

**18 May 2021**

Dear Member,

The next Management Committee will be held on **25<sup>th</sup> May 2021, at 6PM via Zoom**

Agenda Item	Lead	Time	
1. Welcome, <i>Sederunt</i> & Apologies.	Chair	1min	Verbal
2. Jargon Buster			For Information
3. Declarations of Interest.	Chair	1min	Verbal
4. Minutes of the Committee Meeting of 29 April 2021	Chair	3min	Approval
5. Matters Arising & Actions from the minutes report	Director	3min	Note
6. Internal Audit – Rent Arrears	Wylie Bisset	15min	Approval
7. ARC Return	John Stevenson	15min	Approval
8. Rent arrears update report	Housing Manager	10min	For Information
9. Former Tenant Bad Debt Write Off Report	Housing Manager	10min	Approval
10. Management Accounts to 31 March 2021	Finance Manager	15min	Approval
11. Approved Contractors List	Maintenance Manager	10min	Approval
12. Assurance Statement Evidence	Michelle Harrow	10 min	Verbal
13. Operational update	Management Team	15min	For Information
14. AOCB	Director		

Meeting close 8PM, Next Meeting: 24 June 2021, 11am

Terminology	Definition
<b>ARC</b>	Annual Return on the Charter -social landlords must report their performance in achieving or progressing towards the <b>Charter</b> outcomes and standards to their tenants and other service users who use their services. To the Scottish Housing Regulator
<b>DWP</b>	Department for Work and Pensions
<b>Negative Goodwill</b>	An accounting concept to acknowledge the challenges of quantifying the value of intangible fixed assets
<b>FTA</b>	Former Tenant Arrears
<b>KPI</b>	Key performance Indicator
<b>LIBOR</b>	<b>LIBOR</b> is a benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans. <b>LIBOR</b> , which stands for <b>London Interbank Offered Rate</b> , serves as a globally accepted key benchmark interest rate that indicates borrowing costs between banks
<b>Covenant compliance</b>	A loan covenant is a condition in a commercial loan that requires the borrower to fulfill certain conditions or which forbids the borrower from undertaking certain actions, or which possibly restricts certain activities. Compliance means conditions are met in full.
<b>Statement of Comprehensive Income (SOCl)</b>	A statement of comprehensive income contains two main things: the <b>net income and other comprehensive income (OCI)</b> . The net income is the result obtained by preparing an income statement. On the other hand, OCI consists of all the other items that are excluded from the income statement. This was previously known as the Income & Expenditure Statement
<b>Statement of Financial Position (SOFp)</b>	The statement of financial position. The statement <b>lists the assets, liabilities, and equity of an organization</b> as of the report date. This was previously known as the Balance Sheet.
<b>Bad Debts</b>	A <b>Bad Debt</b> is an outstanding sum of money owed to the <b>Housing</b> Association that has not been paid, despite repeated efforts to collect the <b>debt</b> .
<b>SuDs</b>	Strategic Urban Drainage System – measure to reduce ground water flooding
<b>UC</b>	Universal Credit

**WELLHOUSE HOUSING ASSOCIATION  
MINUTES OF THE COMMITTEE MEETING HELD ON  
29 April 2021 at 11AM - VIA ZOOM**

**1. Welcome, Sederunt & Apologies.**

**Present:**

Darron Brown	Chair
Maureen Morris	Vice-Chair
Jane Heppenstall	Committee Member
Carol Torrie	Committee Member
Clare Monteith	Committee Member

**In Attendance:**

Martin Wilkie-McFarlane	Director
Carol Hamilton	Housing & Customer Services Manager
Bill Black	Assets & Maintenance Manager
Robert Murray	Finance & Corporate Services Manager
Linda Logan	Minute taker
Anna Ellis	Calvay Housing Association (Committee Member)

**Apologies:**

Michelle Harrow	Committee Member
Shona McKenna	Committee Member
Sarah Morris	Committee Member

The Chair welcomed Anna Ellis (Calvay HA) who would shadow tonight's meeting and Robert Murray to his first meeting as the Finance & Corporate Services Manager.

**2. Jargon Buster**

Noted for information.

**3. Declarations of Interest.**

There were no declarations of interest.

**4. Minutes of the Committee Meeting of 25 February 2021.**

**Resolution:**

**The minutes of the Committee Meeting of 25 February 2021 were proposed by Carol Torrie and seconded by Jane Heppenstall as an accurate record of the proceedings.**

The Director noted an amendment to the minute – recruitment – which should read had not been successful and will be amended accordingly.

## 5. **Matters arising and actions from the minute report.**

There were no matters arising that were not covered in subsequent agenda items.

## 6. **Procurement – Internal Audit**

The Director reiterated that as discussed at the last committee meeting, internal audit services were due for retendering this year. He informed committee that Wellhouse, Gardeen, Calvay and Provanhall HA's, who have the same auditor/expiry date are exploring a joint tender exercise, which we believe could achieve efficiencies and cost savings, with the ability for each partner to determine their own subject for audits. The exercise will be led by Provanhall HA. An initial meeting had taken place on 23 April 2021 which had been attended by the Finance Manager on the Director's behalf.

The Finance Manager provided a brief overview of discussion from the meeting of 23 April, where it had been suggested that rather than going to a formal tender process, that names of potential auditors be gathered to seek interest, to mention that it was several housing associations with the hope that it would provide more buying power and efficiencies with costings. He noted that it had been made clear that each partner would have their own engagement process. The Director will provide further updates as required.

### **Resolution:**

**Committee approved progressing with a joint tender programme with colleagues in EHRA.**

**Maureen Morris proposed and Jane Heppenstall seconded progressing with a joint tender programme with colleagues in EHRA.**

## 7. **Insurance Tender – 1 year extension**

The Director presented the results from the recent insurance review undertaken by the Association for all non-property related insurance. He noted that the housing and Hub insurance was procured and approved by committee in February.

He stated that due to the ongoing lockdown process the full tender process could not be implemented in time through the Public Contracts Scotland tendering portal and our broker, Bruce Stevenson, has recommended a one-year extension with our existing insurers and that a full tender exercise will take place later in 20/21. The Director asked committee to note the review provided by Bruce Stevenson at appendix 1 and summarised costs at page 18 of the report.

He sought ratification from committee on the process and the recommendation from Bruce Stevenson to the one-year extension with our current provider.

### **Resolution:**

**Committee confirmed the placement of insurances as outlined in the report from our Broker based on the pricing over analysis and quality scoring at a cost of £22,859.82.**

**Clare Monteith proposed and Maureen Morris seconded the proposal.**



**Action: The Corporate and Governance Officer will include Insurance Tender on the committee scheduling programme for quarter 3 of this year.**

## 8. Development Ambitions

The Director presented the report as a direct update from previous committee papers and to report on progress with development plans.

He noted that after receipt of the CCTV survey of the drainage system in Wellhouse, we are able to develop subject to flood mitigation measures. A workshop, attended by Alex Hogg, Maintenance Officer on behalf of the Director, to discuss flood mitigation issues and notes received thereafter had indicated that the main issues at this time remain the drain in Wellhouse Crescent, which is fully block with mortar and needs to be replaced. It is owned by City Property. Nick Dangerfield, Calvary HA had also been invited to the meeting. It was noted that works on Wellhouse Crescent will be very disruptive to the Hub and the Nursery. There are also two manhole covers owned by the Archdiocese of Glasgow that will require investigation. A manhole cover which had been covered over in the allotment area has now been resolved.

Scottish Water and Glasgow City Council have indicated that they would be content with flood water being diverted to the Camlachie Burn which runs under Wellhouse Crescent, subject to normal SuDs work. The Director took committee through the SWM Opportunities Workshop slides which highlighted measures that could be implemented and to identify the benefit or issues that would need to be considered. Alex Hogg had suggested that we run a pilot that would be attached to the Hub rather than someone's home. The Director discussed further options that were being considered as outlined within the report and possible learning opportunities for the children at the Nursery. The Director will report further at the next meeting.

Discussion ensued with regards grant options and the possibility of Scottish Water funding the pilot option. Simon Metcalf, our development agent will open up further soft dialogue with the Archdiocese of Glasgow with regards site investigations and the purchase of the property.

In addition, the Director and Finance Manager will meet to discuss budgets and will require meetings with our lenders in relation to these plans. Following a press release, we had had a proactive approach from CAF bank.

Committee considered that positive progress was being made.

### **Resolution:**

**Committee noted the update and instructed the Director to bring future progress reports.  
Approved the further exploration of flood prevention work.**

## 9. KPI's 21/22

The Housing Manager presented the report to bring to the attention of committee, performance targets for the financial year 21/22 considered realistic by the management team and to reflect priorities set from the 21/22 operational plan. Committee were asked to discuss the proposed targets, consider any influencing factors and suggest responsive actions.

She noted that we had performed well against our set targets for the last year. Recent surveys had highlighted 4 areas of concern in relation to gross rent arrears, rent collected during the year, adaptations and relets times, the latter being a result of covid restrictions. She asked committee to discuss whether they wanted to change any proposed targets for the year.

Committee discussed at length manageable targets, preventing rent arrears and the Associations performance. Discussion ensued with regards communication and the responsibility of tenants to increase their standing orders each year and various methods of payment. It was agreed that direct debit payments would be encouraged and the option communicated to tenants.

**Resolution:**

**Committee agreed:**

**To keep set KPI targets at 8%**

**To encourage and advise tenants of direct debit options.**

**Maureen Morris proposed and Jane Heppenstall seconded KPI targets at 8%.**

**Carol Torrie left the meeting at this time. Quorum was confirmed.**

**10. Window Tender Return.**

The Maintenance Manager presented the report to update committee on the awarded contract to Sidey Solutions Ltd for the window and door replacement programme; through the Scottish Procurement Alliance and to seek approval to progress. He asked committee to note that the expenditure figure within the recommendations should read £735,684.80 and not 755,631.55. The works will be scheduled over two years 20/21 and 22/23; each having 180 days for acceptance.

Discussion ensued with regards possible cost increases in Phase 2 and contingencies that have been put in place.

**Resolution:**

**Committee noted the recommendations in the report and tender return and approved the expenditure of £735,684.80 + VAT to be awarded to Sidey Solutions Ltd.**

**Maureen Morris proposed and Jane Heppenstall seconded the expenditure of £735,684.80 + VAT and that the contract being awarded to Sidey Solutions Ltd.**

**11. Rent arrears update.**

The Housing Manager asked committee to note that since the last committee update, gross current rent arrears had increased to £355,352 by the end of February. Since then; they have reduced by £18,658. She stated that the reported reduction in arrears would have been significantly higher had it not been for an increase of £9,460 in former tenant arrears, which was in the main due to an abandoned tenancy with a debt of £4,377 and another tenancy ending with a debt of £5,730. A comprehensive list had been passed to our debt recovery agent and a sum is being prepared for write-offs which are considered uneconomical to pursue. 26% of all tenants are now in receipt of universal credit.

She updated committee on progress of recently approved actions and team structure changes as outlined at page 2 of the report. She hoped that that our new tougher approach and adopting a suitable tenant incentive scheme as outlined at appendix 2 would contribute to a continuing reduction in rent arrears.

The Director reassured that we would continue to pursue former tenants' arrears as it was a debt owed to the Association. He considered that a clear message must be given to those tenants who abandon or leave a tenancy, that we will continue to pursue this debt.

Committee noted the contents of the report.

## **12. Allocations.**

The Housing Manager stated that WHA have operated a Common Register Allocation Policy. Impending changes to the online application process and associated costs with progressing online application are not conducive to the implementation of HomeMaster and to allow our EHRA colleagues to progress with their own processes there was a requirement for Wellhouse to exit the partnership at the end of April 2021. We will write to our applicants to inform them of such.

She noted that we will continue to use the policy and application process until a stand-alone Allocations Policy is adopted which better reflects our requirements. A recent review of the demand and outcomes indicated that only 10 tenants from Wellhouse have benefited in the last 3 years in the CHR and consideration should be given to maximise their housing opportunities in line with legislation, statutory guidance and the needs of our community. She proposed to present the Allocations Policy to committee in June.

She indicated that GCC had written to ask that we aim to allocate 60% of our lets to section 5 applicants with a review in September 2021. She suggested that our response would be as it was last year, in that we would allocate as many as we could, where appropriate.

The Housing Manager highlighted that given we will be operating out of the CHR, that it was our intention to adopt a similar Allocations Letting Plan for this year, where the % of lets to homelessness will increase to 40% where appropriate and the % of group 4, unsatisfactory housing will reduce by 5%. There were no other proposed changes from the previous Letting Plan.

Committee discussed at length the requirements of tenants from Wellhouse and the Associations statutory responsibilities and doing the right thing. Jane Heppenstall requested that when the Allocations policy comes to committee for approval that consideration be given to the risks around coming out of the Common Housing Register.

### **Resolution:**

### **Committee;**

**Noted the impending changes to the current CHR Allocations Policy;**

**Approved the draft stand-alone Allocations Policy;**

**Agreed to continue to maximise lets to homeless applicants where appropriate;**

**Approved the Lettings Plan for 21/22.**

**Clare Monteith proposed and Maureen Morris seconded the above recommendations.**

### **13. Operational update report.**

**Director:**

#### **North Star Effective Questioning Training.**

The Director informed committee that the quotes received from North Star for the suggested Effective Questioning Training had been received and all parties participating in the governance and assurance project, considered that we could source less expensive options. Committee will be updated in due course.

**Housing Manager:**

The Housing Manager updated on a case where a distressed tenant had contacted a committee member for assistance with her current housing situation. She confirmed that the tenant was receiving support, that the Housing Officer had contacted EHRA colleagues as well as other housing providers who have thus far been unable to offer suitable accommodation. The tenant does not want to be considered for a property in Wellhouse.

She noted that efforts to engage with tenants in the Next Steps project has been disappointing.

The Housing Manager highlighted appendices 2 and 3 which chart the results of our continuous monitoring of satisfaction results. The Global chart for all quarters of 2021 show that we compare favourably with our peer group and all indicators are on or above average in that sphere and comparison to Scottish Landlords shows that we consistently perform above average.

**Maintenance Manager:**

The Maintenance Manager confirmed that works on the Newhills Road shop unit has now been completed. The Director stated that have had interest from 3 potential tenants who have been asked to submit a draft business plan and informed to speak to GCC for a change of use.

He advised that veranda works had restarted on 1<sup>st</sup> March and the work is now complete. He asked committee to note that two more verandas have been identified that have issues with water penetration. Costs are being discussed with the contractor for the worst unit and the possibility of looking at the other dependent on costs.

### **14. AOCB**

The Director sought committee approval to change the May committee meeting from 27<sup>th</sup> to the 25<sup>th</sup> to take account of the end of May long weekend.

**Committee approved changing the committee meeting to 25<sup>th</sup> May 2021.**

The Chair offered is thanks to the Corporate & Governance for her support and the Housing Staff for their continued hard work during this difficult time.

There was no other business. Meeting closed: 1pm  
Next meeting: 25<sup>th</sup> May 2021 at 6pm.

I certify that the above minute has been approved as a true and accurate reflection of the proceedings:

Signed (Chair) .....

Date:.....

**ACTIONS ARISING FROM PREVIOUS MANAGEMENT COMMITTEE MEETINGS April 2021**

MINUTE REFERENCE	ACTION	OWNER	DUE BY	STATUS OPEN/ CLOSED	PROGRESS
<b>24 October 2019</b>					
11. Management Team Report	Site at the former Wellhouse Primary School; The Director will report on the feasibility of progressing a development and a bid for this site.	Martin Wilkie-McFarlane	March 2020	<b>Open</b>	Site Investigations are suspended during COVID-19 lockdown period. An update will be provided at the 25 <sup>th</sup> may 2021.
<b>November 2019</b>					
11. Management Team Report	The Finance Manager will email proposed dates for fraud training to interested members	Finance Manager	January 2020	<b>Open</b>	The Finance Manager is still waiting for proposed dates for fraud training from the auditors. Suspended during COVID-19 lockdown period
<b>April 2020</b>					
10. AOCB Return to work.	The Director will bring a further report to the next committee with regards a recovery plan and measures to be put in place for return to work. He considered the risk to be too high at present and will continue to follow Government advice.	Director	May 2020	<b>Open</b>	The Director continues to follow government advice and will report on progress and measures being put in place as the need arises.

January 2021					
Policy Review					
Abandonment Policy & Anti Social Behaviour Policy	It was agreed that an additional appendix recording personal items would be added to the policy and brought to committee at a later date for approval	Housing Manager	Summer 2021	Open	
Body Cam Policy	It was agreed that residents would be informed as to the use of body cams and the purpose thereof.	Maintenance Manager	ASAP	Open	
Factoring Policy	A further updated factoring policy will be presented in October to take account of recently issued legislation	Housing Manager	October 2021	Open	
Rent Arrears update	The Housing Manager will provide committee with rent arrears case studies in line with GDPR guidelines in her next update	Housing Manager	February 2021	Open	The Housing Manager will provide an update at the 25 May 2021 committee meeting.
Tenant Christmas Bonus	Committee agreed to the Director to the Director bring a more detailed report (Summer 2021) following investigation of other models available and what the impact would be	Director	Summer 2021	Open	

April 2021					
Insurance Tender	<b>The Corporate &amp; Governance Officer will include Insurance Tender on the scheduling programme for Q3 this year</b>	Corporate & Governance Officer	May 2021	<b>Closed</b>	The Corporate & Governance Officer has populated the committee scheduling programme to include Insurance Tender in Q3.



<b>Management Committee</b>	25 <sup>th</sup> May 2021
<b>Agenda Item</b>	6
<b>Title of Paper</b>	Internal Audit Report – Arrears Management
<b>Author</b>	Carol Hamilton, Housing and Customer Service Manager
<b>Attachment(s)</b>	1. Arrears Management report and draft Management responses

## FOR INFORMATION

### 1 PURPOSE

- 1.1 To present the findings from the Arrears Management audit carried out in March 2021.

### 2 RECOMMENDATIONS

- 2.1 That the attached report is discussed, the findings are noted and that any follow-up actions are agreed.
- 2.2 That the Committee approve the draft management responses.

### 3 BUSINESS PLAN, VISION AND VALUES

- 3.1 This Report is consistent with Wellhouse's Strategic Objective to provide good governance and financial management
- 3.2 This Report is relevant in respect of the following Core Values: -
- Accountability
- 3.3 This Report should contribute towards our overarching Aim and Vision of making Wellhouse "the Place to Be"

### 4 BACKGROUND

- 4.1 This is the third and final year of an agreed extension to the original contract with Wylie & Bisset, Internal Auditors. The original three-year internal audit programme was established in 2015/16. A final audit was arranged to review the suitability of the processes in place for collecting and recording rental income as well as a review of the arrangements in place for arrears management, in addition to the work undertaken as part of the 2020/21 Internal Audit Plan.
- 4.2 The audit commenced on 4<sup>th</sup> March, 2021. Due to the current pandemic and resulting Government restrictions imposed, the audit was carried out remotely. The Audit staff liaised with relevant Wellhouse staff members during the "fieldwork". The Auditors were then able to produce a draft report which was circulated to the Wellhouse staff

members involved, allowing them to add a Management Response stating whether they were in agreement or not with the audit findings. Wylie & Bisset subsequently updated the Reports to include all draft Management Responses and produced a final report.

## 5. MAIN ISSUES

5.1 This report has highlighted 4 recommendations, 2 medium and 2 low. Similar audits undertaken at other Associations to benchmark against show an average of two recommendations – one medium and one low recommendation. This demonstrates that Wellhouse has slightly more recommendations than other Associations in this area.

5.2 The recommendations are to:

- Update arrears procedures to include timelines that should be followed and that escalation requirements set out in the procedure are followed (medium)
- Update the arrears procedure to specifically cover the processes for recovering debt from former tenants (medium)
- Update the Rent Receipt Procedure so that it is in the same format as other policies and procedures (low)
- Update the Rent Management Policy to reflect the new proposed actions to tackle rent arrears, to include the responsible officer for reviewing the policy and that individual targets are set for officers

Management responses are to: -

- Review the process to ensure that officers will escalate the stage of the arrear when arrangements are broken, where appropriate. Timelines will be updated for all parts of the process.
- A process for recovering debt from former tenants will be included
- The Rent Receipt Procedure will be in the same format as other policies and processes
- Include in the process targets for individual officers and the officer responsible for reviewing the policy. Recently approved new sanctions will be added

5.3 The audit highlighted 7 areas of good practice, which is reassuring.

5.4 The overall conclusion from this Audit is that Wylie & Bisset is able to provide a Substantial level of assurance from its review. This Report is attached as Appendix 1.

## 6. DISCUSSION

6.1 Committee is asked to review the Management Responses and to discuss them.

## 7. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

7.1 Under the new SHR Regulatory Framework it is now a regulatory requirement for Wellhouse to have a comprehensive internal audit programme in place to allow it to prepare and submit an Annual Assurance Statement.

7.2 As a result of the intervention, it was recognised as a weakness that Wellhouse had no Internal Audit function in place. Wellhouse is, therefore, now committed to have a robust Internal Audit programme in place.

7.3 Previous Management Letters produced as a result of the Annual External Audit had consistently recommended that Wellhouse implement a comprehensive internal audit programme.

## 8. FINANCIAL IMPLICATIONS

There will be no additional cost implication to the Association as a result of these audits and any subsequent recommendations.

## 9. KEY RISKS

9.1

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
There is a risk that if recommendations are not agreed to and implemented that there could continue to be weaknesses in the internal controls of the Association.		
<b>Mitigation</b>	<b>Mitigation</b>	<b>Mitigation</b>
Accept, where appropriate, Wylie Bisset recommendations and implement them as soon as possible.		

## 10. EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS

10.1 None apparent.

## 11. SUSTAINABILITY

11.1 Not applicable.

## 12. SWOT ANALYSIS

Not applicable as no new business planned

## 13. CONCLUSION

13.1 The Arrears Management Review has achieved an overall conclusion of Substantial, which is encouraging. There 2 medium and 2 low recommendations and 7 good practice points.

# Wellhouse Housing Association

## Internal Audit 2020-21

### Arrears Management March 2021

#### Overall Conclusion

Substantial

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*The matters raised in this report came to our attention during our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.*

*This report has been prepared solely for Wellhouse Housing Association's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.*

*We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are of greatest risk and significance.*

# 1 EXECUTIVE SUMMARY

## Overview

### Purpose of review

The purpose of this assignment was to review the suitability of the processes in place for collecting and recording rental income as well as a review of the arrangements in place for arrears management. Our review considered the reporting arrangements in place for arrears and the monitoring and performance against targets.

This assignment was undertaken at the request of the Director of the Association in addition to the work undertaken as part of the 2020/21 Internal Audit Plan.

### Scope of review

Our objectives for this review were to ensure:

- The Association has robust arrears management policies and procedures.
- The Association's arrears management policies are communicated to tenants.
- The Association actively monitors rental arrears.
- Rental income is accurately recorded by the Association.
- Management receives detailed reports regarding rental income and arrears management.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

# 1 EXECUTIVE SUMMARY

## Limitation of scope

There was no limitation of scope.

## Background Information

### Policy & Procedures

The Association has a Rent Management Policy that is supported by the Arrears Monitoring Procedure.

The Rent Management Policy seeks to ensure that the Association has a robust arrears management process. The Policy covers essential areas, such as arrangements for paying rent, how tenants may fall into arrears, and monitoring and performance. The Rent Management Policy was reviewed in August 2020 and is scheduled to be reviewed every 3 years or earlier if required by statutory, regulatory or best practice requirements.

The Arrears Monitoring Procedures are a step-by-step guide for employees within the Association to follow when monitoring rent arrears.

### Responsibility

The Association has 798 properties, and the management of these properties are split into patches. The properties are managed on a day-to-day basis by the 3 Housing Officers who each manage 266 properties. The Housing Officers are managed by the Housing & Customer Services Manager.

### Arrears Monitoring

The objective of the Association's Arrears Monitoring process is to prevent tenant rent arrears occurring by providing pre-tenancy advice informing prospective tenants about their responsibilities to pay rent and ensure that they know what to do if they get into difficulties with payments.

During our review, we undertook sample testing of 30 current tenants and 18 former tenants who were in arrears. The rationale for our sample testing was to ensure that the Association was following the procedure as documented within its Arrears Monitoring Procedure.

# 1 EXECUTIVE SUMMARY

Our testing confirmed that the Association was not strictly following the Arrears Management Procedure. This is related to the escalation of arrears by the Housing Officer. Housing Officers were not moving the tenant to the next stage in line with the requirements set out in the Procedure. We held discussions with the Housing Officers as to why they were not following the procedure, the Housing Officers explained that they would exercise judgement and give the tenant another chance to agree to a repayment plan and try to adhere to it.

For example, the Housing Officer would issue a "broken agreement letter" and try to get the tenant to agree to another repayment plan rather than escalate the matter further. One tenant was issued an AO3 (Arrears Stage 3) letter 3 times in the space of 4 months. The Procedure states that the objective of an AO3 letter is to get the tenant into the office for a face-to-face meeting and request they pay the balance off in full or agrees to a repayment plan. If they fail to attend then the matter should move to the next stage - Notice of Proceedings, court action.

Regarding former tenants, we found that the Association does not have a detailed process for pursuing former tenants' arrears. The Rent Arrears Policy and Procedure do not refer to former tenants. The Procedure document only explains the process that should be followed for current tenants. Please see Section 3: Detailed Recommendations for further information.

## Board & Senior Management Reports

The Housing & Customer Services Manager prepares a report for the attention of the Management Committee monthly. The report is titled "Rent Arrears Update", the report contains information for the end of the previous month outlining the Association's rent arrears position. The Association has a current rent arrears KPI of 8% and the latest figure for January 2021 was 10.49%.

The following information was recorded at the end of Period 10, 31st January 2021 (paper reported in February 2021):

- Gross current tenant rent arrears are £346,150.07, this equates to 10.49% of annual income;
- Net arrears are £322,058.07, this equates to 10 9.76% of annual income;
- Former Tenant's arrears are £45,225.42;
- Rent collection is currently 89.51% (this figure is a cumulative of 10 months to end January 2021);
- 114 tenants (that is 14.3% of all tenants with the Association) who owed more than £1,000 in rent arrears now owe £244,526.83 collectively. 70.64% of current arrears and 7.41% of annual rent income. 58 of these tenants are Universal Credit recipients;
- 48 tenants owe more than £2,000 in rent;
- The number of tenants claiming Universal Credit is 176 (22% of tenants); and



# 1 EXECUTIVE SUMMARY

➤ The amount of Universal Credit arrears figure is £155,221.00, this equates to 44.84% of the gross arrears. The Housing & Customer Services Manager provided the Management Committee with proposed actions that the Association could adopt to try and decrease the rent arrears amount. The proposed actions include evening and weekend visits to tenants, a letter from the Director pre-court stage and Housing Officers to continue contacting the tenant pending cases be called at court. The Association are also strengthening their Housing Management Team with the addition of a new full time Housing Officer with one of the current Housing Officers going part time and Glasgow City Council will now manage Anti-Social Behaviour cases within the Association. This will allow the Housing Officers to spend additional time on rent arrears with the aim of bringing the balance down.

## Comparisons Against National Averages

The Association carried out some benchmarking nationally in November 2020 and found that they were significantly above the RSL average of 4.52% with an average of 10.66%. The table presented to the Committee in November is outlined below:

Organisation	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	October 2020	November 2020
All RSLs	4.36	4.51	4.62	4.67	4.71	4.73	4.67	4.53	4.52
LAs x GHA	7.36	7.21	7.69	7.91	8.14	8.22	8.04	8.24	8.45
SHN Average	6.08	5.79	6.07	6.20	6.32	6.37	6.27	6.28	6.38
Wellhouse Housing Association	8.2	9.48	9.50	9.57	9.86	10.30	10.49	10.49	10.66

The Association undertook a further benchmarking analysis against its EHRA partners in February 2021. The information highlights that the Association's arrears are significantly higher than other members of the EHRA partnership and that the impact of Covid-19 has hit the Association hardest out of the partnership since March 2020 (we note that no information was available for Lochfield HA):

Gross rent arrears	March 2020	January 2021
Blairtummock HA	2.33%	2.19%
Easthall HA	2.84%	3.54%
Gardeen HA	0.62%	0.68%

# 1 EXECUTIVE SUMMARY

Provanhall HA	2.12%	2.26%
Calvay HA	2.84%	3.10%
Wellhouse HA	8.2%	10.49%

## Dashboard Reports

The Association has a bespoke dashboard that extracts key information such as rent arrears from SDM (Housing Management System utilised by the Association).

The dashboard provides a live overview of performance for the Association which can also be used to report findings easily to the Management Committee.

## Rental Income Being Accurately Recorded

The Association has a detailed Rent Receipts Procedure in place. This document sets out the process that the Association follows when posting rent it has received from tenants. However, this document is not in the same format as the Arrears Policy and Arrears Procedure - that is to say there is no formal front cover and review cycle to confirm that the document is reviewed on a regular basis. The document does not explain who the owner is and who is responsible for reviewing it. Please see Section 3: Detailed Recommendations for further information.

However, no issues of concern were highlighted during our sample testing of rent received and processed by the Association. The Association was able to evidence that the correct process regarding rent payments as set out in the Rent Receipts Procedure was being followed correctly for each payment type.

Rent receipts are posted daily onto SDM. There are various controls, checks and reconciliations throughout the process. For example, when rent is received via Allpay, the Finance Assistant will perform a month end reconciliation. This ensures that the rent received from tenants has not been posted twice on SDM.

The same process is followed for tenant accounts, factoring accounts.

The Association allow tenants to pay rent using a variety of methods, such as:

# 1 EXECUTIVE SUMMARY

- Direct Debits;
- Over the phone;
- Standing order;
- Housing benefits;
- DWP; and
- Universal Credit.

Due to the COVID-19 pandemic, cash payments into the office are not currently accepted.

## Tenant Communication

The Association communicates its Rent Management Policy and Procedure and the importance of paying rent with tenants via the following methods:

- Newsletters;
- Association's website;
- Tenant Handbook; and
- Articles.

Rent arrears letters to tenants were altered to include reference to COVID-19. If any tenant was impacted by COVID-19, they were urged to contact the Housing Officers and discuss the options available to them.

## Tenants on Furlough

The Association employ an Income Advice Officer. The Income Advice Officer aids tenants who have been furloughed or subject to reduced income (through reduction in employment hours or job loss) or have been in/out of employment due to the COVID-19 pandemic.

The Income Advice Officer tries to maximise tenant income by:

- Advising tenants of the benefits they can apply for;
- Provide crisis funding support including fuel top-ups, food parcels and vouchers;
- Provide digital support by way of iPad or mobile phone;
- Assisting tenants by agreeing to affordable arrangements; and

# 1 EXECUTIVE SUMMARY

- Assisting tenants with Housing Benefit and Universal Credit applications.

We spoke with the Income Advice Officer who explained that the majority of tenants they have assisted were on low income and that they (tenants) faced other issues related to COVID-19 (such as job loss or reduction in hours).

## Work Undertaken

As part of our review, the following work was undertaken:

- Discussions with key Association personnel to establish the current rental income and arrears management arrangements.
  - We spoke with the Housing & Customer Services Manager; and
  - All 3 Housing Officers.
- An evaluation of these arrangements to confirm their adequacy and whether they complied with current guidance and good practice.
- A review of documentation to confirm that policies and procedures are in place and that current arrangements comply with good practice:
  - We reviewed the Rent Management Policy;
  - We reviewed the Arrears Monitoring Procedure and
  - We reviewed Rent Receipts Procedure.
- Testing to confirm staff are adhering to the documented procedures:
  - This included testing with each Housing Officer to ensure procedures are being complied with:
    - We undertook sample testing of 30 current tenant arrears to confirm the procedures were adhered to.
    - We undertook sample testing of 18 former tenant arrears to confirm the procedures were adhered to.
  - This included testing of the Association's rent posting process.
    - We undertook sample testing of rental income to ensure that it has been processed in line with procedures.
- A review of the monitoring and reporting arrangements in place to ensure they were effective in recording arrears.
- A review of the arrears process taken by the Association during COVID-19 and to review any additional support and guidance provided to

# 1 EXECUTIVE SUMMARY

Wellhouse Housing Association  
Arrears Management

tenants.

# 1 EXECUTIVE SUMMARY

## Conclusion

### Overall conclusion

#### Overall Conclusion: Substantial

Following our review, we can provide a substantial level of assurance over the Association's arrears management arrangements. We have raised 4 recommendations for improvement. Please see Section 3: Detailed Recommendations for further information.

### Summary of recommendations

#### Grading of recommendations

	High	Medium	Low	Total
Arrears Management	0	2	2	4

As can be seen from the above table there were no recommendations made which we have given a grading of high.

# 1 EXECUTIVE SUMMARY

## Areas of good practice

The following is a list of areas where the Association is operating effectively and following good practice.

- |    |  |
|----|--|
| 1. | The Management Committee is provided with a monthly update report from the Housing & Customer Services Manager. The report is titled "Rent Arrears Update" and contains information for the end of the previous month for the Association's rent arrears position. The latest report received by the Committee also outlined additional steps that the Association are going to take to help reduce the level of rent arrears. |
| 2. | The Association has a dashboard in place. This dashboard allows the user to access and download key data from SDM to provide an overview of the arrears performance which can be used to report findings easily to the Management Committee. The contents of the reports are extracted from the information entered into SDM. During our review, we found that the information on the dashboard was accurate and matches SDM.  |
| 3. | The Income Advice Officer provides assistance to tenants who have been furloughed or subject to reduced income (either through reduction in employment hours or job loss) or have been in/out of employment due to the COVID-19 pandemic. The Income Advice Officer seeks to speak with the tenants via telephone and assist in applying for benefits that the tenant could claim.   |

# 1 EXECUTIVE SUMMARY

The following is a list of areas where the Association is operating effectively and following good practice.

4.	The Association amended their rent arrears letters to include reference to COVID-19. Tenants who were impacted by COVID-19, were urged to contact their Housing Officer and discuss the options available regarding their rent and the support on offer.
5.	The Association has a robust rent posting process. The Association was able to evidence that it adheres to the rent posting process and this was highlighted through our sample testing.
6.	<p>The Association communicates the importance for tenants to pay rent and that this can be done through various methods including:</p> <ul style="list-style-type: none"><li>➤ On the Association's website;</li><li>➤ Discussions with Staff;</li><li>➤ Tenant Handbook;</li><li>➤ Newsletters; and</li><li>➤ Articles.</li></ul>



# 1 EXECUTIVE SUMMARY

The following is a list of areas where the Association is operating effectively and following good practice.

- |    |  |
|----|--|
| 7. | <p>The Association allow tenants to pay rent in a variety of methods, such as:</p> <ul style="list-style-type: none"><li>➤ Direct Debits;</li><li>➤ Over the phone;</li><li>➤ Standing order;</li><li>➤ Housing benefits;</li><li>➤ DWP; and</li><li>➤ Universal Credit.</li></ul> <p>Due to the COVID-19 pandemic, the Association has been requesting tenants pay their rent via one of the methods noted above as it is not accepting cash payments via its office.</p> |
|----|--|

## 2 BENCHMARKING

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

### Arrears Management

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	1	1	2
Number of recommendations at Wellhouse Housing Association	0	2	2	4

From the table above it can be seen that the Association has a higher number of recommendations compared to those associations it has been benchmarked against.

### 3 DETAILED RECOMMENDATIONS

Arrears Monitoring Process			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>The Association should ensure that current and former tenant arrears are being monitored and processed in line with the Arrears Monitoring Procedure.</p> <p>During our review, we undertook sample testing of 30 current and 18 former tenants with arrears. From our testing, we found that the Housing Officers are not strictly following the process as set out in the procedure document in regard to escalating the stage of the arrear. Examples of this being where 1 tenant was issued the AO3 (stage 3 letter) 3 times in the space of 4 months. Another tenant was issued with the broken agreement letter twice in the space of 4 months.</p> <p>We also found that the Association's Arrears Procedure does not specifically set out timelines for escalating each arrear.</p> <p>We appreciate that Housing Officers consider the personal and individual circumstances of tenants when issuing letters as this was evidenced through</p>	Medium	<p>We recommend that the Association update their Arrears Procedures to include timelines that should be followed and that look to ensure that the escalation requirements set out in the Arrears Management Procedure are followed.</p>

### 3 DETAILED RECOMMENDATIONS

	<p>our sample testing and that tenants in receipt of universal credit account for 44% of the Association's arrears figure. However, the Association should adhere to the requirements set out in the Arrears Monitoring Procedure.</p> <p>We also note that the Association has employed additional staff members to increase the focus on monitoring and chasing arrears while also implementing tougher sanctions on tenants in arrears such as no planned maintenance work being carried out until they engage with the Association.</p> <p>There is the risk that current and former tenant arrears continue to grow, and the Associations' financial resources are drained.</p>		
Management response			Responsibility and implementation date

### 3 DETAILED RECOMMENDATIONS

	<i>Responsible Officer:</i>
	<i>Implementation Date:</i>

## Former Tenant Arrears Procedure

Ref.	Finding and Risk	Grade	Recommendation
2.	<p>It is essential that there is a procedure in place which details the step-by-step processes of recovering debt from current and former tenants.</p> <p>During our review, we found that the Arrears Monitoring Procedure covers the processes in place to recover debt from current tenants, but there is no exclusive procedure for former tenants. During our testing, it was highlighted that the Housing Officers do not regularly act to recover former tenant arrears.</p> <p>There is the risk that without formal guidance for staff, there may be variances in the processes each staff member follows which can lead to inconsistencies and increased former tenant arrears.</p>	Medium	We recommend that the Association update the current Arrears Monitoring Procedure to specifically cover the processes in place to recover debt from former tenants.
Management response			Responsibility and implementation date

### 3 DETAILED RECOMMENDATIONS

Wellhouse Housing Association  
Arrears Management

	<i>Responsible Officer:</i>
	<i>Implementation Date:</i>

### 3 DETAILED RECOMMENDATIONS

Rents Receipts Procedure			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>Outdated policies and procedures can leave the Association at risk and they may not comply with new legislation and regulations and/or may not address new systems or technology, which can result in inconsistent practices. Regularly reviewing policies and procedures keeps an Association up to date with regulations, technology and industry best practices.</p> <p>During our review, we noted that the Rent Receipts Procedure is not in the same formal template such as the Rent Management Policy. It does not have a front cover page, there is no description as to who owns the Procedure and who will review it to ensure the contents are accurate. Furthermore, the document is not subject to version control.</p> <p>The risk to the Association is that it may be circulating or operating to outdated policies and procedures.</p>	Low	We recommend the Association updates the Rent Receipt Procedure so that it is in the same format as other policies and procedures.

### 3 DETAILED RECOMMENDATIONS

Wellhouse Housing Association  
Arrears Management

Management response			Responsibility and implementation date
			<i>Responsible Officer:</i>
			<i>Implementation Date:</i>



### 3 DETAILED RECOMMENDATIONS

Rent Management Policy			
Ref.	Finding and Risk	Grade	Recommendation
4.	<p>It is essential that policies covering arrears management are kept up to date with relevant information to ensure that staff are following adequate guidance.</p> <p>During our review, we found that the Rent Management Policy does not include information regarding the member of staff responsible for reviewing the Policy. We also found that a new list of proposed actions to tackle arrears has recently been approved by the Management Committee but has not yet been included within the Policy. This includes actions such as trialling evening and weekend contact with tenants and sending a letter from the Director at the pre court stage.</p> <p>The Policy also states that individual targets are in place for Housing Officers, however, this is not the case.</p> <p>There is the risk that staff are not provided with the latest guidance on the arrear's management process within the Association.</p>	Low	<p>We recommend that the Rent Management Policy is updated to reflect both the new proposed actions to tackle rent arrears, and the responsible officer for reviewing the Policy.</p> <p>We also recommend that individual targets are established for Housing Officers, as per the Policy.</p>

### 3 DETAILED RECOMMENDATIONS

Wellhouse Housing Association  
Arrears Management

Management response			Responsibility and implementation date
			<i>Responsible Officer:</i>
			<i>Implementation Date:</i>

## 5 AUDIT ARRANGEMENTS

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit & Risk Committee meeting.

Audit stage	Date
Fieldwork starts	4 March 2021
Closing meeting	5 March 2021
Draft report issued	19 March 2021
Receipt of management responses	TBC
Final report issued	TBC
Audit & Risk Committee	TBC
Number of audit days	5

## 6 KEY PERSONNEL

Wellhouse Housing Association  
Arrears Management

We detail below our staff who undertook the review together with the Association staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Manager	Scott McCready	Internal Audit Manager	scott.mccready@wyliebisset.com
Auditor	Faisal Kayani	Internal Audit Senior	faisal.kayani@wyliebisset.com
Auditor	Annie Benzie	Internal Auditor	annie.benzie@wyliebisset.com

Wellhouse Housing Association			
Key Contacts	Martin Wilkie-McFarlane	Director	martin@wellhouseha.org.uk
	Carol Hamilton	Housing & Customer Services Manager	carol@wellhouseha.org.uk
	David Wells		david@wellhouseha.org.uk
	Maureen Wilson	Housing Officer	maureen@wellhouseha.org.uk
	John Stevenson	Housing Officer	john@wellhouseha.orh.uk
		Housing Officer	
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

## APPENDICES

## A GRADING STRUCTURE

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

## A GRADING STRUCTURE

For each recommendation, we assign a grading either as High, Medium or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit & Risk Committee and addressed by senior management of the Association as a matter of urgency.
Medium	Significant issue or weakness which should be addressed by the Association as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

### Purpose of review

The purpose of this assignment is to review the suitability of the processes in place for collecting and recording rental income as well as a review of the arrangements in place for arrears management. Our review will also consider the reporting arrangements in place for arrears and the monitoring and performance against targets.

This assignment was undertaken at the request of the Director of the Association out with the Annual Internal Audit Plan.

### Scope of review

Our objectives for this review are to ensure:

- The Association has robust arrears management policies and procedures.
- The Association's arrears management policies are communicated to tenants.
- The Association actively monitors rental arrears.
- Rental income is accurately recorded by the Association.
- Management receives detailed reports regarding rental income and arrears management.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

### Limitation of scope

There is no limitation of scope.



### Audit approach

Our approach to the review will be:

- Discussions with key Association personnel to establish the current rental income and arrears management arrangements.
- Evaluating these arrangements to confirm their adequacy and whether they comply with current guidance and good practice.
- Review of documentation to confirm that policies and procedures are in place and that current arrangements comply with good practice.
- Testing to confirm staff are adhering to the documented procedures.
  - This will include testing within each Housing Officer to ensure procedures are being complied with.
  - This will include testing of the Association's rent posting process.
- Review of the monitoring and reporting arrangements in place are effective in recording arrears.
- Reviewing the arrears process taken by the Association during Covid-19 and to review any additional support and guidance provided to tenants.

### Potential key risks

The potential key risks associated with the area under review are:

- The Association may lose income through poor arrears management procedures.
- The Association's arrears management policy may be unclear and not effectively communicated to tenants.
- The Association may not be actively monitoring and tracking rental arrears resulting in an adverse impact on cashflow.
- Rental income may not be correctly and timeously recognised, collected and recorded by the Association.

## B ASSIGNMENT PLAN

Wellhouse Housing Association  
Arrears Management

- Management reporting of rental income and rental arrears may not be prepared or contain sufficient information for decision making purposes.

<b>Management Committee</b>	25 May 2021
<b>Agenda Item</b>	7
<b>Title of Paper</b>	ARC Submission 2020/21
<b>Author</b>	Carol Hamilton, Housing & Customer Service Manager
<b>Attachment</b>	Appendix 1 – ARC comparisons ARC Submission 2020/21 (sent via email)

## FOR INFORMATION AND APPROVAL

### 1 PURPOSE

- 1.1 The purpose of this report is to present the Annual Return of the Charter (ARC) for Committee approval. The date for submission is no later than 31 May each year.
- 1.2 Committee are asked to note that verification of the entries on the ARC are complete with the exception of the validators name, job role, and date of validation. If any changes are required prior to 31 May 2021, these will be highlighted at the Committee meeting on 25 May 2021.
- 1.3 The ARC submission will take place, subject to Committee approval on 26 May 2021, by the Director or Chairperson.

### 2 RECOMMENDATIONS

**It is recommended that Committee raise any questions with the Director or Senior Management Team, or John Stevenson, Housing Officer, on 25 May 2021 prior to approving the ARC submission.**

### 3 BACKGROUND

- 3.1 The Annual Return of the Charter is a regulatory requirement on our performance of the Charter outcomes. The information will be available on the Regulators website and will inform our communication with tenants in our Annual Report to Tenants of the Charter.

### 4 MAIN ISSUE(S)

- 4.1 Committee are asked to note that questions within the return have been verified by the Senior Management Team and Director from reports generated and submitted by staff on all business areas from our SDM or finance management systems.
- 4.2 The ARC return has not been issued with papers due to the length of the report, however, a copy of the return will be emailed prior to the meeting for committee members' consideration. A paper copy will also be available on request.
- 4.3 Appendix 1 highlights comparisons for key indicators with the ARC return for 2019/20.

While most of the indicators have surpassed the targets set for 2020/21, the main areas of concern are in relation to Gross Rent Arrears, % of Rent Collected, % of tenancy offers refused and average time taken to relet properties. The right -hand column indicates those returns that were affected by Covid 19.

## **5 REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES**

- 5.1 The Governing Body is required to approve the ARC prior to submission the Scottish Housing Regulator.

## **6 CONSULTATION**

- 6.1 There are no requirements for consultation on this document although we are required to issue a report to Tenants on the Annual Return of the Charter by October 2021.

## **7 FINANCIAL IMPLICATIONS**

- 7.1 There are no financial implications.

## **8 EQUALITY AND DIVERSITY IMPLICATIONS**

- 8.1 There are no equality or diversity implications.

## **9 CONCLUSION**

- 9.1 Committee are asked to consider, discuss and approve the Annual Return of the Charter for 2020/21

## ARC Comparators

ARC Indicators	Definition	Target	2019/20	2020/21	Comments
<b>Customer Satisfaction</b>					
1	% of tenants satisfied with overall service provided by their landlord	90%	86.45%	94.1%	
2	% of tenants who feel landlord is good at keeping them informed about their services and decisions	95%	87.97%	95.14%	
5	% of tenants satisfied with the opportunities given to them to participate in their landlord's decision-making processes	85%	85.84%	97.57%	
7	% of tenants satisfied with the quality of their home	80%	83.13%	87.15%	
13	% of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in	90%	79.52%	92.36%	
25	% of tenants who feel the rent for their property represents good value for money	85%	84.04%	93.06%	
<b>Corporate Complaints</b>					
3	% of all complaints responded to in full at Stage 1	100%	100.00% (17)	86.36% (22)	19 responded to in reporting year – 3 cases reported end of March
	% of all complaints responded to in full at Stage 2	100%	100.00% (6)	100% (1)	
4	The average time taken in days for a full response at Stage 1	5 days	6.12 days	2.74 days	
	The average time taken in days for a full response at Stage 2	20 days	8.33 days	5 days	
<b>Voids &amp; Lettings</b>					
14	% of tenancy offers refused during the year	30%	46.97%	34.09%	10 properties had refusals, 7 had one refusal, 2 had two refusals and 1 four refusals. The refusal reasons varied but included close condition, location in estate, near a relative of applicant fleeing DV and property too high
18	% of rent lost through properties being empty last year	0.60%	0.19% (35)	0.29% (24)	
30	Average time taken to re-let properties in the last year	12 days	14.46 days	30.57 days	Affected by Covid 19, restrictions on contractors and staff entering premises led to longer turnaround times and new process for viewings caused further delays

Rents					
22	% of court actions initiated which resulted in eviction (with reasons)	N/A	0.00% (0)	0.00% (0)	
26	Rent collected as % of rent due in the reporting year	100%	98.37%	97.21%	In line with increases in both current and former tenant arrears our collection rate has reduced. However, this is offset in this calculation by an improvement in closing balances compared to last year and is better than projections
27	Gross Rent Arrears (all tenants) as at 31 <sup>st</sup> March each year as a percentage of rent due in the reporting year	8%	8.89%	10.86%	Our performance has been affected by Covid 19 and legal restrictions on enforcement. Increase was primarily amongst long term arrears cases. Benchmarking shows average across Scotland in RSLs have seen no overall difference – remained at 4.4%, although money owed to sector has increased. Some Community Based RSLs have experienced increases but majority haven't
Others					
15	Percentage of ASB cases reported in last year which were resolved	N/A	94.2%	94.2%	
C4	The number of abandoned properties during the reporting year	N/A	6	4	
Repairs					
6	Percentage of stock meeting SHQS	100%	97.98%	98.11%	Issue is down to tenants' not allowing access for works
8	Average length of time taken to complete emergency repairs	4 hours	2.06 hours	2.18 hours	
9	Average length of time taken to complete non-emergency repairs	6 days	3.72 days	3.48 days	
10	Percentage of reactive repairs carried out right first time	100%	99.81%	99.21%	Performance remains high, in terms of being able to fix the vast majority of qualifying repairs on the first visit
11	How many times in the reporting year did you not meet your statutory duty to complete a gas safety check	0%	0	34	Covid 19 has impacted on our performance, particularly during periods when option to cap or forced entry has not been available to us. We have continued to communicate with those over target to secure access. From the 1 <sup>st</sup> of April there

					have had two services carried out late one was completed during the lockdown the other immediately after the end of the last lockdown period.
12	Percentage of tenants who have had repairs or maintenance carried out in last 12 months satisfied with the repairs and maintenance service	85%	88.18%	87.84%	

<b>Management Committee</b>	25 May 2021
<b>Agenda Item</b>	8
<b>Title of Paper</b>	Rent Arrears Update
<b>Author</b>	Carol Hamilton, Housing & Customer Service Manager
<b>Attachment(s)</b>	Appendix 1 – Monthly Arrears Activity
<b>Executive summary</b>	<p>The following information is recorded at the end of Period 1, 30th April 2021:</p> <ul style="list-style-type: none"> <li>• Gross current tenant rent arrears are £336,100 – 10.00% of annual income</li> <li>• Net arrears are £313,873 – 9.34% of annual income</li> <li>• Former Tenant's arrears are £57,334</li> <li>• Rent collection is currently 90.00% (cumulative 1 month to end April 2021)</li> <li>• 106 tenants (13.38% of all tenants) owing £1,000+ now owe £229,729 collectively – 68.35% of current arrears and 6.84% of annual rent income.</li> <li>• 61 (57.55%) of those owing £1,000+ are UC recipients</li> <li>• 43 tenants (5.43% of all tenants) owe £2,000+</li> <li>• The number of tenants claiming UC is 201 (25.38% of tenants).</li> <li>• The amount of UC arrears figure is £162,720 (44.82% of the current arrears) or (4.84% of annual income)</li> </ul>

## FOR INFORMATION

### 1 PURPOSE

- 1.1 To update Committee on the arrears position

### 2 RECOMMENDATIONS

- 2.1 That the update on the arrears position be noted

### 3 BUSINESS PLAN, VISION AND VALUES

- 3.1 The production of an arrears report is consistent with:
- our strategic objective 5: to maintain good governance and financial management and:
  - our values of excellence and accountability

### 4 BACKGROUND

- 4.1 Committee have requested regular arrears reports



4.2 This summary forms an update to the end of April position.

## 5. MAIN ISSUES:

5.1 Since the last Committee update, gross current tenant rent arrears have reduced by £594. The number of tenants in arrears are broadly unchanged over recent months and the average has been 473. The number in April was 499.

5.2 Monthly direct debits scheduled for payment on 31<sup>st</sup> of each month are not able to be included in April's balance therefore the reduction in arrears would have been greater. These payments will be reflected in account balances for May.

5.3 Former Tenant Arrears (FTAs) have increased by £2649 since March. This is attributable to an abandoned tenancy with a debt of £1,169 and 2 tenancies ending with a debt of £1,557. 2 further tenancies ended with a slight credit balance.

5.4 201 (25.38%) of all tenants are now in receipt of Universal Credit (UC) and arrears attributable to UC have decreased by £3,451.00 from 31<sup>st</sup> March 2021 to 30<sup>th</sup> April 2021. We 4 new UC claims during April.

5.5 Appendix 1 sets out arrears activity by Housing Officers for the month of April and we have recorded a significant increase in attempts to contact tenants by telephone. Officers have begun to monitor the response to telephone contact outwith normal office hours and this will be reflected within the next monthly update. Home visits will resume at the earliest opportunity.

5.6 All Direct Debit and Standing Order payments have been checked to ensure that amounts have been altered to account for the rent increase in April. Officers are contacting 8 tenants to remind them of the increase.

5.7 Currently there are 125 tenants who pay by Direct Debit and 73 who pay by Standing Order. The Association currently receives 138 Universal Credit and 389 Housing Benefit direct payments on behalf of tenants as well as 48 payments towards arrears. We will continue to encourage tenants to pay by Direct Debit.

## 6. DISCUSSION

6.1 It is hoped that our new approach, together with actively encouraging direct debit uptake, should result in further reduction in arrears. We continue to explore a suitable Tenant Incentive Scheme.

## 7 REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

7.1 ARC report will include our performance.

7.2 Regulatory and current legislation dictates that legal action will not be pursued where arrears have occurred solely as a result of the Covid-19 situation.

## 8. FINANCIAL IMPLICATIONS

8.1 Dealt with in the body of the report.

## **9 KEY RISKS**

- 9.1 Failure to robustly manage arrears is a failure to deliver on core KPI and reduces income to the Association. Mitigation – persistent and consistent application of policy and staff performance management.
- 9.2 Any rise in evictions may lead to reputational damage. Mitigation- use only as a last resort and adhere to Coronavirus (Scotland) Bill.

## **10 EQUALITY, DIVERSITY & HUMAN RIGHTS IMPLICATIONS**

- 10.1 The Rent Management Policy has been written with our commitment to diversity included.

## Appendix 1 -Collated Stats for April 2021

Month	April 2021
Small Balance Letters	1
No of A01's issued	3
No of A02's issued	20
No of A03's issued	9
No of Arrangements	12
No of Broken Arrangement letters issued	3
No of NOP's	3
Referral's to Court	0
No of Telephone Calls	299
Emails sent to Tenants	28
No of Texts sent	154
Office Interviews	0
House Visits	0
ABO – NOP letters	3
IAO support requests	1
HBS letters	0
HB Cancelled letters	1
telephone appointment offered	1
Out of hours telephone calls/texts	24
Out of hours responses	12

<b>Management Committee</b>	25 May 2021
<b>Agenda item</b>	9
<b>Title of Paper</b>	Former Tenant Debt Write- Off Report
<b>Author</b>	Carol Hamilton, Housing & Customer Services Manager
<b>Attachment(s)</b>	Appendix 1- Anonymised Write- off list

## FOR APPROVAL

### 1 PURPOSE

To outline our bad debts and seek approval for the proposed write-offs from former tenant rent accounts.

### 2 RECOMENDATION

That the Management Committee approve the total write-off request of £8,494,66.

### 3 BUSINESS PLAN, VISION AND VALUES

3.1 This paper is consistent with our commitment to improve our performance management and is compliant with the following strategic objectives;

Objective 1: Deliver excellent services

Objective 5: to maintain good governance and financial management

It is also consistent with our Values of:

- Accountability
- Excellence
- Sustainability

### 4 MAIN ISSUES

4.1 Committee are presented with bad debts on rent accounts for the period beginning of January 2018 to the end of March 2021. The accounts have been reviewed and deemed to be irrecoverable and therefore recommendations are made to write-off former rent arrears.

4.2 The Income Collection, Debt Recovery and Write Off Policy defines how former tenants' debts can arise and sets out when a debt can be considered for write- off. Reasons for current write-off cases are set out below, giving case category, number of cases and total amount.

- Deceased (2 cases) £799.32

- Debt over 12 months old where a tenancy has terminated and former tenant has moved to homeless accommodation and unable to be traced thereafter (1 case) £292.17
- Abandoned property under £100 on the basis that this is uneconomical to recover the debt (1 case) £79.72
- Abandoned and unable to trace (3 cases) £6675.28
- Housing Benefit overpayment that tenant was not advised off (1 case) £172.51
- Housing Benefit not paid when tenant moved to a care home (1 case) £223.50
- Tenancy ended with no forwarding address (1 case) £252.16

4.3 Committee are asked to approve the proposed write off from 10 former tenant arrears accounts of £8,494.66

## **5. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES**

5.1 It is a regulatory and legal requirement to maintain good financial records.

## **6 FINANCIAL IMPLICATIONS**

6.1. The financial implications are that we will no longer expect to receive £8,494.66 as rental income, therefore, lost income to the Association. However, because we regularly review and provide for bad debts this will already be fully provided for and will not incur a charge to the income and expenditure.

## **7 KEY RISKS**

7.1 There are no key risks identified.

## **8. EQUALITY AND DIVERSITY ISSUES**

8.1 There are no identified impacts on any of the main minority groups or diversity implications even an unintended one.

## **9. CONCLUSION**

9.1 It is recommended that the bad debts be written off; they are irrecoverable and it would be inappropriate to dedicate any further resources to recover. Note that records will remain in place to allow repayment to be made if tenants are traced in future. All write offs will be reflected in rent accounts.

## Appendix 1 Anonymised Write-Off List

<b>Tenant No.</b>	<b>Balance</b>	<b>Reason for write off</b>
20001077	£79.72	Abandoned – uneconomical to pursue
20001358	£116.96	Tenant deceased
20000216	£172.51	Housing benefit overpayment that tenant was not advised of
20000234	£223.50	Housing Benefit not paid when tenant moved into a care home
20001496	£252.16	No forwarding address uneconomical to trace
20001097	£292.17	Moved to homeless accommodation in 2018 not economical to trace
20001143	£1,577.95	Abandoned 2018, not able to trace
20001526	£1,494.01	Abandoned 2020, not able to trace
20001255	£3,603.32	Abandoned 2019 not able to trace
20001576	£682.36	Tenant deceased
<b>total</b>	<b>£8,494.66</b>	

<b>Management Committee</b>	25 <sup>th</sup> May 2021
<b>Agenda Item</b>	10
<b>Title of Paper</b>	Management Accounts – 31 March 2021
<b>Author</b>	Robert Murray, Finance & Corporate Services Manager
<b>Attachment(s)</b>	1. Management Accounts

## FOR INFORMATION & APPROVAL

### 1 PURPOSE

- 1.1 To provide Management Committee members with a comparison of the budget and actual financial positions to 31<sup>st</sup> March 2021

### 2 RECOMMENDATIONS

- 2.1 That members review the attached papers and, subject to satisfaction, approve the management accounts for the period to date.

### 3 BUSINESS PLAN, VISION AND VALUES

- 3.1 This Report is consistent with Wellhouse's Strategic Objective to provide good governance and financial management
- 3.2 This Report is relevant in respect of the following Core Values: -
- Accountability
- 3.3 This Report also meets point 12:2 from 2020/21 Operational Plan – "Quarterly Management Accounts".
- 3.4 This Report should ultimately contribute towards our overarching Aim and Vision of making Wellhouse "the Place to Be"

### 4 BACKGROUND

- 4.1 Management Accounts are the provision of financial and non-financial information to managers and Committee members. The Management Accounts are a basis for gauging financial viability and are also used as a tool for decision-making to allow the Association to achieve strategic and corporate objectives. Good Governance dictates that Management Accounts are presented to and approved by Management Committee.
- 4.2 Scottish Housing Regulator: Regulatory Standards of Governance and Financial Management – Standard 4 states "The governing body ensures it receives good quality information and advice from staff, and where necessary, expert independent advisers,

that is timely and appropriate to its strategic role and decisions. The governing body is able to evidence any of its decisions.”

- 4.3 The attached Management Accounts to 31 March 2021 have been prepared using the Accruals Concept where expenditure is charged to the period in which it is incurred and not when the invoice is received or paid and income is credited to the period when it is realised as opposed to the date the sales invoice is raised or paid.
- 4.4 The budgeted results to date are based on the annual budget for the year which shows a projected surplus of £641,090 for the year. A draft budget for 2020/21 was considered in November 2019 and the final budget was approved in February 2020.

## 5 MAIN ISSUES

### 5.1 Statement of Comprehensive Income (SOCl) -

The budgeted surplus (24) for the year to 31<sup>st</sup> March 2021 is £641,090, however, the actual results for the period show a surplus of £949,884. There is, therefore, a favourable variance for the period of £308,794.

The overall favourable variance of £308,794 arises from-

- Operational activities £304,738– favourable variance
- Net interest and other activities £4,056- favourable variance

#### Income

Rental income (1) is close to budget with a slight favourable variance of £2,364. Void losses (2) are also lower than the budget figure £26,393 as opposed to £22,202. A favourable variance in net rental income of £6,555

Commercial rent (3a) is showing quite a significant adverse variance of £11,263 from a budget figure of £54,930 (20.5%). This is explained, mainly due to the revised rental figure for 17-19 Newhills Road being implemented, but also the service charge at The Hub no longer charged after July.

Factoring income (3b) – adverse variance of £2,375 from a budget of £15,824 Although, all standard monthly charges continued to be invoiced during the lockdown period, no planned rechargeable repairs were carried out.

Stage 3 Medical Adaptations Grant Income (5a) –. favourable variance of £25,268. This is due to the original annual budget for Stage 3 HARP funding being £33,000 however this has now increased to £55,000 throughout the year.

Grants released from Deferred Income (4) – the budget figure was calculated on a projected figure based on the 2019/20 outturn; however, the actual charge is based on the final 2019/20 position. A bit less (£20,032) due to disposal of components which have now been replaced.



## Expenditure

Management & Maintenance Admin - £47,402 under-spend against budget. The following make up this favourable variance: -

- Salaries (6) (£29,059 under-spend) – mainly due to replacement Estate Warden Supervisor not being in post in the first quarter of the year and pension savings. Not all staff are members of the pension but budgets are prepared on the basis of all staff joining. There was also no Finance and Corporate Services Manager in post from Mid December 2020 until April 2021.
- Overheads (7) – an underspend of £18,342 against budget. The attached overheads schedule shows a more detailed analysis of all variances.

Repairs & Maintenance – an underspend of £337,354 against budget over all areas of maintenance, from a total budget of almost £1million for the full year. A more detailed explanation of some of the over- and under-spends as follows: -

- Reactive maintenance (9)– an under spend of £6,866 (Budget £349,597, actual £342,732). Responsive repairs overspend £20,924– significantly over budget as these repairs have mainly continued throughout lockdowns due to their nature), estate services (underspend £19,685), voids maintenance underspend of £3,605 and not as many voids as anticipated and some works re kitchens & bathrooms were capitalised).
- Cyclical maintenance (10) – large under-spend of £121,120 actual £92,080 against budget £213,200. Some external painting carried over from last year's programme, and small amounts of gutter cleaning and electrical testing carried out this year so far. –Gas servicing is also continuing but still under budget.
- Major repairs/planned renewals (11) – under-spend of £209,368- actual £92,080 against budget £359,496. Some work on Kitchen and bathroom extractor fans and smoke alarms has been able to take place. Stage 3 medical adaptations works were also higher than originally planned as previously mentioned. Some work was also able to commence on the programme of external verandas however due to lockdown the majority of all these works has had to be suspended. Unbudgeted costs of £36,154 for the commercial units was incurred this quarter.
- The large underspends in maintenance come as no surprise. Most of our contractor's staff were on furlough due to covid-19 and only emergency repairs were being carried out. Works were just beginning to get back on track when the second lockdown began and has resulted in the overall underspends within maintenance.

Housing Property Depreciation (12) – favourable variance of £15,875. The budget figure was calculated on a projected figure based on the 2019/20 outturn; however, the actual charge is based on the final 2019/20 position updated to include any replacement components. Replacement components this year much lower than budget so far, also contributing to the lower depreciation charge.

Bad Debts (13) – this is actually the charge to income and expenditure, which will increase the provision rather than the actual amount of bad debts written off. Due to the issues of the 2020/21 budget not stacking up, we decided not to budget a charge

to income and expenditure this year. However, in actuality, we will be processing a charge each month and rather than being based on a notional budget figure, this is now calculated using the same formula as at the year-end – based on band levels of arrears. The charge for the year has increased the provision quite substantially by £93,268

## 5.2 **Statement of Financial Position-**

The Statement of Financial Position shows the actual position at 31 March 2021 and also the position at 31 March 2020 and the resulting movement in this financial year.

Housing Properties (18) has increased by £302,372. A few individual kitchen, bathroom and boiler replacements has amounted to £264,372 and an additional £38,000 has been spent replacing the boiler in The Hub, however, this is considerably less than the budget figure of just over £842,000. The purchase of an individual property on the open market added an additional £85,000.

Cash (19) has increased by over £911,136 to £2,929,887. Although, the arrears balance has increased due to cash not coming in, there have been significant shortfalls in cash going out, particularly maintenance (see above) resulting in this positive movement in cash.

Payables < 1 Year (20)

- Misc. creditors have reduced by almost £15,904 since 31 March 2020.–This is mainly due to the reduction in purchase ledger control A/C.
- Due to the new accounting treatment for pensions, we no longer show the element of pension deficit payable within one year separately.

Payables > 1 Year

- Loans (21) – have reduced by £239,814 due to the monthly contributions being paid towards this liability.
- Pension deficit (21) – The pension deficit reflects the revaluation of multi-employer DB scheme, due to the new accounting treatment for pensions. At the year-end the liability had been completely wiped out and subsequent payments to this appear to show the deficit as now being an asset. This remains here, purely, for internal reporting purposes as we will not be allowed to recognise an asset as part of the statutory accounts reporting. However, there will be another valuation prior to the year-end, which will, more than likely, re-introduce the liability.
- Deferred income (22) – similarly, the monthly release of deferred grant to Statement of Comprehensive Income of £450,154 has reduced these balances to just below £14.6 million. However, it should be noted that the deferred income increased by £85,000 reflecting the grant received for the purchase of the individual property.

Reserves (23) – has increased by just over £949,885 to over £7.5 million, in line with the surplus made for the year.

### 5.3 **Cash-flow Report**

This report shows the transactions for the year-to date using the receipts and payments method as opposed to the accrual's method. The cashflow report shows a cash inflow (surplus) of £917,136 opposed to a surplus of £1,142,005 in SOCI.

Generally, a broad-brush method of reconciling these two figures is as follows: -

- Start with SOCI surplus;
- Add back depreciation;
- Deduct grants released from Deferred income;
- Deduct capital spend; and
- Deduct loan capital repayments.
- Adjust for movement in debtors and creditors (accruals and prepayments).

### 5.3 **Covenant Compliance -**

There are no covenant compliance issues with the following results being achieved at December 2020: -

- Interest cover - Target > 110%, Result = 531.33%
- Gearing - Target < 30%, Result = 19.2%

Both lenders – Royal Bank of Scotland and Clydesdale Bank - have used the same financial covenants, calculated the same way with the same target result.

The 2020/21 budget had indicated that there may be interest cover issues for this year and had to be reviewed to avoid this occurring. The approved budget achieved this covenant, albeit by a very tight margin, however, the actual position achieves it much more comfortably.

## 6. **DISCUSSION**

Committee is invited to discuss any of the points reported on above.

## 7. **REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES**

7.1 As laid out in Scottish Housing Regulator: Regulatory Standards of Governance and Financial Management (particularly standards 3 and 4) there is a regulatory requirement for Wellhouse to report regularly to Management Committee and for Management Committee to approve these financial reports.

7.2 It is also considered Good Practice for Wellhouse to prepare quarterly Management Accounts in order to demonstrate financial viability and to allow for the decision-making process to achieve corporate objectives.

## 8. **FINANCIAL IMPLICATIONS**

8.1 Any material points are noted at section 5 above.

## 9. KEY RISKS

9.1

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
Failure to provide up to date and accurate financial reports and budget monitoring would result in the Association being unaware of its actual financial position. This could lead to decisions being taken on incorrect information and could result in financial and reputational damage		
<b>Mitigation</b>	<b>Mitigation</b>	<b>Mitigation</b>
Quarterly Management Accounts, and other financial reports, are presented to Management Committee for discussion and approval".		

## 10. EQUALITY, DIVERSITY & HUMAN RIGHTS IMPLICATIONS

10.1 None apparent.

## 11. SUSTAINABILITY

11.1 Not applicable.

## 12. SWOT ANALYSIS

12.1 Not required as no new business activity proposed.

## 13. CONCLUSION

13.1 Some over- and under-spends against budget in the Statement of Comprehensive Income, however, overall, the actual surplus position is considerably higher than the budget surplus for the period to 31 March 2021. The suspensions due to lockdowns in carrying out most of the maintenance programmes has contributed, in no small way, to the underspend. A vacant staff post for the period and reduced spend on overheads have also contributed to the variance, however, apart from those the actual performance is pretty close to budget.

Cash position continues to increase and is in a reasonably healthy position finishing the period at over £2.9 million.

Overall, a good performance for the twelve months of 2020/21 resulting in a healthy financial position.

## STATEMENT OF COMPREHENSIVE INCOME

Ref	Social Lettings Rental Income	Social Lettings Service Charges	Social Lettings Rental & Service Chgs	Actuals To Date				The Hub Services	Corporate Services	Total	Budget to Date	(Adverse) / Favourable Variance	Annual Budget
				Commercial Lettings	Factoring	Development							
(1) Rental Income & Service Charges	3,301,435	0	3,301,435							3,301,435	3,299,071	2,364	3,299,071
(2) Less: Voids losses	(22,202)		(22,202)							(22,202)	(26,393)	4,191	(26,393)
(3) Commercial Rental Income				25,239				18,428		43,667	54,930	(11,263)	54,930
Factoring Income					13,449					13,449	15,824	(2,375)	15,824
(4) Grants released from Deferred Income	558,749		558,749							558,749	578,781	(20,032)	578,781
(5a) Other Revenue Grants	58,268		58,268							58,268	33,000	25,268	33,000
(5b) Other Income									0	0	777	(777)	777
	3,896,250		3,896,250	25,239	13,449	0		18,428	0	3,953,367	3,955,991	(2,625)	3,955,991
(6) Management Expenses - Staff Costs	439,353	64,965	504,318		4,855				245,706	754,879	783,938	29,059	783,938
(7) Management Expenses - Overheads	66,801		66,801	0	3,966			8,000	299,472	378,239	396,581	18,342	396,581
(8) Service Costs		0	0							0	0	0	0
(9) Reactive Maintenance	342,548		342,548		184					342,732	349,597	6,866	349,597
(10) Cyclical Maintenance	92,080		92,080							92,080	213,200	121,120	213,200
(11) Planned Renewals/Major Repairs	150,128		150,128							150,128	359,496	209,368	359,496
(12) Depreciation on Housing Properties	1,000,038		1,000,038							1,000,038	1,015,913	15,875	1,015,913
(13) Bad Debts	93,268		93,268							93,268	0	(93,268)	0
	2,184,215	64,965	2,249,180	0	9,004	0		8,000	545,178	2,811,362	3,118,725	307,363	3,118,725
Operating Surplus	1,712,036	(64,965)	1,647,071	25,239	4,445	0		10,428	(545,178)	1,142,005	837,267	304,738	837,267
(14) Release of Negative Goodwill	38,134		38,134							38,134	38,134	(0)	38,134
(15) Gain/Loss on Disposal of Fixed Assets	0		0							0	0	0	0
(16) Interest Receivable			0						4,096	4,096	8,500	(4,404)	8,500
(17) Interest Payable/Other Finance Costs	(234,350)		(234,350)							(234,350)	(242,811)	8,460	(242,811)
(23)	1,515,820	(64,965)	1,450,855	25,239	4,445	0		10,428	(541,082)	949,884	641,090	308,794	641,090

0.00

## WELLHOUSE HOUSING ASSOCIATION LTD

## STATEMENT OF FINANCIAL POSITION AS AT

31 March 2021



ANNUAL BUDGET			AS AT 31/03/2020	ACT YTD 31/03/2021	MOVEMENT
£	Ref		£	£	£
<b>Non Current Assets</b>					
42,000,283	(18)	Housing Properties - gross cost	40,921,893	41,224,265	302,372
(13,798,144)		Depreciation	(12,621,173)	(13,621,212)	(1,000,039)
28,202,139			28,300,720	27,603,053	(697,667)
1,313,328		Other	1,343,642	1,313,954	(29,688)
29,515,467			29,644,362	28,917,007	(727,355)
(1,029,624)		<b>Negative Goodwill</b>	(1,067,759)	(1,029,625)	38,134
<b>Current Assets</b>					
214,127		Debtors	263,914	204,899	(59,015)
0		Inventory	0	0	0
1,790,370	(19)	Cash at Bank and in hand	2,018,751	2,929,887	911,136
2,004,497			2,282,665	3,134,786	852,121
<b>(20) Payables &lt; 1 year</b>					
(965,616)		Misc Creditors	(542,272)	(526,368)	15,904
0		Pension Deficit	0	0	0
		Deferred Capital Grants	(558,749)	(558,749)	0
(220,738)		Loans	(221,338)	(221,338)	0
(1,186,354)			(1,322,359)	(1,306,455)	15,904
818,143		<b>Net Current Assets/ ( Liabilities )</b>	960,306	1,828,331	868,025
29,303,986		<b>Total Assets less current liabilities</b>	29,536,909	29,715,713	140,670
<b>(21) Payables &gt; 1 year</b>					
(7,699,379)		Loans	(7,933,510)	(7,693,696)	239,814
(251,825)		Pension Deficit	0	57,520	57,520
(7,951,204)			(7,933,510)	(7,636,176)	297,334
<b>(22) Deferred Income</b>					
(13,723,121)		Social Housing Grant	(14,324,693)	(13,874,540)	450,154
(730,288)		Non Housing Grants	(718,460)	(694,866)	23,593
(14,453,409)			(15,043,153)	(14,569,406)	473,747
6,899,374		<b>Net Assets</b>	6,560,246	7,510,131	949,885
<b>Capital and Reserves</b>					
200		Share Capital	118	118	0
6,899,174	(23)	Reserves	6,560,128	7,510,013	949,885
6,899,374			6,560,246	7,510,131	949,885
0			0	0	0

## WELLHOUSE HOUSING ASSOCIATION LTD

## STATEMENT OF FINANCIAL POSITION AS AT

31 March 2021

ANNUAL BUDGET			AS AT 31/03/18	ACT YTD	MOVEMENT
£			£	£	£
<b>Non Current Assets</b>					
41,819,077		Housing Properties - gross cost	40,921,893	41,224,265	302,372
(13,081,386)		Depreciation	(12,621,173)	(13,621,212)	(1,000,039)
28,737,691			28,300,720	27,603,053	(697,667)
1,318,645		Other	1,343,642	1,313,954	(29,688)
30,056,336			29,644,362	28,917,007	(727,355)
(1,067,758)		<b>Negative Goodwill</b>	(1,067,759)	(1,029,625)	38,134
<b>Current Assets</b>					
99,860		Debtors	263,914	204,899	(59,015)
0		Inventory	0	0	0
1,306,623		Cash at Bank and in hand	2,018,751	2,929,887	911,136
1,406,483			2,282,665	3,134,786	852,121
<b>Payables &lt; 1 year</b>					
(1,098,388)		Misc Creditors	(542,272)	(526,368)	15,904
(54,500)		Pension Deficit	0	0	0
(219,714)		Loans	(221,338)	(442,961)	(221,623)
(1,372,602)			(763,610)	(969,329)	(205,719)
33,881		<b>Net Current Assets/ ( Liabilities )</b>	1,519,055	2,165,457	646,402
29,022,459		<b>Total Assets less current liabilities</b>	30,095,658	30,052,839	(80,953)
<b>Payables &gt; 1 year</b>					
(7,950,011)		Loans	(7,933,510)	(7,472,073)	461,437
(49,151)		Pension Deficit	0	57,520	57,520
(7,999,162)			(7,933,510)	(7,414,553)	518,957
<b>Deferred Income</b>					
(14,240,466)		Social Housing Grant	(14,324,693)	(13,874,540)	450,154
(789,108)		Non Housing Grants	(718,460)	(694,866)	23,593
(15,029,574)			(15,043,153)	(14,569,406)	473,747
5,993,723		<b>Net Assets</b>	7,118,995	8,068,880	949,885
<b>Capital and Reserves</b>					
313		Share Capital	118	118	0
5,993,410		Reserves	6,560,128	7,510,013	949,885
5,993,723			6,560,246	7,510,131	949,885
0			558,749	558,749	0
		Operating Surplus			1,142,005

**WELLHOUSE HOUSING ASSOCIATION LIMITED**

**MANAGEMENT ACCOUNTS TO**

**31 March 2021**



**STATEMENT OF CASHFLOWS**

Operating Surplus		1,142,005
Adjust for Depreciation and other non-cash transactions		<u>470,977</u>
Adjusted Operating Surplus		1,612,981
Movement in Debtors		59,015
Movement in Creditors		(73,421)
<u>Investing Activities</u>		
Purchase of Properties and Components	(302,372)	
Purchase of Other Fixed Assets	0	
Disposal of Other Fixed Assets	0	
Grants received	<u>85,001</u>	(217,371)
<u>Financing Activities</u>		
Interest receivable	4,096	
Interest payable	(234,350)	
Loan capital repaid	(239,814)	
Share capital issued	<u>0</u>	(470,068)
		<u><u>911,137</u></u>
Movement in Cash per Balance Sheet		911,136

1

## COVENANTS AS AT 31 MARCH 2021

This page compares the Association's performance in key areas against financial covenants included within loan agreements.

INTEREST COVER	Accounts	Target set by Bank	Actual	Covenant Satisfied?
Operating Surplus	1,142,005	Greater than 110%	531.33%	Yes
LESS:Housing Grants Amortised	(558,749)			
LESS:Pension Deficit Contribution	(57,520)			
ADD:Housing Depreciation	1,000,038			
LESS:Component Replacements	(302,372)			
	<b>1,223,401</b>			
Interest Payments	234,350			
Interest Receipts	(4,096)			
	<b>230,254</b>			

GEARING	Accounts	Target set by Bank	Actual	Covenant Satisfied?
Balance of Outstanding Loans	<b>7,915,034</b>	Less than 30%	19.20%	Yes
Historic Housing Cost	<b>41,224,265</b>			

ASSET COVER	Accounts	Target set by Bank	Actual	Covenant Satisfied?
Existing Use Value - Social Housing (£5,874,000 @ 115% cover)	5,107,826	More than 100%	193%	Yes
Market Value - Subject to Tenancy (£11,024,222 @ 130% cover)	8,480,171			
	<b>13,587,997</b>			
Outstanding RBS Loans	<b>7,029,412</b>			



## WELLHOUSE HOUSING ASSOCIATION

2020/21 Budget



Overheads	Housing Management	Commercial Lettings	Factoring	The Hub Services	Corporate Services	2020/21 Budget Total	Budget Apr-Mar'21	Actual Apr-Mar'21	(Adverse) Favourable Variance	Comments
24). Advertising (Publicity & Promotions)	1,000				1,000	1,000	1,000	0	1,000	
25). Audit Fee - External	11,400				11,400	11,400	11,400	12,295	(895)	
Audit Fee - Internal	12,100				12,100	12,100	12,100	9,600	2,500	Internal Audit fees not accrued, only charged when work completed
26). Bank Charges - Alipay	11,800				11,800	11,800	11,800	9,177	2,623	
- General	500				500	500	500	458	42	
27). Depreciation - Other Fixed Assets	28,155				28,155	28,155	28,155	29,689	(1,534)	
28). General Expenses - Miscellaneous	2,800				2,800	2,800	2,800	1,132	1,668	
- Provisions	1,900				1,900	1,900	1,900	0	1,900	
- Staff Welfare Costs	700				700	700	700	0	700	
- Cash Collection Costs (G4S)	600				600	600	600	(81)	681	
Taxi	1,200				1,200	1,200	1,200	45	1,155	
Health & Safety	800				800	800	800	5,150	(4,350)	Increase in costs due to Covid requirements
29). General Committee Expenses	3,600				3,600	3,600	3,600	15	3,585	
30). Heat & Light	17,900			4,000	13,900	17,900	17,900	7,357	10,543	Office Closed part of the year and most staff also working remotely
31). Cleaning	6,500			1,500	5,000	6,500	6,500	9,244	(2,744)	Increased cleaning requirements due to covid
32). Insurance - Housing Stock	58,000	55,050	2,950		58,000	58,000	58,000	56,348	1,652	
- Non-Housing premiums	18,000				18,000	18,000	18,000	19,190	(1,190)	
33). Office Maintenance - Repairs & Renewals	16,000			5,000	10,000	16,000	16,000	47,831	(32,831)	£11.5 k upgrade to Nursery not budgeted for this year. £3.3K lighting upgrade to cafe/IT suite, £8k café kitchen, £4k instal wardens shower & refurbish area, £5.5k painting cafe and £4.7k hub boiler replacement consultant engineer costs included in here
- Equip Maintenance	7,000				7,000	7,000	7,000	2,729	4,271	
34). Office Equipment - New Items	12,500				12,500	12,500	12,500	6,988	5,512	
IT Maintenance Support Costs	30,500				30,500	30,500	30,500	23,254	7,246	Budgets being coded as IT Maint Support Costs & Actuals being coded to Subscriptions
IT Expenses	3,000				3,000	3,000	3,000	428	2,572	
35). Printing (External)	8,200				8,200	8,200	8,200	17,355	(9,155)	£3,700 for tenants handbook costs not budgeted for. Newsletter costs higher than budgeted due to them also arranging delivery. Additional printing signs etc due to Covid 19
Printing (Internal Photocopier Charges etc)	6,000				6,000	6,000	6,000	2,523	3,477	
Stationery	4,300				4,300	4,300	4,300	583	3,717	
36). Postage	2,900				2,900	2,900	2,900	4,091	(1,191)	
37). Rent & Rates	1,900				1,900	1,900	1,900	1,259	641	
38). Seminars & Training - Staff	16,000				16,000	16,000	16,000	4,166	11,834	Due to covid 19 many courses conferences & courses cancelled
39). Seminars & Training - Committee	5,500				5,500	5,500	5,500	2,916	2,584	Due to covid 19 many courses conferences & courses cancelled
40). Staff Recruitment	3,600				3,600	3,600	3,600	4,649	(1,049)	
41). Subscriptions	25,976				25,976	25,976	25,976	28,165	(2,189)	Budgets being coded as IT Maint Support Costs & Actuals being coded to Subscriptions
42). Telephones	9,500			2,000	7,500	9,500	9,500	5,538	3,962	
43). Legal Fees - General	12,000				12,000	12,000	12,000	6,062	5,938	
44). Legal Fees - Housing	9,000	9,000			9,000	9,000	9,000	10,453	(1,453)	
45). Professional Fees	13,000				13,000	13,000	13,000	38,547	(25,547)	£22k PR services from Sept 20 - Mar 21
Housing -Agency Fees - WR	0	0			0	0	0	0	0	
46). Commercial Property Cost	1,000		1,000		1,000	1,000	1,000	0	1,000	
47). Donation -CCT Contribution	17,350				17,350	17,350	17,350	0	17,350	Changes in relationship with CCT since budget agreed
Donations -Others	400				400	400	400	3,000	(2,600)	
48). Tenant Participation	12,000	12,000			12,000	12,000	12,000	8,084	3,916	Budgets spread evenly but actuals quarterly and a halt to the Next Steps Programme
49). Vehicle Costs	3,000				3,000	3,000	3,000	0	3,000	
50). AGM Costs	3,000				3,000	3,000	3,000	0	3,000	
51).					0	0	0	0	0	
<b>396,581</b>	<b>87,850</b>	<b>1,000</b>	<b>2,950</b>	<b>12,500</b>	<b>292,281</b>	<b>0</b>	<b>396,581</b>	<b>378,239</b>	<b>18,342</b>	

## WELLHOUSE HOUSING ASSOCIATION LTD

MAINTENANCE BUDGET TO MARCI	Total 2020/21 TOTAL	Budget Apr-Mar'21	Actual Apr-Mar'21	(Adverse) Favourable Variance
<b>CYCLICAL MAINTENANCE</b>				
ELECTRICAL TESTING	36,000	36,000	10,384	25,616
CLOSE ELECTRICAL TESTING			14,760	(14,760)
EXTERNAL PAINTING- phase 2B	0	0	3,420	(3,420)
EXTERNAL PAINTING- phase 8	0	0		
EXTERNAL PAINTING - phase 10	0	0		
GAS SERVICING	80,000	80,000	32,924	47,076
GUTTER CLEANING	66,000	66,000	28,648	37,352
GAS SAFETY AUDIT	7,800	7,800	1,253	6,547
FIRE SERVICE - 14 LANGBAR GDNS	7,800	7,800	414	7,386
FIRE SERVICE - EQUIPMENT	0	0	56	(56)
ASBESTOS MANAGEMENT	3,600	3,600	220	3,380
WATER TESTING	12,000	12,000	0	12,000
	<u>213,200</u>	<u>213,200</u>	<u>92,080</u>	<u>121,120</u>
<b>REACTIVE MAINTENANCE</b>				
REACTIVE MAINT	165,026	165,026	198,021	(20,924)
SCOTTISH POWER L/LSUP	12,071	12,071		
ESTATE SERVICES - Materials	25,000	25,000	8,251	16,749
ESTATE SERVICES - Van/Fuel	13,000	13,000	10,065	2,935
Close Cleaning	0	0		
VOIDS	130,000	130,000	126,395	3,605
Facilities Management Costs	2,500	2,500		2,500
	<u>347,597</u>	<u>347,597</u>	<u>342,732</u>	<u>4,866</u>
<b>Stage 3 Adaptations- Ex GHA</b>				
Stage 3 Adaptations	12,996	12,996	4,125	
	30,000	30,000	56,500	(17,629)
	<u>42,996</u>	<u>42,996</u>	<u>60,625</u>	<u>(17,629)</u>
<b>MAJOR REPAIRS - NON-CAPITALISED</b>				
KITCHEN EXTRACTOR FANS Phase 5	7,500	7,500	7,099	401
Bathroom EXTRACTOR FANS Phase 5	7,500	7,500	818	6,682
Doors	0	0	988	
Smoke Alarms Phase 8	48,000	48,000	13,015	34,985
Commercial Units - Newhills Rd R&R	0	0	36,154	(36,154)
External Paths	24,000	24,000	0	24,000
Back Courts Phase 1	60,000	60,000	1,184	118,816
Back Courts Phase 2A	60,000	60,000		
External Verandas	72,000	72,000	30,245	41,755
Consultants Costs	37,500	37,500		37,500
	<u>0</u>	<u>0</u>	<u>89,503</u>	<u>227,985</u>
	<u>316,500</u>	<u>316,500</u>	<u>89,503</u>	<u>227,985</u>
<b>MAJOR REPAIRS - CAPITALISED COMPONENTS</b>				
Kitchens Phase 5	319,680	319,680	61,528	258,152
Bathrooms Phase 3	141,120	141,120	45,337	95,783
Gas Boiler Replacements Phase 10	90,000	90,000	63,796	26,204
External Doors 2B	108,000	108,000	7,974	100,026
External Windows 2A	295,200	295,200		295,200
the Hub boiler replacement	36,000	36,000	37,998	(1,998)
the Hub poss remodeling	0	0		
	<u>990,000</u>	<u>990,000</u>	<u>216,634</u>	<u>773,366</u>

Assume a £2,000 spend on Factored Owners p 2,000

<b>Management Committee</b>	May 2021
<b>Agenda Item</b>	11
<b>Title of Paper</b>	Approved List of Contractors & Suppliers 21/22
<b>Author</b>	Bill Black, Assets & Maintenance Manager
<b>Attachment</b>	Appendix 1: Approved List, Appendix 2: Guidance Note

## FOR DISCUSSION & APPROVAL

### 1 PURPOSE

- 1.1 To review our approved contractors and supplier list in order:
- To meet demand and workloads;
  - To ensure specialised works are carried out by suitably qualified contractors;
  - To meet our key performance indicators;
  - To appoint suitably qualified contractor to our approved list.

### 2 RECOMMENDATIONS

- 2.1 The Management Committee are asked approve the contractors and suppliers list for 2021-22.

### 3 BUSINESS PLAN, VISION AND VALUES

- 3.1 The report is consistent with our commitment to improve our performance management and is compliant with our strategic objectives;

1. Deliver excellent services;
2. Provide good quality homes;
3. Anticipate, understand and respond to local needs;
4. Foster an attractive, successful and thriving community;
5. Maintain good governance and financial management;
6. Value and invest in our people.

It is also consistent with our Values of:

- Trust;
- Honesty;
- Integrity;
- Excellence;
- Accountability;
- Sustainability.

### 3 BACKGROUND

- 3.1 It is the policy of the Association to have in place an approved list of contractors which is reviewed on an annual basis to ensure high performance, efficiency and value for

money. It is good practice for the management committee to note and approve our list of contractors annually.

- 3.2 The Management Committee approved a new *Entitlements, Payments & Benefits Policy* for WHA in February 2018. This noted that use of WHA's contractors and suppliers by staff and committee members was discouraged, but could be agreed in certain limited circumstances, subject to prior approval by the Director. A schedule of WHA's contractors and suppliers is now attached for your information (**at Appendix 1**), so that committee members are aware who they are, and can avoid using them for their personal use. This schedule does not include any large, national organisations such as banks, utility companies, etc. (e.g., B & Q), from whom no "favour" or benefit could realistically be gained, and small local suppliers. A Guidance Note is also attached (**at Appendix 2**), setting out the rare circumstances in which it might be possible to seek consent for their use for personal purposes, and the process required to be followed. An application form for use in connection with this process is available, and was circulated to all management committee members.

#### 4 MAIN ISSUES

The following contractors have been added over the past financial year to our approved list.

Total Reinstatement Ltd	Veranda Works
Akp Ltd	Newhills Road, Refurbishment
Sidey Solutions Ltd	Window & Door contract
Robertson Acom.	Controlled Entry repairs

No Contractors were removed.

#### 5. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

- 5.1 It is a requirement in the Social Housing Charter (Outcome 5 repairs, maintenance and improvements) for Social landlords to manage their businesses so that tenants' homes are well maintained, with repairs and improvements carried out when required, and tenants are given reasonable choices about when work is done.
- 5.2 In order to maintain transparency and our excellent reputation, you should avoid the use of our approved contractors and other suppliers for your own personal purposes. This expectation is set out in our Entitlements, Payments & Benefits Policy.

#### 6. CONSULTATION

- 6.1 Contractors' performance meetings take place once a month or as often as require if we or the contractors have concerns.
- 6.2 Management Committee are provided with a report annually on our approved contractor's performance.
- 6.3 Tenants report issues through our Customer Opinion Panel.
- 6.4 Suppliers and consultants are monitored on performance and service delivery monthly.

## **7. FINANCIAL IMPLICATIONS**

None we are aware of at time of report.

## **8. KEY RISKS**

8.1 Failure to appoint suitable qualified contractors, consultants and suppliers could result in:

- Reputational damage to the association;
- Unqualified contractors, consultant and suppliers carrying out works for the association;
- Poor service delivery on our repairs' programs.

## **9. EQUALITY AND DIVERSITY IMPLICATIONS**

There are no identified impacts on any of the main minority groups or diversity implications even an unintended one.

## **10. CONCLUSIONS**

The Management Committee are asked approve the approved contractor and suppliers list for 21/22content of the report.

Name
ABSOLUTE SELF STORAGE
ACS RISK CONTROL
ADVANCE CONSTRUCTION SCOTLAND
ADVANCED PRESERVATION SPECIALISTS
ADVICE UK
AIS VANGUARD LIMITED
ALL PEST SERVICES
ALLANDER
ARCO LIMITED
ASCO EXTINGUISHERS
ASPECT LAND & HYDROGRAPHIC SURVEYS
AUSTIN SMITH LORD
AUTOCLOCK SYSTEMS LTD
Akp Ltd
B AND Q
BAKER TILLY UK AUDIT LLP
BIELD RESPONSE 24
BIFFA
BLU JANITORIAL SUPPLIES
BT
CALEDONIAN TREE SERVICES LTD
CAPITA CONFERENCES
CARPET TILE SOLUTIONS LTD
CASTLE WATER
CENTRAL VAT CONSULTANTS
CF ASSET
CGPM CONSULTIN LLP
CHARTERED INSTITUTE OF HOUSING
CHRIS FITZPATRICK
CIPFA BUSINESS LTD
CITRUS ENERGY LTD
CITY BUILDING
CITY OF GLASGOW COLLEGE
CITY TECHNICAL SERVICES (UK) LTD
CLEANSCENE
CMS WINDOWS
CONNECT COMMUNITY TRUST
CONNECT-IN ENTERPRISES
CROWN DECORATING CENTRES
CRUDENS BUILDING & RENEWALS
DANWOOD GROUP LTD
DEM-MASTER
DMS OFFICE SUPPLIES
DOORTEK
EDEN SPRINGS
EDMUNDSON ELECTRICAL
EILEEN SHAND
ENGIE POWER
ENVIRAZ (SCOTLAND) LTD

ENVIRAZ SURVEYS LTD
EUROPRINT
EVH
FIRST AID 4 LESS
FMD FINANCIAL SERVICES
FUEL GENIE
FUTURETEC SYSTEMS LTD
G.E.S (U.K) LIMITED
G4S CASH SOLUTIONS UK LTD
GEORGE BOYD
GFS FACILITIES MAINTENANCE
GLASGOW WEST OF SCOTLAND FORUM
GLSGOW PRIVATE HIRE
GLSGOW TAXI
GOLDSEAL
GOSTA TRAINING LTD
GRAHAM ROOFING (SCOTLAND)
GRAVITATE HR
HAVEN
HIPER LTD
HMDC LTD
HOUSING REGENERATION CONSULTANTS
HSE SOLUTIONS LTD
HUGH STIRLING LIMITED
IAN MACDONALD FLOORING
INNOVATE ALARMS LIMITED
INTEGRAL OCCUPATIONAL HEALTH
IRONMONGERY DIRECT
ITAGG LIMITED
J G GRAY ARCHITECTS
J.S. MCCOLL
JB BENNETT CONTRACTS LTD
JEWSON
JOIN THE DOTS CONSULTANTS LTD
JONES LANG LASALLE LTD
KEYPRINT SECURITY LTD
KIRKTON FLOORING LIMITED
KROWMARK LTD
L&D SERVICES
Latto Ltd
LIGHTBODY CONSULTANCY
LINDA EWART
LINDSAY GEMMILL HOUSING ADVISORY
LISSON GROVE BENEFITS PROGRAM LTD
LIVING WAGE FOUNDATION
LSK SUPPLIES
LYNN MCCULLOCH LTD
LYRECO UK LTD
MACHINE MART
MAN & VAN

MARTIN PLANT HIRE
MCLAUGHLAN FABRICATION
MCN
MIH HOUSING SERVICES LTD
MITCHELL DRAINAGE & WASTE SERVICES LTD
MITCHELL SERVICES
Modus Ltd
MOULD GROWTH CONSULTANTS
MTS DRAINAGE SOLUTIONS LIMITED
NHS LANARKSHIRE
NORTHERN SERVICES
ODS CONSULTING
OFFICE CARE SCOTLAND
OFFICE TEAM
OPUS ENERGY
OTIS LTD
PERIVAN
PESTGUARD SERVICES
PETRIE ROBERTSON DESIGN LTD
PHS DATASHRED
PITNEY BOWES
PJR CONSULTANTS
PULSANT
R M DUNCAN PHOTOGRAPHY
RAMSEY MCMICHAEL CONSULTING LIMITED
RANKIN ENVIROMENTAL LIMITED
RECOGNITION EXPRESS
REID ASSOCIATES
REIGART CONTRACTS LTD
RENTOKIL INITIAL UK LTD
RESEARCH SCOTLAND
RESOURCE TELECOM LTD
RESTORE DATASHRED

Robertson Acom

ROBERTSON TRUST
ROMECH FM LIMITED
ROYALMAIL
RSM UK CONSULTING LLP
S.A.S Ltd (ariels)
S.F.H.A
SAFELIVES
SALTIRE FACILITIES MANAGEMENT LTD
SANDRA SMITH CONSULTANT
SCOTBARK
SCOTIA PLUMBING & HEATING
SCOTTISH HOUSING NETWORKS
SCOTTISH POWER
SCREWFIX
SDM HOUSING SOFTWARE
SHARON FLYNN CONSULTANTS



SHIELS CONSTRUCTION JOINERY & MAINTENANCE LIMITED
Sidey Ltd
SIMPLIFIE LIMITED
SIMPLY PUBLISHING LTD
SMS EXPERT LTD
SOFTWARE ONE UK LTD
SOUND SERVICE
SSE SOUTHERN ELECTRIC
TC YOUNG
TENANTS INFORMATION SERVICE
TENANTS PARTICIPATION ADVISORY SERVICE
THE BATHROOM SURGERY
THE BEST CONNECTION
THE PRINT BROKERS
THE ROOF ANCHOR COMPANY
THE TRANSPORT MAN
Total Reinstatement Ltd,
THOMAS ASH & SONS
TLC DIRECT
TUMBLETOTS NURSERY
TV LICENSING
UNIVERSAL CREDIT ADVICE
VICTORIA ROAD CARPETS
VISUAL STATS SOLUTIONS
VITTRA LTD
WEIRS TARMAC LIMITED
WISE PROPERTY CARE
WYLIE & BISSET
XERETEC SCOTLAND LTD

## Use of Wellhouse Housing Association's Contractors and Suppliers

### Guidance Note for Staff and Committee Members

#### 1. Introduction

In order to maintain transparency and our excellent reputation, you should avoid the use of our approved contractors and other suppliers for your own personal purposes. This expectation is set out in our Entitlements, Payments & Benefits Policy.

#### 2. Who are our contractors and suppliers?

So that you are clear about who these contractors and suppliers are that fall under this policy, a list is attached at Appendix 1 to this guidance note. This list does not include all of the contractors and suppliers that we use – some have been excluded because they provide services of a small value, or because they are such large organisations (e.g. banks, BT, utility companies) that no “favour” or benefit could realistically be gained from them. They have been left off the list because there is no restriction in using them.

This list will be reviewed and updated at least annually (more frequently if needed) by the Finance Manager.

#### 3. Can we ever use our contractors or suppliers for our own personal purposes?

Yes, but only in limited circumstances, and you must apply for, and receive consent from the Director **before** you commit yourself to using them.

WHA does not wish to disadvantage its staff and committee members, so where it is not possible to find a reasonable selection of potential contractors or suppliers for the work or purchasing that you wish to make in your local area, then it may be permissible to use those contractors and suppliers on the attached list **provided that** you can demonstrate that there is no reasonable alternative, and that you will receive no preferential treatment in terms of service or cost.

Given our location close to Glasgow, there should always be plenty of alternative suppliers of any goods or services that you may require, so it is expected that this process will be used only on rare occasions.

#### 4. Applying for consent to use our contractors and suppliers

If you believe you have identified a situation where there is no economic alternative but to use one of WHA's contractors or suppliers, you must submit the attached application form (WHA/DECLN4) to the Director. This application must include a written quotation for the works or goods required from the proposed supplier, and at least one other quotation from an alternative supplier, or evidence of unsuccessful efforts to obtain alternative quotations.

Provided that the Director is not absent from work, you can expect to receive a response to your application within 3 days of submitting it.

Any such application by the Director will be dealt with by the Chair.

## **5. Certification by approved contractor and supplier**

If you receive consent to use one of our contractors or suppliers, you must obtain and submit a copy of the receipted invoice for the work undertaken or the goods supplied to the Director, within 5 days of receipt of those goods or services. You must also obtain and submit a signed and dated copy of the following certification from the supplier, on their headed notepaper:

*"I certify that the goods/service that I have supplied to ..(your name).. at a cost of .... did not represent preferential treatment in terms of price, quality or in any other way, because of their involvement with Wellhouse Housing Association"*

You must establish with the supplier that they will be prepared to make and sign this statement on completion of the works, before you commit yourself to proceeding.

## **6. Making an entry on WHA's Register of Interests**

If you receive consent to use one of WHA's contractors or suppliers, an entry recording the details of this must be made in WHA's Register of Interests. The Director will ensure that this entry is made within 5 days of consent being given, with further details of date and cost of supply being added once the receipt and certification are received from you. It is your responsibility to check and confirm the accuracy of any entries made on the Register under your name, from time to time.

## **7. Accidental use of WHA's contractors or suppliers**

If you inadvertently use a contractor or supplier on the attached list, for instance in an emergency situation, you must notify the Director as soon as possible thereafter, providing all necessary information so that an appropriate entry can be made in the Register of Interests.

## **8. Failure to declare the use of WHA contractors and suppliers for personal purposes**

If it subsequently comes to light that a staff or committee member may have used a WHA contractor or supplier for personal purposes but failed to declare it, this will be investigated as a potential breach of the Staff or Governing Members Code of Conduct.

## **9. Managing and reporting approved use of our contractors and suppliers**

The management team is responsible for reviewing all declared potential conflicts of interest, and entries on the Register of Interests, to consider how such conflicts should be managed. Following any granting of consent, the management team may take steps to ensure that the individual granted consent is not involved with any transactions with such contractors and suppliers, or decisions about them on behalf of WHA.

A report will be provided to management committee at least annually (but potentially quarterly) on the total number of people to use our contractors and suppliers, including reasons for approval, and confirmation that no advantage was gained.

<b>Management Committee</b>	25 May 2021
<b>Agenda Item</b>	13
<b>Title of Paper</b>	Operational Update Report
<b>Author</b>	Management Team
<b>Appendices:</b>	<ol style="list-style-type: none"> <li>1. EVH – Covid 19 presentation</li> <li>2. Impact of Covid-19 on Greater Easterhouse</li> <li>3. Joint EHRA invite to quote</li> </ol>

## FOR INFORMATION AND DECISION

### EXECUTIVE SUMMARY:

#### 1. Director – Main Issues

##### 1.1 Development

The second Surface Water Management team workshop took place on 14 May 2021. This is little to add to the update at the last committee meeting and, at the time of writing, I have not received the notes or slides of the session. In summary, all parties are keen to progress with some initial retro-fitting initiatives to alleviate surface flooding. Immediate ideas include:

- fitting water butts/ rain gardens at the tenemental stock at Inver Road;
- changing the layout of an underground pipe at Newhills Road and;
- fitting a rain garden at the hub/ nursery.

In addition (medium term):

- creating more green areas to absorb flood water and;
- remedying the blocked drain outside the Hub on Wellhouse Crescent.

Early plans are being put in place for a public event and Scottish Water have been invited to provide an article for the newsletter. I will be talking to them on 21 May and give a verbal update to committee.

I will be talking to our development agent at New Gorbals HA too.

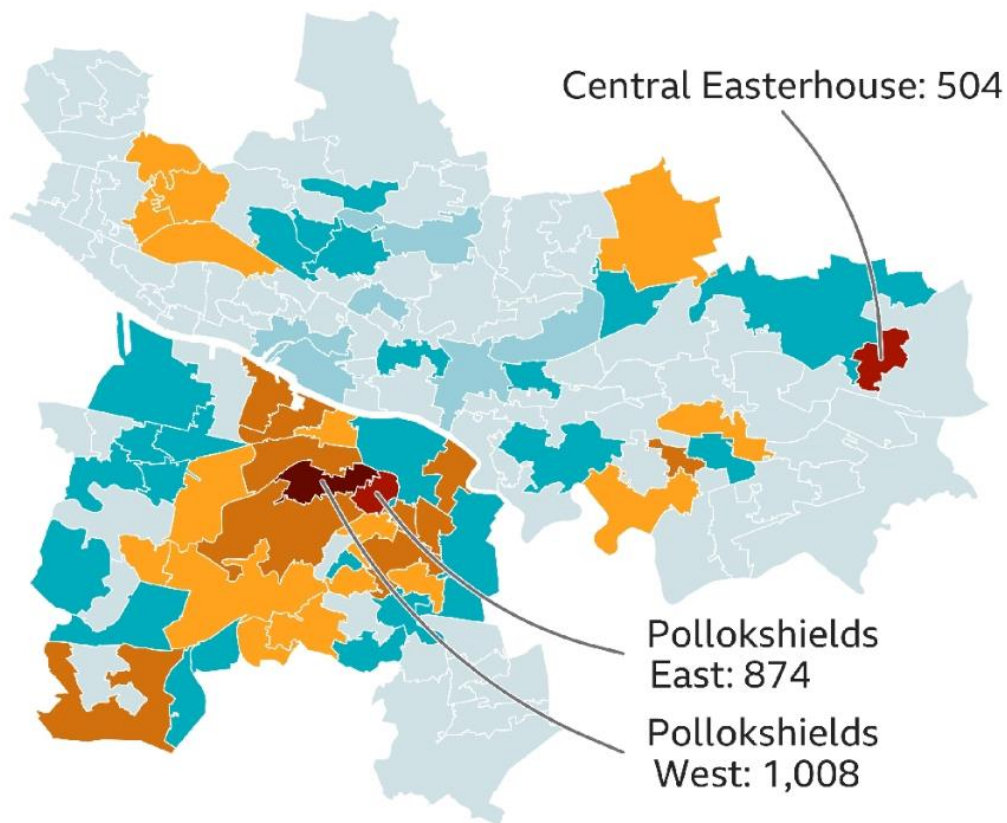
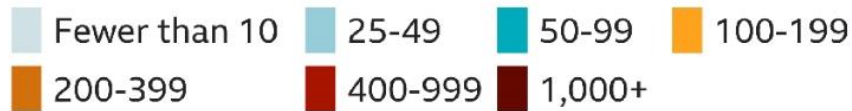
##### 1.2 Covid/ return to face-to-face work, etc.

At this point, we are looking at the whole of Scotland being on level 0 by July, meaning normality. However, there is a risk that Glasgow may be excluded, as we can see from current coverage. It should be noted too that Easterhouse remains a Covid hotspot and, as an employer, Wellhouse HA will need to remain vigilant:

**Trust    Honesty    Integrity    Excellence    Accountability    Sustainability**

## Coronavirus hotspots in Glasgow

Positive tests per 100,000 population in week to 11 May



Source: Public Health Scotland



Until now, we have followed the guidance of the Scottish Government to the letter and I suggest we continue with that. It is important to support staff and customers and protect Wellhouse as an employer. The Herald reported on 3 May that Covid related claims could be an issue for employers:

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## Covid-related claims could be industrial illness crisis of a generation

### Exclusive

By Deborah Anderson

COVID compensation claims could be the industrial illness crisis of a generation, according to a legal expert who is preparing for the floodgates to open for potential cases and court action.

Experts say similarities can be drawn from cases in the past which included miners' black lung disease from breathing in coal dust to the spread of workplace tuberculosis and outbreaks of superbug MRSA.

Enquiries for claims for Covid-related issues from bereaved families or individuals seeking recompense as well as workers wanting to know if employers had taken all possible measures to prevent the transmission of the virus are on the increase.

It comes as a charity set up to help workers in non-unionised sites, Scottish Hazards, says its enquiries have gone from a handful a week to more than 400 in the past 12 months.

One leading law firm, Thompsons Solicitors, which has a base in Glasgow, has decades of experience in handling compensation claims for industrial and workplace incidents, and has placed such importance on Covid that it has a dedicated unit for virus-related claims and believes it will reach an unprecedented scale of claims for some time to come.

Leading the unit is industrial claims expert Bruce Shields, a partner and Solicitor Advocate, and while it has already been advising a number of clients and

We will be using an occupational health tool (see ppt appendix 1) which helps us assess risk to staff and they will all be asked to complete the on-line 'covid age' tool before any return to work. The main office-based mitigation measures have been in place since last summer.

EHRA had commissioned work to ascertain the impact Covid-19 has had on Greater Easterhouse. Preliminary findings are attached at appendix 2.

I am carrying out a return-to-work survey for all staff – not all results are in and I report that at June committee.

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### 1.3 Easthall Residents Association

We have formally begun our work with them - the bicycle repair hub is up and running and going really well. A full statistical report will be reported in due course to committee.

East End flat pack meals have begun work in the Hub to prepare for a community café when lockdown easing permits.

- Monday, Tuesday and Friday Community Café 10am-2pm
- Tuesday and Thursday Afternoons Cooking Classes
- Wednesday 11am -1pm Creative writing class with soup and Sandwich
- Monday – Friday Breakfast club 7.45 -8.45.
- Everyday Click and Collect Flat Pack Meals.

All will services will adhere to Covid Guidelines.

### 1.4 Internal Audit procurement

Committee approved at April meeting to progress with a joint EHRA procurement exercise for the next programme of internal audit. Provanhall HA are the lead agency in this respect. Please see the specification document, included in full as an appendix 3. Note, we want our new programme to start from September, so we may need some interim arrangements and I will come back to Committee as soon as possible on that matter.

I will keep committee updated as to progress.

## 2. Housing & Customer Services Manager – Main Issues

- The collection of rent arrears continues to be a priority and an update is included in a separate report.
- The Service Improvement Officer has been focusing on the ARC return which is the subject of a separate report.
- The Income Advice Officer continues to support tenants by providing benefit advice and offering claim support as well as supporting the Housing Officer with arrears cases and providing Universal Credit early intervention support for new claims. Numbers of UC claims are continuing to increase.
- Funding from Glasgow City Council for fuel emergencies is still being used to help prevent / reduce the number of capped meter properties. We have made 8 awards to tenants, totaling £610.00. We have made 4 awards of £10.00 each to help tenants access the Ruchazie Pantry.
- The Digital Support Fund is coming to an end as we have almost used all of the funding. EE sim contracts have been cancelled and we will no longer be able to provide users of the fund with internet access from the 5<sup>th</sup> June 2021. The Income Advice Officer will contact tenants with loaned tablets to make them aware. We still have a small amount of funding left over which can be used to provide mobile phones to those who cannot access a mobile phone.

**Trust    Honesty    Integrity    Excellence    Accountability    Sustainability**

- Members of the Housing Team, along with members from other teams, have been engaged in several sessions for implementing Homemaster
- The Factoring process is being developed
- Officers are dealing with ongoing estate issues in relation to dog fouling and fly tipping

### **3. Assets & Maintenance Manager – Main Issues**

- Newhills work to the shop units are complete and ready for marketing.
- Adaptations we received funding allocation of £25,000. We currently have 6 adaptations 5 have been issued 2 completed with one waiting on a joint visit with the OT and contractor for a ramp installation. We will again ask for further funding as required.
- Electrical Periodic testing letters will be going out to restart the inspections, we have around 160 that are overdue ranging from a few days to over 1100 days. This is reportable as part of the ARC for next year and would have meant our SHQS pass rate dropping from 99% to around 80%. Covid has had an impact due to the various lockdowns but we have an element of people ignoring the letters. Housing Management will be notified of any non-accesses to assist with gaining entry. "Element 45 of the Scottish Housing Quality Standards (SHQS) – Safe Electrical Systems, landlords must organise electrical safety inspections".
- Letters have gone out for Kitchen and Bathroom Surveys.
- Windows and Doors acceptance letter has been issued to Sidey. A date for the pre-start meeting is to be arranged.
- The one-off household bulk uplift started Friday 14<sup>th</sup> May.



# COVID-19 An Occupational Health Update 7.5.21

Dr Munna Roy  
Medical Director, Integral OH  
Honorary Clinical Senior Lecturer, University of Glasgow



# What we will cover:

- Review of where we are with COVID-19
- Absolute Risk from COVID-19
- COVID Age
- Vaccination
- Return to Work risk assessment
- Shielding and 'Very High' COVID age
- Risk Assessment and Control Measures (overview)
- COVID-19 Testing – Test and Protect
- Q&A

# Where are we now (1)?

- R in Scotland is 0.8-1.0
- new daily infections 1 : 15 per 100,000
- New daily infections 0.001% – 0.015%
- We have highly effective vaccines

# Where are we now (2)?

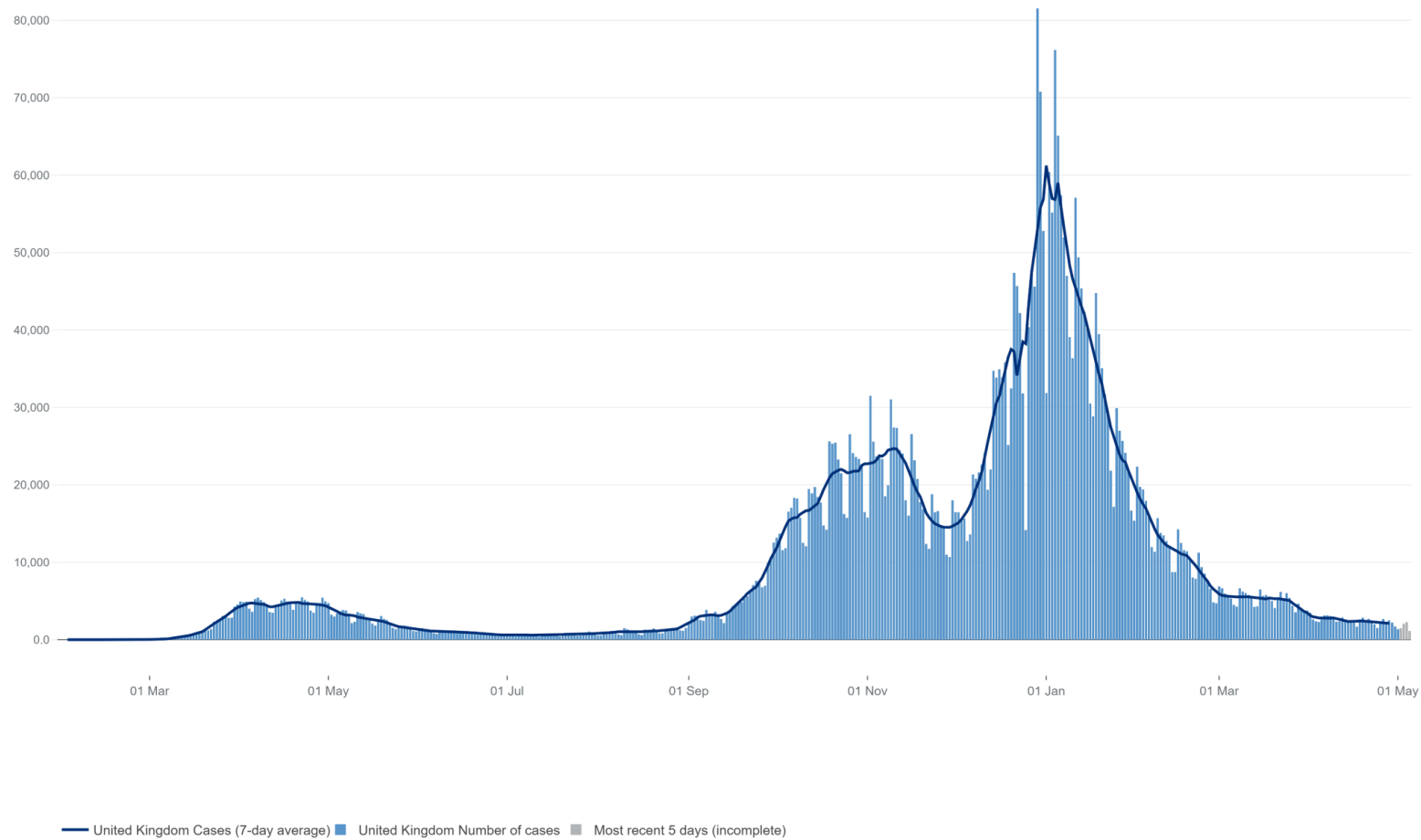
- Good evidence of reducing hospitalisation

11 people in ICU yesterday  
53 in hospital

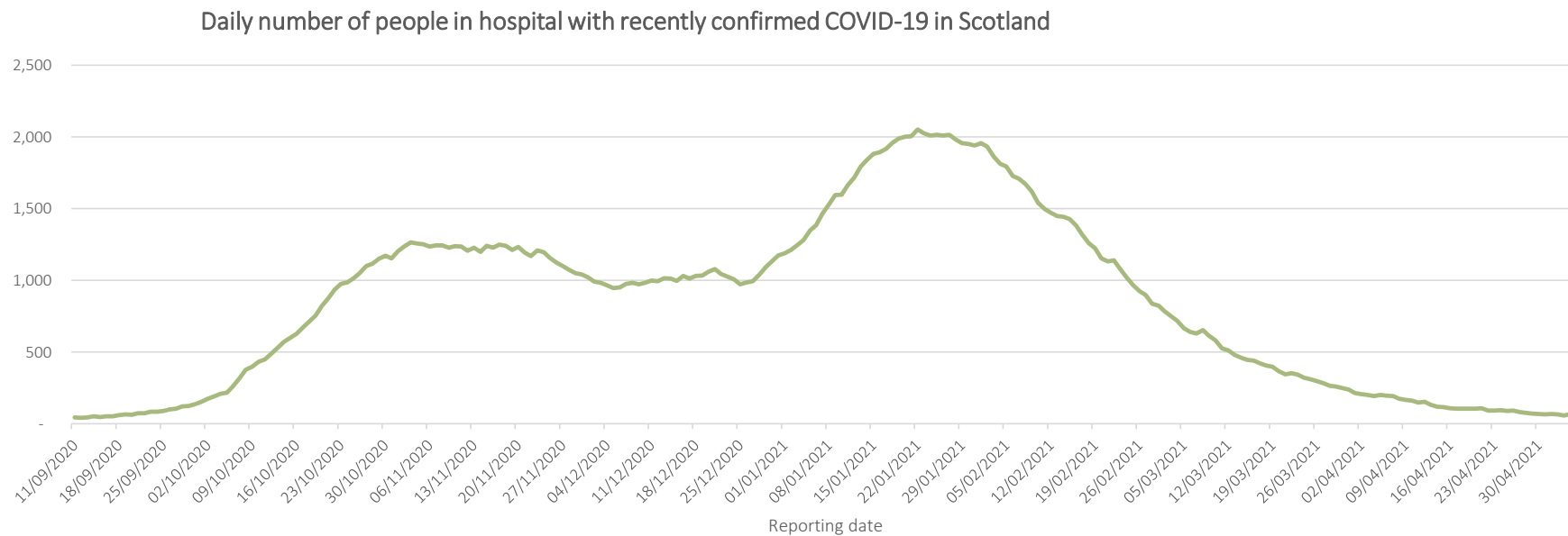
- 2,860,635 first vaccine dose

- 1.4M second dose

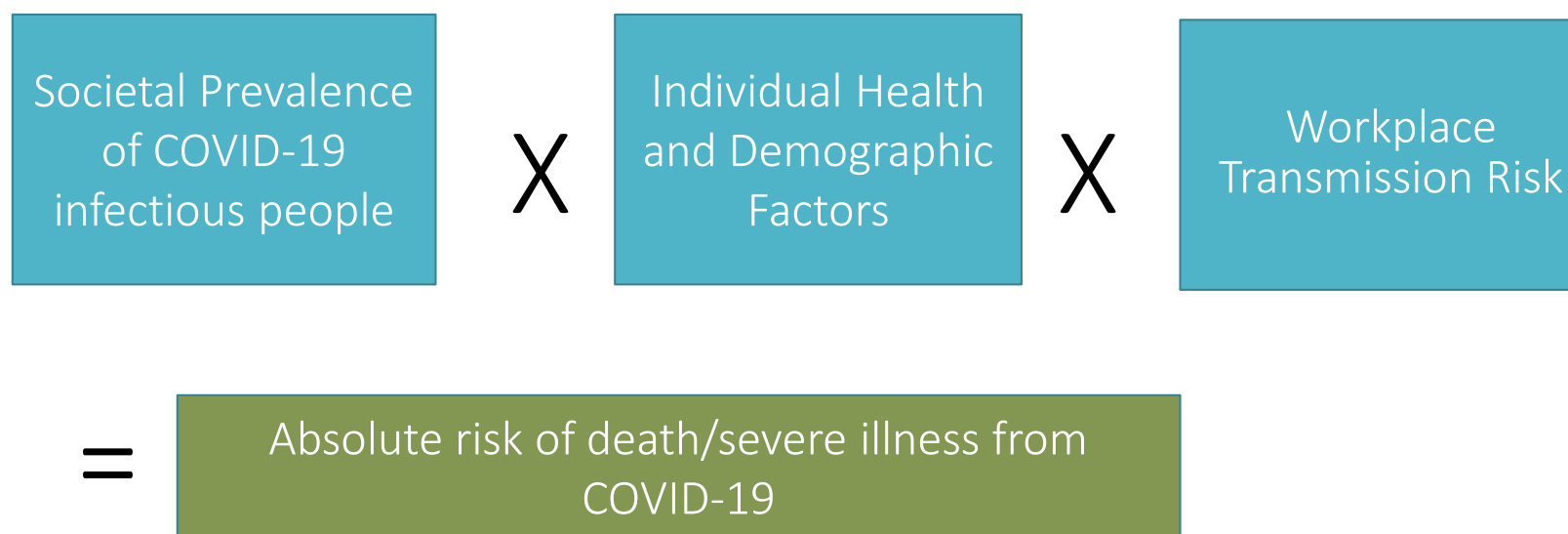
# Where are we now?



# Where are we now?



# Absolute risk from work in COVID-19



# Individual and demographic risk factors

Age and Gender are the strongest risk factors for a poor outcome from COVID-19 infection, but case fatality rates are a lot better than they were:

Age	Infection fatality rate	Odds of dying if infected (approx.)
20	0.01%	1:14286
30	0.02%	1:5000
40	0.06%	1:1667
50	0.16%	1:625
60	0.46%	1:217
70	1.30%	1:77
80	3.60%	1:28



# COVID Age

- The Chief Medical Officer Directorate in Scotland has sanctioned the use of COVID-age for use in Scotland.
- A scoring system to ascertain individual vulnerability to COVID-19.
- Use the online version:

<https://alama.org.uk/covid-19-medical-risk-assessment/>

# COVID Age

- Takes into account Chronological Age, Gender, Ethnicity and underlying medical conditions to 'Adjust' chronological age and convert it to a COVID Age.
- The COVID Age is a risk score that can then be used to identify the type of work that could be safe for an individual to work in.
- Designed for non-clinicians to use
- Let's look at an example.....

Please ensure you are using the most up to date version of the calculator. Latest version can be obtained from ALAMA website. Please [click here](#).  
Current version: v1.1 (2020-09-15)

True Age: **65**

Reset

Covid Age: **74**

Female sex	-5	<input type="checkbox"/>
Ethnicity		
Please select...	0	<input type="checkbox"/>
Body mass index (kg/m <sup>2</sup> )		
35-39.9	7	<input checked="" type="checkbox"/>
Hypertension	3	<input type="checkbox"/>
Heart failure	11	<input type="checkbox"/>
Other chronic heart disease	6	<input type="checkbox"/>
Cerebrovascular disease	11	<input type="checkbox"/>
Asthma		
Please select...	0	<input type="checkbox"/>
Other chronic respiratory disease	7	<input checked="" type="checkbox"/>
Other immunosuppressive condition ‡	9	<input type="checkbox"/>

Diabetes		
Please select...	0	<input type="checkbox"/>
Chronic kidney disease		
Please select...	0	<input type="checkbox"/>
Non-haematological cancer		
Please select...	0	<input type="checkbox"/>
Haematological malignancy		
Please select...	0	<input type="checkbox"/>
Liver disease	8	<input type="checkbox"/>
Organ transplant	13	<input type="checkbox"/>
Spleen diseases †	5	<input type="checkbox"/>
Rheumatoid/lupus/psoriasis	2	<input type="checkbox"/>
Chronic neurological disease other than stroke or dementia *	14	<input type="checkbox"/>

\* Chronic neurological disease other than stroke or dementia includes motor neurone disease, myasthenia gravis, multiple sclerosis, Parkinson's disease, cerebral palsy, quadriplegia, hemiplegia and progressive cerebellar disease.

† Spleen diseases include splenectomy, or spleen dysfunction (e.g. from sickle cell disease).

‡ Other immunosuppressive condition includes HIV, conditions inducing permanent immunodeficiency (ever diagnosed), aplastic anaemia, and temporary immunodeficiency recorded within the past year.

65 year old

Female (subtract 5)

White Ethnicity (add 0)

BMI of 37 (add 7)

COPD (add 7)

Covid Age = 74

# Covid-19 Vaccination

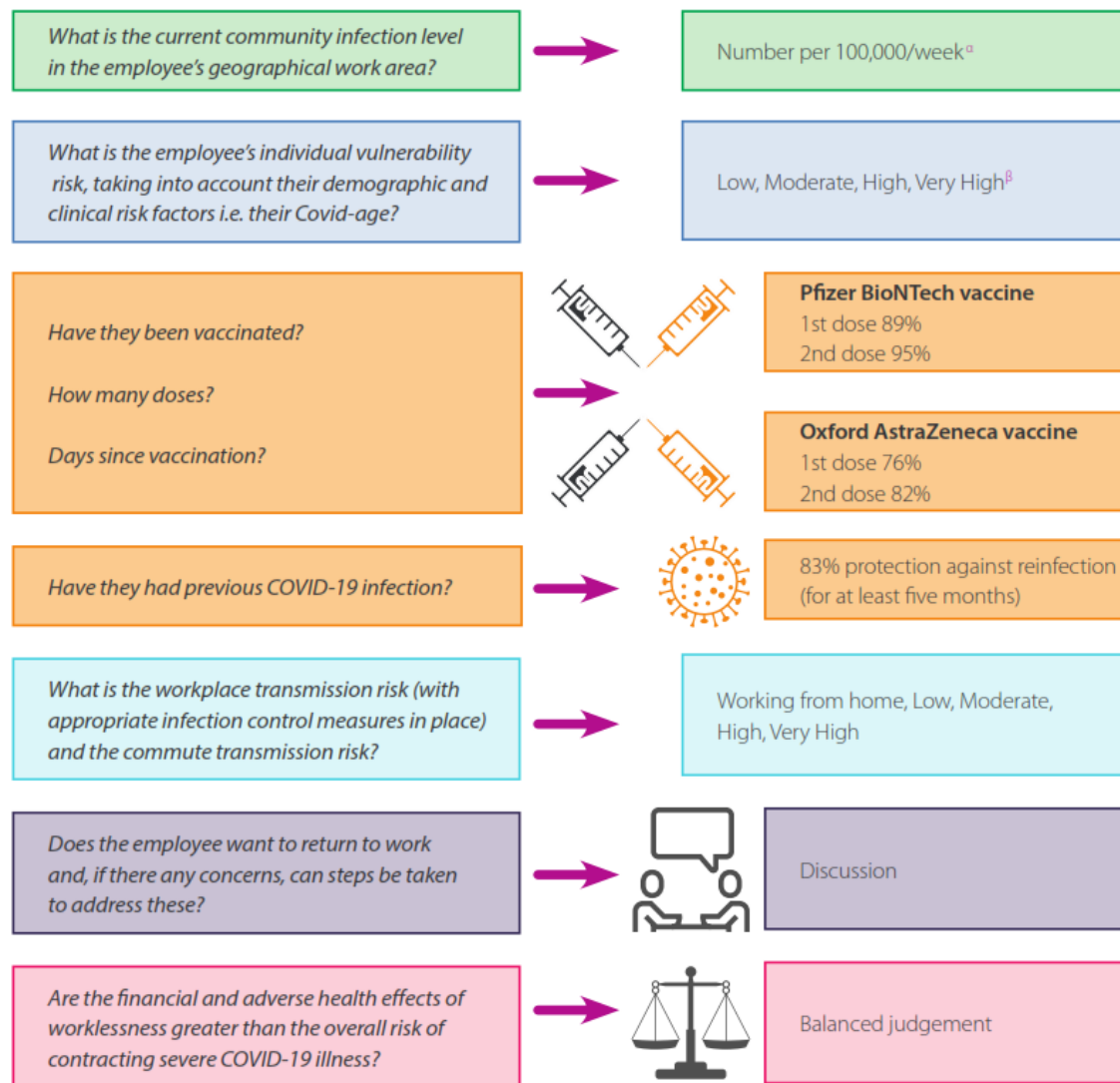
Pfizer/BioNTech – 1<sup>st</sup> dose, 89%; 2<sup>nd</sup> dose, 95%

Oxford/AstraZenica – 1<sup>st</sup> dose, 76%; 2<sup>nd</sup> dose, 82%

Moderna – 1<sup>ST</sup> dose 92.1%; 2<sup>nd</sup> dose, 94.1%

- Symptomatic Covid-19
- Reduced hospitalization and death – very high protection against severe disease even after first dose (91% Pfizer, 88% AZ) <sup>3</sup>

<sup>3</sup> Interim findings from first-dose mass COVID-19 vaccination roll-out and COVID-19 hospital admissions in Scotland: a national prospective cohort study - The Lancet



## Putting it all together

[https://www.som.org.uk/sites/som.org.uk/files/COVID-19\\_return\\_to\\_work\\_in\\_the\\_roadmap\\_out\\_of\\_lockdown\\_March\\_2021.pdf](https://www.som.org.uk/sites/som.org.uk/files/COVID-19_return_to_work_in_the_roadmap_out_of_lockdown_March_2021.pdf)

Table 1. Matrix guide for estimation of a worker's overall risk pre-and post-vaccination / infection***					
		Overall risk is very high, avoid this activity			
		Overall risk is high, only undertake this activity if it is essential and cannot be avoided			
		Overall risk is moderate, avoid if the activity is unnecessary			
		Overall risk is low, no requirement for any additional adjustments or controls			
		Viral prevalence per week <sup>a</sup>			
Workplace Risk	Covid-age <sup>b</sup>	1-9 /100,000	10-99 /100,000	100-999 /100,000	1000+ /100,000
<b>VERY HIGH</b> In rooms, wards or vehicles <b>caring for COVID-positive patients where full PPE cannot be worn reliably.</b>	85 and above				
	70-84				
	50-69				
	Under 50				
<b>HIGH</b> In rooms, wards, accommodation buildings or vehicles in <b>close proximity to people with suspected COVID-19.</b>	85 and above				
	70-84				
	50-69				
	Under 50				
<b>MEDIUM</b> <b>High number of different face-to-face contacts</b> e.g. healthcare, care homes, social care, hairdressing, teaching, police, probation work, supermarket staff. Public transport staff and passengers.	85 and above				
	70-84				
	50-69				
	Under 50				
<b>LOW</b> <b>Where good social distancing, ventilation and hygiene measures are in place</b> e.g. call centre work, office work, in-home utility and repair work. Commuting by car, bicycle and walking.	85 and above				
	70-84				
	50-69				
	Under 50				
<b>Working from home</b>	All ages				

# Putting it all together

Table 1 below presents the overall risk pre-vaccination / infection.

\*\*\* You will drop down to the next lower Covid-age<sup>b</sup> category below your calculated level if:

- You had the infection in the last six months
- You had the first dose of PfizerBioNTech vaccine more than 10 days ago
- You had the first dose of AstraZeneca vaccine more than 21 days ago

# Official Shielding List (Clinically Extremely Vulnerable) [1]

- CEV list is a central government/NHS list
- Not the same as 'Very High' Covid age (>85 years)
- Some overlap, but often not
- Covid-age is evidence based, CEV is not

# Official Shielding List (Clinically Extremely Vulnerable) [2]

- From 26 April, we expect that people on the shielding list who are currently at Level 4 will be able to return to the workplace, if they cannot work from home. College and university students and young people at school should also be able to return at this time. [Scottish Government 15.4.21](#)

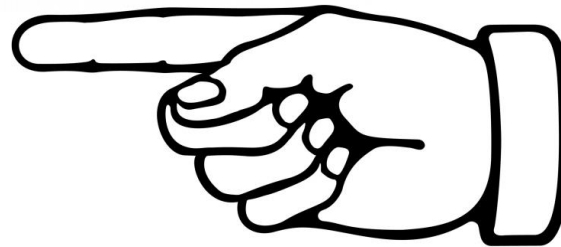


<https://covid19.healthyworkinglives.scot/returning-to-work/risk-assessment>

- Distancing
- Hand and Surface Hygiene
- Face Coverings
- Symptom Isolation
- Contact Isolation
- Testing
- Vaccination

## Workplace transmission risk assessment

This stuff is still important!



# COVID-19 Test and Protect

- New, continuous cough
- Fever (37.8C or more)
- Loss of or change in taste or smell

.....symptoms of potential COVID-19 infection

Should all get a test.

Helps confirm the diagnosis and identify those who need to isolate and have contact tracing

# Contact tracing definitions

- face-to-face contact including being coughed on or having a face-to-face conversation within one metre
- been within one metre for one minute or longer without face-to-face contact
- been within 2 metres of someone for more than 15 minutes (either as a one-off contact, or added up together over one day)
- travelled in the same vehicle or a plane

...distancing in the workplace diligently applied should avoid such contact

# What should you (your organization) do?

- Everyone to follow the guidance (testing, hygiene, contacts, distancing etc.)
- Review the work transmission risk controls
- Identify workers with increased vulnerability (Covid age)
- Make sure staff are able to isolate without penalty
- Get vaccinated when offered/facilitate vaccination/promote vaccination messages
- Stay in touch with staff by voice and promote your mental health services e.g. EAP, or even NHS resources, LLTTF.com etc.

# Questions?

# The impact of Covid-19 in Greater Easterhouse

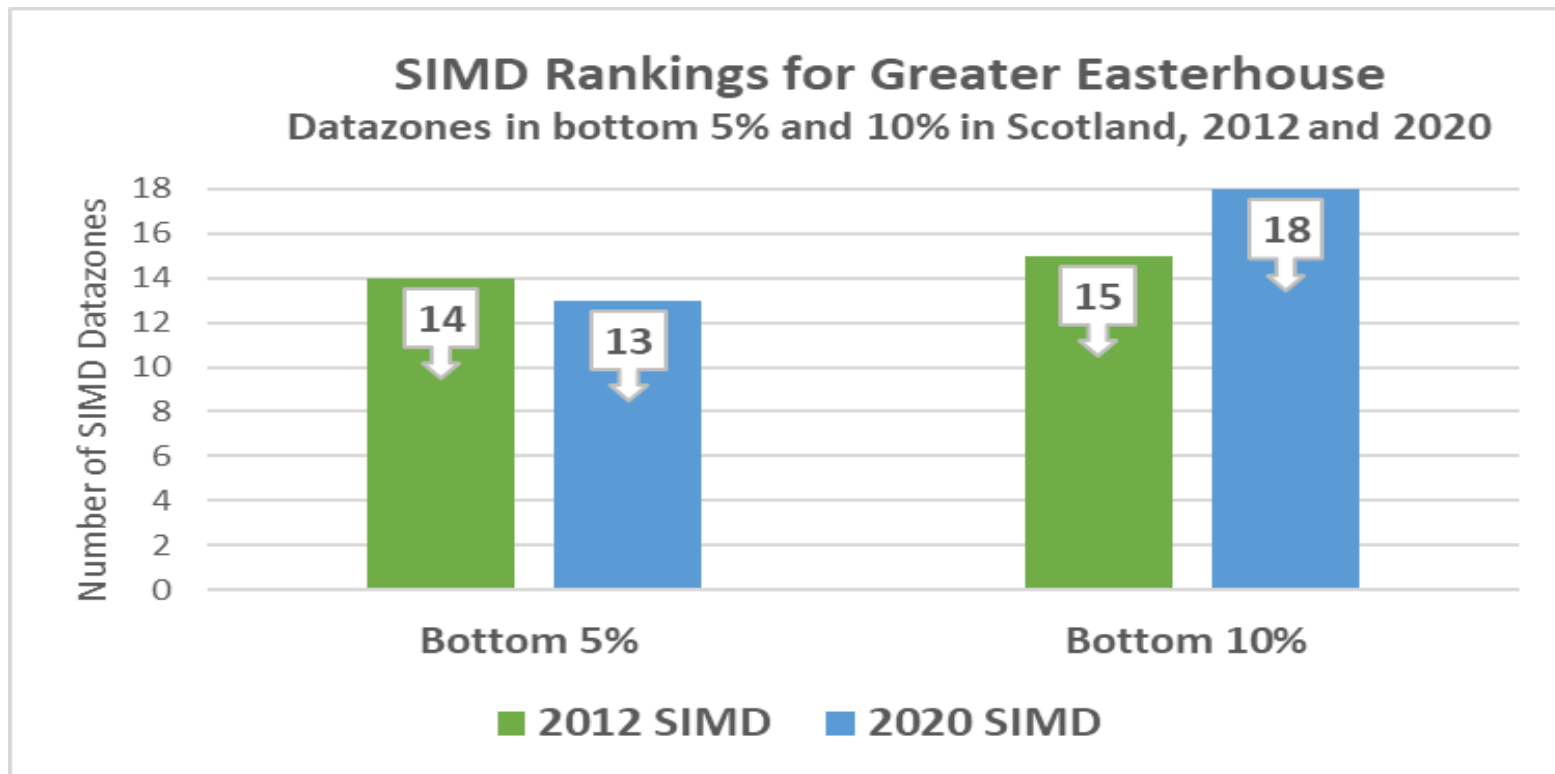
## Some emerging findings

Jim Harvey  
15 April 2021

# Before Covid

## Greater Easterhouse (20 datazones in 2020)

### SIMD Ranks





## SIMD 2020 Indicators: a brief selection

### Incomes & Employment

	<b>Gt Easterhouse Average</b>	<b>Glasgow Average</b>	<b>Robroyston</b>
Income Deprived (%)	35%	19%	3%
Employment Deprived (%)	24%	13%	3%

## Health

	Gt Easterhouse Average	Glasgow Average	Robroyston
Standardised mortality ratio*	172	116	32
Percentage of population being prescribed drugs for anxiety, depression or psychosis	26%	21%	11%
Emergency stays in hospital: standardised ratio	190	119	66

## Education & Young People

	Gt Easterhouse Average	Glasgow Average	Robroyston
Average attainment rate (school leavers)	4.9	5.8	6.5
Working age people with no qualifications: standardised ratio	256	153	83
% of people aged 16-19 not participating in education, employment or training	7%	4%	1%

During Covid

1 March 2020 to 31 January 2021

City of Glasgow Covid-19 Deaths: 1,355

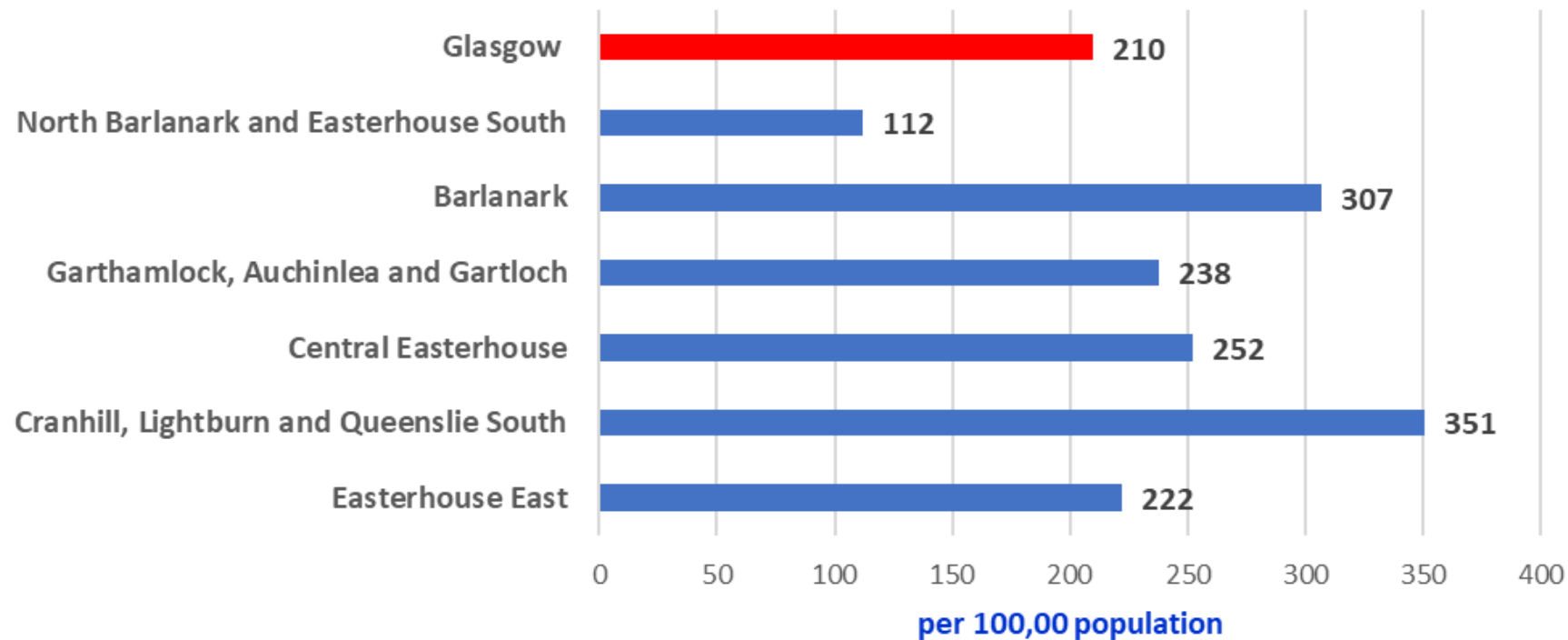
Greater Easterhouse deaths: 64 (4.7% of all Glasgow deaths)

GE Share of Glasgow population: 3.9%

Covid-19 Deaths by Intermediate Zone  
per 100,000 population equivalent)  
1 March 2020 to 31 January 2021



Covid-19 infection rates  
7-day rate w/e/ 29 Jan 2021

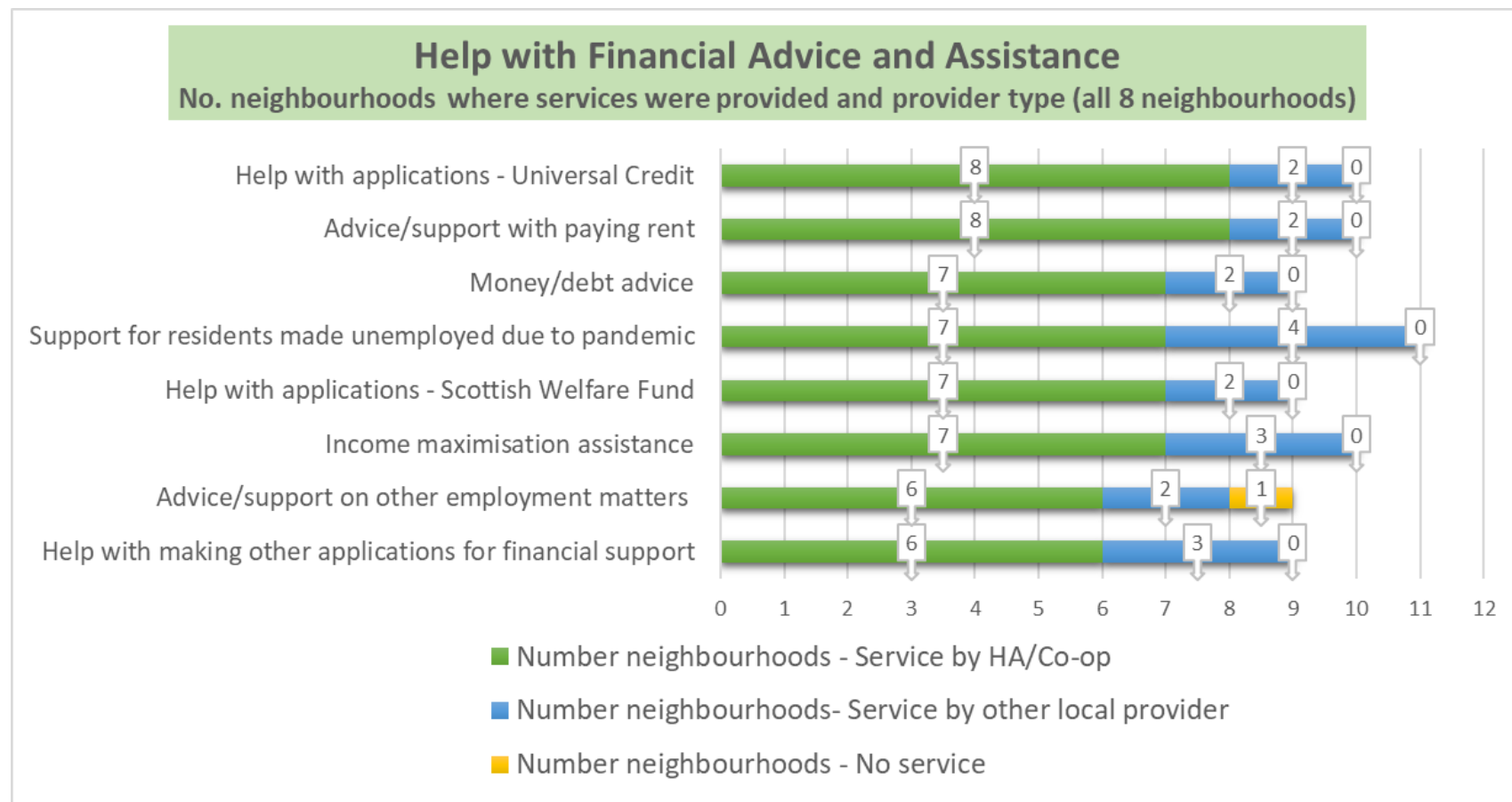




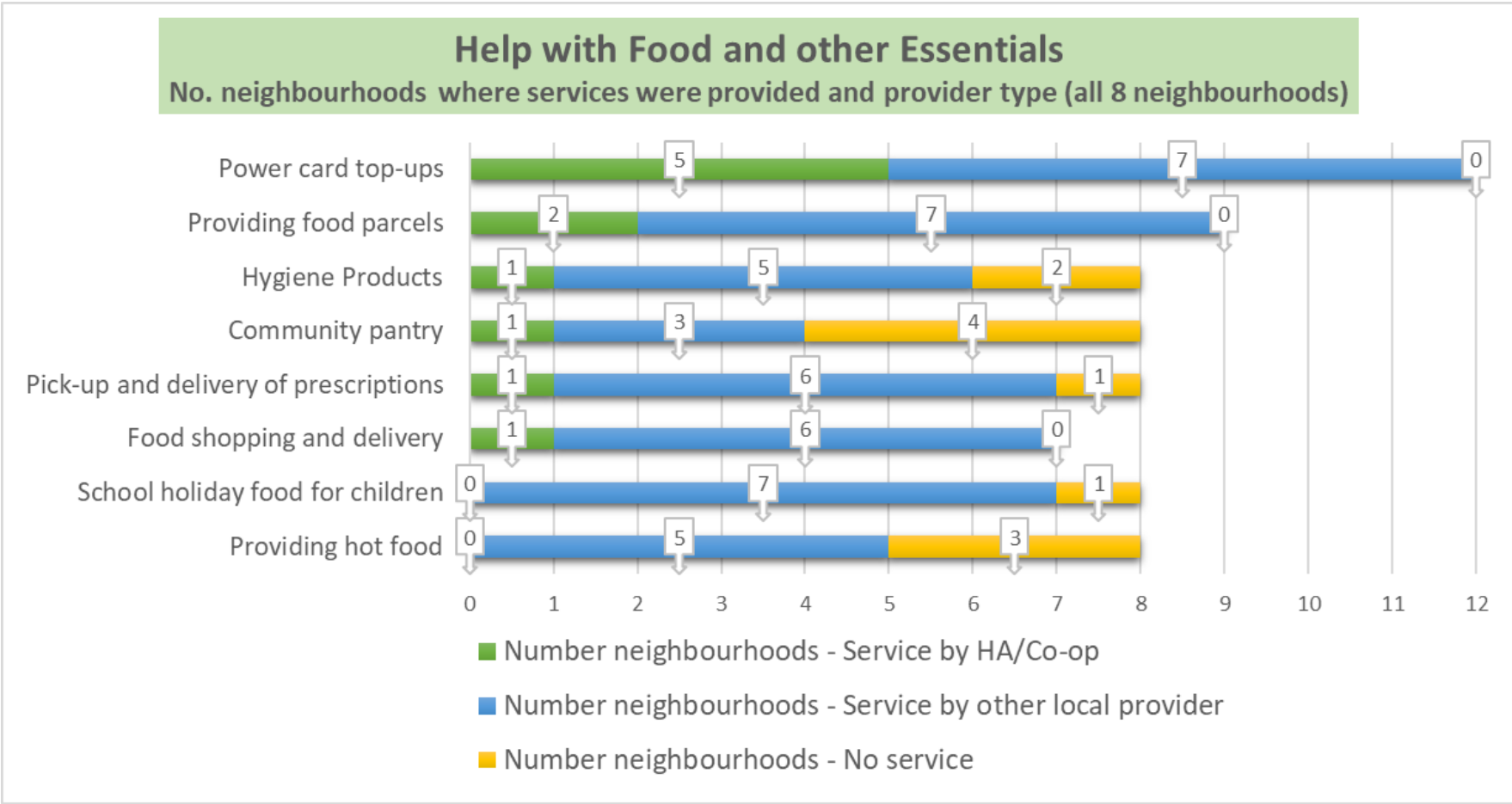




## Help with financial assistance advice and assistance



# Help with food and other essentials



# After Covid

For discussion today

17/05/2021

To whom it may concern

**Invitation To Quote For Internal Audit Services - On behalf of:**

- **Provanhall Housing Association**
- **Wellhouse Housing Association**
- **Gardeen Housing Association**
- **Blairtummock Housing Association**
- **Calvay Housing Association**

The above named Associations are currently looking to appoint Internal Auditors for a three year period – looking to commence as of **April 2022**. We would like to invite your organisation to quote for this work.

We are looking for individual quotations for each association, and one quotation based on undertaking this work for all five Associations (broken down by cost per Association). Each Association will require an individual Audit Needs Assessment to determine its own individual three year programme of work.

The successful **applicant will be appointed on a price/quality basis on a 40/60 ratio**. The Audit should be based on the Regulatory Framework, Scottish Social Housing Charter and relevant legislation.

If you are interested in providing quotes for this work, please submit them to me, via email by Friday 22<sup>nd</sup> May 2021. Interviews shall be held (via Zoom) on Tuesday 1<sup>st</sup> June PM. Information on each Association is detailed below.

Supplementary information that you may require to prepare your quotation is attached. More information can be found on our websites:

- <https://provanhallha.org.uk/>
- <https://wellhouseha.org.uk/>
- <https://gardeen.org.uk/>
- <https://www.calvay.org.uk/>
- <https://www.blairtummock.org.uk/>

## **EHRA**

All of the Association involved in this quote are members of EHRA.

EHRA is Easterhouse Housing and regeneration alliance. This is an umbrella group of the eight Housing Associations in Easterhouse. More information on EHRA can be found on the website of Gardeen Housing Association.

<https://gardeen.org.uk/>

Should you require any further information, please do not hesitate to contact me at this office.

Yours Sincerely

Patricia Gallagher

**Director**

patricia@provanhallha.org.uk

**Enc.**

## 1. Brief

The Associations are looking to procure an experienced internal auditor to provide independent assurance that their risk management, governance and internal control processes are operating effectively.

The scope of works is as follows:

- Perform the internal audit of in accordance with relevant professional and regulatory requirements, including the expectations of the Scottish Housing Regulator.
- Undertake an Audit Needs Assessment
- In conjunction with the Association, produce a three-year audit programme and annual audit plan.
- Identify, test and evaluate key systems and controls.
- Confirm key controls are in place, appropriate and effective. If weaknesses are found, propose ways of improving economy, efficiency and effectiveness of our systems, procedures and controls.
- Issue draft findings for presentation to each Association's relevant Committee.
- Confirm implementation of accepted recommendations.
- Attend the relevant Committee meetings m to present reports and findings.
- Liaise effectively with our external auditors, managers, staff and others as required, to ensure efficient and effective delivery of services.

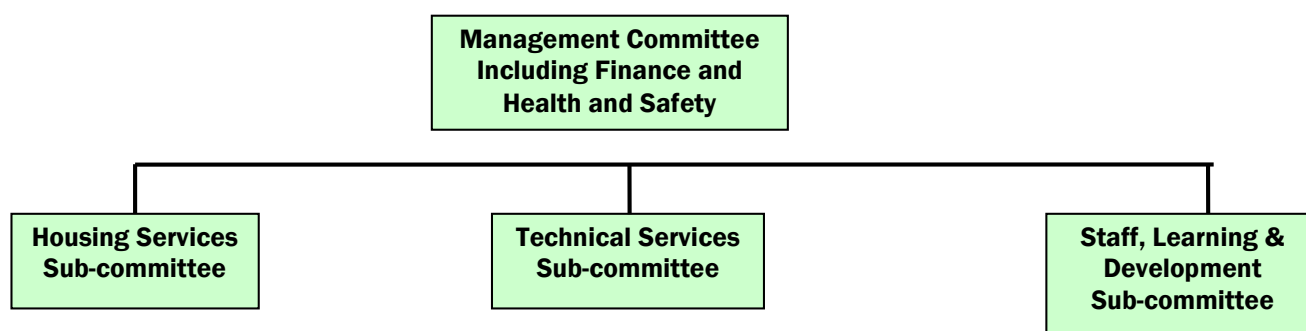
## 2 Organisational Background Information

### 2.1 Provanhall HA

Provanhall Housing Association was first registered in 1992. The Association is based in the Easterhouse area of Glasgow. It has 9 members of staff and agency services are provided for Welfare Benefits. The current Director has been in place since October 2004.

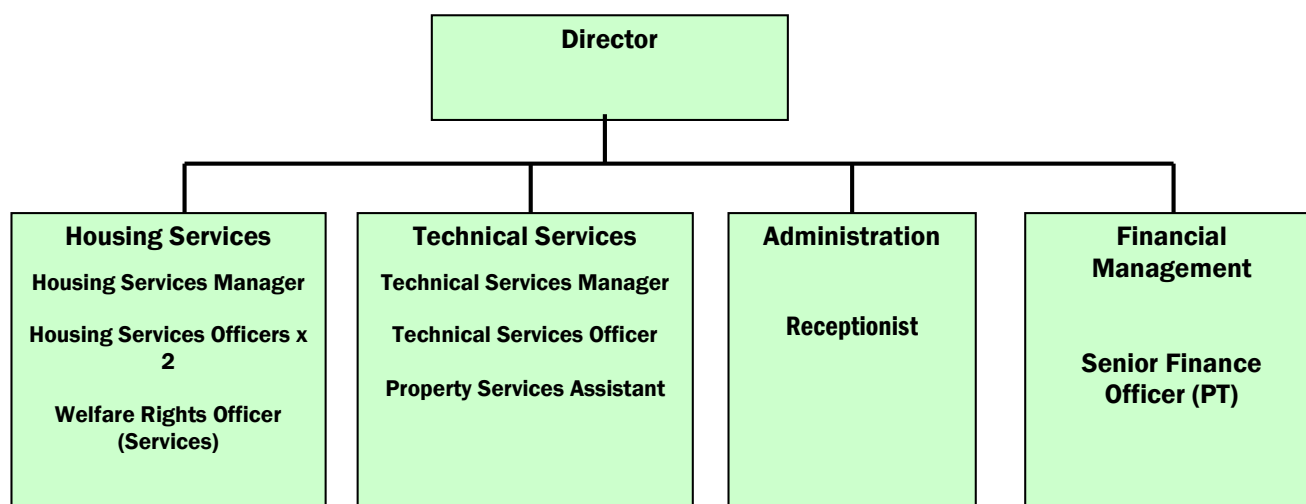
The Association currently owns 515 houses and provides factoring services to 36 owners and sharing owners.

The Association's Committee structure is as follows:



We currently have 10 Management Committee Members.

Provanhall's staffing and service delivery structure is as follows:



## **Landlords Report**

A copy of our Landlords report re our performance under the Scottish Social Housing Charter is available here: <https://provanhallha.org.uk/landlord-reports/>

## **Annual Report**

A copy of our latest Annual Report is available here:  
<https://provanhallha.org.uk/annual-reports/>

## **Scottish Housing Regulator Engagement**

A copy of our engagement plan can be found here:  
<https://provanhallha.org.uk/landlord-reports/>

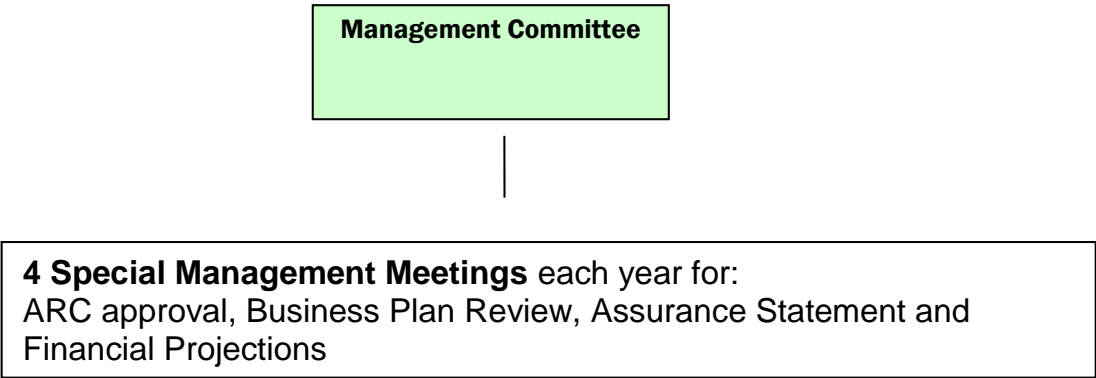


## 2.2 Gardeen HA

Gardeen Housing Association Ltd is a community controlled Housing Association operating in the Barlanark area of Greater Easterhouse. The Association was established in the 1990's as Gardeen Housing Co-operative to improve the living environment of local residents. Since then the Association has completed 3 refurbishment programmes and 3 new build schemes, so that today we own 253 improved or new build properties and provide factoring services for 17 properties.

The Association currently has 6 members of Staff.

The Association's Committee structure is as follows:



We currently have 8 Management Committee Members.

Gardeen's staffing and service delivery structure can be found here:

<https://gardeen.org.uk/staff-structure/>

### Landlords Report

A copy of our Landlords report re our performance under the Scottish Social Housing Charter is available here: <https://gardeen.org.uk/scottish-housing-regulator--/>

### Annual Report

A copy of our latest Annual Report is available here: <https://gardeen.org.uk/annual-reports/>

## Scottish Housing Regulator Engagement

A copy of our engagement plan can be found here:  
<https://gardeen.org.uk/scottish-housing-regulator--/>

## 2.3 Blairtummock HA

Blairtummock Housing Association was registered as a Housing Association in May 1990 and has had two stock transfers from Glasgow City Council and two from Glasgow Housing Association. Since January 1992 the Association has refurbished some of these properties and demolished others which have been replaced with new build.

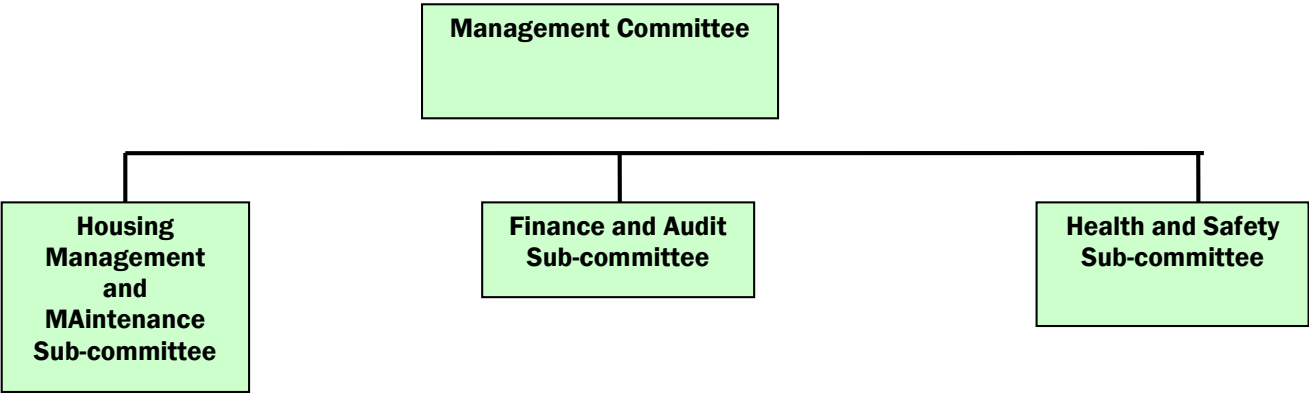
The Blairtummock, Rogerfield & South Rogerfield areas within Easterhouse are our area of operation

At present, the Association has:

- 718 homes in rent
- 23 homes in shared ownership
- 49 homes factored
- A fully owned subsidiary with charitable status (Blairtummock & Rogerfield Opportunities) which provides a base for social activities in the area and oversees the work of our Estate Caretakers.

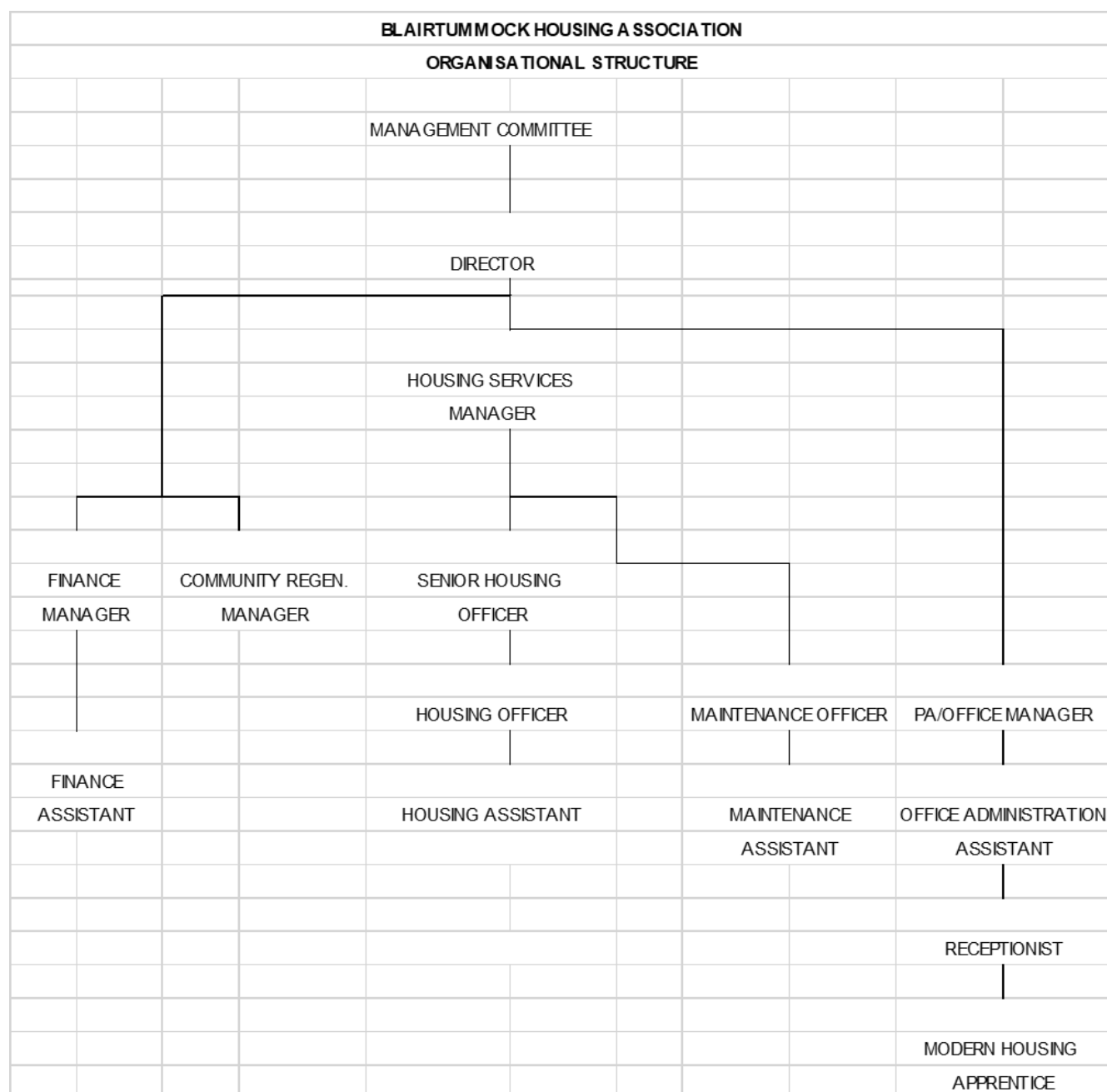
The Association currently has 13 staff.

The Association’s Committee structure is as follows:



We currently have 9 Management Committee Members.

Blairtummock's staffing and service delivery structure is as follows:



## Landlords Report

A copy of our Landlords report re our performance under the Scottish Social Housing Charter is available here: <https://www.blairtummock.org.uk/landlord-reports/>

## **Annual Report**

A copy of our latest Annual Report is available here:

<https://www.blairtummock.org.uk/annual-reports/>

## **Scottish Housing Regulator Engagement**

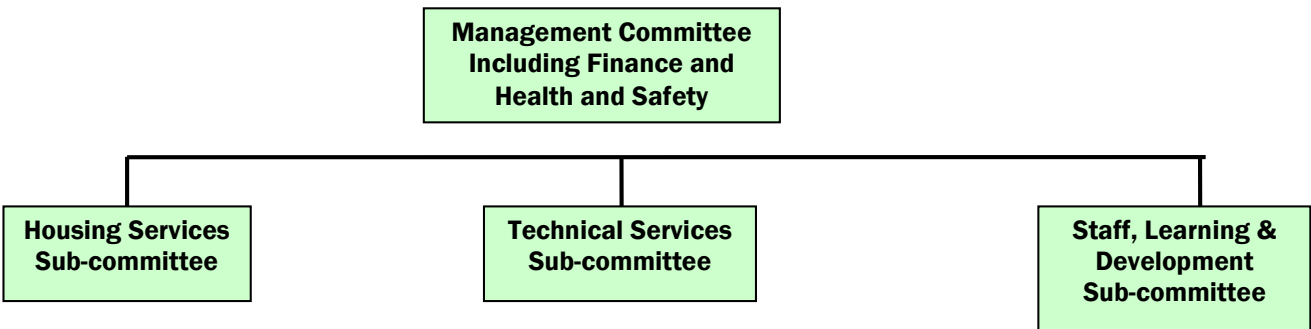
A copy of our latest engagement plan:

[https://www.blairtummock.org.uk/data/RSL\\_Compliant\\_Standard\\_Blairtummock\\_Housing\\_Association\\_Ltd\\_2021\\_04\\_06\\_15\\_24\\_53.pdf](https://www.blairtummock.org.uk/data/RSL_Compliant_Standard_Blairtummock_Housing_Association_Ltd_2021_04_06_15_24_53.pdf)

2.4. Wellhouse HA

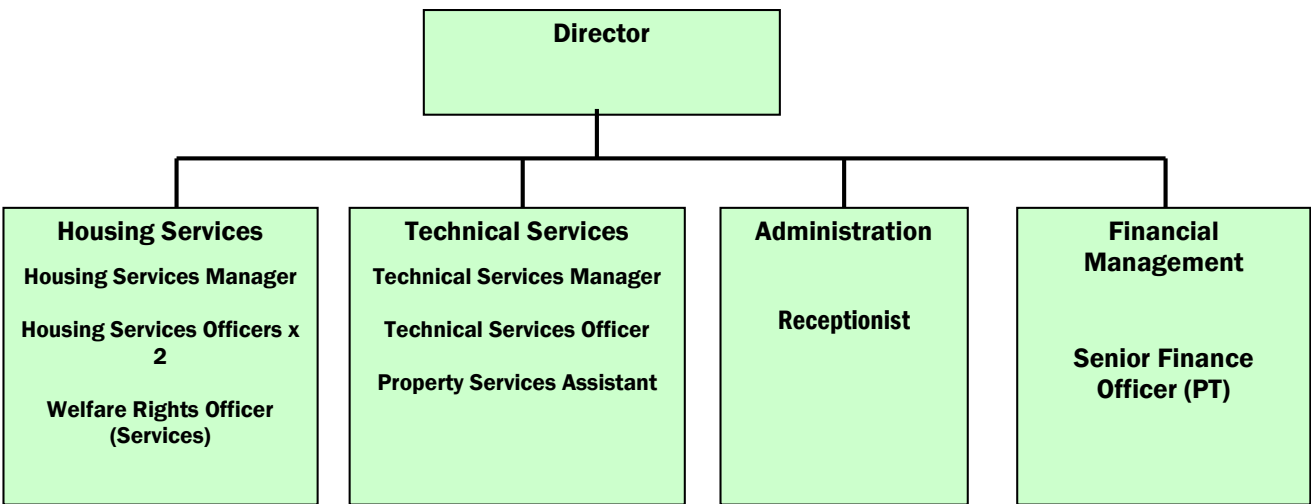
Welhouse Housing Association was registered as a social landlord in 1994. A second successful stock transfer from Glasgow Housing Association in 2010 resulted in all the social rented homes in Wellhouse being owned by the housing association. The association has worked hard to transform the local area and build new homes. We now own 798 good quality rented homes and factor a further 52 on behalf of other owners. The Association has 19 members of Staff.

The Association’s Committee structure is as follows:



We currently have 10 Management Committee Members.

Wellhouse’s staffing and service delivery structure is as follows:



## **Landlords Report**

A copy of our Landlords report re our performance under the Scottish Social Housing Charter is available here: <https://wellhouseha.org.uk/regulation>

## **Annual Report**

A copy of our latest Annual Report is available here:  
<https://provanhallha.org.uk/annual-reports/>

## **Scottish Housing Regulator Engagement**

A copy of our engagement plan can be found here:  
<https://wellhouseha.org.uk/regulation>

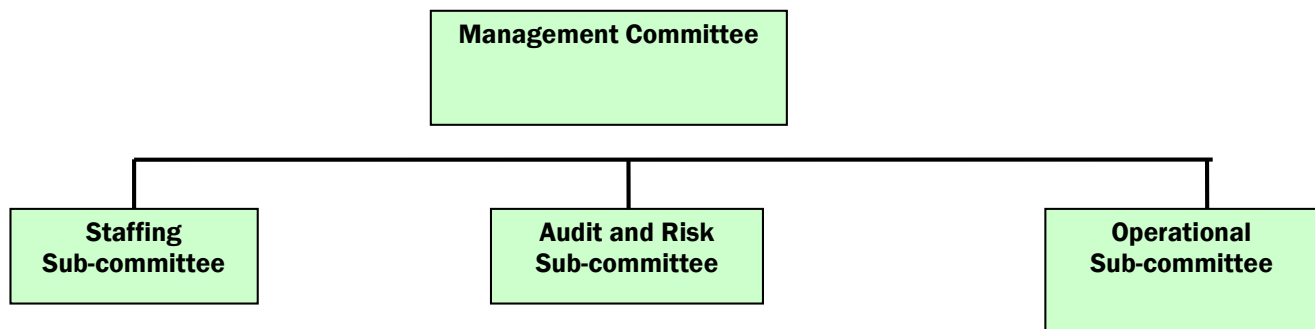
## 2.5 Calvay HA

Calvay Housing Association was established in 1985 to improve the housing conditions of local residents. Since then, the Association has gone on to refurbish in excess of 350 homes and has completed several phases of new build, creating new homes in the area.

The Association currently owns 925 houses and provides factoring services to 36 owners and sharing owners.

We currently have 19 staff.

The Association's Committee structure is as follows:



We currently have 10 Management Committee Members.

Calvay's staffing and service delivery structure can be found here:

[https://www.calvay.org.uk/data/Organisational\\_Structure\\_November\\_2020\\_2020\\_12\\_15\\_16\\_54\\_55.pdf](https://www.calvay.org.uk/data/Organisational_Structure_November_2020_2020_12_15_16_54_55.pdf)

### Landlords Report

A copy of our Landlords report re our performance under the Scottish Social Housing Charter is available here: <https://www.calvay.org.uk/governance/>

### Annual Report

A copy of our latest Annual Report is available here: <https://www.calvay.org.uk/governance/>



## Scottish Housing Regulator Engagement

A copy of our engagement plan can be found here:

<https://www.calvay.org.uk/governance/>

### **3 General Information & Instructions for Submission of Quotes**

#### **2.1 Requirement**

We are undertaking this procurement for internal audit services to provide independent assurance that Association's risk management, governance and internal control processes are operating effectively.

#### **2.2 Parties to the Contract**

Each individual Association shall be the sole party to have access to their Contract.

#### **2.3 Contract Duration**

The contract will run for a three-year duration.

#### **2.4 Fixed Pricing**

You are invited to submit a fixed price quotation, including any applicable VAT detailed separately. The prices submitted at the time of tender will be fixed for the 3 year duration of the contract.

#### **2.5 Completion of Quotation**

Your quotation should be submitted to:

[patricia@provanhallha.org.uk](mailto:patricia@provanhallha.org.uk) by 22<sup>nd</sup> May 2021

Only one set of documentation needs to be submitted.

#### **2.6 Data**

The Supplier will ensure that any system on which the Supplier holds any of RCH's customer data is a secure system.

#### **2.7 Invoicing**

Invoices should be made directly to each Association. Each Association will advice of their own invoicing process.

