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**Business Plan**

**2021 -2024**

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# 1. INTRODUCTION

1.1 Our Business Plan is a key strategic document which sets out our vision and objectives, and how we will deliver on these. It provides a comprehensive overview of Shettleston Housing Association (SHA) and the environment in which we operate and articulates the strategic direction and ambition of the organisation for the three years of the Plan.

1.2 In preparing the Plan we have had regard to the Scottish Housing Regulator’s Recommended Practice for Business Planning and the Regulatory Standards of Governance and Financial Management.

1.3 This plan has been prepared witha range of Committee and staff input. Regard has also been had to tenant and other service user feedback gathered from recent surveys, meetings with our tenant consultation panel, social media and via complaints monitoring and our How Well Did We Do (HOWDY) cards .

1.4 The aim is to have aBusiness Plan that is owned by the Management Committee and staff team and which reflects the needs and aspirations of our customers and key stakeholders.

1.5 By establishing clear, widely understood, aims the Plan should integrate the work of Committee and staff, linking with all other plans and processes, to ensure a common direction and focus throughout the organisation.

1.6 As well as setting out the Association’s purpose, vision and values this Plan sets out the our Strategic Objectives for the Plan period.

1.7 The Association requires a realistic and achievable plan for the achievement of these Objectives. The Summary Delivery Plan sets out the headline activity for the coming year and along with the KPIs, provides the framework for the detailed operational planning for 2021/22. As such it also sets the context for objective setting through the staff appraisal process.

1.8 Business Planning is a continuous process. The Plan will be refreshed annually and rolled forward every year. This will ensure we always have a current Business Plan which sets out:

* Our strategic ambitions for the three years ahead.
* The updated 30 year financial projections to establish and test our long term financial health and future viability
* The 1-year Summary Delivery Plan.

1.9Progress against the Plan will be monitored and reviewed by senior staff throughout the year with reports to the Committee and the full staff team on a quarterly basis.

**Background Information**

**1.10 The Association’s History**

Shettleston is a community based housing association, a Registered Social landlord (RSL) and a Scottish Charity. It was formed in 1976 by local people who were concerned at the deterioration of their community and who wanted to save the traditional sandstone tenements that embodied that community.

Shettleston in the mid-70s was losing people, losing jobs and in danger of losing its sense of community. Tenements were being demolished or were falling into disrepair and the future looked bleak.

The area was dominated by run down, blackened tenements, built in the 1890s and 1900s which had seen little external improvement and maintenance since before the First World War. Tenement backcourts were little more than derelict land. However much pride householders took in their own homes, they seemed to be fighting a losing battle against dereliction and decay.

But events were to prove that whilst this was Shettleston’s low point, it was also its turning point.

Changes in government policy and greater emphasis on the rehabilitation of housing rather than its demolition coincided with community activists and local people calling for a way forward for Shettleston. The result was the Association and a new partnership between Government at all levels and the local community.

While the early focus was on tenement improvement the Association gradually developed, first through building new houses and then by developing wider role projects. The organisation grew through a series of stock transfers, starting in the 1990’s with transfers from Scottish Homes and culminating in second stage transfer of former City Council stock from GHA in 2009. An increasing emphasis on major repair and component replacement has seen the existing stock improve in line with the requirements of the Scottish Housing Quality Standard.

**1.11 The Association today**

**Overview**

The Association operates within the Shettleston, Greenfield, Springboig and Sandyhills areas of the east end of the city of Glasgow.

At March 2021 the Association had 2398 homes in ownership. Of these 2346 were social rented, 32 for mid-market rent and 20 shared ownership. We also provide a service to 1241 owners, with a management factoring service to 351 privately-owned homes.

Our current loan portfolio comprises a £45 million facility from Royal Bank of Scotland, with £40.6m of this drawn down at March 2021 and a remaining £4.4m to be drawn down.

Over the coming three years (21/22 -23/24) we have plans to invest a further £7.5 million in new affordable homes (44 units) and £13.4 million in the existing stock including major repairs (£6.4m), planned and cyclical maintenance (£3.2m) and reactive and void repairs ( £4m) .

**Governance**

The Association is overseen by a volunteer Management Committee, and the current Chair is Lesley Scoffield (Vice-Chair). Other Office Bearers include John Morrison (Vice-Chair) and Christina Thomson (Secretary).

Our Rules provide for a Management Committee consisting of up to 18 members, 15 of whom are elected and must be Association members who live in the Association’s area. Membership is only open to those living within the area. Three of the Committee may be co-opted by the Management Committee as they think appropriate. Those three co-opted members do not require to be share-holding members or resident within the area. Where they are required by virtue of the number of candidates standing compared to the places available, Association elections currently involve a postal ballot of all tenants as well as members, conducted by an independent agent and subject to ratification by the Annual General Meeting.

The Association operates with three sub-committees: Corporate Services (which includes the audit committee role); Housing and Community Services and Property Services.

The Association’s Rules and Standing Orders are currently under review.

**Staff**

Following the recent staffing review the Association’s staff structure includes 39 full-time and 15 part-time staff (44.8 FTE) led by an Executive Team comprising Chief Executive Tony Teasdale; Director of Finance and Corporate Services Fiona Nicholl; Director of Customer and Community Services Anne McAlpine and Director of Property Services, Colette McKenna. The staff all operate from the Association’s offices at 65 Pettigrew Street, Shettleston.

**Subsidiaries**

The Association is the parent of a Group structure which also includes two wholly-owned subsidiaries. Both subsidiaries have their own Boards and operate in accordance with an Independence Agreement with the Association and a Service Sharing Agreement which sets out the arrangements for staff support from SHA.

*Upkeep Shettleston Community Enterprises***:** ‘Upkeep’ is a commercial trading company, led by John Thomson, Head of Operations.

It has a turnover of around £2.5 million and is the Association’s principal subsidiary, employing 50 FTE staff and providing the Association with a range of services including:

* Day to day and cyclical maintenance
* Void works and Major Repairs
* Stair cleaning and back court maintenance
* Landscape gardening

It was established in 2005 as a ‘social firm’ whereby at least 25% of its employees had experienced physical or social disadvantage. It has recently reviewed it’s social purpose, in conjunction with SHA, and one of its strategic priorities for the coming period is to deliver employability support and opportunities in the local area.

In addition to Shettleston, Upkeep provides services to other RSL’s and private clients.

Upkeep has issued one share which is owned by the Association. Its Board is appointed by the Association’s Management Committee.

*East End Housing Development Co***:** ‘East End Housing’ is a commercial trading company set up in 2007 to engage in both the private rented market and home ownership. To date it has acquired a number of tenement flats which are let at market rents. It also manages the Association’s portfolio of mid-market rent properties through a leasing arrangement. The Association is registered as a Lettings Agent in order to provide staffing services to East End.

As with Upkeep, it has issued one share which is owned by the Association. Its Board is appointed by the Association’s Management Committee.

**1.12 Our Area**

The Association’s area has a population of around 15,000. It takes in the area from the Westmuir Street/Shettleston Road junction in the west to the Baillieston Road/Sandyhills Road junction in the east. It includes Tollcross Park and the Sandyhills area to the south and the South Greenfield and Springboig areas to the north. The traditional centre of the area is bounded by Shettleston Road and Old Shettleston Road.



Old Shettleston Rd

Shettleston Rd

Wellshot Rd

Springboig

Sandyhills High Flats

Tollcross Park

The Association’s area benefits from very good transport links to the city centre and beyond; good local food shopping (with significant new supermarket provision in recent years) and a still generally vibrant selection of small shops and services on Shettleston Road; the close proximity of Tollcross Park and other green spaces as well as Tollcross Leisure Centre and other public service, social and cultural facilities within the area.

However the area continues to face a number of significant social and economic challenges.

Around three quarters of the area falls within Glasgow City Council’s Ward 19 (Shettleston), which also encompasses a much wider area including Tollcross, Carmyle and Mount Vernon. The remaining part of our area (Greenfield and Springboig) comprises only a relatively small part of the adjacent Ward 18 (East centre).

The Council produces Ward Factsheets and the latest of these (2017) for the Shettleston ward indicates the following notable characteristics, with comparisons to Glasgow and Scotland wide statistics drawn from various sources:

|  | **Shettleston Ward** | **Glasgow** | **Scotland** |
| --- | --- | --- | --- |
| **Population** | 25,806 | 595,080 | 5,424,800 |
| **Under 16s** | 15% | 16% | 18% |
| **16 - 64** | 67% | 69% | 63% |
| **Over 55s** | 33% | 23% | 33% |
| **65 and over** | 18% | 14% | 27% |
| **Single person households** | 21% | 21% | 34% |
| **Households with dependent children** | 24% | 23% | 20% |
| **Social rented** | 38% | 37% | 24% |
| **Private rented** | 14% | 17% | 14% |
| **Owner occupied** | 47% | 47% | 72% |
| **Economically active (16-64 years)** | 63% | 57% | 67% |
| **Economically inactive (16 – 64 years)** | 29% | 29% | 22% |
| **Unemployed** | 8% | 6% | 4% |
| **White Scottish, British, Irish, other** | 96% | 85% | 92% |
| **Minority ethnic group** | 4% | 12% | 4% |

For years Shettleston has scored highly in most of the indicators of deprivation. According to the ***2020 Scottish Index of Multiple Deprivation*** (SIMD) 75% of the 16 data-zones (small areas of population) in our catchment area are in the most deprived 20% in Scotland and 62.5% are in the bottom 10%.

The indicators used to establish deprivation include unemployment, health, and educational attainment so our community is poorer, unhealthier and has people with fewer qualifications and skills than more affluent parts of the country.

Despite life expectancy in Glasgow as a whole improving for both women and men over the last 16 years, wide deprivation-related inequalities remain. Across Glasgow’s 56 neighbourhoods (as defined by the Glasgow Centre for Population Health) from the most affluent to the poorest, there is a difference in life expectancy of 15 years for men and 11 years for women. In the Shettleston/Tollcross neighbourhood, female life expectancy is 76.5 (Scottish average 80.7 & Glasgow average 78.2) and life expectancy for men is 69 (Scottish average 76.5 & Glasgow average 72.3). Glasgow: Health in a Changing City: Glasgow Centre for Population Health 2016.

**1.13 Our tenants**

It is important that we understand the circumstances and needs of our tenants. We need to further develop this. The information below was collated before the Coronavirus pandemic and need to be updated as will have changed to reflect the evolving circumstances.

Much of the information mirrors that of the Ward 19 Factsheet and other external statistical data but other points to note include the following:

***Income***

* The most common income bracket for SHA tenants is £150 - £200 p/w (16%).
* 25% of tenants have an income of less than £150 p/w and 11% have less than £100 p/w.
* ‘Mainly benefits’ accounts for the income of 41% of tenants.
* 37% of working tenants have their income topped up by benefits.
* 27% of tenants rely on income earned through employment alone.

***Economic status***

* 21% of tenants of working age do not work due to ill health.
* 34% of tenants are in employment (both full time and part time). This figure is significantly lower than the average for Ward 19 (63%).
* 9% of tenants are unemployed.

***Health***

* 28% of tenants have a chronic disease.
* 23% suffer from mental ill health.

***Digital inclusion***

* 39% of tenants never use the internet or have very little digital competence.

***Ethnicity***

* 98% of tenants identify as white. We have a less diverse population than Glasgow as a whole, where 12% of residents are from minority ethnic groups

**1.14 Our Housing stock**

SHA currently has a total of 2346 properties for social rent. Whilst the Association has continued to develop and has grown considerably over the years the stock continues to be predominantly flatted, with only a relatively small number of houses.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | |  | |  | |  | |  | |  | |  |  |
| **Stock Type** | **1 APT** | | **2APT** | | **3APT** | | **4APT** | | **5APT** | | **6APT** | | **7APT** | **Total** | **% stock** |
| **Tenement Flat** | 14 | | 820 | | 709 | | 125 | | 3 | | 0 | | 1 | **1672** | **71.07%** |
| **Maisonette** | 0 | | 1 | | 2 | | 13 | | 0 | | 0 | | 0 | **16** | **0.69%** |
| **Flat** | 7 | | 19 | | 19 | | 0 | | 0 | | 0 | | 0 | **45** | **1.93%** |
| **House** | 0 | | 22 | | 152 | | 145 | | 22 | | 7 | | 0 | **348** | **14.94%** |
| **4 in a block** | 0 | | 36 | | 224 | | 5 | | 0 | | 0 | | 0 | **265** | **11.37%** |
| **Total** | **21** | | **898** | | **1106** | | **288** | | **25** | | **7** | | **1** | **2346** | **100%** |

The origins of the Association lay in the acquisition and refurbishment of sandstone tenements which had been built towards the end of the 19th/early 20th century. These continue to represent a significant proportion of our stock. This has major implications for our future investment requirements. Later stock transfers of pre and post war ex-public sector stock and the Association’s new build make up the balance.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Stock Type** | **4 in a Block** | **House** | **Inter-war flat** | **Post-war Flat** | **Pre 1919 Tenement** | **Flat** | **Total** |
| **SHA original** | 0 | 0 | 0 | 0 | 603 | 0 | **603** |
| **Scottish Homes Transfer 1994** | 100 | 121 | 149 | 0 | 0 | 0 | **370** |
| **Scottish Homes Transfer 2000** | 109 | 69 | 0 | 0 | 0 | 0 | **178** |
| **GHA Transfer 2009** | 1 | 43 | 359 | 274 | 1 | 28 | **706** |
| **New Build Pre 1996** | 16 | 57 | 0 | 0 | 0 | 101 | **174** |
| **New Build 1996 - 2005** | 7 | 26 | 0 | 0 | 0 | 70 | **103** |
| **New Build 2005+** | 17 | 30 | 0 | 0 | 0 | 130 | **177** |
| **Private Acquisition** | 0 | 2 | 0 | 1 | 15 | 4 | **22** |
| **Tollcross Mansion House** | 0 | 0 | 0 | 0 | 0 | 13 | **13** |
| **Total** | **250** | **348** | **508** | **275** | **619** | **346** | **2346** |

**1.15 Rents and affordability**

The Association’s rent structure has evolved piecemeal over recent years and in practice a range of different structures, reflecting the historic origins of different parts of the stock, are currently applied. However, all new tenants since April 2015 have had their rents set in accordance with a new Policy, and these tenants now represent around 30% of the total.

The table below shows our average rents at 31/3/21 by apartment size:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | |  | |  | |  | |
| ***Shettleston HA*** | *1 apt* | | *2 apt* | | *3 apt* | | *4 apt* | | *5+ apt* |
| ***Average weekly rent*** | *£34.68* | | *£72.44* | | *£80.87* | | *£91.67* | | *£114.95* |

The next table shows how our rents compare with those of others – using the latest available benchmark data (31/3/2020).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ***Average weekly rent*** | *1 apt* | *2 apt* | *3 apt* | *4 apt* | *5+ apt* |
| ***Shettleston HA*** | *£33.91* | *£69.44* | *£77.15* | *£87.27* | *£109.64* |
| ***Scottish Average*** | *£73.47* | *£78.02* | *£80.10* | *£87.08* | *£96.18* |
| ***Peer Group Average*** | *£69.49* | *£78.34* | *£84.51* | *£94.37* | *£92.51* |
| ***Tollcross HA*** | *N/a* | *£63.78* | *£71.74* | *£89.88* | *£100.52* |
| ***Parkhead HA*** | *£55.20* | *£68.50* | *£84.61* | *£93.64* | *£115.46* |

Our analysis of rent affordability using the SFHA’s recently revised Rent Affordability Tool indicates that our rents are affordable even when the most robust criteria regarding household type and income are applied. A more detailed analysis of the affordability of our rents will be carried out in 2021/22 to inform the planned review of the Rent Policy.

# 2. OUR PURPOSE, VISION AND VALUES

Our organisational purpose, vision and values were last comprehensively reviewed through consultation with both staff and Committee members in 2019.

**2.1 Our Purpose**

|  |
| --- |
| We are a community-controlled housing association providing quality affordable homes and related services for the people and communities of Shettleston, Greenfield, Springboig and Sandyhills. |

**2.2. Our Vision**

Thriving and prosperous local communities where all residents enjoy great homes and services, an attractive physical environment, and good life chances.

**2.3 Our Values**

These are our core values and the behaviours and standards that we believe underpin these:

|  |  |
| --- | --- |
| ***Customer Service*** | ***Making a Difference for the Community*** |
| * *Commitment* * *Service Excellence* * *Professionalism* * *Engagement* * *Respect* | * *Achievement* * *Social Conscience* * *Environmental Impact* * *Social & Economic Impact* * *Innovation* * *Social Inclusion* |
| ***Teamwork*** | ***Fairness*** |
| * *Partnership working* * *Creative Problem Solving* * *Communication* * *Accountability* | * *Equal treatment for all* * *Honesty* * *Trust* * *Integrity* * *Openness* |

# 3. REVIEW OF PROGRESS IN 2020/21

**3.1 Overall**

The coronavirus pandemic that emerged at the end of 2019/20 posed huge new challenges and caused severe disruption to our activities, services and planned progress during the year.

The Association was however able to respond and adapt effectively in order to sustain key operations. We were able to deliver at least essential services throughout the year whilst also introducing some new services to meet needs in the community that had been made even more pressing by the pandemic. Our investment programme was impacted but we were able to continue with important works on existing and new homes. We were also able to meet compliance and funder requirements.

Whilst overall progress against our Business Plan was somewhat restricted we were able to take some very important steps forward in key areas: to secure and improve our loan facility with RBS and to carry out our deferred review of the staff structure. As a result, whilst it will take some time to fully recover from the pandemic and return to normal operations, the Association ended the year in a stronger position, overall, than it had been at the start of 2020/21.

The following is a summary of the key achievements and progress during the year:

**3.2 Governance**

By switching quickly to “virtual” meetings (helped by our recent move to electronic board reporting) our Management Committee was able to continue to meet throughout the year. 14 full meetings of the Committee took place with an average attendance of 88% demonstrating the real commitment of our Members. With sub-committees and working group meetings also taking place for most of the year the Committee was able to continue to exercise effective governance.

This was far from ideal however – particularly during a time of significant change on Committee. A year on, some Members have still to physically meet each other and are looking forward to resuming normal meetings at the earliest opportunity.

The Committee again carried out its annual self-appraisal, with independent support, in quarter one, and this reinforced the need to recruit additional Committee Members as a priority. This became more pressing with some further resignations in the first half of the year and remains something of an issue going forward. We were however able to successfully recruit five new Committee Members by the mid-year point, bringing new skills and experience to the Committee and also significantly lowering the average age.

Our AGM was also held virtually. It was quorate, with a number of members provided with assistance to participate. The AGM marked the retirement of Gillian Johnston as Chair after five successful years in post during what had been a period of significant change for the Association.

The transition to a new Chair, in accordance with an agreed succession plan, was completed with the election of Lesley Scoffield, formerly the vice -Chair.

The Committee kept under review the Association’s compliance with Regulatory standards, agreed an updated Improvement Action Plan and submitted the Association’s Annual Assurance Statement to the SHR in November. The Association was subsequently designated as “compliant” under the new system of categorisation by SHR.

Other important progress during the year included:

* The re-tendering of internal audit services with Wylie + Bisset appointed as our new internal auditors. Reviews were carried out of both our GDPR compliance and Factoring services and a new three year audit plan was agreed.
* Ongoing compliance with the new Freedom of Information requirements introduced the previous year.
* Improved cyber security and GDPR compliance and delivered training to staff to raise awareness of security issues. However, as identified by the internal audit report, significant further improvement are required in certain areas.
* Approval of new Business Plans for our subsidiary organisations – Upkeep and East End HDC.
* Continued improvements in arrangements for monitoring, reporting and action planning to ensure compliance with health and safety requirements within the Association and our subsidiary Upkeep, with Covid providing particular new challenges in this regard.

**3.3 Operations and services**

Our office was closed to the public throughout the whole year of 2020/21 – previously unthinkable for this community based housing association.

Our ICT team rose to the challenge and we were able to very quickly switch to home-working for all staff, with only limited use made of the office during the year.

There was still a need to carry out significant work on an ongoing basis to ensure that health and safety risks were assessed and working arrangements and the office made as Covid –secure as possible. We surveyed the views of our staff on their experience of home working and strived to ensure that all were provided with appropriate support throughout. Plans for a safe return to and opening of the office were prepared but unfortunately still not yet able to be activated.

In the early months of the first lockdown, with many staff unable to fully carry out their jobs and income streams under pressure, we made extensive use of the UK Government’s Job Retention Scheme.

Despite all of the above, key operations and essential services at least were maintained throughout the year. This required staff to adapt to new and some innovative ways of working and we relied on members of our front-line staff team and contractors being willing and able to continue to deliver repairs and other essential tasks in the community. We also benefitted greatly from the fact that, through the caretaking staff of our subsidiary, Upkeep, we were able to not only continue to keep closes, backcourts and common areas clean and well maintained throughout the year, we were also able to introduce a new bulk refuse removal service when the Council withdrew its service. Through this over 200 tonnes of rubbish were removed directly from backcourts to Council dumps.

As with all RSLs, we faced significant challenges during the year with a build-up of void properties and a very significant increase in rent arrears as tenants incomes came under pressure in the first lockdown. We also saw an increased incidence in neighbour nuisance and anti-social behaviour during the year.

Inevitably performance figures suffered and the year end results indicate a significant drop in some KPIs compared with 2019/20:

* Rent arrears at the year-end had increased by over £50,000 in value with current tenant arears increasing from 2.56% to 2.98%.
* Void rent loss increased from 0.45% of rental income to 1.07%

We initially entered into a leasing agreement with the Homelessness team to be able to get some voids occupied and then began to directly let again using modified, more Covid-secure, means of letting. We responded to the emerging homelessness crisis in the city by agreeing to increase the number of lets being made to referrals of statutorily homeless households to 60% of all lets net of transfers.

There was a significant reduction in the overall amount of reactive repairs activity, due in part to the restrictions but also to the fact that some tenants were anxious about allowing access to their homes. However average response times for emergency (2.09 hours) and non-emergency (4.12 days) repairs that were carried out compared well with the previous year.

For reasons of non-access we were unable to carry out annual gas safety inspections to 21 properties within the required 12 month: normally we achieve 100% success.

As the period of restricted services continued we commissioned an independent telephone survey of our tenants at the end of 2020. The purpose was to gauge tenants’ experiences, views and awareness of our landlord and new wider role services under Covid, possible communication methods, and to gather information regarding changes to incomes in the preceding months. A representative sample of 20% of tenants (455 households) was interviewed. We were pleased that the results indicated continuing high levels of satisfaction with our services despite the restrictions.n91% said they were satisfied overall with our services. However some areas for improvement were identified and actioned.

**3.4 Our “wider role” in the community.**

The Covid crisis created new needs for our tenants and the wider community and the Association was able to respond in a number of different ways to provide support. This was often in collaboration with other local RSLs and community bodies.

In conjunction with Parkhead HA and Tollcross HA we successfully applied for Scottish Government *Supporting Communities Grant* to support and develop local initiatives to address food poverty in light of Covid 19. Through this we were able to:

* Get emergency food parcels on a regular basis to around 150 tenant households in the critical early Covid period.
* Establish a pop-up Food Pantry outlet in our vacant shop premises at 981 Shettleston Road. This was extremely successful and longer-term (3 year) funding was then successfully sourced from the Big Lottery. The project, which is an outlet of the main Pantry, run on a day to day basis on behalf of Parkhead HA by Unity Enterprise, continues to thrive and develop.

During the year we were entered into an agreement with Shettleston Foodbank for use of our vacant South Vesalius Street shop unit.

We were able to conclude organisational arrangements for the Tollcross/Shettleston Money Advice project with our partners, Tollcross HA and Tollcross Advice Centre. As part of this our existing Money Adviser TUPE transferred into the employment of the project. This helped ensure the continuing availability of quality money and debt advice to our tenants and other local residents during a period when many have faced increased hardship.

Our bid to the Glasgow Communities Fund to employ a digital inclusion worker for three years was unsuccessful but we did receive, in the autumn, a much smaller award to deliver a reduced service for the remainder of 2020/21 only. FUSE Youth café were selected as our local partner to deliver our *Shettleston Does Digital Project*, part-time, from our shop premises at 981 Shettleston Road. With the second lockdown the service had to be temporarily delivered remotely (on the phone/on-line) but continued to provide a much needed service. Additional funding was sourced from the Scottish Government’s *Communities Recovery Fund* to enable the project to be extended for some time into 2021/22.

We also successfully bid, in collaboration with PHA and THA, for GCC’s *Addressing Future Need Fund*, through which a 15 week project will be operated by east end based Urban Fox to provide emotional health and wellbeing support for local residents through pop-up sports, play and arts activities.

A review of the Association’s wider role priorities was carried out by a short-life working group comprising Committee Members and staff from both SHA and Upkeep. One of the main priorities going forward is employability support.

The review also re-iterated the Association’s commitment to be a “community anchor” and the Committee has agreed that we will continue to closely liaise with and provide support to local partner organisations including Shettleston Community Growing Project (SCGP), Shettleston Men’s Shed and FUSE Youth café as well as the Community Connectors project run in conjunction with GCVS.

**3.5 Investment**

Our investment plans were somewhat disrupted during the year however we were still able to make significant progress.

In 2020/21 over £3.6million was invested in the Association’s existing housing stock in covering all aspects of maintenance, however this included £1.7 million on planned capital projects including the following:

* Replaced windows in 30 homes
* Installed 150 boilers
* Installed 28 new kitchens
* Replaced 45 bathrooms / part bathroom replacements
* Re-wired almost 50 homes
* Re-modelled 20 kitchens to meet SHQS standards
* Replaced defective cladding on 27 homes
* Improved insulation levels in 20 homes to bring them up to EESSH standard
* Replaced stair lighting in 20 closes
* Installed new smoke, heat and carbon monoxide detectors in 16 homes

We also carried out medical adaptations to 29 homes at a cost of £89,642 and grant funding of £49,180 was received to assist with this.

We were also able to make progress with our new build development programme. Work continued with the much delayed Fenella Street project. We took handover of 14 social rent and 8 mid-market rent flats in this project. Having had to appoint a new contractor to complete works at the final block of 12 flats in this development, the project was very close to completion by the year end.

We secured detailed Planning consent for our 44 home new development at the site of the former St Mark’s primary school and appointed a design and build contractor to take this project forward.

We also bought back another two homes from sharing owners during the year.

**3.6 Financial Update**

During the year the Association restructured its existing £45m loan debt. A new loan agreement with RBS was introduced and this included a new set of more traditional loan covenant tests which have been in place during the year.

The planned restructure of the staff team had to be put on hold due to Covid in March 2020. These plans were kept under review by Committee as the year progressed and a staff consultation on the updated proposals was eventually launched and took place throughout March 2021. This was the first review of the overall staff structure for over ten years and a primary driver was the previously identified need to achieve significant cost savings to enable the ongoing delivery of the Business Plan and the necessary increased investment in our housing stock.

Significant annual savings will be generated going forward with the number of posts in the new structure now reducing compared to those posts in 2018. There has been scope to make other changes to benefit our operations including through the introduction of a stronger focus within the team on priority areas such as ICT & business efficiency, capital investment in our stock, governance support and community regeneration.

We have also continued to review our office running costs and overheads and have made cost savings in this area and mainly in connection with the reduced use of the office and other impacts e.g. no conferences this year.

Following the most recent SHAPS Pension valuation and consultation with staff in early 2020 agreed changes to the split in contribution levels from May 2020. It was also agreed that during 2020/21 we would carry out a more general review of pension options and some progress was made with this last year

Like many social landlord who have grown through stock transfer the Association does not have a single rent structure but is operating with a legacy of several. Our objective has been to move towards a harmonised structure and this will continue to be developed in future years.

Other financial management achievements included:

* All statutory compliance requirements were met on time;
* Achieving all loan covenants at the end of the financial year;
* Further enhancing the budget and management accounts reporting;

The Business Plan has been updated and was approved by the Management Committee in March 2021. This review had regard to carry forward expenditure from 2020/21 into 2021/22 due to the Covid pandemic but beyond March 2022 the maintenance projections remained largely unchanged to what was approved last year.

**4. STRATEGIC REVIEW**

**4.1** The Association regularly reviews its strategic and operating environment. Committee and Staff Senior Planning Days are an opportunity to reflect on the threats and opportunities we face, and how well positioned the Association is - in terms of our strengths and weaknesses – to address these. Our last two events were held in November 2020 and March 2021. We also regularly update our Risk Register.

**4.2** The table below provides a summary SWOT analysis setting out the key issues facing the Association. All of these issues, changes and risks have been taken into account in formulating the objectives, projects, targets and financial assumptions set out within this Plan, and will continue to be reviewed.

|  |  |
| --- | --- |
| **Priority Areas Identified** | |
| **STRENGTHS** | **WEAKNESSESS** |
| * Stock in generally high demand * High levels of resident satisfaction * Affordable and relatively low average rents * Generally good Charter/KPI performance * Strong relationship with key stakeholders (RBS, SHR, DRS) * Recently re-structured loan facility to meet future needs * Good community links and wider role services record * Experienced and committed staff team with range of expertise * Attractive working conditions * Upkeep: control over repairs and estate services | * Profile of stock (nos. of sandstone tenements and flats) * Mixed ownership within flatted blocks * A need for catch-up investment in the stock and improved forward planning. * Challenging financial targets to be met within new Business Plan * Rent structure: widely varying rents for similar properties * Large proportion of relatively new Committee members and further recruitment required. * IT systems: constraints of the Capita system etc * Upkeep: improvements in quality of service required |
| **OPPORTUNITIES** | **THREATS** |
| * Scope for increased collaboration with neighbouring HAs and other community bodies * Potential for SG funding to introduce new services to address worsening employment & social conditions. * Scope to play an enhanced “community anchor” role to support the ongoing regeneration of the local area. * Potential new housing development sites and renewed commitment by the SG to fund a long term programme of affordable homes. * Scope for environmental improvements in the area * Recent increase in staff & Committee digital capacity opens up possibility of new ways of working. | * New staff structure still to be bedded in and significant recruitment to be successfully undertaken. * Loss of existing Committee Members. * Covid: continuing H&S risks and possibility of service disruption * Post-Covid economic downturn – exacerbating hardship in the local community and economy and increased risk of rent arrears * More difficult environment for implementing rent harmonisation. * SHAPs pension scheme – likelihood of increased deficit * Likely reduction in government and council expenditure: impact on grant & services * Rising construction & materials costs. * Risk of increase in mental health issues amongst tenants and staff * Significant increase in proportion of lets to homeless referrals & support not available * Continuing roll out of Universal credit * Risk of non-compliance with new loan covenants * “No deal Brexit”/Independence: economic disruption? * Climate change and possible hardening of EESSH requirements * Failure to complete the sale of Tollcross Mansionhouse. |

**5. OUR STRATEGIC OBJECTIVES FOR 2021/22 - 23/24 - AND HOW WE WILL DELIVER ON THESE**

**5.1 Strategic Objectives 2021-24**

Our Strategic Objectives have regard to the opportunities and threats in the evolving external environment in which we operate and the current internal strengths and weaknesses of the organisation.

**A.** To achieve excellent standards of governance and risk management

**B.** To deliver high quality and value for money services

**C.** To effectively manage our resources to protect our assets and deliver the best possible outcomes for quality affordable homes in the area.

**D.** To combat poverty and support the ongoing regeneration of the local communities.

**E.** To effectively build back after Covid and ensure the successful implementation of the new staff structure.

**Objective 1: To achieve excellent standards of governance and risk management**

We want to build on the progress made in the last year recruiting new Committee Members from the community and also to co-opt additional new Members with specific skills and expertise. It is equally important that we are able to retain, and support the ongoing development of, existing Committee Members and the Annual Committee Review will provide an opportunity to further explore how this can best be achieved.

We will continue with the review of our governance arrangements. We will update and review our Standing Orders and a number of other key governance policies and documents. We will also seek approval from the Association’s membership for a review of the Association’s Rules, having regard to the publication of the latest Model version by the SFHA.

We will take ongoing action to: ensure that the Assurance Improvement Action Plan agreed last year is fully implemented; to review compliance with Regulatory and legal Standards and update our Assurance Map; and to submit an annual Assurance Statement.

We live in an increasingly digital world and this carries risks. We will further strengthen our compliance with GDPR provisions and continue to review cyber security arrangements.

Strong external audit is a key part of good governance and we will review and re-tender for services.

We will take further steps to strengthen H&S management throughout the Group.

As part of approach to ensuring effective risk management we will further develop our Business Continuity Plan and review our overall approach to risk management.

**Objective B**. **To deliver high quality and value for money services**

The past few months have seen the Association working to a revised agreement with the Council through which a significantly higher proportion of our lets are being offered to statutorily homeless applicants in order to help tackle the major increase in homelessness in the City under Covid. This agreement is due for review and prior to agreeing ongoing arrangements an in-house analysis will be carried out of the operation and impact of the current referrals arrangement.

A comprehensive review of our housing allocations policy is overdue and will be carried out in year 2 of the Plan. However, in the interim, an early review of the policy will be carried out to ensure compliance with required standards and to address any significant issues requiring immediate attention.

Rent arrears rose very significantly during the lockdown and we anticipate an increase in hardship amongst tenants in the area post-Covid. We will be carrying out a review of the efficiency and quality of processes in respect of rent arrears prevention and management.

Clean and well-managed common areas are a priority for our tenants. Recent changes to the Council’s cleansing service – including the move to three weekly collections - have exacerbated some existing issues. We will work with our tenants to improve awareness of the new system and with Upkeep, the Council and elected representatives to help ensure that refuse and recycling collection arrangements work as well as possible.

In the past year the City Council has withdrawn its previous bulk uplift service and the Association – through our subsidiary Upkeep – stepped in to fill the gap. Instead of just pulling bulk out onto the street we now also remove it to refuse depots. We believe that this service is essential to ensuring a clean, safe and vermin free environment in our tenement closes. It obviously carries an added cost though and we intend to consult with tenants to see if they are supportive of our approach. We will then review our approach to the management of common areas and closes after the first year of the Plan.

We have recently concluded our review of tenant consultation /feedback arrangements through the “Next Steps Programme” in conjunction with TPAS and will shortly adopt a Tenant Engagement Plan for 2021/22.

We will alsoreview our approach to complaintsand how we learn from these during year 1.

Looking to later in the Plan period we aim to further develop our understanding of our tenants and service users’ needs and circumstances to allow us to better plan for future service design and delivery.

**Objective C**. **To effectively manage our resources to protect our assets and deliver the best possible outcomes for quality affordable homes in the area.**

Like all good businesses, we need to maintain the solid financial base of the organisation now and in the future and to demonstrate that we provide value for money to our customers and other key stakeholders. Essential to that is ensuring that tenants’ homes are well maintained and that we continue to be able to deliver the investment required in our existing housing stock and in new homes where that is possible.

At the end of this Plan we have set out our financial position over the short, medium and long term. We have run various sensitivities and scenarios to stress test our financial plans against the key risks that could affect us. The results indicate that we are a business capable of withstanding challenges.

That said, we know that improvements in respect of cost control, efficiency of operations and effective procurement will further strengthen our ability to provide value for money services and to invest in existing and new homes whilst keeping our rents affordable to our tenants.

At the heart of the issue of value for money are the rents that we charge to tenants. We have a Rent Policy that has developed incrementally as the Association has grown over the years. It includes several different rent–setting mechanisms, with a complex set of rent differentials applied as a result. We will continue with the review of our Rent Policy and explore the scope, in consultation with our tenants, to introduce a new harmonised rent policy/ rent and service charge structure, whilst ensuring that rents are affordable and provide a sound basis to meet future costs.

We will adopt an ICT Strategy aimed at improving the efficiency and effectiveness of our business processes. As part of this we will start to explore the potential benefits – for tenants and service efficiency – that digitalisation can bring. This will include how we engage with and seek feedback from our tenants in a post-Covid world which is likely to be even more reliant on digital communication

Other priorities going forward in this regard include to:

* + Carry out the planned review of staff pension options.
  + Look to complete the sale of Tollcross Mansionhouse, which has been in the Association’s ownership since 1993 but has mainly lain vacant for some time, not generating any revenue and incurring significant ongoing costs to the Association in relation to security etc.
  + Review the existing loan from SHA to EEHDC and the future approach to repayment of this as part of an overall review to also consider future charges to EEHDC in respect of the lease of our MMR stock and fees for staff services.
  + Review and adopt a new approach to rechargeable repairs so that responsibilities and processes are clear and outstanding amounts effectively pursued.
  + Review current factoring arrangements.

A large element of our costs relate to investment in existing and new homes. We will continue to closely monitor our reactive and cyclical maintenance costs and service delivery, to ensure that we are receiving value for money from our subsidiary, Upkeep, which delivers most of this work to us in accordance with a Service Level Agreement. A formal Value for money review will be carried out in year 2 of the plan.

We will deliver theplanned and cyclical maintenance programme that has been significantly increased for future years to reflect our improved knowledge of the needs of the stock. There is more work to be done in this regard however and an early priority is the further development of our life cycle costing information, and how we hold and analyse this through more joined up ICT systems.

Having regard to this we will develop our first Asset Management Strategy which will set out how we intend to manage, maintain and invest in our physical assets, balancing the needs of existing stock and the new build programme – in the short, medium and longer term.

In light of the new Scottish Government EEESH 2 standards we will review the energy efficiency of our stock as a whole and options for cost-effective improvements that will deliver financial benefits for our tenants whilst also helping to reduce carbon outputs and combat climate change.

We aim to be able to continue to provide some new affordable homes to meet needs in the local community, in accordance with the Council’s Strategic Housing Investment Plan (SHIP) and to that end we will continue to submit annual Strategy and Development Funding Plans (SDFPs) to the City Council, setting out our plans for the coming Plan period.

We aim to go on-site with the St Marks development in the coming months. This represents an excellent opportunity to increase our range of house types to meet needs in the area. We will continue to explore the possibility of redeveloping the Shettleston halls site in conjunction with the former Telephone exchange site. We will also look to respond to other potential opportunities that may arise in the area.

**Objective D:** **To combat poverty and facilitate the ongoing regeneration of the local Communities.**

We want to be more than just a great landlord. The Association aims to continue to be a key player in the ongoing regeneration of the Shettleston and surrounding area. We will work with community groups, elected representatives and our partner agencies to develop and deliver projects that will improve the life chances of local people and meet the wider needs of the local area. A key step in year 1 will be to successfully recruit to fill the new Community Regeneration Officer Post.

We will continue our long –established support for the following local projects and services:

* *Shettleston Community Growing Project (SCGP)*
* *Shettleston Men’s Shed*
* *FUSE Youth Café*
* *Shettleston Foodbank*

We will also continue to support the *Community Connector* service, that provides advice and signposting to older residents in the area. We will also seek to develop/facilitate new services for older people in the area aimed at combatting loneliness and isolation, and continue to work with the “Shettleston Keen-agers” group at the Edrom Path Hub. We will continue with our Retirement Housing Service to those and other tenants and also provide tenancy sustainment and energy advice support.

There are high levels of poverty in our area and we expect this to worsen post-Covid. We will help prepare tenants and other service users for the ongoing roll out of Universal Credit and other welfare changes**.** To help with this, in addition to our own welfare rights services, we willcontinue our engagement with and support for the *Tollcross and Shettleston Money Advice Service.*

We have helped establish new projects in the past year and will:

* Continue to support the East End *Pantry* in collaboration with Parkhead HA and Unity Enterprise and
* Seek to extend the *Shettleston Does Digital* project in collaboration with FUSE Youth café beyond end of May 2021 and carry out research into local digital learning needs and priorities.

In accordance with our recently revised “wider role” priorities we will also now seek to:

* Develop and promote *employability* – training and apprenticeship - opportunities in partnership with others, including Upkeep.
* Promote *emotional well-being & healthy living* in the area including through:
* the sports, arts & play programme to be operated by Urban Fox and
* exploration of the feasibility of establishing an “activity hub” in Tollcross Park.
* Develop our role as a *“community anchor”* organisation and help support local community capacity.

We will operate our community donations policy and funded scheme to meet needs in the local community.

**Objective E:** **To effectively build back after Covid and ensure the successful implementation of the new staff structure.**

**The Association is emerging from a period of very significant disruption and change and stabilising and consolidating will be key priorities for the first half of the year at least.**

**There will be a need to bed-in the new staff structure following the recent review: ensuring the successful transitions for everyone affected into new roles and successfully recruiting to a significant number of posts that were vacant in the new structure.**

**More generally the aim is to take this opportunity to** work with staff to promote a refreshed working culture focussed on team working, customer service and empowerment.

We will also be looking to establish new leadership arrangements/management competences and implement a management development programme.

We are not yet out of Covid and another priority will be to develop and implement plans for a safe resumption of services and a return to the office at the earliest opportunity, with appropriate support for staff.

The world of work may never be quite the same again however after the experience of the last year and consideration will also be given to the potential role that home-working might now play on an ongoing basis. As part of this consideration will need to be given to the impact on services and productivity as well as staff satisfaction.

The experience of the last year has also reinforced the importance and value of Upkeep and has improved relationships within the Group. Upkeep has also undergone significant change to its staff team and now more than ever we want to ensure greater integration and a “one-team” ethos within the Group.

It will be important to review progress with the various changes that are underway and by the end of the year we will commission a survey of staff views and satisfacrtion.

**5.4 Our Summary Delivery Plan**

Our 5 Strategic Objectives, above, all need to be translated into practical tasks with timescales and targets with named individuals taking ownership of delivery. **Appendix 1** sets out the Summary Delivery Plan and **Appendix 2** sets out the Key Performance Indicators (KPIs).

These documents will provide the framework for the development of departmental work plans, to be developed with all staff to ensure everyone is clear about responsibilities and the part each officer will play in taking the organisation forward.

**5.5 Monitoring Progress**

Progress against the Summary Delivery Plan and KPIs will be reported to Committee and the full staff team on a quarterly basis.

**6. BUDGET, FIVE YEARS AND 30 YEAR FINANCIAL PLAN**

**6.1 2021/22 Annual Budget**

The approved budget for 2021/22 shows that total turnover will be £10.4m for the year and operating costs £8.8m. This results in an operating surplus of £1.6m. After taking into account interest receivable of £34K and loan interest payable of £2.1m, as well as other anticipated receipts, the surplus for the year is expected to be £319K.

In terms of cash flow during the year, this is expected to fall from £643,000 in April 2021 to £332,000 at the end of March 2021 and assumes that we will draw down £1.9m of loan finance during the year.

Capital major repairs expenditure during the year is expected to be £2.125m and spend on our development program will be £6m. The development expenditure will be funded with grants of £5.1m.

The new lenders covenant contained within the budget paper and will be monitored quarterly through the KPI reporting. The covenants will also be forecasted in line with the forecasts carried out through the management accounts to ensure that a covenant breach is not likely to occur at the year end.

The budget takes account for a number of key events during the year and a reminder of the budget uncertainties are set out below:

* The on-going impact of the pandemic on rent arrears, bad debts and void rent loss.
* The outcome of the staffing restructure, the actual redundancy costs incurred as a result and the accounting treatment of these and whether or not they will be accounted for in this financial year or next.
* The amount and timing of the additional grant assumed for Fenella Street.
* The amount and timing of the grant we will receive for St Marks during 2021/22 and therefore the exact amount we will need to draw down in private finance.
* The date we sell Tollcross Mansion house and the impact this has on our on-going costs for security, energy and insurance.
* The deliverability of the maintenance plans, both in terms of what we are able to do under the current restrictions and also contractor availability.
* The agreement of the accounting treatment on the amortised loan break costs and how this will impact the numbers going forward. However this ‘accounting entry’ will not affect the cashflow position or the loan covenants as any adjustments are excluded from these calculations.

However, since the budget has been prepared there’s been further changes to the figures, additional capital expenditure has been included, there’s been further delays to Fenella Street and additional costs to complete, the insurance costs have been agreed and are different from the budget etc. Any changes to the budget will be monitored and reported to the Committee through the management accounts.

**Five Year Financial Plans**

The updated five year financial plans, are due to be submitted to the SHR before the deadline date of 30 June 2021. These will be appended to the business plan once approved by the Management Committee and should be broadly in line with the first five years of the 30 year plans unless there’s a significant change in the numbers since business plan approval.

**30 Year Plans**

The 30 year plans were approved by the Management Committee in March 2021 and have been submitted to the Lenders in April.

The purpose of the 30 year plan is to ensure and demonstrate that the Association can make the necessary investment in its housing stock while keeping rents affordable for our tenants. In addition to this cash must remain positive throughout the plan and loan covenants and the repayment of the lenders debt achieved.

The plan that was approved in March 2021 did not contain any of the adjustments in relation to the loan refinance exercise for the break costs or the loan arrangement fees and I’ve mentioned this to the Bank. They agree that the cash, loan covenant and viability of the Association remains the same and neutral despite bringing in these ‘accounting entry’ adjustments. However they have asked for a refreshed business plan in June and once we are certain of all the adjustments.

The final financial plan will be appended to the business plan once approved and the narrative in this section of the plan enhanced.

One of the main changes to the assumptions in the plan, which was agreed last year, is the increase in the rental income. In the years ending 2023, 2024 and 2025 an inflation (assumed at 2.5%) plus an additional 1.5% rent increase has been applied, a total of 4%. This is a change from the assumptions used in last years’ plan where the increase was a total of 3.5%. The lenders have previously noted that SHA rents’ are in the lower quartile in terms of rent benchmarking against other RSL’s.

In the plan the Loan debt will peak at £45m in year ending March 2022 but this could peak during the current year depending on the availability of grants from the local authority.

The statement of comprehensive income shows the surpluses arising each year. These start off rather modest and increase substantially over the course of the plan, however as the plan progresses and the loan capital repayments start to kick in this will impact on the cash. There are no deficits expected to arise.

The statement of financial position and shows that net assets continue to improve and increase in line with the surpluses arising in the SOCI.

There are detailed workings for the loan covenant tests, for the interest cover and the gearing as well as the Associations net debt. The interest cover looks at the ability of the business to repay the loan interest, due in the year, from the adjusted operating surplus. The Bank have agreed to lower the interest cover requirement to give us time to catch up on our repairs work and we sit within the covenant requirements and have some headroom.

The BP shows that cash balances will fluctuate during the course of the plan and reach the lowest point of £650k at the end of next financial year. The highest at the end of the plan at £41m.

**Appendix 1**

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**Business Plan**

**Summary Delivery Plan 2021/22**

**Introduction**

The **Lead Managers** referred to are as follows:

CEO - Chief Executive (Tony Teasdale)

DFCS - Director of Finance and Corporate Services (Fiona Nicholl)

DCCS - Director of Customer and Community Services (Anne McAlpine)

DPS - Director of Property Services (Colette McKenna)

**Exec Team - the above**

HRODM - H.R. and Organisation Development Manager (Jo Farren)

SITO - Senior IT Officer (Tiffany Sommerville)

HM - Housing Manager (Sandra McIlroy)

MM - Maintenance Manager (Ron Tracey)

*(\*Note that pre-structure change title are used pending approval of revised structure\*).*

**Target Timescales**

Q1 = April-June 2021; Q2 = July-September 2021; Q3 = October-December 2021; Q4 = January-March 2022.

**Risk of non-achievement**

Low (Lost opportunity to improve but without significant financial, strategic or governance implications)

Medium (Significant service, performance, financial, strategic or governance implications)

High (Severe risk and potentially business critical)

| **Strategic Objective** | **Key priorities/tasks/projects/targets** | **Lead manager** | **Target** | **Risk if not achieved** |
| --- | --- | --- | --- | --- |
| **1. To achieve excellent standards of governance and risk management** | | | | |
| **1.1** | Recruit additional Committee Members |  |  |  |
|  | 1. Co-opt another two new Committee members with specific skills | CEO | Q1 |  |
|  | 1. Recruit up to three additional Members from the membership. | CEO | Q2 |  |
| **1.2** | Carry out the annual Committee Review and agree a development and training plan | CEO | Q1 |  |
| **1.3** | Ensure effective induction/training of new recruits to Committee | CEO | Q3 |  |
| **1.4** | Review Rules and seek membership approval for change | CEO | Q2 |  |
| **1.5** | Review Standing Orders and delegated authorities | CEO | Q2 |  |
| **1.6** | Review and re-prioritise the SHA policy review timetable. | CEO | Q1 |  |
| **1.7** | Ensure delivery of Assurance Improvement Action Plan 2020 and review self-assurance to inform 2021 Assurance Statement | CEO | Q2 |  |
| **1.8** | Ensure integrated approach to H&S throughout the Group | DFCS/HRDM | Q4 |  |
| **1.9** | Enhance GDPR compliance | DFCS/  HRODM | Q3 |  |
| **1.10** | Re-visit and rehearse Business Continuity Plan | CEO | Q2 |  |
| **1.11** | Review overall approach to Risk Management | DFCS | Q4 |  |
| **1.12** | Re-tender external audit services | DFCS | Q2 |  |
| **2. To deliver high quality and value for money services** | | | | |
| **2.1** | Identify and implement initial changes required to Allocations Policy to ensure compliance, in advance of a comprehensive review in 2022/23. | DCCS/  HSM | Q2 |  |
| **2.2.** | Ongoing review of the homelessness referrals arrangement and agree future approach with Council | HSM | Q2 |  |
| **2.3** | Review approach to rent arrears to improve efficiency of processes and quality of services and identify other areas for this approach | DCCS | Q2 |  |
| **2.4** | Conclude the review of tenant consultation /feedback arrangements through the “Next Steps Programme” in conjunction with TPAS and adopt Tenant Engagement Plan for 2021/22 | DCCS | Q1 |  |
| **2.5** | Review our approach to complaints | CEO | Q3 |  |
| **2.6** | Working for a clean and hygienic environment for residents |  |  |  |
|  | * Work with our tenants, Upkeep, the Council and elected representatives to help ensure that refuse and recycling collection arrangements work as well as possible. | HM | On-going |  |
|  | * Monitor the incidence of rats in and around our housing stock and work with residents, the Council and elected representatives to help control this. | MM | On-going |  |
|  | * Consider whether to continue with our new Bulk Uplift service, in consultation with tenants. | DCCS | Q3 |  |
| **2.7** | Carry out an initial assessment of options for increased digitalisation of services for improving self-service for customers and mobile working for staff. | DCCS/DPS/SITO | Q4 |  |
| **3. To effectively manage our resources to protect our assets and deliver the best possible outcomes for quality affordable homes in the area**. | | | | |
| **3.1** | Review the Rent and service charges policies and move towards rent harmonisation | CEO | Q3 |  |
| **3.2** | SHAPs Pension scheme for staff: carry out full review of options and agree way forward in consultation with staff. | DFCS | Q3 |  |
|  | *Asset management & investment in existing homes & property* |  |  |  |
| **3.3** | Seek to dispose of Tollcross Mansionhouse | DPS |  |  |
|  | * Finalise missive |  | Q1 |  |
|  | * Complete sale |  | Q3 |  |
| **3.4** | Adopt an ICT Strategy aimed at improving the efficiency and effectiveness of our business processes | SITO | Q4 |  |
| **3.5** | Implement improvements in IT systems to provide more joined up data on stock condition and repairs. | DPS/SITO | Q3 |  |
| **3.6** | Develop an Asset Management Strategy | DPS | Q1 |  |
| **3.7** | Prepare delivery plan  for EESSH2 compliance | DPS | Q4 |  |
| **3.8** | Review and adopt a new approach to rechargeable repairs so that responsibilities and processes are clear and outstanding amounts effectively pursued. | DPS/DCCS | Q3 |  |
| **3.9** | Establish/clarify what empty ground within the area is owned by SHA that may have potential for use. | DPS | Q4 |  |
|  | *Factoring* |  |  |  |
| **3.10** | Review Factoring Terms & Conditions (FTCs) in line with the revised Code of Conduct for Property Factors (Aug 2021), agree a plan to encourage owners to formally sign up to (FTCs) | DCCS | Q2 |  |
| **3.11** | Review information held on system to ensure accurate charging arrangements for owners. | DPS/DCCS | Q3 |  |
|  | *Subsidiaries:* |  |  |  |
| **3.12** | Continue to work with Upkeep and monitor its performance to ensure the implementation of the Value for Money action plan and prepare for an independent value for money assessment in 2022/23. | Exec team | Q4 |  |
| **3.13** | Re-visit and confirm new lease agreement with EEHDC for MMR units | CEO/DFCS | Q1 |  |
| **3.14** | Review loan from SHA to EEHDC and future approach to repayment of this. | DFCS | Q4 |  |
|  | *Deliver new affordable homes to meet the needs of the community:* |  |  |  |
| **3.15** | Progress St Marks project onto site | DPS | Q2 |  |
|  | Feasibility studies: |  |  |  |
| **3.16** | * Shettleston Halls/ Telephone exchange: complete full financial  viability assessment of project following Planning feedback on façade feasibility study and progress to planning stage if viable | DPS | Q2 |  |
| **3.17** | * Financial viability assessment of Tesco site | DPS | Q3 |  |
| **3.18** | * Complete feasibility studies on other sites as they arise (including potential joint working on McKellar Watt site) | DPS | Q4 |  |
| **3.19** | Carry out post completion review of Fenella Street project and apply for additional grant funding | DPS | Q2 |  |
| **3.20** | Carry out a comprehensive review of maintenance and development policies/ procedures. | DPS | Q4 |  |
| **3.21** | General items : |  |  |  |
|  | * Deliver the agreed planned, cyclical and major repairs programme | DPS | Q4 |  |
|  | * Fully spend allocated Grant from GCC for disability adaptations | DPS | Q4 |  |
|  | * Continue to respond positively to opportunities to buy-back Shared ownership properties | DPS | Q4 |  |
| **4. To combat poverty and facilitate the ongoing regeneration of the local communities** | | | | |
| **4.1** | Continue to support the Shettleston Growing project, Men’s Shed, Community Connectors project and Tollcross Shettleston Money Advice Service (TSMAS) | CEO/CRO/DCCS | On-going |  |
| **4.2** | Continue to support the East End Pantry in collaboration with Parkhead HA. | CEO/CRO | On-going |  |
| **4.3** | Seek to continue the Shettleston Does Digital project in collaboration with FUSE Youth café beyond end of May 2021 and carry out research into local digital learning needs and priorities | CEO/CRO | Q1 |  |
|  | Support Employability in the area, in partnership with others |  |  |  |
| **4.4** | * Look to establish SHA Modern Apprentice(s) | HRODM | Q3 |  |
| **4.5** | * Explore scope to support the creation of other apprenticeship opportunities in other local businesses. | CRO | Q4 |  |
| **4.6** | * Create employment opportunities through the community benefit provisions for St Marks development. | CEO/DPS | Q2 |  |
|  | *Promote emotional well-being & healthy living* |  |  |  |
| **4.7** | Work with Urban Fox to:   * deliver Easter teas to our RHS tenants and * establish a 15 week sports, arts & play programme, funded through *GCC Addressing Future Needs grant.* | HSM | Q1 |  |
| **4.8** | Explore the feasibility of establishing an “activity hub” in Tollcross Park in collaboration with Tollcross HA & Milnbank HA. | CEO | On-going |  |
|  | *Develop our role as a “community anchor”:* |  |  |  |
| **4.9** | Raise, promote and enhance our profile in the community:   * Engage with existing community planning structures (Shettleston Area Partnership and Springboig/Barlanark Thriving Places Group). * Work with others to organise a meeting of local community organisations and representatives to discuss local needs and issues | CEO | Q1 |  |
| **4.10** | Explore scope to help build community capacity through the establishment of a Community Council for the Shettleston area. | CRO | Q4 |  |
| **4.11** | Develop a revised “wider role” strategy for SHA once the new CRO has been able to carry out a review of needs in the area, in consultation with residents. | CEO/CRO | Q4 |  |
| **5. To effectively build back after Covid and ensure the successful implementation of the revised staff structure and roles** | | | | |
| **5.1** | Staff restructure |  |  |  |
|  | * Conclude and successfully implement the staff restructure | Exec team | Q1 |  |
|  | * Externally recruit to any vacant posts | Exec Team | Q2 |  |
| **5.2** | Plan for the safe return to the office and external working when lock down eases. | Mgt Team | Q1 |  |
| **5.3** | Work with staff to promote a refreshed working culture focussed on team working, customer service and empowerment. | Mgt team | On-going |  |
| **5.4** | Review potential benefits of incorporating home-working and other changes to working arrangements in light of the lock-down experience | HRODM |  |  |
|  | * Agree interim arrangements for initial return to work |  | Q1 |  |
|  | * Agree ongoing arrangements in light of experience of previous months |  | Q4 |  |
| **5.5** | Establish new leadership arrangements/management competences and implement a management development programme | HRODM | Q2 |  |
| **5.6** | Introduce a Staff Handbook | HRODM | Q4 |  |
| **5.7** | Ensure greater integration and a “one-team” ethos within the Group. | Exec Team | On-going |  |
| **5.8** | Commission a survey of staff satisfaction | HRODM | Q4 |  |



**Appendix 2**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Key Performance Indicators for 2021-2022** | | | | | |  |  |  |
|  |  |  |  |  |  |  |  |  |
| **REF** | **Key Performance Indicators 2021/2022** | **SHA Annual Target 2021/2022** | **Notes and definitions on Targets 2021/2022** | **SHA 31st March 2016**  **ARC** | **SHA 31st March 2017 ARC** | **SHA 31st March 2018 ARC** | **SHA 31st March 2019 ARC** | **SHA 31st March 2020 ARC** |
| **1** | Total gross rent arrears as % of rent due | **4.3%** | The total value of current & former tenant arrears as a percentage of the rent due. Target will vary by quarter, dependant on the receipt of housing benefit & UC for current tenants. This KPI target is in line with ARC reporting (Ind 27) and target was set against current performance taking account of impact of covid and benchmarking results. \*This is provisional target pending performance result as at end of March 2021. We will aim to peg the target 0.3% below result as at 31.3.2021. | **4.85%** | **4.70%** | **4.62%** | **3.86%** | **3.95%** |
| **2** | % of gross arrears - Current Tenants (Net of anticipated HB/UC as per SHR Charter Guidance) | **2.9%** | The total value of current tenant arrears as a percentage of the rent due. We aim to reduce the target by 0.3% from the recorded result as at 31.3.2021. \*This target plus the target for former tenant arrears has been set to achieve the overall provisional target of 4.3%. | **2.78%** | **2.67%** | **2.50%** | **2.24%** | **2.56%** |
| **3** | % of gross arrears - Former Tenants | **1.4%** | The total value of former tenant arrears as a percentage of the rent due. | **2.07%** | **2.03%** | **2.12%** | **1.62%** | **1.39%** |
| **4** | % rent collected as % rent due | **99.95%** | This measures the total amount of rent collected as a percentage of the rent due. The target can be greater than 100% as it includes payments made by current and former tenants. No change to target. | **99.6%** | **100.2%** | **99.9%** | **99.6%** | **99.2%** |
| **5** | Total Rent Loss from all Voids as a % of gross rent | **1.25%** | This is the total accounting void loss for the year as reported through the management accounts. | **0.46%** | **0.47%** | **0.44%** | **0.44%** | **\*0.45% (excluding exemptions as per Charter)** |
| **6** | Re-let Period Calendar Days | **20 days** | The average number of calendar days, between the date of termination of a previous tenancy and the start of a new tenancy (i.e. the last day from which the rent loss is charged to voids) and in accordance with ARC definition (Ind 30). This target has been increased from 18 days to 20 days in recognition of the additional hygenie measures we need to take due to Covid-19. | **16.08 days** | **17.04 days** | **21.01 days** | **19 days** | **18 days** |
| **7** | Proportion of lets to Homeless referrals | **TBC** | Current short term target agreed with homeless casework team due to expire 31.3.2021. LLP from GCC not expected until early April 2021. Target will be subject to Committee approval. | **22.1%** | **23.0%** | **15.2%** | **23.0%** | **25.0%** |
| **8** | Emergency Repairs : % completed in 10 hours | **100%** | Target 100% Emergency jobs to be carried out during 2021/2022. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **9** | Repairs-urgent-% completed in 3 days | **96%** | Target 96% Urgent repairs to be completed within 3 working days. Unchanged from 2020/21. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **10** | Repairs-routine-% completed in 10 days | **95.5%** | Target 95.5% Routine repairs to be completed within 10 working days. Targer raised from 95% in 2020/21. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **11** | Repairs right first time | **94.5%** | The number of reactive repairs carried out in the year completed right first time as a percentage of total number of reactive repairs and in line with ARC definition (Ind 10). Target raised from 94% in 2020/21 | **88.66%** | **90.30%** | **91.68%** | **95.00%** | **94.50%** |
| **12** | Gas Safety Inspections - how many times in past year did we fail to meet statutory duty to complete a gas safety check | **0 fails** | Target measures how many times in reporting year SHA did not meet statutory obligation to complete gas safety check within 12 month period. This target was changed by the SHR for 2019/2020 ARC return to measure fails as opposed to checkes completed. During 2020/2021 this target was affected by Covid restrictions in terms of tenants refusing access. | **99.91%** | **100.00%** | **100.00%** | **100.00%** | **0 fails** |
| **13** | Repairs % Post Inspections | **15%** | Number of reactive repairs post inspected by Maintenance Staff. Target unchanged from 2020/21 | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **14** | Appointments - % of repair appointments kept | **96.5%** | This measures the number of appointments kept in the year against the number of reactive repair appointments made. Target raised from 96% in 2020/21. | **94.88%** | **95.60%** | **95.74%** | **95.00%** | **Not reported** |
| **15** | Void Repair Timescales | **Cat 1 - 4 days - target 95%**  **Cat 2 - 7 days - target 95%**  **Cat 3 - 15 days - target 100%** | Complete 95% within 4 day category Complete 95% within 7 day category Complete 100% within 15 day category  Targets remain as 2020/21. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **16** | Staff Absence due to sickness | **4%** | ARC Indicator C1. Target remains unchanged. | **5.69%** | **3.76%** | **4.16%** | **5.60%** | **7.6% (includes subsidiary) for Assoc staff 5.2%** |
| **17** | Interest Cover Covenant | **Will be greater than 150%** | The adjusted operating surplus will be at least 150% of the net interest paid | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **18** | Gearing Covenant | **Maximum 60%** | The total Financial Indebtedness (borrowings) divided by the Historic cost of our properties will not be higher than 60%. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **19** | Asset Cover | **Will be greater than 110%** | The existing Use Value (EUV SH) of our stock will be 110% greater than the loan debt. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **20** | Tenant Satisfaction HOWDY & SMS results | **94%** | Relates to all satisfaction measures including quarterly measure of HOWDY & SMS. Target increased from 93% to 94% as per level of satisfaction measured by full tenant survey 2019 | **89.04%** | **90.3%** | **90.3%** | **94.0%** | **94.0%** |
| **21** | New Tenant Satisfaction | **95%** | Reflects the satisfaction of new tenants with the standard of their home when moving in. Survey questionnaire provided to all new tenants.Feedback provided on quarterly basis. No longer measured by SHR ARC. | **95.7%** | **98.8%** | **97.8%** | **95.0%** | **Not reported** |
| **22** | % Agreed spend on Planned Capital Investment Projects by quarter end | **Q1 - 16% Q2 - 30% Q3 - 30% Q4 - 24%** | The quarterly targets set reflect the preparatory specification/tender work involved in Q1 with bulk of works being completed in Q2 & 3. Targets remain unchanged from 2020/21. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |
| **23** | % Agreed spend on Cyclical Maintenance by quarter end | **Q1 - 20% Q2 - 30% Q3 - 30% Q4 - 20%** | The quarterly targets set reflect the spread of work throughout the year, with bulk of works being completed in Q2 & 3. Percentages for Q1 and Q4 revised from 2020/21 to reflect budgetted spend. | **Not reported** | **Not reported** | **Not reported** | **Not reported** | **Not reported** |