

18 November 2021

Dear Member,

The next Management Committee will be held on **Thursday 25 November 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 28 October 2021	Chair	2min	Approval
5. Matters Arising & Actions from the minutes report	Director	2min	Note
6. Management Accounts to 31 October 2021	Finance Manager	10min	Approval
7. Draft Budget 21/22 incl. proposed rent increase	Finance Manager	15min	Approval
8. Update on ICT	Finance Manager	10min	Note
9. KPIs – Q2 – 21/22	Management Team	10min	Note
10. Rent Arrears update	Housing Manager	5min	Note
11. Complaints & Compliments report	Housing Manager	10min	Note
12. Allocations Policy - discussion	Housing Manager	10min	Approval
13. Operational update	Management Team	10min	Note
14. AOCB	Chair		

Close of Meeting: 8:00PM. Next Meeting: 27 January 2022 at 11am.

Terminology	Definition
Bad Debts	A Bad Debt is an outstanding sum of money owed to the Housing Association that has not been paid, despite repeated efforts to collect the debt .
Covenant compliance	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.
CPI	The Consumer Price Index (CPI) is the official measure of inflation of consumer prices of the United Kingdom
Cyclical Maintenance	Cyclical maintenance is work to maintain the general condition of the property and some communal fittings
FTA	Former Tenant Arrears
Housing Property Depreciation	Housing Property Depreciation is an accounting method of allocating the cost of the property over its useful life and is used to account for reduction in value of the property.
KPI	Key performance Indicator
LIBOR	LIBOR is a benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans. LIBOR , which stands for London Interbank Offered Rate, serves as a globally accepted key benchmark interest rate that indicates borrowing costs between banks
Major repairs/planned renewals	Major Repairs (Investment works) – Kitchen & bathroom renewals, central heating replacements, door entry systems etc.
Negative Goodwill	An accounting concept to acknowledge the challenges of quantifying the value of intangible fixed assets
Reactive Maintenance	Reactive Repairs. Reactive repairs or day to day repairs are funded from rental income and are defined as those repairs which are carried out on a responsive basis as the need arises and are not deferred for inclusion in planned maintenance programmes
RSL	Registered social landlord. The vast majority of Registered Social Landlords are also known as Housing associations. Housing associations are independent, not-for-profit organisations that provide homes for people in housing need.
SHAPS	Scottish Housing Association Pension Scheme
SHIP	The purpose of the Strategic Housing Investment Plan (SHIP) is to set out the priorities for investment in housing in Glasgow over the 5-year period 2019/20 to 2023/24, and outline how the Council and its partners will deliver these priorities
SHR Regulatory Framework	This Framework is the Scottish Housing Regulators Statement on Performance of Functions and sets out

	how they regulate both Registered Social Landlords (RSLs) and the housing and homelessness services provided by local authorities.
Statement of Comprehensive Income (SOC)	A statement of comprehensive income contains two main things: the net income and other comprehensive income (OCI) . 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
Statement of Financial Position (SOP)	The statement of financial position. The statement lists the assets, liabilities, and equity of an organization as of the report date. This was previously known as the Balance Sheet.
Technical arrears	' technical arrears ' – arrears relating to outstanding housing benefit that a landlord has not received
VOIP – voice over internet phone	Voice over IP (internet protocol), aka VoIP, is the technology that lets you make voice calls using broadband connections. This means that unlike with phone calls, you don't need a public-switched telephone network (PSTN) to make a call. To make and receive calls over the internet, you can use any VoIP-enabled device, a computer with VoIP software, or even a landline phone connected to an analogue telephone adapter

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD ON
28 October 2021 at 11am - VIA ZOOM**

1. Welcome, Sederunt & Apologies.

Present:

Maureen Morris	Chair
Clare Monteith	Vice Chair
Carol Torrie	Treasurer
Michelle Harrow	Committee Member
Jane Heppenstall	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

Apologies:

Darron Brown	Committee Member
Sarah Morris	Committee Member
Shona McKenna	Committee member

2. Jargon Buster

Noted for information.

3. Declarations of Interest.

There were no declarations of interest.

4. Minutes of the Committee Meeting of 26 August 2021.

Resolution:

The minutes of the Committee Meeting of 26 August 2021 were proposed by Clare Monteith and seconded by Michelle Harrow as an accurate record of the proceedings.

4.1 Minutes of the Election of Committee meeting 22 September 2021

The minutes of the Election of Committee meeting of 22 September 2021 were proposed by Clare Monteith and seconded by Carol Torrie as an accurate record of the proceedings.

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

The Director stated that he had hoped to bring an updated business plan to this meeting however he considered that a completely new business plan requires completion. The current plan expires at year end. Narratives require further consideration to take account of further information received from contractors, rising costs and the impact of Covid 19. A new draft business plan will be brought to the next committee meeting.

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

6. **Assurance Statement.**

The Director presented the Annual Assurance Statement to report on the updated framework and reminded committee of their responsibilities towards a system of self-assurance. He took committee through the assurance data bank that had been updated by staff to evidence compliance and supplied an explanation of the assurance factors. He encouraged committee members to scrutinise the evidence and conduct spot checks to ensure compliance. In addition, our internal auditors, Wylie Bisset, will be asked to audit the data bank during the audit programme. He highlighted areas of full compliance and areas where we will focus on encouraging wider involvement from our tenants and working towards full compliance with human rights and equalities and to ensure we are doing all we can to support tenants with the challenges presented by Universal Credit and Brexit. In addition, a specific risk assessment was completed in partnership with our colleagues in EHRA to ascertain the impact of Covid on the community. Additional reviews will be completed on the impact on costs of component parts and labour costs in maintenance and rent areas as part of the updated business plan. Succession planning was completed as part of the current review processes and committee appraisals.

He asked committee to note a typographical error in the last paragraph of the Assurance Statement which would change from October 2022 to October 2021. He sought confirmation and approval from committee that it did not deem there to be material non-compliance issues and that they confirm that we are compliant with the Regulatory Framework, the SHR's Standards of Governance and Financial Management and that we comply with Scottish Social Housing Charter.

The Director sought volunteers from the committee, who would have temporary access to the server, to verify the evidence bank and asked to supply feedback to the committee. Michelle Harrow who had completed the exercise in 2020 encouraged members to participate as she considered it a worthwhile exercise and learning opportunity.

Resolution:

Committee;

- **Noted the regulatory framework;**
- **Noted that we are 'compliant' at this time. That is; we meet the regulatory requirements including the standards of governance and financial management;**
- **Participated in the presentation of the completed toolkit and ask questions as appropriate;**
- **Approved the Assurance Statement and authorised the Chair to sign said statement;**
- **Agreed 1 or 2 committee members would have temporary remote access to the server to verify the evidence bank and report to committee by 31 March 2022;**

- Agreed that a review be included in our new internal audit programme;
- Agreed on a way forward for additional support and training that may be required.

Carol Torrie proposed and Clare Monteith seconded the resolutions as noted above.

7. Management Accounts to 30 September 2021

The Finance Manager presented the report to provide Management Committee members with a comparison of the budget and actual financial positions to 30th September 2021

He provided a brief overview of the Statement of Comprehensive Income and variances. The budgeted surplus six months to 30th September was £276,251. The actual results for the period show a surplus of £400,269, a favourable variance for the period of £124,018. Rental income was close to budget with void losses lower than the budget figure of £13,438 as opposed to £11,652. A favourable variance in net rental income of £1,746.

The overall variance arises from:

Operational activities £126,606 – favourable variance
 Net interest and other £3,140 – favourable variance

He asked committee to note that commercial rent shows a significant adverse variance of £8,338 from the budget figure of £27,462 which was in the main due to the revised rental figure for 17-19 Newhills Road being implement and the service charge at the Hub no longer being charged after July 2020. The unit is being actively marketed.

He noted over and underspends against budget, however, the actual surplus position is higher than the budgeted surplus for the period to 30 September 2021.

The cash position continues to increase and is in a healthy position finishing the period at over £3.137M.

The were no issues with covenant compliance.

Overall, a good performance for the first 6 months of 2021, resulting in healthy financial position.

Resolution:

Committee approved the management accounts to 30 September 2021.

Carol Torrie proposed and Michelle seconded the management accounts to 30 September 2021.

8. SHAPS Financial Viability Assessment

The Finance Manger presented the report to update committee of the risk category of Wellhouse HA based on SHAPS Financial Viability assessment survey. He highlighted that all employers participating in SHAPS with any defined benefit liabilities, are required to complete an online financial assessment questionnaire each year. He asked committee to note that Wellhouse were no longer in the defined benefit scheme however due to the past service deficit, we are still attached and required to complete the assessment. He highlighted the three areas of forecasting which is a measure of future pension

scheme contribution cover and is an indicator of the earnings strength over the next three years. Taking the forecasts into consideration; Wellhouse falls into the low-risk category.

Resolution:

Committee noted the results of the SHAPS Financial Viability assessment survey.

9. OSCR & FCA Annual Statutory Return

The Finance Manager asked committee to note that it was a statutory requirement for Wellhouse to complete and submit the Annual Return to OSCR by 31 December 2021. The figures in the Annual Return reflect the figure in the Annual Statutory Accounts approved by committee as at 26 August 2021 and a signed copy of the accounts will be submitted alongside the Annual Return. He sought authorisation to submit the Annual Return to OSCR for Wellhouse HA.

The FCA return was submitted by the 30 September 2021 deadline.

Resolution:

Committee approved submission of the Statutory Annual Return to OSCR;

Clare Monteith proposed and Michelle Harrow seconded that the Finance Manager submits the OSCR Annual Return by the specified deadline of 31 December 2021.

10. Financial Regulations procedures update.

The Finance Manager presented the report to advise Management Committee of the proposed changes to the financial regulations.

He noted operational day to day payments were made via BACs payment. He advised that the Housing and Maintenance Manager had been added to the BACs payment process. The list of authorised signatories only lists the Director and Office Bearers as cheque signatories. The Finance Manager asked committee to note that for more consistency to the practice of supplier/staff payments it was proposed that another senior member of staff be able to sign cheques in addition to the Director which would eliminate the issue of 2 committee members having to sign a cheque without it being signed beforehand by a senior officer of the organisation if the Director were unavailable for any period of time.

The BACs payments listing, Bacs payments online banking and cheque payments had also been amended to reflect the Finance Assistant being able to prepare these

A further separate report regarding bank signatories will be presented to the Audit and Risk Committee on 11 November 2021.

He requested that subject to satisfaction that the management committee approve the updated financial regulations procedures update.

Maureen Morris sought clarification if the auditors had considered the proposed changes.

Resolution:

Committee considered the changes made and subject to consult with our internal auditors, approved the updated financial regulations procedures.

Carol Torrie proposed and Clare Monteith seconded the updated financial procedures.

Action:

The Finance Manager will;

Consult on the proposed changes with our internal auditors;

Circulate the updated financial procedures to all staff members for the purpose of awareness;

Consult with the Chair of the Audit and Risk to agree the agenda and the time of the meeting.

11. Rent arrears report.

The Housing Manager asked committee to note that since the last committee update, gross current rent arrears had reduced by £48,189 to £300,928. Universal Credit arrears account for half of this figure. Direct Debit payments of £2,000 which were set up for the 31st of each month were not included in the final end of period figure, similarly £5,356 of payments made via AllPay between 1-6 October will be included in the October rent figures. Rent due from GCC for 3 flats, which were provided for temporary accommodation during the Covid crises have accrued arrears of £5,000. Payment had been received yesterday.

Former tenant arrears increased by £7,689, an eviction carried out in September accounting for £3,771 of this debt as well as debt left by abandonment of tenancies. She advised committee that another family as discussed at the last committee meeting had been assisted by Shelter, a proof hearing will be scheduled next year, no further payments have been made.

She noted that Housing Officers continue to make every effort to tackle arrears however their efforts have been adversely impacted upon by several tenants particularly those in the legal system, who continue to take advantage of the temporary legislation and refuse to pay or engage.

She advised that it was difficult to provide a definitive answer or an exact cost value arising from the impact of Covid 19. She noted the issue that had had the greatest impact was the result of the temporary legislative changes that extended the notice period for legal action from 1 – 6 months which allowed several tenants to deliberately increase their debt as well as failing to engage with officers. The Income Advice Officer has assisted tenants with benefit issues resulting from a changes in circumstance resulting from employment changes.

Michelle Harrow sought clarification on what experience we had had in accessing the £10M grant fund distributed to local authorities by the Scottish Government to assist tenants struggling with their arrears.

The Housing Manager advised that we are still waiting on guidance from the Local Authority. Funding has been passed to them. They had indicated that they will be issuing a tool kit and visiting all RSL's. She stated that from initial investigations it appears that funding is geared more for private tenants rather than the social rented sector.

Michelle Harrow advised of funds that had been received by her team for Council and RSL tenants in her local area. She encouraged probing GCC further.

Action: The Housing Manager will contact GCC for further information on their administration of the fund and feed-back at the next committee meeting.

Committee noted the update on the arrears position.

12. Window Replacement - Phase 2 update.

The Maintenance Manager advised that he had been contacted by Sidey Solutions Ltd to inform us that there would be an increase in the tender costs for Lot 2 of the window replacement programme. They had provided a detailed breakdown of rising costs and the reasons thereof as detailed at appendix 2. The Maintenance Manager detailed some of the price increases as follows; composite door blanks had increased by 30.7%, steel reinforcing had now increased by 45% with further increases expected and the cost a shipping container is currently more than £11,000 as compared to £2,000 in May 2020.

He advised that he had checked with Scottish Procurement Alliance and costs are still within the agreed Framework prices. Our consultant, Ewing Somerville Partnership had also stated that they are experiencing similar cost increases with most other contracts they are involved with and there continues to be contractor/labour shortages.

The Maintenance Manager sought committee approval for the new tender cost of £574,748.40, an increase of £56,245.80 and to note the increase as discussed.

Resolution:

Committee;

Noted the recommendations within the report and the tender return.

Approved expenditure of £574,748.40 + VAT to be awarded to Sidey Solutions for Lot 2 of the window replacement programme.

Clare Monteith proposed and Michelle Harrow seconded expenditure of £574,748.40 plus VAT to Sidey Solutions for Lot 2 of the window replacement programme.

A lengthy discussion ensued with regards rising costs and the detailed discussions required at the November meeting with regards the 22/23 budget.

13. Succession Planning Policy.

The Director provided a brief overview of the succession planning process and noted the regulatory requirement that RSL's plan effectively to achieve the appropriate composition of its governing body members through ongoing appraisals and active succession planning and to assure that any member seeking re-election which the nine-year rule applies can demonstrate their continued effectiveness. He noted that committee appraisal and succession planning had been completed for the past 6 years and the succession planning review carried out this year would be subject to a separate committee report in due course. He advised that the Senior Management Team (SMT) had also completed a skills assessment for each of their teams and that he was currently completing the same for the SMT, which would be reflected in the upcoming business plan.

He noted that the Succession Planning Policy had been updated to reflect an updated outline of the succession planning framework for all staff and committee.

Resolution:

Committee noted the contents of the report and approved the updated Succession Planning Policy for a further 3 years.

Jane Heppenstall proposed and Clare Monteith seconded the Succession Planning Policy.

14. Operational update report.

Director:

The Director reported under separate cover.

Housing Manager:

The Housing Manager advised that funding from GCC for fuel emergencies is still being used to help those experiencing fuel poverty. 44 awards had been made totalling £3570, with £486 remaining in the fund. The digital fund has £419 remaining. Thirty devices are still on loan with continued support for two tenants without internet access given access to 6GB of data per month until the digital fund has been depleted.

She advised of a useful meeting that had taken place on 20 October with the newly appointed Neighbourhood Liaison Coordinators, GCC, who had come back to Wellhouse on the Monday and did a walk around the estate with the Estate Wardens and a Housing Officer. They have committed to work with us with regards Fly tipping etc.

Action: The Corporate & Governance Officer will send the land ownership map to committee members for information.

Assets & Maintenance Manager:

The Maintenance Manager noted positive feedback from tenants regarding the window replacement programme and the contractor. Work has commenced on the replacement of 34 kitchens and 45-bathroom units. Flooding damage to the floor in the Café had been paid for through our insurers.

Estate Warden recruitment had only received 3 applicants and as such we are looking to readvertise the post. It has proved difficult to get temporary agency staff, feedback has been that there is a lack of staff across all job types. The Maintenance Assistant vacancy recruitment has been recruited.

He noted that over the last 18 months the condition of void properties received had been in poor condition resulting in higher than average spends. Bulk uplift continues to challenge the estates team.

Finance & Corporate Services Manager:

The Finance Manager advised returns to the SHR and FCA had been completed. The budget setting process for 2022/23 has begun and will be reported to the next meeting. The replacement telephone system has been ordered and staff training will be implemented in December 2021. The Homemaster implementation is progressing well with staff training and system testing now commenced.

15. AOCB

Invite to Chairs

The Chair noted correspondence received from EHRA with regard the EHRA Chairs and Aspiring Chairs Forum. She asked if other members would be interested in attending. She confirmed that the meeting currently take place on the second Wednesday of each month at 10am.

There were no members who indicated that they would be available at that time due to work commitments.

The Chair noted that the EHRA committee meeting minutes etc. were included within the operational update report as an appendix for information. She asked if members would prefer to receive this information via email rather than included with the pack.

Committee confirmed that they would prefer that the EHRA minutes be emailed to them.

Date of December Salaries:

The Finance Manager sought authorisation to pay December salaries earlier on the 23/24 December 2021.

Clare Monteith proposed and Jane Heppenstall seconded payment of salaries to the 23/24 December 2021.

Change of Date for November Committee Meeting.

The Director stated that as members were aware the Chair, Maureen Morris, had been shortlisted for one of the CIH Housing awards and would be attending the ceremony which falls on the same night as the November committee meeting. He asked members if they would prefer to change the meeting to a later date or if the Vice- Chair, Clare Monteith would be willing to Chair the meeting on that evening.

The Director confirmed that committee members had approved that a couple of family members attend the event with Maureen.

Committee agreed to keep the meeting on the 25th of November, Clare Monteith will Chair the meeting.

Pay Rise:

Committee discussed correspondence received from EVH with regards pay increases for 2022 and confirmed that they would prefer option 4 – where employers would hold back at this time to ascertain the rate of inflation over the coming months and revisit at that time. The Director will draft a letter on behalf of the committee.

There was no other business. Meeting closed: 1:00PM

Next meeting: 25 November 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 November 2021

MINUTE REFERENCE	ACTION	OWNER	DUE BY	STATUS OPEN/ CLOSED	PROGRESS
24 October 2019					
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	Open	Site Investigations were suspended during COVID-19 lockdown period. As of August, we need to find a new development agent as NGHHA no longer have capacity. The Director will present a stand alone Development update at the meeting in November 2021.
November 2019					
11. Management Team Report	The Finance Manager will email proposed dates for fraud training to interested members	Finance Manager	January 2020	Open	The Finance Manager is still waiting for proposed dates for fraud training from the auditors. Suspended during COVID-19 lockdown period
April 2020					
10. AOCB Return to work.	The Director will bring a further reports as required	Director	Monthly	Open	As at October 2021, blended office/ home working is now in place, our next stage is to reopen the Hub without the need for appointments, but this requires some planning.
August 2021					
Business Plan	The Director will present an updated business plan to the October committee meeting.	Director	October 2021	Open	Due to the size and content of the October committee reports and ongoing work to ascertain the local impact of Covid 19 and our operating environment it is proposed that an initial update be brought to the November committee meeting. Committee to note

					that rather than merely 'updating' our business plan, an entirely new one will be prepared before the year end.
Factoring Policy	Review of Factoring Policy	Housing Manager	October 2021	Open	The Factoring policy was approved at the January 2021 meeting. The factoring process is still under review and will be presented to the January committee meeting.
October 2021					
Financial Regulations update	The Finance Manager will: Consult on the proposed changes with our internal auditors; Circulate to finance staff for purpose of awareness Consult with the Chair of Audit and Risk to agree agenda etc.	Finance Manager	November 2021	Closed	All actions completed.
Rent arrears report	The Housing Manager will contact GCC for further information on their administration of the Scottish Gov fund and feedback to committee	Housing Manager	November 2021	Open	The Housing Manager will report back to committee at the November 2021 committee meeting.
Operational Update	The Corporate & Governance Officer will send the land ownership map to commit for information	Corporate & Governance Officer	November 2021	Closed	The land ownership map was emailed to all committee members following the October committee meeting.

Management Committee	25 November 2021
Agenda Item	6
Title of Paper	Management Accounts – 31 October 2021
Author	Robert Murray, Finance & Corporate Services Manager
Attachment(s)	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 31st October 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 2021/22 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 October 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 £454,502 for the year.

5 MAIN ISSUES

5.1 Statement of Comprehensive Income (SOCl) -

The budgeted surplus (24) for the seven months to 31st October 2021 is £321,209 however, the actual results for the period show a surplus of £445,843. There is, therefore, a favourable variance for the period of £124,634

The overall favourable variance of £ arises from-

- Operational activities £122,300– favourable variance
- Net interest and other activities £2,334- favourable variance

Income

Rental income (1) is close to budget with a slight adverse variance of £41. Void losses (2) are also lower than the budget figure £15,678 as opposed to £14,706. A favourable variance in net rental income of £927

Commercial rent (3a) is showing quite a significant adverse variance of £9,728 from a budget figure of £32,043 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 2020. A commercial property marketing company has now been engaged to provide assistance to have the premises let in the near future and some interest has been expressed although formal offers have not been submitted.

Factoring income (3b) – adverse variance of £1,396 from a budget of £7,834 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 £4,244. 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 2020/21 outturn; however, the actual charge is based on the final 2020/21 position. A bit less (£11,685) due to disposal of components which have now been replaced.

Expenditure

Management & Maintenance Admin - £9,616 under-spend against budget. The following make up this favourable variance: -

- Salaries (6) (£21,890 under-spend) – mainly due to replacement staff being recruited at a lower pay scale. Not all staff are members of the pension but budgets are prepared on the basis of all staff joining. There are several vacancies at present that are taking longer than anticipated to fill.
- Overheads (7) – an overspend of £12,274 against budget. The attached overheads schedule shows a more detailed analysis of all variances.

Repairs & Maintenance – an underspend of £80,096 against budget over all areas of maintenance, from a total budget of almost £540,081 for the seven months. A more detailed explanation of some of the over- and under-spends as follows: -

- Reactive maintenance (9)– an under spend of £5,764 (Budget £254,700 actual £248,936. Voids maintenance overspend of £8,220 as there were less voids but the conditions of the voids are worse than previous years.
- Cyclical maintenance (10) – Under-spend of £20,553 actual £107,081 against budget £127,633. Most works are now being carried out as planned and a detailed program of works is being worked through
- Major repairs/planned renewals (11) – under-spend of £53,779- actual £103,969 against budget £157,748. Some work on Kitchen and bathroom extractor fans and smoke alarms has been able to take place together with the window and doors phase 1 replacement. Unbudgeted costs of £34,380 for the commercial units was incurred this period.
- The large underspends in maintenance come as no surprise. The restriction of multi-trades being able to work together have at times delayed works but it is anticipated that this will ease in the near future.

Housing Property Depreciation (12) – favourable variance of £157. The budget figure was calculated on a projected figure based on the 2021/22 outturn; however, the actual charge is based on the final 2020/21 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 reduce the provision rather than the actual amount of bad debts written off. 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.

5.2 Statement of Financial Position-

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

Housing Properties (18) has decreased by £215,415. A few individual kitchen, bathroom and boiler replacements and windows and doors has amounted to £377,314 with depreciation of £592,459 being charged.

Cash (19) has increased by £119,948 to £3,049,835.

Payables < 1 Year (20)

- Misc. creditors have reduced by almost £52,723 since 31 March 2021—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 increased by £241,503 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 £139,687 has reduced these balances to just below £14.3 million.
- Reserves (23) – has increased by just over £445,843 to over £7.8 million, in line with the surplus made for the period.

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 £119,9488 as opposed to a surplus of £445,843 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).

5.4 **Covenant Compliance**

There are no covenant compliance issues with the following results being achieved at 31 October 2021: -

- Interest cover - Target > 110%, Result = 309.2%
- Gearing - Target < 30%, Result = 18.8%

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

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		
Mitigation	Mitigation	Mitigation
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 higher than the budget surplus for the period to 31 October 2021.

Cash position continues to increase and is in a reasonably healthy position finishing the period at over £3 million.

Overall, a good performance for the first 7 months of 2021/22 resulting in a healthy financial position.

STATEMENT OF COMPREHENSIVE INCOME

Ref	Actuals To Date									Budget to Date	(Adverse) / Favourable Variance	Annual Budget
	Social Lettings Rental Income	Social Lettings Service Charges	Social Lettings Rental & Service Chgs	Commercial Lettings	Factoring	Development	The Hub Services	Corporate Services	Total			
(1) Rental Income & Service Charges	1,959,718	0	1,959,718						1,959,718	1,959,763	(45)	3,359,594
(2) Less: Voids losses	(14,706)		(14,706)						(14,706)	(15,678)	972	(26,877)
(3) Commercial Rental Income				13,064			9,251		22,315	32,043	(9,728)	54,930
Factoring Income					7,834				7,834	9,231	(1,396)	15,824
(4) Grants released from Deferred Income	325,937		325,937						325,937	337,622	(11,685)	578,781
(5a) Other Revenue Grants	23,494		23,494						23,494	19,250	4,244	33,000
(5b) Other Income								0	0	0	0	0
	2,294,443		2,294,443	13,064	7,834	0	9,251	0	2,324,592	2,342,230	(17,638)	4,015,252
(6) Management Expenses - Staff Costs	271,779	50,412	322,192		3,767			150,154	476,113	498,003	21,890	853,719
(7) Management Expenses - Overheads	40,473		40,473	0	1,869		5,708	223,043	271,094	258,820	(12,274)	443,692
(8) Service Costs		0	0						0	0	0	0
(9) Reactive Maintenance	248,400		248,400		536				248,936	254,700	5,764	435,200
(10) Cyclical Maintenance	107,081		107,081						107,081	127,633	20,553	218,800
(11) Planned Renewals/Major Repairs	103,969		103,969						103,969	157,748	53,779	267,996
(12) Depreciation on Housing Properties	592,459		592,459						592,459	592,616	157	1,015,913
(13) Bad Debts	(31,661)		(31,661)						(31,661)	18,407	50,068	31,556
	1,332,501	50,412	1,382,913	0	6,172	0	5,708	373,197	1,767,990	1,907,928	139,938	3,266,876
Operating Surplus	961,943	(50,412)	911,531	13,064	1,662	0	3,543	(373,197)	556,602	434,303	122,300	748,376
(14) Release of Negative Goodwill	22,245		22,245						22,245	22,245	(0)	38,134
(15) Gain/Loss on Disposal of Fixed Assets	0		0						0	0	0	0
(16) Interest Receivable			0					1,285	1,285	2,188	(902)	3,750
(17) Interest Payable/Other Finance Costs	(134,289)		(134,289)						(134,289)	(137,526)	3,237	(235,759)
(23)	849,898	(50,412)	799,486	13,064	1,662	0	3,543	(371,912)	445,843	(24) 321,209	124,634	554,502
Actuarial Gain/(Loss) in Pension Scheme									0.00			(100,000)
												454,502

STATEMENT OF FINANCIAL POSITION AS AT

31 October 2021



ANNUAL BUDGET			AS AT 31/03/2021	ACT YTD 31/10/2021	MOVEMENT
£	Ref		£	£	£
Non Current Assets					
42,443,511	(18)	Housing Properties - gross cost	41,102,439	41,479,753	377,314
(14,634,469)		Depreciation	(13,578,570)	(14,171,029)	(592,459)
27,809,042			27,523,869	27,308,724	(215,145)
1,286,604		Other	1,338,481	1,321,162	(17,319)
29,095,647			28,862,350	28,629,887	(232,463)
(991,501)		Negative Goodwill	(1,029,625)	(1,007,380)	22,245
Current Assets					
197,567		Debtors	206,284	198,314	(7,970)
0		Inventory	0	0	0
2,230,566	(19)	Cash at Bank and in hand	2,929,887	3,049,835	119,948
2,428,133			3,136,171	3,248,149	111,978
(20) Payables < 1 year					
(1,010,650)		Misc Creditors	(1,131,477)	(1,078,754)	52,723
0		Pension Deficit	0	0	0
		Deferred Capital Grants	0	0	
(244,972)		Loans	0	(241,503)	(241,503)
(1,255,622)			(1,131,477)	(1,320,257)	(188,780)
1,172,511		Net Current Assets/ (Liabilities)	2,004,694	1,927,893	(76,802)
29,276,656		Total Assets less current liabilities	29,837,419	29,550,399	(309,265)
(21) Payables > 1 year					
(7,424,586)		Loans	(7,915,034)	(7,542,669)	372,366
(83,233)		Pension Deficit	57,520	92,081	34,560
(7,507,819)			(7,857,514)	(7,450,588)	406,926
(22) Deferred Income					
(13,283,962)		Social Housing Grant	(13,877,417)	(13,565,243)	312,174
(706,663)		Non Housing Grants	(694,931)	(681,169)	13,763
(13,990,625)			(14,572,348)	(14,246,411)	325,937
7,778,213		Net Assets	7,407,557	7,853,400	445,843
Capital and Reserves					
122		Share Capital	118	118	0
7,778,091	(23)	Reserves	7,407,439	7,853,282	445,843
7,778,213			7,407,557	7,853,400	445,843

WELLHOUSE HOUSING ASSOCIATION LIMITED

MANAGEMENT ACCOUNTS TO

31 October 2021



STATEMENT OF CASHFLOWS

Operating Surplus		556,602	
Adjust for Depreciation and other non-cash transactions		<u>283,841</u>	
Adjusted Operating Surplus		840,443	
Movement in Debtors		7,970	
Movement in Creditors		(87,284)	
<u>Investing Activities</u>			
Purchase of Properties and Components	(377,314)		
Purchase of Other Fixed Assets	0		
Disposal of Other Fixed Assets	0		
Grants received	<u>0</u>	(377,314)	
<u>Financing Activities</u>			
Interest receivable	1,285		
Interest payable	(134,289)		
Loan capital repaid	(130,863)		
Share capital issued	<u>0</u>	(263,867)	
		<u>119,948</u>	
Movement in Cash per Balance Sheet		119,948	

COVENANTS AS AT 31 OCTOBER 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	556,602	Greater than 110%	309.20%	Yes
LESS:Housing Grants Amortised	(325,937)			
LESS:Pension Deficit Contribution	(34,560)			
ADD:Housing Depreciation	592,459			
LESS:Component Replacements	(377,314)			
	411,250			
Interest Payments	134,289			
Interest Receipts	(1,285)			
	133,004			

GEARING	Accounts	Target set by Bank	Actual	Covenant Satisfied?
Balance of Outstanding Loans	7,784,172	Less than 30%	18.77%	Yes
Historic Housing Cost	41,479,753			

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			
	13,587,997			
Outstanding RBS Loans	7,029,412			

WELLHOUSE HOUSING ASSOCIATION

2021/22 Budget



Overheads		Housing Management	Commercial Lettings	Factoring	The Hub Services	Corporate Services	2021/22 Budget Total	Budget Apr-Oct'21	Actual Apr-Oct'21	(Adverse) Favourable Variance
24).	Advertising (Publicity & Promotions)	1,000				1,000	1,000	583	0	583
25).	Audit Fee - External	11,900				11,900	11,900	6,942	10,543	(3,601)
	Audit Fee - Internal	12,500				12,500	12,500	7,292	0	7,292
26).	Bank Charges - Allpay	10,500	10,500				10,500	6,125	6,328	(203)
	- General	500				500	500	292	297	(5)
27).	Depreciation - Other Fixed Assets	27,349				27,349	27,349	15,954	17,319	(1,365)
28).	General Expenses - Miscellaneous	2,800				2,800	2,800	1,633	889	744
	- Provisions	1,900				1,900	1,900	1,108	0	1,108
	- Staff Welfare Costs	700				700	700	408	518	(110)
	- Cash Collection Costs (G4S)	600				600	600	350	0	350
	Taxi	1,250				1,250	1,250	729	63	667
	Health & Safety	6,000				6,000	6,000	3,500	63	3,437
29).	General Committee Expenses	3,600				3,600	3,600	2,100	0	2,100
30).	Heat & Light	11,500			4,000	7,500	11,500	6,708	11,911	(5,203)
31).	Cleaning	12,000			1,500	10,500	12,000	7,000	7,948	(948)
32).	Insurance - Housing Stock	61,983	58,057	3,926			61,983	36,157	23,471	12,686
	- Non-Housing premiums	24,534				24,534	24,534	14,312	13,419	893
33).	Office Maintenance - Repairs & Renewals	15,000				15,000	15,000	8,750	6,191	2,559
	- Equip Maintenance	7,000				7,000	7,000	4,083	1,654	2,430
34).	Office Equipment - New items	6,000				6,000	6,000	3,500	3,903	(403)
	IT Maintenance Support Costs	53,500				53,500	53,500	31,208	38,231	(7,023)
	IT Expenses	9,000				9,000	9,000	5,250	273	4,977
35).	Printing (External)	8,200				8,200	8,200	4,783	3,746	1,038
	Printing (Internal Photocopier Charges etc)	6,000				6,000	6,000	3,500	2,167	1,333
	Stationery	4,300				4,300	4,300	2,508	524	1,984
36).	Postage	2,900				2,900	2,900	1,692	76	1,615
37).	Rent & Rates	1,900				1,900	1,900	1,108	3,388	(2,279)
38).	Seminars & Training - Staff	16,000				16,000	16,000	9,333	12,628	(3,294)
39).	Seminars & Training - Committee	5,500				5,500	5,500	3,208	1,209	1,999
40).	Staff Recruitment	3,600				3,600	3,600	2,100	11,683	(9,583)
41).	Subscriptions	25,976				25,976	25,976	15,153	18,260	(3,107)
42).	Telephones	9,500				9,500	9,500	5,542	4,632	910
43).	Legal Fees - General	12,000				12,000	12,000	7,000	1,753	5,247
44).	Legal Fees - Housing	14,500	14,500				14,500	8,458	17,003	(8,544)
45).	Professional Fees	13,000				13,000	13,000	7,583	29,183	(21,599)
	Housing ~Agency Fees - WR	0	0				0	0		0
46).	Commercial Property Cost	1,000		1,000			1,000	583	0	583
47).	Donation - Grant Funding Wider Role	21,800				21,800	21,800	12,717	12,717	0
	Donations -Others	1,400				1,400	1,400	817	110	707
48).	Tenant Participation	12,000	12,000				12,000	7,000	7,752	(752)
49).	Vehicle Costs						0	0	0	0
50).	AGM Costs	3,000				3,000	3,000	1,750	0	1,750
51).	Wider Role						0	0	1,243	(1,243)
										0
		443,692	95,057	1,000	3,926	5,500	338,209	0	443,692	
								258,820	271,094	(12,274)

WELLHOUSE HOUSING ASSOCIATION LTD

MAINTENANCE BUDGET TO MARCH 2022	Total 2021/22 TOTAL	Budget Apr-Oct'21	Actual Apr-Oct'21	(Adverse) Favourable Variance
CYCLICAL MAINTENANCE				
ELECTRICAL TESTING	36,000	21,000	20,971	29
CLOSE ELECTRICAL TESTING			4,265	(4,265)
EXTERNAL PAINTING- phase 2B	12,000	7,000	0	7,000
EXTERNAL PAINTING- phase 8	0	0		
EXTERNAL PAINTING - phase 10	0	0		
GAS SERVICING	75,000	43,750	20,154	23,596
GUTTER CLEANING	70,000	40,833	58,515	(17,681)
GAS SAFETY AUDIT	7,800	4,550	1,382	3,168
FIRE SERVICE - 14 LANGBAR GDNS	3,600	2,100	148	1,952
FIRE SERVICE - EQUIPMENT	0	0	0	0
ASBESTOS MANAGEMENT	2,400	1,400	770	630
WATER TESTING	12,000	7,000	876	6,124
	218,800	127,633	107,081	20,553
REACTIVE MAINTENANCE				
REACTIVE MAINT	198,000	115,500	135,094	(10,494)
SCOTTISH POWER L/LSUP	15,600	9,100		
ESTATE SERVICES - Materials	30,000	17,500	4,835	12,665
ESTATE SERVICES - Van/Fuel	15,600	9,100	2,787	6,313
Close Cleaning	0	0		
VOIDS	168,000	98,000	106,220	(8,220)
Facilities Management Costs	6,000	3,500		3,500
Assume a £2,000 spend on Factored Owners properties	2,000	2,000		2,000
	435,200	254,700	248,936	5,764
Stage 3 Adaptations- Ex GH A	12,996	6,498	0	
Stage 3 Adaptations	30,000	20,000	22,930	3,568
	42,996	26,498	22,930	3,568
MAJOR REPAIRS - NON-CAPITALISED				
KITCHEN EXTRACTOR FANS Phase 5	6,000	3,500	0	3,500
Bathroom EXTRACTOR FANS Phase 5	6,000	3,500	0	3,500
Doors	0	0	1,719	(1,719)
Smoke Alarms Phase 8	48,000	28,000	34,819	(6,819)
Commercial Units - Newhills Rd R&R		0	36,132	(36,132)
External Paths	24,000	14,000	720	13,280
Back Courts Phase 1	72,000	42,000	0	42,000
Back Courts Phase 2A	0	0		0
External Verandas	0	0	7,649	(7,649)
Consultants Costs	45,000	26,250		26,250
Chimney Breast Reoval	24,000	14,000		14,000
	225,000	131,250	81,039	50,211
MAJOR REPAIRS - CAPITALISED COMPONENTS				
Kitchens Phase 5	120,000	70,000	94,733	(24,733)
Bathrooms Phase 3	117,600	68,600	42,763	25,837
Gas Boiler Replacements Phase 10	30,000	17,500	58,222	(40,722)
External Doors 2B	120,000	70,000	42,935	27,065
External Windows 2A	394,800	230,300	138,661	91,639
the Hub boiler replacement	0	0	0	0
the Hub poss remodeling	22,000	12,833		
	804,400	469,233	377,314	79,086

Management Committee	25 th November 2021
Agenda Item	7
Title of Paper	2022/23 Draft Budget Discussion
Author	Robert Murray, Finance & Corporate services Manager
Attachment(s)	1) Draft budget statement of comprehensive income, statement of financial position and cashflow statement.

FOR INFORMATION AND APPROVAL

1 PURPOSE

- 1.1 To have an early discussion to consider the proposed rent increase for 2022/23 and other financial assumptions which will be used in the Draft Budget.
- 1.2 To give an early indication of how the draft budget would look using these assumptions.

2 RECOMMENDATIONS

- 2.1 That the Committee notes the current levels of Consumer Price Index (CPI), Retail Price Index (RPI) and Consumer Price Index with Housing costs (CPIH) and be aware of the assumptions used in the current Business Plan.
- 2.2 To instruct the Finance Manager to bring a report to a future Management Committee meeting to report on progress of this issue and ensure that a committee decision can be made at that meeting to conclude the consultation.
- 2.3 To instruct the staff to progress with tenant consultation on CPI +1%.

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 This Report is consistent with Wellhouse's Strategic Objectives:-
 - Objective 1: Deliver excellent services
 - Objective 5: To maintain good governance and financial management
- 3.2 This Report is relevant in respect of the following Core Values:-
 - Accountability
 - Excellence
 - Sustainability
- 3.3 This Report also meets point 12:4 from 2022/23 Operational Plan – "Monitor the external financial environment and economy closely".

- 3.4 This Report also meets point 12:12 from 2021/22 Operational Plan – “Draft and Final budget for following year”.
- 3.5 This Report should ultimately contribute towards our overarching Aim and Vision of making Wellhouse "the Place to Be"

4 BACKGROUND

- 4.1 All Registered Social Landlords (RSLs) are expected to carry out a review and consultation exercise on an annual basis to gauge the level of rent increase to be applied to tenant's rents on the following 1 April. The level of increase in rental income will go a long way in determining how much funding we have available to manage the operational expenditure of the Association in the following financial year.
- 4.2 The management team are keen that the consultation starts as early as possible this year and the Management Committee are given ample time to consider the proposed increase.

5 MAIN ISSUES

There are several factors to be taken into account, when attempting to determine the proposed rent increase:-

- The current levels of inflation;
- CPI or RPI or CPIH?
- Financial viability;
- Affordability
- Sector wide comparisons
- Results of tenant consultation
- Current Business Plan

6. DISCUSSION

Rental Income Assumptions

- 6.1 The most up-to-date figures for September, published mid-October are as follows:-
- CPI – 3.1%, decreasing from 3.2% in August;
 - RPI – 2.25%, increasing from 2.08% in August;
 - CPIH (ONS's new preferred measure of inflation, including an element of owner occupiers housing costs) – 2.9%, decreasing from 3% in August.
- 6.2 The current Business Plan assumes an inflationary rise plus 1% for each of the first five years. This, in turn, generates a healthy surplus of over £5.5 million for the five years; however, the cash position is a bit different with an increase in cash of just shy of £2 million over the same five-year period.

The extra 1% rise above inflation in the budget generates, roughly, an additional £28,000 of rental income, which would, to use a practical example, be able to replace 11 new kitchens.

- 6.3 We would need to take into account how affordable the rent increase would be for our tenants. The SFHA have published an Affordability Tool, which will be used in conjunction with this exercise. This exercise will be carried out in due course and will be available prior to any final decisions being made on the rent increase.

Assuming we applied RPI + 1%, this would equate to 1% rent increase. This would be much higher than most of the tenant's wage rises or HB payment rises.

Remaining financially viable is not only determined by increasing income but by also cutting costs or operating more efficiently. This should help cap the level of rent increase. An increased focus on Value for Money (VFM) should identify areas where costs can be controlled.

As previously stated, the Business Plan is modelled on an inflationary rise plus 1% rent increase each year. By approving a CPI only increase, this, effectively, reduces income by around £28,000 in 2022/23 and each subsequent year. By focusing on VFM, we can generate savings in order to absorb some of this reduction in income, however, it should be noted that the majority of VFM savings have already been identified and implemented. If Committee approve another rent increase of CPI only to be applied from 01 April 2022, then savings of around £28,000 would be required for 2022/23 and each subsequent year and it would be unlikely this level of savings on other expenses could be achieved annually without service being effected.

Due to Brexit and Covid contractors are finding pressures obtaining materials at an affordable price. Recent conversations with contractors have indicated a predicted rise of around 15% on materials and this is reflected in our costings.

- 6.4 We also must ensure that any proposed increase, as well as meeting each of the first four criteria, should not be too far removed from the rest of the RSLs in the sector. Particularly other RSLs in Wellhouse Peer Group or neighbouring RSLs. The GWSF survey results are our initial indicators of that, although not readily available at this point in time.
- 6.5 Tenant consultation is likely to commence in late-November or early December, allowing time for healthy debate on the proposals and decide well ahead of the implementation date.
- 6.6 A sensitivity analysis of several potential rent increase scenarios as follows:-
- Rent Freeze – no increase in rental income for 2022/23. Rent income will remain at just a shade under £3.56 million
 - 1% increase – an additional £36,000 in rental income for 2022/23.
 - CPI only - an additional £110k in rental income for 2022/23.
 - CPI + 1% (as per Business Plan) - an additional £146k in rental income for 2022/23.

Using the same practical example as 6.2 above, the difference between applying a rent freeze and applying CPI + 1% increase would result in a difference in rental

income of £146,000, equating to the removal of a programme of around 41 kitchen replacements from the Business Plan.

6.7 Other Financial Assumptions (with Sensitivity)

- Voids losses on rental income – 0.8%. Each 1% void loss equates to £35,000 in lost rental income.
- Salary increases are based on EVH terms and conditions. We are in the final year of a 2-year wage deal, with year 2 effective April 2022. However, it is anticipated that further negotiations may need to take place as the agreed lower threshold may be breached. Any increase due from April 2022 will be determined with reference to the November 2021 CPI figure, which will be released in mid-December 2021. Each 1% of salary increase equates to circa £8,000. Draft budget salary increase is based on September CPI figure of 3.1% + 0.0%.
- There are no changes assumed to the existing staff structure.
- Overheads, with the exception of Insurance, are assumed to remain at the same level of spend but with a prudent inflationary increase of around 3% added. Insurance has assumed to increase by 10%.
- Maintenance spend on each area has been provided by Assets & Maintenance Manager based on most up-to-date expectations and up-to-date pricing structures included. Current prices have been projected to rise at around 15%.
- Arrears are assumed to increase by an additional £40,000, with the bad debts provision expected to increase by roughly $\frac{3}{4}$ of that increase.
- Base rate is expected to be at 0.5% for the first half of 2022/23 and then assumed to rise by 0.25% for the second half of the year. Because the bulk of our loans (87%) are fixed, there is less exposure to interest rate rises. Each 0.25% increase in interest rate equates to an additional interest charge of £220 per month.
- No development will take place in 2022/23.
- No properties will be disposed of in the year and there will be no sales of other fixed assets.
- No additional properties are expected to be purchased either.
- There will be no additional loans taken out and no re-financing of existing loans.

6.8 Draft Budget Results

- Results highlighted below are achieved based on the assumption that rent increase of September CP1 + 1% (4.1%) is applied.
- Surplus for 2022/23 will be £312,742.

- Cash is expected to reduce by £600k to leave a balance at March 2022 of £2.5m
- All lenders covenants are comfortably achieved.

7. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

- 7.1 There is a regulatory requirement for Wellhouse to consult with tenants prior to applying any rental increase.
- 7.2 It is also considered Good Practice for Wellhouse to regularly carry out financial viability exercises.
- 7.3 This also complies with SHR Regulatory Standard 3: The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay. Specific Guidance noted below:-
- 3.1 – The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively.
 - 3.3 – The RSL has a robust business planning and control framework and effective systems to monitor and accurately report delivery of its plans. Risks to the delivery of financial plans are identified and managed effectively.
 - 3.4 – the Governing Body ensures financial forecasts are based on appropriate and reasonable assumptions and information, including information about what tenants can afford to pay and feedback from consultation with tenants on rent increases.

8. FINANCIAL IMPLICATIONS

- 8.1 Outlined in main body of the report.

9. KEY RISKS

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
<ul style="list-style-type: none"> - Applying a rent increase which is too high may make rent unaffordable to tenants. Damage to Wellhouse reputation as well as financial implications - Applying a rent increase below that of our business plan assumptions will impact on our ability to deliver that plan 	Failure to raise sufficient income would be detrimental to our planned maintenance plans.	
Mitigation	Mitigation	Mitigation
<ul style="list-style-type: none"> - Be aware of proposed rises to HB and UC as well as current wage rises. - Adhere to business plan 	Through regular robust forecasting and good financial viability practice, income should cover all future operational expenditure.	

10. EQUALITY AND DIVERSITY IMPLICATIONS

10.1 None apparent.

11. SUSTAINABILITY

11.1 Not applicable.

12. SWOT ANALYSIS

12.1 Not required.

13. CONCLUSION

13.1 This is a key decision for Wellhouse and impacts upon customer satisfaction levels, our reputation and our ability to reinvest in our stock.

13.2 First draft budget is showing moderate surplus of around £0.3 million and a cash outflow in excess of £600k. Not applying the CPI + 1% rent increase would make these results worse.

WELLHOUSE HOUSING ASSOCIATION

2022/23 Budget

STATEMENT OF COMPREHENSIVE INCOME



2022/23 Movement

	Social Lettings Rental Income	Social Lettings Service Charges	Commercial Lettings	Factoring	Development	The Hub Services	Corporate Services	Total	Mar'23
Rental Income & Service Charges	3,497,336.89							3,497,336.89	
Less: Voids losses	(27,978.70)							(27,978.70)	
Commercial Rental Income			36,928.68			15,858.84		52,787.52	
Factoring Income				18,589.09				18,589.09	
Grants released from Deferred Income	578,781.00							578,781.00	
Other Revenue Grants	44,000.00							44,000.00	
Other Income							0.00	0.00	
	4,092,139.19		36,928.68	18,589.09	0.00	15,858.84	0.00	4,163,515.80	
								4,163,515.80	
Management Expenses - Staff Costs	470,433.90	51,295.81		5,699.53			350,249.74	877,678.98	
Management Expenses - Overheads	104,056.88	0.00	1,000.00	3,925.92	0.00	5,500.00	346,609.40	461,092.20	
Reactive Maintenance	492,108.00	50,872.32		2,000.00				544,980.32	
Cyclical Maintenance	314,778.00							314,778.00	
Planned Renewals/Major Repairs	312,096.00							312,096.00	
Depreciation on Housing Properties	1,015,912.79							1,015,912.79	
Bad Debts	31,555.55							31,555.55	
	2,740,941.12	102,168.13	1,000.00	11,625.45	0.00	5,500.00	696,859.14	3,558,093.85	
								3,558,093.85	
Operating Surplus	1,351,198.07	(102,168.13)	35,928.68	6,963.64	0.00	10,358.84	(696,859.14)	605,421.96	
								605,421.96	
Release of Negative Goodwill	38,134.00							38,134.00	
Gain/Loss on Disposal of Fixed Assets	0.00							0.00	
Interest Receivable							3,750.00	3,750.00	
Interest Payable/Other Finance Costs	(234,563.39)							(234,563.39)	
Surplus for the Year	1,154,768.68	(102,168.13)	35,928.68	6,963.64	0.00	10,358.84	(693,109.14)	412,742.57	
Actuarial Gain/(Loss) in Pension Scheme							(100,000.00)	(100,000.00)	
	1,154,768.68	(102,168.13)	35,928.68	6,963.64	0.00	10,358.84	(793,109.14)	312,742.57	

2022/23 Budget

STATEMENT OF FINANCIAL POSITION

	Oct'21 £	Movement between Nov '21 and Mar'22							Mar'22	2022/23 Movement							Mar'22	Mar'22
		1 Operating Activities	2 Non-cash Transactions	3 Loan Repayments	4A Pension Deficit	4B Pension Revaluation	5 Arrears/ Bad Debts	6 Replacement Components		1 Operating Activities	2 Non-cash Transactions	3 Loan Repayments	3 Loan Repayments	4A Pension Deficit	4B Pension Revaluation	5 Arrears/ Bad Debts	6 Replacement Components	
Non Current Assets																		
Housing Properties - gross cost	41,479,753								41,479,753								1,171,068	42,650,821
Depreciation	(14,171,029)								(14,171,029)		(1,015,913)						(15,186,942)	(14,171,029)
	27,308,724								27,308,724									27,463,879
Other	1,321,162								1,321,162		(27,349)							1,293,813
	28,629,886								28,629,886									28,757,692
																		0
Negative Goodwill	(1,007,380)								(1,007,380)		38,134						(969,246)	(1,007,380)
Current Assets																		
Debtors	198,314							7,500	205,814		(31,556)						40,000	214,258
Inventory	0								0								0	0
Cash at Bank and in hand	3,049,835	304,045	215,099	130,358	(28,760)		(20,000)	(544,000)	3,106,577	412,743	467,902	(211,818)		(59,246)		(40,000)	(1,171,068)	2,505,089
	3,248,149								3,312,391									2,719,347
																		0
Payables < 1 year																		
Misc Creditors	(1,078,754)								(1,078,754)		(10,000)						(1,088,754)	(1,078,754)
Pension Deficit	0								0								0	0
Loans	(241,503)								(241,503)				(23,634)				(265,137)	(241,503)
	(1,320,257)								(1,320,257)								(1,353,891)	(1,320,257)
Net Current Assets/ (Liabilities)	1,927,892								1,992,134								1,365,456	1,992,134
Total Assets less current liabilities	29,550,398								29,614,640								29,153,902	29,614,640
Payables > 1 year																		
Loans	(7,542,669)			(130,358)					(7,673,027)			211,818	23,634				(7,437,575)	(7,673,027)
Pension Deficit	92,081				28,760	(100,000)			20,841					59,246	(100,000)		(19,912)	20,841
	(7,450,588)								(7,652,186)								(7,457,487)	(7,652,186)
Deferred Income																		
Social Housing Grant	(13,565,243)		279,375						(13,285,868)			578,781					(12,707,087)	(13,285,868)
Non Housing Grants	(681,169)								(681,169)								(681,169)	(681,169)
	(14,246,412)								(13,967,037)								(13,388,256)	(13,967,037)
Net Assets	7,853,398								7,995,417								8,308,160	7,995,417
	£																	
Capital and Reserves																		
Share Capital	118								118							4	122	118
Reserves	7,853,280	304,045	(49,526)			(100,000)	(12,500)		7,995,299	412,743				(100,000)	(4)		8,308,038	7,995,299
	7,853,398								7,995,417								8,308,160	7,995,417
	0								0								0	0

WELLHOUSE HOUSING ASSOCIATION

2022/23 Budget



CASHFLOW STATEMENT

Mar'23

Operating Surplus	605,422
Adjust for Depreciation and other non-cash transactions	464,477
Adjusted Operating Surplus	<u>1,069,899</u>

Movement in Debtors	(8,444)
Movement in Creditors	(49,246)

Investing Activities

Purchase of Properties and Components	(1,171,068)
Purchase of Other Fixed Assets	(0)
Grants received	<u>0</u>
	(1,171,068)

Financing Activities

Interest receivable	3,750
Interest payable	(234,563)
Loan capital repaid	(211,818)
Share capital issued	<u>4</u>
	(442,628)
	<u>(601,488)</u>

Movement in Cash per SOFP	(601,488)
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Management Committee	25 th November 2021
Agenda item	8
Title of Paper	IT Update
Author	Robert Murray, Finance & Corporate Services Manager
Attachment(s)	None
Executive Summary	

FOR APPROVAL

1 PURPOSE

To update committee on the recent progress regarding the telephone system and other IT Matters.

2 RECOMMENDATIONS

This report is an update on progress regarding the new telephone system and other IT matters.

3 BUSINESS PLAN, VISION AND VALUES

3.1 Implementing the new phone system and other IT investment will

1. Deliver excellent services.
2. Maintain good governance and financial management.
3. Value and invest in our people.

It is also consistent with our Values of:

- Integrity
- Excellence
- Sustainability

3.2 The report reflects the following areas of our Operational Plan:

1. Section 9.1 Ensure IT are fit for purpose

4. BACKGROUND

Committee have previously approved the contract for a replacement telephone system. The system will go live on Monday 22nd November 2021. It has also been identified the need for additional laptops to be purchased for staff to enable them to effectively participate in virtual meetings or continue to work effectively at home. The Wi-Fi and

Mobile phone system within the Hub is poor and advice has been taken on how this can be improved.

To enable better participation in meetings that may be within The Hub and remotely the need for appropriate technology is required and Hiper has been asked to look at appropriate solutions.

5 MAIN ISSUES

- 5.1 The new phone system will be live on 22nd November 2021 enabling better communication direct to the appropriate member of staff;
- 5.2 The contact numbers will be updated on the website to reflect returning back to a normal telephone system being in operation;
- 5.3 An article will be included in the next newsletter highlighting the contact details
- 5.4 Staff contact numbers will clearly show its from WHA;
- 5.5 The calls will be able to be recorded;
- 5.6 All staff will now have laptops to enable better access to remote meetings and accessing information remotely either remotely or at tenants' homes;
- 5.7 The Wi-Fi signal will be boosted within the Hub to ensure communication is better;
- 5.8 The mobile signal will be boosted within the hub by the installation of a specialised signal booster that will improve mobile signals for all networks;
- 5.9 The need for all committee members or staff to attend certain meetings within the board room could be reduced if appropriate technology was implemented.

6 DISCUSSION

- 6.1 This report is for update and further clarification can be made if required

7. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

- 7.1 Regulatory: Will help ensure compliance with data protection legislation by recording calls in a secure environment
- 7.2 Legal: At present call recording can be intermittent and due to home working is not currently in place
- 7.3 Constitutional: There are no constitutional implications

8 FINANCIAL IMPLICATIONS

- 8.1 The costs for further IT will be within staffs delegated authority but will be reported in future updates

9. KEY RISKS

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
-		New system requiring training

- a. Outline **each** perceived risk.
- b. Categorise the risks as Strategic/ Operational/ Project.
- c. Outline the mitigation if appropriate.

10. EQUALITY AND DIVERSITY ISSUES

- 10.1 There is no known Equality or Diversity issues.

11. SUSTAINABILITY

- 11.1 The existing system will be removed and recycled in an environmentally sensitive manner. The new system will have less fixed cabling thus reducing the need for new cables etc to be installed.

12. CONCLUSION

By investing in new technology, we ensure that the organisation is able to meet the needs of tenants, staff and other stakeholders. Updating systems this year will enable us to have the latest technology and thereafter formulate a ICT strategy for future years that can be presented at future meetings.

Management Committee	25 November 2021
Agenda item	9
Title of Paper	Quarter 2 - KPI Report July-September 2021 and Continuous Monitoring Global Results
Author	Carol Hamilton, Housing and Customer Service Manager Bill Black, Assets and Maintenance Manager
Attachments	Appendix 1 – KPI results Quarter 2 Appendix 2 – Continuous Monitoring Global Results 2021 charts Appendix 3 – Health Check
Executive Summary	This KPI report is presented from the Management Team on our performance for the second quarter of 2021/22 The Global charts 2020-2021 3 rd quarter result is also presented which indicates comparative performance with our peer group in relation to customer satisfaction

FOR INFORMATION

1 PURPOSE

- 1.1 The purpose of this report is to bring to the attention of Committee the performance in relation to Key Performance Indicators (KPI) for period July - September 2021.
- 1.2 The report and attached Appendix 1 details performance results for the second quarter against targets set for 2021/22. Committee is asked to discuss with the Management Team any of the presented performance trends, consider any influencing factors and suggest appropriate responsive action.
- 1.3 Appendices 2 & 3 highlights the results of our continuous monitoring of tenant satisfaction results in line with ARC indicators, by M I Housing Services Ltd (MIHS) for the first 3 quarters of 2021.

2 RECOMMENDATIONS

- 2.1 Committee is asked to discuss and note the contents of this report

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 Key areas of performance are integral to business; we measure our success by setting targets against these objectives, ensuring that we deliver them effectively and efficiently. The six objectives are to: -
 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.

3.2 It is also consistent with our Values of:

- Trust, Honesty, Integrity, Excellence, Accountability, Sustainability

3.3 The report reflects priorities set from the 2021/22 Operational Plan.

3.4 This Report should contribute towards our overarching Aim and Vision of making Wellhouse "the Place to Be"

4. **BACKGROUND and MAIN ISSUES**

4.1 Committee is kept updated throughout the year on key areas of the business. The Annual Return of the Charter (ARC) also provides areas of performance. The KPI targets referred to in this report and attached Appendix 1 reflect areas included in the ARC. Our own internal targets and any service standard we deem important are collated and monitored separately.

The full suite of KPIs has recently been reviewed to ensure that we are reporting on relevant KPIs with proper targets in place. As well as being a working internal management document, this also appears on the website and is available for everyone to view. This now results in a more condensed version of the KPI report meaning it is less likely that important information could be overlooked.

This quarterly Committee report will still highlight areas of concern and also areas of particularly good performance or improvement and will once again have the recently reviewed table of KPIs as an appendix, as this will still be the source of any information contained in this report. The Housing & Customer Services Manager and Assets & Maintenance Manager will concentrate on certain areas for discussion each quarter and may also have some attachments displaying visual content.

Continuous Monitoring Global Results

Appendix 2 highlights the results of our continuous monitoring of tenant satisfaction results in line with ARC indicators, by M I Housing Services Ltd (MIHS). The Chart Return for the first 3 quarters of 2021 show that we compare favourably with our peer group and all Wellhouse indicators are on, or above, average in that sphere. When the results are compared nationally (Appendix 3), results have highlighted that we perform very well in comparison to other Scottish Landlords and that we consistently perform above average.

An area of concern highlighted by MIHS is that we may wish to inspect our performance in relation to satisfaction or dissatisfaction with the service of the Repairs and Maintenance Team for the LAST repair that was carried out in a tenant's home. This reflects the outcome of the KPI outcomes in Appendix 1 and the Assets and

Maintenance Manager has outlined the results of his inspection in the discussion points in this report.

We always strive to improve our services and the satisfaction survey results indicate that there are no major areas of concern.

5 DISCUSSION

5.1 Housing & Customer Services Manager- Discussion points

Rent collected as a % of total rent due had been a minor concern earlier in the year however there has been an improvement in Quarter 2 at 103.25%.

Gross rent arrears are reducing slightly although they are still an area of concern and are the subject of a separate committee report.

Former Tenant arrears are still being affected by Covid and abandoned tenancies and we are continuing to use various methods to recover or write -off arrears where appropriate.

Current Tenant rent arrears have reduced.

The % of tenancy offers refused continue to be out with target and although analysis of reasons for refusal do not raise any issues of great concern, there has been a recent trend of refusals of flats higher than first floor.

Relet times in Quarter 2 were still lengthier than normal at an average of 27.04 days mainly due to the delay in processes as a result of Covid coupled with an increase in refusals.

5.2 Assets & Maintenance Manager - Discussion points

Contractors are continuing to perform well given the ongoing situation and the availability of materials and labour due to Covid.

Gas Servicing is back to 100% access but we are still experiencing a very high level of services going to 'Forced Access' which takes up a lot of staff time.

Repairs Satisfaction rates was down to 69.4%. Of the 72 tenants who were surveyed by Mihs, 36 had a repair in the last year and of those, 11 were dissatisfied. 8 of those 11, were noted as the repair "not done right first time" and on investigation these were water leaks where follow up works were required. Of the remaining 3, 2 were over the one-year period and one was because the contractor had not fed back that follow up works were required.

6. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

6.1 There are no regulatory, legal, or constitutional issues to consider in this performance report.

7. FINANCIAL IMPLICATIONS

7.1 Committee are asked to note the impact of arrears and void rent losses.

8. KEY RISKS

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
Increasing arrears impact on our income	Financially due to lost income	
Reputational through possible failure to provide excellent services.	Problems with stock – internal and external.	
Mitigation	Mitigation	Mitigation
Focus placed on rent arrears and void turnaround times	Redesigning arrears reports and actions	
Improvement plans are ongoing	Regular home visits and estate visits are unable to take place due to Covid-19 but will restart asap	

9. SWOT ANALYSIS

Not required

10. EQUALITY AND DIVERSITY ISSUES

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

11. SUSTAINABILITY

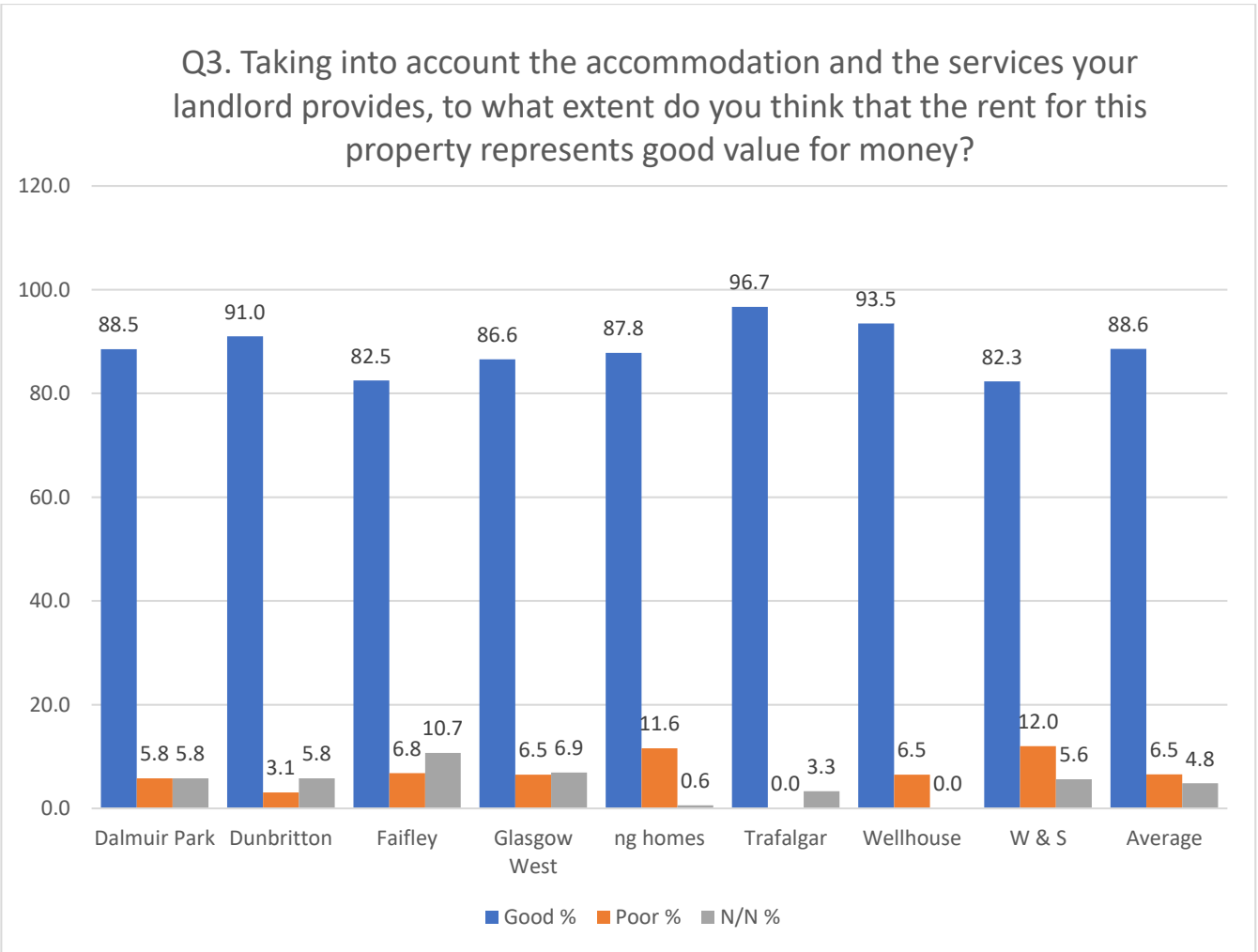
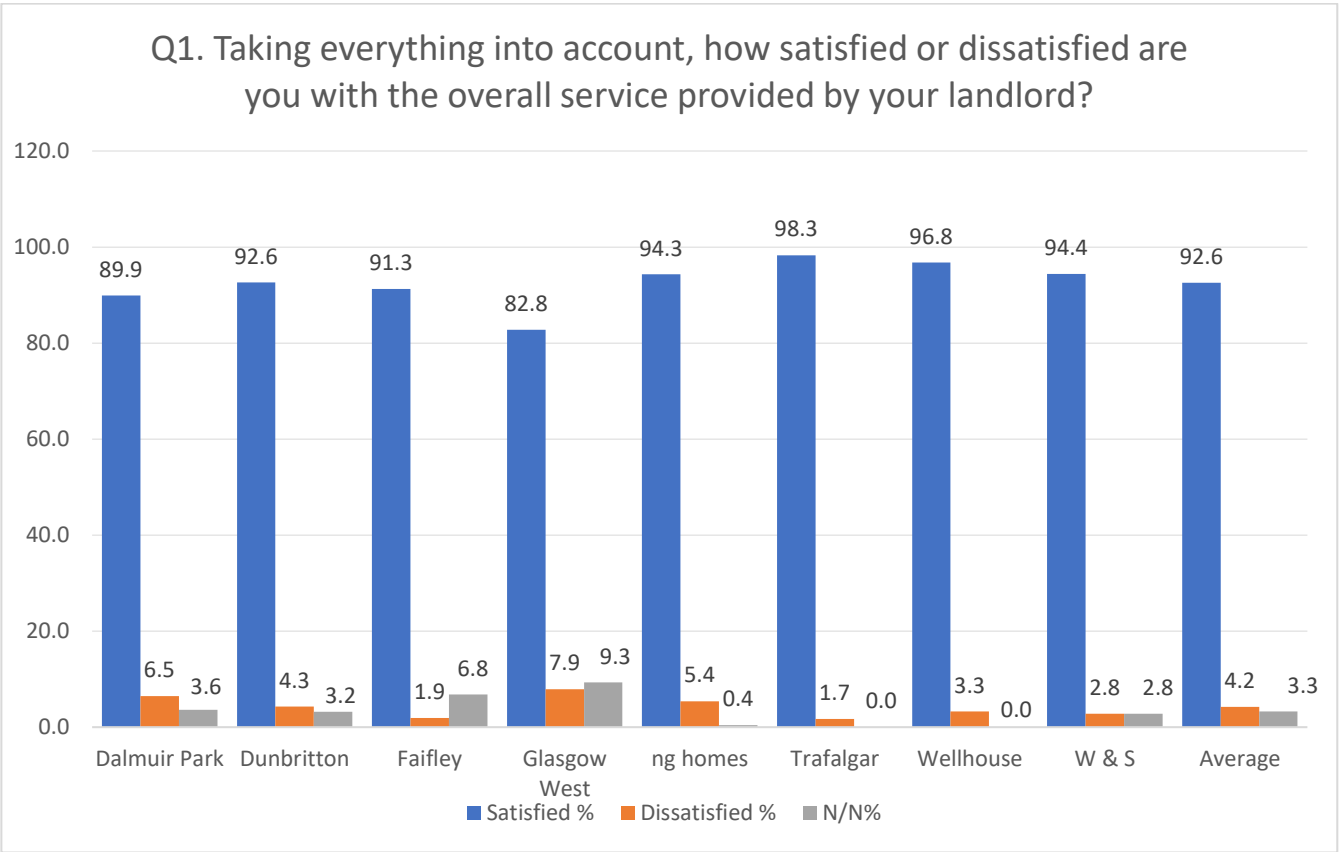
11.1 There are no identified impacts on sustainability even an unintended one.

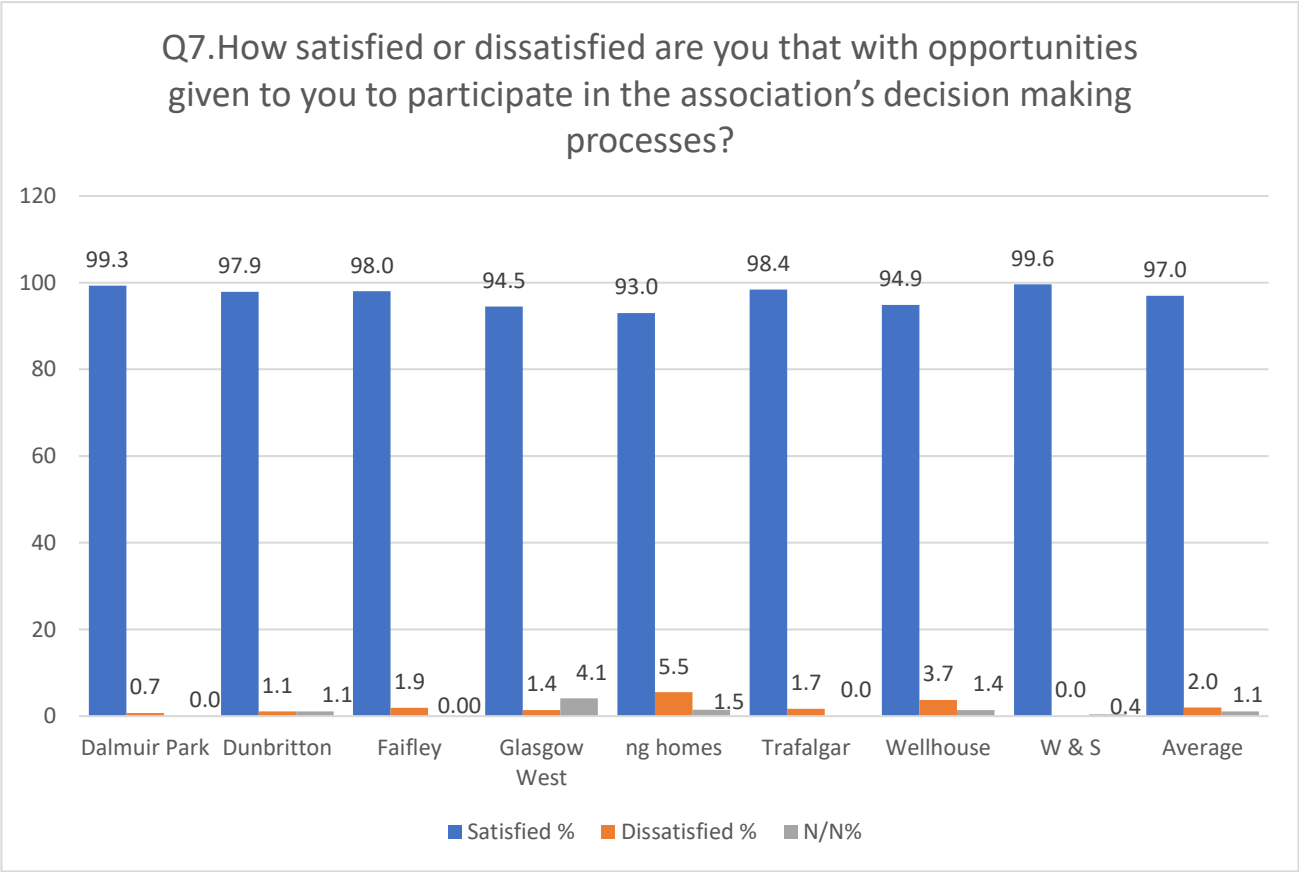
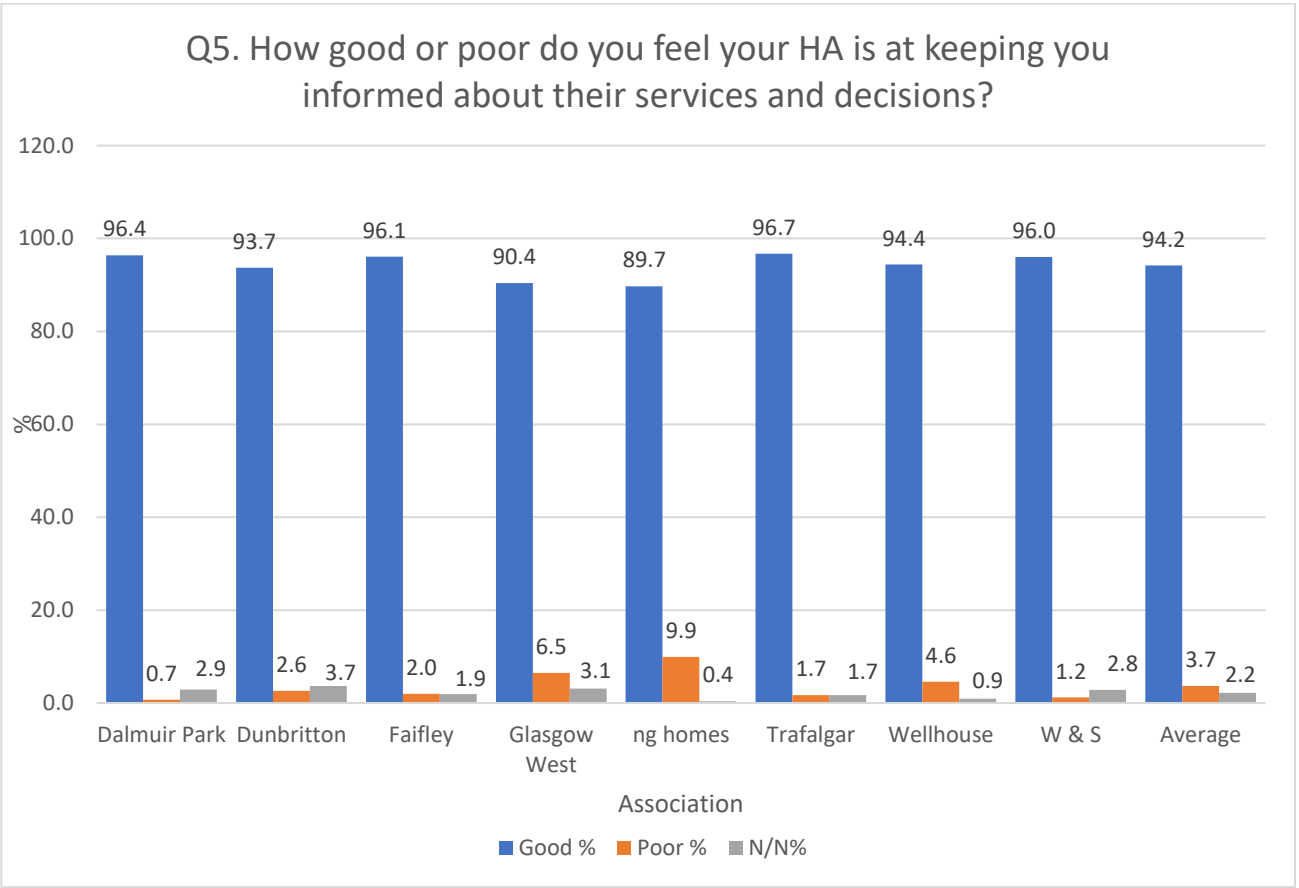
12. CONCLUSION

12.1 The usual KPIs are causing concern – rent arrears, but plenty other KPIs to take some comfort from. Covid-19 is still causing some issues but as time goes by these issues are becoming less.

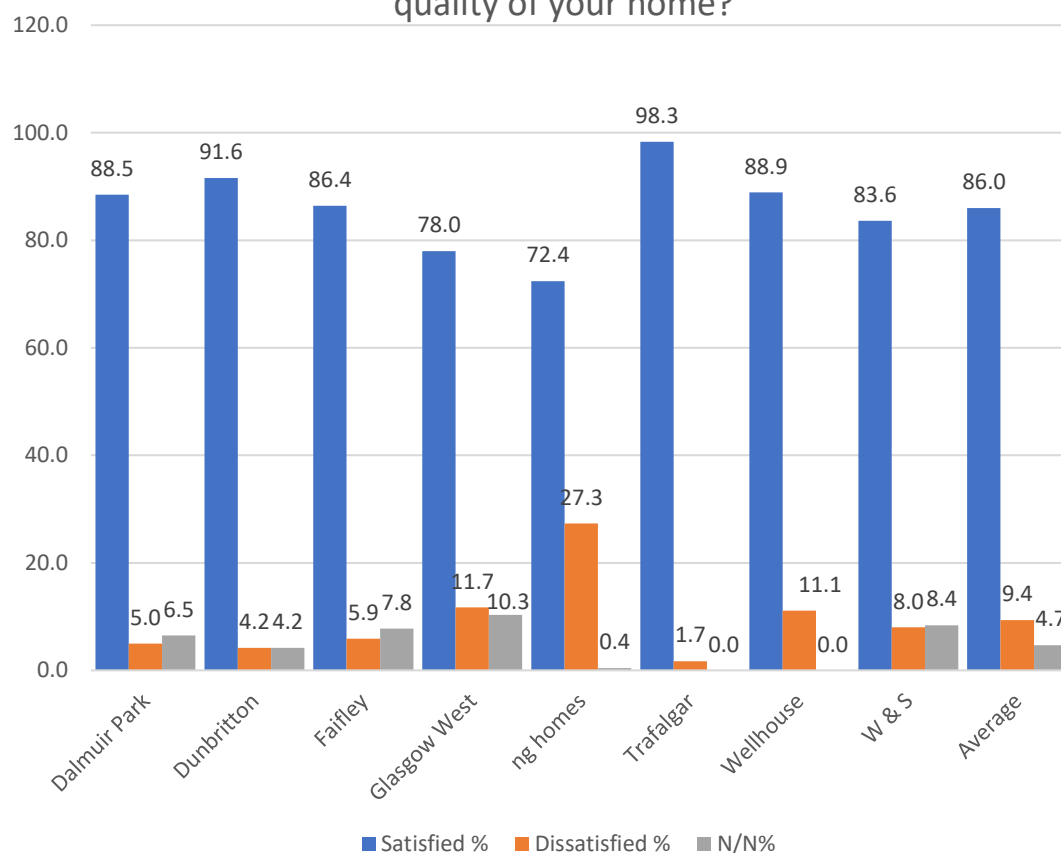


Function	Business Area	ARC QUESTION	KPI Brief Description	Annual KPI Target	Performance at End of Year 2019/2020	Performance at End of Year 2020/21	End of Quarter 1	Variance	Comments	End of Quarter 2	Variance	Comments
Rent Management	ARC	26	Rent Collected as % of total rent due for year	100%	98.37%	97.21%	97.63%	2.37%	Based on rent charges raised and rental received	103.25%		Based on rent charges raised and rental received Year To Date
		27	Gross Rent Arrears as % of rent due for year	8.00%	8.89%	10.96%	10.60%	2.60%	Figure includes £8.5K Written Off minus Technical Arrears of £12.5K	10.52%	2.52%	Figure includes £8.5K Written Off minus Technical Arrears of £12.5K
		18	% of Void Rent Loss	0.60%	0.19%	0.29%	0.53%		Covid 19 restrictions delayed void works and viewings	0.45%		Covid 19 restrictions continue to delayed void works and viewings
		22	Number of court actions which resulted in eviction	n/a	0	0	0		2 Decree's secured during Q2, 1 enforced by Eviction for rent arrears	1		2 Decree's secured during Q2, 1 enforced by Eviction for rent arrears
	Performance		Current Tenants Arrears	7.00%	6.22%	9.20%	10.39%	3.39%	Current tenant arrears increased due to Covid 19	6.96%	1.96%	Current tenant arrears decreasing
Allocations	ARC	14	Tenancy offers refused	30%	1.08%	1.68%	1.47%	0.47%	Former tenant arrears increased due to Covid 19	1.68%	0.68%	Former tenant arrears increased due to Covid 19 and tenancies ending
		17	Property that became vacant in the year	n/a	35	27	18		Rate remained higher than target but analysis of reasons for refusals did not raise any issues of concern	41.86%	11.86%	Rate remained higher than target but analysis of reasons for refusals did not raise any issues of concern
		30	Relet time	12 days	14.46 days	30.57 days	18.23 days	6.23 days	Covid 19 restrictions delayed void works and viewings	27.04 days	15.04 days	Covid 19 restrictions delayed void works and viewings
		Performance	No of lets made	n/a	35	24	13			25		
	Performance		Former Tenant Arrears %	1.00%	1.08%	1.68%	1.47%					
Maintenance	ARC	6	% of stock meeting SHQS	100%	97.98%	98.11%	98.11%	1.89%	Issues remain with some tenants not allowing access for works but this will reduce when properties become void.	98.11%	1.89%	Some tenants not allowing access for works but this will reduce when properties become void.
		8	Average time to complete EME repairs	4 hours	2.06 hours	2.18 hours	1.8 hours			1.9 hours		
		9	Average time to complete NON-EME repairs	6 days	3.72 days	3.48 days	4 days			4.2 days		
		10	Reactive repairs carried out completed right first time	100%	99.81%	99.21%	100%			98.00%	2%	A few jobs revisited following the comments from our tenants survey
		11	How many times did you not meet your statutory obligations to complete a gas safety check within 12 months of fitment or its last check	0%	0%	4.30%	0.63%	0.63%	Impacted by Covid 19 restrictions and tenants unable or unwilling to allow access during pandemic. These are the last cases caught after the end of lockdown restrictions in April	0.00%		Last cases caught up after the end of lockdown restrictions in April 2021
		Performance	Average time to complete Urgent jobs	3 days	2.1 Days	2.1 days	2.1 days			2 days		
	Performance		The number of Households currently waiting for adaptations to their home.	n/a	6	4	2			4		
Adaptations	ARC	19	The total cost of adaptations complete in year	n/a	£25,118	£62,010	£22,535			£24,588		
		20	The average time to complete adaptation	60 days	65.28 days	46.06 days	27 days			25 days		
		21	% of ASB cases reported in the last year which were resolved	n/a	94.20%	94.20%	87.50%			90.91%		Of cases not resolved all (4) are serious ASB cases awaiting court hearings
Estate Management	ARC	15	% of court actions initiated which resulted in eviction	n/a	0	0	0			1		2 Decree's secured during Q2, 1 enforced by Eviction for rent arrears - none for ASB or other reasons
		22	% of tenants satisfied with overall service provided by their Landlord	90%	86.5%	94.1%	100.0%			98.6%		
Satisfaction	ARC	2	% of tenants who feel their Landlord is good at keeping them informed about their services and decisions	95%	88.0%	95.1%	97.2%			95.9%		
		5	% of tenants satisfied with the opportunities given to them to participate in the landlord's decision making processes	85%	85.8%	97.6%	98.6%			90.3%		
		7	% of existing tenants satisfied with the quality of their home	80%	83.1%	87.2%	88.9%			88.9%		
		12	% of tenants who have had repairs or maintenance carried out in the last 12 months satisfied with the repairs and maintenance service.	85%	88.2%	87.8%	84.6%	0.40%		89.4%	15.60%	Of the 72 tenants surveyed, 36 had had a repair in the last 12 months. 11 of these expressed some dissatisfaction and these were looked into and dealt with.
		13	% of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in	90%	79.5%	92.4%	97.2%			97.2%		
		25	% of tenants who feel that the rent for their property represents good value for money	85%	84.0%	93.1%	94.4%			94.5%		
		Performance	% of tenants satisfied with the overall service provided by their Landlord	90%	86.5%	94.1%	100.0%			98.6%		
Complaints	ARC	3	The percentage of all complaints responded to in full at Stage 1	100%	100%	86.6%	100%		1 complaint received late Q1 and responded to in Q2	100%		
		3	The percentage of all complaints responded to in full at Stage 2	100%	100%	100%	n/a		No Stage 2 complaints received Q1	n/a		No Stage 2 complaints received Q2
		4	The average time in working days for a full response at Stage 1	5 days	6.12 days	2.74 days	6 days	1 day	4 complaints responded to within timescale	2.75 days		
		4	The average time in working days for a full response at Stage 2	20 days	14.46 days	5 days	n/a		No Stage 2 complaints received Q1	n/a		No Stage 2 complaints received Q2
Communications	Service Standards		4 newsletter articles per annum	100%	100%	100%	100%			100%		
Factoring	ARC	29	% of factored owners satisfied with factoring service they receive	70%	87.5%	87.5%	87.5%			87.5%		

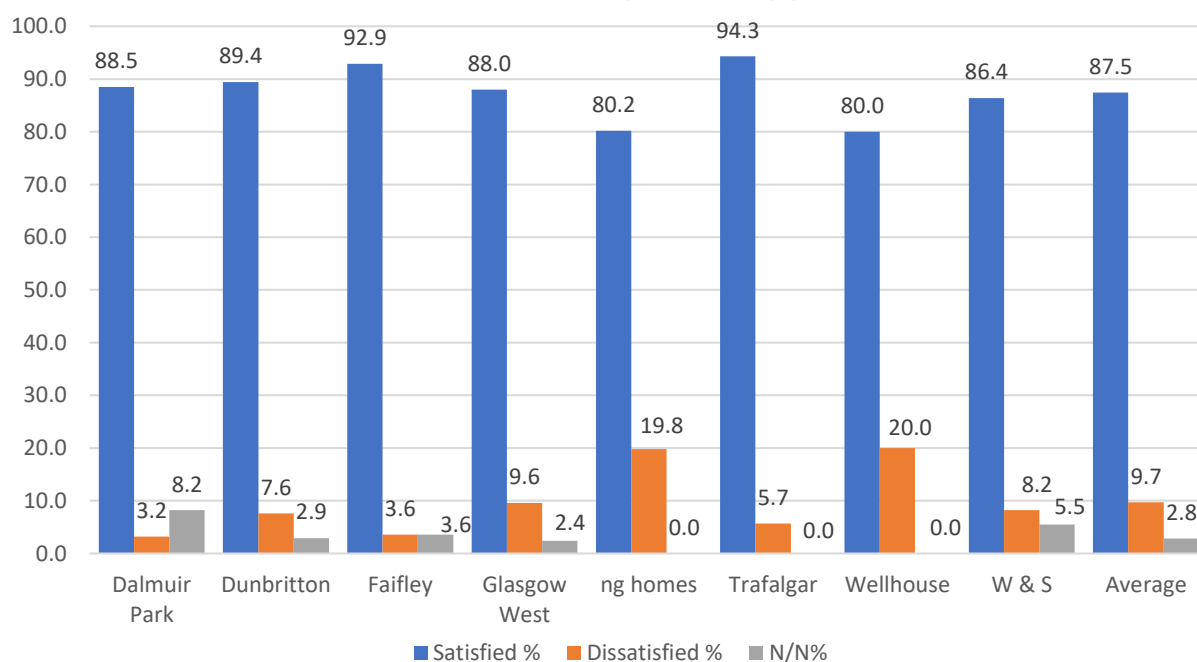


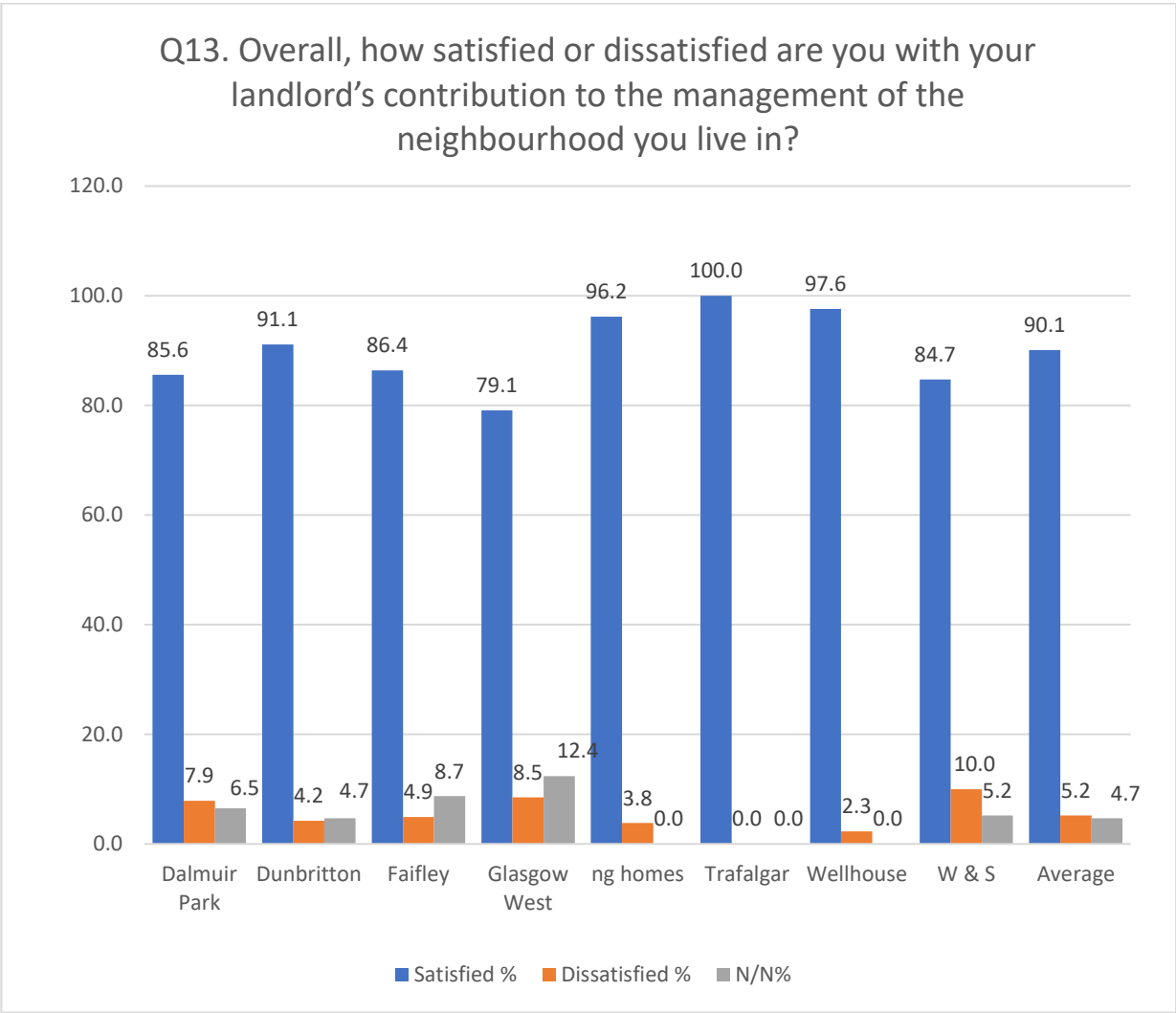


Q8. How satisfied or dissatisfied are you with the overall quality of your home?



Q11. Thinking about the LAST time you had repairs or maintenance carried out, how satisfied or dissatisfied were you with the repairs and maintenance service provided by your landlord?





Appendix 3 - Health Check

Indicator No		Wellhouse	Group Average	Scottish Average
1	Taking everything into account, how satisfied or dissatisfied are you with the overall service provided by your landlord?	92	91	90
2	How good or poor do you feel your landlord is at keeping you informed about their services and decisions?	90	94	93
5	How satisfied or dissatisfied are you that with opportunities given to you to participate in your landlord's decision making processes?	96	96	88
7	Overall, how satisfied or dissatisfied are you with the quality of your home?	89	87	88
12	Thinking about the LAST time you had repairs or maintenance carried out, how satisfied or dissatisfied were you with the repairs and maintenance service provided by your landlord	88	87	90
13	Overall, how satisfied or dissatisfied are you with your landlord's contribution to the management of the neighbourhood you live in?	99	91	86
25	'Taking into account the accommodation and the services your landlord provides, to what extent do you think that the rent for this property represents good or poor value for money?	92	90	83

Management Committee	25 November 2021
Agenda Item	10
Title of Paper	Rent Arrears Update
Author	Carol Hamilton, Housing & Customer Service Manager
Attachment(s)	N/A
Executive summary	<p>The following information is recorded at the end of Period 7, 31st October 2021:</p> <ul style="list-style-type: none"> • Gross current tenant rent arrears are £298,564 – 8.89 % of annual income • Net arrears are £282,157 – 8.40% of annual income • Former Tenant's arrears are £48,242 • Rent collection is currently 102.27% (cumulative 7 months to end October 2021) • 88 tenants (11.11% of all tenants) owing £1,000+ now owe £202,464 collectively – 67.81% of current arrears and 6.03% of annual rent income. • 59 (7.45% of all tenants) of those owing £1,000+ are UC recipients • 39 tenants (4.92% of all tenants) owe £2,000+ • The number of tenants claiming UC is 232 (29.29% of tenants). • The amount of UC arrears figure is £158,303.00 (53.02% of the current arrears) or (4.71% of annual income)

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 October position.

5. MAIN ISSUES:

5.1 Since the last Committee update, gross current tenant rent arrears have reduced by £2,364 to £298,564.

5.2 During the period, net current arrears have reduced by £6,264 to £282,157.

5.3 The number of tenants in arrears across most bands is decreasing. 88 tenants owe more than £1000, which is 13 fewer than last month and those owing more than £2,000 has decreased by 1.

5.4 The former tenant arrears have decreased by £8,169.

5.5 Due to the final days of October falling on a weekend, scheduled end of the month payments by various methods are not included and will be reflected in November accounts.

5.6 Efforts to reduce arrears continue to be adversely impacted by several tenants, particularly those in the legal system, who continue to take advantage of the temporary legislation and are refusing to pay or engage. The highest balance is £9,111 and the legal case is scheduled for February 2022. No recent payments have been received.

5.7 Despite the above factors, there has been an overall improvement in the reduction of arrears.

6. DISCUSSION

6.1 An action point from last Committee meeting was to provide an update on the Coronavirus (Covid-19) Tenant Grant Fund. Each Local Authority has been granted funding to assist those with tenancy related debt as a result of the epidemic. Glasgow City Council (GCC) have advised that their process is still in the discussion stage and they are currently looking at who will administer the fund and what the process will look like. An update will be brought to a future meeting.

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.

Management Committee	25 November 2021
Agenda Item	11
Title of Paper	Complaints and Compliments 2021/22 Update
Author	Carol Hamilton, Housing & Customer Service Manager
Attachment(s)	N/A
Executive summary	<ul style="list-style-type: none"> • The Complaints and Compliments report is produced to assist the Board's understanding and interpretation of the volume and nature of complaints handled within the organisation • The Association has a commitment to learning from complaints as well as our Complaints Handling development

FOR INFORMATION

1 PURPOSE

- 1.1 This report contains information for complaints and compliments in line with the Scottish Public Services Ombudsman (SPSO) and the Association's regulatory requirements covering the period 1 July 2021 to 30 September 2021.
- 1.2 This report also contains performance information for the Year to Date (YTD) ending 30th September 2021.

2 RECOMMENDATIONS

- 2.1 That the update on our complaints and compliments position be noted.

3 BUSINESS PLAN, VISION AND VALUES

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

4 COMPLAINTS

- 4.1 The Association received **4** complaints during the Second Quarter of 2021/22.

4.2 Stage 1 Complaints

4 x Stage 1 complaints were received during the period 1 July 2021 to 30 September 2021. **100.00% (4)** of Stage 1 complaints were responded to within Quarter 2 and were handled within timescale.

For Quarter 2 performance was **2.75 days against an SPSO target of 5 working days**. For the YTD our average performance is now **4.91 days**, again within the target response times.

The outcome of these complaints are as follows:

Outcome - Stage 1	Quarter 2 2021/22
Upheld	-
Partially Upheld	-
Not Upheld	1
Resolved	3
Total	4

4.3 Stage 2 Complaints

There were no stage two complaints received within the period.

4.4 Complaint Issues

The table below details the main issues WHA received complaints about during last quarter:

Issues raised	Q2 2021/22	Outcome
Equalities issue	-	-
Failed to attend appointment	1	1 Front Line Resolution
Contractor conduct	-	-
Poor workmanship	-	-
Incomplete repair	-	-
Repairs Delay	-	-
Rechargeable Repairs	-	-
Common Repairs	1	1 Front Line Resolution
Rent Arrears	-	-

Anti-Social Behaviour	-	-
Estate Management	-	-
Estates Team	-	-
Policy/Procedure	2	1 Front Line Resolution 1 Not Upheld
Communication	-	-
Staff issue	-	-
Development	-	-
Not WHA Responsibility	-	-
Total	4	4

However, although these are the main recorded reasons for complaints, one complaint about our improvement policy was also related to conditions on estate and requesting information/assistance to deal with issues not WHA responsibility and a suggestion to save money by reducing number of newsletters printed through use of e-mail. Another, about Factoring Policy and charges for services not provided, also raised concerns about some common repairs. All these points were addressed in our responses to complainants.

5 COMPLIMENTS

During the Quarter to 30 September 2021, we received 1 compliment, related to an offer of rehousing.

6 LEARNING FROM COMPLAINTS & TRENDS

6.1 *Learning from Complaints*

The main learning outcomes from the last quarter are:

- Complaints Management

Steps taken to improve our management of complaints has resulted in all complaints being responded to within timescale within Quarter 2. This has improved our average response over the YTD to within target.

- Policy/Procedure Issues

This remained a feature of 2 complaints.

1 was related to our Factoring Policy and Charging and was resolved by providing additional information and explanation, 1 was about our Improvement Policy and whilst not upheld an update on the policy was provided.

6.2 *Trends*

Compared to last year's outcomes, the level of stage 1 complaints reduced during Quarter 2 (**4**) but over the YTD (**11**) is in line with annual outcomes (**22**). Last year we

only received 1 Stage 2 complaint, with none received this Quarter, or indeed during the YTD.

Policy and procedural issues were a recurring trend and repair issues formed the basis of all the complaints received.

7 REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

7.1 *Standard 2*

The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. In addition, its primary focus is the sustainable achievement of these priorities.

Guidance 2.2

The governing body recognises it is accountable to its tenants and has a wider public accountability to the taxpayer as a recipient of public funds, and actively manages its accountabilities. It is open about what it does, publishes information about its activities and, wherever possible, agrees to requests for information about the work of the governing body and the RSL.

Guidance 2.3

The RSL seeks out the needs, priorities, views and aspirations of tenants, service users and stakeholders. The governing body takes account of this information in its strategies, plans and decisions.

8. FINANCIAL IMPLICATIONS

- 8.1 The measures taken to resolve complaints affect staffing resources. These resources are being delivered within our existing salary budget.

9 KEY RISKS

9.1 *Reputational*

Risk associated with complaints is mainly reputational and in order to manage this risk we must learn from complaints to ensure that any trends are addressed.

10 EQUALITY, DIVERSITY & HUMAN RIGHTS IMPLICATIONS

- 10.1 Wellhouse Housing Association embraces the principles of empowerment, accountability, equality and diversity that are integral to human rights. Complaints and compliments are monitored for equality issues.
- 10.2 During the Quarter to 30 September 2021 no equality complaints were raised.

Management Committee	25 November 2021
Agenda Item	12
Title of Paper	Allocations Policy- Update
Author	Carol Hamilton, Housing & Customer Service Manager
Attachment(s)	Appendix 1 – Draft Allocations Policy
Executive summary	

FOR INFORMATION

1 PURPOSE

- 1.1 To update Committee on the progress of the Allocations Policy

2 RECOMMENDATION

- 2.1 That the Draft Allocation Policy be progressed for consultation with relevant stakeholders

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 The production of an allocations update report is consistent with:

- All of our strategic objectives
- Our Vision and;
- All of our Values

4 BACKGROUND

- 4.1 WHA withdrew from the Common Housing Register (CHR) Allocation Policy with 4 other EHRA Landlords in April 2021. At the Committee meeting held in April, Committee gave approval for staff to draft a new Policy which would better reflect the needs of our community. The draft policy is attached (Appendix 1)

5. MAIN ISSUES:

- 5.1 Over the last 3 years 10 WHA transfer and 11 WHA waiting list applicants have accepted tenancies and it has been agreed that lets to our own community could be improved.
- 5.2 Feedback from Committee and staff has highlighted a preference for a simple policy where points are based on need and that best use is made of stock. The draft Policy consists of 3 lists for transfer, waiting list and homeless applicants. Priority groups including Domestic Abuse victims, children leaving Local Authority care and personnel leaving the Armed Forces continue to be prioritised in line with statutory obligations and legislation.

- 5.3 The Policy makes extra provision for current tenants to move more easily to suitable accommodation in certain circumstances which will enhance their wellbeing and make best use of stock. An example of this is where a tenant with mobility issues living in an upper flat may be prioritised for a property on a lower level within their close, allowing their vacant property to be allocated to another on the list. A further example is where tenants are struggling financially to cover the costs of heating a larger property than they require or where their Housing Benefit does not cover the rent causing arrears to accrue. In these circumstances, legal action can be avoided and costs are minimised. This would create opportunities for those on our waiting list who are overcrowded and who require larger properties.
- 5.4 It is intended that consultation will be carried out in a variety of ways in February-March 2022 after the conclusion of the rent consultation and the results will be reported to Committee.
- 5.5 An Equalities Impact Assessment will be carried out.

6. DISCUSSION

- 6.1 A recent Demand and Outcome exercise that was brought to Committee in April 2021 has highlighted that the current policy does not meet the needs of our community and consideration should be given to maximising their housing opportunities in line with legislation, statutory guidance and the needs of our community. Committee and staff have expressed views on the content of a future policy and these have been accounted for in the draft Policy (Appendix 1)



POLICY

Allocations - DRAFT

Wellhouse - The Place to Be

Draft Policy Created: September 2021
Date of Last Review: N/A
Date of Current Review: October 2021
Date of Next Review: October 2024
Reviewed by: Housing and Customer Service Manager

The policy is available on the Association’s website. Customers will be provided with a copy of this policy on request. We will provide this policy in specific formats as requested, i.e., tape, Braille or another language.

Section	Content	Pages
1.	Vision and values	4
2.	Governance	4
3.	Policy Aims	4
4.	Equal Opportunities Statement	4
5.	Scottish Housing Charter	5
6.	Legislation	6
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Linked Policies/Procedures

1.	Openness and Confidentiality
2.	Customer Engagement and Participation Policy
3.	Vulnerable Tenants – Domestic Abuse
4.	Complaints Policy
5.	Income and Debt Recovery
6.	Rent and Service Charge Policy
7.	Data Protection Policy
8.	Repairs and Maintenance Policy

1. Vision and values

Wellhouse – the Place to Be.

This simple statement is our vision of Wellhouse as an attractive place where people feel happy and safe, benefit from having a good home and an attractive environment and feel proud to be part of a vibrant community.

We believe that our values of **Trust, Honesty, Integrity, Excellence, Accountability and Sustainability** supported by a comprehensive policy framework will help make our vision a reality.

2. Governance

Wellhouse HA is a community controlled Registered Social Landlord and is managed by a group of local people who are elected onto the Management Committee. We may co-opt other people onto the Management Committee from time to time where we feel we need specialist support. Their role is to make sure that the Association is well run, meets the needs of the local area and is responsive to what is important to local people.

The Management Committee appoints senior staff, agrees all the Association's policies and takes all the key decisions. The Director and the senior team support the Committee in these responsibilities.

3. Policy Aims

The Allocations Policy sets out the principals that Wellhouse Housing Association follows in order to allocate our housing stock. The Association aims to:

- Provide good quality affordable and secure rented accommodation to those demonstrating housing need
- Facilitate fair and open access to the housing lists
- Comply with legislative and good practice requirements in regard to the assessment and allocation of housing
- Prioritise those in housing need (reasonable preference being given to those applicants referred by Glasgow City Council via the Section 5 Homeless Referral route, applicants occupying houses which do not meet tolerable standards; are living in unsatisfactory housing in relation to access or medical condition or are occupying overcrowded houses
- Make the best use of stock seeking to promote sustainable
- Proactively minimise the cost of the process
- Establish tenancies which are successful and encourage tenants to maintain their tenancies.

4. Equal Opportunities and Human Rights Statement

We aim to ensure that all services, including the delivery of this policy, provide equality of opportunity.

We will respond to the different needs and service requirements of individuals. We will not discriminate against any individual for any reason, including age, disability, gender re-assignment, marriage, civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation, or other status.

5. Scottish Housing Charter

The Scottish Government's Social Housing Charter came into force in April 2012 and was reviewed in 2019. The Charter sets out the standards and outcomes that Registered Social Landlords should achieve.

There are 8 outcomes under the Charter that are especially relevant to our allocation policy, these are:

Outcome 1 Equalities

Social landlords perform all aspects of their housing services so that:

- every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services

Outcome 2 Communication

Social landlords manage their business so that:

- tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides

Outcome 3 Participation

Social landlords manage their businesses so that:

- tenants and other customers find it easy to participate in and influence their landlords' decisions at a level they feel comfortable with

Outcomes 7, 8 & 9 Housing Options

Social landlords work together to ensure that:

- people looking for housing get information that helps them make informed choices and decisions about the range of housing options available to them
- tenants and people on housing lists can review their housing options

Social landlords ensure that:

- people at risk of losing their homes get advice on preventing homelessness

Outcome 10 Access to Social Housing

Social landlords ensure that:

- people looking for housing find it easy to apply for the widest choice of social housing available and get the information they need on how the landlord allocates homes and on their prospects of being housed

Outcome11 Tenancy Sustainment

Social Landlords ensure that:

- Tenants get the information they need on how to obtain support to remain in their homes and ensure suitable support is available, including services provided directly by the landlord and other organisations.

6. Legislation

The following legislation is relevant to this policy:

- The Housing (Scotland) Act 1987
- The Housing (Scotland) Act 2001 & 2010
- The Housing (Scotland) Act 2014
- Homelessness etc. (Scotland) Act 2003
- Matrimonial Homes (Family Protection) (Scotland) Act 1981
- Civil Partnership Act 2004
- Management of Offenders Act 2005
- Equality Act 2010
- Data Protection Act 2018
- Human Rights Act 1998
- Freedom of Information (Scotland) Act 2002

7. Guidance

The Allocations Policy has been developed with due regard given to the Scottish Governments "Social Housing Allocations in Scotland: A Practice Guide" February 2019

8. The Policy

Access to housing

In accordance with the Housing (Scotland) Act 1987 (as amended by Section 9 of the 2001 Act and 2014 Act), the Association will not exclude any applicants from applying for housing.

The Association will ensure that access to its housing lists are open to all applicants aged 16 years and over.

Applicants will only be placed on the most appropriate of the three live lists only once they have provided all requested information in support of their application.

Applicants should note, however, that placement on one of the housing lists does not mean they will receive an offer of rehousing. Wellhouse HA receives many more applicants for housing than the number of houses that become available for let.

The Association will strive to provide applicants with up-to-date advice regarding their housing prospects and, where appropriate, discuss other housing options.

Housing Lists

We operate three separate housing lists being:

Homeless
Transfers

Waiting List

Joining Our Homeless List

Homeless applicants are held on a **separate priority list**, to allow the Association to meet its obligations under the joint Glasgow City Council/Registered Social Landlord protocol in relation to homeless applicants. All referrals must come via the Housing Access Team. As soon as a Section 5 Referral is received from Glasgow City Council (GCC) and accepted by the Association, the application will be processed onto our Homeless List.

Joining Our Transfer List

Existing tenants of Wellhouse Housing Association can apply to be rehoused. They will complete our Housing Application Form and if meet criteria will be added to our Transfer List.

Joining Our Waiting List

All other applicants will complete our Housing Application Form and if meet criteria will be added to our Waiting List. This will include household facing potential Homelessness but not assessed by GCC as a Section 5 (although we will advise such applicants as part of their housing options to contact GCC to be assessed) or those where rehousing is requested via a protocol such as care leavers or those fleeing domestic violence.

Assessment

Within each housing list the Association operates a priorities and points system of allocations based on housing need.

Assessment is carried out by allocating points based on the applicant's;

- Housing Needs
- Medical Needs
- Social Needs

as described in the applicant's application form.

Owner Occupiers

Owners seeking a move will only be pointed at the time WHA receives proof of either a house sale or repossession and the points / priority will only be applied at date of sale / repossession.

Targets/Quotas

Housing List	% Target
Homeless	45%
Transfers	20%
Waiting List	35%

The Points Scheme

The priority awarded to Transfer and Waiting List applicants is dependent upon the number of points that the application attracts in terms of the points scheme as detailed below: -

Housing Needs

Security of Tenure

Clearance/Major Works 250 Pts

Your home is due to be demolished or major repairs works is being carried out that prevents you from occupying your home. Points will only be applied upon receipt of evidence of these works.

Property is below The Tolerable Standard 200 Pts

Your home falls below The Tolerable Standard, which requires a home to be structurally stable and free of dampness. It must have natural and artificial lighting, thermal insulation, hot and cold water, toilet and bathing facilities, proper drainage and facilities for cooking, heating and safe electrics.

Homeless 75 points

To assist with the effective management of homelessness those cases threatened with or are statutorily homeless will be given additional points when they apply directly to us via our waiting list. We will advise and recommend to such applicants of the Section 5 route and their rights under homeless legislation.

Tied Accommodation 75 Pts

You are living in accommodation linked to your job and your employment is due to end within the next six months.

Discharge from Armed Forces 75 Pts

You are currently in the armed forces and are due to leave within the next six months

Notice to Quit 75 Pts

You are in private rented property and have been served a notice to quit through the correct legal procedures or your home is being repossessed because you have not kept up with your mortgage payments

No Fixed Address 30 Pts

You have no fixed address that you can freely and safely reside at.

Insecure Tenancy 20 Pts

You are in a private sector tenancy

Access to Suitable Facilities

Sharing Facilities (No Family) 20 Pts

Applicant/s who have to sharing cooking, toilet or bathing facilities with another household

Sharing Facilities (Family) 30 Pts

Applicant/s, with family, who have to sharing cooking, toilet or bathing facilities with another household

No or Inadequate Facilities

We will advise applicants of the Tolerable Standard.

Occupancy Rules

Overcrowding 50 Pts per bedroom lacking

Points for overcrowding will be based on the following criteria: -

- Applicants and partner to occupy one bedroom
- With the exception of couples or children aged 9 or under, persons of different sex shall not share a bedroom
- Any members of the household aged 15 years, or over, require a separate bedroom
- Normally there should be no more than two occupants in any bedroom (excluding newly born)
- Where overcrowding will occur as a result of pregnancy a medical certificate will be required and points awarded 12 weeks prior to the date of confinement
- Applicants who require sole use of a bedroom due to a medical condition and that cannot be facilitated by existing accommodation

Please note that where Overcrowding is as a result of an applicant deliberately worsening their housing circumstances (for example giving up a tenancy to move in with another household) or because of shared access to children only one award of overcrowding points will be given i.e. 50 pts

Carers

The Association will allow applicants with carers to queue for a larger house where the carer sleeps over for three nights or more in any given week. Proof of such an arrangement is required however no additional overcrowding points will be awarded.

Under Occupation 25Pts per bedroom under occupied

Under Occupation points will only be awarded to our tenants, tenants of other RSLs, Local Authorities and Private Landlords i.e.no under occupancy points will be awarded to owner occupiers.

Please note that in order to free up larger accommodation we will award 50pts per bedroom underoccupied to Wellhouse Housing Association tenants who under occupy their existing property by 2 or more bedrooms.

Medical Needs

The award of medical points based on three medical categories A, B & C and seeks to allow applicants to access housing which is more suited to their medical condition, be this their physical and/or mental health.

Any award of medical points will be made in the context of it improving the quality of life of the applicant by accessing more suitable housing.

The **key consideration** in the award of medical points is not the medical condition itself but whether the medical condition will be wholly or partly alleviated by rehousing. So, the **key test** in the award of medical points is that the tenant or member of the household has a serious medical condition or disability and the present housing is unsuitable.

A medical self-assessment is included within our Housing Application Form and should be completed for each household member to be considered for medical points and submitted at the time of the application for re-housing or when medical problems arise.

Assessments will normally be completed based on your self-assessment. However, the Association will reserve the right to seek medical advice / proof in exceptional cases.

Where supplementary information is required, being mindful of the current stand by GP practices in Glasgow as articulated by the Glasgow Local Medical Committee we will seek so far as is possible to avoid any GP involvement.

Wherever possible and appropriate we will seek evidence and expert opinion from other health professions including Occupational Therapists, Community Psychiatric Nurse, CPN or any appointment letters (ongoing) or reports from such as hospital outpatient clinics or proof of benefit awards.

An applicant or member of their household may be awarded medical points based on the person with the greatest need.

Only 1 medical award can be claimed per application.

Category A 100 Pts

Applicants will be largely housebound in their existing accommodation and suffering a severe health and/or mobility problem.

The default position is that all applicants wishing to claim medical points in this category will only be queued for ground floor property and will not be queued for any property with internal stairs. However, the presence of a stairlift and / or ground floor sleeping and bathroom facilities can be taken into account.

Category B 75 Pts

Applicants will have moderate health and or mobility problems which is adversely affected by current housing.

All applicants wishing to claim medical points in this category with a mobility problem will be offered accommodation at a maximum of first floor level and all on one floor. However, the presence of a stairlift and / or ground floor sleeping and bathroom facilities can be taken into account as can a significant reduction in the number of stairs which the occupant would require to manage compared to current accommodation.

Category C 50 Pts

Where an applicants' current accommodation is causing a significant degree of discomfort to the applicants' medical condition.

Social Needs

Social factors will be taken into account where it can be shown that alternative accommodation could alleviate the circumstances or improve the quality of life of the applicant or members of the family. Cases under this section will be dealt with sensitively and on their own merits based on the evidence it is possible to gather e.g., Police, Social Work Services, Doctor, Education Services, Hospital Consultant etc.

Domestic Abuse 150 Pts

Applicants who are or have recently suffered from domestic abuse.

For tenants of Wellhouse Housing Association, such applications will be dealt with in line with our Vulnerable Tenants.

In particular, we will adopt a survivor centred approach in dealing with domestic abuse whereby:

- if a person feels they are experiencing domestic abuse we will deal with it under this policy
- We will not require victims to contact the Police or to take legal action before we provide assistance
- We will only take action with the victim's consent. The exception to this general rule is where we consider a child is at risk in any situation or if there is a high risk of serious harm to anyone involved. Where a person is identified as the victim of domestic abuse, any interaction with them will be guided by best practice guidelines

In addition, our approach will be one driven by the victim's choice and where appropriate, and with consent, we will seek to prevent homelessness and move the perpetrator. If this is not possible, we will use the allocations process to prioritise the victim and their family to a new home.

When the victim requires emergency rehousing, WHA will provide advice and assistance on accessing emergency accommodation from Glasgow City Council.

Harassment 150 Pts

Applicant/s or members of their household suffering from ongoing or recent harassment.

Harassment is defined as 'unwanted conduct by one person that causes distress and alarm to someone else'.

WHA will provide general advice and assistance on dealing with harassment to applicants. Victims may have a range of options about what to do next because there are different laws to protect victims in different situations. You may have to decide what to do based on the seriousness of the threat to you. The reason there is lots of different law is because it covers very specific types of harassment.

Examples include but are not limited to:

- Harassment could be unwanted conduct related to a relevant protected characteristic (age, disability, gender reassignment, race, religion or belief, sex, or sexual orientation, marriage and civil partnership or pregnancy and maternity), which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading,

humiliating or offensive environment for that individual. It may also relate to other personal characteristics such as trans identities including non-binary, weight or social status.

- Harassment could be threatening or abusive behaviour. Someone can be charged with an offence after only one incident of that behaviour. The person may be prosecuted under the Criminal Justice and Licensing (Scotland) Act 2010.
- Harassment could be racially aggravated. There are specific offences that relate to racial aggravation. It requires two instances of the behaviour for someone to be charged with an offence. You would need to report this to the police to do something about it.

Looked After Young People 100 Pts

Applicants are a young person (up to 25 years of age) and who currently or recently were looked after and accommodated by a local authority and are now ready to move on to their own accommodation.

Leaving Long-Term Care 100 Pts

Applicants that are currently living in a care setting such as a long-term hospital or other institution and need to move to alternative accommodation.

Merged Household 50 Pts

Where two tenants of Wellhouse HA wish to move to other accommodation together these additional points will be awarded to assist facilitate such a move and to free up accommodation.

Relationship Breakdown 20 Pts

Partners who now want to live separately, as a result of their relationship breaking down.

Employment 20 Pts

Applicants who need to move to the Wellhouse area as a result of an offer of employment nearby.

Moving to Wellhouse Area to Provide or Receive Care and Support

When re-housing within the area, would allow the applicant to give support to / or receive support from a tenant/resident already living within the Wellhouse area. This could include but is not limited to cases of long term illness, disability, frailty or social isolation.

Category A 20 pts

Will be awarded to applicants providing or receiving essential care and support.

Category B 10 pts

Will be awarded to applicants providing or receiving necessary care and support.

Other Factors

For transfer applicants only, to make best use of stock, there will be two other factors we will consider:

1. Move Within a Close

Where an existing tenant expresses an interest for a move within a close, we will allow this to happen prior to considering all other applicants, due to equivalency. The resultant property from such a move will then be let in the normal way

2. Aspirational Move

Where an existing tenant expresses an interest to move from a flat to a house within the Wellhouse area we may allow an aspirational transfer provided they have been living continuously within their tenancy for a period of 5 years.

As there is no housing 'need' element, the application will be placed on the transfer list with no points. When a suitable property becomes available for offer to an aspirational transfer, it will be offered to the person who has been on the list the longest or in the event of two or more applicants with the same date of application to the applicant who has the longest length of tenancy.

Whilst we will facilitate an occasional move under this category, to keep a balanced community and best use of stock, such moves will come from the Transfer Quota, will be limited each year and each let reported to our Committee.

3. Exceptional Circumstances

Where existing tenants are living in larger homes than they require and this is causing financial hardship as a result of heating or maintaining the property, or where Housing Benefit does not cover the full rental charge and rent arrears are accruing which may lead to eviction, or where aspects of the property are not able to be accessed due to mobility issues, we may allow a transfer to a smaller property. This would make best use of stock while alleviating the demand for larger housing.

Priority of Applicants

The decision on who is allocated a house and when will be determined by the priority given to the circumstances of the applicant (i.e. the number of points an applicant is awarded), taking into consideration the size and type of the accommodation required, and, availability or turnover of stock.

Where two or more applicants have the same number of points the deciding factor will normally be decided by the date of application i.e. the known length of time the applicant has been in housing need.

This will only become the deciding factor where the available property:

- Matches the stated preferences of the applicants
- The size and suitability of the property in relation to the needs (including medical) of the applicants household
- Making best use of stock in relation to promoting a balanced and stable community within the Wellhouse area

Offers

Wellhouse Housing Association will not normally place a limit on the number of offers that will be made to applicants. However, after each refusal a discussion will take place with the applicant to review their application, particularly on their house types chosen and areas/streets within Wellhouse, to ensure that the applicant has a realistic understanding of their rehousing prospects and we are better able to match needs on a subsequent offer.

Wellhouse HA reserves the right, where it considers reasons for refusals to be unreasonable and the applicant makes no changes to their application as a result of the refusal to suspend an application from receiving further offers for a 3-month period.

Criteria for Admission to Housing Lists

Homeless

As noted above access to this priority list will only be granted once a Section 5 has been received and accepted by Wellhouse HA.

Transfers

Tenants of Wellhouse Housing Association can apply for a transfer provided they meet the following criteria:

- There is no more than one month's rent outstanding prior to transfer and an arrangement to clear it is in place at point of offer Any outstanding recharges do not exceed the equivalent of one month's rent with a satisfactory arrangement to clear in place prior to offer
- There are no ongoing actions regarding anti-social behaviour, specifically a live notice; a recent Acceptable Behaviour Contract (ABC) or Unacceptable Behaviour Notice (UBN) or a live Anti-Social Behaviour Order (ASBO).

Tenants who have been allocated the correct size of house for their needs but who later require a larger house may only claim overcrowding where the declared household on the Housing Application matches the household members recorded by the Association.

Waiting List

In accordance with legislation, certain factors must be ignored by landlords when assessing applicants access to the housing register. These factors are:

- Length of time applicants have lived in the area
- Housing debt not owed by applicants, for example, rent arrears owed by a partner
- Housing debt now repaid
- Any non-housing debt such as council tax
- Age of applicants unless under the age of 16
- Applicant's income or property, including income or property owned by other household members
- Any rent arrears where the amount is not more than one month's rent and or where the applicant has been maintaining an arrangement for paying the arrears for at least three months and continuing the payments.

Whilst these factors do not affect an applicant gaining access to the housing register, there are factors that can affect the status of an application. These include:

- Any rent arrears where the amount is more than one month's rent and or where the applicant has not been maintaining an arrangement for paying the arrears for at least three months
- If you have been acted anti-socially within the last three years
- If you own a property.

Suspension of an application

Suspension of an applicant will follow the statutory grounds set out in the Housing (Scotland) Act 2014. Suspension of applicants will be for up to 12 months. Suspended applicants will be advised of the reasons for the suspension, the period of suspension and when the position will be reviewed. They will also be advised of their right to appeal the decision. This is a separate process from the Association's Complaints Policy/Procedure.

We will look at other cases (not statutory grounds) on an individual basis and determine whether it is reasonable to suspend that applicant. The Association may suspend an applicant for any of the following reasons:

- The applicant knowingly supplied false information either on their application or at subsequent interviews. If this becomes apparent after a tenancy is granted the Association may serve a Notice of Proceedings with a view to recovery of possession
- Repeated failure to respond to Association communications. The application will be reinstated after contact from the applicant
- Failure to advise the Association of any change in family circumstances or change of address. In this case a new application form would have to be completed
- Following receipt of an unsatisfactory tenancy reference and where the issues remain unresolved including rent and other housing debt, anti-social behaviour and other tenancy breaches
- The household on a transfer application does not match the recorded household. The application will be suspended until the matter is resolved in accordance with related tenancy change policies

Contextual Information

Wellhouse Stock

The Association has a total stock of 792 houses or flats, (plus 5 supported bedspaces let out with this policy by GCC's Health and Social Care Partnership (HSCP))

Apt Size	House Types	Number
2	Main Door	42
2	Ground Flats	4
2	Other Flats	6
2 Apt Total	52	
3	Main Door	129
3	Houses	46
3	Ground Flats	80
3	Other Flats	242
3 Apt Total	497	
4	Main Door	25
4	Houses	92
4	Ground Flats	11
4	Other Flats	28
4 Apt Total	156	

5	Main Door	2
5	Houses	79
5 Apt Total	81	
6	Houses	5
6 Apt Total	5	

Annual Turnover

Over the last three years ending on March 2021, our turnover has averaged:

Apt Size	2018/19	2019/20	2020/21	Average
2	3	3	3	3
3	38	27	20	28
4	7	4	3	5
5	4	1	1	2
6	0	0	0	0

Wheelchair/ Ambulant disabled/ Disabled Adapted & other Specialist Housing

Wellhouse HA only has a limited stock of such housing, currently 22. These properties have a very low turnover and waiting times for this type of house may be lengthy.

When such properties become available, they will be matched with the applicant who will benefit most from the adaptation/specialist housing.

Re-housing Offenders

Multi-Agency Public Protection Arrangements (MAPPA) were introduced as a result of the Management of Offenders etc (Scotland) Act 2005. We manage any allocations to offenders covered by the MAPPA arrangements at a senior level and in consultation with relevant agencies such as the police and Social Work Services. All aspects of this policy may not be applied in making any such offer and any offer of housing will be dealt in line with MAPPA (Multi Agency Public Protection Arrangements) Protocols which cover the Glasgow area

Outcomes and Targets

The Association will seek to achieve the following:

- Lets will be made in accordance with the policy while also considering the best use of stock in relation to promoting a sustainable community within the Wellhouse area.
- Produce an annual lettings plan, setting out targets and priorities for the following year
- Lets will be made as far as possible within the targets set annually by the Management Committee

Responsibilities and Delegated Authority

Our Housing Officers are responsible for managing lettings on a day-to-day basis.

9. Monitoring and performance

Our Housing and Customer Services Manager monitors our performance against service standards for processing allocation forms and use of suspensions/cancellations and we report quarterly to our Management Committee on our lettings outcomes against

targets/quotas set by them annually, to ensure we are meeting the objectives set out in this policy.

10. Consultation

We aim to deliver excellent services, which respond to local needs and reflect what is most important to our customers.

To do that we need our customers to tell us how well our policy is working and help us to make the changes which will improve it. In line with our Customer Engagement and Participation Policy:

- We make it easy for customers to give us their comments and views - face to face, by telephone, e-mail, on line or in a letter.
- We commission formal independent tenant satisfaction surveys on a continuous monitoring basis carried out every three months.
- We consult our Customer Opinion Panel
- We publish the targets we set
- We publish how we have performed against those targets

We use customer feedback to review our policies and talk to customers about the changes we are making.

11. Complaints and Appeals

If you believe we have made an incorrect decision while assessing your application for housing, we have a clear procedure for dealing with appeals about decisions we make during the application and allocation process. If you are unhappy about a decision made, you should first appeal to one of our Housing Officers. If you are still not satisfied, you can then appeal to the Housing and Customer Services Manager.

We have a separate complaints policy and procedure. Leaflets and copies of the complaint's procedure are available from the Association's office and on our website. We also provide information on how our customers can make a complaint to the Scottish Public Services Ombudsman (4 Melville Street, Edinburgh EH3 7NS, telephone, 0800 377 7300) and how to contact the Scottish Housing Regulator.

The Ombudsman will not normally deal with complaints unless customers have followed the Association's complaints' procedure.

12. Review timeframe

The policy will be reviewed every three years, or sooner, in response to a change in legislation or circumstance. The Housing and Customer Service Manager will be responsible for reviewing the policy.

13. General Data Protection Regulations

The organisation will treat personal data in line with our obligations under the current data protection regulations and our own GDPR Policy. Information regarding how data will be used and the basis for processing data is provided in Wellhouse HA's privacy notice.

Management Committee	25 November 2021
Agenda Item	13
Title of Paper	Operational Update Report
Author	Management Team
Appendices:	

FOR INFORMATION AND DECISION

1. 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.
- Officers are liaising with the Glasgow City (GCC) Coordinator to identify which tenants in tenemental flats with gardens would fulfill the criteria for receiving a brown bin for garden waste.
- The Income Advice Officer (IAO) continues to support tenants by providing benefit advice and crisis support as well as supporting the Housing Officer with arrears cases and providing Universal Credit early intervention support for new claims. We now have 232 UC recipients.
- Funding from Glasgow City Council for fuel emergencies is still being used to help those experiencing fuel poverty. We have made 52 awards to tenants, totaling £3920.00. We have £136.00 of funding remaining. We have made 15 awards of £10.00 each to help tenants access the Ruchazie Community Pantry shop. We have £350.00 pantry funding remaining. In light of the recent energy prices increase we could consider adding the remaining pantry funding to the fuel fund to help those will experience fuel poverty over winter?
- The Digital Support Fund has £386.92 remaining. Thirty devices are still on loan as most people have internet access of some sort at home but lack devices. We continue to support two of our tenants without internet access, we agreed to continue to support them with access to 6GB of data per month until the Digital funding has been depleted.
- The IAO has been supporting eligible tenants to apply for the £140.00 warm home discount with their energy suppliers. The IAO continues to make referrals to Home Energy Scotland if a tenant is looking for ways to save energy and keep the home warm while cutting down on costs.
- The government have removed the Universal Credit temporary uplift of £20.00 per week, this will plunge those already struggling into further financial hardship. We will continue to distribute our remaining fuel funding and pantry funding to support the most in need tenants with essential costs. Food bank voucher requests reduced since the £20.00 UC uplift was

Trust Honesty Integrity Excellence Accountability Sustainability

put in place, but the IAO expects requests will now increase, we have a stock of foodbank vouchers available for our tenants.

- The IAO is continuing to ensure tenant Income is maximized and continues to assist tenants to claim new benefits such as the Scottish child payment and other social security benefits / devolved benefits.
- One member of the team has taken period of unpaid leave and has been replaced by a new temporary member of staff.

2. Finance & Corporate Services Manager – Main Issues

- The Finance and corporate services assistant continues to settle in well and is working through some issues relating to old invoices and suppliers not being properly reconciled to supplier statements and substantial progress has been made to rectify the situation.
- The team continues to data cleanse the existing finance system in preparation for the move to the Homemaster system.
- The work liaising with the Homemaster developers has been extensive for the Finance Officer and the Finance & Corporate Services Manager.
- There has been significant progress made with ICT to implement the new phone system that goes live on 22nd November 2021.
- The Audit and Risk committee held their first meeting on Thursday 11th November 2021.
- The budgets are presented in first draft format and over the coming weeks further detailed analysis will take place with the aim of refining the figures to reflect current trends in costs etc.