



ng homes

Business Plan

2024 – 2027

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Introduction

The Association has faced unprecedented challenges over the last few years – including the cost-of-living crisis, increasing interest rates and global conflicts. Challenges that still impact everyday life.

At ng homes, our commitment to customer service excellence and promoting the importance of people is resolute. We continue to champion equality and diversity, ensuring our communities are places where people are treated fairly, with opportunities to realise their full potential. We are delighted that the Association successfully retained our Customer Service Excellence (CSE) accreditation. Our most recent assessment in November 2023 was extremely positive with excellent feedback and this is testimony to the dedication of all involved.

Investment in our homes remains a key priority. Dampness and mould are a health and safety issue as important as ensuring the gas and electrical elements in our homes are safe and secure. Upgrades to our multi-storey flats helped improve energy efficiency, reduce fuel bills, and ensure fire safety.

The Regulator is currently engaging with the Association in relation to health and safety matters and specifically in relation to lift safety. Our regulatory status is currently non-compliant - working towards compliance. A Governance and Improvement Plan has been created and is in progress. All efforts are being focussed on improving governance arrangements to the required standard and rectifying our regulatory status. We are working constructively with the Scottish Housing Regulator to achieve this.

During the year, the Scottish Government awarded funding to bring back into use 139 properties for Ukrainian displaced persons. This was a welcome development and has created a new and vibrant community in our area.

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

We have developed this Business Plan with care, reviewing our performance and progress and identifying challenges and opportunities. Unforeseen demands will no doubt appear; however, we have built in resilience to ensure we remain committed to the future of North Glasgow. Our vision is a community where people can flourish and prosper and we will continue to work with our partners to promote North Glasgow as a place to be, with talent and a strong tenant voice at the centre of our plans.

Catherine Rossine
ng homes Chair

Context

ng homes was established in 1976 as a community-controlled housing association, originally formed to protect and improve sub-standard Victorian sandstone tenements in Springburn. The Association has built a strong reputation for serving people and its communities for over 40 years. During this time, it has grown and developed into a well-respected organisation that makes a positive difference to the lives of people in North Glasgow and now provides over 5,400 units for social rent. The Association also provides factoring services to almost 1,300 owner-occupied homes.

Today ng homes is a registered social landlord (RSL), a community benefit society and a registered charity. The Association is regulated by the Scottish Housing Regulator, Office of the Scottish Charity Regulator (OSCR) and the Financial Conduct Authority (FCA).

Strategic Direction 2024 - 2027

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

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

It is likely that the need for community support services will increase as the effects of Brexit and global conflicts put further strain on our communities with the costs of living increases not having been matched by increases in wages or benefits.

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

Objectives

These are as follows:

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

Strategic Analysis

ng homes Operating Environment: External Issues

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

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

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

PESTLE Analysis 2024

Political Factors

Scottish Government Policy and Priorities

- Devolved functions include housing, regeneration, local government, the Scottish budget and some aspects of taxation and welfare policy.
- SNP remain a minority government following the Scottish parliamentary elections in May 2021. A further independence referendum may be delayed with the change in First Minister and the difficulties highlighted during the election process.
- The Scottish Government's main housing priorities at present are affordable housing investment and climate change standards.
- SG has mitigated the impact of the Bedroom Tax in Scotland over a long period, but its plans to abolish this tax in Scotland have not yet been agreed by Westminster.

UK Government Policy and Priorities

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

Economic and Financial Factors

Universal Credit (UC)

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

Other Welfare Changes and In Work Poverty

- Both factors affect ng homes' tenants' ability to pay rent. The Association's welfare rights service has been extremely successful in maximising tenants' incomes and must be sustained.

Inflation

- Due to global economic factors and conflict, inflation rates rose to high levels and was substantially higher than the target level of 2%. The Bank of England substantially increased interest rates to reduce inflation. This has had the desired effect but at great cost to those with variable rate loans and increased pressure on many businesses.

Interest Rates

- Base rates were cut to 0.1% in March 2020, due to the Covid-19 pandemic. Higher inflation brought about a reversal with interest rates increased to 5.25% by August 2023. The rapid increase in rates has brought significant losses and insolvencies for institutions in many sectors.

Availability of External Funding

- Policy on Housing Benefit/Universal Credit will have the greatest impact on ng homes.
- ng homes refinanced and secured funding for its future needs in 2020. The facility agreed with GB Social Housing PLC (GBSH) provided £19m to meet the costs of planned investment in the stock. With recent interest rate increases funding is still available but at a much higher cost than previously.

Social and Technological Factors

Deprivation

- Scottish Index of Multiple Deprivation
- The Scottish Government and Glasgow City Council (GCC) both aim to promote policies of "inclusive growth". The purpose of these policies is to help poorer citizens and communities to share more equally in prosperity.
- Opportunities for co-operation was evident throughout the pandemic by the strengthening of existing partnerships and formation of new partnerships.

Technology

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

Legislative and Regulatory Factors

Freedom of Information and General Data Protection Regulation (GDPR)

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

Building Standards

- The Scottish Government published a revised Building Standards Technical Handbook in 2019.
- Following the Grenfell Tower fire, social landlords in Scotland were required to meet the standards for smoke and heat detection by February 2022.
- Social landlords must maintain their properties in a way that ensures continued compliance with the Scottish Housing Quality Standard (SHQS).
- Other than where external funding has been obtained (as is sometimes the case for energy efficiency works), social landlords are required to meet the full cost of compliance. .

Scottish Housing Regulator (SHR)

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

Environmental Factors

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

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

Stakeholder Relationships

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

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

Tenants and Residents

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

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

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

The Wider Community

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

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

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

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

Housing Benefit/Department of Work and Pensions (DWP)

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

Funders

The Association's total borrowing is £38.44 million, and our principal funders are Nationwide, THFC, Energy Savings Trust and GB Social Housing.

Glasgow City Council

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

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

Scottish Government/Parliament and UK Government/Parliament

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

Regulatory Bodies

The Association's regulators are:

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

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

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

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

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

ng homes' Staff

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

Our Response to the Climate Emergency

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

The Sustainability Strategy will:

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

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

- Reducing waste, energy consumption and harmful emissions by improving the efficiency of service delivery and office management
- Improving/enhancing the environment of our communities through investment in green infrastructure
- Reducing our carbon footprint and ensuring that our properties are resilient to the potential impact of climate change, through our approach to the improvement of existing homes

- Improving the health and wellbeing of our staff and communities by raising awareness and changing behaviours in respect of the climate emergency and by offering opportunities to positively contribute to the environment
- Working with partners who are environmentally aligned with us and are committed to delivering 'green' benefits to our assets, customers, and communities

2040 Vision for Housing

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

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

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

Partnership Working

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

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

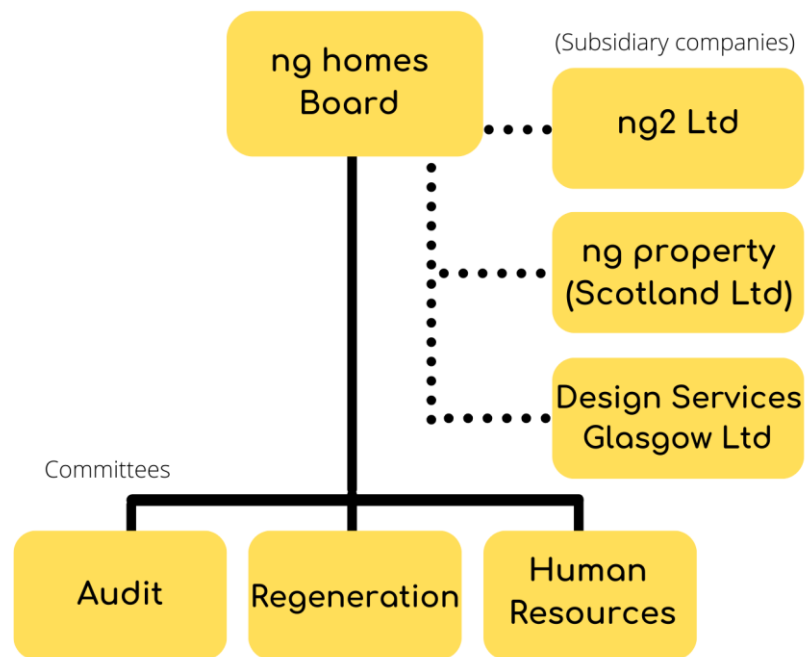
Underpinning our delivery is a commitment to partnership working. Over future years we will build on the good relationships we already have, continuing to work closely with the Scottish Government, Glasgow City Council, Scotland's Towns Partnership, Scottish Fire and Rescue Services, University of Glasgow,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

Organisational Structure

Board and Committee Structure

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

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



ng2

A wholly owned subsidiary company, ng2 is a social enterprise delivering services direct to the community. Since its establishment in 2010, ng2 has grown and diversified to provide a wide range of environmental and facilities management services. ng2 has grown to employ over 80 people which includes seasonal staff and has an annual turnover of approximately £4 million.

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

ng property (Scotland) Ltd

ng property provides property factoring services to owners. This factoring role increased dramatically with the GHA stock transfer in 2011 and the subsidiary now provides services to almost 1,300 owners. There is no direct employment in this subsidiary; rather ng homes provide staff support services. ng property has now taken on letting of our twenty-one mid-market rent properties.

Design Services Glasgow Ltd

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

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

Regeneration Committee - oversees the implementation of the Asset Management Strategy and investment programme, approving and monitoring individual projects and reviewing progress against target outcomes.

Human Resources Committee - considers staffing and organisational development, training and health and safety matters.

Staffing Structure

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

At 1 March 2024, ng homes had 99 (full time equivalent) staff in post, this includes 3.0 staff whose posts are fully funded via external grant support. The ng homes' staff are supplemented by ng2 staff who provide direct services to the Association.

Governance

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

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

Good governance is a cornerstone of our approach to business and all our Board and staff members are responsible for maintaining our performance. We have a governance framework in place with high standards on audit, risk, probity, governance and assurance. As referred to in the introduction, we are currently working with the Scottish Housing Regulator in relation to aspects of tenant and resident health and safety. Governance self-assessment is a key feature in this respect. The Board and senior managers carried out a comprehensive review of our Standing Orders and independence agreements during 2023, which was supported by experienced, independent consultants.

Board Appraisal and Board Member Reviews

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

Board Training and Development

Board Training remains an important element to support good governance and therefore it is important that members continue to have access to a wide range of learning and development resources to ensure that Board members are equipped with the skills and knowledge to perform their role effectively. All Board and Committee members receive thorough and detailed training on governance and other related matters on a regular basis and they sign-up to the ng homes Board members Code of Conduct annually. In addition to governance training, the Board has also benefitted from specialised training and development sessions on other priority issues identified from training needs assessments, Board appraisal and business priorities.

Board training delivered during 2023–2024 included Governance and the Role of the Board, Tenant Participation and Engagement, Cyber Security and, Accounts and Finance - Treasury Management and associated risks. In addition to organised Board training sessions individual Board members also attended training webinars and conferences covering a range of related subjects. Training sessions are held out with Board meetings and may involve external expert facilitators. During 2024/25 core training sessions will be delivered on Health & Safety and Equality & Diversity along with sessions on priorities identified from the 2024 Board Appraisal process.

In addition to ng homes training and awareness sessions, Board members participate in relevant external training and attend external conferences and seminars e.g., events organised by Scottish Federation of Housing Associations (SFHA), Glasgow and West of Scotland Forum (GWSF), Employers in Voluntary Housing (EVH) and SHARE. Furthermore, there is a raft of virtual training, webinars, conferences, and seminars now on offer. SHARE, SFHA, EVH, CIH and other organisations continue to offer training remotely by utilising technology and ng homes' Board members have embraced the new opportunities for remote training and development.

Business Priorities 2024 - 2027

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

| | 2024/25 | 2025/26 | 2026/27 |
|---|---------|---------|---------|
| Robust Governance | | | |
| Governance Framework and Governance Self-Assessment | X | X | X |
| Risk Strategy | X | | |
| Succession Planning for Board and staff | X | X | X |
| Know our tenants and other customers' needs | X | | |
| Prudent Financial Management | | | |
| Rents and Affordability | X | X | X |
| Creating a Positive Culture | | | |
| Invest in the community – building capacity | X | X | X |
| Health, safety and wellbeing of staff | X | X | X |
| Continuous Improvement | | | |
| Tenants Health and Safety | X | X | X |
| ESSH 2032 and fuel poverty | X | X | X |
| Masterplan for Springburn and Possilpark | | | X |
| Growing our Business | | | |
| Explore growth potential of ng2 | X | X | X |
| New grant funding for regeneration projects | X | X | X |
| Regeneration – Physical, Social and Economic | X | X | X |

Managing Finance and Scenario Planning

Financial Headroom

To survive in the economic environment, we must have appropriate and sustainable headroom in our financial projections. This should demonstrate that loans are repaid timeously, demonstrate covenant compliance and that we can handle any risks that arise.

The Board will ensure that it is able to detect any serious risk to the financial viability of the Association in a timely manner and take quick and appropriate corrective action. We need to be candid about our finances and the challenges faced by our tenants.

We need to be realistic about the implications of rent affordability, welfare reform, pension deficits, increases in repair costs well in excess of inflation, interest rate increases, energy cost increases, covenant compliance, tenant safety, the effects of Brexit, the pandemic, and the war in Ukraine. These are significant challenges for any business to deal with and ng homes will have to continue to manage our resources to ensure our financial wellbeing.

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

The cost-of-living crisis has stretched family finances meaning there is little headroom for cutbacks to spending. Our tenants are unable to fall back on savings and they are more likely to fall behind on bills. The scale and the nature of the disruption has been significant and has led to disproportionate social impacts across poorer communities such as ours, which are already affected by substantial social, economic and health inequalities.

5 year and 30-year financial plans

Our 5-year financial projections show ng homes generating the following projected net surplus for years 1-5 (2024/25 to 2028/29). The projections show that ng homes are covenant compliant and viable, whilst it delivers a major investment programme (component replacement) of £38m over the first 5 years. Underlying the projections are significant increases in all maintenance from those previously reported in 2022/23 which has led to an increase in longer term borrowing from 2039, now £13.9m when previously it was assumed that ng homes could pay back the majority of the GBSH loan from surplus cash reserves.

| Year End March | 2025 | 2026 | 2027 | 2028 | 2029 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Net surplus | £439,000 | £2,448,100 | £1,061,800 | £3,184,500 | £3,056,100 |
| Cash balances | £14,516,500 | £14,491,400 | £14,748,600 | £14,277,600 | £14,248,900 |
| Loan Balances | £39,499,400 | £36,332,500 | £33,144,300 | £29,793,900 | £26,664,900 |
| Component Replacement | £4,671,800 | £4,929,800 | £3,426,100 | £5,998,400 | £5,768,000 |

The financial projections have benefited from the participation in the Ukrainian Long Term Resettlement Programme which has resulted in 139 homes being fully refurbished at limited cost to the Association. With no major investment required in the short term or medium term this has had a significant benefit to our cash flow.

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

Summary of Financial Assumptions for Business Plan

Opening rental income of £31.6m is projected to rise by inflation + 1% for the next 5 years and then by Inflation only for the remainder of the plan.

The Bank Base Rate of 5.25% Libor is projected to fall to 4% by 2028. Opening cash balance is projected to be £16.7m and loans at £39m. We have built in contingencies such as rises above inflation for all maintenance and salary costs. We recognise the importance of financial headroom to meet challenges associated with the uncertain economic environment. The void and bad debts are assumed to be 4% (2.0% for Bad Debts and 2.0% Voids)

The average Cash at Bank projected over the next 5 years is £14.5m. Our current cost of loan interest is just below 4.3% so our 5.25% short term assumption (variable lending) plus margin provides additional headroom. 74% of our debt is currently fixed.

The energy efficiency work within the multi-storey blocks is now complete with improvement works including: -

- New cold-water systems within four blocks
- New soil pipes within six blocks
- New fire safety measures within the buildings
- A new, more efficient heating system across thirteen blocks

The other focus of our investment programme will be a programme of bathroom/kitchen renewals and continuing energy efficiency works.

We will continue to seek operational efficiencies and review our operating costs to ensure we deliver best value for our customers. It is appreciated that we must have a strong focus on cost control in this high inflationary environment. We understand that we cannot look to our tenants to continually face above inflation rent increases and we must ensure that value for money, spending well, spending wisely. We have undertaken sensitivity analysis on our plan, the outcome of this is highlighted in the table below. This demonstrates the impact of different assumptions on annual surplus/deficit and borrowing. Risks modelled include increased bad debts/voids; rent increases below inflation; increased management and maintenance costs; SONIA 6% and decreased inflation:

| Sensitivity | Year 30 Cash | Peak Debt | Y/E | Year 30 Debt | Min Cash |
|---|--------------|-----------|------|--------------|----------------|
| Base | £57.6m | £36m | 2025 | £0 | £2.1m (2039) |
| Base Voids 4% Bad debts 4% (5 years) | £43.9m | £36m | 2025 | £0 | -£7.5m (2039) |
| Major Repairs + 10% | £14.7m | £36m | 2025 | £0 | -£14.6m (2039) |
| Cyclical & Reactive repairs + 5% | £38.4m | £36m | 2025 | £0 | -£4.5m (2039) |
| SONIA 6% Inflation 1% | £47.7m | £36m | 2025 | £0 | -£0.02m (2039) |
| Salaries + 5% | £39.9m | £36m | 2025 | £0 | -£4.0m (2039) |
| Inflation only rent increase | -£7.2m | £36m | 2025 | £0 | -£26.5m (2050) |
| Cyclical & reactive +5% and inflation only rent | -£21.3m | £36m | 2025 | £0 | -£40.4m (2051) |

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

Loan portfolio covenant structures

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

Financial Accounts and Treasury Management

Our financial position going into 2024/25 continues to be healthy. The table below provides a comparison of the position over the next five years. The Association is planning a small surplus in 2024/25 and remains profitable in the short and medium term. The Association is viable, profitable and of greater importance has sufficient cash resources to deliver for their customers, as shown in the tables below, however we do not underestimate the scale of the challenges we face.

Summary - Statement of Comprehensive Income

| Period: 01 April 2024 - 31 March 2029 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---------------------------------------|------------|------------|------------|------------|------------|
| | £000's | £000's | £000's | £000's | £000's |
| Total Turnover | 31,639.40 | 32,850.70 | 33,799.10 | 34,424.50 | 35,420.60 |
| Operating Expenditure | -29,999.70 | -29,316.50 | -31,819.80 | -30,475.10 | -31,704.80 |
| Operating Surplus/(deficit) | 1,639.70 | 3,534.20 | 1,979.30 | 3,949.40 | 3,715.80 |
| Interest Receivable | 392.9 | 360.5 | 363.1 | 361.4 | 354.4 |
| Interest and financing costs | -1,593.50 | -1,446.60 | -1,280.50 | -1,126.30 | -1,014.10 |
| Surplus before tax | 439.1 | 2,448.10 | 1,061.80 | 3,184.50 | 3,056.10 |
| Surplus after tax | 439.1 | 2,448.10 | 1,061.80 | 3,184.50 | 3,056.10 |
| Comprehensive Income for the year | 439.1 | 2,448.10 | 1,061.80 | 3,184.50 | 3,056.10 |

Consolidated Statement of Financial Position

| Period: 01 April 2024 - 31 March 2029 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ 000's | £ 000's | £ 000's | £ 000's | £ 000's |
| Fixed Assets | | | | | |
| Intangible assets and goodwill | | | | | |
| Tangible fixed assets | 117,089.50 | 115,612.10 | 112,445.00 | 111,966.60 | 111,138.80 |
| Investments FA | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Fixed Assets Total | 117,089.80 | 115,612.40 | 112,445.30 | 111,966.90 | 111,139.10 |
| Current Assets | | | | | |
| Stock | 45.3 | 45.3 | 45.3 | 45.3 | 45.3 |
| Trade and other debtors | 1,778.90 | 1,778.90 | 1,778.90 | 1,778.90 | 1,778.90 |
| Investments CA | | | | | |
| Cash and cash equivalents | 14,516.50 | 14,491.40 | 14,748.60 | 14,277.60 | 14,248.90 |
| Current Assets Total | 16,340.60 | 16,315.60 | 16,572.70 | 16,101.70 | 16,073.10 |
| Less - Creditors - amounts due within 1 year | -3,544.30 | -3,544.30 | -3,544.30 | -3,544.30 | -3,544.30 |
| Net current assets/liabilities | 12,796.40 | 12,771.30 | 13,028.50 | 12,557.50 | 12,528.80 |
| Assets less current liabilities Total | 129,886.10 | 128,383.70 | 125,473.80 | 124,524.40 | 123,667.90 |
| Creditors - amounts due after more than 1 year | -54,019.20 | -50,068.70 | -46,097.00 | -41,963.10 | -38,050.50 |
| Net assets Total | 75,866.90 | 78,315.00 | 79,376.80 | 82,561.30 | 85,617.40 |
| Reserves | | | | | |
| Income and Expenditure Reserve | 75,866.80 | 78,314.90 | 79,376.70 | 82,561.20 | 85,617.30 |
| Restricted [and/or Endowment] Reserve | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total reserves | 75,866.90 | 78,315.00 | 79,376.80 | 82,561.30 | 85,617.40 |

A full copy of the 30-year projections are included at Appendix 2.

Stakeholders

Customers

Our customers are at the heart of our business. They are our most important stakeholder group and include tenants, residents, and other service users. We are committed to achieving customer service excellence in all that we do. In November 2023, the Association achieved another successful assessment against the Customer Service Excellence (CSE) Standard. The Customer Service Excellence (CSE) Standard is recognised across the UK, and it lies at the heart of an overarching strategy to provide public services for all customers which are efficient, effective, excellent, equitable and empowering and it is totally aligned with the five key drivers of customer satisfaction; delivery, timeliness, information, professionalism and staff attitude.

The assessment process involved the Assessor conducting a comprehensive review of the Association's approach to customer service. The review was very positive and resulted in an increase in the number of areas of 'Compliance Plus' from 12 to 14. This result builds on the outcomes from previous reviews which have been very positive finding that the Association has always focussed very clearly on developing and delivering services that meet the needs and expectations of its customer base across the organisation. The continued accreditation is testament to the customer focused work being delivered by the Association's staff teams and how this was supporting our tenants and other customers. The Assessor also noted the Association's excellent partnership working with other local organisations that is delivering a vital joined-up approach that is making a positive difference to tenants and residents in North Glasgow. The Assessor was very impressed by how much staff care about our tenants and other customers and by the variety of ways they have demonstrated this including innovative approaches during these challenging times.

We always strive to treat our customers with respect and be responsive to their needs and we will continue to focus on achieving customer service excellence. We value the views of our customers and actively seek ways in which to engage with and listen to our customers, involving them and working with them to develop and deliver the services that they want and need. We acknowledge that our customers have different communication preferences, and we ensure that we adopt a blended approach to meet their varying needs. The ng homes App continues to be a success and we continue to develop the ng group website and our social media channels. In addition, during 2023, we conducted a comprehensive tenant survey "Getting to know you" as well as focussing on more traditional forms of communication, and we continue to publish, summer and winter editions of our North News tenants' newsletter. This included a range of information from local news features to safety messages and support and advice on the cost-of-living crisis. We will continue to develop a range of communication methods including our social media channels to further maximise the potential for effective two-way communication with our customers.

Value: We are customer focused and put the customer first

Staff

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

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

The Association currently has Investors in People (IIP) Gold accreditation and the We Invest in Wellbeing Gold Award was recently achieved and is in place until March 2027. In addition to this, our Investors in Young People (IIYP) Gold Accreditation is in place until January 2025.

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

We fully embrace the principles of equality and diversity; the Association is recognised as a Disability Confident Employer. Our current accreditation is in place until February 2025. The Association continues to play a key role in supporting under-represented groups in the community in several ways including providing support to obtain work experience and employment opportunities. This includes people from the black and minority ethnic communities. In this regard we continue to support Positive Action in Housing (PAiH) and we are committed to working with PATH (Scotland) to

provide training opportunities within the Association. We have previously also worked with local groups such as African Challenge Scotland and Glasgow Afghan United to achieve this.

Value: We are friendly and treat people with respect

Regulators

ng homes are registered with and regulated by the Scottish Housing Regulator. The SHR published a new Regulatory Framework which is effective from 1 April 2024 and the Association is committed to ensuring that we are compliant with all the seven Regulatory Standards contained within the Framework. We are classified by the SHR as 'systemically important'. The SHR will be reviewing our Business Plan and financial projections as part of our engagement. The Association provides the Regulator with an Annual Assurance Statement by 31 October each year, and we will work closely with the Regulator through our Engagement Plan to provide assurance that we meet the regulatory standards of governance and financial management. Governance self-assessment will continue to be a key feature of our approach. The Association is also a registered charity regulated by OSCR and, as a Community Benefit Society, is overseen by the Financial Conduct Authority.

Value: We are accountable

Scottish Government

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

Value: We act with integrity

Partners

ng homes is an established 'community anchor' and we work with local partners to deliver community events and develop community assets, build capacity, develop local people, and improve access to support and services. Our aim is to work with a range of partners to deliver lasting benefits to local communities and to have a positive influence on the housing sector in general. Our partners include

small local organisations or groups, or they can be large national organisations. Key partners include SFHA, CIH, SHARE, Employers in Voluntary Housing, Glasgow and West of Scotland Forum, Glasgow City Council and the Scottish Government as well as local community based voluntary groups and local businesses / organisations. We also have a strong partnership with Scottish Fire and Rescue Service and Police Scotland.

Value: We are trusted and trusting

Lenders

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

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

Suppliers / Contractors

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

Value: We are a quality organisation delivering excellence

Housing Provision

Stock in Ownership

ng homes own a total of 5,430 self-contained properties for social rent as shown in the table below:

| Stock Type | 1 apt | 2 apt | 3 apt | 4 apt | 5 apt+ | Total | % of total |
|-------------------------------------|-------------|--------------|--------------|--------------|-------------|-------|--------------|
| Multi-storey flats | 0 | 358 | 578 | 0 | 0 | 936 | 17.2% |
| Deck access/ Other flats | 51 | 147 | 97 | 81 | 17 | 393 | 7.2% |
| Tenement flats | 27 | 770 | 1,274 | 319 | 6 | 2,396 | 44.1% |
| 4-in-a block cottages | 0 | 58 | 745 | 160 | 1 | 964 | 17.8% |
| Houses | 0 | 5 | 342 | 326 | 68 | 741 | 13.7% |
| Total | 78 | 1,338 | 3,036 | 886 | 92 | 5,430 | |
| % of total | 1.4% | 24.7% | 55.9% | 16.3% | 1.7% | | |

From the stock figure of 5,430 there are 50 properties excluded from the letting pool. These are decant properties and properties being held for structural repair. In addition to this, there are 21 units for mid-market rent and 32 sharing owner properties. This figure does not include 3 office premises.

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

General Needs

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

Housing for Older People

We have housing for older people at:

- Hawthorn Street

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

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

Particular Needs

We have 44 elderly amenity flats and 22 wheelchair properties spread across our areas. A significant proportion of our stock has been physically adapted to meet medical needs, supporting tenants to remain in their own homes. As at 31 March 2024, we had completed 157 medical adaptations, which were part funded by a Glasgow City Council grant of £344k.

Supported Housing / Special Lets

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

| Agency | Springburn | Possilpark |
|----------------------|------------|-----------------------|
| Glasgow City Council | 75 | 25 |
| Mears | 53 | 38 |
| Phoenix Futures | _____ | 11 |
| Key Housing | 3 | _____ |
| Penumbra | _____ | 1 x 8-bedroom unit |
| Mungo Foundation | _____ | 1 close with 10 flats |
| Richmond Fellowship | _____ | 2 |
| Quarriers | 1 | _____ |

Housing Initiatives

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

Services

Housing Advice

Our staff provide housing advice to applicants and tenants. For applicants, they will provide advice using the Housing Options model to ensure all possible options for housing are discussed and in 2023/24, 1,602 applicants were given advice on their housing options. For tenants, staff will provide general advice and assistance on housing and for more complex cases we will signpost to GCC, Citizens Advice, Shelter, and others for specialist advice.

Factoring Service

We provide a factoring service to almost 1,300 owners, managing properties and supporting owners. We consult owners in terms of future investment and have a quarterly owners' forum to discuss topics of interest. We benchmark our management fees against other local housing associations and our fees are competitive within the sector and less than private factors. Our mid-market rent development at Keppochhill Road is run alongside the factoring service through our subsidiary company, ng property (Scotland) Ltd.

Repairs Service

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

Concierge Service

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

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

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

Welfare Benefits and Budgeting Advice Service

We want to ensure that our tenants receive advice and assistance about benefits. We use Greater Easterhouse Money Advice Project (GEMAP) to provide a welfare benefits service to our tenants. This service is available to all tenants through a telephone appointment system. Referrals can be made from the tenants themselves or a third party. In 2023/24, GEMAP secured over £2.996m in additional income for over 1,716 of our tenants. £911K was Housing Benefit/Discretionary Housing Payment. GEMAP also secured over £459K in Universal Credit for our tenants. This was money which would otherwise have been unclaimed. We will continue to monitor this service, to ensure the services provided by GEMAP have a direct impact on our rent arrears. This is an excellent service for our tenants, particularly when we are operating in areas of deprivation.

Operating Environment

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

| Age | Percentage of Stock |
|--------------|---------------------|
| Under 25 | 3% |
| 25 – 54 | 49% |
| 55 – 74 | 38% |
| 75 and over | 11% |
| Total | 100% |

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

| | Percentage of Stock |
|--------------------------|---------------------|
| White | 69% |
| Black | 6% |
| Chinese / Indian / Asian | 3% |
| Other | 22% |
| Total | 100% |

Our operating environment is challenging, the North Glasgow area includes areas of multiple deprivation with 75% of our tenants either in receipt of Housing Benefit or Universal Credit. It is important to us that we use this information to shape our services to tenants and to deliver services that encourage tenancy sustainment and community cohesion.

Tenant Engagement

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

any group of tenants, particularly in the initial stages and will use TPAS or Tenants Information Service (TIS) to set up new groups.

Health & Safety

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

We are committed to operating in line with health and safety legislation and good practice across the whole of North Glasgow. This approach will help ensure that we maintain a robust, effective, and sustainable health and safety culture into the future. This includes all Board and staff members understanding the role they have to play.

Demand

Maintaining demand for our stock is essential for the financial viability of the organisation. Consequently, we will closely monitor other Housing Association's new build plans to minimise risk of any displacement and to ensure this does not adversely affect demand on our stock. Much of our stock is located in the Springburn ward where the population reduced significantly due to extensive demolition. That process is now being reversed with substantial development in the area.

The findings of an independent demand analysis that was carried out by Northstar Consulting Services in 2022 confirmed that there is a demand for the majority of our homes with our highest demand areas being Springburn and Balornock. We have a healthy waiting list of 5,509 applicants, which is an increase of 1109 from 22/23.

In general, turnover in the last 5 years has ranged between 5% and 20% with an overall average of around 10% per annum. The turnover in tenements and deck access houses has been higher than the turnover for main door houses and multi-storey flats and turnover is at its highest in Possilpark.

SWOT Demand Analysis

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

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

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

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

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

Homelessness

We are continuing to work closely with Glasgow City Council to house homeless people. In 2023/24, we let 40% of our total lets to homeless applicants.

Health and Social Care Integration

We recognise that health and social care integration and related proposals to switch care from acute hospital services to support in the community presents a challenge. Almost 50% of our tenants are over the age of 55 and we can make a positive contribution to delivering the Government's integration aims in Glasgow.

Welfare Reform

We monitor the UK and Scottish Government's policy on this key issue. We will take action to mitigate impacts on tenants and our business. On 31 December 2023, we had 1855 tenants in receipt of Universal Credit. Our Housing Services Team have Housing Officers specifically dealing with arrears to ensure intense management of rent accounts. They will take all necessary steps to keep any arrears increases to a minimum and to maximise income for our tenants as they migrate onto Universal Credit.

Performance

The Association is a member of an established benchmarking group – Scottish Housing Network (SHN) which looks at Housing Management performance information and value for money. This, along with the information provided by each landlord to the Scottish Housing Regulator in the annual return, allows us to compare our performance against our peer group. The following was reported for 2023/24:

- Re-Let Timescales – Houses were let within an average of 26.3 days, compared to 28.5 days in 22/23.
- Void Rent Loss was 0.63% compared to 0.51% for 22/23.
- Arrears - Total gross arrears performance (current and former tenant arrears combined) is 5.1% compared to 5.8% for 22/23.
- Tenancy Sustainment was 92%, compared to 91% in 22/23.
- Emergency Repairs - The average length of time taken to complete emergency repairs is 4:01 hours compared to 3:34 hours in 22/23.
- Non-Emergency Repairs - Average length of time taken to complete non-emergency repairs was 6.14 days compared to 5.24 days in 22/23.
- Medical Adaptions - a total of 128 adaptations were completed during the year in an average timescale of 30.9 days from referral date compared with 36.7 days in 22/23.
- Gas – All of our properties in 23/24 had a gas certificate renewed within 12 months, this is the same as 22/23.
- Anti-Social Cases – 84.2% of our cases were resolved within timescale, compared to 88.63% in 22/23.
- Customer Satisfaction – 81.4% of our tenants surveyed were satisfied with the overall service provided by ng homes in comparison to 83.6% in 22/23.

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

Regeneration

Key Themes

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

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

Glasgow North Strategic Development Framework

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

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

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

Physical

ng homes are committed to providing high quality, sustainable, energy efficient homes for all our tenants. This was enhanced through our new build housing programme. In February 2022, we completed a 49-unit flatted development at Keppochhill Road, Springburn, comprising 28 units for social rent and 21 units for mid-market rent. Tenure diversification is also a priority as providing a greater choice of tenure, beyond purely social rent will attract a more diverse range of households into the area. The Association also plans to undertake a small-scale new build development on its gap site at Ashfield Street/ Crowhill Street. Consultants were appointed to undertake an options appraisal for the site and the report is now being finalised. This will also assist with Glasgow City Council's Affordable Housing Supply Programme.

The Association wishes to preserve the heritage of the North of Glasgow and as such is keen to lead on an initiative that will support the preservation of this historic building. In order to do this, the Association intends to liaise with GCC, Historic Scotland, Heritage Trust Network Scotland, Glasgow Life, and other relevant parties to secure funding to undertake feasibility studies and options appraisals to determine the future use of the following buildings:

- Mosesfield House - a Category B listed country house situated in Springburn Park that is currently under-utilised and will become void in the short to medium term
- Rennie MacIntosh Villas - Two properties designed by the famous architect that we are in discussion with the Council about taking over and upgrading.

In addition, the Association will offer a free technical support service to local community groups who wish to undertake retrofit projects in the area where the skill set does not exist within the group. This service will help facilitate physical, social, and economic growth within North Glasgow.

Economic

Our economic regeneration is channelled through our social enterprise company ng2, which supports the delivery and outcomes of our employability and personal development initiatives. ng2 also provides a significant financial and value for money benefit for ng homes residents, as no vat is payable on the labour costs. This equates to a vat saving of 20% on an average salary bill of £1.7 million per annum.

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

Private Sector – Business Improvement District Possilpark

The concept of a Business Improvement District (BID) is for local business leaders to form a group that could help revitalise the Possilpark area. The Council agrees a baseline service agreement to ensure the BID does not replace statutory council services as it is for additional activity. The ballot for the BID area completed in March 2022 with a successful ballot and the BID is now operational in the area.

Funding has been granted from Glasgow Town Centre Action Plan fund for a shop front improvement programme.

Social

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

Cultural Integration

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

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

Climate Challenge

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

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

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

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

- Saving households up to £6.8 million in fuel bills
- Supporting vulnerable tenants to manage fuel poverty
- Improving tenants' health & wellbeing

Asset Management Strategy

The Association appointed M-Four consultants were appointed to prepare a comprehensive strategy that more accurately reflects the condition of our stock, our energy-efficiency requirements and the needs of the business. M-Four were selected to prepare the AMS as they are part of the McDermott Group who carried out our stock condition surveys and are also currently undertaking fire safety, investment and energy efficiency works to our multi-storey blocks, and as such have an in-depth working knowledge of all our stock.

The new Asset Management Strategy is a more comprehensive strategy and has tackles the following key objectives:

- Strategic Aims
- Stock Condition Survey Plan
- Investment Plan
- Risk Management
- NPV model Update
- Tenemental Strategy
- Energy Efficiency Plan
- Housing Sustainability Plan
- Road Map to Net Zero 2040
- Tackling Fuel Poverty
- Funding Opportunities
- Budget
- Action Plans

Planned Maintenance

The anticipated planned maintenance spend-over the Business Plan period is as follows:

- 2024/25 - £ 8.9 million
- 2025/26 - £ 7.5 million
- 2026/27 - £ 7.4 million

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

- Legislative Requirements

- Regulatory Requirements
- Health and Safety
- Stock condition

EESSH

The Scottish Government requirements for EESSH 2032 has provided targets for social housing to be EPC Band B by 2032 (within the limits of cost, technology, and consent). As a result of this and due to the large leap required for some of the properties to move from their current EPC rating to Band B, investment has been undertaken and planned for future years. Additionally, no social housing EPC Band D and below is to be re-let from December 2025. The business case for doing this is dependent upon the savings made by the tenants to ensure that the investment required is not disproportionate to the benefits for the tenants. To achieve this, we need more data on the positive effects that this will have on fuel poverty and the health and wellbeing of our tenants. We also identified, based on the budgets which had been set within our 30-year Business Plan, that we would need to access financing/grant funding to achieve our aspirations.

Following the launch of the Scottish Government District Heating Support Unit, the Association applied for grant funding for feasibility studies. This was to support future phases of EESSH and Net Zero projects and enable projects to be ready to progress should grant funding become available. The Association will continue to actively pursue all funding opportunities.

Risk Management

The operational and strategic risks are monitored on an ongoing basis and the Strategic Risk Register was approved by ng homes' Board.

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

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

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

In our management of risk, we:

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

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

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

Progress Monitoring and Reporting

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

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

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

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

Appendix 1

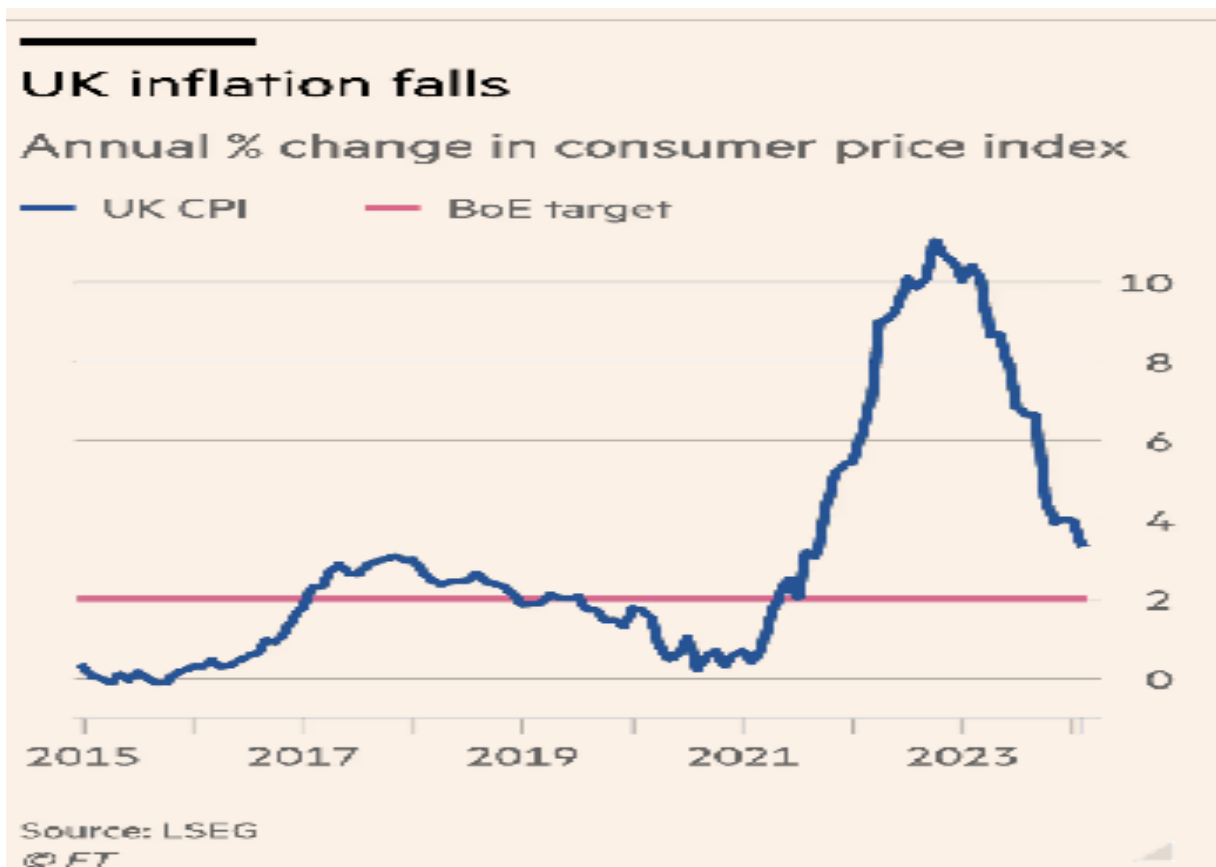
Introduction

The level of economic volatility and uncertainty facing NG Homes and our tenants over the last few years has been significant. Several key factors have impacted on our financial performance and will continue to do so going forward, including:

- sustained high inflation and rising interest rates.
- the impact of resource shortages on material and labour costs exacerbated by the wars in the Ukraine. Middle East and global shipping disruptions;
- Maintenance contractors and house builders reporting financial viability issues which in some situations resulted in contractors going into administration;
- Our rent increase in 2023 was capped at 6% despite inflation being much higher
- Bank of England base rate increased to 5.25% in August 2023.

The increasing financial pressures of building safety, decarbonisation and investment in our current homes also reduces the financial capacity of ng homes.

Spending in the UK was heavily impacted in 2023 due to high inflation rates, rising energy and grocery prices, and increasing mortgage rates. The UK entered a technical recession in the latter half of 2023 and growth for the year remained tepid as high inflation and rising interest rates squeezed consumer spending power and business performance. However, the situation in the UK could improve, with many predicting cuts in the Bank of England rate and slowing inflation.



Despite this possible good news, the coming period looks like it will remain unpredictable, volatile, and difficult for those who rely on social housing and for ng homes provide it. Cost inflation, higher interest rates, and increasing requirements on the quality of homes mean that the Association will continue to face increasing pressures on resources, whilst aiming to keep rents as affordable as possible.

2023 Financial Statements

The financial statements of the Association reflect the significant investment that has been undertaken in the last few years on their homes. Nearly £25m has been spent on planned, cyclical and reactive maintenance in the last 2 years. This level of expenditure together with the effects of the pandemic and supply chain disruptions which has increased material prices and maintenance costs has resulted in operating deficits.

NORTH GLASGOW HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

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

Major investment has also been undertaken to upgrade boilers, install new kitchens, bathrooms, rewire, fire doors, door entry and environmental upgrades. In addition to the maintenance spend referred to above, a major project continued in the multi-storey blocks, which was undertaken with the support of Scottish Government and the Energy Savings Trust.

At the end of 2023, the Association had over £19.3m deposited in cash deposits (see statement of financial position below). The 2024/25 business plan assumes an opening cash at bank position of £16.7m and this could be regarded as an acceptable financial position.

NORTH GLASGOW HOUSING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

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

5 year and 30-year financial plans

Our 5-year financial projections show ng homes generating the following projected net surplus for years 1-5 (2024/25 to 2028/29). The projections show that ng homes are covenant compliant and viable, whilst it delivers a major investment programme (component replacement) of £31.6m over the first 5 years.

| Year End March | 2025 | 2026 | 2027 | 2028 | 2029 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Net surplus | £439,000 | £2,448,100 | £1,061,800 | £3,184,500 | £3,056,100 |
| Cash balances | £14,516,500 | £14,491,400 | £14,748,600 | £14,277,600 | £14,248,900 |
| Loan Balances | £39,499,400 | £36,332,500 | £33,144,300 | £29,793,900 | £26,664,900 |
| Component Replacement | £4,671,800 | £4,929,800 | £3,426,100 | £5,998,400 | £5,768,000 |

The financial projections have benefited from the participation in the Ukrainian Long Term Resettlement Programme which has resulted in 140 homes being fully refurbished at limited cost to the Association. With a starting rent of just over £110 per week and no major investment required in the short term or medium term this has a significant benefit to the cash flow.

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

Summary of Financial Assumptions for Business Plan

Opening rental income of £31.6m is projected to rise by inflation + 1% for the next 5 years and then by inflation only for the remainder of the plan

The Bank Base Rate of 5.25% Libor is projected to fall to 4% by 2028. Opening cash balance is projected to be £16.7m and loans at £39m. We have built in contingencies such as rises above inflation for all maintenance and salary costs. We recognise the importance of financial headroom to meet challenges associated with the uncertain economic environment. The void and bad debts are assumed to be 4% (2.0% for Bad Debts and 2.0% Voids)

The average Cash at Bank projected over the next 5 years is £14.5m. Our current cost of loan interest is just below 4.3% so our 5.25% short term assumption (variable lending) plus margin provides additional headroom. 74% of our debt is currently fixed.

The energy-efficiency work within the multi- storey blocks is now complete with improvement works including: -

- New cold water systems within four blocks
- New soil pipes within six blocks
- New fire safety measures within the buildings
- A new, more efficient heating system across thirteen blocks

The Business Plan assumes an average major repair spend of £41,000 per home over the life of the plan. When cyclical and reactive costs are included, this figure rises to just over £74,000 per home.

We are aware of the Scottish Government's plans to introduce a new target for reducing climate change emissions from social housing which is aligned with Scotland's 2045 net zero target. Social housing will need to use 'zero direct emissions heating systems' to provide heat and hot water. It is unclear how the net zero target will be funded, the effects on future rents and our borrowings. At this stage we have made a provision of £1m per annum to cover some of these future liabilities.

In years 9 to 11 of the business plan a provision of £5m per year has been made for the replacement of some of the cladding on our multi-storey blocks.

We will continue to seek operational efficiencies and review our operating costs to ensure we deliver best value for our customers. It is appreciated that we must have a strong focus on cost control in this high inflationary environment. We understand that we cannot look to our tenants to continually face above inflation rent increases and we must ensure that we achieve value for money by spending well, spending wisely. We have undertaken sensitivity analysis on our plan, the outcome of this is highlighted in the table below. This demonstrates the impact of different assumptions on annual surplus/deficit and borrowing. Risks modelled include increased bad debts/voids; inflation only rent increases; increased management and maintenance costs; SONIA 6% and decreased inflation:

| Sensitivity | Year 30 Cash | Peak Debt | Y/E | Year 30 Debt | Min Cash |
|---|--------------|-----------|------|--------------|----------------|
| Base | £57.6m | £36m | 2025 | £0 | £2.1m (2039) |
| Base Voids 4% Bad debts 4% (5 years) | £43.9m | £36m | 2025 | £0 | -£7.5m (2039) |
| Major Repairs + 10% | £14.7m | £36m | 2025 | £0 | -£14.6m (2039) |
| Cyclical & Reactive repairs + 5% | £38.4m | £36m | 2025 | £0 | -£4.5m (2039) |
| SONIA 6% Inflation 1% | £47.7m | £36m | 2025 | £0 | -£0.02m (2039) |
| Salaries + 5% | £39.9m | £36m | 2025 | £0 | -£4.0m (2039) |
| Inflation only rent increase | -£7.2m | £36m | 2025 | £0 | -£26.5m (2050) |
| Cyclical & reactive +5% and inflation only rent | -£21.3m | £36m | 2025 | £0 | -£40.4m (2051) |

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

Loan portfolio covenant structures

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

Financial Accounts and Treasury Management

Our financial position going into 2024/25 continues to be healthy. The table below provides a comparison of the position over the next five years. The Association is planning a small surplus in 2024/25 and remains profitable in the short and medium term. The Association is viable, profitable and of greater importance has sufficient cash resources to deliver for their customers, as illustrated below, however we do not underestimate the scale of the challenges we face.

Summary - Statement of Comprehensive Income

| Period: 01 April 2024 - 31 March 2029 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---------------------------------------|------------|------------|------------|------------|------------|
| | £000's | £000's | £000's | £000's | £000's |
| Total Turnover | 31,639.40 | 32,850.70 | 33,799.10 | 34,424.50 | 35,420.60 |
| Operating Expenditure | -29,999.70 | -29,316.50 | -31,819.80 | -30,475.10 | -31,704.80 |
| Operating Surplus/(deficit) | 1,639.70 | 3,534.20 | 1,979.30 | 3,949.40 | 3,715.80 |
| Interest Receivable | 392.9 | 360.5 | 363.1 | 361.4 | 354.4 |
| Interest and financing costs | -1,593.50 | -1,446.60 | -1,280.50 | -1,126.30 | -1,014.10 |
| Surplus before tax | 439.1 | 2,448.10 | 1,061.80 | 3,184.50 | 3,056.10 |
| Surplus after tax | 439.1 | 2,448.10 | 1,061.80 | 3,184.50 | 3,056.10 |
| Comprehensive Income for the year | 439.1 | 2,448.10 | 1,061.80 | 3,184.50 | 3,056.10 |

Consolidated Statement of Financial Position

| Period: 01 April 2024 - 31 March 2029 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| | £ 000's | £ 000's | £ 000's | £ 000's | £ 000's |
| Fixed Assets | | | | | |
| Intangible assets and goodwill | | | | | |
| Tangible fixed assets | 117,089.50 | 115,612.10 | 112,445.00 | 111,966.60 | 111,138.80 |
| Investments FA | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Fixed Assets Total | 117,089.80 | 115,612.40 | 112,445.30 | 111,966.90 | 111,139.10 |
| Current Assets | | | | | |
| Stock | 45.3 | 45.3 | 45.3 | 45.3 | 45.3 |
| Trade and other debtors | 1,778.90 | 1,778.90 | 1,778.90 | 1,778.90 | 1,778.90 |
| Investments CA | | | | | |
| Cash and cash equivalents | 14,516.50 | 14,491.40 | 14,748.60 | 14,277.60 | 14,248.90 |
| Current Assets Total | 16,340.60 | 16,315.60 | 16,572.70 | 16,101.70 | 16,073.10 |
| Less - Creditors - amounts due within 1 year | -3,544.30 | -3,544.30 | -3,544.30 | -3,544.30 | -3,544.30 |
| Net current assets/liabilities | 12,796.40 | 12,771.30 | 13,028.50 | 12,557.50 | 12,528.80 |
| Assets less current liabilities Total | 129,886.10 | 128,383.70 | 125,473.80 | 124,524.40 | 123,667.90 |
| Creditors - amounts due after more than 1 year | -54,019.20 | -50,068.70 | -46,097.00 | -41,963.10 | -38,050.50 |
| Net assets Total | 75,866.90 | 78,315.00 | 79,376.80 | 82,561.30 | 85,617.40 |
| Reserves | | | | | |
| Income and Expenditure Reserve | 75,866.80 | 78,314.90 | 79,376.70 | 82,561.20 | 85,617.30 |
| Restricted [and/or Endowment] Reserve | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| Total reserves | 75,866.90 | 78,315.00 | 79,376.80 | 82,561.30 | 85,617.40 |

A full copy of the 30-year projections are included at Appendix 2.

Appendix 2






30 Year financial projections






This is contained in a separate document (attached)




Appendix 3

Key Performance Indicators

The table below provides a detailed breakdown of our performance for 2023/24:

| Indicator | Out turn 22/23 | Target 22/23 | Year to Date April 23 – March 24 | Risk |
|--|-------------------|-----------------|---|---|
| Voids | | | | |
| Vacancies in lettable stock | 8% | 10% | 413 (8%) |  |
| Lets | 424 | No Target | 409 | |
| Section 5 Homeless Lets | 35% | 35% | 40% |  |
| Average re-let timescale | 28.5 days | 25 days | 26.3 days |  |
| Offers Refused | 22.8% | 30% | 21.2% |  |
| Rent & Arrears | | | | |
| Void rent loss | 0.5% | 0.7% | 0.63% |  |
| Gross rent arrears (Current, Former & W/Off) | 5.8% | 5.5% | 5.1% |  |
| Non-Technical Arrears | 3.3% | 4.0% | 3.2% |  |
| % of tenants with arrangements. | 68% £602,140 | No Target | 77% (£464,087) are on an arrangement and 63% are maintaining their arrangement | |
| Tenancy Sustainment | | | | |
| Tenancies Sustained for more than 12 months | 91% | 85% | 92% |  |

| Indicator | Out turn 22/23 | Target 22/23 | Year to Date April 23 – March 24 | Risk |
|---|-----------------------------------|-----------------|-------------------------------------|---|
| Anti-Social Behaviour | | | | |
| No of Anti-Social Cases received in the year | 44 | No Target | 57 | |
| No of Anti-Social Cases resolved in the year & within timescale | 39 Resolved 100% | 90% | 48 Resolved 100% |  |
| Court Action & Evictions | | | | |
| New Court Actions | 52 | No Target | 53 | |
| Court Actions that resulted in Evictions | 9 Rent Arrears 1 Housing Issue | No target | 6 Rent Arrears 1 Housing Issue | |
| Repairs | | | | |
| Average timescale to complete emergency repairs | 3.4 hrs (8408) | 24 hrs | 4 hrs (9444) |  |
| Average timescale to complete non-emergency repairs | 5.24 days (10192) | 5 days | 6.14days (9808) |  |
| Reactive Repairs completed right first time. | 88.16% | 90% | 84.22% |  |
| Gas Safety Certificate Compliance | | | | |
| % with current gas safety certificate | 100% | 100% | 100% |  |

| Indicator | Out turn 22/23 | Target 22/23 | Year to Date April 23 – March 24 | Risk |
|--|------------------------------------|-----------------|--|---|
| Properties with gas cert' renewed within 12 months | 99.98% | 100% | 100% |  |
| Adaptations | | | | |
| Application brought forward from 21/22 | 22 (2 of these where cancelled) | No Target | 14 (5 of these have been cancelled) | |
| Applications approved YTD | 117 | No Target | 118 (15 Cancelled) | |
| Number of medical adaptations completed. | 113 | No Target | 128 | |
| Average days taken to complete adaptations | 36.7 days | 25 days | 30.9 Days |  |
| Customer Satisfaction | | | | |
| Overall Service Level | 83.6% | 90% | 81.4% |  |