for major investment decisions
 - f. ensuring that the Association maintains satisfactory financial systems
 - g. providing professional advice to the Board on all matters relating to financial policies and procedures including treasury management.

Departmental Managers

- 2.17 Managers are responsible for establishing and maintaining clear lines of responsibility within their department for all financial matters.

Budgeting

Resource Allocation

- 2.18 Resources are allocated regularly, and at least annually, on the recommendation of the Board.

Budget Preparation

- 2.19 The day-to-day administration and the control of the budget will be delegated to the CEO and Depute CEO. The DCEO is responsible for ensuring a revenue budget is prepared annually for consideration by the Board. The budget should also

include cash flow forecasts for the year and a projected year end balance sheet. The DCEO must ensure that detailed budgets are prepared in order to support the resource allocation process and that these are communicated to Managers as soon as possible following their approval by the Board.

- 2.20 During the year, the DCEO is responsible for submitting revised budgets to the Board for consideration and approval as required. A budget setting policy is detailed separately.

Development Programmes

- 2.21 Capital expenditure on land, buildings and associated costs can only be considered as part of the development programme approved by the Board.

Financial Planning

- 2.22 The DCEO is responsible for preparing long term financial forecasts for at least the period required by the Scottish Housing Regulator and funders. Financial plans should be consistent with the strategic plans and development strategy approved by the Board.

Accounting Policies

Basis of Accounting

- 2.23 The financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

Depreciation

- 2.24 Housing Properties

Housing properties are stated at cost less aggregate depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the properties as follows:

Rehab Schemes	-	over 40 years
SST acquired stock	-	over 40 years
New Build Schemes	-	over 50 years
Land	-	no charge for depreciation

Capitalised components of the properties will be depreciated over the life cycle appropriate to the component. Components as part of a contract programme will be reviewed for capitalisation. Individual unit replacements will not normally be capitalised at this time until such time as a full component accounting database has been implemented.

Other fixed assets

The Association's assets are written off evenly over their expected useful lives on a straight line basis as follows:

Office premises	-	over 25 years
Furniture & equipment	-	over 5 years
Computer hardware	-	over 5 years

Capitalisation of other fixed assets

- 2.25 Fixtures, fittings and equipment purchased for £500 or more should be capitalised. Anything purchased for under £500 should be incorporated into revenue expenditure.

Format of the Accounts

- 2.26 The accounts are prepared for the financial year ending 31 March, in the format required by the Statement of Recommended Practice (SORP) on Accounting for Registered Social Landlords.

Accounting Returns

- 2.27 The DCEO is responsible for dispatching financial returns and other periodic financial reports to the Scottish Housing Regulator, Financial Conduct Authority, OSCR, HMRC and any other body as required.

Accounting Records

- 2.28 The DCEO is responsible for the retention of financial documents. These should be kept in a form acceptable to the relevant authorities.

2.29 The Association is required by law to retain prime documents. These include:

- a. accounts raised (six years)
- b. copies of receipts and invoices (six years)
- c. payroll records (six years)
- d. VAT records (six years).

2.30 For auditing and other purposes, the Association should retain other financial documents for six years.

3. Income & Banking

General

3.1 The DCEO is responsible for ensuring that appropriate procedures are in operation to enable the Association to receive all the income to which it is entitled. All receipt forms, invoices, or other official documents in use must have the approval of the DCEO.

3.2. Levels of rents, service charges and lettings are determined by procedures approved by the Board. Secure rents are determined by the rent officer.

3.3. The DCEO is responsible for the prompt collection, security and banking of all income received.

3.4 The DCEO is responsible for ensuring that all grants notified by GCC NRS and other bodies are received and appropriately recorded in the Association's accounts.

3.5 The DCEO is responsible for ensuring that all claims for funds are made by the due date.

Appointment of Bankers

3.6 The Board is responsible for the appointment of the Association's bankers on the recommendation of the DCEO.

Banking Arrangements

- 3.7 The DCEO is responsible, on behalf of the Board, for liaising with the Association's bankers in relation to the Association's bank accounts and the issue of cheques.
- 3.8 A bank account cannot be opened or closed without approval from the Board. All bank accounts for the Association shall be in the name of North Glasgow Housing Association Ltd.
- 3.9 All cheques drawn on behalf of the Association must be signed in the form approved by Board. Details of authorised persons and limits for all types of payment including BACS and CHAPS shall be provided for in the Association's detailed financial procedures.
- 3.10 The DCEO is responsible for ensuring that all bank accounts are subject to regular reconciliations and independent reviews and that large or unusual items are investigated as appropriate.

Cheque Receipts

- 3.11. All monies received within offices from whatever source must be recorded by the office on a daily basis together with the form in which they were received. An authorised receipt of the Association should be issued. This receipt book is kept at the reception in each office and is sequentially numbered. These receipt books should always be used.
- 3.12. The policy regarding payments is that tenants and owners should pay their rent and factoring charges at the bank, post office or an outlet with an Allpay terminal. Cheques received at the offices should be kept to a minimum.

Rents

- 3.13 Managers should ensure that:
- a. swift and effective action is taken to collect overdue rents in accordance with the Association's formal procedures (detailed in the housing management procedures). Delegated authorities relating to such are outlined in the rent arrears policies and procedures.

- b. outstanding rents are monitored, and reports prepared for the Board.

The Collection of General Debts

3.14 The DCEO should ensure that:

- a. sales ledger invoices are raised promptly in respect of income due to the Association
- b. debtors are raised on official invoices which are numbered sequentially
- c. swift and effective action is taken to collect overdue debts in accordance with the Association's formal procedures (detailed in the financial procedures)
- d. outstanding debts are monitored, and reports are prepared for managers.

3.15 The Board is ultimately responsible for implementing credit arrangements and indicating a period in which different types of invoices must be paid. Any subsequent changes must be submitted to Board for approval.

Write Off of Arrears and Debts

3.16 Requests to write-off debts more than £5,000 must be taken to the Finance, Performance & Resources Committee (FPR) for consideration and approval. Debts below this level may be written off with the permission of the Housing manager and Director of Housing but will also be reported to the appropriate Committee quarterly. This is in line with the delegated authority under the rent arrears procedure.

Donations

Any donation above £1,000 to other bodies must be approved by the Board or a delegated committee.

4. Expenditure

4.1 The DCEO is responsible for making payment to suppliers of goods and services to the Association that have been fully authorised.

Authorities

4.2 All purchases must be authorised by at least a Manager. No account for expenditure shall be payable until the Manager concerned is satisfied that the:

- a. the account is due and payable
- b. goods and services have been carried out in accordance with the instructions given.
- c. charges are in accordance with schedule of rates, estimates, or sums reasonably chargeable
- d. accounts have not already been paid in whole or in part
- e. where appropriate, the invoice has been matched to the work order number
- f. the additions and extensions on the invoice have been checked
- g. the invoice details (quantity, price and discounts are correct)
- h. VAT issues have been complied with where they apply.

4.3 Any changes to the authorities to sign must be notified to the DCEO immediately.

4.4 The CEO has the authority to authorise non budgeted expenditure:

- a. goods and services up to a maximum of £50,000

- b. emergency repair work up to a maximum of £500,000.

Any work carried out under the above categories will be incorporated into the annual budget and reported to the Board.

Petty Cash

- 4.5 Petty cash will be controlled through an imprest system. Petty cash levels in the office should be kept at a manageable level. Therefore, the imprest system of petty cash should normally be maintained below a level of £3,000.
- 4.6 The limit for presenting a petty cash cheque to the bank shall be set at up to £2,000. However, this facility should only be used when such a sum of money has been requested in advance i.e. for homes parties required immediately.
- 4.7 Claims for reimbursement will normally be by funds transfer, cheque or through the staff payroll unless it causes the individual financial hardship. The appropriate method of payments will be at the discretion of managers.

Tendering

- 4.8 The following rules shall apply for tendering:
 - a. Services/supplies less than or equal to £50,000 – No publically advertised tender is formally required. However if not publically advertised then three quotes should be sought if considered appropriate to demonstrate value for money. The work must be authorised by CEO/Depute CEO/Director.
 - b. Services/supplies estimated at over £50,000 (except in emergencies where 4.4 applies) – A specification should be put on Public Contracts Scotland.
 - c. Works estimated under £2m. No publically advertised tender is formally required. However, if not publicly advertised on PCS or Quick Quotes then three quotes should be sought if considered appropriate to demonstrate value for money.
 - d. Works estimated over £2m – A specification should be put on Public Contracts Scotland depending on value.

Under the Scottish Procurement regulations contracts can be awarded to the wholly owned subsidiaries without the need to advertise the contract.

Negotiation

- 4.9 Negotiation may be entered into where the contracts are below the Scottish Procurement thresholds or considered to be emergency works.

Payment of Invoices

- 4.10 The procedures for making all payments shall be in a form specified by the DCEO.
- 4.11 Suppliers shall be instructed to send all invoices for payment to the Finance Department. Payments will only be made by the DCEO against invoices which have been certified for payment by the appropriate manager and where the DCEO has verified that a completed Declaration of Interest exists for any contractor or supplier who falls within the scope of the Declaration of Interest Policy.
- 4.12. A computerised payment run to pay the purchase ledger invoices is done every two weeks. However, an extra payment run for utility and other immediate bills may be required at any time during the month. Purchase ledger manual cheques or one off transfers should generally be avoided, however, in circumstances, where an invoice has been held because of a dispute and is then subsequently passed for payment after the payment run date, or when the CEO or DCEO specifies that an invoice is to be paid urgently, then a manual cheque can be drawn or transfer done.

Cheque signing policy

- 4.13 Manual cheques for Association cashbook expenditure should be drawn as and when required. All cheques are to be signed by two authorised cheque signatories. However, it should be noted that:
- a. cheques under £25,000 can be signed by any two authorised signatories
 - b. cheques over £25,000 must be signed by at least one ET member and any other authorised signatory
 - c. no cheque signatory may sign a cheque payable to themselves.

5. Salaries and Wages

General

- 5.1 The DCEO is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. Responsibilities are outlined in the Payroll Responsibilities procedure document.
- 5.2 All the staff of the Association will be appointed to the salary scales approved by the Board and in accordance with the EVH Annual Wage Agreement or other agreement appropriate to that group of staff. All letters of appointment must be issued by the appropriate CEO/ET member. The Director of Corporate Services (DCS) will be responsible for keeping the DCEO informed of all matters relating to personnel for payroll purposes.
- 5.3 In particular these include:
- a. appointments, resignations, dismissals, secondments, and transfers
 - b. absences from duty for sickness or other reason, apart from approved leave
 - c. changes in remuneration
 - d. information necessary to maintain records of income tax, national insurance, pension, etc.
- 5.4 The DCEO is responsible for ensuring that all casual and part-time employees will be included on the payroll once informed by DCS.
- 5.5 The DCEO shall be responsible for keeping all records relating to payroll including those of a statutory nature.
- 5.6 All payments must be made in accordance with the Association's detailed payroll financial procedures and comply with HMRC regulations.

Charge out Rates

Provision of Services

- 5.7 Staff charge out rates should cover salary costs and overheads.

Secondments

5.8 The charge for staff seconded to and from The Association will cover the salary, NIC & related pension contributions.

NB The provision of services and secondments by staff is on the basis that:

- a. The Association's performance is not adversely affected
- b. Any toil accrued because of additional hours is charged against the service or secondment income.

Pensions

5.9 The Board is responsible for undertaking the role of employer in relation to pension arrangements for employees.

5.10 The DCEO is responsible for day-to-day pension matters including:

- a. paying of contributions to SHA Pension Scheme/Strathclyde Pension Scheme/The Peoples Pension.
- b. preparing the annual returns to SHA Pension Scheme/Strathclyde Pension Scheme/The Peoples Pension.

Payment of salaries

5.11 Salaries are normally paid on the 14th of the month unless this date falls on a weekend day in which case the salaries will be paid on the Friday before the 14th. The CEO has the authority to pay the salaries early at holiday periods such as Christmas. Salaries will normally be paid through the banking system by BACS transfer.

Travel, subsistence, and other payments

5.12 a. Allowances for additional payments are either in accordance with EVH/Union agreed rates, the Association's Conditions of Service or are reviewed by the Board on an annual basis.

b. Overtime and additional expenses must be approved by CEO/ET members/Managers or by Chairperson or Member of the Board.

6. Assets

Land, Buildings, Fixed Plant & Machinery

6.1 The purchase, lease or rent of land or buildings or fixed plant can only be undertaken as part of an approved development programme.

6.2 A register should be maintained of the Association's land, buildings, fixed plant, and machinery.

Other Fixed Asset Additions

6.3 The Finance Department maintains a record of all other fixed asset additions.

Asset Disposal

6.4 Disposal of equipment and furniture must be in accordance with procedures agreed by the Board and contained in the Association's detailed financial procedures.

6.5 Disposal of land and buildings must only take place with the authorisation of the Board. If grant aided the Scottish Government will require to be notified and consent obtained before approval by the Board of the disposal.

Treasury Management (Investments and Borrowings)

6.6 The FPR Committee is responsible for approving a Treasury Management Policy statement setting out strategy and policies for cash management, long term investments and borrowings. The DCEO has a responsibility to ensure implementation, monitoring and review of the Treasury Management Policy. This policy is detailed separately.

6.7 The DCEO will report to the FPR Committee regularly in each financial year on the activities of the treasury management operation and on the exercise of treasury management powers delegated to him/her including monitoring compliance.

7. Other

Risk Management

- 7.1 The ARC Committee is responsible for developing a Risk Management Strategy, in line with the requirements of the Scottish Housing Regulator, to identify the risks facing the Association and types of protection required to cover these risks. The strategy should cover important potential liabilities and be sufficient to meet any potential risk to all assets. The ARC Committee also approves and reviews the Associations operational risk registers and ensure the risk management cycle is rigorously applied. This will be reported to the Board.

Insurance

- 7.2 The DCEO is responsible for effecting insurance cover as determined by the Board. He/she is therefore responsible for obtaining quotes and maintaining the necessary records. He/she will also deal with the Association's insurers and advisers about specific insurance problems in conjunction with the relevant staff in the relevant area. The insurance cover should provide good value for money against potential risks. It is essential to identify every type of risk prudent to be covered by insurance. Insurance tendering procedures should be carried out at least every five years.
- 7.3 Officers must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the Association may be exposed. The DCEO's advice should be sought to ensure that this is the case. Officers must give prompt notification to the DCEO of any potential new risks and additional property and equipment which may require insurance and any alterations affecting existing risks.
- 7.4 The DCEO will keep a register of all insurances effected by the Association and the property and risks covered. For contractors and consultants registered on Open Housing the managers responsible for the relevant contracts should ensure the insurance details for the contractors and consultants are kept up to date on the Open Housing system.
- 7.5 All staff using their own vehicles on behalf of The Association will have appropriate licence, MOT status for vehicle and appropriate insurance cover for business use.

Taxation

- 7.6 The DCEO is responsible for advising heads of departments on taxation issues in the light of guidance issued by the appropriate bodies and the relevant legislation as it applies to The Association
- 7.7 The DCEO is responsible for maintaining the Association's tax records, making all tax payments, receiving tax credits, and submitting tax returns by their due date as appropriate.

Security

- 7.8 Managers are responsible for maintaining proper security at all times for all buildings, stock, furniture, cash, etc under his or her control. He/she shall consult the CEO in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 7.9 The loss of safe keys must be reported to the DCEO immediately.
- 7.10 Officers will be responsible for maintaining proper security and privacy of information. Access to areas where data is stored will be restricted to authorised persons. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act. A Data Protection Officer shall be nominated to ensure compliance with the Act. Data will only be released to bodies or individuals where it is required by the Data Protection Act. Any doubts on this should be referred to the Data Protection Officer.

Hospitality

- 7.11 The limits concerning acceptable expenditure for entertaining guests from outside bodies are set out in the Association's Gifts Donations and Hospitality Policy.
- 7.12 Members of the Board and members of staff should refuse all material hospitality and gifts offered by an individual or company that does or could provide services to the Association where they are offered as an inducement to secure favour. All Committee and staff will comply with the Association's Bribery Policy.

Standards of Governance and Financial Management

- 7.13 All areas covered within the SHR Regulatory Framework guidance require to be

followed. <https://www.housingregulator.gov.scot/for-landlords/regulatory-framework#section-1> The Association shall use the Scottish Housing Regulators standards of Governance and Financial Management as the basis for the Assurance Statement. <https://www.housingregulator.gov.scot/for-landlords/regulatory-framework#section-3>

8. Subsidiaries

- 8.1 The Association now has three active subsidiaries NG Property (Scotland) Limited (NGPS), Design Services Glasgow Limited (DSGL) and NG 2 Limited.
- 8.2 NGPS is fully integrated into the core systems of the Association. As such the operations of NGPS will be governed by the structures of the financial regulations detailed in these financial regulations.
- 8.3 DSGL's accounting system functions on a totally separate accounting package. Its operations run on a basis different from that of the Association which is directed towards primarily meeting the needs of the tenants. DSGL is just directed to consolidating the development supplies of the contractors and professional suppliers into one supply to the Association. The scale of its invoices and the nature of its operation is totally different from that of the Association. A separate set of financial policies and regulations control the operations of that company.
- 8.4 Ng2's accounting system functions on a totally separate accounting package. Its operations run on a basis different from that of the Association which is directed towards primarily meeting the needs of the tenants. NG 2 is just directed to carrying out social economy activities. As such the scale of its invoices and the nature of its operation is totally different from that of the Association. A separate set of financial policies and regulations control the operations of that company.

North Glasgow Housing Association Limited

Scheme of Financial Delegation

Contents

1.	General.....	2
2.	Responsibilities	2
3.	Review of Financial Limits in Delegations.....	4
4.	Authorised Signatories	5
5.	Terminology.....	6
6.	Specific Financial Responsibilities	7
7.	Contract Expenditure.....	7
8.	General Expenditure	9

1. General

- 1.1 This document sets out the scheme of financial delegation ("the Scheme") for North Glasgow Housing Association Limited ("NGHA"). It outlines the roles and responsibilities of members of staff and the Board of NGHA. It details the financial limits that should be applied within this Scheme and describes the associated permissions and responsibilities for disbursing NGHA's business and specifies the limits and ranges of delegation given within the organisation.
- 1.2 This Scheme defines the delegated financial authority levels for the Board, Chief Executive Officer (CEO), Directorate members, Managers and staff by detailing the policy by which staff can commit and authorise expenditure within an approved budgeted framework.

2. Responsibilities

2.1 NGHA Board Responsibilities

In common with other RSLs, NGHA has a Board that is charged with exercising a "supervisory" function (as opposed to a "unitary" Board that can be found in private sector companies). Amongst its responsibilities the Board is charged with determining the vision for the future of NGHA and undertakes the strategic management, which will ensure that the vision is realised.

NGHA's strategy sets out the focus of the organisation. The Board approves the strategic objectives and seeks to ensure that they are supplemented by structures, systems, competent staff and appropriate and sufficient physical resources including a comprehensive, achievable budget.

It is important to appreciate that there are several factors that need to be addressed when implementing the financial limits. These include:

- **Budget Setting, Approval and Monitoring.** The Budget must be considered and approved by the Board, via the Chief Executive Officer, and Deputy Chief Executive Officer (DCEO). The main body of financial limits set within the Scheme of Financial Delegation refers to expenditure that is accommodated within the agreed budget. It is essential that NGHA has in place a robust set of accounting requirements that facilitate the need for the Board and Management Team to monitor actual expenditure against planned expenditure. The Board has overall responsibility for monitoring outcomes against Budget. If the Board decides this can be delegated to one of the committees.

- **Management Information System.** In addition to the Quarterly management accounts NGHHA will have in place a vigorous set of monitoring procedures that allow for qualitative and quantitative reporting of activity in all parts of the organisation. There will be monthly summary monitoring of all activity that allow the relevant Management staff to take personal responsibility for the activities within their Departments and for reports to be made to the Board.
- **Non-Budgeted Expenditure.** The financial limits for non-budgeted expenditure are similar to those set for budgeted expenditure which has previously been approved by the Board. This reflects the need to ensure that the Board is appropriately involved in any decision to commit to new expenditure.
- **Segregation of Duties.** This Scheme reflects a cascade of financial delegation consistent with the requirements of good control and recognised best practice. The allocation of responsibility to individuals and groups will be such as to avoid conflicts of interest. The procedures will avoid undue reliance on any one individual for internal control. In practice, the same person should not be able to commit to expenditure, and authorise the invoice for payment. Segregation of duties is built into this Scheme in that two signatures are required to commit and authorise expenditure at a specified level.
- **Communication.** As well as effective planning that is aligned to aims, objectives and targets, an effective scheme of delegation is heavily dependent upon good levels of communication within the organisation. This should ensure that staff will know what is acceptable expenditure within their area and what is accounted for in the budget. They should also be kept informed of what decisions and actions arise from the continual monitoring of income and expenditure.

2.2 Chief Executive Officer's Responsibilities

The CEO has overall responsibility for NGHHA's management and is personally accountable to the Board for the exercise of that responsibility.

The DCEO undertakes the day-to-day direction of NGHHA in relation to his specific responsibilities consistent with the authority delegated by the Board.

The financial limits within this Scheme will meet the requirements of the CEO with the authority to implement the strategy that has been agreed by the Board.

The CEO, and Directorate members are responsible for advising the Board on the financial management of NGHHA.

2.3 Directorate Responsibilities

The limits incorporated in this Scheme facilitate the need for an efficient process for incurring and controlling expenditure. This will be achieved through a process that will not have a delaying impact on operational needs. This will also maintain the control environment by making the Directorate and other managers more personally accountable for the use of resources within their area.

The financial authorities within this Scheme will cascade down to a relatively low level within NGHA. This is important, as the majority of payments made by NGHA are likely to fall to middle managers for authorisation. Crucially, this Scheme requires two signatures. Exceptions to the two-stage signatory process are set out in this Scheme and primarily relate to specific delegated financial authorities, and where the level of seniority is deemed to be appropriate. In all cases, however, the management information presented to the Board should provide adequate transparency in its reporting of financial commitments.

Each Directorate member is responsible for the financial delegation within the lowest category of financial limits within his/her area of responsibility as set out in Tables 7.2, and 7.4. If an Directorate member wishes to delegate financial authority within that category he/she should produce a Scheme of Financial Delegation for approval by the CEO. Any such Scheme of Financial Delegation is subject to direction or amendment by the CEO at any time.

Each member of staff within NGHA, with financial delegation, is responsible for ensuring that funds are committed and spent on the purpose for which it was intended and in accordance with the requirements of this Scheme and NGHA's contract, procurement and other policies and procedures. This includes ensuring that appropriate communication, contract progress monitoring and verification processes are undertaken.

Delegated officers' personal responsibility does not detract from the responsibility of the Directorate in ensuring that appropriate controls are working in their areas and that any contentious or unusual payments are brought to their attention prior to payment being made.

A programme of staff training will be put in place, to be provided as required, to raise awareness and procedural guidance to clearly document key financial responsibilities.

Breaches of this Scheme may be subject to disciplinary action as appropriate.

Those members of staff who have delegated financial authority are responsible for ensuring that, where relevant, expenditure is approved after an appropriate tendering process has been followed. This includes UK procurement regulations as well as NGHA's own internal procedures. In addition, all financial authorisations should only occur after all appropriate checks and balances have been carried out in line with the policies and procedures of NGHA.

3. Review of Financial Limits in Delegations

The Board or delegated committee will review the financial limits in this Scheme on an annual basis, and determine any amendments as necessary, after taking advice from the CEO.

NGHA is an organisation that is continually developing with future significant change always possible. This might create a demand for changes in this Scheme and this document will require to be revised by NGHA at that time.

4. Authorised Signatories

This Scheme recognises the need for two signatories relating to the commitment of expenditure and the payment of invoices. This should be complementary to the integrated financial system and the automated approval process for financial commitments.

The two-stage signatory process would help to build up the monitoring activity within NGHA. Specifically:

- the first signatory is taking personal responsibility for confirming that the financial commitment is valid, checked, coded correctly and authorised as being a valid charge against NGHA and in accordance with its policies and procedures;
- the second signatory is taking personal responsibility for confirming that they have carried out checks and satisfied themselves that the payment is a legitimate charge to NGHA and in accordance with its policies and procedures; and

The first and second signatory would therefore be the main source of scrutiny to ensure the propriety and regularity of the expenditure. They would be asked to account for any errors or abuse that is discovered during or subsequent to the payment process.

In applying the two-stage signatory process outlined above, for general and routine expenditure items that are processed through the core Housing and Accounts systems, NGHA's Integrated Finance System has embedded controls that prohibit financial commitment unless an appropriate level of authorisation has been granted. This is achieved through the use of user identification and passwords. The principal control mechanism is at the commitment stage, which contractually binds NGHA to make payment after receipt of goods or services. In addition, there should be appropriate checking before payments are made. The authorisation will be implemented through segregation of duties, controlled by password.

Absence of Authorised Signatory

In the absence of a member of staff to whom financial authority has been delegated, that authority shall be exercised by a member of staff superior in the line of authority to the officer concerned, within the same operational section, unless temporary alternative arrangements have been approved by the CEO. In the CEO's absence, he/she will nominate deputes/managers and delegate his/her authority temporarily to that person. This should be approved by the Board for any continuous absence longer than four weeks.

5. Terminology

The definitions in Appendix 1 to these Standing Orders apply to this Appendix except where a relevant word or phrase is otherwise defined below. In addition the following words will bear the meanings set out below when used in this Scheme, unless the context otherwise requires.

“Budget” means a resource, expressed in financial terms, approved by the Board in line with the Business Plan for the purpose of carrying out the objectives of NGHA;

“Budget Headings” means the main categories to an appropriate level of detail of expenditure set out in the Budget that are grouped together under one budget heading;

“Capital Costs” means the costs of financing the purchase, construction, regeneration or improvement of, or investment in, any fixed assets by NGHA, including contract expenditure (as referred to in paragraph 7.1 below) and other business capital items,

“Contingencies” means approved amounts within the Budget set aside to meet expenditure requirements, which are not then capable of being profiled in detail;

“Cyclical Maintenance” means maintenance that can be predicted and performed on a regular basis;

“Delegated Officer” means a person named in a Scheme of Financial Delegation whom failing the immediately senior level of authority in the relevant table who is authorised to act as a 1st or 2nd signatory in terms of this Scheme of Financial Delegation;

“CEO’s Scheme of Financial Delegation” means the scheme of delegation produced subject and pursuant to paragraph 2.2;

“Financial Management” means the process of managing the financial resources of NGHA, including management decisions concerning accounting and financial reporting, forecasting and budgeting;

“New Build Developments” means individual projects for building new residential property by NGHA;

“Other Capital Costs” means Capital Costs under exception of contract expenditure as referred to in paragraph 7.1 below;

“Planned Maintenance” means the programme or programmes of work carried out to prolong the useful life of the housing stock and other real property assets of NGHA and provide a comfortable living environment for tenants of NGHA;

“Regeneration” means the programme of work to upgrade and modernise the condition of the housing stock and related assets of NGHA, as referred to in NGHA’s Investment Strategy;

“Variances” means deviations from the Budget whether in financial unit cost or numerical terms; and

“Virement” means the transfer of approved budgeted expenditure from one Budget Heading to another.

AUTHORITY TO APPROVE FINANCIAL COMMITMENT/WORK ORDERS		
Budgeted Contract Expenditure		
Value	Action	Authorised/Opened
<= £50,000 works/goods and services	No tender required but consideration of advertising depending on value.	CEO/Deputy CEO/Director/Manager
> £50,000 works/goods and services	PCS advertised contract	Report to FPR Committee with delegated authority for approval.
< under £2m works	No publically advertised tender is formally required. However if not publically advertised on PCS or Quick Quotes then three quotes should be sought.	Report to FPR Committee with delegated authority for approval.
> £2m works	PCS advertised contract.	Report to FPR Committee with delegated authority for approval.

7.3 The authority to approve unbudgeted financial commitment refers to items that have not been **included in the Budget and approved by the Board**, and includes the following categories of expenditure:

- New commitments, which have not previously been presented to the Board, and
- Variances to previously budgeted items of expenditure, and
- Virements between Budget headings.

AUTHORITY TO APPROVE FINANCIAL COMMITMENT		
Unbudgeted Contract Expenditure		
Value	Action	Authorised
<=£50,000 works/supplies	No tender required but consideration of advertising depending on value.	CEO/Deputy CEO/Director/Manager
>£50,000 works/supplies	PCS advertised contract	Report to FPR Committee with delegated authority for approval.
< under £2m works	No publically advertised tender is formally required. However, if not publicly advertised on PCS or Quick Quotes then three quotes should be sought.	Report to FPR Committee with delegated authority for approval.
> £2m works	PCS advertised contract.	Report to FPR Committee with delegated authority for approval.

7.4 The authority to approve payments refers to the categories of expenditure as detailed in 7.1 above, and which has been previously **budgeted and committed in line with 7.2 or 7.3 above**.

AUTHORITY TO APPROVE PAYMENTS		
Budgeted and Committed Contract Expenditure		
LIMITS	1ST SIGNATORY	2ND SIGNATORY
< £10,000	Authorised officer for expense type	Manager/Senior officer
>£10,000 but <= £50,000	Authorised officer for	Head of

	expense type	Department/Manager
> £50,000 but <=£100,000	Authorised officer for expense type	Executive Team Member
> £100,000	Authorised officer for expense type	CEO/Deputy CEO

The approval of payments refers to the authorisation of the commitment to make a payment. This will be achieved by the officer ensuring that the works order/interim certificate is in order, matches with the works order and that work has been carried out/goods or services delivered. This should be complementary to the integrated financial system and the automated approval process for financial commitments. The signatory levels are set at the minimum required and those above these levels can sign off as well.

8. General Expenditure

- 8.1 General expenditure is everything excluding the specific financial responsibilities laid out in sections 6, and 7.
- 8.2 The authority to approve financial commitment within the limits detailed below refers to items that have been included in **the Budget, which has been previously approved by the Board.**

AUTHORITY TO APPROVE FINANCIAL COMMITMENT Budgeted General Expenditure		
LIMITS	1ST SIGNATORY	2ND SIGNATORY
< £10,000	Authorised officer for expense type	Manger
>£10,000 but <= £50,000	Authorised officer for expense type	Head of Department/Manager
> £50,000 but <= £100,000	Authorised officer for expense type	Directorate member
> £100,000	Authorised officer for expense type	CEO/Deputy CEO

- 8.3 The authority to approve unbudgeted financial commitment refers to items that have not been included in the approved Budget and includes the following categories of expenditure:
- New commitments, which have not previously been presented to the Board and
 - Variances to previously budgeted items of expenditure. The contract progress must be monitored prior to approving variances, and
 - Virements between Budget headings.

Value	Authorised
<= £25,000	CEO / DCEO
> £25,000 but < £50,000	CEO and report to Committee with delegated authority

> £50,000	Report to Board/Committee with delegated authority
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8.4 The authority to approve payments refers to the categories of expenditure as detailed above, and which have been previously **budgeted and committed in line with 8.2 or 8.3 above.**

AUTHORITY TO APPROVE PAYMENTS Budgeted and Committed General Expenditure		
LIMITS	1ST SIGNATORY	2ND SIGNATORY
< £10,000	Authorised officer for expense type	Manger/senior officer
>£10,000 but <= £50,000	Authorised officer for expense type	Head of Department/Manager
> £50,000 but <= £100,000	Authorised officer for expense type	Directorate member
> £100,000	Authorised officer for expense type	CEO/Deputy CEO

The approval of payments refers to the authorisation of the commitment to make a payment. The officer should ensure that the works order and that those goods or services have been delivered. This should be complementary to the integrated financial system and the automated approval process for financial commitments.

8.5 Where not specified above the attached schedule of financial and other delegated authority should be referred to.

1. GOVERNANCE

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Committees</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<ol style="list-style-type: none"> 1. Deciding applications for shareholding membership 2. Approving cancellations of shareholding membership in line with the Rules of the Association. 3. Appointment of the Association’s Office Bearers 4. Appointment of Association’s Committee Members and Chairs 5. Appointment of Association’s Subsidiary Members and Chairs 6. Ensure effective compliance with Rule 37.6 of NGHHA Rules – ‘Nine Year Rule.’ 7. Conduct Board meetings in accordance with the NGHHA Rules and Standing Orders 8. Establishment and dissolution of committees, and approval of their membership, remits, terms of reference and delegated powers 9. Approval of the Association’s Scheme of Delegated Authority, Standing Orders and Financial Regulations 10. Approval of the Association’s codes of conduct for committee members and employees, and all related group governance policies 11. Implementation of processes for investigation of a breach of the Code of Conduct 12. Implementation of procedure for investigation of a serious complaint or grievance against the Senior Officer 	<ol style="list-style-type: none"> 1. Conduct of Committee meetings in accordance with the NGHHA Rules and Standing Orders 2. Approval of the Association’s regulatory and financial returns 	<ol style="list-style-type: none"> 1. Processing applications for membership and maintaining the Association’s register of shareholders. 2. Administration and cancellation of shares, as provided in the Rules. 3. Maintaining the Association’s governance registers including the register of interests; register of payments and benefits; and register of gifts and hospitality. 4. Payment of Board and Committee members’ expenses in accordance with the Association’s procedures 5. Submission of Notifiable Events to Scottish Housing Regulator (reporting of same to the next available Board) 6. Preparation of reports for Board/Committee consideration and approval in relation to payments or benefits in accordance with the Group Policy on Payments and Benefits. 7. Recording and preparation of minutes of Board/Committee meetings for approval by Board/Committee 8. Provision of advice and support to the Board and Committees including in relation to meeting legal, regulatory

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

13. Appointment and removal of Governing Body members including co-opted committee members and filling of casual vacancies
12. Ensure effective succession planning arrangements for the Governing Body are in place.
13. Approval of the establishment or dissolution of any subsidiary organisation, and approval of all appointments to the board of all the subsidiaries
14. Implementation of the annual programme of Governing Body member appraisals and group appraisal and action plans
15. If required, removal of members of committees, or boards of any Group Member
16. Approval of payments or benefits where required by the Association's Policy (except that granting of tenancies may be approved by any committee)
17. Approval of use of the seal (where the seal is used rather than signing/witnessing to execute documents)
18. Approval or delegation of the Association's regulatory and financial returns
19. Ensure compliance with Office of the Scottish Charity Regulator (OSCR) reporting requirements.
20. Ensure compliance with Financial Conduct Authority reporting requirements.
21. Ensuring compliance with all the Association's legal and regulatory duties and requirements.
22. Approval of the establishment or dissolution of subsidiaries, and appointment of directors to subsidiaries and other bodies.
23. Ensure the on-going effectiveness of the Association's Governance

- and constitutional obligations.
9. Practical implementation of Governing Body member learning and development and annual training review programme
 10. Preparation of all required statutory or regulatory submissions for approval by the Board/Committee.
 11. Obtaining and reporting on external validation of legal and/or regulatory submissions to Board/Committee.
 12. Operational management of relationships with SHR.
 13. Operational support to Board in relation to Governing Body annual appraisals.
 14. Operational support to the Board in relation to Governing Body recruitment and succession planning.
 15. Submit regulatory return to ensure compliance with Office of the Scottish
 16. Charity Regulator (OSCR) reporting requirements and report to Board/Committee
 17. Submit regulatory return to ensure compliance with Financial Conduct Authority reporting requirements and report to Board/Committee.
 18. Approval of all leases for NGHHA assets including those made to the subsidiaries.

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

arrangements.

24. Ensure the Association is compliant with its legal obligations in respect to:

- Health and Safety
- Employment
- Housing and Tenancy Law
- Homelessness
- Equalities
- Freedom of Information
- Data Protection
- Charity Law
- Whistleblowing
- Public Procurement
- Statutory Consent
- Company Law

25. Ensure compliance with all aspects of the SHR's Regulatory Framework

2. STRATEGY, POLICY AND PERFORMANCE

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Committees</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<ol style="list-style-type: none"> 1. Setting the Mission, Vision, and Values of the Association 2. Setting group objectives and strategy for the Association and its subsidiaries 3. Approval of the Association’s business plan 4. Approval of the business plan of the subsidiaries and maintaining a strategic overview of the subsidiary’s performance and risks. 5. Approval of any other plans, policies, projections, or documents that fall within the strategic role of the Board, unless delegated to committees. 6. Approval of instigating legal proceedings (except for actions relating to rent arrears or other tenancy breaches which are delegated to the CEO/Directorate). 7. Deciding the Association’s response to regulatory reports 	<ol style="list-style-type: none"> 1. Monitoring service/business performance for matters within each Committee’s remit 2. Review and approval of employment/HR and finance policies as delegated by the Board, based on the programme of policy reviews. 	<ol style="list-style-type: none"> 1. Implementation of the Association’s Business Plan and other strategies approved by the Board 2. Provision of regular reports to the Board/committees in relation to all aspects of the Association’s performance. 3. Revision of existing operational policies and development of new operational policies for consideration and approval. 4. Revision of existing strategies and development of new strategies for consideration and approval by the Board/Committee. 5. Operational delivery of mission, vision, values, and strategic objectives. 6. Approval of instigating legal proceedings for actions relating to rent arrears or other tenancy breaches.

3. FINANCIAL MANAGEMENT

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Committee</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<ol style="list-style-type: none"> 1. Commitment of expenditure, without limit. CEO and Chairperson have authority to commit expenditure in emergency situations and/or more than approved budget (subject to Committee reporting) 2. Approval/monitoring of the Association’s Business Plan including cashflows and financial projections. 3. Approval/monitoring of the Association’s annual budget 4. Approval of budget variances above agreed financial thresholds. 5. Approval of all loans, overdrafts or granting of security and of any on-lending to the Association’s subsidiaries. Approval of terms of borrowing 6. Monitor compliance with loan covenants and ensuring the Association is meeting its obligations to other funders. 7. Approval of investments. Powers delegated to DCEO between meetings. The DCEO must consult with the CEO and Chairperson whether a new or non-approved source is involved. 8. Approval of Treasury Management strategy, planning and policy. 	<ol style="list-style-type: none"> 1. Commitment of budgeted expenditure, where the Financial Regulations permit. (FPR Committee) 2. Scrutiny and review of Annual Accounts and Financial Statements and moving approval of adoption of Annual Accounts to Board. (ARC Committee) 3. Review the Association’s Financial Regulations, accounting procedures and financial reporting arrangements. (ARC Committee) 4. Review and approval of the Association’s banking requirements and arrangements (including operational, borrowing and investment), and making recommendations to the Board. (ARC Committee) 5. Review of the Association’s borrowing powers and making recommendations to the Board. (ARC Committee) 6. Review and scrutiny of the draft budget to support the delivery of the Association’s agreed business plan. (FPR Committee) 7. Monitor and review of the budget and cash flow projections quarterly. (FPR 	<ol style="list-style-type: none"> 1. Engagement of appropriate specialist and professional advice in relation to financial management. 2. Commitment/authorisation of budgeted expenditure, subject to the limits set out in the Financial Regulations. 3. Administration of all insurance claims 4. Payment of Board and committee member expenses (Chairperson to approve) 5. Signature of cheques, per the Financial Regulations 6. Maintenance and control of the Association’s bank accounts (including payments and the moving of monies by electronic means) 7. Treasury management transactions and Directorate decisions relating to investments and cash management, in accordance with the Association’s financial regulations. 8. Payroll administration, control of petty cash and the payment of expenses to the Association’s employees 9. Administration of taxation payments, including those relating to VAT, PAYE, and national insurance

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

- 9. Approval of Financial Regulations.
- 10. Approval of annual rent review.
- 11. Approval of disposal of any of the Association's property assets (excluding Low Cost Home Ownership (LCHO) sales)
- 12. Approval of CEO's expenses (Chairperson)

- Committee)
- 8. Review and approve the quarterly Management Accounts and draw any matters of concern to the attention of the Board. (FPR Committee)
 - 9. Ensure that PAYE declarations, Pension Fund arrangements, and all employee returns are made timeously. (ARC Committee)

- 10. Development of finance related policies for Board/Committee approval
- 11. Development and monitoring of compliance with Financial Management Procedures
- 12. Operational maintenance of loan covenant compliance
- 13. Operational management of borrowing, loans and investments
- 14. Preparation of Annual Audited Report and Financial Statements
- 15. Management of discharge of security
- 16. Maintenance of relationships with lenders/funders including preparation of key documents required.

4. STAFFING AND ORGANISATIONAL MANAGEMENT

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Finance, Performance & Resources Committee</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<ol style="list-style-type: none"> 1. Recruit the Association’s CEO 2. Arrange performance appraisal of CEO 3. Approve remuneration of CEO 4. Approve staff pension arrangements 5. Ensure the Association complies with its legal and regulatory employer duties regarding Health and Safety 6. Defence or pursuance of employment related litigation e.g. Employment Tribunal 7. Hearing a complaint or grievance against the CEO in line with the Associations’ Procedure for Handling a Serious Complaint against the Senior Officer. 	<ol style="list-style-type: none"> 1. Approval of any restructuring of staffing or organisational resources 2. Recruitment (Grade 9 and above except CEO) 3. Monitor compliance with pensions legislation 4. Approval of offers of employment to a close contact of a governing body or NGHA staff member in line with the Group Policy on Entitlements, Payments, and Benefits. 5. Scrutiny and approval of the Association’s HR policies, including annual updates to the EVH terms and conditions 6. Monitoring of employment key performance indicators (sickness levels, turnover etc). 7. Review and approve of Terms and Conditions of Employment. 8. Approval of staff re-grading and salary increases. 9. Review and oversight of redundancy and severance payments within contractual terms and approval of payments beyond conditions of service 	<ol style="list-style-type: none"> 1. Subject to budget, recruitment for all established posts (other than Grade 9 and above posts) and temporary posts 2. Monitor staffing budgets (including temporary cover) and to consider and approve proposals relating to additional expenditure and temporary resourcing beyond the agreed staffing establishment. 3. Approve external accreditations e.g. Investors in People 4. Approve/roll-out of staff code of conduct 5. Approve/implement staff learning and development 6. Oversee planning and implementation of committee member learning and development. 7. Issuing employment contracts on behalf of the Board. 8. First stage grievance and disciplinary matters (except CEO). 9. Maintaining all necessary certification in relation to workplace health and safety. 10. Management of the Association’s offices and other facilities.

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

or policy.

10. Deal with personnel issues, e.g. disciplinary issues, grievances, and to ensure appropriate Board involvement in recruitment exercises following NGHA policies
11. Forming an ad-hoc committee to conduct grievance or disciplinary hearings, or appeals against redundancy selection cases where committee involvement is required, including the power to impose any appropriate disciplinary sanction including dismissal.
12. Deal with staff health & safety issues and policy development.

11. Management of the Association's ICT systems, including purchasing within the limits specified in the Financial Regulations.
12. Deal with operational human resources management issues.

5. AUDIT AND RISK MANAGEMENT

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Audit, Risk & Compliance Committee</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<ol style="list-style-type: none"> 1. Approval of appointments of external and internal auditors (including re-appointment and removal). 2. Formal approval of annual financial statements 3. Receipt of the external auditor’s Management Letter and approval of the Association’s formal response. 4. Approval of the Association’s overall Risk Management Strategy 5. Decision-making on matters raised by the ARC Committee, or the Association’s auditors that involve substantive and material risks to the Association’s financial position, reputation, or ability to meet its statutory and contractual obligations. 	<ol style="list-style-type: none"> 1. Advise the Board on the appointment and remuneration of external and internal auditors (including any circumstances involving the resignation or termination of the auditor’s appointment) 2. Issue of external auditor’s Letter of Engagement and approval of proposed programme/approach 3. Approval of internal audit needs assessment and annual programme of internal audit 4. Review external/internal auditor recommendations and the external auditor’s Management Letter and advise the Board on agreed recommendations and actions required. 5. Scrutiny of the annual financial statements, prior to submission to the Board for approval 6. Monitor implementation of the Association’s Risk Management Strategy 7. Advise the Board (a) half yearly, on material changes to strategic risks, and (b) annually, following an overall review of the risk register. 8. Approve business continuity policy/plans. 9. Instruct investigations for the purposes of 	<ol style="list-style-type: none"> 1. Liaison with the external auditors on the audit of the draft annual financial statements 2. Implementation of external and internal auditors’ recommendations, and submission of reports to the Audit, Risk & Compliance Committee and Board 3. Implementation of the Association’s Risk Management Strategy and procedures 4. Preparation of Management Responses to Internal Audit Reports 5. Preparation of internal audit needs assessment and annual internal audit programme

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

reviewing service/activity areas, or to examine suspected irregularities or failures in management and control systems.

6. HOUSING AND COMMUNITY SERVICES

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Finance, Performance & Resources Committee</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<p>1. Approval of the annual rent increase</p>	<ol style="list-style-type: none"> 1. Monitor statistical information on the Associations' housing related KPI's 2. Approval of arrears write- offs, where required, in line with policy. 3. Monitor and report overall performance in relation to the Scottish Social Housing Charter 4. Monitor organisation-wide performance in relation to housing management service standards and targets (quarterly) 5. Approve and monitor any nominations agreements, prevention of homelessness protocols or other agreements in place with Glasgow City Council, Glasgow Health and Social Care Partnerships or other agencies. 6. Approve or ratify the granting of tenancies or other service-related issues, where required by the Association's Group Policy on Entitlements, Payments, and Benefits 7. Oversee the Association's approach to tenant consultation and resident involvement. 8. Oversee and support the Association's approach to tenant scrutiny. 	<ol style="list-style-type: none"> 1. Review and implement Housing Services policies in line with the policy review schedule. 2. Review Housing Services Procedures 3. Review and set quotas and targets for performance management. 4. Allocate properties (unless prior Committee approval is required under the Policy on Payments and Benefits) 5. Grant tenancies and occupancy agreements 6. Provide accommodation for homeless persons, including referrals under Section 5 of the Housing (Scotland) Act 2001. 7. Initiate and manage legal actions in respect of rent arrears and other breaches of tenancy conditions 8. Approve enforcement of decrees for eviction 9. Approve community development programme and budget. 10. Make all statutory payments to tenants and any discretionary payments provided for in the Association's policies. 11. Collect rents, service charges and factoring charges, including arrears

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

- recovery.
- 12. Manage all matters relating to neighbour relations and anti-social behaviour.
- 13. Promote tenant involvement in work relating to the Scottish Social Housing Charter
- 14. Approval of permissions to carry out alterations or improvements and of compensation payments at tenancy end

7. PROPERTY SERVICES

<p>LEVEL 1 Reserved to Board</p>	<p>LEVEL 2 Delegated to Finance, Performance & Resources Committee</p>	<p>LEVEL 3 Delegated to CEO/Directorate</p>
<ol style="list-style-type: none"> 1. Oversee compliance with the legal and regulatory requirements for tenant safety e.g. Energy Efficiency Standard for Social Housing (EESH) and Scottish Housing Quality Standard (SHQS) 2. Approve Asset Management Strategy. 3. Approve of Procurement Strategy. 4. Consider and approve development proposals for new build and refurbishment projects 5. Approve litigation in relation to property services contracts and pursuing other legal remedies for loss and/or damage. 6. Approval of settlement of any contractual claims. 	<ol style="list-style-type: none"> 1. Monitor and review property services expenditure against approved budgets. 2. Monitor and review property services performance against agreed targets and indicators. 3. Monitor and review tenant health and safety compliance matters regarding property management. 4. Monitor overall performance in relation to the Scottish Social Housing Charter. 5. Monitor and review development projects and investment major works. 6. Approve the Association’s Strategy and Development Funding Plan (SDFP) for submission to GCC. 	<ol style="list-style-type: none"> 1. Review and implement Property Services policies in line with the policy review schedule. 2. Review Property Services procedures and processes. 3. Maintain budgeted expenditure up to the limits specified in the Financial Regulations. 4. Instruct emergency works above the approved budget and/or the limits stated in the Financial Regulations. 5. Manage and monitor works for tenant safety, including asbestos management, damp & mould management, electrical, fire, gas, lift and water hygiene safety. 6. Ensure operational compliance with the Association’s health and safety obligations. 7. Maintain required records in relation to landlord safety compliance 8. Implement appropriate procurement processes. 9. Approve and appoint successful tenderers/frameworks following procurement process. 10. Negotiate repairs and maintenance contracts.

STANDING ORDERS, APPENDIX 3: SCHEME OF DELEGATED AUTHORITY

11. Manage contractor/consultant performance and service delivery.
12. Implement remedial actions in response to tenant satisfaction.
13. Approve goodwill/compensation payable to tenants and service users, in accordance with policies.
14. Make grant applications to Scottish Government, Glasgow City Council and others
15. Accept grant offers from Scottish Government, Glasgow City Council and others
16. Sign building contracts
17. Approve contract cost over-runs in line with the limits stated in the Financial Regulations.
18. Submit applications for stock disposal to Glasgow City Council consent where required under Part 9 of the Housing (Scotland) Act 2010
19. Sign way leave agreements and deeds of servitude with utilities providers and other third parties.



Board Meeting

For Approval

To: Board
From: DCEO

SUBJECT: STRATEGY & DEVELOPMENT FUNDING PLAN (SDFP) 2026/27-2031/32 **DATE: 17 March 2026**

1.	Introduction
	The purpose of this report is to seek Board approval of the current Strategy & Development Funding Plan (SDFP) for 2026/27-2031/32.
2.	SDFP
	Glasgow City Council (GCC) requested that all Registered Social Landlords review and submit a revised SDFP for the period 2026/27 - 2031/32 by 2nd April 2026. The attached draft SDFP will be submitted to GCC following Board approval.
3.	Risk and mitigation
	There is no risk or mitigation in regard to this report.
4.	Link to the Association’s Business Plan priorities and the SHR Governance Standards
	<p>Link to the Association’s Business Plan priorities</p> <p>The Association’s Business Plan priorities are:</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Creating a Positive Culture · Continuous Improvement · Growing our Business <p>The actions taken and the subsequent process followed in relation to this matter are predominately relate to the first two priorities and the last one listed above, i.e.</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Growing our Business <p>Link to the SHRs Regulatory Standards of Governance and Financial Management</p>

	<p>Ensuring we adhere to regulatory guidance and legislative requirements and follow our policies, and good practice is a key requirement for good governance and supports compliance with the SHR Standards.</p> <p>In arriving at the recommendations in this matter, the SHR Standards of Governance and Financial Management that apply are:</p> <p>STANDARD 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 4: The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p> <p>STANDARD 5: The RSL conducts its affairs with honesty and integrity.</p>
5.	Recommendation
	<p>The Board is requested to note and APPROVE the attached Strategy & Development Funding Plan 2026/27 - 2031/32 for submission to Glasgow City Council, Housing & Regeneration Services Department.</p>

OFFICIAL

RSL:	NG Homes
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STRATEGY & DEVELOPMENT FUNDING PLAN	2026/27
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Block	B
Project Name	Stonyhurst Street
Type	Rebab
Tenure	Social Rent
Greener Standard	
HARP Reference	P47302

SHIP 2027-32	Pre SHIP	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Grant	1.843					
Private	1.656					
Sales						
Other						
Total	3.499	0.000	0.000	0.000	0.000	0.000

Key Dates	Month - Year
Project Proposal	
Scheme Agreement	
Acquisition	
Tender	Nov-25
Start Date	Apr-26
Completion	Apr-27

Project Units	Count
Total Units	23
Wheelchair Adaptable Units	
Larger Family Units	5
Elderly Amenity Units	
Other Particular Needs Units	

Comments
Currently the stock Profile for units is as below: 5 x 4 Apartments, 9 x 3 Apartments, 11 x 2 Apartments. The layout may need to change following feasibility stage and design. This could have an effect on the unit size.

Block	B
Project Name	Ashfield/Crowhill Street
Type	New Build
Tenure	Social Rent
Greener Standard	
HARP Reference	P47297

SHIP 2027-32	Pre SHIP	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Grant			0.720	1.782		
Private			0.684	1.793		
Sales						
Other						
Total	0.000	0.000	1.404	3.575	0.000	0.000

Key Dates	Month - Year
Project Proposal	
Scheme Agreement	
Acquisition	
Tender	Oct-28
Start Date	Mar-29
Completion	Mar-30

Project Units	Count
Total Units	24
Wheelchair Adaptable Units	9
Larger Family Units	7
Elderly Amenity Units	3
Other Particular Needs Units	

Comments



Board Meeting

For Approval

To: Board
From: DECO

**SUBJECT: DSGL BUSINESS PLAN AND BUDGET
REPORT 2026/27**

DATE: 17th March 2026

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 the Intra group agreement the business plan is now presented for comment and approval.</p>
2.	Risks
	<p>The Business plan is a necessary part of the governance structure of the company and the group. The business plan sets out the strategic objectives, actions and initiatives agreed by the Board for the year ahead. It is a required document that must be submitted to the parent company under the independence agreement and submitted to the Regulator as part of the information requested under the Regulation Plan. Not to prepare the plan and failure to submit would be a failure in controls and a breach of agreements.</p> <p>The risk is mitigated by the proper preparation of the business plan and consideration of such against required standards. Review of such at subsidiary and parent level and submission to the Regulator within agreed timescales.</p>
3.	Underlying principles
	<p>The principles listed below have been used in drawing up the 2026/2027 DSGL business plan.</p> <ul style="list-style-type: none">• Maintaining a level of charges that keeps the company solvent• Ensuring development activities are undertaken with a high quality of services to clients and contractors <p>In order to achieve the above the company must ensure that:</p>

	<ul style="list-style-type: none"> • Development services - charges cover the costs of performing the service. • Board - exercise proper control over the activities and ensure that decisions are taken in best interests of the company and its parent. <p>In recent years the Ukrainian project increased turnover significantly. That came to an at March 25 and the year to March 2026 was a year without any development projects. The 26/27 year will return to the higher levels of turnover with the Stonyhurst Street project.</p> <p>The Association’s 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 and can recover VAT that would otherwise be an expense.</p> <p>The financial plan for 2026/27 projects £9k rental income and £nil direct costs which gives a £9k gross profit from rental activities. The Association has been preparing for the Stonyhurst Street project to rehabilitate three unoccupied closes. DSGL as the primary contractor would mean that contractor and professional costs would be combined as one supply to the Association. This would enable the recovery of the VAT on professional fees that would otherwise just be an expense. There is projected turnover of £4.284m and costs of £4.2m. This leads to a total gross profit of £93k.</p> <p>Admin, depreciation, interest, and tax costs of £20.8k has been projected which leaves a £72.2k net profit before tax.</p> <p>There is a projected £181k of reserves as at March 2027. Decisions on gift aid and taxation will be made once the results become clearer as we approach the March 2027 financial year end.</p> <p>The Board of DSGL has already reviewed the business plan and budget and now submits it to the Association Board for their approval as required by the independence agreement.</p>
4.	Risk and mitigation
	There is no risk or mitigation in regard to this report.
5.	Link to the Association’s Business Plan priorities and the SHR Governance Standards
	<p>Link to the Association’s Business Plan priorities</p> <p>The Association’s Business Plan priorities are:</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Creating a Positive Culture · Continuous Improvement

	<ul style="list-style-type: none"> · Growing our Business <p>The actions taken and the subsequent process followed in relation to this matter are predominately relate to the first two priorities and the last one listed above, i.e.</p> <ul style="list-style-type: none"> · Robust Governance · Prudent Financial Management · Growing our Business <p>Link to the SHRs Regulatory Standards of Governance and Financial Management</p> <p>Ensuring we adhere to regulatory guidance and legislative requirements and follow our policies, and good practice is a key requirement for good governance and supports compliance with the SHR Standards.</p> <p>In arriving at the recommendations in this matter, the SHR Standards of Governance and Financial Management that apply are:</p> <p>STANDARD 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.</p> <p>STANDARD 4: The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.</p> <p>STANDARD 5: The RSL conducts its affairs with honesty and integrity.</p>
<p>6.</p>	<p>Recommendation</p>
	<p>That the Board approves the business plan and budget of DSGL for 2026/27 and remits it back to the DSGL Board to formally adopt.</p>

Design Services Glasgow Limited
Business Plan 2026/27

Design Services Glasgow Limited

Business Plan 2026/27

1. Introduction

This Business Plan for 2026/27 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 now owns almost 5,400 properties. The Group has a staff complement of 190 and operates from 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. 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 "a community where people can flourish and prosper". 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 recent years were turnover of £20k and a profit after tax of about £8k. Results for 2023/24 and 2024/25 were at a different level. The Ukrainian project substantially increased turnover and increased profitability. This resulted in clearing the remaining inter company account and a £100k gift aid payment to the Association. In May 2025 the dentist tenant left the property at 43 Atlas Road and moved to a substantially larger property owned by the Association. The balance of 25/26 was dealing with a succession of possible tenants, and preparing the property for such.

Financial Year 2026/27

The financial plan for 2026/27 projects £9k rental income and £nil direct costs which gives a £9k gross profit from rental activities. The Association has been preparing for the Stonyhurst Street project to rehabilitate three unoccupied closes. DSGL as the primary contractor would mean that contractor and professional costs would be combined as one supply to the Association. This would enable the recovery of the VAT on professional fees that would otherwise just be an expense. There is projected turnover of £4.284m and costs of £4.2m. This leads to a total gross profit of £93k.

Admin, depreciation, interest, and tax costs of £20.8k has been projected which leaves a £72.2k net profit before tax.

Attached at Appendix 1 is the projected result for 2026/27 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 2026/27

Design Services Glasgow Limited

Profit and Loss account	Year to 31/3/27 (Budget)	Year to 31/3/26 (Budget)	Year to 31/3/25	Year to 31/3/24	Year to 31/3/23	Year to 31/3/22	Year to 31/3/21	Year to 31/3/20
Turnover	4,293,000	5,000	831,308	5,687,754	20,000	20,000	20,000	27,839
Operating costs	4,200,000	-	797,458	5,529,642	-	-	-	7,800
Gross Profit	93,000	5,000	33,850	158,112	20,000	20,000	20,000	20,039
Overheads								
Management charges	-	-	-	-	-	-	-	-
Overheads	20,843	14,243	26,134	11,341	8,013	7,831	7,701	7,544
	20,843	14,243	26,134	11,341	8,013	7,831	7,701	7,544
	72,157	(9,243)	7,716	146,771	11,987	12,169	12,299	12,495
Interest payable	-	-	-	-	450	351	583	776
Corporation Tax/gift aid	-	-	100,000	(3,057)	3,206	3,099	3,079	3,080
Net profit/(loss) after tax	72,157	(9,243)	(92,284)	149,828	8,331	8,719	8,637	8,639

Design Services Glasgow Limited

	31/3/27	31/3/26	31/3/25	31/3/24	31/3/23	31/3/22	31/3/21	31/3/20
Balance Sheet								
Fixed assets	73,119	77,612	82,105	86,598	91,093	95,584	100,077	104,570
Current Assets								
Debtors	27,155	28,631	38,132	1,217,485	1,777	827	827	6,778
Bank	85,723	13,754	11,292	125,157	17,348	1,256	12,501	7,709
	<u>112,878</u>	<u>42,385</u>	<u>49,423</u>	<u>1,342,642</u>	<u>19,125</u>	<u>2,083</u>	<u>13,328</u>	<u>14,487</u>
Current Liabilities								
Trade creditors	4,405	10,562	13,627	1,219,053	50,941	45,845	70,303	84,592
Net Current assets	<u>108,473</u>	<u>31,823</u>	<u>35,797</u>	<u>123,588</u>	<u>(31,816)</u>	<u>(43,763)</u>	<u>(56,975)</u>	<u>(70,105)</u>
	<u>181,592</u>	<u>109,435</u>	<u>117,902</u>	<u>210,186</u>	<u>59,277</u>	<u>51,821</u>	<u>43,102</u>	<u>34,465</u>
Capital and Reserves								
Share capital	100	100	100	100	100	100	100	100
Profit and Loss account	181,492	109,335	116,902	210,086	59,177	51,721	43,002	33,465
	<u>181,592</u>	<u>109,435</u>	<u>117,902</u>	<u>210,186</u>	<u>59,277</u>	<u>51,821</u>	<u>43,102</u>	<u>34,465</u>



Board Meeting

For Approval

To: Board
From: Director of Corporate Services

SUBJECT: ASSOCIATION MEMBERSHIP APPLICATION(S)

DATE: 17 March 2026

1.	Introduction							
	<p>Membership of ng homes is open to organisations sympathetic to the objects of the Association, and to people aged 16 and over who live in our operating area of North Glasgow and who are:</p> <ul style="list-style-type: none"> • A tenant of ng homes • Permanent members of a tenant’s household • Service users of ng homes • Resident within communities served by ng homes <p>Everyone applying for membership must fulfil the criteria for membership set by the ng homes’ Board from time to time. Members will hold one share in the Association, and their names will be entered in the Register of Members referred to in the Association’s Rules. Currently we have 76 members/shareholders. For £1 you get:</p> <ul style="list-style-type: none"> ✓ Membership of the Association ✓ A vote in the election of the Board ✓ Eligibility to stand for election to the Board 							
2.	Applications Received							
	<p>We have received 1 new membership application(s):</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Name</th> <th style="width: 40%;">Address</th> <th style="width: 30%;">Tenant/ Owner</th> </tr> </thead> <tbody> <tr> <td>██████████</td> <td>██████████</td> <td>Tenant</td> </tr> </tbody> </table>		Name	Address	Tenant/ Owner	██████████	██████████	Tenant
Name	Address	Tenant/ Owner						
██████████	██████████	Tenant						
3.	Risk / Mitigation							
	<p>Not following due process for the approval of Association membership applications would be a governance failure. This report follows due process for the approval of Association membership applications and therefore supports good governance.</p>							
4.	Link to the Association’s Business Plan priorities and the SHR Governance Standards							
	<p>This process supports the achievement of the following Business Plan priority:</p> <ul style="list-style-type: none"> • Robust Governance 							

	<p>Keeping the Association's membership up to date is a requirement for good governance. Association members have a vote in the election of the Board and are eligible to stand for election to the Board and therefore they have an opportunity to play a key role within the business, in particular linked with the following SHR Standards.</p> <p>SHR Standards of Governance and Financial Management</p> <p>STANDARD 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</p> <p>STANDARD 2 The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.</p>
5.	Recommendation
	Members are asked to APPROVE the above Association membership application(s).



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