

19 May 2022

Dear Member,

The next Management Committee will be held on **Thursday 26 May 2022 at 6PM via Zoom**

Agenda Item	Lead	Time	
1. Welcome, <i>Sederunt</i> & Apologies	Chair	1min	Verbal
2. Jargon Buster			Information
3. Declarations of Interest.	Chair	1min	Verbal
4. Minutes of the Committee Meeting of 28 April 2022	Chair	2min	Approval
5. Matters Arising & Actions from the minutes report	Director	2min	Note
6. ARC Return and EESH return	Service Improvement Officer	15min	Approval
7. 5 year projections to Regulator	Finance Manager	10min	Approval
8. Loan Portfolio to Regulator	Finance Manager	5min	Approval
9. Management accounts to 31 March 2022	Finance Manager	10min	Approval
10. Approved Contractors list	Maintenance Manager	5min	Approval
11. Complaints update	Housing Manager	5min	Note
12. KPI's target setting	Housing Manager	5min	Approval
13. Rent arrears update report	Housing Manager	5 min	Note
14. Voids performance	Housing Manager	5min	Note
15. Operational update	Management Team	10min	Note
16. AOCB	Chair		

Close of Meeting: 8PM

Next Meeting 30 June 2022 at 6PM

Terminology	Definition
ARC	Annual Return on the Charter -social landlords must report their performance in achieving or progressing towards the Charter outcomes and standards to their tenants and other service users who use their services. To the Scottish Housing Regulator
DWP	Department for Work and Pensions
Negative Goodwill	An accounting concept to acknowledge the challenges of quantifying the value of intangible fixed assets
FTA	Former Tenant Arrears
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
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.
Statement of Comprehensive Income (SOCi)	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 (SOFP)	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.
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 .
SuDs	Strategic Urban Drainage System – measure to reduce ground water flooding
UC	Universal Credit

**WELLHOUSE HOUSING ASSOCIATION
MINUTES OF THE COMMITTEE MEETING HELD
ON 28 APRIL 2022 AT 6PM – VIA ZOOM**

1. Welcome, Sederunt & Apologies

Present:

Maureen Morris	Chair
Clare Monteith	Vice-Chair
Michelle Harrow	Committee Member
Darron Brown	Committee Member
Carol Torrie	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	Corporate & Finance Manager
Linda Logan	Minute Taker
Helen Lafferty	Guest

Apologies:

Shona McKenna	Committee Member (Leave of absence)
Sarah Morris	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 8 March 2022

The minutes of the committee meeting of 8 March 2022 were proposed by Darron Brown and seconded by Jane Heppenstall as an accurate record of the proceedings.

5. Matters arising from the minutes report.

The Director proposed that the new business plan be discussed at an Ad Hoc committee meeting. The Corporate and Governance Officer will contact members to arrange a suitable date.

6. Gas Servicing Report

The Maintenance Manager presented the report to update committee on the proposed changes to the gas servicing and maintenance contract with Saltire.

He highlighted that restrictions due to Covid had resulted in an unsettled market for procuring contracts with increases to both labour and material being reported and going to open tender in the current climate of uncertainty could potentially open us up to larger cost implication. He took committee through cost increases as reported by the contractor. A benchmarking exercise had been carried out with three other housing associations with their costs per property (excluding VAT) ranging from £95 to £110 per property. Our cost would equate to £96 per property excluding VAT.

He sought committee approval to extend the current gas management and servicing contract for a further 2 years at the cost increase of £80 to £96 +VAT per property, a total cost increase from £62,880 to £75,456 + VAT per year for the 786 property with gas.

Resolution:

Committee approved the extension of the current gas management and servicing contract for 2 years and the cost increase of £80 to £96 + VAT per property.

Proposed Clare Monteith and Darron Brown seconded the extension of the current gas managing and servicing contract at a cost of £96 + VAT per property.

7. Allocations Policy

The Housing Manager presented the report to update on the progress of the Allocations Policy and Equalities Impact Assessment.

She advised that all tenants and applicants had been provided with a summary of the draft allocation policy and invited to attend 1 of 3 consultation sessions in March, details were also provided on the website. She noted that only two tenants and one applicant had attended the session. No questions were raised in relation to the policy and no responses were received via email or telephone. Some feedback had been received from stakeholders who had advised they were satisfied with the content and that it met the needs of their clients.

She asked committee to note appendix 2 of the report which provided comments on the Equalities Impact Assessment carried out by the consultant. The assessment had not highlighted any key issues however further minor adjustments will be required. A further progress report will be presented to committee at a later date.

Committee noted the progress of the implementation of the Draft Allocation Policy.

8. Rent Arrears update

The Housing Manager reported that since the last committee update, gross current rent arrears had reduced by £14,175 to £279,282. For the same period net current arrears had reduced by £21,220 to £258,336 and former tenant arrears had reduced by £6,352.

Universal Credit is now claimed by 249 of Wellhouse households and account for £156,545 of total gross current rent arrears.

The Housing team are focusing on reducing the UC Debt, ensuring that affordable arrangements are being made for those with outstanding balances. The Tenant Grant Fund from GCC of £7,817 had been totally utilised by those households who fulfilled the criteria.

She advised that as per committees request the option of selling debt to an external company had been explored in discussion with TC Young. She noted that normally debt is sold at 15% of its value and the variety of methods used to recover the debt they have bought had raised alarm bells, some of which may cause reputation damage to Wellhouse HA and cause distress to current and former tenants. She stated that our preferred option would be to continue with the tracing of former tenants and seeking wage arrestment where appropriate.

She asked committee to note that a decree for eviction had been granted in March. The tenant ended his tenancy today. A technical eviction will take place in his absence and we will continue to seek payment for the amount outstanding as well as legal costs.

Committee noted the update on the arrears position.

9. Operational update

Housing Manager:

The Housing Manager stated that while collection of rent arrears remains a priority, estate management issues have escalated significantly and are taking up a great deal of Officers time. To ensure that all functions are carried out correctly in line with the new Homemaster system each of the 3 Housing Officers will concentrate solely on rent collection, estate management issues and the new allocations policy.

She advised that an open day will be arranged in the Café on 24th May 2022 to discuss estate management issues. Nicola Connelly and the Anti-Social Behaviour team, GCC and Scottish Fire and Rescue will attend. Tenants and service users will be invited to attend.

The use of CCTV in backcourts and other common areas had been explored by herself and the Maintenance Manager. She advised of a meeting with a company specialising in redeployable cameras, we await costings. In addition, the Maintenance Manager, had approached Innovate, our current provider for the alarm system, who will supply costs for solar controlled cameras and redeployable cameras

She asked committee to note that the Income Advise Officer has reported that tenants are struggling to cope with the cost-of-living crises and advised an increase in foodbank referrals as compared to last year. She continues to support tenants to access benefits and crisis support. The STV Winter Fund had now been distributed and benefitted 63 children across 25 families.

She noted that the digital support fund had £158 remaining. She asked committee approval to purchase 5 or 6 mobile phone to distribute to tenants who do not have access to a mobile phone.

Resolution:

Committee approved that the remaining balance of the digital support be used for the purchase of mobile phones, which was proposed by Jane Heppenstall and seconded by Carol Torrie

The Housing Manager advised that the Sustainability Policy was due for review at the April Committee meeting. Since this is a protracted piece of work, she sought approval that the final draft of the policy be presented to committee at its meeting in August to allow the Service Improvement Officer to engage with the management team to ensure that each part of service delivery is thoroughly reviewed.

The Director advised that it is also proposed that the Asset Management Policy be presented to the August committee meeting. He noted the importance of recognising that it is not a case of simply developing the business plan and then constructing the asset management plan as each feed from one to the other.

Resolution:

Committee approved that the Sustainability and the Asset Management policy be presented to Augusts committee meeting, which was proposed by Carol Torrie and seconded by Clare Monteith.

Assets and Maintenance Manager:

The Maintenance Manager reported that the windows and door programme was progressing well. Planned maintenance during 21/22 despite the difficulties with Covid restrictions and resulted in the install of 35 Kitchens, 31 bathrooms and 11 major adaptations. 225 electrical inspections had been completed and 163 upgraded smoke detectors were installed.

He noted that that vacant Estate Warden post has not been filled and to assist the wardens to focus on their main tasks of estate maintenance, Clyde Valley will collect the bulk uplift on weekly basis.

Jane Heppenstall asked why we were having difficulty filling the vacant Estate Warden post. The Maintenance Manager advised of a large number of vacant posts at present. Many of the candidates had not been qualified for the post and other potential candidates are choosing to work in the construction industry due to the higher salaries on offer.

Michelle Harrow asked if the organization had an acquisitions policy. The Director confirmed that we did and would forward to Michelle for information.

Finance and Corporate Services Manager:

The Finance Manager reported that the majority of files and folders had now been migrated to a cloud server with the SDM system being wound down by 1st July and fully removed from the servers. The services within the Hub will be decommissioned as all data will be stored within the cloud.

He advised that the Homemaster project went live on Thursday 7 April, staff were progressing well and gaining confidence in its use.

He advised of 5 policies that were due for review which would be presented to the audit and risk committee at its meeting in May 2022.

10. AOCB

1. Co-option of new committee members:

The Chair thanked Helen Lafferty for attending to observe tonight's meeting.

Helen left the meeting at this time.

The Chair and Director provided an overview to the background and recommendations with regards to the potential candidates for co-option to committee, these being Helen Lafferty, Graeme Wetherill and Gordon Kerr. Committee were asked to approve the co-options until the next AGM.

Resolution:

Darron Brown proposed and Clare Monteith seconded the co-option of Helen Lafferty, Graeme Wetherill, and Gordon Kerr until the next AGM.

2. Pay award agreement.

The Director advised that negotiations with the JNC had now concluded following consultation with resolution of 4.1% recommended.

Membership of EVH was discussed and deferred to the Staffing Committee for discussion.

Resolution:

Committee approved and the recommendation to progress with a 4.1% pay increase.

There was no other business. Meeting closed 8PM

Next meeting 26 May 2022 at 6PM via Zoom.

ACTIONS ARISING FROM PREVIOUS MANAGEMENT COMMITTEE MEETINGS May 2022

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	Ongoing - the Director will provide an update at the April 2022 committee meeting.
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
August 2021					
Business Plan	The Director will present an updated business plan to the October committee meeting.	Director	October 2021	Open	An ad-hoc committee meeting has been arranged for 8 th June 2022 for a full discussion of the Business Plan
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 future committee meeting.
October 2021					
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 May 2022 committee meeting.

November 2021					
Budget 22/23	Committee discussed employee terms and conditions of employment	Director	Future Committee Meeting	Open	The Director will look at alternative arrangements. Risk assessments and cost implications will be included within the report. Committee agreed to remit to the Staffing Committee
March 2022					
Budget 22/23	To provide further assurance and to take account of cost instability and the rapidly changing market, the Director proposed that at the October committee meeting a formal budget reforecast be presented for consideration	Management Team	October	Open	
April 2022					
There were no matters or actions arising from the April 2022 Committee meeting					

Management Committee	26 May 2022
Agenda Item	6
Title of Paper	ARC Submission 2021/22
Author	Carol Hamilton, Housing & Customer Service Manager John Stevenson, Service Improvement Officer
Attachment	Appendix 1 – ARC comparisons ARC Submission 2021/22 (sent via email)

FOR INFORMATION AND APPROVAL

1 PURPOSE

- 1.1 The purpose of this report is to present the Annual Return of the Charter (ARC) for Committee approval. The date for submission is no later than 31 May each year.
- 1.2 Committee are asked to note that verification of the entries on the ARC are complete with the exception of the validators name, job role, and date of validation. If any changes are required prior to 31 May 2022, these will be highlighted at the Committee meeting on 26 May 2022.
- 1.3 The ARC submission will take place, subject to Committee approval on 26 May 2022, by the Director or Chairperson.

2 RECOMMENDATIONS

It is recommended that Committee raise any questions with the Director or Senior Management Team, or John Stevenson, Service Improvement Officer, on 26 May 2022 prior to approving the ARC submission.

3 BACKGROUND

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

4 MAIN ISSUE(S)

- 4.1 Committee are asked to note that questions within the return have been verified by the Senior Management Team and Director from reports generated and submitted by staff on all business areas from our SDM or finance management systems.
- 4.2 The ARC return has not been issued with papers due to the length of the report, however, a copy of the return will be emailed prior to the meeting for committee members' consideration. A paper copy will also be available on request.
- 4.3 Appendix 1 highlights comparisons for key indicators with the ARC return for 2020/21.

While most of the indicators have surpassed the targets set for 2021/22, the main areas of concern are in relation to: -

- Gross Rent Arrears
- % of tenancy offers refused
- the average time taken to relet properties
- % of tenants who expressed dissatisfaction with repairs or maintenance carried out within the last 12 months
- % of stock not meeting the Scottish Housing Quality Standard (SHQS)
- % of tenants who feel their landlord is good at keeping them informed

The right -hand column indicates those returns that were affected by Covid 19 or any other contributory factors.

5 REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

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

6 CONSULTATION

- 6.1 There are no requirements for consultation on this document although we are required to issue a report to Tenants on the Annual Return of the Charter by October 2022.

7 FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications.

8 EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 There are no equality or diversity implications.

9 CONCLUSION

- 9.1 Committee are asked to consider, discuss and approve the Annual Return of the Charter for 2021/22.

ARC Comparators

ARC Indicators	Definition	Target	2020/21	2021/22	Comments
Customer Satisfaction					
1	% of tenants satisfied with overall service provided by their landlord	90%	94.1%	95.83%	
2	% of tenants who feel landlord is good at keeping them informed about their services and decisions	95%	95.14%	93.40%	Had improved earlier in year but dipped in last 2 quarters. Q1 97.2% Q2 95.9% Q3 90.3% Q4 90.3% During Covid restrictions we were reliant on keeping website up to date and communicating by phone, text or e-mail.
5	% of tenants satisfied with the opportunities given to them to participate in their landlord's decision making processes	85%	97.57%	94.79%	
7	% of tenants satisfied with the quality of their home	80%	87.15%	84.72%	
13	% of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in	90%	92.36%	93.06%	
25	% of tenants who feel the rent for their property represents good value for money	85%	93.06%	91.67%	
Corporate Complaints					

3	% of all complaints responded to in full at Stage 1	100%	86.36% (22)	100% (33)	Includes 3 cases carried forward from last year
	% of all complaints responded to in full at Stage 2	100%	100% (1)	62.50% (8)	3 cases reported towards end of March and responded to within timescale but not during reporting year
4	The average time taken in days for a full response at Stage 1	5 days	2.74 days	3.88 days	
	The average time taken in days for a full response at Stage 2	20 days	5 days	12.60 days	
Voids & Lettings					
14	% of tenancy offers refused during the year	30%	34.09%	34.25%	We had to make 73 offers to achieve 48 lets. The 25 refusals show no pattern to reasons for refusal that we could respond to.
18	% of rent lost through properties being empty last year	0.60%	0.29% (24)	0.72% (48)	Affected by Covid 19, restrictions on repairs and viewings led to longer turnaround times. Due to changes in energy market, we also lost our void management service and metering issues have caused further delays.
30	Average time taken to re-let properties in the last year	12 days	30.57 days	30.00 days	Affected by Covid 19, restrictions on repairs and viewings led to longer turnaround

					times. Due to changes in energy market, we also lost our void management service and metering issues have caused further delays.
	Rents				
22	% of court actions initiated which resulted in eviction (with reasons)	N/A	0.00% (0)	7.14% (1 of 14))	For rent arrears
26	Rent collected as % of rent due in the reporting year	100%	97.21%	101.58%	
27	Gross Rent Arrears (all tenants) as at 31 st March each year as a percentage of rent due in the reporting year	8%	10.86%	10.23%	Our performance has been affected by Covid 19 and legal restrictions on enforcement. ARC calculation also means that write offs during the year are written back into this figure.
	Others				
15	Percentage of ASB cases reported in last year which were resolved	N/A	94.2%	100% (64)	
C4	The number of abandoned properties during the reporting year	N/A	4	6	
	Repairs				
6	Percentage of stock meeting SHQS	100%	98.11%	95.08%	Reporting has changed and now includes cases where tenants haven't given access for electrical tests and smoke detectors upgrades.

					Access remains an issue with other SHQS elements.
8	Average length of time taken to complete emergency repairs	4 hours	2.18 hours	2.24 hours	
9	Average length of time taken to complete non-emergency repairs	6 days	3.48 days	4.19 days	
10	Percentage of reactive repairs carried out right first time	100%	99.21%	99.78%	Performance remains high, in terms of being able to fix most qualifying repairs on the first visit
11	How many times in the reporting year did you not meet your statutory duty to complete a gas safety check	0%	34	2	Covid 19 restrictions impacted on our performance at the start of the year but with easing of restrictions and having the option to cap or forced entry again available to us we have not missed any services, other than the 2 cases reported on last year.
12	Percentage of tenants who have had repairs or maintenance carried out in last 12 months satisfied with the repairs and maintenance service	85%	87.84%	79.71%	Tenant satisfaction has been up and down over the year and may be attributed to the various lockdown periods and peoples' frustrations. The results for each Quarter are given below: Qtr 1 69.4%

					Qtr 2 87.9%
					Qtr 3 79.1%
					Qtr 4 92.1%

Management Committee	26 May 2022
Agenda item	7
Title of Paper	30 Year Financial Projections incorporating Scottish Housing Regulator (SHR) Five Year Financial Projections (FYFP)
Author	Robert Murray, Finance & Corporate Services Manager
Attachments	5-year Financial Projections

FOR APPROVAL

1 PURPOSE

- 1.1 To provide Management Committee members with details of the projected financial position of the Association over the medium and long term.

2 RECOMMENDATIONS

- 2.1 That Committee reviews the attached papers and, subject to satisfaction, note and approve the 30 Year projections.
- 2.2 That Committee is asked to give the Finance Manager authority to electronically submit the approved figures to SHR in their Five-Year Financial Projections (FYFP) format.

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 This Report is consistent with Wellhouse's Strategic Objectives: -
- Objective 5: To maintain good governance and financial management
- 3.2 This Report is relevant in respect of the following Core Values: -
- Accountability
 - Sustainability
- 3.3 This Report also meets the following points from the 2022/23 Operational Plan
- 12.16 - "Five Year Return to SHR"
- 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 The setting of the long-term projections forms a part of the annual business planning cycle and should reflect the Association's current business plan, operational plans and longer-term plans.

- 4.2 The Housing (Scotland) Act 2010 places an obligation on SHR to monitor and report on the financial health of RSLs. One of the ways they are able to achieve this is by requiring RSLs to provide FYFP Return in a standardised format on an annual basis.

This information will also be submitted to SHR as part of the Business Planning requirements and will also be sent to Wellhouse lenders to comply with financial covenants requirements

- 4.3 Year 1 of the plan is 2022/23 and the figures shown here reflect the figures included in the annual budget formally adopted by Management Committee in March 2022

- 4.4 At this point it has been decided to base the projections on the position Wellhouse is in at the moment i.e., no firm decision has been made in relation to Development. The amount of spend required, and the level of grant funding and all other resultant expenditure are just too indeterminate at this point in time. There are still too many unknown quantities. More importantly, however, no firm commitment has been given in respect of funding or capital contractual commitments

We are still particularly keen on developing and are planning to explore all options with Glasgow City Council. At a recent meeting with Glasgow City Council a very positive response to our development plans was shown by them. During 2022/23 it is likely we will pursue work with Glasgow City Council and The Archdiocese of Glasgow with a view to acquiring the land they own. Currently, the only land owned by Wellhouse is the site on Wellhouse Crescent, therefore, the other sites will still need to be purchased. This will require District Valuer to carry out more up-to-date valuations. This has not been able to happen as planned due to the Covid 19 requirements.

Because of all these factors, we feel that it would not be correct accounting practice to include any Development activity in the 30-year forecast. Including rental income for more than 25 years in the model with no firm commitment currently in place contradicts one of the fundamental accounting concepts of Prudence.

Future 30 Year projections models will be updated to include all Development activity once firm commitments are in place.

- 4.5 The model includes the new accounting treatment required for SHAPS Pension Scheme. Although the current position as of March 2022 has still to be fully determined sector knowledge indicates that the liability will increase and provision of £65k per annum believed to be prudent as the liability is likely to re-appear and possibly increase in future years.

5 DISCUSSION

- 5.1 The following assumptions have been used in calculating the financial projections: -

- Inflation levels (CPI) have been assumed at 3.5% for the first 5 years reducing to 2% for the remainder of the 30-year term
- The model includes 3.8% rent increase as per 22/23 budget and assumes a real rent increase of 1% above inflation from years 2 until the end of the 30-year period
- Year 9 onwards assumes inflation only (CPI) rent increase.
- Void losses have averaged 0.8% over the last few years. The model assumes this level throughout the 30-year period
- Real planned maintenance costs increase at 0.5% above CPI for the full plan period
- Real rises on reactive maintenance costs of 0.5% above CPI for the full plan period
- Real increases of 0.5% above CPI in management costs for the full plan period
- The current staff structure remains in place for the full 30-year term
- SONIA rate increases annually up until a maximum of 4% by year 5 and beyond. These rates are consistent with RBS Housing Finance Base Case assumptions.
- All debt repaid by end of plan period apart from recently re-financed RBS loan, which does not start repaying capital until year 8.
- No further new build activity (as per 4.4 above)
- Average annual spend of £10k on other fixed assets

5.2 The base model produces the following results: -

- Surpluses are generated annually over the full 30 years.
- Cash position starts at just over £3.2 million, reflecting the 2022/23 budget position at March 2022. There are surpluses made each year as the cash balance rises steadily until year 9 when capital repayments on an RBS loan commences. From year 23, there are a few cash deficits, some quite hefty, however, these are the years when there is expected to be considerable investment in stock with a lot being spent on replacement components.
- Cash begins to exceed debt by year 9, assuming no further loans are taken out.
- In the main there are no issues with lenders covenant compliance. All being achieved comfortably each year.
- Current ability to borrow, based on latest stock valuations, is a further £10 million approximately. This reflects the latest RBS funded stock valuation carried out in March 2022.

5.3 Some results thrown up by the sensitivity analysis are as follows: -

- Changes in interest rates didn't make huge differences to the cash balance due to the larger loans being on fixed rates.

- 0.5% reduction in bad debts results in cash increasing by £538k over the 30 years.
- Major repairs costs increasing by an additional 5% result in cash reducing by more than £178k
- Although lenders covenants are met comfortably in the base model, it may become an issue when adverse scenarios are introduced, particularly when more than one scenario is introduced.
- There was many more scenarios and combined scenarios tested and we are satisfied that none of the scenarios produced results that would affect the fundamental financial stability of the Association

6. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

- 6.1 There is a regulatory requirement for Wellhouse to submit Five Year Financial Projections to SHR on an annual basis.
- 6.2 Wellhouse's lenders financial covenants specify that medium/long-term forecasts are submitted to them on an annual basis.
- 6.3 It is considered good practice for RSLs to produce medium/long-term forecasts.

7 FINANCIAL IMPLICATIONS

- 7.1 N/A.

8 KEY RISKS

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
Failure to submit Annual Returns to SHR could result in engagement being kept at a higher level than is necessary.	Loan covenants could be breached in future years.	
Inadequate financial planning could lead to viability and cashflow problems.		
Mitigation	Mitigation	Mitigation
Ensure that all relevant staff members are aware of deadline dates for SHR submissions and these dates are adhered to.	Prepare annual long-term financial projections, which would highlight potential hot spot years at an early stage.	
Prepare annual long-term financial projections.		

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 Surpluses are being generated in each of the 30 years.
- 12.2 Cash surpluses are made in most of the years but overall cash continues to rise over the full term of the plan. Cash deficits are only made in years of intense investment in stock.
- 12.3 All lenders financial covenants are achieved each year.
- 12.4 A financially healthy outlook, although, it needs to be noted that there is no development activity included.

Five Year Financial Projections (FYFP) 2021-2022

Landlord Name:	Wellhouse Housing Association Ltd
RSL Reg No.:	281
Report generated date:	16/05/2022 12:27:33

Approval

A1.1	Date approved	28/04/2022
A1.2	Approver	Maureen Morris
A1.3	Approver job title	Chair
A1.9	General Comment	

Five Year Financial Projections (FYFP) 2021-2022

STATEMENT OF COMPREHENSIVE INCOME						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Gross rents	3,359.6	3,482.5	3,640.4	3,805.5	3,978.1	4,158.5
Service charges	0.0	0.0	0.0	0.0	0.0	0.0
Gross rents & service charges	3,359.6	3,482.5	3,640.4	3,805.5	3,978.1	4,158.5
Rent loss from voids	26.9	27.9	29.1	30.4	31.8	33.3
Net rent & service charges	3,332.7	3,454.6	3,611.3	3,775.1	3,946.3	4,125.2
Developments for sale income	0.0	0.0	0.0	0.0	0.0	0.0
Grants released from deferred income	578.8	498.8	561.9	561.9	561.9	561.9
Grants from Scottish Ministers	0.0	0.0	0.0	0.0	0.0	0.0
Other grants	33.0	44.1	45.9	48.1	54.3	52.7
Other income	71.0	71.5	78.0	80.8	79.8	86.8
TURNOVER	4,015.5	4,069.0	4,297.1	4,465.9	4,642.3	4,826.6
Less:						
Housing depreciation	1,015.9	924.0	923.5	913.1	902.6	921.8
Impairment written off / (back)	0.0	0.0	0.0	0.0	0.0	0.0
Management costs	1,297.4	1,228.9	1,402.2	1,487.5	1,579.6	1,677.0
Service costs	0.0	0.0	0.0	0.0	0.0	0.0
Planned maintenance - direct costs	268.0	546.5	431.2	499.5	531.9	633.0
Re-active & voids maintenance - direct costs	654.0	533.7	520.9	541.6	563.4	586.0
Maintenance overhead costs	0.0	0.0	0.0	0.0	0.0	0.0
Bad debts written off / (back)	31.6	10.0	54.6	66.6	69.6	72.8
Developments for sale costs	0.0	0.0	0.0	0.0	0.0	0.0
Other activity costs	100.0	80.0	51.0	53.0	55.2	57.4
Other costs	0.0	0.0	0.0	0.0	0.0	0.0
	2,351.0	2,399.1	2,459.9	2,648.2	2,799.7	3,026.2
Operating Costs	3,366.9	3,323.1	3,383.4	3,561.3	3,702.3	3,948.0
Gain/(Loss) on disposal of PPE	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional Items - (Income) / Expense	0.0	0.0	0.0	0.0	0.0	0.0
OPERATING SURPLUS/(DEFICIT)	648.6	745.9	913.7	904.6	940.0	878.6
Interest receivable and other income	3.8	3.8	4.2	4.8	5.9	6.1
Interest payable and similar charges	235.8	234.6	253.4	247.7	243.7	238.8
Increase / (Decrease) in Negative Goodwill	38.1	38.1	38.1	38.1	38.1	38.1
Other Gains / (Losses)	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAX	454.7	553.2	702.6	699.8	740.3	684.0
Tax on surplus on ordinary activities	0.0	0.0	0.0	0.0	0.0	0.0
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX	454.7	553.2	702.6	699.8	740.3	684.0
Actuarial (loss) / gain in respect of pension schemes	0.0	0.0	0.0	0.0	0.0	0.0
Change in Fair Value of hedged financial instruments.	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	454.7	553.2	702.6	699.8	740.3	684.0

Five Year Financial Projections (FYFP) 2021-2022

STATEMENT OF FINANCIAL POSITION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Current Assets	£'000	£'000	£'000	£'000	£'000	£'000
Intangible Assets & Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Housing properties - Gross cost or valuation	41,890.3	42,402.1	42,649.1	42,869.5	43,073.8	43,980.7
Less:						
Housing Depreciation	14,506.1	15,732.7	16,626.3	17,507.9	18,376.4	19,260.7
Negative Goodwill	994.7	943.8	905.7	867.6	829.4	791.3
NET HOUSING ASSETS	26,389.5	25,725.6	25,117.1	24,494.0	23,868.0	23,928.7
Non-Current Investments	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Current Assets	1,311.3	1,286.6	1,267.1	1,245.5	1,221.7	1,195.8
TOTAL NON-CURRENT ASSETS	27,700.8	27,012.2	26,384.2	25,739.5	25,089.7	25,124.5
Current Assets						
Net rental receivables	94.2	111.4	128.1	146.1	140.0	133.1
Other receivables, stock & WIP	108.9	124.1	124.1	124.1	124.1	124.1
Investments (non-cash)	0.0	0.0	0.0	0.0	0.0	0.0
Cash at bank and in hand	3,149.9	3,372.2	3,843.8	4,326.2	4,877.5	4,688.6
TOTAL CURRENT ASSETS	3,353.0	3,607.7	4,096.0	4,596.4	5,141.6	4,945.8
Payables : Amounts falling due within One Year						
Loans due within one year	241.5	221.5	222.6	223.6	225.9	231.1
Overdrafts due within one year	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term payables	1,395.8	1,153.0	1,153.7	1,153.3	1,153.2	1,153.1
TOTAL CURRENT LIABILITIES	1,637.3	1,374.5	1,376.3	1,376.9	1,379.1	1,384.2
NET CURRENT ASSETS/(LIABILITIES)	1,715.7	2,233.2	2,719.7	3,219.5	3,762.5	3,561.6
TOTAL ASSETS LESS CURRENT LIABILITIES	29,416.5	29,245.4	29,103.9	28,959.0	28,852.2	28,686.1
Payables : Amounts falling due After One Year						
Loans due after one year	7,455.4	7,384.5	7,161.7	6,938.3	6,712.4	6,481.3
Other long-term payables	0.0	0.0	0.0	0.0	0.0	0.0
Grants to be released	14,060.2	13,375.1	12,813.2	12,251.2	11,689.3	11,127.4
TOTAL LONG TERM LIABILITIES	21,515.6	20,759.6	19,974.9	19,189.5	18,401.7	17,608.7
Provisions for liabilities & charges	121.7	202.4	218.2	233.8	249.6	265.4
Pension asset / (liability)	0.0	0.0	0.0	0.0	0.0	0.0
NET ASSETS	7,779.2	8,283.4	8,910.8	9,535.7	10,200.9	10,812.0
Capital & Reserves						
Share capital	0.1	0.1	0.1	0.1	0.1	0.1
Revaluation reserve	0.0	0.0	0.0	0.0	0.0	0.0
Restricted reserves	0.0	0.0	0.0	0.0	0.0	0.0
Revenue reserves	7,779.1	8,283.3	8,910.7	9,535.6	10,200.8	10,811.9
TOTAL CAPITAL & RESERVES	7,779.2	8,283.4	8,910.8	9,535.7	10,200.9	10,812.0
Intra Group Receivables - as included above	0.0	0.0	0.0	0.0	0.0	0.0
Intra Group Payables - as included above	0.0	0.0	0.0	0.0	0.0	0.0

Five Year Financial Projections (FYFP) 2021-2022

STATEMENT OF CASHFLOWS						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Net Cash from Operating Activities						
Operating Surplus/(Deficit)	648.6	745.9	913.7	904.6	940.0	878.6
Depreciation & Amortisation	442.7	756.5	269.2	291.1	323.3	884.3
Impairments / (Revaluation Enhancements)	0.0	0.0	0.0	0.0	0.0	0.0
Increase / (Decrease) in Payables	11.0	(242.5)	0.0	0.0	0.0	0.0
(Increase) / Decrease in Receivables	65.0	32.4	16.7	(16.7)	(34.7)	(26.5)
(Increase) / Decrease in Stock & WIP	0.0	0.0	0.0	0.0	0.0	0.0
Gain / (Loss) on sale of non-current assets	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash adjustments	0.0	0.0	0.0	0.0	0.0	0.0
NET CASH FROM OPERATING ACTIVITIES	1,167.3	1,292.3	1,199.6	1,179.0	1,228.6	1,736.4
Tax (Paid) / Refunded	0.0	0.0	0.0	0.0	0.0	0.0
Return on Investment and Servicing of Finance						
Interest Received	1.9	3.8	4.2	4.8	5.4	6.1
Interest (Paid)	(208.9)	(234.6)	(253.4)	(247.7)	(243.7)	(238.8)
RETURNS ON INVESTMENT AND SERVICING OF FINANCE	(207.0)	(230.8)	(249.2)	(242.9)	(238.3)	(232.7)
Capital Expenditure & Financial Investment						
Construction or acquisition of Housing properties	0.0	0.0	0.0	0.0	0.0	0.0
Improvement of Housing	(787.8)	(604.2)	(257.3)	(231.1)	(215.4)	(1,466.7)
Construction or acquisition of other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Construction or acquisition of other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Social Housing Properties	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Land & Buildings	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Other Non-Current Assets	0.0	0.0	0.0	0.0	0.0	0.0
Grants (Repaid) / Received	238.9	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(548.9)	(604.2)	(257.3)	(231.1)	(215.4)	(1,466.7)
NET CASH BEFORE FINANCING	411.4	457.3	693.1	705.0	774.9	37.0
Financing						
Equity drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt drawdown	0.0	0.0	0.0	0.0	0.0	0.0
Debt repayment	(191.1)	(235.0)	(221.5)	(222.6)	(223.6)	(225.9)
Working Capital (Cash) - Drawn / (Repaid)	0.0	0.0	0.0	0.0	0.0	0.0
NET CASH FROM FINANCING	(191.1)	(235.0)	(221.5)	(222.6)	(223.6)	(225.9)
INCREASE / (DECREASE) IN NET CASH	220.3	222.3	471.6	482.4	551.3	(188.9)
Cash Balance						
Balance Brought Forward	2,929.9	3,150.2	3,372.5	3,844.1	4,326.5	4,877.8
Increase / (Decrease) in Net Cash	220.3	222.3	471.6	482.4	551.3	(188.9)
CLOSING BALANCE	3,150.2	3,372.5	3,844.1	4,326.5	4,877.8	4,688.9

Five Year Financial Projections (FYFP) 2021-2022

ADDITIONAL INFORMATION						
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	£'000	£'000	£'000	£'000	£'000	£'000
Number of units added during year to:						
New Social Rent Properties added	0	0	0	0	0	0
New MMR Properties added	0	0	0	0	0	0
New Low Costs Home Ownership Properties added	0	0	0	0	0	0
New Properties - Other Tenures added	0	0	0	0	0	0
Total number of new affordable housing units added during year	0	0	0	0	0	0
Units developed for sale:						
Number of units developed for sale to RSLs	0	0	0	0	0	0
Number of units developed for sale to non-RSLs	0	0	0	0	0	0
Development Assumption Indicator	Yes					
Number of units lost during year from:						
Sales including right to buy	0	0	0	0	0	0
Demolition	0	0	0	0	0	0
Other	0	0	0	0	0	0
Units owned:						
Social Rent Properties	794	794	794	794	794	794
MMR Properties	0	0	0	0	0	0
Low Costs Home Ownership Properties	0	0	0	0	0	0
Properties - Other Tenures	0	0	0	0	0	0
Number of units owned at end of period	794	794	794	794	794	794
Number of units managed at end of period (exclude factored units)	794	794	794	794	794	794
Financed by:						
Scottish Housing Grants	0.0	0.0	0.0	0.0	0.0	0.0
Other public subsidy	0.0	0.0	0.0	0.0	0.0	0.0
Private finance	0.0	0.0	0.0	0.0	0.0	0.0
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Cash reserves	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total cost of new units	0.0	0.0	0.0	0.0	0.0	0.0
Assumptions:						
General Inflation (%)	3.5	3.5	3.5	3.5	3.5	3.5
Rent increase - Margin above General Inflation (%)	1.0	1.0	1.0	1.0	1.0	1.0
Operating cost increase - Margin above General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Direct maint. cost increase - Margin above General Inflation (%)	0.0	0.0	0.0	0.0	0.0	0.0
Actual / Assumed average salary increase (%)	3.5	3.5	3.5	3.5	3.5	3.5
Average cost of borrowing (%)	3.1	3.4	3.4	3.5	3.5	3.5
Employers Contributions for pensions (%)	10.0	10.0	10.0	10.0	10.0	10.0
Employers Contributions for pensions (£'000)	70.5	70.5	72.7	75.5	78.1	80.9
SHAPS Pensions deficit contributions (£'000)	59.3	59.3	59.3	59.3	59.3	59.3
Min. headroom cover on tightest interest cover covenant (£'000)	322.0	322.0	453.4	457.0	507.6	459.0
Minimum headroom cover on tightest gearing covenant (£'000)	322.0	322.0	453.4	457.0	507.6	459.0
Minimum headroom cover on tightest asset cover covenant (£'000)	322.0	322.0	453.4	457.0	507.6	459.0
Total staff costs (including NI & pension costs)	873.0	873.0	903.6	935.2	967.9	1,001.8
Full time equivalent staff	20.0	20.0	20.0	20.0	20.0	20.0

Five Year Financial Projections (FYFP) 2021-2022

EESHS Revenue Expenditure included above	0.0	0.0	0.0	0.0	0.0	0.0
EESHS Capital Expenditure included above	8.0	8.0	8.0	8.0	8.0	8.0
Total capital & revenue expenditure on maint. pre-1919 properties	0.0	0.0	0.0	0.0	0.0	0.0
Total capital & revenue expenditure on maint. all other properties	834.1	309.5	274.3	266.7	924.5	441.2

Estimated decarbonisation cost indicator	No
Estimated decarbonisation cost	-

Five Year Financial Projections (FYFP) 2021-2022

TRENDS & COMPARATORS

RATIOS	Year -2	Year -1	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	National
Financial capacity	Actual	Actual	Outturn	Forecast	Forecast	Forecast	Forecast	Forecast	Median
Interest cover	472.900%	679.500%	559.694%	552.472%	475.059%	477.917%	506.360%	729.690%	442.066%
Gearing	93.500%	69.300%	58.451%	51.112%	39.733%	29.738%	20.202%	18.718%	54.112%
Efficiency									
Voids	0.400%	0.700%	0.801%	0.801%	0.799%	0.799%	0.799%	0.801%	0.622%
Arrears	2.900%	2.800%	2.827%	3.225%	3.547%	3.870%	3.548%	3.227%	2.188%
Bad debts	2.300%	2.800%	0.948%	0.289%	1.512%	1.764%	1.764%	1.765%	0.769%
Staff costs / turnover	18.700%	18.900%	21.741%	21.455%	21.028%	20.941%	20.850%	20.756%	20.732%
Turnover per unit	4,872	5,037	£5,057	£5,125	£5,412	£5,625	£5,847	£6,079	5,194
Responsive repairs to planned maintenance	1.5	0.7	1.6	2.2	1.3	1.3	1.3	3.6	1.9
Liquidity									
Current ratio	1.7	2.3	2.0	2.6	3.0	3.3	3.7	3.6	1.9
Profitability									
Gross surplus / (deficit)	27.400%	26.500%	16.152%	18.331%	21.263%	20.256%	20.249%	18.203%	19.572%
Net surplus / (deficit)	21.900%	21.800%	11.324%	13.595%	16.351%	15.670%	15.947%	14.171%	11.884%
EBITDA / revenue	42.200%	48.100%	21.833%	26.191%	36.767%	35.527%	35.052%	6.914%	31.379%
Financing									
Debt Burden	2.1	2.0	1.9	1.9	1.7	1.6	1.5	1.4	2.1
Net debt per unit	£7,738	£6,278	£5,727	£5,332	£4,459	£3,571	£2,595	£2,549	£7,053
Debt per unit	£10,283	£9,969	£9,694	£9,579	£9,300	£9,020	£8,738	£8,454	£10,560
Diversification									
Income from non-rental activities	17.000%	18.000%	17.004%	15.100%	15.960%	15.468%	14.993%	14.532%	17.477%
INDICATORS									
Turnover	3,863.5	3,999.0	4,015.5	4,069.0	4,297.1	4,465.9	4,642.3	4,826.6	
Operating costs	1,787.6	1,906.6	2,351.0	2,399.1	2,459.9	2,648.2	2,799.7	3,026.2	
Net housing assets	27,233.0	26,494.3	26,389.5	25,725.6	25,117.1	24,494.0	23,868.0	23,928.7	
Cash & current investments	2,018.8	2,929.9	3,149.9	3,372.2	3,843.8	4,326.2	4,877.5	4,688.6	
Debt	8,154.8	7,915.0	7,696.9	7,606.0	7,384.3	7,161.9	6,938.3	6,712.4	
Net assets / capital & reserves	6,560.2	7,196.3	7,779.2	8,283.4	8,910.8	9,535.7	10,200.9	10,812.0	

Comments

Page	Field	Comment
SOFP	Housing depreciation	full year depreciation on additions compared to part in previous year
SOFP	Loans due within one year	interest method change to SONIA
SOFP	Loans due after one year	change to SONIA
SOCF	Debt repayment	slight interest rate changes due to new structure
SOCF	CLOSING BALANCE	roundings may cause slight imbalance
Additional Information	Full time Equivalent Staff Curr Year	salary increases and pay scale increase

Management Committee	26 May 2022
Agenda Item	8
Title of Paper	Loan Portfolio Return
Author	Robert Murray, Finance & Corporate Services Manager
Attachment(s)	Annual Loan Portfolio Return Information

FOR APPROVAL

1 PURPOSE

- 1.1 To provide Committee with details of the Annual Loan Portfolio Return to be submitted to Scottish Housing Regulator (SHR).

2 RECOMMENDATIONS

- 2.1 There are no concerns regarding any aspect of the loan portfolio return for the Association and Committee approval is requested.

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 This Report is consistent with Wellhouse's objective to provide good governance and financial management and is relevant in respect of the following values: -

- Accountability

- 3.2 This Report also meets point 12:16 from the Operational Plan – "Five year and loan return to SHR".

4 BACKGROUND

- 4.1 The Housing (Scotland) Act 2010 places an obligation upon the Scottish Housing Regulator (SHR) to monitor, assess and report regularly on the financial health of registered social landlords (RSLs). They are able to achieve this by using information, which has been collected from the annual accounts, loan portfolios and financial projections provided by RSLs. Each RSL, therefore, also has an obligation to submit reports to SHR on a regular basis meeting required timescales.

- 4.2 Wellhouse is required to submit a Loan Portfolio Return annually prior to 30 June 2022. Any significant events should also be reported on an ad-hoc basis as and when they occur, via an In-Year Return. Appended to this report are extracts from the submission showing a summary of the loans and also the authorisation page.

5 MAIN ISSUES

5.1 The summary of loans shows a total of £7,670,262 (due to rounding is shown as 7670.4 in the return) and this agrees to the figures contained in the management accounts and draft statutory year-end accounts. All financial covenants have been updated to reflect the position as at March 2022 and show the latest date when financial covenants were reported to lenders. These also agree to the figures reported on in the Management Accounts at March 2022.

5.2 Main Points

- Approximately 17% of all housing stock is not granted as security for loan finance and remains unencumbered.
- The Association has loans with two lenders - Royal Bank of Scotland (RBS) and Clydesdale Bank.
- All facilities have been drawn down in full.
- Total loan debt at March 2022 is £7.670m.
- Around 86% of debt is on a fixed rate basis, this complies with the treasury management policy – “applying an appropriate hedging strategy will assist in minimising any adverse effects caused by increase in interest rates”.
- There are no issues in terms of covenant compliance subject to lenders formalising discussions to date.

5.3 The loan portfolio report shows the status with one validation error as the approval date requires to be entered after approval at the May 2022 committee meeting. Once Committee has approved this document it will be electronically Authorised and submitted to SHR and will display the status as “Approved.”

6. DISCUSSION

6.1 Committee is invited to discuss any of the content in this report.

7. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

7.1 There is a regulatory requirement for Wellhouse to submit various annual Returns to SHR.

7.2 Keeping accurate records of the Association’s loan balances and financial covenant’s requirements and details is consistent with the Treasury Management policy.

8. FINANCIAL IMPLICATIONS

8.1 None.

9. KEY RISKS

9.1

(a) Strategic Risks	(b) Operational Risks	(c) Project Level Risks
Failure to submit Returns to SHR on time could result in engagement being kept at a higher level than is necessary.		
Mitigation	Mitigation	Mitigation
Ensure that all relevant staff members are aware of deadline dates for SHR submissions and these dates are adhered to.		

10. EQUALITY AND DIVERSITY IMPLICATIONS

10.1 None apparent.

11. SUSTAINABILITY

10.1 Not applicable.

12. SWOT ANALYSIS

11.1 Not required.

13. CONCLUSION

12.1 Not applicable.

Loan Portfolio Annual Return 2021-2022

Landlord name:	
RSL Reg. No.:	
Report generated date:	

Approval	
Date approved:	
Approver:	
Approver job title	

Submission	
Nil return	
Date of Return	
Accounting year-end	
Number of housing units owned by RSL	
Number of housing units used for Security	
Unencumbered housing units	
What Percentage of unencumbered housing units in Question (7) has a Positive value?	
Does a Lender have a floating charge over the company assets?	
Submission Comments	

Covenants for Loans

Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Actual levels achieved at that date
1	Interest Cover	The covenant is based on the surplus as a percentage of the annual interest	110%	Quarterly	530%
2	Interest Cover	Operating surplus calculated as a percentage of the annual interest charge	110%	Quarterly	530%

Facilities

Facility Reference Number	Name of Lender	Charge holder	Security Trustee In place?	Start Date	End Date	Total Facility (£'000s)	Balance of Facility Outstanding (£'000s)	Facility Undrawn (£'000s)	Next five years?	Undrawn Facility for?	Details	Funds Committed?
WELCLY002	Clydesdale Bank plc		No	27/02/2004	27/02/2029	1,000.0	412.4	0.0				
WELCLY003	Clydesdale Bank plc		No	01/10/2004	02/07/2029	1,132.4	495.1	0.0				
WELRBS011	Royal Bank of Scotland plc		No	30/09/2012	25/06/2040	2,150.0	1,552.0	0.0				
WELRBS012	Royal Bank of Scotland plc		No	31/10/2012	21/02/2033	1,375.0	737.8	0.0				
WELRBS2889	Royal Bank of Scotland plc		No	28/04/2017	28/04/2027	4,473.1	4,473.1	0.0				
Totals						10,130.5	7,670.4	0.0				

Facilities

Facility Reference Number	Name of Lender	Fees - Arrangement	Fees - Non-utilisation	Fees - Other	Fees - Details	All lenders within this syndicate	Facility Comments
WELCLY002	Clydesdale Bank plc	Yes	No	Yes	legal		
WELCLY003	Clydesdale Bank plc	No	No	Yes	Legal & Valuation		
WELRBS011	Royal Bank of Scotland plc	No	No	Yes	legal		
WELRBS012	Royal Bank of Scotland plc	No	No	Yes	Legal		
WELRBS2889	Royal Bank of Scotland plc	Yes	No	No			

Loans

Facility Reference Number	Loan Reference Number	Loan Type	Purpose of Loan	Loan Purpose Details	Total Loan Amt (£'000s)	Balance O/S (£'000s)	Repmnt Terms	Ref Int Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	First Cap Repmnt Date	Final Cap Repmnt Date	First Int Pmnt Date	Interest Is being
WELCLY002	CLYVAR7665	Variable Rate Loan	Refinancing		589.2	412.4	Fully Amortising	LIBOR 1 month	0.4500%		28/03/2019	27/03/2029	28/03/2019	Paid
WELCLY002 Total					589.2	412.4								
WELCLY003	CLYVAR003	Variable Rate Loan	Affordable Housing Development		1,132.4	495.1	Converted to loan	LIBOR 1 month	0.4500%		01/10/2004	02/07/2029	01/10/2004	Paid
WELCLY003 Total					1,132.4	495.1								
WELRBS011	RBSFIXED011	Fixed Rate Loan	Refinancing		2,150.0	1,552.0	Converted to loan	Fixed Rate Percentage		4.2500%	31/12/2012	25/06/2040	31/12/2012	Paid
WELRBS011 Total					2,150.0	1,552.0								
WELRBS012	RBSFIXED013	Fixed Rate Loan	Refinancing		1,341.4	737.8	Converted to loan	Fixed Rate Percentage		4.0900%	21/02/2013	21/02/2033	21/02/2013	Paid
WELRBS012 Total					1,341.4	737.8								
WELRBS2889	RBSFIXED3462	Fixed Rate Loan	Affordable Housing Development		4,473.1	4,473.1	Interest only - Bullet repayment at end of term from refinancing	Fixed Rate Percentage		1.5000%		28/04/2027	28/07/2017	Paid
WELRBS2889 Total					4,473.1	4,473.1								
Totals					9,686.1	7,670.4								

Loans

Facility Reference Number	Loan Reference Number	Start Date	Fin cap Rep Date Ind	Current deal expiry date	Forward fixes neg with Lender?	Fees - Arrangement	Fees - Non-utilisation	Fees - Other	Fees - Details	Percentage of Security provided by Social Housing assets (%)	Value of Security provided by Social Housing units (£'000s)	Basis of valuation	Date of valuation	Loan Comments
WELCLY002	CLYVAR7665	27/02/2019	Yes			No	No	Yes	Legal & Valuation	100.00%	1,805.0	EUV-SH without sales	11/12/2017	
WELCLY003	CLYVAR003	01/10/2004	Yes			No	No	Yes	Legal & Valuation	100.00%	1,806.0	EUV-SH without sales	13/12/2017	
WELRBS011	RBSFIXED011	31/10/2012	No	28/06/2040	No	No	No	Yes	Legal	100.00%	6,217.4	EUV-SH without sales	12/12/2018	
WELRBS012	RBSFIXED013	31/10/2012	Yes			No	No	Yes	Legal	100.00%	1,400.0	MV-ST	12/12/2018	
WELRBS2889	RBSFIXED3462	28/04/2017	Yes			Yes	No	No		100.00%	7,769.0	MV-ST	12/12/2018	

Loans Covenants

Facility Reference Number	Loan Reference Number	Covenant Sequence Number	Type of Covenant applied	How is this Covenant calculated?	Required levels	Frequency of reporting to lender	Actual levels achieved at that date
WELCLY002	CLYVAR7665	2	Interest Cover	Operating surplus calculated as a percentage of the annual interest charge	110%	Quarterly	530%

Embedded Interest Rate Derivatives

Facility Reference Number	Loan Reference Number	Sequence Number	Derivative Type	Amount (£'000s)	Date From	Date To	Margin Over Ref Int Rate (%)	'All In' Fixed Rate (%)
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IGF Lend

Sequence Number	Name of the organisation that the funding is provided to	Relationship to RSL	Amount Provided (£'000s)	Balance O/S (£'000s)	Purpose of loan	Details	Duration of funding arrangement (months)	Start Date	End Date	First repayment date	Is Funding Provided Part of Funds Borrowed?	Loan Reference Number	Lender aware of on Lending Arrangement?
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IGF Lend

Sequence Number	Name of the organisation that the funding is provided to	Security taken?	Type of Security	Type of Security details	Value of Security (£'000s)	Loan Agreement In Place?	Loan Type	Repayment Period (months)	Repayment terms	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	IGF Lend Comments
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IGF Borrow

Sequence Number	Name of organisation that the funding is provided from	Relationship to RSL	Amount Received (£'000s)	Balance O/S (£'000s)	Purpose of loan	Details	Duration of funding arrangement (months)	Start Date	End Date	First repayment date
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IGF Borrow

Sequence Number	Name of organisation that the funding is provided from	Security taken?	Type of security	Details	Value of security (£'000s)	Loan Agreement In place?	Loan Type	Repayment period (months)	Repayment terms	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	IGF Borrow Comments
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ISDAs

Sequence Number	Name of Lender	Amount (£'000s)	Start Date	End Date	Reference Interest Rate	Margin Over Ref Int Rate (%)	'All in' Fixed Rate (%)	Mark to Market Threshold before collateral calls (£'000s)	Mark to Market Value (£'000s)	Date of Mark to Market Valuation	Implied loss or gain on Mark to Market Valuation (£'000s)	Type of collateral calls	Under which method are they marked?	Frequency of Call	ISDA Comments

ISDA Covenants

ISDA Sequence Number	Sequence Number	Type of covenant applied	How Is this Covenant calculated?	Required levels	Frequency of reporting to lender	Date of last report to lender	Actual levels achieved at that date
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Management Committee	26 May 2022
Agenda Item	9
Title of Paper	Management Accounts – 31 March 2022
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 March 2022

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 the 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,

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

4.3 The attached Management Accounts to 31 March 2022 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 12 months to 31st March 2022 is £454,502 however, the actual results for the period show a surplus of £613,473. There is, therefore, a favourable variance for the period of £158,972

The overall favourable variance of £ arises from-

- Operational activities £153,116– favourable variance
- Net interest and other activities £5,855- favourable variance

Income

Rental income (1) is close to budget with a slight adverse variance of £119. Void losses (2) are higher than the budget figure £26,877 as opposed to £28,667. An adverse variance in net rental income of £1909.

Commercial rent (3a) is showing quite a significant adverse variance of £11,577 from a budget figure of £32,043 This is explained, mainly due to the revised rental figure for 17-19, Newhills Road being implemented and the premises being vacant for the year. An application is being made for change of use of the premises and if this is successful a lease from a tenant will be agreed.

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

Stage 3 Medical Adaptations Grant Income (5a) –. favourable variance of £17,276. This is due to the original annual budget for Stage 3 HARP funding being £33,000 however this has now increased and £50,296 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 (£20,032) due to disposal of components which have now been replaced.

Expenditure

Management & Maintenance Admin - £61,663 over-spend against budget. The following make up this favourable variance: -

- Salaries (6) (£12,844 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 £74,507 against budget. The attached overheads schedule shows a more detailed analysis of all variances.

Repairs & Maintenance – an underspend of £80,138 against budget over all areas of maintenance, from a total budget of almost £921,996 for the year. A more detailed explanation of some of the over- and under-spends as follows: -

- Reactive maintenance (9)– an over spend of £48,484 (Budget £435,200 actual £483,684 Voids maintenance overspend of £39,755 as there were less voids but the conditions of the voids are worse than previous years.
- Cyclical maintenance (10) – Under-spend of £31,284 actual £187,516 against budget £218,800. 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 £97,338- actual £170,658 against budget £267,996. 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) – adverse variance of £5009. 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 March 2022 and also the position at 31 March 2021 and the resulting movement in this financial year.

Housing Properties (18) has decreased by £215,761. A few individual kitchen, bathroom and boiler replacements and windows and doors has amounted to £805,161 with depreciation of £1,020,922 being charged.

Cash (19) has increased by £196,888 to £3,126,775

Payables < 1 Year (20)

- Misc. creditors have increased by almost £223,775 since 31 March 2021—This is mainly due to the increase in purchase ledger control A/C.
- Due to the new accounting treatment for pensions, we no longer show the element of pension deficit payable within one year separately.

Payables > 1 Year

- Loans (21) – have reduced by £486,275 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. The scheme is presently being revalued and the actual liability will be adjusted within the final accounts.
- Deferred income (22) – similarly, the monthly release of deferred grant to Statement of Comprehensive Income of £558,749 has reduced these balances to just over £14 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 £196,888 as opposed to a surplus of £613,473 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 March 2022: -

- Interest cover - Target > 110%, Result = 176.54%
- Gearing - Target < 30%, Result = 18.3%

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 year to 31 March 2022.

Cash position continues to increase and is in a reasonably healthy position finishing the period at over £3.1 million.

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

STATEMENT OF COMPREHENSIVE INCOME

Ref	Social Lettings Rental Income	Social Lettings Service Charges	Social Lettings Rental & Service Chgs	Actuals To Date				The Hub Services	Corporate Services	Total	Budget to Date	(Adverse) / Favourable Variance	Annual Budget
				Commercial Lettings	Factoring	Development							
(1) Rental Income & Service Charges	3,359,529	(55)	3,359,474							3,359,474	3,359,594	(119)	3,359,594
(2) Less: Voids losses	(28,667)		(28,667)							(28,667)	(26,877)	(1,790)	(26,877)
(3) Commercial Rental Income				22,395				20,958		43,353	54,930	(11,577)	54,930
Factoring Income					13,449					13,449	15,824	(2,375)	15,824
(4) Grants released from Deferred Income	558,749		558,749							558,749	578,781	(20,032)	578,781
(5a) Other Revenue Grants	50,296		50,296							50,296	33,000	17,296	33,000
(5b) Other Income									0	0	0	0	0
	3,939,907		3,939,907	22,395	13,449	0		20,958	0	3,996,654	4,015,252	(18,598)	4,015,252
(6) Management Expenses - Staff Costs	495,022	81,894	576,916		6,116				257,843	840,875	853,719	12,844	853,719
(7) Management Expenses - Overheads	64,711		64,711	0	3,197			8,000	442,291	518,200	443,692	(74,507)	443,692
(8) Service Costs		0	0							0	0	0	0
(9) Reactive Maintenance	483,148		483,148		536					483,684	435,200	(48,484)	435,200
(10) Cyclical Maintenance	187,516		187,516							187,516	218,800	31,284	218,800
(11) Planned Renewals/Major Repairs	170,658		170,658							170,658	267,996	97,338	267,996
(12) Depreciation on Housing Properties	1,020,922		1,020,922							1,020,922	1,015,913	(5,009)	1,015,913
(13) Bad Debts	(26,692)		(26,692)							(26,692)	31,556	58,247	31,556
	2,395,285	81,894	2,477,179	0	9,849	0		8,000	700,134	3,195,161	3,266,876	71,714	3,266,876
Operating Surplus	1,544,622	(81,894)	1,462,728	22,395	3,601	0		12,958	(700,134)	801,493	748,376	53,116	748,376
(14) Release of Negative Goodwill	38,134		38,134							38,134	38,134	(0)	38,134
(15) Gain/Loss on Disposal of Fixed Assets	0		0							0	0	0	0
(16) Interest Receivable			0						2,399	2,399	3,750	(1,351)	3,750
(17) Interest Payable/Other Finance Costs	(228,553)		(228,553)							(228,553)	(235,759)	7,206	(235,759)
(23)	1,354,203	(81,894)	1,272,309	22,395	3,601	0		12,958	(697,735)	613,473	(24) 554,502	58,972	554,502
Actuarial Gain/(Loss) in Pension Scheme										(0.00)			(100,000)
													454,502

STATEMENT OF FINANCIAL POSITION AS AT

31 March 2022

ANNUAL BUDGET			AS AT 31/03/2021	ACT YTD 31/03/2022	MOVEMENT
£	Ref		£	£	£
Non Current Assets					
42,443,511	(18)	Housing Properties - gross cost	41,102,439	41,907,600	805,161
(14,634,469)		Depreciation	(13,578,570)	(14,599,492)	(1,020,922)
27,809,042			27,523,869	27,308,109	(215,761)
1,286,604		Other	1,338,481	1,308,792	(29,689)
29,095,647			28,862,350	28,616,901	(245,450)
(991,501)		Negative Goodwill	(1,029,625)	(991,491)	38,134
Current Assets					
197,567		Debtors	206,284	191,192	(15,092)
0		Inventory	0	0	0
2,230,566	(19)	Cash at Bank and in hand	2,929,887	3,126,775	196,888
2,428,133			3,136,171	3,317,967	181,796
(20) Payables < 1 year					
(1,010,650)		Misc Creditors	(1,109,214)	(1,332,989)	(223,775)
0		Pension Deficit	0	0	0
		Deferred Capital Grants	0	0	
(244,972)		Loans	0	(241,503)	(241,503)
(1,255,622)			(1,109,214)	(1,574,492)	(465,278)
1,172,511		Net Current Assets/ (Liabilities)	2,026,957	1,743,476	(283,482)
29,276,656		Total Assets less current liabilities	29,859,682	29,368,885	(528,931)
(21) Payables > 1 year					
(7,424,586)		Loans	(7,915,034)	(7,428,759)	486,275
(83,233)		Pension Deficit	(176,000)	(116,753)	59,246
(7,507,819)			(8,091,034)	(7,545,513)	545,521
(22) Deferred Income					
(13,283,962)		Social Housing Grant	(13,877,417)	(13,342,261)	535,156
(706,663)		Non Housing Grants	(694,931)	(671,338)	23,593
(13,990,625)			(14,572,348)	(14,013,599)	558,749
7,778,213		Net Assets	7,196,300	7,809,773	613,473
Capital and Reserves					
122		Share Capital	103	103	0
7,778,091	(23)	Reserves	7,196,197	7,809,670	613,473
7,778,213			7,196,300	7,809,773	613,473

STATEMENT OF CASHFLOWS

Operating Surplus		801,493	
Adjust for Depreciation and other non-cash transactions		<u>491,862</u>	
Adjusted Operating Surplus		1,293,355	
Movement in Debtors		15,092	
Movement in Creditors		164,528	
<u>Investing Activities</u>			
Purchase of Properties and Components	(805,161)		
Purchase of Other Fixed Assets	0		
Disposal of Other Fixed Assets	0		
Grants received	<u>0</u>	(805,161)	
<u>Financing Activities</u>			
Interest receivable	2,399		
Interest payable	(228,553)		
Loan capital repaid	(244,772)		
Share capital issued	<u>0</u>	(470,926)	
		<u>196,888</u>	
Movement in Cash per Balance Sheet		196,888	

COVENANTS AS AT 31 MARCH 2022

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

	Accounts	Target set by Bank	Actual	Covenant Satisfied?
INTEREST COVER				
Operating Surplus	801,493	Greater than 110%	176.54%	Yes
LESS:Housing Grants Amortised	(558,749)			
LESS:Pension Deficit Contribution	(59,246)			
ADD:Housing Depreciation	1,020,922			
LESS:Component Replacements	(805,161)			
	399,258			
Interest Payments	228,553			
Interest Receipts	(2,399)			
	226,154			

	Accounts	Target set by Bank	Actual	Covenant Satisfied?
GEARING				
Balance of Outstanding Loans	7,670,262	Less than 30%	18.30%	Yes
Historic Housing Cost	41,907,600			

	Accounts	Target set by Bank	Actual	Covenant Satisfied?
ASSET COVER				
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-Mar22	Actual Apr-Mar22	(Adverse) Favourable Variance	Comments
24). Advertising (Publicity & Promotions)	1,000					1,000	1,000	1,000	660	340	
25). Audit Fee - External	11,900					11,900	11,900	11,900	15,960	(4,060)	Additional works for Mar 21 year end audit
Audit Fee - Internal	12,500					12,500	12,500	12,500	4,950	7,550	Internal Audit fees not accrued, only charged when work completed
26). Bank Charges - Allpay	10,500	10,500					10,500	10,500	10,412	88	
- General	500					500	500	500	442	58	
27). Depreciation - Other Fixed Assets	27,349					27,349	27,349	27,349	29,689	(2,340)	
28). General Expenses - Miscellaneous	2,800					2,800	2,800	2,800	1,074	1,726	
- Provisions	1,900					1,900	1,900	1,900	72	1,828	
- Staff Welfare Costs	700					700	700	700	558	142	
- Cash Collection Costs (G4S)	600					600	600	600	0	600	
- Taxi	1,250					1,250	1,250	1,250	72	1,178	
Health & Safety	6,000					6,000	6,000	6,000	1,300	4,700	High volumes of products bought during 20/21 but return to office now being phased in so this favourable variance won't increase as quickly now
29). General Committee Expenses	3,600					3,600	3,600	3,600	0	3,600	Committee meetings being held remotely via zoom
30). Heat & Light	11,500				4,000	7,500	11,500	11,500	25,405	(13,905)	Recent price increases, issues with old invoices being corrected & Charges from vacant commercial property at Newhills Rd
31). Cleaning	12,000				1,500	10,500	12,000	12,000	12,206	(206)	
32). Insurance - Housing Stock	61,983	58,057		3,926		61,983	61,983	61,983	40,236	21,747	Premiums lower than anticipated
- Non-Housing premiums	24,534					24,534	24,534	24,534	21,451	3,083	
33). Office Maintenance - Repairs & Renewals	15,000					15,000	15,000	15,000	12,052	2,948	
- Equip Maintenance	7,000					7,000	7,000	7,000	3,014	3,986	
34). Office Equipment - New items	6,000					6,000	6,000	6,000	16,057	(10,057)	Laptops purchased for staff for Homeworker to assist with flexible working between Home & Office
IT Maintenance Support Costs	53,500					53,500	53,500	53,500	57,750	(4,250)	Homemaster data migration costs not known at time of budget setting process
IT Expenses	9,000					9,000	9,000	9,000	944	8,056	Budget included £6k for Disaster Recovery costs - works not yet completed
35). Printing (External)	8,200					8,200	8,200	8,200	14,029	(5,829)	4 Newsletters & 1000 Annual reports - higher than budgeted costs
Printing (Internal Photocopier Charges etc)	6,000					6,000	6,000	6,000	3,214	2,786	
Stationery	4,300					4,300	4,300	4,300	1,813	2,487	
36). Postage	2,900					2,900	2,900	2,900	1,341	1,559	
37). Rent & Rates	1,900					1,900	1,900	1,900	3,850	(1,950)	Issues with old invoices being corrected
38). Seminars & Training - Staff	16,000					16,000	16,000	16,000	17,278	(1,278)	Additional days homemaster training
39). Seminars & Training - Committee	5,500					5,500	5,500	5,500	3,669	1,831	
40). Staff Recruitment	3,600					3,600	3,600	3,600	11,457	(7,857)	Higher than anticipated staff turnover and due to the current market recruitments cost higher, additional advertising & Agency "Finder Fees" etc
41). Subscriptions	25,976					25,976	25,976	25,976	50,353	(24,377)	A few older invoices for last years subscriptions being entered now and £10k to date for GCC ASB not budgeted
42). Telephones	9,500					9,500	9,500	9,500	12,429	(2,929)	
43). Legal Fees - General	12,000					12,000	12,000	12,000	3,013	8,987	
44). Legal Fees - Housing	14,500	14,500				14,500	14,500	14,500	24,476	(9,976)	It is anticipated that the legal fees will continue to increase in the following months due to increased officer activity in relation to current rent arrears as well as
45). Professional Fees	13,000					13,000	13,000	13,000	79,529	(66,529)	£24k to date Continuation of PR services not known at time of budget setting process , £19k consultant fees for Homemaster Implementation, £8.5k Collabra
Housing -Agency Fees - WR	0	0				0	0	0	0	0	
46). Commercial Property Cost	1,000		1,000			1,000	1,000	1,000	0	1,000	
47). Donation - Grant Funding Wider Role	21,800					21,800	21,800	21,800	24,771	(2,971)	New wheelie bins for properties
Donations -Others	1,400					1,400	1,400	1,400	0	1,400	
48). Tenant Participation	12,000	12,000				12,000	12,000	12,000	12,676	(676)	TP budget is generally underspent due to Covid but it is likely to increase between Nov 21 - March 22 due to factoring, rent and allocation consultation
49). Vehicle Costs						0	0	0	0	0	
50). AGM Costs	3,000					3,000	3,000	3,000	0	3,000	AGM held remotely
51). Wider Role						0	0	0	0	0	
	443,692	95,057	1,000	3,926	5,500	338,209	0	443,692	518,200	(74,508)	

Management Committee	26 May 2022
Agenda Item	10
Title of Paper	Approved List of Contractors & Suppliers 22/23
Author	Bill Black, Assets & Maintenance Manager
Attachment	Appendix 1: Approved List, Appendix 2: Guidance Note

FOR DISCUSSION & APPROVAL

1 PURPOSE

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

2 RECOMMENDATIONS

- 2.1 The Management Committee are asked to approve the contractors and suppliers list for 2022-23.

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 The report is consistent with our commitment to improve our performance management and is compliant with our strategic objectives;
1. Deliver excellent services;
 2. Provide good quality homes;
 3. Anticipate, understand and respond to local needs;
 4. Foster an attractive, successful and thriving community;
 5. Maintain good governance and financial management;
 6. Value and invest in our people.

It is also consistent with our Values of:

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

3 BACKGROUND

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

4 MAIN ISSUES

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

- Clyde Valley Landscapes Ltd

The following three contractors have been removed from our approved contractors list

- ITAGG Ltd
- Sharon Flynn Consultants
- SMS Expert Ltd

5. REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

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

6. CONSULTATION

- 6.1 Contractors' performance meetings take place once a month or as often as require if we or the contractors have concerns.
- 6.2 Management Committee are provided with a report annually on our approved contractor's performance.

6.3 Tenants report issues through our Customer Opinion Panel.

6.4 Suppliers and consultants are monitored on performance and service delivery monthly.

7. FINANCIAL IMPLICATIONS

None we are aware of at time of report.

8. KEY RISKS

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

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

9. EQUALITY AND DIVERSITY IMPLICATIONS

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

10. CONCLUSIONS

Management Committee are asked to approve the content of the report.

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

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

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

Robertson Acom

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

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

Use of Wellhouse Housing Association's Contractors and Suppliers

Guidance Note for Staff and Committee Members

1. Introduction

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

2. Who are our contractors and suppliers?

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

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

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

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

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

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

4. Applying for consent to use our contractors and suppliers

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

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

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

5. Certification by approved contractor and supplier

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

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

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

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

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

7. Accidental use of WHA's contractors or suppliers

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

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

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

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

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

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

Management Committee	26 May 2022
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 January 2022 to 31 March 2022.

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

The Association received **11** complaints during the Fourth Quarter of 2021/22.

Stage 1 Complaints

6 Stage 1 Complaints were received during the period 1 January 2022 to 31 March 2022. **100.00% (6)** of Stage 1 complaints were responded to within Quarter 4 and were handled within timescale.

Quarter 4 performance was **2.17 days against an SPSO target of 5 working days**. Our average performance for 2021/22 was **3.88 days**, again within the target response times. This figure, based on ARC Guidance, includes 3 cases carried forward from last year, giving us a total of 33 cases for the reporting year.

The outcome of these complaints are as follows:

Outcome - Stage 1	Quarter 4 2021/22
Upheld	-
Partially Upheld	-
Not Upheld	1
Resolved	5
Total	6

Stage 2 Complaints

There were 5 stage two complaints received within the period. **40.00% (2)** of Stage 2 complaints were responded to within Quarter 4 and were handled within timescale. 62.50% were handled within timescale for the year, based on ARC Guidance.

*Please note 8 complaints were received during the year but in 3 cases (although they were responded to within timescales) the responses were carried forward into next year.

Quarter 4 performance was **10 days against an SPSO target of 20 working days**. Our average performance for 2021/22 was **12.60 days**, again within the target response times. * See note above

Outcome - Stage 2	Quarter 4 2021/22
Upheld	-
Partially Upheld	2
Not Upheld	2
Resolved	1
Total	5

Complaint Issues

The table below details the main issues WHA received complaints about during Quarter 4:

Issues raised	Q4 2021/22	Outcome
Equalities issue	-	-
Failed to attend appointment	-	-

Contractor conduct	-	-
Poor workmanship	1	1 Not upheld
Incomplete repair	6	3 Front Line Resolution 1 Resolved 2 Partially Upheld
Repairs Delay	1	1 Front Line resolution
Rechargeable Repairs	-	-
Common Repairs	-	-
Rent Arrears	-	-
Anti-Social Behaviour	-	-
Estate Management	-	-
Estates Team	-	-
Policy/Procedure	2	2 Not Upheld
Communication	1	1 Front Line Resolution
Staff issue	-	-
Development	-	-
Not WHA Responsibility	-	-
Total	11	11

However, although these are the main recorded reasons for complaints, three repair complaints also mentioned staff and one was regarding our improvement policy.

COMPLIMENTS

During the Quarter to 31 March 2022, we received 4 compliments, all related to our level of customer service from housing staff. 3 regarding their Housing Officer and 1 our Income Advice Officer.

LEARNING FROM COMPLAINTS & TRENDS

Learning from Complaints

- Individual Complaints

All of the complaints during this quarter were about some aspect of the repairs service including our improvement policy, general service issues and communication over planned and responsive works.

Trends

Compared to last year's outcomes, the level of stage 1 complaints increased from **22** during this year to **30** plus 3 cases were responded to that were carried forward. Last year we only received **1** Stage 2 complaint, but **8** were received this year, with 3 responses carried forward into next year. This means that complaints in both categories have trended higher during this year.

Policy and procedural issues were a feature of many complaints.

Many of the complaints during the year were about the repairs service.

EQUALITY, DIVERSITY & HUMAN RIGHTS IMPLICATIONS

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.

During the Quarter to 31 March 2022 no equality complaints were raised.

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 31st March 2022 no equality complaints were raised.

Trust Honesty Integrity Excellence Accountability Sustainability

Management Committee	26 May 2022
Agenda item	12
Title of Paper	KPI Targets 2022/23
Author	Carol Hamilton, Housing and Customer Service Manager Bill Black, Assets and Maintenance Manager
Attachments	Appendix 1 – KPI Performance and Targets
Executive Summary	This KPI report is presented from the Management Team as our performance for 2021/22 and to measure our targets against for the coming financial year.

FOR INFORMATION

1 PURPOSE

- 1.1 The purpose of this report is to bring to the attention of Committee the performance targets in relation to Key Performance Indicators (KPI) to be in place for the financial year 2022/23.
- 1.2 Appendix 1 details performance targets set for 2022/23, which are considered to be realistic. Committee is asked to discuss with the Management Team any of the proposed targets, consider any influencing factors and suggest appropriate responsive action.
- 1.3 Upon committee approval, the core KPIs will be updated on the website including the FOI section and will be reported on regularly to reflect performance throughout the year, including quarterly Management Committee reports.
- 1.4 The attached Appendix contains targets and columns to the right- hand side of the spreadsheet explaining the rationale involved in arriving at these figures. These will be removed prior to updating the website.

2 RECOMMENDATIONS

- 2.1 Committee is asked to discuss and note the contents of the report and approve the 2022/23 KPI targets.

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 2022/23 Operational Plan.

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

4. BACKGROUND

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 reflect areas included in the ARC. Our own internal targets and any service standard we deem important are collated and monitored separately.

4.2 The full suite of KPIs is regularly 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.

4.3 This quarterly Committee report will still highlight areas of concern and 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.

5 Main issues

5.1 The targets for the coming year are largely unchanged, although reasonable and sufficiently challenging, and most, without the Impact of Covid 19 would have been achievable in the last year. The exceptions to this are the position with Current and Former Tenants arrears which is adversely impacting on Rental Income. Appendix 1 indicates that Gross Rent arrears at the end of quarter 3 were 10.56% as a % of rent due for the year although this has reduced slightly to 10.31% at the year end. This figure includes the write-offs approved during the year. New measures for tackling Current rent arrears are ongoing and Former Tenant arrears will be reduced by way of referring to a debt company and by writing off debts which are unable, or uneconomical to be pursued.

5.2 The % of tenancy offers refused are outwith target, and relet times are lengthier than normal at an average of 26.95 days. The target is 12 days. The figures reflect the delays in processes because of Covid 19, when only one trade could attend a void at

a time and the property had to lie empty for 3 days before inspections could take place. A detailed report on voids, relet times and refusal reasons will be provided at the next Committee meeting

All other indicators are within target.

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 KPIs which are causing concern are rent arrears and void relet time. Committee have already approved actions to reduce rent arrears. A discussion is invited as to the largely unchanged proposed targets while still setting a reasonable challenge during the coming year taking account of increased living costs and inflation rate. In addition,

delays with relet times are expected due to ongoing issues with replacing, resetting, and installing meters due to the current issues in the energy market.

				Within target Minor Concern Concern					
		KPI Monitoring 2021/2022							
Function	Business Area	ARC QUESTION	KPI Brief Description	Annual KPI Target	Performance at End of Year 2020/21	End of Quarter 3	Variance	Comments	Managers Recommendations
Rent Management	ARC	26	Rent Collected as % of total rent due for year	100%	97.21%	101.68%		Based on rent charges raised and rental received Year To Date	Leave Target Unchanged
		27	Gross Rent Arrears as % of rent due for year	8.00%	10.86%	10.56%	2.56%	Figure includes £20.8K Written Off minus Technical Arrears of £10.5K	Leave Target Unchanged in light of improvements in arrears performance and write off management
		18	% of Void Rent Loss	0.60%	0.29%	0.60%		Covid 19 restrictions and metering continue to delayed void works and view ings.	Leave Target Unchanged
		22	Number of court actions which resulted in eviction	n/a	0	1		2 Decree's secured during Q2, 1 enforced by Eviction for rent arrears	No Target Set
	Performance		Current Tenants Arrears	7.00%	9.20%	8.65%	1.65%	Current tenant arrears decreasing	Leave Target Unchanged in light of improvements in arrears performance and write off management
			Former Tenant Arrears %	1.00%	1.66%	1.61%	0.61%	Former tenant arrears increased due to Covid 19 and tenancies ending	Leave Target Unchanged in light of improvements in arrears performance and write off management
Allocations	ARC	14	Tenancy offers refused	30%	34.09%	36.20%	6.20%	Analysis of reasons for refusals did not raise any issues of concern and has fallen during period	Leave Target Unchanged but improve recording of refusal reasons
		17	Property that became vacant in the year	n/a	27	47			No Target Set
		30	Relet time	12 days	30.57 days	26.95 days	14.95 days	Covid 19 restrictions and metering issues delayed void works and view ings	Leave Target Unchanged - Impacted by Covid 19 Restrictions over last 2 years and issues with meters and utility companies
	Performance		No of lets made	n/a	24	37			No Target Set
Maintenance	ARC	6	% of stock meeting SHQS	100%	98.11%	98.11	1.89%	Some tenants not allow ing access for works but this will reduce w hen properties become void.	Leave Target Unchanged - working towards target over time
		8	Average time to complete EME repairs	4 hours	2.18 hours	1.9 hours			Leave Target Unchanged
		9	Average time to complete NON-EME repairs	6 days	3.48 days	4.4 days			Leave Target Unchanged
		10	Reactive repairs carried out completed right first time	100%	99.21%	100%			Leave Target Unchanged
		11	How many times did you not meet your statutory obligations to complete a gas safety check w ithin 12 months of fitment or its last check	0%	4.30%	0%			Leave Target Unchanged
	Performance		Average time to complete Urgent jobs	3 days	2.1 days	2.1 days			Leave Target Unchanged
Adaptations	ARC	19	The number of Households currently waiting for adaptations to their home.	n/a	4	2			No Target Set
		20	The total cost of adaptations complete in year	n/a	£62,010	£40,163.46			No Target Set
		21	The average time to complete adaptation	60 days	46.06 days	30 days			Leave Target Unchanged
Estate Management	ARC	15	% of ASB cases reported in the last year which were resolved	n/a	94.20%	90.38%		Of cases not resolved all (5) are serious ASB cases awaiting court hearings	No Target Set
		22	% of court actions initiated which resulted in eviction	n/a	0	1		2 Decree's secured during Q2, 1 enforced by Eviction for rent arrears - none for ASB or other reasons	No Target Set
Satisfaction	ARC	1	% of tenants satisfied with overall service provided by their Landlord	90%	94.1%	91.7%			Leave Target Unchanged
		2	% of tenants who feel their Landlord is good at keeping them informed about their services and decisions	95%	95.1%	90.3%	4.7%		Leave Target Unchanged
		5	% of tenants satisfied with the opportunities given to them to participate in the landlord's decision making processes	85%	97.6%	95.9%			Leave Target Unchanged
		7	% of existing tenants satisfied with the quality of their home	80%	87.2%	88.9%			Leave Target Unchanged
		12	% of tenants who have had repairs or maintenance carried out in the last 12 months satisfied with the repairs and maintenance service.	85%	87.8%	87.9%			Leave Target Unchanged
		13	% of tenants satisfied with the landlord's contribution to the management of the neighbourhood they live in	90%	92.4%	98.6%			Leave Target Unchanged
		25	% of tenants who feel that the rent for their property represents good value for money	85%	93.1%	91.7%			Leave Target Unchanged
Complaints	ARC		The percentage of all complaints responded to in full at Stage 1	100%	86.6%	100%			Leave Target Unchanged
		3	The percentage of all complaints responded to in full at Stage 2	100%	100%	100%			Leave Target Unchanged
		4	The average time in working days for a full response at Stage 1 The average time in working days for a full response at Stage 2	5 days 20 days	2.74 days 5 days	2.69 days 13 days			Set by Scottish Public Services Ombudsman
Communications	Service Standards		4 new sletter articles per annum	100%	100%	100%			Set by Scottish Public Services Ombudsman
Factoring	ARC	29	% of factored owners satisfied with factoring service they receive	70%	87.5%	87.5%			Leave Target Unchanged

Management Committee	26 May 2022
Agenda Item	13
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 1, 30th April 2022:</p> <ul style="list-style-type: none"> • Gross current tenant rent arrears are £296,667 - 8.50% of annual income • Net arrears are £250,540.39 – 7.18% of annual income • Former Tenant's arrears are £53,656 • Rent collection is currently 90.73% (cumulative 1 month to end April 2022) • 96 tenants (12.12% of all tenants) owing £1,000+ now owe £193,228 collectively – 65.13% of current arrears and 5.54% of annual rent income. • 60 (7.58% of all tenants) of those owing £1,000+ are UC recipients • 34 tenants (4.29% of all tenants) owe £2,000+ • The number of tenants claiming UC is 258 (32.58% of tenants). • The amount of UC arrears figure is £173,861 (58.60% of the current arrears) or (4.98% 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 April position.

5. MAIN ISSUES:

5.1 Since the last Committee update, gross current tenant rent arrears have increased by £17,385 to £296,667. UC payments for April will be paid at the previous rental rates until recipients update the Department of Working Pensions (DWP) and verification checks are completed by Housing Officers.

5.2 During the same period, net current arrears have reduced by £7,796 to £250,540.

5.3 The number of tenants in arrears across most bands remains largely unchanged. 91 tenants owe more than £1000, which is 1 less than reported at last Committee meeting, and those owing more than £2,000 have increased by 1 to 34.

5.4 The Former Tenant Arrears (FTAs) have increased by £5,205, which can be attributed to the technical eviction that was carried out on 28 April.

5.5 The number who are in receipt of Universal Credit (UC) has increased from 249 to 258 of WHA households. UC arrears accounts for £173,861 (58.60%) of the total gross current rent arrear, which has increased by £17,316 since last update.

5.6 The Housing Team continue to focus on reducing the UC debt by ensuring that affordable arrangements are made for those with outstanding balances as well reducing Former Tenant Arrears.

6. DISCUSSION

6.1 Checks will be made on all tenants who are in receipt of UC to remind them to update DWP of the new rental charge, where appropriate.

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	26 May 2022
Agenda Item	14
Title of Paper	Voids 2021/22 Update
Author	Carol Hamilton, Housing & Customer Service Manager Bill Black, Assets and Maintenance Manager
Attachment(s)	N/A
Executive summary	<ul style="list-style-type: none"> The Voids 2021/22 Update report is produced to assist the Board's understanding of the volume of void properties arising last year, as well as any issues arising during the year

FOR INFORMATION

1 PURPOSE

- 1.1 This report contains information on the voids that arose during the period 1 April 2021 to 31 March 2022.
- 1.2 This report also contains information on void management issues arising from either the repairs or allocation processes.

2 RECOMMENDATIONS

- 2.1 That the update on our voids position be noted

3 BUSINESS PLAN, VISION AND VALUES

- 3.1 The production of our voids update report is consistent with the following strategic objectives:
 - Objective 1 – Deliver excellent services
 - Objective 3 – Anticipate, understand and respond to local need
 - Objective 4 – Foster an attractive, successful and thriving community
- 3.2 Our vision and values of excellence, accountability and sustainability

4 VOID MANAGEMENT

- 4.1 48 Voids arose during the year. However, we also managed 8 voids that had been carried forward from the previous year. We relet 48 voids and 8 voids were carried forward into 2022/23.

This compares to:

2018/19 49 Voids arose during year, with 3 brought forward from previous year and 52 were relet.

2019/20 37 Voids arose during the year, with 35 relet and 2 carried forward into 2020/21

2020/21 34 Voids arose during the year, with 28 relet and 8 carried forward into 2021/22

The reasons given for voids arising in 2021/22 were:

Reason	Number
Abandonment	6
Affordability	1
Buying a property	2
Deceased	10
Eviction	1
Fleeing Domestic/Violence	4
Internal Transfer	4
Move Back in with Parents/Relatives	3
Medical	2
Move out with Area	12
Move to Bigger Property	1
Moving to Care Home	1
Moving to Provide Care	1

4.2 Relets

48 properties were relet during the year, 10 to Homeless Applicants, 10 to Internal Transfers (Tenants of WHA), 27 to General Waiting List Applicants and 1 from Other Source.

During the year 73 offers of rehousing were made to achieve the 48 relets. 25 offers were refused, meaning we had a refusal rate of 34.25%. Of the recorded reasons for refusals there was no underlying trend. Reasons included offers withdrawn due to repair delays, offers withdrawn, no response to offer made, cancelled application, property size, area unsuitable and anti-social behaviour.

Anecdotal evidence from staff suggests that demand for upper tenemental flats is an issue with more refusals for this stock. However, we have always managed to relet such stock and there is demand from applicants on the housing lists.

Due to Covid 19, funeral arrangements were taking longer than usual, which resulted in delays for families of deceased tenants to clear properties and return keys. Keys took over 2 months to be returned for 8 of the properties where the void reason was due to the death of a tenant.

4.3 Repairs

repairs costs

The condition that the voids are being returned to us has been very poor and we are having to carry out more repairs and decoration works to get the void to our lettable standard. The cost of the void works was £207,754. This includes all safety checks at an average £4,328 per property, as well as £64,000 for decoration to 39 properties.

metering Issues

There has always been issues with meters, especially with pre-payment meters, and information not being passed over from the outgoing tenant. Time taken to resolve these issues can be from 30 mins to several weeks and potentially several hours of phone calls. Citrus, who most of the sector used to carry out meter resets/supplier transfers, stopped working in the sector during Covid. More recently, due to the issues with the Energy Market, there is no movement between suppliers. We have contacted another company, Green Energy Switch, and we are currently on a waiting list to join.

major repairs

23 voids had replacement kitchens or bathrooms. 18 kitchens were replaced at a cost of £61,200 and 11 bathrooms were replaced at a cost of £29,150. 2 properties had full heating replacements to pass EESSH at a cost of £8,000. These costs are charged to Major Repair Replacements

4.4 Turnaround Times

We had a 6.06% turnover of stock during the year, due to voids. Overall, we lost 1662 days to voids, of which 222 days were due to Major Repairs etc. as per ARC Guidance, giving a net of 1440 days. We therefore took an average of 30 days to relet our voids.

Turnaround times were affected by Covid restrictions on Void Repairs and metering as noted above, but also by restrictions on viewings and the level of refusals.

4.5 Benchmarking Information

*From the Covid 19 Quarterly Returns for Easterhouse Regeneration and Housing Alliance (EHRA) Members

Quarter 1								
Landlord	Empty Properties C/F	New In Quarter	Unlet	Lost Rent	%	Relets	Days	Avg. Days
EHP	4	8	1	£1,643	0.24%	12	175	14.58
Gardeen	0	5	0	£269	0.10%	5	26	5.2
Provanhall	8	6	4	£3,055	0.62%	10	301	30.1
Blairtummock	4	14	1	£3,178	0.46%	17	355	20.88
Ruchazie	0	0	0	£0	0	0	0	0
Wellhouse	8	10	5	£4,420	0.53%	13	237	18.23
Calvay	5	18	5	£3,532	0.43%	18	174	9.67
Lochfield Park	5	7	4	£2,033	0.38%	8	176	22
TOTALS	34	68	20	£18,130		83	1,444	

Quarter 2								
Landlord	Empty Properties C/F	New In Quarter	Unlet	Lost Rent	%	Relets	Days	Avg. Days
EHP	1	9	4	£820	#REF!	6	81	13.5
Gardeen	0	1	0	£87	0.03	1	9	9
Provanhall	4	13	4	£2,001	0.41%	13	194	14.92
Blairtummock	1	9	1	£2,055	0.32%	9	200	22.22
Ruchazie	0	2	0	£528	0.23%	2	51	25.5
Wellhouse	5	14	7	£3,222	0.38%	12	439	36.58
Calvay	5	14	9	£2,972	0.36%	14	277	19.79
Lochfield Park	4	3	2	£1,040	0.19%	5	147	29.4
TOTALS	20	65	27	£12,725		62	1,398	

Quarter 3								
Landlord	Empty Properties C/F	New In Quarter	Unlet	Lost Rent	%	Relets	Days	Avg. Days
EHP	4	7	3	£1,175	0.17%	8	121	15.12
Gardeen	0	5	0	£85	0.03%	5	8	1.6
Provanhall	4	12	6	£1,782	0.36%	10	165	16.5
Blairtummock	1	15	1	£2,376	0.34%	15	245	16.33
Ruchazie	0	1	1	£427	0.19%	0	0	0
Wellhouse	7	15	10	£7,587	0.90%	12	320	26.67
Calvay	6	15	6	£4,737	0.57%	18	458	25.44
Lochfield Park	2	8	2	£1,300	0.24%	6	135	22.5
TOTALS	24	78	29	£19,468		74	1,452	

The table above highlight performance over the first 3 Quarters of the year. Green highlights where totals are less than us, Amber the same and Red where they exceed our totals. Aside from Quarter 1 our average days lost have been higher and generally our % rent lost has been higher except for one other RSL in Quarters 1 & 2.

Unfortunately, the figures are not yet available for the year end, to give a more meaningful comparison.

4.6 Void Management Processes

During the year ending 31st March 2022, we continued to operate with a largely manual void management process, relying on staff completing spreadsheets to record required information. We also currently only have an overall target for turnaround times. With the move this year to HomeMaster we will have improved void management information.

5 REGULATORY, LEGAL AND CONSTITUTIONAL ISSUES

5.1 *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.

Charter Standards 7, 8 and 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

Charter Standard 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

6. FINANCIAL IMPLICATIONS

- 6.1 The measures taken to manage voids affect staffing resources as well as repairs and IT systems budgets. These are all allowed for within existing budgets.

7. KEY RISKS

7.1 *Financial*

Risk associated with void management is mainly financial. Any rental loss that occurs, is income lost to the Association, which it can never recover. It is important therefore

that our void processes aim to keep void loss to a minimum. To manage this risk, we monitor our void management process so that we understand when and where delays occur in the process.

7.2 ***Reputational***

An additional risk associated with void management is reputational and could arise if empty properties are seen to be lying empty too long. To manage this risk, we monitor our void management performance.

8. **EQUALITY, DIVERSITY & HUMAN RIGHTS IMPLICATIONS**

- 8.1 Wellhouse Housing Association embraces the principles of empowerment, accountability, equality and diversity that are integral to human rights. Allocations are monitored for equality issues.

Management Committee	26 May 2022
Agenda Item	15
Title of Paper	Operational Update Report
Author	Management Team
Appendices:	

FOR INFORMATION AND DECISION

EXECUTIVE SUMMARY:

1. Director – Main Issues

The Director reported in closed session.

2. Housing & Customer Services Manager – Main Issues

- The collection of rent arrears continues to be a priority and an update is included in a separate report.
- Equalities work on the draft Allocation Policy is ongoing and the final document will be presented at August Committee meeting after further consultation with stakeholders.
- A verbal update regarding the Estate Management consultation being hosted on May 24th in the Hub Café will be provided at the meeting.
- 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 248 tenants claiming UC.
- The Digital Support Fund has £158.37 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 will purchase additional budget mobile phones, the mobiles will be used to help those without access to a mobile phone to engage with the housing.
- The IAO will attend a Social Housing Fuel Fund Reflection meeting on the 11th of May. The meeting will look at how the Social Housing Fuel fund supported tenants experiencing fuel poverty and will look at how social landlords can continue to support tenants experiencing fuel poverty ongoing. The IAO will provide an update next month. We do not have any fuel funding available, however the IAO can refer tenants to Home Energy Scotland for financial assistance from the National Fuel Bank. The National Fuel Bank can issue a fuel voucher to tenants in crisis.

Trust Honesty Integrity Excellence Accountability Sustainability

- DWP will restart the Universal Credit managed migration process from 9th May 2022, this means they will begin moving legacy claimants to Universal Credit. The migration process will start slowly and will accelerate through the year. DWP plan to have transferred all existing legacy benefit claimants to Universal Credit by the end of 2024. DWP will likely start to move single jobseeker claimants to UC over the coming months. Job Centre work coaches will support claimants through the migration process and the IAO will provide additional support to tenants. We will start to see more tenants moving to Universal Credit over the coming months

3. Assets & Maintenance Manager – Main Issues

- Window and door contract will be completed around the middle of June as long as access continues to be given.
- Estates van we are currently looking at costs for the replacement with both Northgate and Pfh Scotland (Procurement for Housing Scotland) both have indicated that there is around a 12month lead in time and Northgate has said there is increases the leasing costs.
- The bulk uplift started by Clyde Valley Landscapes started 03/05/22 (Tuesday)

4. Finance & Corporate Services Manager – Main Issues

- Homemaster project has now been live for over 1 month. Staff continue to gain confidence with the system. Some amendments may be required and these will be discussed with the software company and the Senior management team in the near future.
- Homemaster operates an authorisation module and training for Committee members will be arranged in the near future to enable them to authorise invoices that are within their authorisation limit.
- Work continues on the year end accounts ready for the external auditors who will be on site on 1st August 2022 to commence their field work. It is their preference to have a mix between on-site work and remote working during the audit.
- Details of the internal audit program for 2022/23 will be presented by Wylie Bissett to the Audit & risk committee on 19th May 2022
- The staff were advised of the salary increase that was effective from 1 April 2022.
- A review of contracts for services continues with the aim of reducing costs. A revised contract with Biffa waste is having the cost reduced back to 2018 values that represents a saving of approximately 35% on the 2021/22 value.
- Meetings took place with Royal Bank of Scotland and Virgin Money (Clydesdale Bank) with the director and Finance & Corporate services manager in attendance. The purpose of the meetings was to update the banks on potential future developments and also to review the loans and deposits to ensure that best value is being obtained. An updated report will be presented at a future meeting