

HILLHEAD HOUSING ASSOCIATION 2000

Management Committee Meeting Wednesday 6 May 2020 at 4.30 PM by remote access via Zoom Meeting

AGENDA

Item	Details	Timing	Action required
1	Apologies	4.30PM	
2	Declarations of Interest and Deferred Items	4.35PM	
3	Minutes and Matters Arising from previous meetings: <ul style="list-style-type: none">• Management Committee Meeting held on 4 March 2020• Office Bearers Meetings held on 17 March, 26 March and 8 April	4.35 PM	For approval
4	Directors Report (report attached) <ul style="list-style-type: none">i) Director's Reportii) Annual Compliance Checklist Reportiii) Fraud Report	4.45PM	For information, decision and approval
5	Finance Reports (report attached) <ul style="list-style-type: none">i) Management Accounts to 31 March 2020ii) Treasury Management Report 2019/20	5.00PM	For information
6	Housing Management Report <ul style="list-style-type: none">i.) Quarter 3 and 4 Performance Reportsii.) Lettings Plan 20/21	5.15PM	For information
7	Property Services Report <ul style="list-style-type: none">i) Development Reportii) Property Services Performance Report	5.30PM	
8	Customer Care Policy		For approval
9	Any Other Business		
10	Date of Next Meeting: Wednesday 3 June 2020		

HILLHEAD HOUSING ASSOCIATION 2000

Minutes of the Management Committee Meeting held on Wednesday 4 March 2020 at 6.30 pm in the Association's offices at 2 Meiklehill Road

Present: C Taylor L Scott
M Docherty Cllr J Jamieson
Cllr S McDonald Cllr S Murray

In Attendance: S Macintyre, Director
C McKiernan, Housing Manager / Depute Director
K Tait, Corporate Services Assistant
P Long, FMD

S Macintyre began the meeting by informing Committee of the passing of Committee member Catherine McKay-McCann. Committee agreed to donate some money to charity in her honour.

1. APOLOGIES

Apologies were received from W Hassan, D Wilson, S Niven and W Hassan

2. DECLARATIONS OF INTEREST AND DEFERRED ITEMS AND ELECTION OF OFFICE BEARERS

C Taylor declared an interest in Agenda Item 4 Directors Report, 5.0 Glasgow & West of Scotland Forum.

Deferred Items

Rent and Service Charge Policy

C McKiernan informed Committee that the above policy is due for review and is presented largely unchanged. C McKiernan advised that Section 4 had been updated to reflect current best practice in measuring and assessing affordability. C McKiernan also informed Committee of an amendment to Section 8.4 to allow for consideration of various measures of inflation e.g. RPI and CPI.

Cllr S McDonald expressed concern in relation to the consideration of various means of inflation. There followed lengthy discussion on this, and it was noted that future consideration of measures of inflation had been discussed and agreed at the Special Management Committee Meeting on 29 January 2020.

Committee subsequently approved the Rent and Service Charge Policy.

Anti-Social Behaviour Policy

C McKiernan introduced this new policy to Committee for approval. C McKiernan explained that Anti-Social behaviour was previously contained within in the Estate

Management policy. She advised that she felt it more appropriate to have a separate policy for anti-social behaviour.

R Smith highlighted point 3 of page 3 in relation to drug related activity and suggested it may be amended and not include alcohol abuse alongside drug related activity. Following some discussion C McKiernan agreed to amend this point in the policy.

Committee subsequently approved the Anti-Social Behaviour Policy subject to the agreed amendments.

Hillhead Equality Impact Assessment Record

C McKiernan presented the draft Equalities Impact Assessment along with the Anti-Social Behaviour Policy. This Assessment is a standard template which could be adopted across all key policies within the Association and will also tie in with the Association's assurance statement. Committee were asked to provide feedback on what they thought of the general template and the Anti-Social Behaviour Policy in general.

There then followed some discussion where it was agreed to use the Equality Impact Assessment Record's across the Associations key policies.

Procurement Policy

Committee noted that the above policy is due for review. Some amendments had been made in order to reflect changes in OJEU thresholds. Committee also noted that Future amendments may be required when/if we leave the EU.

Committee subsequently approved the Procurement Policy.

Committee Code of Conduct

C McKiernan advised Committee the above report was up for renewal. C McKiernan also advised Committee that this policy was based on SFHA's Model Code of Conduct for 2017. It was noted that the previous policy was based on the 2013 SFHA model and other than some formatting and one small amendment to page 12.

C Taylor asked if an amendment can be made to reword page 2 item 1.1, C McKiernan agreed to this amendment.

Committee subsequently approved the Committee Code of Conduct subject to agreed amendments.

Succession Policy and Training Plan 2019/20

Committee noted that this is a new policy for approval. It was noted that this policy is a regulatory requirement to ensure that housing associations have a succession plan in place. It was also noted that the Association has worked with SHARE to develop a plan appropriate to the needs of Hillhead.

Committee highlighted pages 5 & 6 of this policy showing a profile of the Associations Committee members and provided updates on their profiles. S Macintyre noted these updates and informed Committee that he would amend the policy to show the updates provided in the Committee members profiles.

Committee subsequently approved the Succession Policy and Training Plan 2019/20 subject to agreed amendments.

3. MINUTES AND MATTERS ARISING FROM PREVIOUS MEETINGS

Special Management Committee Meeting – 29 January 2020

After reading over these minutes they were approved by L Scott and seconded by M Docherty.

Management Committee Meeting – 5 February 2020

Page 2 – Item 3 Minutes and Matters Arising from Previous Meetings

C Taylor asked if there had been any word back from East Dunbartonshire Council in regards to the Association's nomination policy. C McKiernan advised that the Association had not yet heard back from East Dunbartonshire Council. The Association has heard back from other RSL's regarding this subject and a report will be presented at the April Management Committee Meeting.

Page 3 – item 4.4 Cycle Path

S Macintyre confirmed to Committee that a new planning application for the cycle path will be submitted at the end of next week.

Page 3 – item 4.8 Scottish Social Security Benefits Take Up Fund

S Macintyre also confirmed to Committee that the Association's application for the Scottish Social Security Benefits Take up Fund had been unsuccessful.

Page 6 – item 6 Development Report – Cala Homes Fauldhead & Chryston Road

S Macintyre advised Committee that Cala Homes had been in contact regarding the above development. S Macintyre confirmed that a meeting will take place between Cala Homes and the Association next week. Cala have advised that they hope to submit their plans for this development in either May or June with a start date on site after that.

Page 9 – Item 6ii Maintenance report – Electrical Testing

C Taylor asked if the Association offers owners in the community the chance to have an electrical test and a gas service. It was confirmed that the Association does not offer these services to owners. C Taylor was advised that if owners would like these services the Association's contractors do offer private contracts which cover breakdowns, servicing and testing.

1. Scottish Housing Regulator

S Macintyre advised Committee that the Regulator is currently reviewing the Association's Risk Assessment, he added that the Regulator has requested the Association to provide an update on its current and future development's. S Macintyre also advised that he expects all housing associations and council landlords to receive their Annual Engagement Plans by the end of March.

S Macintyre confirmed that the Regulator will be publishing a report on the first year of annual assurance statements. It is expected that there will be a number of events taking place around this. S Macintyre informed Committee that SHARE have a Bite Size Briefing Session planned for 2 April 2020 and advised Committee to inform the Association if they would be interested in attending.

2. Strategy Planning

S Macintyre informed Committee that staff are now working on the draft for the Association's new strategic plan. Committee were provided with a template which the Association plans to follow and asked to note that the plan is split into 2 documents, one for external readers and the financial plan which is an internal document.

S Macintyre added that a report is currently being drafted, this report will be presented at the April meeting.

3. SFHA Membership

Committee noted that a Lorna Wilson Head of Membership, Policy and Innovation at SFHA attended a meeting with Stephen, Catherine, Claire and Lisa on 14 February 2020. S Macintyre recommended to Committee that following the meeting and after considering the reduced affiliation fee, Committee agree to affiliate for one year until March 2021. This will allow Staff and Committee to experience the benefits of a membership before deciding on any long term commitment.

It was noted that the price of the membership for one year until March 2021 is £8,690, this figure has already been included in the revised budget for the year 2020/21.

There then followed some discussion amongst Committee where it was agreed to become a member of SFHA for one year until March 2021.

4. Scottish Social Security Benefit Take Up Fund

As noted previously the Association was unsuccessful in its application for the Scottish Social Security Benefit Take up Fund.

5. Glasgow & West of Scotland Forum

Committee were asked to approve the renewal of a year's membership with the forum. It was noted that the cost for one year would be £1,216 which had been included in the draft budget for 2020/21, Committee subsequently gave their approval to renew the Association's membership with Glasgow & West of Scotland Forum for the year 2020/21.

4(ii) Benchmarking Report 1 September to 31 December 2019

S Macintyre presented this report to Committee highlighting the performance of the Association compared to members of the Millennium Benchmarking Group up to the period for 31 December 2019. Some areas that were highlighted included:

Governing Body membership and attendance

The percentage for attendance dropped from %70 at end of September to %66 at end of December. The club average was 65.78%

Average Re-let Times

The Associations re-let time for the third quarter was 16 days compared to a club average of 16.33 days.

Staff Attendance

Staff absence at the end of December has risen from 2.6% to 4.7%. The club's average was 2.7%

Rent Arrears

The Association's rent arrears dropped from 4.93% at the end of September to 4.17% at the end of December. The Club's average for rent arrears was 3.52%

Voids

Rent loss due to voids stood at .79% at the end of December compared to a club average of 1%

Turnover

The Percentage of lettable houses that became available for let within the Association stood at 1.93% at the end of quarter 3. This compares to the benchmarking clubs figure of 2.35%.

Value for Money

S Macintyre informed Committee that the Associations Value for Money return had been submitted to the network in August 2019 with a follow up session taking place in December 2019. A final report has been received and will be discussed at a future meeting, it will then be discussed how the findings of the report can be included in consultations with tenants.

4(iii) Committee Succession Policy

This policy was covered in Item 2 Deferred items and was approved by Committee.

4(iv) Reactive & Void Maintenance Contract

Committee were presented with this report detailing the outcome of the procurement procedure for the Reactive and Void Maintenance Contract. Committee noted that the

contract had been advertised on Public Contracts Scotland. The contract was advertised for a period of 5 years, running for an initial 36 months with the option to extend the contract for two further 12 month periods. A total of 3 bidders made a submission to the Association for the contract. Committee noted that due to this procurement exercise being a joint exercise between Hillhead and Abrohill HA the procurement panel was made up of one Staff member and one Committee member from each Association. Douglas Gold of Gold Consultancy was also present on the panel to provide guidance on the procurement process.

Following the conclusion of the procurement process it was recognised that Rodgers and Johnston scored the highest overall score for quality and price. It was noted that as Rodgers and Johnston are the current contract holders for the Association an interview process was not necessary. It was also noted that the 2 unsuccessful bidders have been notified and now a mandatory standstill period has begun allowing the bidders to lodge appeals. Should no appeals be made the standstill period will end on March 9 with Rodgers and Johnston's new contract beginning on March 10.

Committee were asked to accept Rodgers and Johnston's tender in the national sum of £858,344.70 excluding VAT in the case of no objections being made in the Standstill period. There then followed some discussion where it was agreed to accept Rodgers and Johnson's tender for the Reactive and Void Maintenance contract.

5. FINANCE REPORTS

Revised Draft Budget 2020/21

P Long of FMD Financial Services was in attendance to present the revised draft budget for 2020/21.

P Long advised of changes to the budget which included changes in staff structure of £7,700, along with additional costs for major repairs totalling £52,000. It was also noted there would be additional overhead costs of £3000 and additional depreciation costs of £4000. Committee noted that there would be a cost of £12,000 to cover Additional Fixed Assets. P Long advised that there would be additional Grant Income received meaning a saving of £26,000, there will also be a saving of £69,600 due to the reduction in cost of heat detectors.

Committee noted the findings of the Statement of Comprehensive Income. It was noted that turnover will increase be £26,000 to £4,326,919. Operating costs will also increase by £66,700 to £3,254,600, with the net surplus decreasing by £40,700 to £352,219.

An update was also provided on the Association's Statement of Comprehensive Income. Committee noted the net value of other fixed assets will increase by £8,000 to £1,031,611. Cash balances will also increase by £20,900 to £1,574,197. However the reserves will decrease by £40,700 to £352,219.

P Long confirmed that the Association will still be able to comply with the Covenants in the loan agreement with the Royal Bank of Scotland.

Committee subsequently approved the Association's revised draft budget for 2020/21.

6. Write Offs

C McKiernan presented Committee with this report looking for approval for write offs on Rent arrears and sales ledger charges.

Committee noted that the figures that are to be written off consist of former tenant arrears and recharges where the tenants are either unable to trace or it is uneconomic to pursue. The write offs also consist of credits where there are small overpayments on recharges or small credits on the rent accounts, it was also requested to write off credits where those owed are untraceable. Committee were also asked to approve write offs to the rent accounts and recharges for current tenants who have been sequestered or entered into a trust deed.

After taking note of this report Committee subsequently agreed to write off the figures included.

7. A.O.C.B

There was no other business.

8. DATE OF NEXT MEETING

Management Committee Meeting Wednesday 6 April 2020

Minutes prepared by; K. Tait, Corporate Services Assistant
6 March 2020

Chairperson's Signature:

Date:

Copies of the above reports are available on request.

HILLHEAD HOUSING ASSOCIATION 2000

Minutes of Office Bearer's Meeting held on Wednesday 8 April 2020 held via Zoom virtual meeting software

Present: C Taylor (Chair) (via telephone speaker)
S Niven (Treasurer)
L Scott (Vice Chair)

In Attendance: S Macintyre, Director
M White, Head of Corporate Services

It was agreed that as C Taylor was not connected visually, L Scott would chair the meeting.

1. APOLOGIES

Apologies were noted from M Docherty

2. FURLOUGHED STAFF

Committee noted that following previous discussions, it had been agreed that 3 members of staff be designated as furloughed workers under the Government's Coronavirus Job Retention Scheme, due to the requirement for the work they carry out having been diminished in light of the current COVID-19 outbreak in the UK. It was noted that these members of staff were Dorothy Semple, Dorothy Campbell (office cleaners) and Tom Brunton (Senior Estates Officer).

M White referred to the letter confirming their change of status, which had been forwarded to the Office Bearers prior to this meeting. It was noted that Law at Work had approved the content of this letter, and Committee subsequently agreed that the letters be sent to the staff members concerned.

S Macintyre confirmed that M White had already spoken to D Campbell and D Semple, and that S Tait had spoken to T Brunton, and that they were all in agreement with the Association's proposal. M White advised that they had expressed their gratitude with regard to the Association agreeing to top up the remaining 20% of their salary while on furlough leave.

M White also confirmed the period of furlough leave for the 3 employees would be 1 April – 29 April 2020 at which point the situation would be reviewed in order to determine whether the furlough leave requires to be extended.

3. OPERATIONS UPDATE – HOUSING MANAGEMENT & PROPERTY SERVICES

Housing Management

S Macintyre advised he had spoken with C McKiernan prior to the meeting to ascertain the impact on rental income due to the current crisis. He advised that the rent arrears figure had increased from 4.09% at the end of February to 4.32% at the end of March, and it was anticipated this would rise again in April as a

consequence of the situation. He also highlighted the arrears figure at the end of March 2019 was 3.9%

It was noted that all allocations and lettings had been suspended, however S Macintyre advised of a situation involving domestic violence in one of the Association's properties. He advised that staff were working with the Council's homeless team in a bid to find alternative accommodation for the victim.

S Macintyre also advised of the recent death of a family member within another property.

S Macintyre advised that although both of the Association's play parks had been closed, there had been a report of children still accessing the Ivanhoe Drive park. He confirmed that staff would be forwarding any such reports to the local police.

Committee noted that G Fitzpatrick and T McGrath were spending most of their time phoning tenants to check they are okay and to make sure they have all information they need, including telephone numbers of key staff. M White confirmed that they had initially concentrated on calls to vulnerable tenants and those self-isolating due to symptoms, however they were now working through contacting all other tenants. It was also noted that tenants were being asked to notify the Association should they have to self-isolate in the future, in order that contractors can be kept informed.

S Niven enquired as to any discussions on rent between tenants and their housing officers. S Macintyre advised that most tenants were being realistic in terms of being able to afford to pay their rent, and that relevant arrangements were being made for tenants now out of work. He also referred to housing officers having discretion in relation to suspending direct deductions from benefits if necessary.

Property Services

S Macintyre advised that as a result of the Association currently responding to emergency repairs only, there had been a significant reduction in the amount of repairs being reported. It was noted this would have an impact on the Reactive Repairs Contractor, Rodgers & Johnston, and therefore the Association had agreed to pay the out of hours emergency rate for all emergency repairs carried out during this time.

S Macintyre referred to the issues surrounding gas servicing, and advised that the Health & Safety Executive (HSE) had published updated guidance yesterday reminding RSLs of the legal obligation to carry out a gas service every 12 months. He further advised they had stated that should this not be possible due to contractors not attending in light of the current situation, landlords have to be able to demonstrate that they have tried to source an alternative contractor. It was noted that they had also advised that in situations where the tenant refuses access this should be documented.

It was noted that the Association's gas maintenance contractor James Frew were only responding to emergencies on a case by case basis. It was further noted that Aargon, who carry out the gas safety audits, had stopped doing any gas related work 2 weeks ago.

There followed some further discussion on the HSE guidance and the anticipated difficulty in sourcing another contractor, however it was noted that the Association only has to be seen to have attempted this. S Macintyre advised that the gas contractor for Abronhill Housing Association was still continuing to operate, however may not be able to accommodate other work.

Committee noted the concern for risks to tenants' health in allowing access to their homes during this time, and also acknowledged the legal obligation to ensure the safety of their homes.

S Macintyre advised that S Tait was holding a meeting with the Property Services staff to discuss a way forward.

With regard to the landscape maintenance, S Macintyre advised that the contractor had been in touch to advise they were proposing to start the open space grounds maintenance next week. He advised they would be observing the social distancing rules and would have one man per van. It was further noted that the Association had advised the contractor should not however carry out work in the individual private gardens at this time.

4. FINANCE & CORPORATE SERVICES AND YEAR END MATTERS

S Macintyre informed that the Association had submitted an application to the Scottish Government's Hardship Fund to the amount of £8,500 and advised that East Dunbartonshire Voluntary Association (EDVA) had agreed to support this application and were submitting their application at the same time. It was noted that this fund would enable the Association to help particularly vulnerable tenants with matters such as power top ups and food parcels. He advised that the Association should know the outcome of the application by the end of next week.

It was noted that staff were continuing to work with FMD on a range of matters including year-end data, Quarter 4 management accounts and external audit preparations. S Macintyre confirmed that he aimed to have the management accounts presented to committee on 6 May via the virtual meeting mechanism.

S Macintyre advised that Regulatory Returns including the 5 Year Projections and Loan Portfolio Return, normally due by the end of May, had been deferred to 31 July.

S Niven enquired as to when the external auditors had been due to visit the Association and S Macintyre advised they had initially been booked to carry out their fieldwork visit in June. He further advised they had contacted the Association to advise they were not carrying out any site visits at present. There followed some discussion on what preparatory work could and could not be facilitated during this time.

S Niven enquired as to whether the Association would require to prepare an updated budget in light of the current situation. S Macintyre advised that the current approved budget would remain, however the Quarter 4 Management Accounts would make reference to a number of variances. He also suggested it may be appropriate to have a revised budget in six month's at which time the full impact of the situation should be known.

It was noted that C McKiernan had reviewed the Loan Agreement and had identified Clause 19 therein which referred to material adverse impact resulting in a technical breach. S Macintyre advised that the Bank had confirmed they would not be applying any technical breaches which arise as a result of Covid 19 and would support clients in any way they could.

5. MANAGEMENT COMMITTEE MEETING 6 MAY 2020

S Macintyre advised he had heard back from all Committee Members with the exception of M Docherty and G Jackson in relation to the acceptance of the Addendum to Standing Orders. It was noted that the majority of Committee had confirmed their acceptance in this regard, therefore a virtual meeting of the Management Committee would be held on 6 May 2020 at 4 pm.

There followed some discussion on the agenda for this meeting, and S Macintyre advised the main item would be the Q4 Management Accounts, although performance figures for both Housing Management and Property Services were also due to be reported. He asked Committee whether they considered the performance figures to be useful at this time or whether they would wish to concentrate on essential items of business. Following discussion Committee confirmed only essential items of business should be included due to the current circumstances. It was noted that staff would be preparing quarter and year-end figures at this time, and they could be presented to Committee at a later date.

S Macintyre advised that P Long was currently working on the management accounts with L Tait. It was noted that although P Long was unable to connect to the virtual meeting, he would be contactable by telephone in the event of any queries that could not be answered by staff.

In conclusion it was agreed that the first part of the agenda would deal with items for decision and approval, following by an update on matters surrounding the current situation and, if time permitted, any other items for information.

L Scott enquired as to how M Docherty could participate, due to her not having any internet connection. S Macintyre advised that he could offer the use of a mobile phone to her in order that she could join the meeting by telephone. He also advised that legal advice had confirmed an option to her could be taking a leave of absence for the time being. S Macintyre agreed to discuss these options with M Docherty.

Committee noted the importance of the meeting being run as efficiently as possible, given the method in which it was being held. M White advised that she was currently developing a procedure for virtual meetings and agreed to distribute this to Committee in advance of the meeting.

5. ANY OTHER BUSINESS

S Niven expressed gratitude to the Association's staff team for continuing to work within the current circumstances.

There followed some discussion on whether a further meeting of the Office Bearers was required in advance of the Management Committee meeting on 6 May, and it was agreed to pencil a meeting in for 15 April at the same time, should any further updates be necessary. It was noted this could be cancelled if at that time it was not required.

Minuted by M White, Head of Corporate Services
14 April 2020

Chairperson's Signature:

Date:

HILLHEAD HOUSING ASSOCIATION 2000

Minutes of Office Bearer's Meeting held on Wednesday 18 March 2020 at 11.30 AM at the Association's offices, 2 Meiklehill Road

Present: C Taylor (Chair) S Niven (Treasurer) by conference call
L Scott (Vice Chair)

In Attendance: S Macintyre, Director

1. APOLOGIES

M Docherty

2. DECLARATIONS OF INTEREST

No declarations of interest were noted.

3. CORONA VIRUS IMPACT REPORT

C Taylor chaired the meeting and welcomed S Niven to the meeting by conference call. It was noted that as M Docherty was deemed to be within a vulnerable group she is unable to attend the office.

S Macintyre presented the Report which outlined the impact to date of the Corona Virus on the operations of the Association.

S Niven asked if staff were fully equipped to work at home and S Macintyre confirmed staff working at home would have the relevant tools to do so by the end of week or by Monday next week at the latest.

It was noted that office was closed and that a skeleton staff would be running the office on a two weekly rotational basis. It was however understood that this may have to be reviewed in light of a strong likelihood there would be school closures and or a total restriction on people travelling to workplaces.

The Committee noted that routine and emergency repairs service is still operating and we have been in regular daily dialogue with our Contractors.

S Macintyre confirmed that the Association has sufficient cash reserves to meet its short and medium term liabilities and that any reduction in rental income can be managed on a short term basis. It was agreed that staff would deal with concerns from tenants about loss of income sensitively and sympathetically when managing rent arrears.

The Committee agreed that it would meet weekly with the Director in order to review matters and that the Director be given delegated authority to make whatever operational decisions he deems to be necessary. It was noted that a

record of decisions taken by this group would be retained and reported to a future meeting of the Management Committee.

It was agreed that S Macintyre would notify the Scottish Housing Regulator and its funder RBS of the impact the situation is having on the operations of the Association.

It was also noted that the regulator has confirmed that regulatory returns in connection with the ARC and 5 Year Financial Projections have been put back to July 2020.

5. ANY OTHER BUSINESS

There was none

**Minuted by S Macintyre, DIRECTOR
18 March 2020**

Chairperson's Signature:

Date:

HILLHEAD HOUSING ASSOCIATION 2000

Minutes of Office Bearer's Meeting held on Thursday 26 March 2020 at 3.15PM via "Zoom Meetings"

Present: C Taylor (Chair) by zoom S Niven (Treasurer) by zoom
L Scott (Vice Chair)

In Attendance: S Macintyre, Director by zoom

1. APOLOGIES

M Docherty and L Scott

2. DECLARATIONS OF INTEREST

No declarations of interest were noted.

3. CORONA VIRUS IMPACT REPORT 25 MARCH 2020

S Niven chaired the meeting and welcomed C Taylor to the meeting which was held via Zoom Meetings. It was noted that M Docherty doesn't have internet access at present and that L Scott hadn't responded to the meeting invite.

S Macintyre presented the Report which outlined the impact to date of the Corona Virus on the operations of the Association and which had been circulated to all members of the Committee earlier this morning.

It was noted that office was now closed and that S Tait and K Tait would continue to attend the office between the hours of 10.00AM and 3PM. M Cameron would also be able to attend the office in the event of an IT System failure. S Macintyre advised that G Lauriston has been tasked with manually switching back up tapes, collecting ng and distributing mail and would be starting periodic estate inspections subject to current health and safety guidance.

The Committee noted that staff are investigation the feasibility of whether the two cleaners and the Estates Inspector could be furloughed under the Government's Job Retention Scheme. The Director agreed to report back via email.

S Macintyre advised the Committee that our Gas Contractor has been in contact with the Association and has notified the Association that it is suspending our gas servicing programme and Emergency Repairs would be considered on a case by case only. Our back up contractor which currently does our gas audits has stopped work altogether. It was noted that our first out of time gas service would fall on 1 April 2020.

S Macintyre updated the committee on what staff were doing by way of contacting tenants and keeping our website updated with the relevant information. The

phones are now on divert with staff members' direct dial number diverted to their new mobile number. Staff can also be contacted directly by email. K Tait will continue to answer and forward on calls which are received by the main office number.

It was agreed that S Macintyre would send a copy of the Impact Report 25 March to RBS and seek clarification that there would be no consequential breach of the Loan Agreement, Section 19 Default which is headed "Material Adverse Change."

It was agreed that S Macintyre would send a copy of the Report to the Regulator via the Portal and advice on the updated situation with regard to the suspension of the gas servicing programme.

It was agreed that S Macintyre would obtain advice from BTO regarding convening future Committee Meetings "virtually" by zoom.

5. ANY OTHER BUSINESS

There was none

**Minuted by S Macintyre, DIRECTOR
26 March 2020**

Chairperson's Signature:

Date:

Agenda Item 4

Report

Classification:	Open
To:	Management Committee
From:	Stephen Macintyre
Meeting Date:	6 May 2020
Subject:	Director's Report

1.0 Scottish Housing Regulator

Current regulatory oversight has been suspended as the Regulator focuses its efforts on monitoring the impact of Corona Virus on the sector.

Instead, all housing associations are now required to submit a brief monthly return with the first one being submitted by Thursday 7 May for the month of April.

In order to support housing associations it has already announced deferments to the submission dates for the ARC, Loan Portfolio and 5 Year Financial Projections to 31 July 2020.

It is currently reviewing whether the submission of assurance statements will be deferred or possibly replaced this year with a requirement instead for Associations to submit a Recovery Plan. It recognises that it may take up to between 12 and 18 months for Associations to get back to a position they were in March 2020.

The Regulator has also asked that the Scottish Government uses its next Emergency Legislation Bill to extend the deadline for submission of annual accounts for up to 6 months. It is aware of potential difficulties that some Associations with financial year ends of 31 December will face by not being able to comply with the current statutory requirements.

The Regulator is also aware that Associations may not be in a position to adopt the new Model Rules at this year's AGM which is a regulatory requirement and will issue further guidance on this in due course.

Staff will continue to attend relevant webinars and briefings as they arise. The SFHA is also supporting its members with a series of Briefing Notes which are being regularly updated.

2.0 Recovery Planning – Post Lockdown

The Management Team is now looking at how we can manage our recovery when guidelines allow us to re-establish the office base. It is likely that some form of social distancing will need to be observed both for staff and visitors for a period of time thereafter. This may have to involve having a reduced staff presence in the office with some staff still working at home, possibly on a phased basis.

3.0 Current Position

All staff are now working from home with the exception of 3 members of staff who have been furloughed since 1 April. The Committee is asked to approve the decision taken by the Office Bearers on 29 April to extend this for a second 4 week period to 28 May 2020. The three members of staff furloughed are Dorothy Semple, Dorothy Campbell and Tom Brunton and the Committee is also asked to approve the topping up of their furlough payments by 20%.

Three other members of staff are maintaining an office presence between 10.00AM and 3 PM Stephen Tait and Kieran Tait, who reside in the same household and Gary Lauriston. Gary is also engaged with mail collection and delivery, estate checks and is carrying out some internal office painter work that was planned to be done this year.

The Management Team are holding weekly remote meetings as well as having regular meetings with members of their respective teams both in groups and on a one-to-one basis..

3.1 Housing Management

Rent Arrears

At the time of writing the report I don't have figures for the month of April but to date we have had contacts with 80 tenants who have advised that they are unable to make rental payments due for April. This represents about 10% of our tenants and a very rough estimate would mean an increase in monthly rent arrears of approximately £32,000. A proportion of these tenants will now have applied for Universal Credit or may have now been furloughed in which case we would expect rental income to pick back up in the next few weeks.

Allocations and Voids

We have suspended all lets and voids (15) will continue to accrue rent loss of approximately £6,000 per month. We are planning to set up a temporary furnished flat for emergency accommodation and will progress with this as far as we can subject to social distancing guidelines for carrying works and installation of furniture and furnishings.

Tenancy Support and Advice

All housing management and welfare rights staff supported by Corporate Services staff are maintain regular contact with our tenants and offering help and advice where we can.

We have been successful in obtaining additional cash support from the Scottish Government to enable direct support for vulnerable families and individuals. This is in partnership with East Dunbartonshire Voluntary Action.

3.2 Property Services

Repairs Service

We are currently only able to provide an Emergency Repairs Services and this seems to be working well. However we do estimate that there will be a significant backlog of repairs which will have to be managed and dealt with once guidelines allow.

Gas Repairs & Servicing

We are only able to offer a gas emergency repair service for the duration of April no gas servicing has been carried out. The conflict between Scottish Government advice and that of the Health & Safety Executive is well documented but doesn't appear to be able to be resolved. Our Gas Contractor has advised that a restricted gas servicing programme can be reinstated but this will still mean a number of properties not having a valid gas safety certificate. We will therefore document all of these cases in order to demonstrate why the gas service was out of time. It is also worth pointing out that in some cases the tenants have declined the service due to concerns about the corona virus and/or household member self-isolating.

Ground Maintenance

This year's programme has started albeit on a scaled back basis in order that social distancing and Scottish Government guidelines can be complied with.

Private Garden Grass Cutting

This service too has restored for the season and again is being carried out in line with the relevant guidelines, we have notified the tenants to advise on which days they will have to allow access to the Contractor.

Planned Works

Fencing Programme – This has been paused pending a review by the Contractor.

Cyclical Painter Works – A start in this programme has been deferred until a later date.

Installation of Fire Safety devices – This has also been deferred as the work requires access to tenants' homes. It is likely that as a consequence we may not meet the February 2021 deadline for complete installation.

Development

All work on this has been halted.

4.0 Finance & Corporate Services

The lockdown has forced us to embrace digital working at a pace quicker than we had planned. Our newly appointed IT systems officer has been able to take the lead on this and is managing this aspect of our back office services during this period.

Planned upgrades to the phone system and options for the replacement of our server and hosted services are being reviewed and evaluated.

Our cash balances remain strong and these are highlighted in the Treasury Management Report.

4.0 Strategic Planning

Given the current situation the Committee is asked to note that further work on the Association's longer term strategy has had to be paused. We can come back to this in due course.

5.0 Business Planning

Our Finance agents are still in a position to work towards a review of the Longer Term Financial plans in June. One key part of this relates to the completion of the Stock Condition Survey which also has had to be paused. We are therefore working with incomplete data and as a consequence may have to work using estimates for a proportion of our stock.

6.0 Audit Committee

A meeting of the Audit Committee will be held week commencing 11 May 2020 in order to approve a draft audit plan for 2020/21 and to approve 2 internal reports that are outstanding. Members of the Audit Committee will be contacted directly to confirm meeting details.

6.0 Recommendations

It is recommended that the Committee notes the contents of the Report and any recommendations contained therein.

Regulatory Compliance	Standard 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users. Standard 4 The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
Financial Impact	None
Risk Assessment	Low

Hillhead Housing Association – Annual Compliance Checklist 2019-2020


Month	Task	Submission/Completion Date	Date Returned/Completed by
April	<p>18/19 Annual budget and Cashflow projections to RBS</p> <p>Salary Return to HMRC</p> <p>Annual Regulatory Risk Assessment from SHR reported to Committee</p> <p>Internal Audit – Annual Report and Follow Up from 17/18</p> <p>Fixed Asset Register Updated</p>	<p>By 30 April 2019</p> <p>May Management Committee Meeting</p> <p>Audit Committee March 2019</p> <p>End of April 2019</p>	<p>Submitted by FMD 5 July 2017</p> <p>1 May 2019</p> <p>2 March 2019</p>
May	<p>Review Insurance Cover in place.</p> <p>Management Accounts to 31/03/18 to RBS</p> <p>Housing Charter Return 2018/19 (Delegated Authority from May Management Committee)</p> <p>EEESH Return to Scottish Housing Regulator</p> <p>Salary Return to HMRC</p> <p>Fraud Statement to the Management Committee relative to previous financial year</p>	<p>Update to Management Team Meeting</p> <p>May Management Committee Meeting and to RBS by 31/05/2018</p> <p>31/05/2019</p> <p>31/05/2019</p> <p>By end of calendar month</p> <p>May Management Committee Meeting</p>	<p>31 May 2019</p> <p>1 May 2019 and submitted to RBS on 2/05/2019</p> <p>30/05/2019</p> <p>30/05/2019</p> <p>04/05/2019</p>

June	ARC Return issued to Management Committee	June Management Committee Meeting	30 June 2019
	EESSH Return issued to the Management Committee	June Management Committee* Special Meeting held on 26 June was not quorate so approval took place at reconvened Meeting on 3 July 2019	30 June 2019
	Annual Loan Return to Scottish Housing Regulator		30 June 2019
	Annual 5 yearly viability projections report to SHR	30 June 2019	30 June 2019
	Treasury Management Report	30 June 2019	28 June 2019
	Insurance review and report	30 June 2019	26 June 2019
	Submission of updated Business Plan and Longer Term Projections to RBS for comments	By end of Month	Sent to RBS on 18 November 2019
July	Salary Return to HMRC		
	Review Meeting with RBS following receipt of BP and Longer Term Projections	By end of August 2019	Meeting held on 23 August 2019
	P11D Return to HMRC	6 July 2019	
	Salary Return to HMRC	By end of calendar month	
August	Management Accounts to 30 June 2019	August Management Committee Meeting and to RBS by 31/08/2019	07/08/2019
	Approval of Business Plan Longer Term Financial Projections by Committee	At August Special Management Committee Meeting 30 August 2019	Deferred to November 2019

Cont'd August	Annual General Meeting Report	August Management Committee Meeting	07/08/2019
	Committee Review & Effectiveness Report	August Management Committee Meeting	*Due to Appraisals being conducted by external consultants Final Report was presented to Committee 6 November 2019
	Salary Return to HMRC	Month End	
September	Auditors Management Letter and Response	September Meeting of Management Committee	Approved at Special Meeting of MC on 22 August 2019
	Annual Accounts (AFS) Report to Committee and report to Lender		
	Covenant Compliance Statement to RBS	September Meeting of Management Committee	Approved at Special Meeting of MC on 22 August 2019
	Approval of AFS by Members at AGM	By 30 September 2019	Sent 13 September 2019
	AFS Return to Scottish Housing Regulator	By 30 September 2019	Approved at AGM held on 11 September 2019
	Salary Return to HMRC	By 30 September 2019	Uploaded on 11 September 2019
October		By month end	
	Updates to Governing Body Membership to the Scottish Housing Regulator (via portal)	By 31 October 2019	Updated 16 October 2019
	Annual Assurance Statement submitted to the Regulator	By end of October	Draft presented to Committee on 23 October 2019
	Committee Member sign Register of Interests/ Code of Conduct etc	By end of October	Submitted to SHR
		By end of October	

	<p>Registers signed by Chairperson, including Fraud, Payments & Benefits, Tender & Quotations, Register of Interests</p> <p>Annual Performance Report for Tenants</p> <p>Financial Conduct Authority Year End Return</p> <p>Salary Return to HMRC</p>	<p>By end of October</p> <p>By 31 October 2019</p> <p>By 31 October 2019</p> <p>By month end</p>	<p>Issued to all Committee and Staff week commencing 7 October 2019</p> <p>All signed 16 October 2019</p> <p>Published November 2019</p> <p>Submitted 11 October 2019</p>
November	<p>Declaration to the Management Committee that Registers have been duly signed by Chairperson</p> <p>Management Accounts to 30 September 2019</p> <p>Freedom of Information regulations</p> <p>Salary Return to HMRC</p>	<p>November Management Committee Meeting</p> <p>November Management Committee Meeting and to RBS by 30/11/2019 By month end</p> <p>Submission of Guide to Information etc and approval of FOI Policy 11 November 2019</p>	<p>Approved at MC meeting held on 4 December 2019</p> <p>Approved by MC 6 November 2019 and sent to RBS on 7 November 2019</p> <p>Approved by MC on 23 October</p>
December	<p>Budget Preparation: rent increase consultation and review of rent policy</p> <p>OSCR Return</p> <p>Salary Return to HMRC</p>	<p>31 December 2019</p> <p>By month end</p>	<p>Rent Increase consultation report presented to Committee 29 January 2020.</p> <p>Submitted 11 October 2019</p>
February	<p>Draft budget 20/20.</p> <p>Pension Regulator – Staging Date for Auto Enrol scheme</p>	<p>By 31 January 2020</p> <p>1 February 2020</p>	<p>Approved 5 February 2020</p> <p>Approved 29 January 2020</p>

	Rent Increase April 2018 approved Management Accounts to 31 December 2019 Salary Return to HMRC	By 28 February 2020 February Management Committee Meeting and by 28/02/2020 to RBS	Approved 5 February and sent to RBS on 6 February 2020
March	Final budget 20/21 Annual Salary Return to HMRC	March Management Committee Meeting 31 March 2020	Approved 4 March 2020 and sent to RBS on 6 March 2020

Signed: 

Position: DIRECTOR

Date: 8 April 2020

HILLHEAD HOUSING ASSOCIATION 2000

Management Committee Meeting Wednesday 6 May 2020

Directors Report Agenda Item 4

1. ANNUAL FRAUD RETURN TO THE MANAGEMENT COMMITTEE

A completed Fraud Return is noted below for the Committee's information.

No Frauds were attempted during the year to 31 March 2020

Incidence of actual, suspected & attempted frauds reported	Date received	Date of investigation	Outcome of investigation

Confirmed as accurate:



Director (signature):

Date: 8 April 2020

Regulatory Compliance	Standard 5 The RSL conducts its affairs with honesty and integrity. 5.6 There are clear procedures for employees and governing body members to raise concerns or whistleblow if they believe there has been fraud, corruption or other wrongdoing within the RSL.
Financial Impact	None
Risk Assessment	Low

Agenda Item 5

Report

Classification:	Open
To:	Management Committee
From:	Stephen Macintyre
Meeting Date:	6 May 2020
Subject:	Management Accounts to 31 March 2020 Treasury Management Report 2019-20

1. Management Accounts to 31 March 2020

A set of Management Accounts for the period to 31 March 2020 and an accompanying narrative report is attached for Members' information and approval.

2. Treasury Management Report 19/20

The annual Treasury Management report is attached for Committee's approval

3. Recommendations

It is recommended that the Management Committee consider and approve the attached finance Reports.

Report Prepared by



Stephen Macintyre
Director
29 April 2020

Regulatory Compliance	<p>Standard 3 The RSL manages its resources to ensure its financial well being, while maintaining rents at a level that tenants can afford to pay.</p> <p>3.1 The RSL has effective financial and treasury management controls and procedures, to achieve the right balance between costs and outcomes, and control costs effectively. The RSL ensures security of assets, the proper use of public and private funds, and access to sufficient liquidity at all times</p> <p>3.5 The RSL monitors, reports on and complies any covenants it has agreed with funders. The governing body assesses the risks of these not being complied with and takes appropriate action to mitigate and manage them.</p>
Financial Impact	High
Risk Assessment	High. As a debt funded organisation we have robust financial monitoring systems in place to ensure our ongoing financial status is managed effectively to minimise any financial risk.

HILLHEAD HOUSING ASSOCIATION 2000
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD TC 31 MARCH 2020

ANNUAL BUDGET £	EST TO DATE £	ACT TO DATE £	VARIANCE £	
4,861,169 Turnover	4,861,169	4,173,552	-687,617	● <i>All rental and grant income due to the Association.</i>
-3,674,541 Less Operating Costs	-3,674,541	-2,899,945	774,597	● <i>Costs of managing and maintaining the Association properties.</i>
1,186,628 Operating Surplus/Deficit	1,186,628	1,273,608	86,980	●
2,200 Interest Receipts	2,200	3,849	1,649	● <i>Interest received on investments.</i>
-740,007 Interest Payments and Other Charges	-740,007	-727,266	12,741	● <i>Interest paid on loans.</i>
0 Other Finance Charges	0	0	0	● <i>Charges related to the pension liability.</i>
448,821 Retained in Revenue Reserves	448,821	550,191	101,370	● <i>Amount added to general reserve.</i>

HILLHEAD HOUSING ASSOCIATION 2000
INCOME & EXPENDITURE FROM LETTINGS TO

31 MARCH 2020

ANNUAL BUDGET	EST TO DATE	ACT TO DATE	VARIANCE	
£ INCOME	£	£	£	
3,668,700 Rents - Houses	3,668,700	3,652,970	-15,730	●
-36,700 Voids - Houses	-36,700	-40,062	-3,362	●
4,000 Rents- Garages	4,000	4,427	427	●
0 Voids- Garages	0	-770	-770	●
47,000 Revenue Grant Income	47,000	34,409	-12,591	●
439,819 Grant Released From Deferred Income	439,819	439,819	0	●
4,122,819 TOTAL	4,122,819	4,090,793	-32,026	
EXPENDITURE				
1,122,703 Hsg & Maint Admin Costs	1,122,703	1,112,331	10,371	●
2,500 Resident Participation	2,500	0	2,500	●
1,125,203	1,125,203	1,112,331	12,871	●
396,800 Reactive Maintenance	396,800	380,970	15,830	●
232,200 Cyclical Maintenance	232,200	196,121	36,079	●
91,200 Major Repairs	91,200	77,225	13,975	●
54,540 Bad Debts	54,540	16,804	37,736	●
965,000 Depreciation	965,000	965,000	0	●
2,864,943 TOTAL	2,864,943	2,748,451	116,491	
1,257,876 SURPLUS FROM LETTINGS	1,257,876	1,342,342	84,465	

INCOME & EXPENDITURE FROM OTHER ACTIVITIES

ANNUAL BUDGET	EST YTD	ACT YTD	VAR	
£ INCOME	£	£	£	
43,350 Welfare Rights Grants	43,350	36,297	-7,053	●
657,500 Wider Action Grants	657,500	15,758	-641,742	●
37,500 Services to Other RSL	37,500	30,704	-6,796	●
0 Other Income	0	0	0	
738,350 TOTAL	738,350	82,759	-655,591	
EXPENDITURE				
93,298 Welfare Rights	93,298	93,939	-642	●
678,800 Wider Action	678,800	26,850	651,950	●
37,500 Service to Other RSL	37,500	30,704	6,796	●
809,598 TOTAL	809,598	151,493	658,104	
-71,248 SURPLUS FROM OTHER ACTIVITIES	-71,248	-68,734	2,513	

HILLHEAD HOUSING ASSOCIATION 2000 INCOME & EXPENDITURE ANALYSIS

LETTINGS

Housing Rents -	Rents for houses at Braes o' Yetts and the ROTS development were budgeted to be received from April 2019. Some of these houses were not let until later in the year.
Housing Voids -	There has been a large number of voids in the year as tenants transfer into the new BoY development.
Revenue Grant Income -	Grants for adaptations have been claimed in line with expenditure.
Management Costs -	Costs are slightly lower than the budget. See Page 6 for analysis.
Reactive Maint. -	There is an underspend in this area. See page 7 for analysis.
Cyclical Maint. -	There is an underspend in this area. See page 7a for analysis.
Major Repairs -	There is an underspend in this area. See page 7a for analysis.
Bad Debts -	The amount of arrears written off is lower than has been budgeted.

OTHER ACTIVITIES

Welfare Rights -	Funding from the Big Lottery has ended.
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		Income £	Expenditure £	Surplus £
Wider Action -	Cycle Path*	7,434	7,680	-246
	Cycle Pod	6,324	6,324	0
	Think Digital Bid	0	1,680	-1,680
	Tenancy Support	0	9,058	-9,058
	Community Garden	2,000	2,108	-108
	Donations	0	0	0
		<u>15,758</u>	<u>26,850</u>	<u>-11,092</u>

* The cycle path project has been postponed.

Services to Other RSLs-	Director services are now being supplied to Abronhill Housing Association. The amounts involved are lower than was budgeted.
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HILLHEAD HOUSING ASSOCIATION 2000
STATEMENT OF FINANCIAL POSITION AS AT

31 MARCH 2020

**ANNUAL
BUDGET**

**EST
YTD**

**ACT
YTD**

VARIANCE

£		£	£	£	
	Non Current Assets				
33,066,648	Housing Properties - Cost	33,066,648	33,111,314	44,666	<i>Cost of new houses etc.</i>
-7,239,957	Less: Depreciation	-7,239,957	-7,239,957	0	<i>Depreciation of above costs.</i>
25,826,691		25,826,691	25,871,357	44,666	
1,045,011	Other Non Current Assets	1,045,011	1,050,910	5,899	<i>Net cost of office, furniture and equip.</i>
26,871,702		26,871,702	26,922,267	50,565	
	Current Assets				
193,219	Receivables	193,219	172,265	-20,954	<i>Money owed to the Association.</i>
1,631,343	Cash at Bank and in Hand	1,631,343	2,031,732	400,389	<i>Money in the bank.</i>
1,824,562		1,824,562	2,203,997	379,435	
	Liabilities < One Year				
-224,472	Miscellaneous Payables	-224,472	-250,125	-25,653	<i>Money owed by the Association to others.</i>
-175,000	Loans	-175,000	-175,000	0	<i>Loan repayments due within one year.</i>
-399,472		-399,472	-425,125	-25,653	
1,425,090	Net Current Assets	1,425,090	1,778,872	353,782	<i>Working Capital</i>
	Total Assets Less				
28,296,792	Current Liabilities	28,296,792	28,701,139	404,347	
	Liabilities > One Year				
-13,759,000	Loans	-13,759,000	-13,759,000	0	<i>Amount of loans outstanding</i>
-680,000	Scottish Government Grant	-680,000	-680,000	0	<i>Grant repayable at a future date.</i>
-341,183	Pension Liability (SHAPS)	-341,183	-341,183	0	<i>Potential pension liability (SHAPS)</i>
0	Pension Deficit Payments (SHAPS)	0	0	0	<i>Pension deficit payments due after one year.</i>
-14,780,183		-14,780,183	-14,780,183	0	
	Deferred Income				
-12,569,649	Housing Association Grant (HAG)	-12,569,649	-12,872,633	-302,984	<i>Grants received not yet released to income.</i>
-410,266	Other Capital Grants - Housing	-410,266	-410,266	0	<i>Grants received not yet released to income.</i>
0	Other Capital Grants - Non Housing	0	0	0	<i>Grants received not yet released to income.</i>
-12,979,915		-12,979,915	-13,282,899	-302,984	
536,694	Total Net Assets	536,694	638,057	101,363	<i>Net value of the Association's assets.</i>
	CAPITAL AND RESERVES				
60	Share Capital	60	62	2	<i>Shares of £1 each fully paid.</i>
877,817	Revenue Reserves	877,817	979,178	101,361	<i>General reserves of the Association.</i>
-341,183	Pension Reserve	-341,183	-341,183	0	<i>Potential pension liability (SHAPS)</i>
536,694	Total of Capital and Reserves	536,694	638,057	101,363	<i>Net value of capital and reserves.</i>

HILLHEAD HOUSING ASSOCIATION
STATEMENT OF FINANCIAL POSITION - COMMENTS

(a) HOUSING CAPITAL EXPENDITURE/INCOME 19/20

	EXP	INC
	£	£
1 Braes O' Yetts	1,261,869	6,982
2 Braes O' Yetts - Sales Income	0	845,520
3 Environmental Works	366,861	0
4 Heat Detectors	9,587	0
5 New components	109,219	0
	<u>1,747,536</u>	<u>852,502</u>

BoY grant income of £6,982 relates to Stage 2 adaptations works.
Sales income of £845,520 relates to shared equity sales and is higher than was included in the offer of grant - £822,00. The excess of £23,520 might need to be repaid.

(b) OTHER FIXED ASSETS

	£
Budgeted expenditure for the year to date	35,000
Actual expenditure for the year to date	40,899

Expenditure includes the purchase of new laptops and acquisitions of additional licenses for omniledger and windows updates.

(c) BANK ACCOUNT BALANCES AS AT 31 MARCH 2020

		£
RBS	Current a/cs	993,968
RBS	Int a/c	211
Lloyds TSB	Allpay a/c	37,193
Close Brothers	Deposit a/c	750,000 to 28/04/20 at 1.0%.
Close Brothers	Deposit a/c	250,000 95 day notice at 1.2%
n/a	Petty Cash	360
		<u>2,031,732</u>

Credit Rating			
As At 26 March 2020	Moody's	Fitch	Standard & Poor
Close Brothers	P1	F1	N/A

The Association's treasury management policy states that funds should only be invested in banks that have the top credit rating from at least two of the main credit rating agencies. Close Brothers have achieved this rating with Moody's and Fitch.

(d) DEBTORS ANALYSIS

Sundry Debtors/Prepayments	100,911
Rent Control a/c-arrears	183,789
Bad Debt Provision (Rents)	-91,059
Sales Ledger	52,622
Bad Debt Provision (Sales Ledger)	-73,998
Insurance	0
Total	<u>172,265</u>

HILLHEAD HOUSING ASSOCIATION
STATEMENT OF FINANCIAL POSITION - COMMENTS (cont)

(e) CREDITORS ANALYSIS

	£
Sundry Creditors	51,928
Braes o' Yetts	0
Purchase Ledger	115,019
Rent prepayments	81,498
Factoring Floats	900
Staff Social Fund	780
	<u>250,125</u>
Loan due within one year	<u>175,000</u>
	<u><u>425,125</u></u>

(f) RENT ARREARS

These figures have been taken from reports prepared by the Housing manager, adjusted for former tenants prepayments.

	Current Tenants	Former Tenants	Total	EDC Arrears
	£	£	£	£
Mar 2019	135,641	29,552	165,193	17,043
Apr 2019	144,172	31,730	175,902	16,989
May 2019	143,225	32,101	175,326	16,824
Jun 2019	158,701	32,204	190,905	16,578
Jul 2019	155,768	35,462	191,230	16,224
Aug 2019	167,018	36,047	203,065	16,152
Sept 2019	180,555	36,178	216,733	16,130
Oct 2019	134,515	29,540	164,055	15,019
Nov 2019	138,083	30,180	168,263	14,909
Dec 2019	152,694	30,076	182,770	14,896
Jan 2020	142,114	30,510	172,624	14,925
Feb 2020	150,089	30,781	180,870	14,925
Mar 2020	158,649	25,140	183,789	14,911

Tenants and former tenants credits at March 2020 £81,498

	Arrears Analysis as at Mar 2020		Arrears At Dec 2019
	£	%	%
Technical arrears	232	0.01%	0.07%
Non technical arrears	158,417	4.31%	4.08%
Total current arrears	158,649	4.32%	4.15%
Former tenant arrears	25,140	0.68%	0.82%
	<u>183,789</u>	<u>5.00%</u>	<u>4.97%</u>
Projected annual rent	<u><u>£3,672,700</u></u>		

HILLHEAD HOUSING ASSOCIATION
CASHFLOW STATEMENT TO 31 MARCH 2020

	EST TO DATE £	ACT TO DATE £	VARIANCE £
Net Cashflow From Operating Activities			
1,186,628 Operating Surplus	1,186,628	1,273,608	86,980
965,000 Depreciation - Housing	965,000	965,000	0
29,700 Depreciation - Other	29,700	29,700	0
-439,819 Amortisation of Grants	-439,819	-439,819	0
-1,222,402 Increase/(Decrease) in Creditors	-1,222,402	-1,196,750	25,652
-24,000 (Increase)/Decrease in Debtors	-24,000	-3,046	20,954
-47,817 Increase/(Decrease) in Pension Deficit Creditor	-47,817	-47,817	0
0 Unwinding of Pension Discount	0	0	0
<u>447,290</u>	<u>447,290</u>	<u>580,876</u>	<u>133,586</u>
Investing Activities			
-1,998,865 Expenditure on Housing	-1,998,865	-1,747,536	251,329
-35,000 Expenditure On Other Fixed Assets	-35,000	-40,899	-5,899
822,000 Sale of Housing Properties	822,000	845,520	23,520
0 Capital Grants Received	0	6,982	6,982
0 Capital Grants Repaid	0	-23,520	-23,520
<u>-1,211,865</u>	<u>-1,211,865</u>	<u>-959,453</u>	<u>252,412</u>
Financing Activities			
1,000,000 Loans Received	1,000,000	1,000,000	0
2,200 Interest Received	2,200	3,849	1,649
-740,007 Interest Paid	-740,007	-727,266	12,741
-175,000 Loans Repaid	-175,000	-175,000	0
0 Share Capital Issued	0	2	2
<u>87,193</u>	<u>87,193</u>	<u>101,585</u>	<u>14,392</u>
<u>-677,382</u> Increase/(Decrease) in Cash	<u>-677,382</u>	<u>-276,993</u>	<u>400,389</u>
1,631,343 Closing Cash Balance	1,631,343	2,031,732	400,389
2,308,725 Opening Cash Balance	2,308,725	2,308,725	0
<u>-677,382</u>	<u>-677,382</u>	<u>-276,993</u>	<u>400,389</u>

HILLHEAD HOUSING ASSOCIATION 2000

MANAGEMENT EXPENSES TO

31 MARCH 2020

ANNUAL BUDGET		EST YTD	ACT YTD	VARIANCE	
£	STAFF COSTS	£	£	£	
716,300	Gross Pay	716,300	687,143	29,157	●
68,900	NIC	68,900	64,193	4,708	●
56,100	Pension Costs	56,100	55,702	398	●
1,700	Expenses	1,700	3,885	-2,185	●
843,000	(1)	843,000	810,923	32,078	●
30,000	Finance Services	30,000	43,812	-13,812	●
29,000	Development Services	29,000	2,053	26,947	●
902,000		902,000	856,788	45,213	●
ESTATE COSTS					
396,800	Reactive Repairs	396,800	380,970	15,830	●
232,200	Cyclical Maintenance	232,200	196,121	36,079	●
91,200	Major Repairs	91,200	77,225	13,975	●
54,540	Bad Debts	54,540	16,804	37,736	●
965,000	Depreciation - Housing	965,000	965,000	0	●
1,739,740		1,739,740	1,636,120	103,620	
OVERHEADS					
9,000	Advertising	9,000	7,717	1,283	●
14,500	Audit Fee	14,500	15,432	-932	●
15,000	Bank Charges	15,000	17,032	-2,032	●
2,300	Committee Expenses	2,300	2,071	229	●
29,700	Depreciation - Other	29,700	29,700	0	●
10,200	General Expenses	10,200	11,036	-836	●
10,000	Van Costs	10,000	12,251	-2,251	●
12,500	Heat,Light,Cleaning	12,500	14,096	-1,596	●
66,000	Insurance - Housing	66,000	76,579	-10,579	●
16,000	Insurance - Other	16,000	22,688	-6,688	●
25,000	Legal Fees - Housing	25,000	22,486	2,514	●
5,000	Legal Fees - Other	5,000	1,573	3,427	●
41,000	Office Equip. Maint.	41,000	38,909	2,091	●
500	Office Maintenance	500	0	500	●
5,000	Printing/Stationery	5,000	5,048	-48	●
7,000	Postage	7,000	9,242	-2,242	●
2,000	Rent/Rates	2,000	1,533	467	●
16,200	Subscriptions	16,200	18,399	-2,199	●
10,000	Staff Recruitment	10,000	5,592	4,408	●
11,600	Telephones	11,600	13,659	-2,059	●
13,000	Training - Committee	13,000	6,278	6,722	●
11,500	Training - Staff	11,500	17,364	-5,864	●
333,000		333,000	348,685	-15,685	
OTHER OPERATING COSTS					
18,500	Professional Fees	18,500	31,502	-13,002	●
2,500	Resident Participation	2,500	0	2,500	●
678,800	Wider Action	678,800	26,850	651,950	●
699,800		699,800	58,352	641,448	
3,674,540	TOTAL MANAGEMENT EXPENSES	3,674,540	2,899,945	774,596	

Variance Analysis:

Item	£	Reason for variance
(1) Salaries -	32,078	Some new staff started later in the year than had been budgeted.
(2) Finance Services -	-13,812	The use of finance agents has increased as a result of staff changes in the finance section and work done on revised budgets, long term forecasts and updating processes.
(3) Development Services -	26,947	Less work has been required from development agents this year.
(4) Reactive Repairs -	15,830	Maintenance costs have been lower than the budget so far but some March invoices have yet to be paid.
(5) Cyclical Maintenance -	36,079	See page 7a for analysis.
(6) Major Repairs -	13,975	See page 7a for analysis.
(7) Bad Debts -	37,736	The amount of arrears written off is lower than has been budgeted.
(8) Bank Charges -	-2,032	Chip & Pin costs were higher than had been budgeted.
(9) Van Costs -	-2,251	Fuel & repair costs were higher than had been budgeted.
(10) Insurance -	-17,267	Insurance premiums have increased significantly for 2019-20.
(11) Legal Fees -	5,941	Costs have been lower than the budget throughout the year.
(12) Office Equip Maint -	2,091	Some equipment support costs have been lower than was budgeted.
(13) Postage -	-2,242	Costs include the delivery of newsletters & annual reports.
(14) Subscriptions -	-2,199	Additional subscriptions were taken out in the year.
(15) Staff Recruitment -	4,408	Costs are lower than was budgeted.
(16) Telephones -	-2,059	The costs of texts and landline phones have been higher than was budgeted.
(17) Committee Training -	6,722	Costs have been lower than the budget throughout the year.
(18) Staff Training -	-5,864	Costs include additional Omni Ledger training.
(19) Professional Fees -	-13,002	Costs include; stock valuations, pension reports, pension presentations to staff and tenant surveys.
(20) Resident Participation -	2,500	No direct costs have been incurred in this area.
(15) Wider Action -	651,950	The budget included costs for the development of the cycle path but the project has been postponed.

Variance Analysis continued:

CYCLICAL MAINTENANCE

Annual Budget £		Estimated Ytd £	Actual Ytd £	Variance £	
115,000	Gas Servicing (1)	115,000	119,099	-4,099	●
6,300	Gas Audit	6,300	4,560	1,740	●
69,900	Landscaping (2)	69,900	45,068	24,832	●
31,000	Electrical Testing (3)	31,000	23,101	7,899	●
10,000	GutterCleaning (4)	10,000	3,620	6,380	●
0	Misc (5)	0	673	-673	●
<u>232,200</u>		<u>232,200</u>	<u>196,121</u>	<u>36,079</u>	

(1) Follow up repairs are higher than was budgeted.

Some works done in March have yet to be paid for and this will increase this variance.

(2) Monthly costs have been lower than the budget throughout the year.

(3) Costs were lower than the budget.

(4) Costs were lower than the budget.

(5) This relates to painter works retentions.

MAJOR REPAIRS

Annual Budget £	Revenue Items	Estimated Ytd £	Actual Ytd £	Variance £	
47,000	Stage 3 Adaptations (1)	47,000	31,229	15,771	●
3,200	Ventilation Works (2)	3,200	0	3,200	●
41,000	New Acquisition Upgrades (3)	41,000	34,626	6,374	●
0	Misc (4)	0	11,370	-11,370	●
<u>91,200</u>		<u>91,200</u>	<u>77,225</u>	<u>13,975</u>	
Capital Items					
500,000	Environmental Works (5)	500,000	366,861	133,139	●
10,000	Component Replacements	10,000	9,587	413	●
137,600	Smoke Alarms (6)	137,600	109,219	28,381	●
<u>647,600</u>		<u>647,600</u>	<u>485,667</u>	<u>161,933</u>	

(1) Less work has been done in this area than was budgeted.

(2) These works were not done this year.

(3) These costs were lower than was budgeted.

(4) This consists of rot works and a building warrant for additional works at 168 Hillhead Road, to be completed in 2020/21.

(5) Some works have been brought forward, although total costs are lower than has been budgeted. Work will continue into 2020/21.

(6) The cost of purchasing alarms has been lower than was budgeted. The alarms have been fitted by the Association's staff, reducing external costs.

HILLHEAD HOUSING ASSOCIATION 2000

RATIO ANALYSIS AS AT 31 MARCH 2020

ANNUAL BUDGET	EST YTD	ACT YTD	VARIANCE	
Costs Per Unit				
£1,356 Management Costs (£)	£1,356	£1,340	£16	●
£478 Reactive Maintenance Costs (£)	£478	£459	£19	●
£390 Planned maintenance Costs (£)	£390	£329	£60	●
Primary Ratios				
60% Interest Cover (%)	60%	80%	19%	●
2419% Gearing (%)	2419%	1972%	447%	●
Efficiency Ratios				
1.0% Voids (%)	1.0%	1.1%	-0.1%	●
5.2% Gross Rent Arrears (%)	5.2%	5.0%	0.2%	●
2.7% Net Rent Arrears (%)	2.7%	2.5%	0.2%	●
1.5% Bad Debts (%)	1.5%	0.5%	1.0%	●
17.3% Staff Costs/Turnover (%)	17.3%	19.4%	-2.1%	●
8.6% Key Mgmnt Costs/Staff Costs (%)	8.6%	9.4%	-0.8%	●
6.9% Overheads/Turnover (%)	6.9%	8.4%	-1.5%	●
5,857 Turnover per Unit (£)	5,857	5,028	-828	●
Liquidity				
2.2 Current Ratio	2.2	2.5	0.4	●
Profitability				
24.4% Gross Surplus (%)	24.4%	30.5%	6.1%	●
9.2% Net Surplus (%)	9.2%	13.2%	4.0%	●
Financing				
3.0 Debt Burden (Yrs)	3.0	3.0	0	●
£17,607 Debt Per Unit (£)	£17,607	£17,607	£0	●
£15,642 Net Debt Per Unit (£)	£15,642	£15,159	£482	●
Diversification				
25.2% Income From Non Rental Activities	25.2%	13.3%	-11.9%	●
-6.0% Other Activities Surplus/Operating Surplus (%)	-6.0%	-5.4%	0.6%	●

HILLHEAD HOUSING ASSOCIATION 2000

COVENANT ANALYSIS A 31 MARCH 2020

The Association's loan agreement with the Royal Bank of Scotland was reviewed in December 2016 and revised covenants were put in place.

	Covenant	Actual Ytd	Comply
1 Interest Cover - Min	110%	175%	YES
2 Gearing - Max	60%	42%	YES
3 Asset Cover - Max	£25,891,966	£13,934,000	YES
4 Net Assets - Min	-£800,000	£638,057	YES

1 Interest Cover -	This covenant states that the adjusted operating surplus must be at least 110% of the amount of interest payable. This covenant will be tested annually and monitored quarterly.
2 Gearing -	This covenant states that the value of outstanding loans must be less than 60% of the historic cost of charged housing assets. This covenant may be tested at any time.
3 Asset Cover -	This covenant states that the value of outstanding loans must be less than the weighted value of housing stock. This covenant may be tested at any time. The most recent valuations were provided by Jones Lang Lasalle in April 2019.
4 Net Assets -	This covenant states that the Association's net assets must not fall below a deficit of £800,000 in the year 2019/20. This is an agreed waiver to a condition in the revised loan agreement . This covenant will be tested annually per the latest audited financial statements.

HILLHEAD HOUSING ASSOCIATION
FORECAST OUTTURN AT 31 MARCH 2020

	Budget	Forecast Outturn	Variance
	£	£	£
Gross Surplus (£)	1,186,629	1,273,608	86,979
Net Surplus (%)	448,822	550,191	101,369
Cashflow (£)	1,631,343	2,031,732	400,389
Net Assets	536,694	638,063	101,369

The gross surplus at the year end is higher than the revised budget. This is mainly due to lower staff costs and estate costs offset by lower rental income and higher overheads.

Additional accruals might yet affect the final surplus for the year.

The net surplus at the year end is also higher than the original budget but by a greater amount due to lower interest payments..

Additional accruals will also affect the final net surplus for the year as will adjustments to the pension liability.

The cash balance at the year end is higher then the original budget due to the higher surplus and lower capital expenditure offset by changes to debtors and creditors.

Net assets at the year end are higher than the budget due to a higher surplus in the year. Net assets will also be affected by any additional accruals and changes to the pension liability.

COVENANTS

	Covenant	Forecast Outturn	Comply
Asset Cover (£) - max	£25,891,966	£13,934,000	YES
Interest Cover (%) - min	110%	175%	YES
Gearing (%) - max	60%	42%	YES
Net Assets (£) - min	-£800,000	£638,063	YES

The forecast outturn to 31 March 2020 indicates that the Association will be able to comply with all financial covenants with the Royal Bank of Scotland.

HILLHEAD HOUSING ASSOCIATION 2000
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD TO 31 MARCH 2020

ANNUAL BUDGET £	EST TO DATE £	ACT TO DATE £	VARIANCE £	
4,861,169 Turnover	4,861,169	4,173,552	-687,617	● <i>All rental and grant income due to the Association.</i>
-3,674,541 Less Operating Costs	-3,674,541	-2,899,945	774,597	● <i>Costs of managing and maintaining the Association properties.</i>
1,186,628 Operating Surplus/Deficit	1,186,628	1,273,608	86,980	●
2,200 Interest Receipts	2,200	3,849	1,649	● <i>Interest received on investments.</i>
-740,007 Interest Payments and Other Charges	-740,007	-727,266	12,741	● <i>Interest paid on loans.</i>
0 Other Finance Charges	0	0	0	● <i>Charges related to the pension liability.</i>
448,821 Retained in Revenue Reserves	448,821	550,191	101,370	● <i>Amount added to general reserve.</i>

HILLHEAD HOUSING ASSOCIATION 2000
INCOME & EXPENDITURE FROM LETTINGS TO

31 MARCH 2020

ANNUAL BUDGET		EST TO DATE	ACT TO DATE	VARIANCE	
£	INCOME	£	£	£	
3,668,700	Rents - Houses	3,668,700	3,652,970	-15,730	●
-36,700	Voids - Houses	-36,700	-40,062	-3,362	●
4,000	Rents- Garages	4,000	4,427	427	●
0	Voids- Garages	0	-770	-770	●
47,000	Revenue Grant Income	47,000	34,409	-12,591	●
439,819	Grant Released From Deferred Income	439,819	439,819	0	●
4,122,819	TOTAL	4,122,819	4,090,793	-32,026	
EXPENDITURE					
1,122,703	Hsg & Maint Admin Costs	1,122,703	1,112,331	10,371	●
2,500	Resident Participation	2,500	0	2,500	●
1,125,203		1,125,203	1,112,331	12,871	●
396,800	Reactive Maintenance	396,800	380,970	15,830	●
232,200	Cyclical Maintenance	232,200	196,121	36,079	●
91,200	Major Repairs	91,200	77,225	13,975	●
54,540	Bad Debts	54,540	16,804	37,736	●
965,000	Depreciation	965,000	965,000	0	●
2,864,943	TOTAL	2,864,943	2,748,451	116,491	
1,257,876	SURPLUS FROM LETTINGS	1,257,876	1,342,342	84,465	

INCOME & EXPENDITURE FROM OTHER ACTIVITIES

ANNUAL BUDGET		EST YTD	ACT YTD	VAR	
£	INCOME	£	£	£	
43,350	Welfare Rights Grants	43,350	36,297	-7,053	●
657,500	Wider Action Grants	657,500	15,758	-641,742	●
37,500	Services to Other RSL	37,500	30,704	-6,796	●
0	Other Income	0	0	0	
738,350	TOTAL	738,350	82,759	-655,591	
EXPENDITURE					
93,298	Welfare Rights	93,298	93,939	-642	●
678,800	Wider Action	678,800	26,850	651,950	●
37,500	Service to Other RSL	37,500	30,704	6,796	●
809,598	TOTAL	809,598	151,493	658,104	
-71,248	SURPLUS FROM OTHER ACTIVITIES	-71,248	-68,734	2,513	

HILLHEAD HOUSING ASSOCIATION 2000 INCOME & EXPENDITURE ANALYSIS

LETTINGS

Housing Rents -	Rents for houses at Braes o' Yetts and the ROTS development were budgeted to be received from April 2019. Some of these houses were not let until later in the year.
Housing Voids -	There has been a large number of voids in the year as tenants transfer into the new BoY development.
Revenue Grant Income -	Grants for adaptations have been claimed in line with expenditure.
Management Costs -	Costs are slightly lower than the budget. See Page 6 for analysis.
Reactive Maint. -	There is an underspend in this area. See page 7 for analysis.
Cyclical Maint. -	There is an underspend in this area. See page 7a for analysis.
Major Repairs -	There is an underspend in this area. See page 7a for analysis.
Bad Debts -	The amount of arrears written off is lower than has been budgeted.

OTHER ACTIVITIES

Welfare Rights -	Funding from the Big Lottery has ended.
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		Income £	Expenditure £	Surplus £
Wider Action -	Cycle Path*	7,434	7,680	-246
	Cycle Pod	6,324	6,324	0
	Think Digital Bid	0	1,680	-1,680
	Tenancy Support	0	9,058	-9,058
	Community Garden	2,000	2,108	-108
	Donations	0	0	0
		15,758	26,850	-11,092

* The cycle path project has been postponed.

Services to Other RSLs-	Director services are now being supplied to Abronhill Housing Association. The amounts involved are lower than was budgeted.
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**HILLHEAD HOUSING ASSOCIATION 2000
STATEMENT OF FINANCIAL POSITION AS AT**

31 MARCH 2020

**ANNUAL
BUDGET**

**EST
YTD**

**ACT
YTD**

VARIANCE

£		£	£	£	
Non Current Assets					
33,066,648	Housing Properties - Cost	33,066,648	33,111,314	44,666	<i>Cost of new houses etc.</i>
-7,239,957	Less: Depreciation	-7,239,957	-7,239,957	0	<i>Depreciation of above costs.</i>
25,826,691		25,826,691	25,871,357	44,666	
1,045,011	Other Non Current Assets	1,045,011	1,050,910	5,899	<i>Net cost of office, furniture and equip.</i>
26,871,702		26,871,702	26,922,267	50,565	
Current Assets					
193,219	Receivables	193,219	172,265	-20,954	<i>Money owed to the Association.</i>
1,631,343	Cash at Bank and in Hand	1,631,343	2,031,732	400,389	<i>Money in the bank.</i>
1,824,562		1,824,562	2,203,997	379,435	
Liabilities < One Year					
-224,472	Miscellaneous Payables	-224,472	-250,125	-25,653	<i>Money owed by the Association to others.</i>
-175,000	Loans	-175,000	-175,000	0	<i>Loan repayments due within one year.</i>
-399,472		-399,472	-425,125	-25,653	
1,425,090	Net Current Assets	1,425,090	1,778,872	353,782	<i>Working Capital</i>
Total Assets Less					
28,296,792	Current Liabilities	28,296,792	28,701,139	404,347	
Liabilities > One Year					
-13,759,000	Loans	-13,759,000	-13,759,000	0	<i>Amount of loans outstanding</i>
-680,000	Scottish Government Grant	-680,000	-680,000	0	<i>Grant repayable at a future date.</i>
-341,183	Pension Liability (SHAPS)	-341,183	-341,183	0	<i>Potential pension liability (SHAPS)</i>
0	Pension Deficit Payments (SHAPS)	0	0	0	<i>Pension deficit payments due after one year.</i>
-14,780,183		-14,780,183	-14,780,183	0	
Deferred Income					
-12,569,649	Housing Association Grant (HAG)	-12,569,649	-12,872,633	-302,984	<i>Grants received not yet released to income.</i>
-410,266	Other Capital Grants - Housing	-410,266	-410,266	0	<i>Grants received not yet released to income.</i>
0	Other Capital Grants - Non Housing	0	0	0	<i>Grants received not yet released to income.</i>
-12,979,915		-12,979,915	-13,282,899	-302,984	
536,694	Total Net Assets	536,694	638,057	101,363	<i>Net value of the Association's assets.</i>
CAPITAL AND RESERVES					
60	Share Capital	60	62	2	<i>Shares of £1 each fully paid.</i>
877,817	Revenue Reserves	877,817	979,178	101,361	<i>General reserves of the Association.</i>
-341,183	Pension Reserve	-341,183	-341,183	0	<i>Potential pension liability (SHAPS)</i>
536,694	Total of Capital and Reserves	536,694	638,057	101,363	<i>Net value of capital and reserves.</i>

HILLHEAD HOUSING ASSOCIATION
STATEMENT OF FINANCIAL POSITION - COMMENTS

(a) HOUSING CAPITAL EXPENDITURE/INCOME 19/20

	EXP	INC
	£	£
1 Braes O' Yetts	1,261,869	6,982
2 Braes O' Yetts - Sales Income	0	845,520
3 Environmental Works	366,861	0
4 Heat Detectors	9,587	0
5 New components	109,219	0
	<u>1,747,536</u>	<u>852,502</u>

BoY grant income of £6,982 relates to Stage 2 adaptations works.
Sales income of £845,520 relates to shared equity sales and is higher than was included in the offer of grant - £822,00. The excess of £23,520 might need to be repaid.

(b) OTHER FIXED ASSETS

	£
Budgeted expenditure for the year to date	35,000
Actual expenditure for the year to date	40,899

Expenditure includes the purchase of new laptops and acquisitions of additional licenses for omniledger and windows updates.

(c) BANK ACCOUNT BALANCES AS AT 31 MARCH 2020

		£
RBS	Current a/cs	993,968
RBS	Int a/c	211
Lloyds TSB	Allpay a/c	37,193
Close Brothers	Deposit a/c	750,000 to 28/04/20 at 1.0%.
Close Brothers	Deposit a/c	250,000 95 day notice at 1.2%
n/a	Petty Cash	360
		<u>2,031,732</u>

Credit Rating			
As At 26 March 2020	Moody's	Fitch	Standard & Poor
Close Brothers	P1	F1	N/A

The Association's treasury management policy states that funds should only be invested in banks that have the top credit rating from at least two of the main credit rating agencies. Close Brothers have achieved this rating with Moody's and Fitch.

(d) DEBTORS ANALYSIS

Sundry Debtors/Prepayments	100,911
Rent Control a/c-arrears	183,789
Bad Debt Provision (Rents)	-91,059
Sales Ledger	52,622
Bad Debt Provision (Sales Ledger)	-73,998
Insurance	0
Total	<u>172,265</u>

HILLHEAD HOUSING ASSOCIATION
STATEMENT OF FINANCIAL POSITION - COMMENTS (cont)

(e) CREDITORS ANALYSIS

	£
Sundry Creditors	51,928
Braes o' Yetts	0
Purchase Ledger	115,019
Rent prepayments	81,498
Factoring Floats	900
Staff Social Fund	780
	<u>250,125</u>
Loan due within one year	<u>175,000</u>
	<u><u>425,125</u></u>

(f) RENT ARREARS

These figures have been taken from reports prepared by the Housing manager, adjusted for former tenants prepayments.

	Current Tenants	Former Tenants	Total	EDC Arrears
	£	£	£	£
Mar 2019	135,641	29,552	165,193	17,043
Apr 2019	144,172	31,730	175,902	16,989
May 2019	143,225	32,101	175,326	16,824
Jun 2019	158,701	32,204	190,905	16,578
Jul 2019	155,768	35,462	191,230	16,224
Aug 2019	167,018	36,047	203,065	16,152
Sept 2019	180,555	36,178	216,733	16,130
Oct 2019	134,515	29,540	164,055	15,019
Nov 2019	138,083	30,180	168,263	14,909
Dec 2019	152,694	30,076	182,770	14,896
Jan 2020	142,114	30,510	172,624	14,925
Feb 2020	150,089	30,781	180,870	14,925
Mar 2020	158,649	25,140	183,789	14,911

Tenants and former tenants credits at March 2020 £81,498

	Arrears Analysis as at Mar 2020		Arrears At Dec 2019
	£	%	%
Technical arrears	232	0.01%	0.07%
Non technical arrears	158,417	4.31%	4.08%
Total current arrears	158,649	4.32%	4.15%
Former tenant arrears	25,140	0.68%	0.82%
	<u>183,789</u>	<u>5.00%</u>	<u>4.97%</u>
Projected annual rent	<u>£3,672,700</u>		

HILLHEAD HOUSING ASSOCIATION
CASHFLOW STATEMENT TO 31 MARCH 2020

	EST TO DATE £	ACT TO DATE £	VARIANCE £
Net Cashflow From Operating Activities			
1,186,628 Operating Surplus	1,186,628	1,273,608	86,980
965,000 Depreciation - Housing	965,000	965,000	0
29,700 Depreciation - Other	29,700	29,700	0
-439,819 Amortisation of Grants	-439,819	-439,819	0
-1,222,402 Increase/(Decrease) in Creditors	-1,222,402	-1,196,750	25,652
-24,000 (Increase)/Decrease in Debtors	-24,000	-3,046	20,954
-47,817 Increase/(Decrease) in Pension Deficit Creditor	-47,817	-47,817	0
0 Unwinding of Pension Discount	0	0	0
<u>447,290</u>	<u>447,290</u>	<u>580,876</u>	<u>133,586</u>
Investing Activities			
-1,998,865 Expenditure on Housing	-1,998,865	-1,747,536	251,329
-35,000 Expenditure On Other Fixed Assets	-35,000	-40,899	-5,899
822,000 Sale of Housing Properties	822,000	845,520	23,520
0 Capital Grants Received	0	6,982	6,982
0 Capital Grants Repaid	0	-23,520	-23,520
<u>-1,211,865</u>	<u>-1,211,865</u>	<u>-959,453</u>	<u>252,412</u>
Financing Activities			
1,000,000 Loans Received	1,000,000	1,000,000	0
2,200 Interest Received	2,200	3,849	1,649
-740,007 Interest Paid	-740,007	-727,266	12,741
-175,000 Loans Repaid	-175,000	-175,000	0
0 Share Capital Issued	0	2	2
<u>87,193</u>	<u>87,193</u>	<u>101,585</u>	<u>14,392</u>
<u>-677,382</u> Increase/(Decrease) in Cash	<u>-677,382</u>	<u>-276,993</u>	<u>400,389</u>
1,631,343 Closing Cash Balance	1,631,343	2,031,732	400,389
2,308,725 Opening Cash Balance	2,308,725	2,308,725	0
<u>-677,382</u>	<u>-677,382</u>	<u>-276,993</u>	<u>400,389</u>

HILLHEAD HOUSING ASSOCIATION 2000

MANAGEMENT EXPENSES TO

31 MARCH 2020

ANNUAL BUDGET		EST YTD	ACT YTD	VARIANCE	
£	STAFF COSTS	£	£	£	
716,300	Gross Pay	716,300	687,143	29,157	●
68,900	NIC	68,900	64,193	4,708	●
56,100	Pension Costs	56,100	55,702	398	●
1,700	Expenses	1,700	3,885	-2,185	●
843,000	(1)	843,000	810,923	32,078	●
30,000	Finance Services	30,000	43,812	-13,812	●
29,000	Development Services	29,000	2,053	26,947	●
902,000		902,000	856,788	45,213	●
ESTATE COSTS					
396,800	Reactive Repairs	396,800	380,970	15,830	●
232,200	Cyclical Maintenance	232,200	196,121	36,079	●
91,200	Major Repairs	91,200	77,225	13,975	●
54,540	Bad Debts	54,540	16,804	37,736	●
965,000	Depreciation - Housing	965,000	965,000	0	●
1,739,740		1,739,740	1,636,120	103,620	
OVERHEADS					
9,000	Advertising	9,000	7,717	1,283	●
14,500	Audit Fee	14,500	15,432	-932	●
15,000	Bank Charges	15,000	17,032	-2,032	●
2,300	Committee Expenses	2,300	2,071	229	●
29,700	Depreciation - Other	29,700	29,700	0	●
10,200	General Expenses	10,200	11,036	-836	●
10,000	Van Costs	10,000	12,251	-2,251	●
12,500	Heat,Light,Cleaning	12,500	14,096	-1,596	●
66,000	Insurance - Housing	66,000	76,579	-10,579	●
16,000	Insurance - Other	16,000	22,688	-6,688	●
25,000	Legal Fees - Housing	25,000	22,486	2,514	●
5,000	Legal Fees - Other	5,000	1,573	3,427	●
41,000	Office Equip. Maint.	41,000	38,909	2,091	●
500	Office Maintenance	500	0	500	●
5,000	Printing/Stationery	5,000	5,048	-48	●
7,000	Postage	7,000	9,242	-2,242	●
2,000	Rent/Rates	2,000	1,533	467	●
16,200	Subscriptions	16,200	18,399	-2,199	●
10,000	Staff Recruitment	10,000	5,592	4,408	●
11,600	Telephones	11,600	13,659	-2,059	●
13,000	Training - Committee	13,000	6,278	6,722	●
11,500	Training - Staff	11,500	17,364	-5,864	●
333,000		333,000	348,685	-15,685	
OTHER OPERATING COSTS					
18,500	Professional Fees	18,500	31,502	-13,002	●
2,500	Resident Participation	2,500	0	2,500	●
678,800	Wider Action	678,800	26,850	651,950	●
699,800		699,800	58,352	641,448	
3,674,540	TOTAL MANAGEMENT EXPENSES	3,674,540	2,899,945	774,596	

Variance Analysis:

Item	£	Reason for variance
(1) Salaries -	32,078	Some new staff started later in the year than had been budgeted.
(2) Finance Services -	-13,812	The use of finance agents has increased as a result of staff changes in the finance section and work done on revised budgets, long term forecasts and updating processes.
(3) Development Services -	26,947	Less work has been required from development agents this year.
(4) Reactive Repairs -	15,830	Maintenance costs have been lower than the budget so far but some March invoices have yet to be paid.
(5) Cyclical Maintenance -	36,079	See page 7a for analysis.
(6) Major Repairs -	13,975	See page 7a for analysis.
(7) Bad Debts -	37,736	The amount of arrears written off is lower than has been budgeted.
(8) Bank Charges -	-2,032	Chip & Pin costs were higher than had been budgeted.
(9) Van Costs -	-2,251	Fuel & repair costs were higher than had been budgeted.
(10) Insurance -	-17,267	Insurance premiums have increased significantly for 2019-20
(11) Legal Fees -	5,941	Costs have been lower than the budget throughout the year.
(12) Office Equip Maint -	2,091	Some equipment support costs have been lower than was budgeted.
(13) Postage -	-2,242	Costs include the delivery of newsletters & annual reports.
(14) Subscriptions -	-2,199	Additional subscriptions were taken out in the year.
(15) Staff Recruitment -	4,408	Costs are lower than was budgeted.
(16) Telephones -	-2,059	The costs of texts and landline phones have been higher than was budgeted.
(17) Committee Training -	6,722	Costs have been lower than the budget throughout the year.
(18) Staff Training -	-5,864	Costs include additional Omni Ledger training.
(19) Professional Fees -	-13,002	Costs include; stock valuations, pension reports, pension presentations to staff and tenant surveys.
(20) Resident Participation -	2,500	No direct costs have been incurred in this area.
(15) Wider Action -	651,950	The budget included costs for the development of the cycle path but the project has been postponed.

Variance Analysis continued:

CYCLICAL MAINTENANCE

Annual Budget £		Estimated Ytd £	Actual Ytd £	Variance £	
115,000	Gas Servicing (1)	115,000	119,099	-4,099	●
6,300	Gas Audit	6,300	4,560	1,740	●
69,900	Landscaping (2)	69,900	45,068	24,832	●
31,000	Electrical Testing (3)	31,000	23,101	7,899	●
10,000	GutterCleaning (4)	10,000	3,620	6,380	●
0	Misc (5)	0	673	-673	●
<u>232,200</u>		<u>232,200</u>	<u>196,121</u>	<u>36,079</u>	

(1) Follow up repairs are higher than was budgeted.

Some works done in March have yet to be paid for and this will increase this variance.

(2) Monthly costs have been lower than the budget throughout the year.

(3) Costs were lower than the budget.

(4) Costs were lower than the budget.

(5) This relates to painter works retentions.

MAJOR REPAIRS

Annual Budget £	Revenue Items		Estimated Ytd £	Actual Ytd £	Variance £	
47,000	Stage 3 Adaptations (1)		47,000	31,229	15,771	●
3,200	Ventilation Works (2)		3,200	0	3,200	●
41,000	New Acquisition Upgrades (3)		41,000	34,626	6,374	●
0	Misc (4)		0	11,370	-11,370	●
<u>91,200</u>			<u>91,200</u>	<u>77,225</u>	<u>13,975</u>	
Capital Items						
500,000	Environmental Works (5)		500,000	366,861	133,139	●
10,000	Component Replacements		10,000	9,587	413	●
137,600	Smoke Alarms (6)		137,600	109,219	28,381	●
<u>647,600</u>			<u>647,600</u>	<u>485,667</u>	<u>161,933</u>	

(1) Less work has been done in this area than was budgeted.

(2) These works were not done this year.

(3) These costs were lower than was budgeted.

(4) This consists of rot works and a building warrant for additional works at 168 Hillhead Road, to be completed in 2020/21.

(5) Some works have been brought forward, although total costs are lower than has been budgeted. Work will continue into 2020/21.

(6) The cost of purchasing alarms has been lower than was budgeted. The alarms have been fitted by the Association's staff, reducing external costs.

HILLHEAD HOUSING ASSOCIATION 2000

RATIO ANALYSIS AS AT 31 MARCH 2020

ANNUAL BUDGET	EST YTD	ACT YTD	VARIANCE	
Costs Per Unit				
£1,356 Management Costs (£)	£1,356	£1,340	£16	●
£478 Reactive Maintenance Costs (£)	£478	£459	£19	●
£390 Planned maintenance Costs (£)	£390	£329	£60	●
Primary Ratios				
60% Interest Cover (%)	60%	80%	19%	●
2419% Gearing (%)	2419%	1972%	447%	●
Efficiency Ratios				
1.0% Voids (%)	1.0%	1.1%	-0.1%	●
5.2% Gross Rent Arrears (%)	5.2%	5.0%	0.2%	●
2.7% Net Rent Arrears (%)	2.7%	2.5%	0.2%	●
1.5% Bad Debts (%)	1.5%	0.5%	1.0%	●
17.3% Staff Costs/Turnover (%)	17.3%	19.4%	-2.1%	●
8.6% Key Mgmnt Costs/Staff Costs (%)	8.6%	9.4%	-0.8%	●
6.9% Overheads/Turnover (%)	6.9%	8.4%	-1.5%	●
5,857 Turnover per Unit (£)	5,857	5,028	-828	●
Liquidity				
2.2 Current Ratio	2.2	2.5	0.4	●
Profitability				
24.4% Gross Surplus (%)	24.4%	30.5%	6.1%	●
9.2% Net Surplus (%)	9.2%	13.2%	4.0%	●
Financing				
3.0 Debt Burden (Yrs)	3.0	3.0	0	●
£17,607 Debt Per Unit (£)	£17,607	£17,607	£0	●
£15,642 Net Debt Per Unit (£)	£15,642	£15,159	£482	●
Diversification				
25.2% Income From Non Rental Activities	25.2%	13.3%	-11.9%	●
-6.0% Other Activities Surplus/Operating Surplus (%)	-6.0%	-5.4%	0.6%	●

HILLHEAD HOUSING ASSOCIATION 2000

COVENANT ANALYSIS A 31 MARCH 2020

The Association's loan agreement with the Royal Bank of Scotland was reviewed in December 2016 and revised covenants were put in place.

	Covenant	Actual Ytd	Comply
1 Interest Cover - Min	110%	175%	YES
2 Gearing - Max	60%	42%	YES
3 Asset Cover - Max	£25,891,966	£13,934,000	YES
4 Net Assets - Min	-£800,000	£638,057	YES
1 Interest Cover -	This covenant states that the adjusted operating surplus must be at least 110% of the amount of interest payable. This covenant will be tested annually and monitored quarterly.		
2 Gearing -	This covenant states that the value of outstanding loans must be less than 60% of the historic cost of charged housing assets. This covenant may be tested at any time.		
3 Asset Cover -	This covenant states that the value of outstanding loans must be less than the weighted value of housing stock. This covenant may be tested at any time. The most recent valuations were provided by Jones Lang Lasalle in April 2019.		
4 Net Assets -	This covenant states that the Association's net assets must not fall below a deficit of £800,000 in the year 2019/20. This is an agreed waiver to a condition in the revised loan agreement . This covenant will be tested annually per the latest audited financial statements.		

HILLHEAD HOUSING ASSOCIATION
FORECAST OUTTURN AT 31 MARCH 2020

	Budget	Forecast Outturn	Variance
	£	£	£
Gross Surplus (£)	1,186,629	1,273,608	86,979
Net Surplus (%)	448,822	550,191	101,369
Cashflow (£)	1,631,343	2,031,732	400,389
Net Assets	536,694	638,063	101,369

The gross surplus at the year end is higher than the revised budget. This is mainly due to lower staff costs and estate costs offset by lower rental income and higher overheads.

Additional accruals might yet affect the final surplus for the year.

The net surplus at the year end is also higher than the original budget but by a greater amount due to lower interest payments..

Additional accruals will also affect the final net surplus for the year as will adjustments to the pension liability.

The cash balance at the year end is higher then the original budget due to the higher surplus and lower capital expenditure offset by changes to debtors and creditors.

Net assets at the year end are higher than the budget due to a higher surplus in the year. Net assets will also be affected by any additional accruals and changes to the pension liability.

COVENANTS

	Covenant	Forecast Outturn	Comply
Asset Cover (£) - max	£25,891,966	£13,934,000	YES
Interest Cover (%) - min	110%	175%	YES
Gearing (%) - max	60%	42%	YES
Net Assets (£) - min	-£800,000	£638,063	YES

The forecast outturn to 31 March 2020 indicates that the Association will be able to comply with all financial covenants with the Royal Bank of Scotland.

HILLHEAD HOUSING ASSOCIATION 2000 MANAGEMENT ACCOUNTS TO 31 MARCH 2020

STATEMENT OF COMPREHENSIVE INCOME

The Association has made an operating surplus of £1,274m to 31 March 2020. This is higher than the budgeted surplus of £1,187m and this is mainly due to lower maintenance costs and staff costs offset by higher overheads and lower rents.

Net interest payments of £723,000 reduce the surplus to £550,000 for the year compared to the budgeted net surplus of £449,000.

STATEMENT OF FINANCIAL POSITION

Approximately £1.747m has been spent on Braes o' Yetts and new components in the year. In addition, sales income for eight shared equity units has been received, totalling £845,520. This is higher than the budgeted amount of £822,000 and as such, the excess of £23,520 will need to be repaid.

The net cost of housing assets at 31 March 2020 is £25.871m.

The net cost of other fixed assets is £1.051m.

Cash balances at March 2020 amount to just over £2.031m, higher than the budgeted amount of £1.631m. This is due to the higher surplus and lower capital expenditure.

Long term creditors are £14.781m and include the pension liability of £341,000. Deferred income is £13.283m, leaving the Association's net assets of £638,057 compared to the budget of £536,694.

COVENANTS

The Association is able to comply with all financial covenants as stipulated in the loan agreement with the Royal Bank of Scotland.

OTHER

These management accounts represent the initial position at 31 March 2020. However, additional transactions will be identified that relate to the 2019/20 financial year and these will require to be processed before the accounts for the year can be completed and audited. Once this has been done, a final audited set of accounts for the year will be presented to the management committee for approval and signing prior to the AGM. In addition, a statement will be provided, showing the differences between these management accounts and the final accounts.

It is too early to say what effect the corona virus has had, or will have, on the finances of the Association to March 2020 in terms of income and expenditure. However, this will be monitored as we move into the new financial year and reports will be provided to the management committee for review and consideration and to provide the basis for any decisions that might be required re financial matters.

Patrick Long
FMD Finance Services
April 2020

HILLHEAD HOUSING ASSOCIATION

TREASURY MANAGEMENT REPORT 2019/20

Table 1 - Loans Summary

	Start Date	End Date	Amount £	Amount Drawn £	Bal At Mar 2020 £	RBS Security £	Int Rate Basis	Margin
Facility - A	Dec 2016	Jun 2031	9,520,000	9,520,000	9,135,000	16,974,531	Fixed 6.565% inc margin	1.3%
Facility - B	Dec 2016	Dec 2026	7,480,000	4,799,000	4,799,000	8,917,436	Libor +	1.5%
			<u>17,000,000</u>	<u>14,319,000</u>	<u>13,934,000</u>	<u>25,891,966</u>		

Table 2 - Property Valuation Summary

	Units	EUV-SH £	EUV-SH With Sales £	MV-ST £	MV - VP £
New Build Phase 1	45	2,200,000	3,135,000	3,260,000	0
New Build Phase 2	26	1,235,000	1,595,000	1,595,000	0
New Build Phase 3	71	3,425,000	4,920,000	4,920,000	0
New Build Phase 4	34	1,715,000	2,295,000	2,295,000	0
New Build Phase 5	15	655,000	775,000	775,000	0
	<u>191</u>	<u>9,230,000</u>	<u>12,720,000</u>	<u>12,845,000</u>	<u>0</u>
Transferred & Other Stock	599	17,177,563	0	0	0
HHA Acquisitions	12	357,437	0	0	0
Total per JLL - April 2019	<u>802</u>	<u>26,765,000</u>	<u>12,720,000</u>	<u>12,845,000</u>	<u>0</u>

Not Included in Valuation

Braes o' Yetts*	22	0	0	0	0
Rent Off The Shelf (ROTS)	6	0	0	0	388,000
	<u>28</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>388,000</u>

*There has been no formal valuation of the 22 houses at Braes O' Yetts as yet but they will be included in the next revaluation.

Table 3 - Security Required By RBS

	Units	Secured £	Unsecured £
New Build - MV-ST/125%	191	10,276,000	0
Transferred Stock - EUV/110%	599	15,615,966	0
Total Security Required by RBS	<u>790</u>	<u>25,891,966</u>	<u>0</u>
HHA Acquisitions - EUV	12	0	357,437
ROTS - (VP)	6	0	388,000
Braes O'Yetts - No Current Valuation	22	0	
	<u>830</u>	<u>25,891,966</u>	<u>745,437</u>
Oustanding Loans		<u>13,934,000</u>	
Excess Security held by RBS		<u>11,957,966</u>	

The valuations used in this report were provided by Jones Lang Lasalle (JLL) in April 2019 with the exception of the ROTS properties whose valuations were provided by the District Valuer in January 2019.

EUV- SH	- Economic Use Value for Social Housing
EUV-SH With Sales	- Economic Use Value for Social Housing With Sales
MV-ST	-Market Value for Social Tenancies
MV - VP	-Market Value with Vacant Possession

Hillhead Housing Association

Treasury management Report

For The Year to 31 March 2020

Introduction

The Association's Treasury Management Policy notes the requirement to report to the Management Committee annually on treasury management operations. This report considers the following information;

- Loans details as at 31 March 2020
- Outstanding balances as at 31 March 2020
- Valuations
- Secured/Unsecured Properties
- Asset Cover
- Covenant compliance
- Interest Earned From Investments
- Projected Cash Flow Position
- Treasury Management Strategy for 2020/21

Loan Details

Table 1 shows that the Association has two loan facilities with the Royal Bank of Scotland (RBS) totalling £17m. Facility A is for £9.52m and Facility B is for £7.48m. These facilities were confirmed in the revised loan agreement with the bank in December 2016.

Facility A has already been drawn down in full and a capital repayment schedule is in place, which confirms that the loan will be fully repaid by 2031. Facility B has been partly drawn down and must be fully drawn by December 2021. There is no repayment schedule in place for Facility B as this can be repaid as circumstances allow but must be fully repaid by December 2026.

Facility A is subject to a fixed interest rate of 6.565% (including a margin of 1.3%) for its duration, whilst Facility B is subject to a variable rate based on Libor plus a margin of 1.5%. In addition, there is a charge of 0.5% on funds not drawn down.

Outstanding Balances

The amount outstanding at 31 March 2020 for Facility A was £9.135m and for Facility B was £4.799m. A total of £13.934m.

The amount of interest and non-utilisation fees paid in the year, per the management accounts to 31 March 2020, amounted to £727,266.

Valuations

The most recent valuation of housing stock was carried out by Jones Lang Lasalle (JLL) in April 2019 for 802 properties. This included all transferred stock, new build stock and other acquisitions owned by the Association at that time with the exception of 22 units at Braes o' Yetts, which was still under development at the time, and 6 Rent Off The Shelf (ROTS) properties whose valuations were provided by the District Valuer in January 2019.

Table 2 shows that the houses were valued as follows;

Economic Use – Social Housing (EUV-SH) – Phases 1-5 NB 191 units - £9.230m.
Economic Use – Social Housing (EUV-SH) - Other – 611 units - £17.535m.
EUV-SH with Sales - Phases 1-5 NB 191 units - £12.720m.
Market Value – Social Tenancies (MV-ST) - Phases 1-5 NB 191 Units - £12.845m.

In addition, the 6 ROTS properties, purchased in March 2019 were valued by the District Valuer at £388,000 on a Market Value – Vacant Possession (MV–VP) basis.

There is no formal valuation for the 22 Braes O' Yetts houses as yet but they will be included in the next revaluation.

Secured/Unsecured Properties

Table 3 shows the number of units held as security held by RBS (790 units). The Bank has security over all new build and transferred houses owned by the Association up to and including the Phase 5 new build development. Additional houses (40 units) have been purchased/developed by the Association since the transfer, including the 6 ROTS houses and 22 new build houses at Braes O' Yetts.

Asset Cover

Table 3 also shows the details of the asset cover held by RBS. They have stipulated that the valuation of housing stock should be discounted by 125% for new build houses and 110% for transferred houses to give a weighted average. This has been calculated at £25.892m. When compared to the outstanding loan balance at March 2020 of £13.934m, the bank would appear to have excess security of £11.958m.

This suggests that RBS has significantly more security than actually required or that there could be scope for additional borrowing without any additional security being taken by the bank. The Association may in fact borrow up to the limit of the combined loan facilities, £17m. However, other factors would need to be considered if additional funds were to be borrowed eg new terms and conditions, additional interest charges, covenant compliance, the overall effect on the finances of the Association etc. The Association has no plans at this time to borrow beyond the current loan facilities.

Whilst the above weighted average method is used for monitoring security, if the Association wanted some properties to be released from the bank's security, a different calculation would be required and this would significantly reduce the amount of apparent excess security. This can be considered in more detail if the Association were to pursue this course of action.

Table 3 also confirms that the value of the unsecured properties is £745,437 on a mixed MV-ST/VP basis. This excludes the 22 properties at Braes o' Yetts.

Covenant Compliance

As demonstrated in the management accounts to 31 March 2020, the Association has been able to comply with all loan covenants as stipulated in the loan agreement.

A certificate of compliance will be sent to RBS once the final accounts have been audited and approved by the management committee.

Interest Earned From Investments

The Association earned interest in the year of £3,849 This represents an average return of approx. 0.18% on all funds.

At 31 March 2020 the Association had a total of £1m deposited with Close Brothers. Of this amount, £750,000 will mature on 28 April 2020 and will have earned £3,760 in interest (1%, for 6 months). In February 2020 a further £250,000 was placed in a 95-day SME Notice Account with Close Brothers with an interest rate of 1.2%.

Projected Cash Flow Position

The Association's budgeted cash balance at 31 March 2021 per the budget for 2020/21 is £1.754m. Cash balances will be monitored throughout the year as part of the management accounting process.

Treasury Management Strategy for 2020/21

The Association will continue to apply the terms of its treasury management policy in 2020/21. The Association does not intend to draw down any addition funds from its loan facility with RBS but will repay £175,000 towards Facility A, in accordance with the repayment schedule.

The Association is currently in discussions regarding two potential new build developments although there are currently no plans to incur any expenditure or draw down any funding in this area in 2020/21.

The Association has assumed a Libor rate of 1.0% in its budget for 2020/21 rising to 4% in later years. Loan repayments in the year are budgeted to be; interest - £723,500 and capital - £175,000.

The Association will be able to comply with all loan covenants in 2020/21.

The Association will continue to invest surplus funds during the year according to the principles set out in its treasury management policy. Interest earned from investments in 2020/21 is budgeted to be £3,400.

Corona Virus

All of the treasury management estimates for 2020/21 noted above were calculated as part of the Association's budget process that was completed earlier this year and have therefore not taken account of the corona virus.

It is not clear at this stage what effect the corona virus has had or will have on Association's financial position, cashflow and treasury management operations etc. However, this will be monitored as we move into the new financial year and reports will be provided to the management committee for review and consideration and to provide that basis for any decisions that might be required re financial matters.

Patrick Long
FMD Financial Services
April 2020

Agenda Item 6(i)

Report

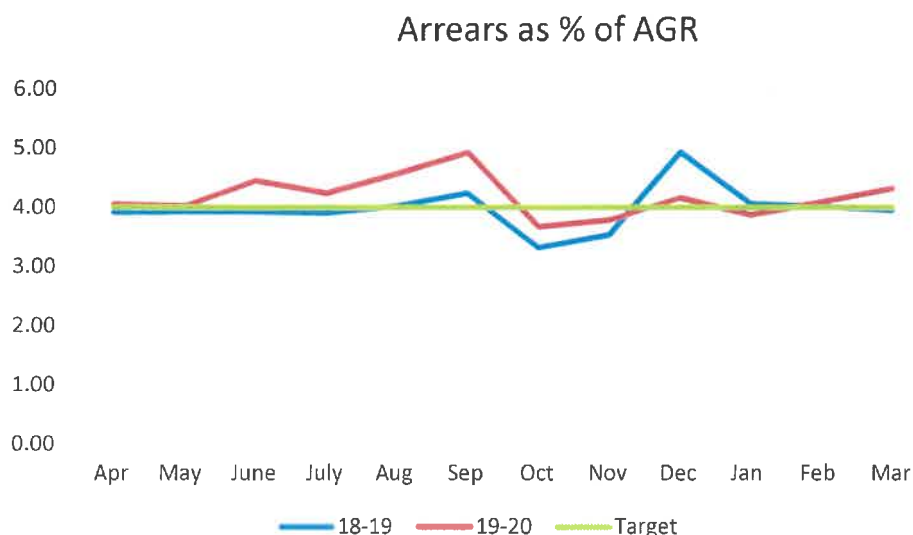
Classification:	Open
To:	Management Committee
From:	Catherine McKiernan
Meeting Date:	6 May 2020
Subject:	19/20 Quarter 3 & 4 Performance Report

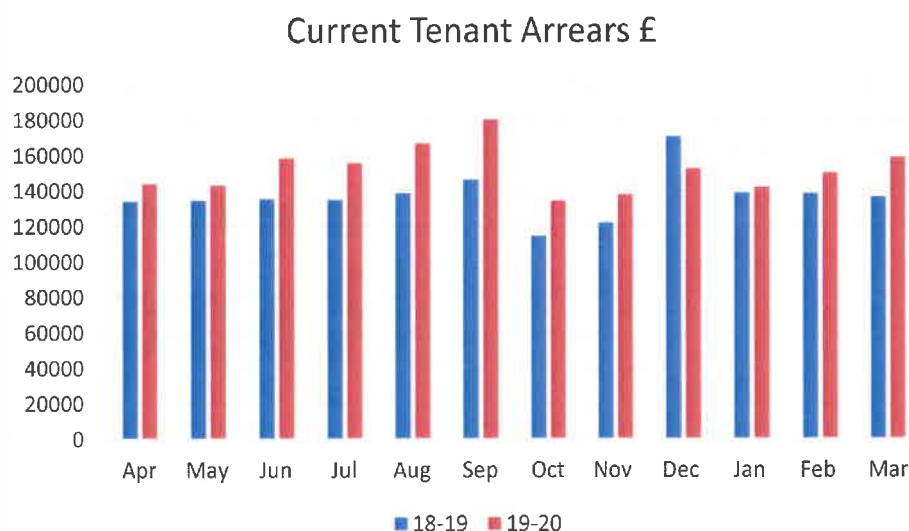
1. Purpose

This paper provides Committee with an update on housing management performance in key areas in the last two quarters of the reporting year.

2. Rent Arrears

The graphs below provide Committee with information on current tenant arrears performance as compared to reporting year 18/19. The first graph shows arrears as a percentage of Annual Gross Rental including voids. As at the end of December the arrears were 4.16% of AGR and at the end of March 4.32%. The second graph shows total current arrears, which were £152,962 at the end of December, and £158,880 at the end of March.





As expected there was a substantial decrease in the arrears at the end of October from the high figure at the end of Quarter 2. As per the previous Housing Management performance report this is partly attributable to late payments following the September holiday weekend and the timing of UC payments to us.

Housing Management staff have retained a proactive focus on arrears throughout the quarter. It is particularly pleasing to see that at the end of December 2019 arrears were lower in both cash and percentage terms than at the same point the previous year, notwithstanding the fact that we have seen the predicted negative effect of Christmas on arrears balances this year as always.

Arrears performance was good in January & February but has crept back up in March of this year. Of course, it remains to be seen what the exact impact of the coronavirus pandemic on arrears will be, but we are very aware that we have received significant number of calls from tenants whose income has been negatively impacted. Housing Officers are providing advice and guidance and where appropriate referring to Welfare Rights Officers for more specialist assistance.

Arrears cases are continuing to be monitored but obviously we are being empathetic to the varied and challenging circumstances that tenants find themselves in. We are endeavouring to record where tenants tell us that the effects of the pandemic will have an impact on their ability to pay their rent. At the time of writing we have 57 tenancies where concerns have been reported to us, many of whom already have an arrears balance to varying degrees.

In terms of Former Tenant Arrears, the total outstanding at end December 2019 was £44,972.72. This is comprised of £14,896.35 as EDC former tenant arrears and £30,076.37 as Hillhead former tenant arrears. And at end March 2020 the total FTA figures is £40,051.11, comprised of

The drop in the FTA figure is largely due to the write-offs that Committee approved in March 2020.

3. Voids & Lettings

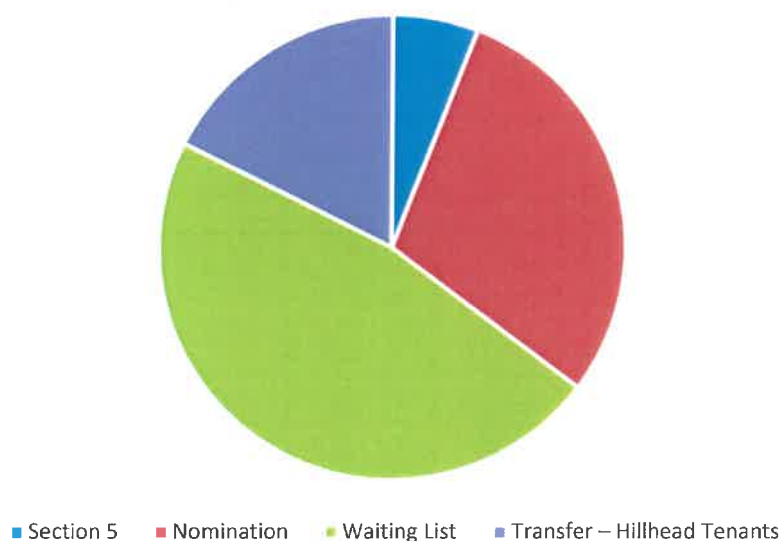
In terms of relets, source of lets through Quarter 3 is as follows;

Q3 Relets – Source of Lets	Number	Percentage
Section 5	1	6%
Nomination	5	31%
Waiting List	7	44%
Transfer – Hillhead Tenants	3	19%
Total	16	

In addition to this, the remaining ROTS property was let in Quarter 3. This allocation was delayed due to the need to fit new windows and doors to the property to comply with safety requirements. This property was let to a waiting list applicant. Therefore, information on total lets in the quarter is as undernoted.

Q3 Total Lets	Number	Percentage
Section 5	1	6%
Nomination	5	29%
Waiting List	8	47%
Transfer – Hillhead Tenants	3	18%
Total	17	

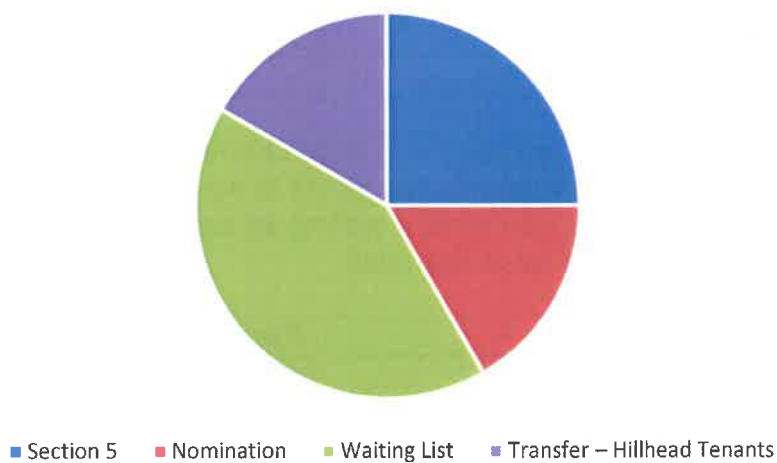
Q3 Source of Lets



Source of lets, which are all relets (there were no new lets in the period) through Quarter 4 is as follows;

Q4 Total Lets	Number	Percentage
Section 5	3	25%
Nomination	2	17%
Waiting List	5	41%
Transfer – Hillhead Tenants	2	17%
Total	12	

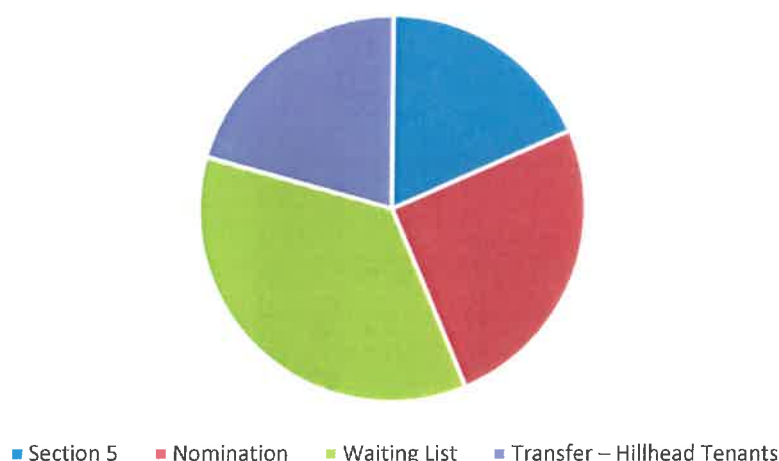
Q4 Source of Lets



Year to date information on source of lets is provided below;

19/20 Lets YTD	Number	Percentage
Section 5	16	18%
Nomination	22	25%
Waiting List	31	36%
Transfer – Hillhead Tenants	18	21%
Total	87	

19/20 Source of Let



I can report that performance matched the targets within the lettings plan extremely well. The lettings plan and our longstanding agreement with EDC suggest that 45% of lets should go to nominations and Section 5s and we achieved an actual performance of 43%.

Similarly, the lettings plan target for lets to Hillhead tenants looking to transfer was 20% and we achieved 21%. Lastly the lettings plan target for waiting list lets was 35% and actual performance was 36%.

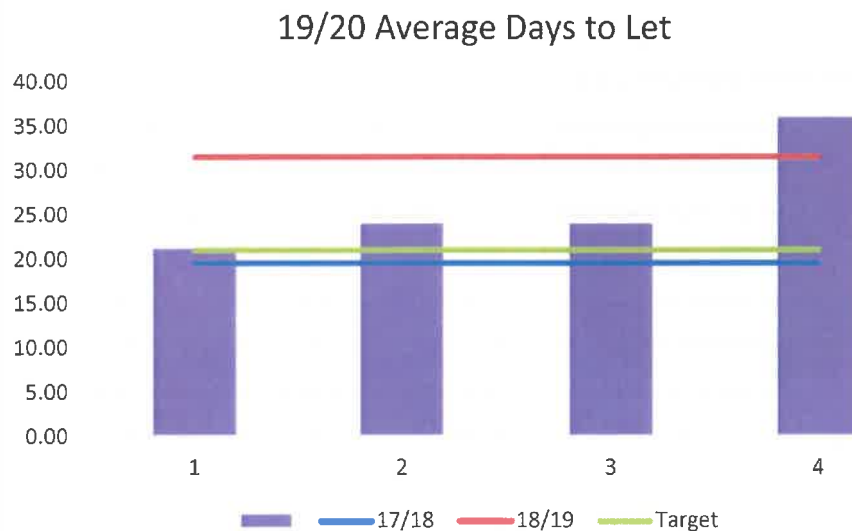
Using SHR ARC guidance and excluding days lost to major repairs and other permissible exclusions, the average time to relet the 16 properties in Quarter 3 was **24 days**. For Quarter 4 the average relet time was **36 days**, this has been skewed by a couple of longer terms voids which were let in the quarter. We very much see this quarter as an exception rather than the start of a trend, but we will keep close watch on void performance as normal activities resume. We have already done some work so that we are primed to let empty properties as quickly as possible once safe to do so.

The average days to let for the year overall, as per the ARC definition, is **25 days**.

I am pleased to report that this is an improvement on our 18/19 performance which was **31.5 days**.

Our target in the Internal Management Plan is **21 days** and we feel that we can take further steps to move towards achieving this target. Of course it remains to be seen how SHR will ask us to record void loss that is attributable to the Coronavirus pandemic and the fact that normal letting activity is suspended for safety reasons.

Housing & Property Services staff are working closely at all levels to improve void performance. We have also instigated a quarterly review of recording and performance to ensure consistency and to tackle any issues.



Refusal details for **relets** are shown in the table below;

	No. of Refusals	%age refusal rate
Q1	2	10.53%
Q2	1	6.67%
Q3	1	5.88%
Q4	3	20.00%
Overall	7	10.61%

This is a higher figure than we will report in the ARC as the ARC counts refusals for all lets and the refusal rate for the new build at Braes O'Yetts and the ROTS properties was also very low.

4. Anti-Social Behaviour

We received 2 complaints about anti-social behaviour during quarter 3. Both of these were resolved within target timescales. And in Quarter 4 we received a further 3 ASB complaints again they were all resolved within target timescales.

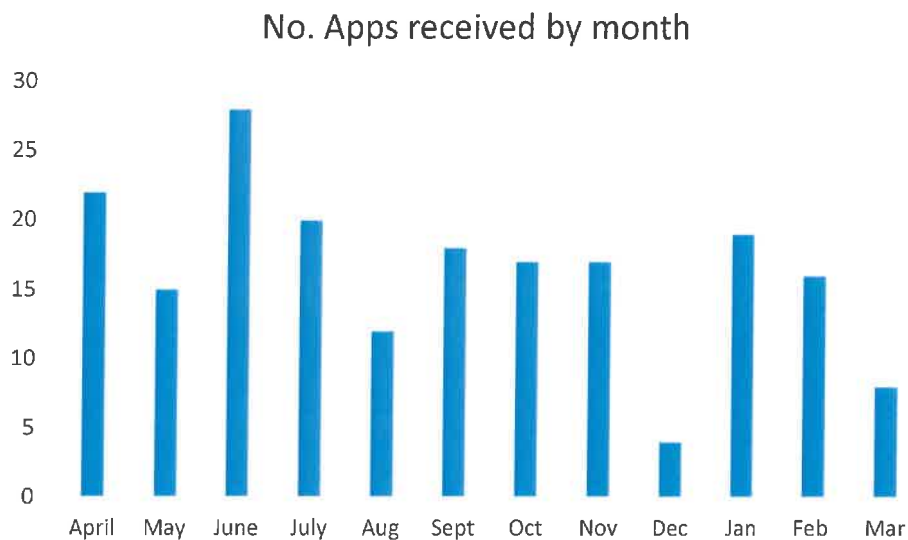
This gives us an overall figure for the year of 18 ASB complaints, and a full year resolution within timescale rate of 100%, which is an excellent performance.

5. Housing List

As at 31 December 2019 there were 476 applications on our housing list and by the end of March 2020 we had 500 applications on our housing list. During Quarter 3 we received a total of 38 new applications, and a further 43 during Quarter 4.

Our overall average processing time for new applications for the year was 3.9 days,

so we continue to perform very well against our target of 14 days.



As at 31 March 2020 11 applications were suspended from receiving offers, largely due to rent arrears where there is no arrangement to repay or where an arrangement has not yet been maintained for 3 months.

6. Recommendation

The Committee is asked to note the contents of this report

Regulatory Compliance	Standard 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
Financial Impact	Low
Risk Assessment	Low

Report Prepared by: Catherine McKiernan, Depute Director / Housing Manager
28 April 2020

Agenda Item 6(ii)

Report

Classification:	Open
To:	Management Committee
From:	Catherine McKiernan
Meeting Date:	6 May 2020
Subject:	20/21 Lettings Plan

1. Purpose

To agree allocations targets for various groups for the reporting year 2020/2021.

2. Demand & Targets

There is a current agreement with EDC that 45% of lets will go to them for either Section 5 referrals or nominations, albeit that the written documents are somewhat out of date.

As can be seen from the housing management performance report, actual letting performance matched very closely with the lettings plan for 2019/20. It is proposed that we adopt very similar proportions of lets to groups as those in last year's plan based on the rationale detailed below.

In terms of demand the housing list is comprised at the end of March 2020 as follows;

Hillhead tenants	91	18.2%
Other applicants	409	81.2%
Total	500	

This would suggest that for the remaining 55% of relets (after EDC lets) around one fifth should go to transfer applicants and around four fifths should go to other housing list applicants. This would equate to 11% of all relets to transfers and 44% of all relets to housing list applicants. However, it is understood that there is a desire to reward our tenants and allow for a degree of aspirational moves. Therefore, it is suggested that we offer 15% of voids to transfer applicants.

It is anticipated that the number of transfers this year would be lower than last year as there will be no new build lets. A proportion of transfer applicants are only willing to accept a new build property.

Based on the number of relets in the past 2 reporting years it is anticipated that we will have in the region of 50 voids to relet this year.

It is suggested that we target relets as undernoted for the remainder of this year;

Group	Percentage of Relets	Projected No. of Relets
EDC – Section 5 & Nominations	45%	22
Housing List	40%	20
Transfers – Hillhead Tenants	15%	8
	100%	

The nomination and Section 5 process that we operate with EDC is void led. That is, we notify them that we have a particular vacancy and then they pass applicant details to us. It is for them to decide whether they make Section 5 referrals of statutorily homeless applicants or nominations of housing list applicants for any given vacancy. It is likely that we will see the proportion of Section 5 referrals increase over time given the introduction of Rapid Rehousing Transition Plans. The figures for nominations and Section 5 lets are identified separately within the quarterly Housing Management performance report to allow Committee members to see the distinction.

Obviously, the size, house type and location of vacancies which arise will have a bearing on which groups are housed. We will continue to report on source of let on a quarterly basis and highlight any significant variation from these targets.

3. Recommendation

The Committee is asked to approve the Lettings Plan targets.

Regulatory Compliance	Standard 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
Financial Impact	Low
Risk Assessment	Low

Report Prepared by: Catherine McKiernan, Depute Director / Housing Manager
29 April 2020

Agenda Item 7i Development Report

Classification:	Open
To:	Management Committee
From:	Stephen Tait
Meeting Date:	6 May 2020
Subject:	Development Report

1. Grant Planning Target (GPT) – 2019/2020

The GPT for 2019/20 is £0.443m. This includes grant for the CALA Homes development site and Stage 3 adaptations.

No spend or draw down has been achieved in relation to the CALA development.

Stage 3 medical adaptation Grant received has been noted within the Property Services Report.

2. Braes O' Yetts

Defects reported at these units in the main are minor, however works have been identified at both wheelchair unit wet floor rooms. Unfortunately works have been delayed at both addresses due to the Covid-19 social distancing guidance. Although both residents can still use the wet rooms.

The units handed over during May 2019 will soon be coming to the end of the Defects Liability Period, however as a result of the Covid -19 pandemic, Clerk of Works final snagging inspections have not yet been completed. Guidance has been sought from BTO solicitors regarding contractual implications relating to responsibility for snagging works and

for retention payments that would normally fall due. BTO have confirmed that retention can only be paid once the making goods defect certificate has been issued. As it is not possible to identify then complete snagging works then no retention will be due for payment for the time being.

3. Cala Homes – Fauldhead & Chryston Road

A meeting was held with Ian Conway of Cala Homes on 9 March 2020.

Ian confirmed that the issues with the social club had not been resolved (although he was unaware it had ceased trading) meaning the site had been redesigned incorporating 30 affordable units on the North Site and 16 affordable units on the South Site. If the issues with the social club can be overcome, further development may be possible on the North Site which could incorporate potentially 10 more affordable units.

The proposed housing mix included 1 & 2 bed flats, 2 bed cottage flats and 2/3 bed semi/terrace villas.

At the time of the meeting Ian indicated he hoped the Planning application would be submitted by mid May 2020.

Ian also stated that a dedicated team would likely be deployed to oversee the management and construction of the affordable units, depending on the terms of the contractual agreement that is confirmed.

Unfortunately as we are all aware shortly after the meeting the restrictions of movement were implemented by the government in response to the COVID-19 pandemic. We now once again have sought clarification from CALA Homes on how this has affected their timeline with regards to the planning application etc. At the time of writing the report we await CALA reply.

As previously noted the SHIP had set aside an indicative grant allocation for these sites in 19/20 of £0.4M and £1M in 20/20. However a tender application cannot be submitted until the site layout and unit numbers have been confirmed. The Tender Application will determine the extent of private finance required.

As stated no spend was achieved in 19/20.

4. Estate Based Regeneration Strategy

P1 Solutions commenced work on site on 19 August 2019. To date phase one works have been completed within time scale and under budget which

allowed for some of the next phase fencing works at Eastside, Crossgates, Whitehill Avenue, Whitehill Crescent, Langmuir Avenue and Shells Road to have been brought forward and completed in financial year 19/20.

The standard of work so far has been excellent with only some minor issues requiring to be addressed.

We had a site presence each day and our Property Services Officer has measured and agreed payments in total of £303,360.16. Works have been suspended since 24 March 2020 due to Corvid-19.

It has been noted that some changes have been made to the original works detailed in the architects' drawings, due to fencing deteriorating since the time of survey or in other instances fencing has been upgraded by tenants/owners. These changes are being closely monitored.

5. Wider Role Projects

Wider Role & Community Regeneration Sub Committee

As Committee are aware the new Wider Role & Community Regeneration Sub Committee now oversee all Wider Role Projects including:

- Community Garden Steering Group
- Canal Cycle Path
- Cycling Scotland
- Antonine Wall Mural Project

A Sub Committee meeting was due to be held on the 25 March 2020, this was subsequently cancelled due to the ongoing situation with Corvid-19. The committee were informed that all planned future events would be cancelled including the family fun day, community garden spring event and litter picks.

Canal Cycle Path update

A new planning application has been submitted to East Dunbartonshire Council. The planning department has confirmed that the application has been validated and that the Council has a statutory period of two months to process the application.

Cycling Scotland

An interim report was submitted to Cycling Scotland on the 27 March 2020. To date the association has spent £2,784 of the £6,324 grant that

we received from Cycling Scotland. The association has informed Cycling Scotland that there will be a delay in completing this project due to the current situation with Corvid-19. When appropriate we will agree new time frames with Cycle Scotland..

Antonine Wall Mural Project

A meeting had been arranged between residents of 41 A-D Eastside and Emma McMullen the Antonine Wall Project Manager from West Dunbartonshire Council. This meeting was due to take place on 24 February 2020, Marie Savage and Emma McMullan visited the 4 properties at Eastside but none of the residents were at home. Emma McMullan will provide the association with an information leaflet regarding the project that will be sent to each of the residents to allow them a better knowledge and understanding of what is proposed.

**Development Report prepared by
Property Services Team
23 April 2020**

Regulatory Compliance	<p>Standard 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</p> <p>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. And its primary focus is the sustainable achievement of these priorities.</p> <p>Standard 4, The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p>
Financial Impact	<p>Medium – The budget for the Environmental Works does not allow for significant variation, however savings made in year one means we are on track.</p> <p>Low - No legal and/or spend commitments have been made to the CALA development sites.</p>
Risk Assessment	<p>Low – Savings required relating to Environmental works may not be positively received by the Tenants, however it now seems less likely this will be required.</p>

Agenda Item 7ii Maintenance Report

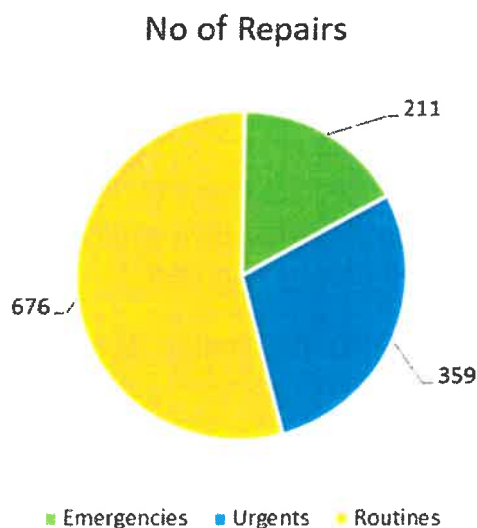
Classification:	Open
To:	Management Committee
From:	Stephen Tait
Meeting Date:	6 May 2020
Subject:	Maintenance Report

1. Reactive Repairs Contract – Rodgers & Johnston

Q1 – Q4 1 April 2019 to 31 March 2020

	REPAIRS NOTIFIED	REPAIRS ON TIME	%AGE COMPLETED ON TIME	KPI
EMERGENCY	211	206	97.63	100%
URGENT	359	357	99.44	95%
ROUTINE	676	675	99.85	95%

The pie chart below further demonstrates the split in repairs during the reporting year:



Indicators Nos. 11 and 12

The average length of time taken to complete emergency and non-emergency repairs during the reporting year was as follows:

- Emergency Repairs 1 Hour 13 Minutes
- Non-emergency Repairs 3 days

The Scottish Housing Regulator (SHR) has confirmed that the Scottish Average (SA) for completion of emergency repairs during 18/19 was 3.6 hours. Regarding non-emergency repairs, the SHR has confirmed that the SA time to complete a non-emergency repairs was 6.6 days. The Association's results therefore compare very favourably with the SA.

Management accounts for the year confirm the following spend:

	REACTIVE REPAIRS INCL VAT	BUDGET	VARIANCE
April	£10,764.39	£10,000	-£764.39
May	£16,230.24	£15,500	-£730.24
June	£6,649.57	£15,500	+£8,850.43
July	£13,295.99	£14,000	+£704.01
August	£23,841.11	£15,000	-£8,841.11
September	£16,932.15	£15,500	-£1,432.15
October	£16,877.22	£16,000	-£877.22
November	£13,492.03	£16,000	+£2,507.97
December	£14,219.85	£17,000	+£1,780.15
January	£19,247.82	£18,000	-£1,247.82
February	£13,922.57	£18,000	+£4,077.43
March	£21,225.13	£16,000	-£5,225.13
Total	£186,698.07	£186,500	-£198.07

The above costs refer to the reactive contract only and do not include void costs or other reactive repairs completed by other contractors.

The table above confirms that actual spend to date is only slightly more than budgeted for this year.

Full details of all costs are reported per the Management Accounts, including costs to be recharged. Costs in relation to voids are reported elsewhere.

The number of reactive repairs carried out compared to the previous 2 years was as follows:

	2017/18	2018/19	2019/20
Q1	317	338	246
Q2	342	343	306
Q3	372	315	321
Q4	364	305	372
Total	1,395	1301	1245

The number of reactive repairs carried out during 2019/20 is therefore 4% less than the last financial year. The position will continue to be monitored.

The total number of properties that became void in the reporting year was 60 compared to 47 last year. Attached is a section of the simplified "voids spreadsheet" monitored by the Property Services Team.

The total spend on voids from 1 April 2019 to the 31 March 2020, including repairs, clearances and security was £139,440.67 compared to a budget figure of £133,609.70 for this period. The average spend on void properties is therefore £2,226 per unit.

Please note the expenditure figure detailed above relates to voids where work had been completed prior to Covid-19 shut down.

Procurement

As highlighted within the directors report presented and approved by committee on 4 March 2020, Rodgers & Johnston were the winning bidder and following the completion of the standstill period on 9 March 2020 were duly appointed to provide Reactive Repairs and Void Maintenance Services.

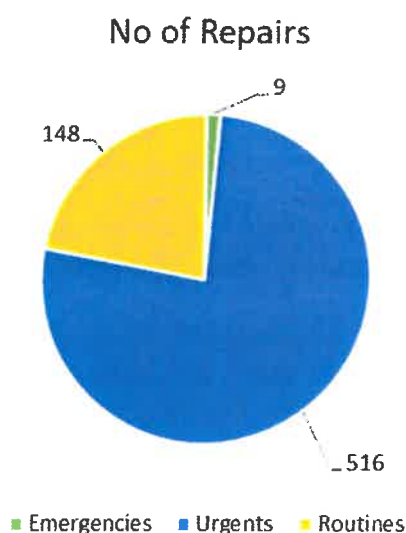
The new contract commenced on 1 April 2020.

2. Gas Services Maintenance Contract – James Frew

Q1 – Q4 1 April 2019 to 31 March 2020

	REPAIRS NOTIFIED	REPAIRS ON TIME	%AGE COMPLETED ON TIME	KPI
EMERGENCY	9	9	100%	100%
URGENT	516	513	99.42%	95%
ROUTINE	148	139	93.92%	95%

The pie chart further demonstrates the split in repairs during the reporting year:



Indicators Nos. 11 and 12

The average length of time taken to complete emergency and non-emergency repairs during the reporting year was as follows:

- Emergency Repairs 1 Hour 17 Minutes
- Non-emergency Repairs 2 days

As highlighted above, the gas contractor's performance in terms of completion times is also very favourable compared to the SA.

Management accounts for the year confirm the following:

	GAS SERVICING & REPAIRS INCL VAT	BUDGET	VARIANCE
April	£10,574.49	£9,444	-£1,130.49
May	£13,822.44	£9,444	-£4,378.44
June	£12,332.42	£9,444	-£2,888.42
July	£9,669.33	£9,444	-£225.33
August	£9,501.21	£9,444	-£57.21
September	£9,459.87	£9,444	-£15.87
October	£7,917.52	£9,444	+£1,526.48
November	£8,991.99	£9,444	+£452.01
December	£10,014.91	£9,444	-£570.91
January	£10,915.73	£9,444	-£1,471.73
February	£8,722.07	£9,444	+£721.93
March	£9,864.22	£11,086	+£1,221.78
Total	£122,193.22	£114,970	- £6816.20

The table on the previous page confirms that actual spend to date is more than budgeted for.

The above figures include for servicing of boilers, testing of smoke alarms and CO detectors, as well as reactive repairs. They also include works that fall out with the contract and are deemed chargeable, such as gas servicing to void properties.

One-off costs in relation to new heating systems or boilers are reported elsewhere within the management accounts by the finance section.

Regarding servicing of gas boilers the current situation is as follows:

Indicator No. 15

	Number of houses	%
Houses with gas appliances (All Stock)	823	100%
Houses with valid CP12 certificates	823	100%
Houses with valid CP12 certificates where service is complete (All Stock)	813	98.8%
Houses where gas supply capped and CP12 certificate received	10	1.2%
Houses where CP12 certificate was overdue (serviced or capped)	0	0

Of the 10 properties where the gas supply has been capped, these are regularly monitored.

External Gas Servicing Audits

With regard to external audits, the following confirms the number of audits carried out during the year:

Quarter	No. Of Services	No. Of Audits	% audited
Q1	250	27	11%
Q2	161	22	14%
Q3	175	11	6%
Q4	217	16	6%
Total for year to date	803	76	9%

No concerns were raised within the Q4 gas audit reports.

Although additional addresses were issued to the contractor for audit, difficult access and laterally the Covid -19 restriction has resulted in us being unable to make up our 10% target.

3. Repairs Right First Time – Indicator 13

The number of repairs completed right first time is collated for the ARC. We are currently working on this, updated figures should be available to present at the management committee meeting.

4. Average Number of Reactive Repairs completed per occupied property – Indicator C13

The average number of reactive repairs completed per occupied property is 2.31 based on a total stock profile of 830 units compared to last year figure of 2.64 repairs per property.

5. Pre and Post Inspections

The level of pre-inspections carried out during the reporting year was as follows:

MONTH	NO. OF REPAIRS	NO. OF PRE-INSPECTIONS	%AGE INSPECTED
April	118	35	30%
May	101	54	53%
June	90	40	44%
July	139	30	22%
August	121	23	19%
September	125	18	14%
October	114	33	30%
November	108	28	26%
December	109	30	27%
January	151	50	33%
February	169	52	31%
March	96	12	13%
Total	1441	405	28%
Average/month	120	34	28%

The average level of pre-inspections carried out during the reporting year was 28% compared to the target of 15%. (Please note that inspections are not carried out to emergency repairs or "out-of-office hours" repairs).

The level of post-inspections carried out during the reporting year was as follows:-

MONTH	NO. OF REPAIRS	NO. OF POST INSPECTIONS	%AGE INSPECTED
April	177	23	12%
May	153	52	34%
June	138	51	37%
July	169	22	13%
August	158	27	17%
September	154	23	15%
October	161	25	16%
November	171	38	22%
December	161	33	20%
January	189	35	19%
February	217	27	12%
March	144	22	15%
Total	1992	378	19%
Average/month	166	32	19%

An average of 19% post inspections was carried out during the reporting year compared to the target of 15% within the policy. (Please note that post inspections are carried out to emergency repairs as well as repairs notified during "out-of-office" hours). The post inspections carried out again showed that the quality of workmanship was to a high standard.

6. Landscape Maintenance Contract

As reported previously McDermott Contracts Ltd have recently been taken over by Nurture Landscapes Ltd.

Representatives from Nurture Landscapes attended our most recent Customer Care Working Group meeting and provided details of how they expect to operate during the growing season to ensure an efficient service is provided. They also answered questions from the group.

Works were due to commence week beginning 23 March 2019 however this was suspended due to the Covid-19 virus. Having reviewed government guidance on social distancing and following guidance provided by The British Association of Landscape Industries (BALI), works commenced on open spaces week beginning 13 April 2020 with works within private gardens due to commence week beginning 20 April 2020.

At this time monitoring of performance is not straight forward, however we will ensure works are post inspected as often as possible.

7. Cyclical Works

Electrical Testing

The number of properties due to be tested during 19/20 was 263. By 31 March 2020, 201 properties had been tested.

The number of properties due to be tested during 20/21 is 174 including carry over from this year. This has been split into 4 phases. The first phase comprises of 44 properties and will commence as soon as the restrictions that have been put in place due to Covid-19 have been lifted.

Carbon Monoxide Detector checks

CO detectors continue to be tested by James Frew at the time of gas servicing.

Smoke Alarm Testing

James Frew continues to test smoke alarms at the time of gas servicing

8. Stage 3 Medical Adaptations – Indicator No. 22

The budget allocated by Scottish Government for adaptations in financial year 2019/20 is £43,000. The current position is as follows:

No. of referrals received	22
No of adaptations requested	23
No. completed	16
No. issued (awaiting completion)	3
Awaiting quote	1
Cancelled	2
Major adaptation ongoing	1

Grant received to date for quarters 1-4 equals £34,409.11.

Works orders were issued totalling £7,923.48 for Q4 unfortunately due to the ongoing situation with Covid-19 the contractors were unable to complete this work before the end of the financial year. This means that we are not able to draw down our full grant allocation for this financial year.

A referral for a major adaptation has been received. An architect carried out feasibility works and prepared 3 different options for the adaptation, this was submitted to East Dunbartonshire Councils planning department for feedback. The planning department has advised that each of the three

design options presented would be unlikely to raise any significant concerns, should a formal application be lodged. All options will be considered before progressing this application, including discussing potential alternative housing options within our stock or with other housing providers.

9. Insurance Claims

There are currently no claims active with the insurers.

10. Tenant satisfaction Survey – Indicator No. 16

Tenants' responses for the reporting year are as follows:

	Very satisfied	Fairly satisfied	Neither satisfied nor dissatisfied	Fairly dissatisfied	Very dissatisfied	Don't know/no Opinion/ No Answer
Quality of the work:-	240	21	6	1	2	2
Quality of the repair service provided by the Association:-	209	22	1	1	1	38

Since late October 2018 tenant satisfaction surveys have been issued to all tenants who have indicated via text (Deeplake System) that they wish to take part. Although this has reduced the number of questionnaires issued the percentage returned has increased as demonstrated within the table below for the reporting year.

	TSS issued following text request
No issued	403
No returned	272
% returned	67%

Taking account of the returned forms for the reporting year, 99% of tenants were satisfied with the repairs service. Any tenants reporting dissatisfaction were subsequently contacted by a member of the Property Services team. This compares very favourably with the Scottish Average reported by the SHR at 91.7% for 2018/19

11. Repairs Appointments Kept – Indicator No. 14

The following table confirms the number of appointments made and the number kept (per information provided by the tenants) during the reporting year:

QUARTER	No. of Appointments made by contractors	No. of Appointments kept	% of Appointments kept
Q1	30	29	97%
Q2	54	52	96%
Q3	52	52	100%
Q4	94	92	98%
Total	230	225	98%

The SHR has confirmed that the SA during 18/19 was 95.6%. The Association's average is currently 97.82%.

13. Remedial Works – Phase 6 Windows

A recent report received from Janex Windows has confirmed the following

- 84 windows have been replaced over 47 addresses
- 3 addresses are proving difficult to access where 5 windows are to be fitted

We anticipate there may be additional windows that require to be replaced, following full survey of addresses that remain outstanding.

Unfortunately the scheduled update meeting had to be cancelled. Although a video conference meeting could be arranged, it seems wiser to postpone until we are in a position where outstanding works can be programmed.

14. Scottish Housing Quality Standards – Indicators C24 – 29 inclusive and 7 and 8

There remains only two properties that do not meet the SHQS due to the tenant refusing works to upgrade the central heating system. The SHR has confirmed that the Scottish Average in terms of SHQS compliance during 18/19 was 94.2%. The Association's compliance to date is 99.75% of the stock (Indicator 7).

15. EESSH

The number of properties now known to comply with EESSH, is as follows:

- Number of properties within the scope of the EESSH- 830 (810)
- Properties known meeting the EESSH standard - 815 (336)
- Properties unknown if meeting the EESSH standard – 15 (474)

The numbers highlighted in red above are the figures reported in the first EESSH return i.e. 41% meeting the standard. The number of properties now known to meet the EESSH is 98.19%. As previously confirmed, work is ongoing in order to identify the total number of properties meeting the standard. Good progress had been made prior to Covid-19 restrictions.

16. New Fire & Carbon Monoxide Detection Regulations

Training has been provided by AICO and our Estates Staff are now AICO approved installers. This has allowed us to carry out upgrade works in house. Resulting in more control of the programme and budget.

To date 370 properties are now up to standard, this includes the B.O.Y development. Our in house team continue to install new alarms.

The cost for our in house team to upgrade properties to the new standard, range from £166 to £205 per property depending on house type and current installation.

The programme is ongoing with a view to ensure all properties meet the standard by February 2021. Progress will be monitored with a few to assessing the impact of the Covid-19 restriction and any potential change to the deadline that may be considered if appropriate.

**Report prepared by
Property Services Team
22 April 2020**

Regulatory Compliance	<p>Standard 1 The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.</p> <p>Standard 4, The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p>
Financial Impact	<p>Medium – Overspend at Quarter End is not of material significance</p> <p>Void continue to be within budget, however it is anticipated this will rise by the end of Q4</p>
Risk Assessment	<p>Medium. Ongoing control and monitoring of Budgets ensures that risks of overspend are minimised.</p> <p>Medium – Contractors performance in relation to timescales, Right First Time are favourable against Scottish Average.</p> <p>Medium - Janex Window Replacement, although works have been progressed, tenants may be unhappy with requiring new windows so soon after original installation. Although programme almost complete.</p>

Termination Date	Keys Received Date	Void Inspection date	Date Passed to HM
24/07/2018	24/07/18		
20/05/2019	20/05/19	21/05/2019	31/05/2019
13/02/2019	13/02/19		
01/04/2019	01/04/19	02/04/2019	27/06/2019
19/06/2019	19/06/19	19/06/2019	28/06/2019
23/04/2019	23/04/19	23/04/2019	02/05/2019
04/06/2019	04/06/19	04/06/2019	07/06/2019
30/04/2019	29/04/19	30/04/2019	13/05/2019
11/06/2019	11/06/19	11/06/2019	26/06/2019
28/05/2019	28/05/19	28/05/2019	16/10/2019
30/05/2019	30/05/19	30/05/2019	17/06/2019
23/05/2019	23/05/19	23/05/2019	30/05/2019
10/06/2019	10/06/19	10/06/2019	18/06/2019
16/05/2019	16/05/19	16/05/2019	31/01/2020
28/06/2019	28/06/19	28/06/2019	08/07/2019
08/04/2019	08/04/19	08/04/2019	07/08/2019
06/05/2019	23/04/19	23/04/2019	10/05/2019
10/06/2019	07/06/19	10/06/2019	31/07/2019
03/04/2019	03/04/19	10/04/2019	18/04/2019
26/05/2019	30/08/19	30/08/2019	13/09/2019
06/08/2019	06/08/19	06/08/2019	23/08/2019
05/08/2019	05/08/19	06/08/2019	21/08/2019
16/07/2019	16/07/19	16/07/2019	22/08/2019
02/07/2019	02/07/19	02/07/2019	09/07/2019
17/07/2019	16/07/19	17/07/2019	12/09/2019
10/08/2019	10/08/19	12/08/2019	21/08/2019
19/08/2019	19/08/19	19/08/2019	04/09/2019
21/08/2019	21/08/19	21/08/2019	06/09/2019
30/07/2019	08/10/19	08/10/2019	24/10/2019
25/07/2019	25/07/19	25/07/2019	08/11/2019
30/08/2019	30/08/19	30/08/2019	10/09/2019
29/11/2019	28/11/19	28/11/2019	19/12/2019
21/10/2019	21/10/19	21/10/2019	24/10/2019
04/10/2019	04/10/19	04/10/2019	16/10/2019
28/10/2019	28/10/19	30/10/2019	17/12/2019
08/10/2019	07/10/19	07/10/2019	05/12/2019
22/10/2019	22/10/19	23/10/2019	05/12/2019
14/11/2019	13/11/19	14/11/2019	20/11/2019
28/10/2019	28/10/19	29/10/2019	07/11/2019
01/12/2019	02/12/19	08/10/2019	18/12/2019

08/11/2019	08/11/19	08/11/2019	27/11/2019
01/02/2020	01/02/20	03/02/2020	05/03/2020
11/11/2019	11/11/19	11/11/2019	22/11/2019
22/11/2019	21/11/19	21/11/2019	04/12/2019
18/11/2019	18/11/19	18/11/2019	25/11/2019
25/02/2020	25/02/20	25/02/2020	
24/10/2019	25/11/19	27/11/2019	23/12/2019
04/12/2019	04/12/19	07/12/2019	06/02/2020
24/12/2019	23/12/19	07/01/2020	15/01/2020
20/12/2019	06/12/19	06/12/2019	11/12/2019
11/12/2019	11/12/19	12/12/2019	10/01/2020
07/01/2020	13/01/20	14/01/2020	28/01/2020
31/01/2020	31/01/20	03/02/2020	14/02/2020
29/12/2019	27/01/20	27/01/2020	
17/01/2020	17/01/20	20/01/2020	30/01/2020
20/01/2020	20/01/20	21/01/2020	14/02/2020
29/12/2019	27/01/20	29/01/2020	27/02/2020
20/02/2020	24/02/20	24/02/2020	
02/03/2020	03/03/20	13/02/2020	
06/02/2020	25/02/20	25/02/2020	17/03/2020
25/02/2020	26/03/20	26/03/2020	
20/03/2020	18/03/20		



CUSTOMER CARE POLICY

Approved/last reviewed by Management Committee:

Date due for review:

The information in this document is available in other languages or on tape/CD, in large print and also in Braille.

For details contact the Association on 0141 578 0200 or e-mail: admin@hillheadhousing.org

本文件所載資料備有中文(廣東話)版本，也可以製作成錄音帶/光碟，以及利用特大字體和盲字印製，以供索取。

欲知有關詳情，請聯絡本協會，電話：0141 578 0200，或向我們發送電郵，電郵地址：admin@hillheadhousing.org

Tha am fiosrachadh anns an sgrìobhainn seo ri fhaotainn ann an Gàidhlig no air teip/CD, sa chlà mhòr agus cuideachd ann an Clò nan Dall. Airson tuilleadh fiosrachaidh, cuiribh fios dhan Chomann air 0141 578 0200 no cuiribh post-dèistain gu: admin@hillheadhousing.org

इस दस्तावेज़ में दी गई जानकारी हिन्दी में भी या टेप, सी डी, बड़ी छाप और ब्रैल में भी उपलब्ध है। विवरण के लिए ऐसोसिएशन को नम्बर 0141 578 0200 पर या ई-मेल के द्वारा सम्पर्क करें : admin@hillheadhousing.org

ਇਸ ਦਸਤਾਵੇਜ਼ ਵਿਚ ਦਿੱਤੀ ਗਈ ਜਾਣਕਾਰੀ ਪੰਜਾਬੀ ਵਿੱਚ ਵੀ ਜਾਂ ਟੇਪ, ਸੀ ਡੀ, ਵੱਡੀ ਛਪਾਈ ਅਤੇ ਬ੍ਰੈਲ 'ਤੇ ਵੀ ਉਪਲਬਧ ਹੈ। ਵੇਰਵੇ ਲਈ ਐਸੋਸੀਏਸ਼ਨ ਨੂੰ ਨੰਬਰ 0141 578 0200 'ਤੇ ਜਾਂ ਈ-ਮੇਲ ਰਾਹੀਂ ਸੰਪਰਕ ਕਰੋ : admin@hillheadhousing.org

اس دستاویز میں درج معلومات اردو زبان یا ڈیویس ٹیپ، ری ڈی، بڑی طبعیت اور بریل میں بھی دستیاب ہیں۔
تفصیلات کے لئے ایسوسی ایشن سے نمائندوں نمبر 0141 578 0200 یا ای میل admin@hillheadhousing.org کے ذریعہ رابطہ قائم کریں۔

1. INTRODUCTION

- 1.1 The Management Committee and staff of Hillhead Housing Association 2000 are proud of the positive impact that has been made in the area since 2004. Through large investment we have been able to offer improved housing that much better meets tenants' requirements and which, in many cases, improves their quality of life. Less obvious, but just as important, is the high standard of service we strive to provide to customers at all times.
- 1.2 This policy therefore confirms our commitment to continue to provide the high standards of customer care which have been a part of the Association's overall approach since the Transfer. As well as confirming this commitment, the policy also outlines some key targets against which we can measure our performance.
- 1.3 The policy aims to be compliant with the outcomes included in the Scottish Housing Charter. The Charter expects housing associations to state clearly what tenants and other customers can expect from Hillhead Housing Association and help them to hold the Association to account. The Charter focuses the effort of the Association on achieving outcomes that matter to our tenants and other customers.

In particular, this policy helps us to ensure that we are meeting the outcomes relating to the customer / landlord relationship specified in the Charter. These are undernoted;

Outcome One

Social landlords perform all aspects of their housing services so that every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and housing services,

Outcome Two

Social landlords manage their businesses so that tenants and other customers find it easy to communicate with their landlord and get the information they need about their landlord, how and why it makes decisions and the services it provides.

Outcome Three

Social landlords manage their businesses so that tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with.

- 1.4 The policy is also guided by our commitment to meet the Standards of Governance & Financial Management for RSLs as set out by the Scottish Housing Regulator. Standard 2 is of particular relevance here and it states;

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. And its primary focus is the sustainable achievement of these priorities.

- 1.5 The Association facilitates a Customer Care Working Group which meets every two months. Membership is open to any tenant, owner and applicant who receives or may be a recipient of any number of our services. Awareness of the group and feedback from its meetings are included in the Association's quarterly newsletters. The group is also promoted via social media, text message and in our reception area.
- 1.6 The Association's Welfare Rights Service hosts a Users Forum which meets quarterly and provides input and ideas into future services and ideas for how the service can be improved.

2. GENERAL PRINCIPLES OF CUSTOMER CARE

- 2.1 In implementing this policy, the Association observes the following general principles in relation to customer care:
 - To put our customers first by respecting their rights, needs and views
 - To treat our customers with dignity
 - To find out what our customers want and respond to these wishes
 - To provide relevant, accurate and accessible information
 - To be open, honest and truthful while respecting confidentiality and complying with Data Protection legislation
- 2.2 The Association is also committed to act promptly to rectify matters when made aware of any failure to adhere to this policy, and to advise the customer(s) concerned of the outcomes in this regard.

3. SCOPE OF POLICY – WHO ARE OUR CUSTOMERS?

- 3.1 The Association uses a very broad definition of customer. This includes everyone with whom we deal, for example:
 - Our tenants and owners with whom we have an agreement to provide services
 - Applicants for housing
 - Members of the public, or their representatives, seeking information and advice
 - Suppliers and contractors
 - Other agencies, such as East Dunbartonshire Council, the Scottish Housing Regulator, the Citizen's Advice Bureau or solicitors

3.2 The policy covers a broad range of subjects, for example:

- General enquiries about the services we provide
- The behaviour of staff, Committee members and contractors/agents acting on our behalf
- The adequacy of our office facilities
- How customers (or their representatives) feel we treat them during personal visits to the office
- How customers (or their representatives) feel we treat them when making telephone or written enquiries to the office; or when visiting them in their own home

4. VISITING THE OFFICE AND HOME VISITING

4.1 The Association's office will be open at hours which are convenient to a large majority of our customers and to allow the Association to provide the most effective service possible. Our current opening times are publicised on our website, in newsletters and outside the office reception.

4.2 The office has a friendly and customer-focused atmosphere. There is ramp access for those in wheelchairs or with push chairs as well as an assisted door opener/closer. We offer adequate and comfortable seating in the reception area for those who need to wait for a short while. A range of information about the Association is also on display. A hearing Loop system is provided. The reception area is covered by CCTV.

4.3 The following procedure applies where a customer calls into or rings the office:

→ If the person they require to see/speak to is available, they will be dealt with straight away (if the officer is dealing with another customer, the likely waiting time will be advised). We offer an appointment system for tenants who wish to meet with their Housing Officer

OR

→ If the person they require to see/speak to is not available, they will be advised when they will be able to see them and another member of staff will offer to help.

Common sense will prevail. For example, if the member of staff the customer wishes to see/speak to is absent on leave, then the staff member available at the time will encourage the customer to speak to someone else.

Whatever the circumstances, customers will not be left without (i) their enquiry being resolved or (ii) being advised of a time and date by which the member of staff will get back to them.

- 4.4 Where coming to the office would present a difficulty, the Association also offers home visits and because we are based in the community, these can generally be arranged within a few days. Where customers live outside of the Kirkintilloch area (for example, an applicant for housing) separate arrangements will be made, but all reasonable efforts will be made to achieve this within one week.
- 4.5 Staff will make all reasonable efforts to keep appointments that are made – in the unlikely event that this is not possible, we will contact the customer in advance of the meeting, give the reason why it cannot be kept, and offer another suitable time.

5. RESPONDING TO LETTERS OR OTHER WRITTEN DOCUMENTATION AND EMAIL / TEXT CORRESPONDENCE

- 5.1 All letters, emails and texts received will be either acknowledged or answered in writing/email/text within one week. Where it is only possible to provide an acknowledgement, a target timescale by which a full response is likely to be available will be provided.
- 5.2 Completed applications for housing will be acknowledged, assessed and pointed within 10 working days, with the applicant being advised of their points total and how this has been calculated.
- 5.3 Where a letter/email/text has been submitted on behalf of a customer, for example from a solicitor, councillor/MP/MSP, friend or family member, the above timescales will apply subject to Data Protection legislation requirements.
- 5.4 We will monitor our social media channels and respond to questions as soon as possible and always within one week.

6. CUSTOMER CARE CODE

- 6.1 Our staff, Committee members, and consultants/agents will adhere to the following customer care principles at all times when representing the Association.
- Be friendly, courteous and welcoming
 - Treat all customers with respect and dignity
 - When in a customer's home, respect this fact
 - Carry and always show identification when out of the Association's office on business
 - Always wear a name badge (staff)
 - Provide your name when in contact with a customer

- Respect confidentiality and privacy
- Deal with requests from customers promptly
- Deal with customers objectively and avoid judgement or prejudice
- Observe the Association's equal opportunities policy
- Be sensitive, patient and understanding when dealing with customers
- Be dependable, for example, get back to customers within the agreed timescale
- Never use foul or abusive language

- 6.2 In return we expect that our visitors, tenants, and other service users will treat our staff with equal respect. The following statement outlines our expectations of visitors, tenants and other services users:-

"Our staff work very hard to provide you with an efficient and high quality service. They deserve to be treated with respect.

We will not tolerate abuse, physical or verbal, of our staff or other service users.

Hillhead Housing Association 2000 will take appropriate action against anyone who assaults, threatens or intimidates any of our employees."

7. CUSTOMER CONSULTATION

- 7.1 The views of all customers are important to us. We encourage customers to tell us what they think about our services and the manner in which they are delivered. In relation to consultations we will adopt the following principles;

- Carry out consultations in relation to key service user policies.
- Make sure that consultation timescales allow scope for meaningful engagement.
- Use a variety of consultation methods in order to maximise participation.
- Use the feedback provided to improve our service and influence policy design.
- Publish the results of consultation exercises on our website and elsewhere as appropriate.

8. DATA PROTECTION

- 8.1 Hillhead Housing Association will treat tenants' personal data in line with its obligations under the current General Data Protection Regulation and its own Privacy Statement. Information regarding how tenants' data will be used and the basis for processing data is provided in the Association's Privacy Notice.

9. EQUAL OPPORTUNITIES

- 9.1 The Association will seek to ensure that in implementing this policy that no group, organisation or individual will receive less favourable treatment or be discriminated against

regardless of their race, colour, ethnic or national origin, language, belief, age, sex, sexual orientation, gender realignment, disability, marital status, pregnancy or maternity. We will positively endeavour to achieve fair outcomes for all.

10. COMPLAINTS

- 10.1 Any tenant who feels aggrieved by their treatment under this policy can ask for a copy of the Association's Complaints Handling Procedure which is available on the Association's website or from our office. Any tenant making a complaint will be advised of their right to complain to the Scottish Public Services Ombudsman.

11. POLICY REVIEW

- 11.1 This policy will be reviewed every three years, or sooner if legislative, regulatory or best practice changes require this.

Prepared by : Catherine McKiernan
Designation : Depute Director / Housing Manager
Date : 6 March 2020

