

PINEVIEW HOUSING ASSOCIATION LTD

BUSINESS PLAN

Updated: June 2020 (16/06/2020)



Putting People 1st

*Registered Society under the Co-operative and Community Benefit Societies Act 2014 2375R(S);
Registered Scottish Charity No SC038237;
Registered Social Landlord HAC231;
Registered Property Factor PF000151*

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



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RELATED DOCUMENTS TO BE REFERENCED

Annual Assurance Statement
ARC Return
Charter Report
SHR Charter Tables
Drumcog Benchmarking
SHN Benchmarking
Annual Financial Statements
SHR Annual Financial Statements & benchmarking ratios
SHR Loan Portfolio Return
Annual Budget
SHR Five Year Financial Projections & ratios
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Internal Audit Reports
Tenant Satisfaction Survey
Annual Committee Review Report
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Section 1: Introduction

This Business Plan document is a core strategic document of the Association developed for the purpose of determining and communicating our organisational objectives and recognising the actions we require to undertake to achieve our objectives. Effective business planning is crucial for the continued success of the Association. Our planning process allows the organisation to link strategic and operational aspects of our business. It is a cyclical and continuous process and needs to be core to the work of the Association.

Our Committee of Management has ultimate responsibility for the governance and direction of the Association and it is crucial that all business planning flows from this. Our plan sets out what our Committee of Management have determined the Association should be trying to achieve and identifies the opportunities and choices available and the risks that need to be considered and managed. Staff are responsible for ensuring that accurate, relevant and good quality information is provided to allow our Committee to determine a strategy with a full understanding of strategic options and risks. All staff, individually, in partnership and as departments, have responsibilities for delivering various aspects of the plan.

It is important in our planning that we take account of the views, opinions and actions of other stake holders including our customers, government, funders, regulators, and other partners.

Business planning is an ongoing process within the Association and the business plan document is not an end in itself. Our plan document is utilised to assist Committee and Staff to meet the aims and objectives which they have agreed for the Association, and allows other stakeholders to have a comprehensive strategic view of our organisation and our objectives.

In everything that the Association does it is aware of its duties as a registered Scottish Charity and a Registered Social Landlord. The Association is aware of its requirements to meet the regulatory requirements of the Office of the Scottish Charity regulator (OSCR) and the Scottish Housing Regulator (SHR). Compliance with the requirements of both regulators assists the Association to ensure that it keeps its tenants and customers at the core of everything it strives to do.

The Association understands that good and effective governance is essential to both the success of the Association and the reputation of the social rented sector as a whole. In recognition of this, the Association conducts its business under the guidance of its Charitable Rules, reviewed in 2014 to be based upon the SFHA Charitable Model Rules (Scotland) 2013. It also undertakes its responsibilities to ensure compliance with the SHRs Regulatory Standards of Governance and Financial Management.

The Association undertakes independent annual reviews of the Committee of Management and its effectiveness. This assists the Association to ensure that effective governance is considered and reviewed on an ongoing basis and action plans developed for any area(s) of attention. This process also assists with succession planning and training needs identification and identifies any area of priority from the Committee. The 2019/20 process identified the following priorities:

- Maintain good estate management.
- Continue to provide good homes and remain viable.
- Attract new committee members, including younger local people to bring fresh perspectives and greater diversity of thought.
- Keep everything on track: don't spend more money than we should.
- Maintain and improve PHA's current strengths.
- Meet new requirements for fire safety / smoke alarm installation.
- Work with tenants and customers to improve satisfaction levels.

- Access the right information going forward to make the best decisions for tenants.
- Make business decisions that do not disadvantage tenants.
- Be satisfied about the financial impact of any business.
- Ensure effective scrutiny.

The Association's commitment to good governance is also complemented with an annual programme of internal audit based on risk analysis and recommendations from independent Internal Auditors. The programme of internal audit is detailed at Section 10.

As a Scottish registered social landlord (RSL) the Association undertakes its work with close reference to the Scottish Social Housing Charter. The Charter is a core document of guidance for the Association in seeking to provide first class services to tenants and customers.

In order to keep updated and aware of requirements in an ever changing landscape, the Association affiliates to a number of good practice and representative bodies (SFHA, GWSF, EVH, SHN, CiH, TiS, TPAS, SHARE etc.).

Section 2: Overview, Background and Future Opportunities

Pineview Housing Association was established in 1991 as Pineview Housing Co-operative following a stock transfer of properties in the Pinewood area from the then Glasgow District Council. Since that time the Association has completed seven phases of improvement and new build housing in the Pinewood area, a shared ownership project in the Stonedyke Area, a new build project in the Broadholm area and six projects in the Waverley area.

The Association has a sound financial footing, having prudently managed the Association's resources since its inception. The Association has paid off several loans, and works to ensure that the business has the best financial opportunities through effective treasury management and adherence to loan covenant requirements.

The Association works in an ever changing environment and requires to work efficiently and effectively to protect the achievements of the business and to protect the interests of the business and our stakeholders moving forward. The Association recognises its achievements but will strive to continually improve on these and adapt to the environment in which we work.

The Association works to provide excellent service to our tenants and other customers. During 2019 and 2020 we carried out two rounds of independent Tenant Satisfaction Survey work, following discussions with our Resident and Customer Forum. Following the 2019 survey, the Resident and Customer Forum considered the results and, along with the Management Committee of the Association, agreed an action plan to be implemented.

The 2019 results, in respect of the tenant satisfaction questions contained within the Scottish Social Housing Charter are given in the table below. The table also gives the 2018/19 Scottish averages, which the Scottish Housing Regulator (SHR) collects and publishes, for comparison.

<u>Ind</u>	<u>Scottish Social Housing Charter Measure</u>	<u>Pineview HA - % tenants satisfied 2019</u>	<u>2018/19 Scottish Average¹</u>
1	Satisfaction with Housing Association's overall service	90.20%	90.12%
3	Satisfaction with being kept informed about services and decision	96.40%	91.60%
6	Satisfaction with opportunities to participate in decision making	93.60%	86.48%
9	Satisfaction with quality of home	88.50%	90.79%
16	Satisfaction with repairs service	90.50%	91.66%
17	Satisfaction with Housing Association's contribution to the management of the neighbourhood	90.30%	87.77%
29	Rating of rent as very good or fairly good value for money	83.40%	83.21%

While our results compared well with the Scottish averages they were not quite as good as the results we got in 2016, although largely still better than the 2013 results. However, it is important to recognise that satisfaction was still recorded as high with more than 9 out of 10 tenants satisfied in 5 of the 7 indicators.

¹ The 2019/20 ARC results will not be published by the SHR until approximately October 2020.

The Association has also received higher satisfaction results when we are carrying out ongoing surveys, for example, settling in visit surveys with new tenants; repair satisfaction surveys for all repairs; or in the feedback we get from the Resident and Customer Forum.

The Association, however, takes any drop in satisfaction very seriously and the Resident and Customer Forum and the Management Committee agreed an action plan to address this matter, with a commitment to asking tenants their satisfaction views again during March / April 2020. All tenants were advised of this during December 2019.

Action Plan to Address Satisfaction Concerns:

- Update website with access to information details and will continue to keep the website updated with our news and service developments.
- Continue to promote tenant involvement through the Resident and Customer Forum; the Management Committee; our consultation register; and through ad hoc surveys and consultations.
- Provide regular updates on property improvements that we have carried out.
- Provide all tenants with five year plans of all cyclical maintenance and planned replacement work due to be undertaken at their home, allowing tenants to plan well in advance.
- Encourage tenants to complete repair satisfaction surveys and to let us know of any concerns they have about our service provision.
- Clarify what aspects of neighbourhood service the Association can influence and which are the responsibility of other agencies such as Glasgow City Council, Police Scotland etc.
- Implement our new rent structure from April 2020 following consultation and positive feedback from tenants.
- Develop a Value for Money Statement and consult with tenants on this – the Statement was agreed with the Resident and Customer Forum on 6 December 2019 and was issued to all tenants with the 2020 rent proposal consultation on 10 December 2019.

Following the implementation of this action plan, the Association carried out a further independent tenant satisfaction survey during March/April 2020 to measure the impact of the action plan and to ask tenants what else we could do, if anything, to increase satisfaction. Satisfaction increased between the 2019 and 2020 survey in all but two areas – overall service and repairs.

Ind	Scottish Social Housing Charter Measure	Pineview HA - % tenants very and fairly satisfied 2019	Pineview HA - % tenants very and fairly satisfied for 2020 ARC	2018/19 ARC Scottish Average
1	Satisfaction with Housing Association's overall service	90.20%	87.11%	90.12%
3	Satisfaction with being kept informed about services and decision	96.40%	97.33%	91.60%
6	Satisfaction with opportunities to participate in decision making	93.60%	94.67%	86.48%
9	Satisfaction with quality of home	88.50%	90.22%	90.79%
16	Satisfaction with repairs service	90.50%	98.21%	91.66%
17	Satisfaction with Housing Association's contribution to the management of the neighbourhood	90.30%	92.89%	87.77%
29	Rating of rent as very good or fairly good value for money	83.40%	89.33%	83.21%

The 2020 Covid19 restrictions were implemented one week into our 2020 survey, severely limiting the service and repair delivery that we could provide. This is likely to have affected these results, as these were the areas most affected by the restrictions. We will review these areas again as Covid19 restrictions are lifted and services can return to normal. Following review, an Action Plan will be put in place to address any areas of concern.

The Association will continue to work to improve the services that it provides to its residents through our reactive/planned and cyclical programmes. These elements of our business are crucial to ensure that tenants are happy, that their homes are maintained to a high level and that the future of the stock is protected and maximised. This will be supported by regular reviews of our stock through stock conditions surveys, reactive and planned maintenance works and inspections, and ongoing reviews of our life cycle costings and the associated long term projections.

The Association undertook our most recent comprehensive stock condition survey (SCS) during 2019 with JMP Construction & Property Consultants. This involved the survey of more than 20% of the Associations properties in order to provide a representative sample to enable us to review long term maintenance and renewal plans and costs. This survey, with its costing and planning outcomes, built upon the previous survey work undertaken. This work also allows the Association to ensure that stock complies with the Scottish Social Housing Standard (SHQS). Since 2012 the Association has surveyed 90% of its stock to ensure our information is accurate and up to date.

The Association continually reviews its long term financial projections, to ensure we are planning prudently for the future. As part of this process the Association also has the long term financial business plan of the Association independently reviewed periodically. This was reviewed by Paul McNeill of HRC Limited during 2018 and the findings reported at our June 2018 strategy review day. The independent review report stated:

“In carrying out this review we have tested the integrity and accuracy of the business plan model. This involved re- calculating a sample the business plan cash flow outputs using our Brixx financial model. We found the plan to be satisfactory in this regard.

As with all financial plans we recommend the projections are regularly reviewed to take account of new and changing circumstances. Whilst it is useful to have a static benchmark against which to judge actual performance, it is equally important to regularly review and reforecast financial projections to incorporate any factors, which may impact on the plan.

Pineview HA is financially viable. With cash at Bank of £3.9m and loan balances of £3.8m it is in a strong position to continue delivering quality services to their customers. Going forward the Association must continue to ensure that their governance remains strong as this will play a vital role in the way that they tackle the many challenges currently facing the sector.

In conclusion and having regard to the scope of our review:-

- We confirm that the business plan projections are logical, internally consistent and arithmetically accurate;
- We confirm that the Associations projection demonstrate viability and covenant compliance.

We would stress the need for constant monitoring of the business plan projections to ensure viability, covenant compliance and to enable the plan to be revised if circumstances change.”

This is a positive outcome, however, the report makes clear that there is no room for complacency, from either committee or staff, either now or in the future, to ensure the long term viability of the Association and its services to tenants.

As such, the Association had built in an annual review of our long term projections and a commitment to undertake stock condition survey work and review our stock condition information at least every 3 - 5 years.

We have also purchased and implemented the HUB Asset management system to allow us to keep our stock condition, and associated costing details, along with SHQS and EESSH compliance date, updated.

Whilst the Association is a strong business, the Association is always looking to address some areas for improvement and always looking to prepare for any challenges or opportunities we may encounter.

Our Business Plan drives everything the Association does and is regularly reviewed and updated. Different areas of the Business Plan are considered at our monthly Management Committee meetings. Additionally, the Association's Committee and Staff hold an annual review day² to allow time to be taken to review aspects of the Business Plan and/or different or pressing matters of business.

Our annual review day is a joint Committee & staff event that provides the opportunity to deal with core business planning objectives. This is invaluable in reviewing various aspects of our business and supplements the work carried out throughout the year.

The 2019 review day focused on the Association's compliance with the SHR Regulatory Framework³ requirements and specifically the Regulatory Standards of Governance and Financial Management. This was a core piece of work that provided a range of evidence contributing to the Association's Management Committee being in a position to submit an Annual Assurance Statement to the SHR in October 2019 advising of their assurance with compliance.⁴

This robust approach to our business planning has also put the Association in a strong position to allow it to consider future opportunities.

During May 2019 our neighbouring Association, Kendoon HA (KHA), advertised in the national housing press for other registered social landlords to consider expressing an interest in a transfer of engagements. KHA had undertaken a comprehensive review of their business and determined that it would be very difficult, and expensive to tenants, for them to remain an independent business and as such they were looking to transfer their stock and tenants to another landlord through a transfer of engagements. Pineview's Management Committee and staff considered this opportunity to help local tenants carefully and submitted an expression of interest.

Following this Pineview had to complete a proposal to demonstrate what it would offer to the tenants of Kendoon and why Pineview thought that Pineview would be the best option for Kendoon to consider. Pineview submitted a comprehensive submission on 31 July 2019. However, due to Kendoon internal matters, the process was put on hold by Kendoon in September 2019. The process was restarted by Kendoon in January 2020 and Pineview, along with the others who had submitted a proposal in July 2019, was asked to submit another proposal taking into account updated information from Kendoon. Pineview submitted an updated proposal in February 2020 and was advised in March 2020 that Pineview had been chosen, by the Management Committee of Kendoon, as the preferred bidder for the transfer of engagements process.

Both Kendoon and Pineview are now going through a period of due diligence to ensure that the basis of the proposed transfer of Kendoon stock to Pineview is in the best interests of both businesses and all tenants. There will also be a comprehensive process of tenant consultation and a tenants ballot for the tenants of Kendoon to vote on the proposed transfer. The Tenant Participation Advisory Service (TPAS Scotland) has been appointed as the independent tenant

² The 2020 day was booked for 5 June 2020 but required to be cancelled due to Covid19 restrictions. This will be re-planned for when restrictions are lifted, and matters will be reviewed by alternative means in the meantime.

³ <https://www.housingregulator.gov.scot/for-landlords/regulatory-framework#>

⁴ <https://directory.scottishhousingregulator.gov.uk/2019%20Documents/Pineview%20Housing%20Association%20Ltd%20Annual%20Assurance%20Statement.pdf>

advisor for Kendoon tenants and the consultation and ballot process will be undertaken over the summer of 2020, subject to required compliance with the Covid19 restrictions on gatherings.

Pineview view this as an opportunity to provide community based housing services to local people within our Drumchapel area of operation.

The Pineview proposal is based on a series of important offers to the tenants of Kendoon Housing Association:

- Ensuring local services, provided locally, and driven by local decision making.
- Kendoon rents reduced to match Pineview HA rents.
- An investment programme in line with identified priorities.
- Cash backed budgets for reactive, cyclical and planned maintenance.
- Transfer to a local community based housing association which can clearly demonstrate strong, strategic governance and regulatory compliance.
- Joining a local organisation that can demonstrate its commitment to improving the lives of tenants in the local area.
- No compulsory redundancies for permanent Kendoon HA staff.
- An opportunity for Kendoon HA Committee Members and tenants to join the successful Management Committee of Pineview Housing Association.
- Achieving successful community ownership and development in Drumchapel.

Pineview believe that this partnership will not only deliver for the tenants and customers of Kendoon but will also be of real ongoing benefit to Pineview tenants and customers. The benefits include, but are not restricted to, rental charges, tenants engagement, and savings that can be spent on tenant services. Pineview has lower rental charges and Kendoon tenants would benefit from transferring to Pineview charges. Pineview has active tenant participation through our Customer and Resident Forum and Kendoon tenants would benefit from the skills and experience of the Pineview group and could positively work together to ensure our tenants voice is continually heard. Pineview tenants would also benefit as the increased size and strength of Pineview, through the transfer of the 319 Kendoon properties, would allow administrative savings and therefore allow more resources to be dedicated to continually improving our services to tenants and customers.

Pineview have completed a successful transfer of engagements in the past when Glengarry became part of Pineview. We hope that we can prove to the tenants of Kendoon why voting to join Pineview would be a positive step towards a better future.

We will update our Business Plan as matters progress. Until there is a successful ballot, Pineview will continue to manage our Business Plan for Pineview as it stands. We will update our Business Plan to incorporate Kendoon elements should the tenants of Kendoon vote to transfer to Pineview.

Section 3: Aims, Values and Core Objectives

The three yearly review of the Association's corporate mission statement aim, values, and objectives was undertaken by staff and committee during May 2018. These will be reviewed again during 2021.

Our current mission statement, values and core objectives are as follows:

Mission Statement

"Pineview Housing Association aims to provide quality affordable homes, and deliver excellent service through listening and engaging with our customers"

Values

The following values and behaviours were agreed as being intrinsic to everything we do:

In everything we do, we will be;

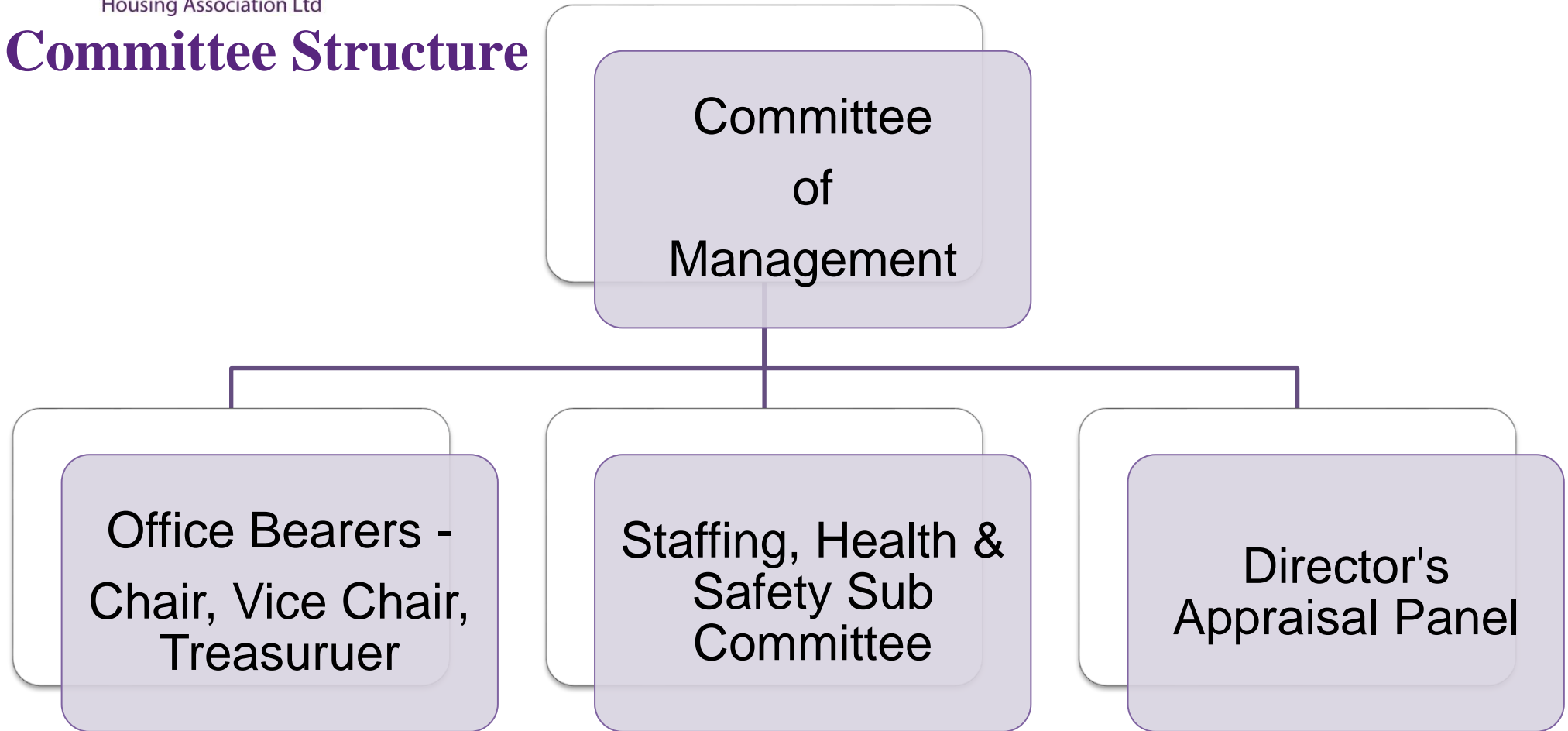
- Honest & transparent
- Fair & adaptable
- Polite & approachable
- Positive & considerate
- Knowledgeable and listening

Objectives

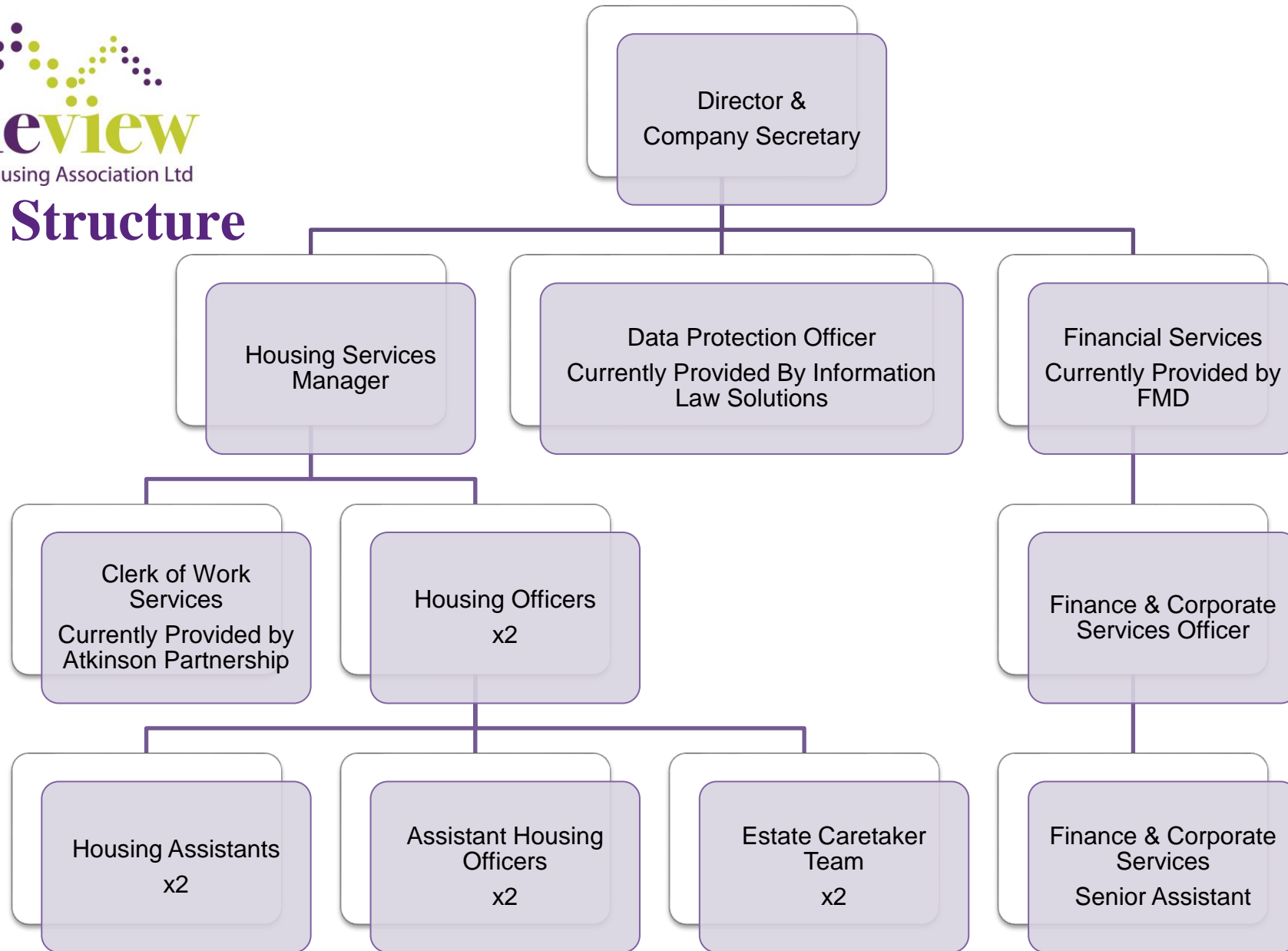
1. To provide good quality affordable housing for rent and home ownership and maintain quality through appropriate long term investment.
2. To assist tenants and where appropriate owners and sharing owners to sustain their tenancies/ownership through the provision of adaptations, advice and support, housing options service and any other initiatives which the Association can reasonably enter into.
3. To provide efficient, responsive and cost effective housing services for customers.
4. To ensure that the work of the Association is supported by effective governance, financial and administration systems and that staff and Committee are accountable for the work of the Association.
5. To ensure that the Association is an employer of choice.
6. To consolidate our business within our existing neighbourhoods and take advantage of development opportunities should they be financially viable and appropriate to undertake.
7. To support wider role activities that help to support the investment and regeneration that has already taken place and which introduce measures to help sustain our business and develop our community.

The next review of these will be undertaken during 2021, unless required before.

Committee Structure



Staff Structure



Section 4: Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Each year at the business planning review day staff and committee work together to undertake a review of the Associations SWOT analysis, incorporating a Political, Economic, Social and Technological (PEST) analysis of our operating environment.

The Association determines its SWOT as below and in the following table.

Strengths – what we do well

We are a financially strong community based social landlord with a commitment to providing the best services we can to our current and future customers. We manage the resources of the Association well to enable us to ensure that we can provide good quality services in the short, medium and long term.

The Association has an active resident and customer forum to ensure our work is focussed on the needs and aspirations of our customers and residents. Tenant satisfaction levels are high and compare well with national benchmarks.

The Association recognises the importance of committed and skilled committee and staff members, and working as a team. A lot of work is devoted to ensuring we have the rights skills and we adjust our business to achieve this as our environment changes.

The Association is focussed on good performance and utilises robust internal audit to review. This assists us to recognise where improvements can be made. As a business we anticipate and prepare for change.

Weaknesses – what we would like to improve

The Association recognises that there will always be areas where we would like to improve, and understands the importance of regularly reviewing these and implementing measures to improve. Whilst some of the environmental factors may be outwith our direct control, the Association is committed to minimising impact as best we can.

We would like to work more closely with both local residents and the Glasgow City Council to improve the overall environmental and estate management of our own areas and the wider area of Drumchapel. We employ a proactive estate caretaking service but need to complement this with more robust partnership working and holding other responsible agencies to account.

Whilst we have strong tenant satisfaction and a committed forum, we would like to increase the numbers of people who get involved with us.

Opportunities – what we can develop/use to our benefit

The Association has a range of effective partnership working both with our customers and external agencies. We utilities these to ensure we can provide good quality, value for money services. The Association is always looking ahead to anticipate what we can do to ensure that we continue to be a robust social landlord for our local community.

Threats – what we need to keep aware of/prepare for

Similarly, it is essential that we continually review the environment in which we operate to make sure we are prepared for factors that could threaten our purpose and business.

What we do well	What we would like to improve
<ul style="list-style-type: none"> • Financial viability – short, medium, long term • Treasury management and banking relationships • Stock – good quality, well maintained, affordable, demand, robust cyclical and planned works • EESSH compliance • Community based • Stable community - tenancy sustainment • Committed customer and resident forum • Tenant satisfaction survey results • Performance – outcomes and focus • Live business plan • Robust internal audit programmes • Proactive - anticipating changes • Robust health and safety, with positive audits • GDPR and FOI systems • Committee as a team – skills, experience, mix of long standing, new, residents, “professionals” • Committee structure – appropriate for robust governance without being overburdening • Committee induction process • Independent annual committee review • Committee training programme • Committee and staff communication and relationships – professional • Appropriate staff structure • Staff as a team – skills, teamwork, experience, mix of long standing, new, professional, roles and responsibilities, committed to development • Knowledgeable and experienced Director • Some staff turnover – fresh ideas • Stable core staff team – continuity • IIP accreditation • Relationship between staff & residents • Purchase of specialist support services – welfare benefits, IT, financial, equalities, DPO • Advancing range of communication methods – future proofing, use of technology • Reactive estate caretaking service • Active external relationships – Drumcog, EVH, SFHA, GWSF, SHN, Share, TPAS, TIS 	<ul style="list-style-type: none"> • Estate and environmental management • Customer satisfaction response rates • Tenant involvement levels • Communication and following up • Rent/Recharge Arrears debts • Record keeping processes • Contractor management • Timing of post inspections • Staff sickness absences - improved • Further developing staff communication • Revise ARC recording procedure for new set up for 2020 • Contingencies to manage failure by outside agencies

What we can develop/use to our benefit	What we need to keep aware of/prepare for
<ul style="list-style-type: none"> • 2019 tenant satisfaction survey • Resident & customer involvement - Forum • Recognising vulnerable tenant needs to give assistance • Welfare benefits advisor service • Community Partnerships –NMG, WFI, Drumcog • Supporting Employment i.e. Challenge Team • Enhance repairs service with new staff structure • Staff/Committee training & development opportunities • Committee recruitment process • Keep updated with changes to legislation & regulatory requirements • Networking • Involvement with representative bodies – SFHA, GWSF, EVH • SHN – benchmarking & good practice • Healthy Working Lives programme • GDPR – DPO services • GDPR - review systems • Equalities work with GCIL • Rent and service charge structure review • IIP and Remarkable work • Behaviours Framework • IT and telephone systems • Technology – social media, website, etc. • IT - opportunities to increase efficiencies • Record keeping processes 	<ul style="list-style-type: none"> • Maintain Committee membership, skills and numbers • Ongoing Welfare Reform impact • Tenant and owner debts • Brexit • Terrorism • Customer satisfaction/perceptions • Lack of community engagement • Apathy of customers • Complacency • Inflation and interest rates • Financial changes / uncertain economy • EESSH2 – compliance and affordability • Freedom of Information requirements • IT systems and security • Pensions costs • Demand for stock – other RSL development • Glasgow housing register resurrection • Ageing stock • Major repair work – scale and cost • Regulation, legislation & guidance burden • Sector reputation with increased regulatory engagement (not PHA) • Changes to fire regulations – short and long term financial impact • Climate change and government targets • Reduced service from Other Agencies

Reviewed 07/06/2019

Section 5: Business Planning Timeframe & Reporting Schedule (June 2020)

Whilst the overall business plan will be reviewed at least annually, there will be sections of the plan reviewed and updated throughout the year. There will be reporting against the plan throughout the year.

The plan will be used as a tool to establish staff work plans and to monitor performance against targets. These will also be utilised within the appraisal system for staff.

The main business planning timetable, as per our Committee Meeting year (AGM year) is as given below. Other standard and adhoc reports are presented in addition.

Meetings on last Tuesday of each month at 6pm. Pre meeting for policy discussion 5pm – at individuals choice.

Date	Event	Purpose	
Aug	CoM	Performance Monitoring (incl finance)	Q1 April – June outturns
		Restated annual and 30 year budgets	Updated using 31/03 audited financial statements figures
		Management Accounts	To 30/06
		Treasury Management	To 30/06
		SHAPS Financial Assessment	Required submission 31/08
		Restated annual and 30 year budgets	Using 31/03 management accounts closing figures
Sept	CoM	Priorities outcomes	June – August outturns
		Annual Financial Statement Return (SHR)	Required submission 30/09
		FCA Annual Return	Required submission 31/10
		OSCR Annual Return	Required submission 31/12
		Draft Assurance Statement (SHR)	Required submission 31/10
		Policy Reviews	As per timetable
Oct	CoM	Performance Monitoring (not finance)	Q2 Apr – Sept Outturns
		Performance Monitoring – Charter benchmark review	2016/17 Outturns
		Risk Management Review	6 month review
		Assurance Statement (SHR)	Required submission 31/10
		ICO Registration	Confirmation
		Policy Reviews	As per timetable
2 nd Tues Nov	Staffing, H & S Sub	Staffing, Health & Safety detail	Sub-committee members
Director's appraisal discussion and prep			
	Office Bearers	Director's Appraisal	Sub-committee Chair and Office Bearers
Nov	CoM	Finance Performance Monitoring	Q2 30 Sept Outturns
		Management Accounts	To 30/09
		Treasury Management	To 30/09
		Draft Budget & rent increase	For next financial year
		Review of 5 and 30 year budgets	To tie in with proposed annual budget

Date	Event	Purpose	
2 nd Tues Dec	CoM	Linda Ewart – Collective Governance Review Workshop	
Dec		No General Purposes Meeting	
Jan	CoM	Performance Monitoring (not finance)	Q3 Apr - Dec outturns
		Priorities outcomes (later as no Dec meeting)	Sept – Nov outturns
		Internal Auditor Independent Report	Internal Auditor
		Final Budget & rent increase for next financial year	
		Policy Reviews	As per timetable
TBC - Feb		Linda Ewart – 1 to 1 review meetings	
Feb	CoM	Finance Performance Monitoring	Q3 31 Dec outturns
		Management Accounts	To 31/12
		Treasury Management	To 31/12
		Restatement of 5 and 30 year budgets	From Jan approved annual budget
Mar	CoM	Priorities outcomes	Dec - Feb outturns
		Priorities Target Setting	3 Year ahead proposals
		Policy Reviews	As per timetable
April	CoM	Performance Monitoring (not finance for outturns, budget used for finance targets)	Q4 Apr - Mar outturns and next annual proposed
		Annual Governance Review Report	Linda Ewart
		Risk Management Review	6 month review
2 nd Tues May	Staffing, H & S Sub	Health & Safety detail	Sub-committee members
		Director's appraisal discussion and prep	
	Office Bearers	Director's Appraisal	Sub-committee Chair and Office Bearers
May	CoM	Finance Performance Monitoring	Q4 31 Mar outturns
		ARC & EESSH	Required submission 31/05
		Five Year Financial Projections (SHR)	Required submission 31/05
		Management Accounts	To 31/03
		Treasury Management	To 31/03 and annual review
		Internal audit plan review	For year ahead
1 st Fri June	Away day	Strategy review/planning day	

Date	Event	Purpose	
June	CoM	Priorities outcomes	Mar - May outturns
		Annual Financial Statements, Management Letter, Audit Report	For approval, Auditor presenting audit report
		Loan Portfolio Return (SHR)	Required submission 30/06
		Secretary's Statement	Pre AGM Requirement
		Financial Information Section for Plan	Based on submitted FYFP
		Finance KPIs	For year ahead (from FYFP)
1 st	AGM	Quorate Members Meeting	
Tues	Post AGM CoM	Election of Office Bearers	
July		Committee Structure and Meeting Timetable	
		Signing Requirements	
July	CoM	No General Purposes Meeting	

Statutory/Regulatory/Covenant Returns Due (May 2020)

The Association is required to complete and submit a number of statutory and regulatory returns throughout the year. Loan covenants also require returns to our lenders by set dates throughout the year. The details of these returns for the 2020/21 financial year is as given below:

To Whom:	What:	By:	To CoM Meeting:
Banks	Covenant - Insurances	30/04	N/A
Bank – CB	Covenant - Rental Schedule	30/04	N/A
Banks	Covenant – Budget	01/05	Feb (Jan Budget approval)
SHR	Monthly Covid19 Impact Return	7 th of each month until advised to stop	N/A – confirm made
SIC	Statistical Return	08/05	April/May - confirmation
SHR	ARC & EESSH Return	31/05	May - approval
Bank - CB	Covenant – Management Accounts	30/05	May
		29/08	Aug
		29/11	Nov
		01/03	Feb
SHR	Five Year Financial Projections	31/05 - extended to 30/09/20	May - approval
SHR	Loan Portfolio Return	31/05 – extended to 31/07/2020	June - confirmation
Scottish Government	Property Factors Annual Update	30/06	June - confirmation

To Whom:	What:	By:	To CoM Meeting:
SIC	Statistical Return	07/08	Aug - confirmation
SHAPS (Pension Trust)	SHAPS Annual Financial Assessment	30/08	Aug - confirmation
Banks	Covenant – Audited Annual Financial Statements	27/09	June (Financial statements approval)
Bank – CB	Covenant – Compliance certificate	27/09	N/A
Bank – CB	Covenant – Copy SHR FYFP	30/09	June (FYFP approval)
SHR	Annual Financial Statements Return	30/09 –extended to 31/12/20	Sept - confirmation
ICO	Annual Registration (Data Protection)	29/10	Sept - confirmation
SHR	Annual Assurance Statement	31/10	Sept – Draft Oct - Approval
Tenants	Annual ARC Report	31/10	Oct – confirmation
FCA	Annual Return	31/10	Sept - confirmation
SIC	Statistical Return	06/11	Oct/Nov - confirmation
OSCR	Annual Return	31/12	Sept - confirmation
SIC	Statistical Return	12/02	Jan/Feb - confirmation
GCC	HMO Licence	31/01/21 expires Apply 31/07/20	N/A

The Association will also provide performance monitoring information to other stakeholders through various means including:

- Annual, six monthly and quarterly returns as required;
- Charter reporting;
- Benchmarking exercises;
- Newsletters, website updates.

Our business plan will incorporate the core information used in our business planning process and may contain various references to further supplementary detail.

Our annual committee of management reporting schedule will aim to follow the general committee reporting schedule as given on the following pages.

Standard Committee Reporting Schedule (June 2020)

Report / Month	Freq	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
BP - KPI report – Not Finance	Q	To 30/06		To 30/09			To 31/12			To 31/03. Year targets		
BP - KPI Report - Finance	Q	To 30/06.			To 30/09			To 31/12			To 31/03	
BP – Benchmarking	A			Charter								
BP - Priorities Outcome Report	Q		To 31/08				To 30/11		To 28/02 Year targets.			To 31/05
BP - Risk Management	S			Review						Review		
ARC & EESSH	A										To 31/03	
CoM appraisal	Mix					<i>Collective workshop</i>		<i>1 to 1 meetings</i>		Final report		
Internal Auditor Reporting	Mix						Outcome report				Plan Review	
Directors Report	M	To 31/07	To 31/08	To 30/09	To 31/10		To 31/12	To 31/01	To 28/02	To 31/03	To 30/04	To 31/05
Membership & Committee	M	To 31/07	To 31/08	To 30/09	To 31/10		To 31/12	To 31/01	To 28/02	To 31/03	To 30/04	To 31/05
Staff and H&S	M	To 31/07	To 31/08	To 30/09	To 31/10		To 31/12	To 31/01	To 28/02	To 31/03	To 30/04	To 31/05
Gift, Hospitality, Donations	M	To 31/07	To 31/08	To 30/09	To 31/10		To 31/12	To 31/01	To 28/02	To 31/03	To 30/04	To 31/05
Complaints & Compliments	Q	To 30/06		To 30/09			To 31/12			To 31/03		

Report / Month	Freq	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Management Accounts	Q	To 30/06			To 30/09			To 31/12			To 31/03	
Treasury Management	Q	To 30/06			To 30/09			To 31/12			To 31/03 & annual review	
SHR AFS Return	A		To 31/03 confirm									
SHAPS Financial Assessment	A	To 31/03 confirm										
SHR Annual Assurance Statement	A		Draft	Final - approved								
FCA Annual Return	A		To 31/03 confirm									
OSCR Annual Return	A		To 31/03 confirm									
ICO Registration 29/10	A			Confirm								
Annual Financial Statements	A											To 31/03 & Auditor Report
Rent Increase	Mix				Draft		Final					
Annual Budget	Mix	Confirm restated to take account of any changes from audited financial statements			Draft		Final					
30 year Projections	Mix	Confirm restated to take account of any changes from audited financial statements			Annual <u>review</u> with budget proposals			Update with Jan approved budget				

Report / Month	Freq	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
SHR Five Year Financial Projections	A										Year past & future	
SHR Loan Portfolio Return	A											To 31/03
Secretary Statement	A											Pre AGM requirement
Property Factors Annual Update	A											Confirm
Housing Services Report	M	To 31/07	To 31/08	To 30/09	To 31/10		To 31/12	To 31/01	To 28/02	To 31/03	To 30/04	To 31/05
Policy Reviews	Mix		Yes	Yes			Yes		Yes	Yes		
Staffing, Health & Safety Sub Committee, and Director's Appraisal	S				Sub committee meeting						Sub committee meeting	

A = Annually, M = Monthly, Q = Quarterly, S = 6 monthly, Mix = varies

Governance – Area of Work:	Priorities & Objectives March 2020 – Feb 2021:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Regulatory and Statutory Returns	SHR Loan Portfolio Return		B (30/06) return deadline extended by SHR to (end Jul) due to Covid19
Rules Compliance	AGM – on time and quorate		B – July – depends on Covid19 restrictions
Non Regulatory and Statutory Returns	SHAPS Annual Financial Assessment		B (30/08)
Staff Wellbeing	HWL – review accreditation		B
Staff Development	Team building event re communication and responsibility	#	B
Staff Development	FCS Job Descriptions Review	#	B
Senior Staff Management	Succession Planning Policy	#	B
Committee Development	Streamline Committee Induction and Formalise Feedback	#	B (Aug)
Regulatory and Statutory Returns	SHR Annual Financial Statements Return		C (30/09)
Performance Management	Issue Annual SHR Tenants Report		C – (30/10)
Performance Management/Statutory Requirement	Annual ARC Report		C (31/10)
Regulatory and Statutory Returns	FCA Annual Return		C (31/10)
Performance Management	Internal Audit – Annual audit		C (Nov)
Regulatory and Statutory Returns	OSCR Annual Return		D (31/12)
Committee Development	Annual Appraisal collective workshop		D (Dec)
Performance Management	Internal Audit – annual report to CoM		D (Jan)
Performance Management	Annual DPO report		D (Feb)
Committee Development	Annual Appraisal one to one meetings and Chair review		D (Feb)
Service Review	DPO Service 3 year review	#	D (Feb)

Governance – Area of Work:	Priorities & Objectives March 2021 – Feb 2022:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Business Planning	Implement Business Plan framework and reporting timeline		A, B, C, D Reporting at each Management Committee meeting.
Performance Management	Committee quarterly reports		A, B, C, D
Performance Management	Quarterly newsletter reporting		A - Mar, B - Jun, C - Sep, D - Dec
Committee Development	Drumcog Joint Training		A, B, C, D
Committee Development	Committee diversity mix-keep reviewed		A, B, C, D
Performance Management	Quarterly report of SPSO complaints		A, B, C, D
Organisational Development	Investors In People accreditation re-assessment	#	A
Performance Management	360° appraisal of Director		A
Committee Development	Annual Committee Appraisal Feedback Report		A (Apr)
Performance Management	Internal Audit – ARC/ESSH Review		A (May)
Performance Management	Internal Audit Plan		A (May)
Regulatory and Statutory Returns	SHR ARC & ESSH Return		A (31/05)
Business Planning	Review life cycle costings		B
Regulatory and Statutory Returns	Property Factor Register Update		B (30/06)
Regulatory and Statutory Returns	SHR Five Year Financial Projections		B (30/06)
Regulatory and Statutory Returns	SHR Loan Portfolio Return		B (30/06)
Rules Compliance	AGM – on time and quorate		B - July
Non Regulatory and Statutory Returns	SHAPS Annual Financial Assessment		B (30/08)
Regulatory and Statutory Returns	SHR Annual Financial Statements Return		C (30/09)
Performance Management	Issue Annual SHR Tenants Report		C – (30/10)
Performance Management/Statutory Requirement	Annual ARC Report		C (31/10)
Regulatory and Statutory Returns	FCA Annual Return		C (31/10)
Performance Management	Internal Audit – Annual audit		C (Nov)

Governance – Area of Work:	Priorities & Objectives March 2021 – Feb 2022:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Regulatory and Statutory Returns	Property Factors Re-registration (3 yearly)	#	D (02/12)
Committee Development	Annual Appraisal collective workshop		D (Dec)
Regulatory and Statutory Returns	OSCR Annual Return		D (31/12)
Performance Management	Internal Audit – annual report to CoM		D (Jan)
Performance Management	Annual DPO report		D (Feb)
Committee Development	Annual Appraisal one to one meetings and Chair review		D (Feb)

Governance – Area of Work:	Priorities & Objectives March 2022 – Feb 2023:	Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Business Planning	Implement Business Plan framework and reporting timeline	A, B, C, D Reporting at each Management Committee meeting.
Performance Management	Committee quarterly reports	A, B, C, D
Performance Management	Quarterly newsletter reporting	A - Mar, B - Jun, C - Sep, D - Dec
Committee Development	Drumcog Joint Training	A, B, C, D
Committee Development	Committee diversity mix-keep reviewed	A, B, C, D
Performance Management	Quarterly report of SPSO complaints	A, B, C, D
Organisational Development	Investors In People annual review	A
Performance Management	360° appraisal of Director	A
Committee Development	Annual Committee Appraisal Feedback Report	A (Apr)
Performance Management	Internal Audit – ARC/ESSH Review	A (May)
Performance Management	Internal Audit Plan	A (May)
Regulatory and Statutory Returns	SHR ARC & ESSH Return	A (31/05)
Business Planning	Review life cycle costings	B
Regulatory and Statutory Returns	Property Factor Register Update	B (30/06)
Regulatory and Statutory Returns	SHR Five Year Financial Projections	B (30/06)
Regulatory and Statutory Returns	SHR Loan Portfolio Return	B (30/06)
Rules Compliance	AGM – on time and quorate	B - July
Service Review	FMD Services Contract review	B (31/08)
Non Regulatory and Statutory Returns	SHAPS Annual Financial Assessment	B (30/08)
Regulatory and Statutory Returns	SHR Annual Financial Statements Return	C (30/09)
Performance Management	Issue Annual SHR Tenants Report	C – (30/10)
Performance Management/Statutory Requirement	Annual ARC Report	C (31/10)
Regulatory and Statutory Returns	FCA Annual Return	C (31/10)

Governance – Area of Work:	Priorities & Objectives March 2022 – Feb 2023:	Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Performance Management	Internal Audit – Annual audit	C (Nov)
Committee Development	Annual Appraisal collective workshop	D (Dec)
Regulatory and Statutory Returns	OSCR Annual Return	D (31/12)
Performance Management	Internal Audit – annual report to CoM	D (Jan)
Performance Management	Annual DPO report	D (Feb)
Committee Development	Annual Appraisal one to one meetings and Chair review	D (Feb)

Finance & Corporate Services – Area of Work:	Priorities & Objectives March 2020 – Feb 2021:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Customer Communication	Produce & issue quarterly newsletters		A - Mar, B - Jun, C - Sep, D - Dec
Share Register	Quarterly reconciliation and reporting		A, B, C, D
Financial Management	Quarterly Management Accounts, including ratios		A, B, C, D
Financial Management	Quarterly Treasury Management Report		A, B, C, D
Financial Management	Covenant (CB only) – approved management accounts to lender within 60 days of quarter end. Waiver received from NW Feb 2020.		A, B, C, D
Financial Management	Covenant (CB) – Rental schedule of security within 30 days of year end		A (30/04)
Financial Management	Covenant (CB) – annual budgets within 30 days of year start		A (30/04)
Financial Operations	Set up and implement automated invoice authorisation	#	A
Equalities	Happy To Translate Training – frontline staff	#	A (May)
FOI	Website disclosure section to be established	#	A
Customer Communication	Repair satisfaction text service set up	#	A
Transfer of Engagements	Combined 30 year financial model for business case	#	A
Component Accounting	Update database for year end		A
Financial Management	Annual Audit		A
Financial Operations	PCI Compliance	#	A carried forward from 19/20
GDPR/FOI	Committee refresher training session with DPO		B
GDPR	Data Protection Audits with DPO	#	B
GDPR	Staff data security refresher training with DPO		B
Transfer of Engagements	Complete financial and legal due diligence	#	B
Staff Wellbeing	HWL - Develop action plan/programme of events		B - due to Covid19 lock down
Component Accounting	Implement change from spreadsheet to SDM asset module	#	B

Finance & Corporate Services – Area of Work:	Priorities & Objectives March 2020 – Feb 2021:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Financial Management	Annual Financial Statements approved		B
Financial Operations	Implement SDM rent interface with nominal ledger	#	B b/fwd from 19/20 due to Covid19 lock down
Customer Participation	Arrange resident annual summer event.		B – depends on Covid19 restrictions
Office Standards	Review & reissue to all.		B
Staff Training	Revised SPSO Complaints Handling Procedure	#	B
Customer Communication	Launch resident handbook with Housing Services.	#	C b/fwd from 19/20
Financial Management	Covenant (CB & NW) – Audited annual accounts within 180 days of year end		C (30/09)
Financial Management	Covenant (CB) – copy of FYFP submitted to SHR		C (30/09)
Customer Participation	Plan 30 th Anniversary Year Events/Activities (2021)	#	C
Financial Planning	First draft budget to committee		C (Nov)
Transfer of Engagements	Final consent from OSCR, FCA, Lenders, TPT and hold SGM's	#	C
Staff Development	Plain English training	#	C b/fwd from 19/20
Equalities	Update staff training on HTT	#	C b/fwd from 19/20
Financial Planning	Pension Review		C
Financial Planning	Review signatories		C
Financial Planning	Final budget to Committee		D (Jan)
Transfer of Engagements	Post-transfer forms/evidence to OSCR, FCA, Lenders and TPT	#	D

Finance & Corporate Services – Area of Work:	Priorities & Objectives March 2021 – Feb 2022:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Customer Participation	30 th Anniversary Year Events/Activities (2021)	#	A, B, C, D
Customer Communication	Produce & issue quarterly newsletters		A - Mar, B - Jun, C - Sep, D - Dec
Share Register	Quarterly reconciliation and reporting		A, B, C, D
Staff Wellbeing	HWL - Develop action plan/programme of events		A
Financial Management	Quarterly Management Accounts, including ratios		A, B, C, D
Financial Management	Quarterly Treasury Management Report		A, B, C, D
Financial Management	Covenant (CB) – approved management accounts to lender within 60 days of quarter end		A, B, C, D
Financial Management	Covenant (CB) – Rental schedule of security within 30 days of year end		A (30/04)
Financial Management	Covenant (CB) – annual budgets within 30 days of year start		A (30/04)
Component Accounting	Update SDM asset module for year end		A
Financial Management	Annual External Audit		A
Financial Management	Annual Financial Statements approved		B
Transfer of Engagements	Integration of systems	#	A
Customer Participation	Arrange resident annual summer event.		B
Office Standards	Review & reissue to all.		B
Financial Management	Covenant (CB & NW) – Audited annual accounts within 180 days of year end		C (30/09)
Financial Management	Covenant (CB) – copy of FYFP submitted to SHR		C (30/09)
Financial Planning	First draft budget to committee		C (Nov)
Business Development	Review printer/scanning requirements (3 yearly – then next due 24/25)	#	C
Financial Planning	Review signatories		C
Financial Planning	Final budget to Committee		D (Jan)

Finance & Corporate Services – Area of Work:	Priorities & Objectives March 2022 – Feb 2023:	Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Customer Communication	Produce & issue quarterly newsletters	A - Mar, B - Jun, C - Sep, D - Dec
Share Register	Quarterly reconciliation and reporting	A, B, C, D
Staff Wellbeing	HWL - Develop action plan/programme of events	A
Financial Management	Quarterly Management Accounts, including ratios	A, B, C, D
Financial Management	Quarterly Treasury Management Report	A, B, C, D
Financial Management	Covenant (CB) – approved management accounts to lender within 60 days of quarter end	A, B, C, D
Financial Management	Covenant (CB) – Rental schedule of security within 30 days of year end	A (30/04)
Financial Management	Covenant (CB) – annual budgets within 30 days of year start	A (30/04)
Component Accounting	Update SDM asset module	A
Financial Management	Annual External Audit	A
Financial Management	Annual Financial Statements approved	B
Customer Participation	Arrange resident annual summer event.	B
Office Standards	Review & reissue to all.	B
Financial Management	Covenant (CB & NW) – Audited annual accounts within 180 days of year end	C (30/09)
Financial Management	Covenant (CB) – copy of FYFP submitted to SHR	C (30/09)
Financial Planning	First draft budget to committee	C (Nov)
Financial Planning	Review signatories	C
Financial Planning	Final budget to Committee	D (Jan)

Housing Services – Area of Work:	Priorities & Objectives March 2020 – Feb 2021:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
9 Pineview Court HMO licence expires 31/01/21	Compliance with all HMO licence requirements. Quarterly liaison meetings. Licence renewal – expires 31/01/21		A,B,C,D
Stock Management	Reconciliation of SDM & HUB & update CoM.	#	B
Cyclical Maintenance	All cyclical works, including c/fwd, implemented within required timescales to legislative requirements. Reported monthly.		B,C,D
Drumcog Gas Contract (expires 31/10/2020)	Procure new contract & implementation by 31/10/2020	#	B – Procure C – Implementation (01/11/20)
Customer Communication	Launch Residents Handbook with Corporate Services	#	B
Customer Communication	Implement customer forum Accredited Certification scheme	#	B – Covid19 dependant.
Customer Communication	Implement open meetings/coffee mornings to increase participation	#	B – Covid19 dependant.
Customer Communication	Set up formal Consultation Register	#	B – Covid19 dependant.
Stock Management	Update to Committee re Fire Risk Assessments & Action plan		B
Planned Maintenance	Implement, including c/fwd, within timescales; specification and budget:		B – C
HMO	Conclude rent and service charge review and reconciliation work	#	C (Sept)
EESSE 2	Strategy / Action Plan update to committee		C
Customer Communication	Increase numbers and diversity in resident and customer forum	#	C
Wider Action /Community Participation	Continue with annual projects, including Dolly Parton Foundation		D
Drumcog Reactive Maintenance Contractors Framework (expires 31/3/2021)	Procure new contract & implementation by 31/3/21	#	C/D - Procurement D – plan for implementation
Welfare Reforms	Review / Update the Welfare Reforms Action Plan and report to Committee		B (August CoM) D (January CoM)
Annual Rent Increase	Review and undertake consultation, utilising increased telephone/text Report to Committee for Increase		C/D - Consultation C – draft budget (Nov CoM) D – final budget (Jan CoM)

Housing Services – Area of Work:	Priorities & Objectives March 2020 – Feb 2021:	Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
Stock Management	Stock condition survey annual update	D
Planned Maintenance	Procure for following year	D

Housing Services – Area of Work:	Priorities & Objectives March 2021 – Feb 2022:		Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
9 Pineview Court	Ensure ongoing compliance with all HMO licence requirements. Ensure minimum quarterly liaison meetings held		A,B,C,D
Cyclical Maintenance	Ensure all cyclical works are implemented within required timescales / legislative requirements and reported to Committee in monthly HS Reports		A,B,C,D
ESSH	Implement Strategy / Action Plan		
Planned Maintenance	Implement within timescales; specification and budget:		B –C
Drumcog Reactive Maintenance Contractors Framework (expires 31/03/2021)	Implement new framework	#	A (31/03/21)
Wider Action /Community Participation	Continue with annual projects		B
Stock Management	Update to Committee re Fire Risk Assessments & Action plan		B
Welfare Reforms	Review / Update the Welfare Reforms Action Plan and report to Committee		B (August CoM) D (January CoM)
Annual Rent Increase	Review and undertake consultation utilising increased telephone/text Report to Committee for Increase		C/D - Consultation C – draft budget (Nov CoM) D – final budget (Jan CoM)
Stock Management	Annual stock condition survey update		D
Planned Maintenance	Procure for following year		D

Housing Services – Area of Work:	Priorities & Objectives March 2022 – Feb 2023:	Target Completion: A = Mar – May, B = Jun – Aug C = Sep – Nov, D = Dec-Feb
9 Pineview Court	Ensure ongoing compliance with all HMO licence requirements. Ensure minimum quarterly liaison meetings held	A,B,C,D
Cyclical Maintenance	Ensure all cyclical works are implemented within required timescales / legislative requirements and reported to Committee in monthly HS Reports	A,B,C,D
ESSH	Implement Strategy / Action Plan	A,B,C,D
Planned Maintenance	Implement within timescales; specification and budget:	B –C
Wider Action /Community Participation	Continue with annual projects	B
Stock Management	Update to Committee re Fire Risk Assessments & Action plan	B
Welfare Reforms	Review / Update the Welfare Reforms Action Plan and report to Committee	B (August CoM) D (January CoM)
Annual Rent Increase	Review and undertake consultation utilising increased telephone/text Report to Committee for Increase	C/D - Consultation C – draft budget (Nov CoM) D – final budget (Jan CoM)
Stock Management	Annual stock condition survey update	D
Planned Maintenance	Procure for following year	D

Section 7: Performance Monitoring (KPIs)

The Association reviews its KPIs (key performance indicators) each year and determines its performance monitoring targets for the year ahead. This process considers previous performance, ARC outcomes and benchmarked outcomes.

This Section of the Plan details the outcome of the three years previous and identifies the targets set for the year ahead. The figures given for previous year cannot always be directly compared as the targets may have changed over time. However, it is useful to have this information to allow trend comparison.

Governance Targets (April 2020)

The Governance performance monitoring targets for 2020/21 were agreed at the 28/04/20 committee of management meeting.

Governance KPI	2017/18 Outcome 31/03/18	2018/19 Outcome 31/03/19	2019/20 Outcome 31/03/20	2020/21 KPI Target
Numbers on Committee	11	12	11	>10
Attendance at Management Committee Meetings	76% 81% when less special leave.	69.09% 73.79% when less special leave.	73.44% 78.99% when less special leave	70%
Management Committee meetings in year		11	10 (11 inc AGM)	10
Sub-Committee meetings in year		2	2	2
Sickness Absence	12.83% (2.18% minus long term)	6.91% (2.40% minus long term)	5.65%	<5.65%
Contribute to local projects and charities Plus WFI bike shop utilities and Director & estate caretaker support to NM Gardens.	£837.69 charitable donations. WFI utilities Drumcog donations of £1,361.25	£520 charitable donations. £458 WFI utilities. NMG in kind. Drumcog donations of £1,653.75.	£780 charitable donations. £1,235 WFI utilities. Drumcog donations of £1,400. Foobank Collection £500.	£1000 Policy limit
Newsletters	4	4	4	4
SPSO Complaints Stage 1: average time to resolve		4	3 days	5 days
SPSO Complaints Stage 2: average time to resolve		N/A	N/A	<= 20 days

Finance (Oct 2019, Dec 2019 for SHR Medians)

Outcome figures are taken from our audited financial statements and as reported in our Audited Financial Statements Return to the SHR. Targets come from our annual budget, which is updated each year after our previous year annual financial statements are finalised and audited. This part of the business plan should be read in conjunction with Section Eight.

Finance KPI	2016/17 Outcome 31/03/17	2017/18 Outcome 31/03/18	2018/19 Outcome 31/03/19	2019/20 Target
Interest Cover (Financial Capacity) <i>Higher the % the better</i>	969.7% <i>SHR Median</i> 403.9%	1285.6% SHR Median 417%	1,191.6%	725.7% Due to high planned maintenance
Gearing (Financial Capacity) <i>Low % better</i>	2.2% <i>SHR Median</i> 60.1%	(1.4%) SHR Median 60.9%	(6.3%)	(7.5%)
Voids % (Efficiency) <i>Low % better</i>	0.02% <i>SHR Median</i> 0.6%	0.05% SHR Median 0.6%	0.04%	0.2%
Arrears (Net of bad debts) % (Efficiency) <i>Low % better</i>	0.8% <i>SHR Median</i> 2.1%	1.2% SHR Median 2.3%	1.0%	1.5%
Bad debts % (Efficiency) <i>Low % better</i>	0.9% <i>SHR Median</i> 0.5%	0.4% SHR Median 0.6%	0.9%	0.5%
Staffing Costs/Turnover % (Efficiency) <i>Low % can be better</i>	17.9% <i>SHR Median</i> 19.7%	19.0% SHR Median 20.1%	17.9%	19.7%
Key management personnel/staff costs % - SHR AFS definition (Efficiency)	13.3% <i>SHR Median</i> 15.4%	12.7% SHR Median 14.2%	13.8%	12.9%
Turnover per unit £ (Efficiency)	£5,136 <i>SHR Median</i> £4,888	£5,265 SHR Median £5,001	5,276	5,257
Current Ratio -FYFP definition (Liquidity) <i>Higher better</i>	5.5 - FYFP 2.9 - AFS <i>SHR Median</i> (AFS) 1.7	5.0 - FYFP 2.7 - AFS SHR Median (AFS) 1.8	6.5 – FYFP 3.1 – AFS	6.6 – FYFP 3.2 - AFS
Gross surplus/deficit % (Profitability) <i>Higher % better</i>	26.0% <i>SHR Median</i> 26.7%	21.9% SHR Median 21.7%	26.1%	11.0% Due to high planned maintenance
Net surplus/deficit % (Profitability) <i>Higher % better</i>	23.7% <i>SHR Median</i> 19.7%	20.0% SHR Median 15.2%	16.2% - FYFP 24.1% - AFS	8.9% Due to high planned maintenance
EBITDA (earnings before interest, taxes, depreciation, and amortisation)/Revenue % (Profitability)	<i>Not measured</i>	<i>Not measured</i>	20.6% - FYFP 43.5% - AFS	10.5% - FYFP Due to high planned maintenance
Debt Burden (Financing) <i>Low better</i>	1.4 <i>SHR Median</i> 2.0	1.3 SHR Median 2.1	1.2	1.1

Finance KPI	2016/17 Outcome 31/03/17	2017/18 Outcome 31/03/18	2018/19 Outcome 31/03/19	2019/20 Target
Net Debt per unit (Financing) <i>Lower figure better</i>	£274.0 <i>SHR Median</i> £6,996	(£191) <i>SHR Median</i> £7,315	(£912)	(£1,125)
Debt per unit (Financing) <i>Lower figure better</i>	£7,323.3 <i>SHR Median</i> £10,331	£6,839 <i>SHR Median</i> £10,584	£6,338	£5,829

Finance KPI	2016/17 Outcome 31/03/17	2017/18 Outcome 31/03/18	2018/19 Outcome 31/03/19	2019/20 Target
<u>Covenant (CB):</u> Loan to Value Value of security subjects as % of outstanding loan (Value of CB Security units (JLL valuation) / CB loan balances at period end)	268%	292%	358%	>110%
<u>Covenant (CB):</u> Loan Repayment Cover Rental income to loan repayments Rental Income/Loans (capital repayment & Interest) >145% (Total rent and SC receivable / total loan repayments – capital and int)	612%	618%	614%	>145%
<u>Covenant (CB):</u> Loan Repayment Cover – For CB units only Rental income to loan repayments Rental Income/Loans (capital repayment & Interest) >145% (CB units rent and SC receivable / CB loan repayments – capital and int)	N/A	392%	370%	>145%
<u>Covenant (CB):</u> Interest Cover Operating surplus + depreciation – amortised HAG – Pension Deficit Payment, as % of interest payable >130%	1092%	1158%	1235%	>130%

Housing Services Targets (June 2020)

Housing Services KPI	2017/18 Outcome 31/03/18	2018/19 Outcome to 31/03/19	2019/20 Outcome to 31/03/20	2020/21 Target
% of tenants satisfied with overall service (No. & %) ARC 1	93%	93%	87.11% (Scottish Average – 90.12%)	Action Plan to be implemented as applicable following analysis report.
% of tenants who feel landlord good at keeping them informed (No. & %) ARC 2	96%	96%	97.33% (Scottish Average – 91.60%)	
% of tenants satisfied with opportunities to participate (No. & %) ARC 5	97%	97%	94.67% (Scottish Average – 86.48%)	
% of existing tenants satisfied with the quality of their home (No. & %) ARC 7	94%	94%	90.22% (Scottish Average – 90.79%)	
% of tenants satisfied with landlords contribution to management of neighbourhood (No. & %) ARC 13	97%	97%	92.89% (Scottish Average – 87.77%)	
% of tenants who feel their rent represents good value for money (No. & %) ARC 25	94%	94%	89.33% (Scottish Average 83.21%)	
% of factored owners satisfied with factoring service (No. & %) ARC 29	91.67% (11/12)	91.67% (11/12)	86% (12/14)	
Average annual management fee per factored property (£) ARC 28	£102.93	£106.69	£109.21	
% average weekly rent increase to be applied in the next reporting year (%) ARC C5	3%	2.36%	1.49%	CPI
Projected Gross Rental Income Tenants Only - £	£2,136,153	£2,148,517	£2,199,562	£2,236,541.88
Gross rent arrears (all tenants) as a % of annual rent due (£, £ & %) ARC 27	£67,389 £2,132,603 3.16%	£74,273 £2,144,860 3.46%	£82,783.87 £2,195,817.85 3.77%	5.8% (target to be reviewed and tightened)
EOP Current Tenant Non-Technical Arrears (%)	£43,651.55 (2.05%)	£61,984.57 (2.88%)	£ 61,267.35 2.79%	4.3%

Housing Services KPI	2017/18 Outcome 31/03/18	2018/19 Outcome to 31/03/19	2019/20 Outcome to 31/03/20	2020/21 Target
EOP Former Tenant Non-Technical Arrears (£ & %)	£23,737.39 (1.11%)	£13,196.68 (0.61%)	£ 21,516.52 0.98%	1.5%
Value and % of former tenant arrears written off at year end (£, £ & %) ARC C7	£23,776 £16,178 68.04%	£13,197 £9,632 72.99%	£21,516.52 £14,556.08 67.65%	
Rent Collected as % of total rent due (£, £ & %) ARC 26	98.83%	98.84%	£2,165,384.89 £2,195,817.85 98.61%	96%+ (target to be reviewed and tightened)
Number of households landlord received housing cost directly for during year and value (No. & £) ARC C6	351 £1,074,687	338 £1,091,602	324 £1,082,029	
% initiated court actions resulting in eviction (%) and reason (ARC 22)	30%	0.00%	0%	
Rechargeable Repairs % debt recovery (%)	16.15%	13.93%	£1,202.39 recovered/ £14,618.84 8.23%	8%
Factoring Arrears (£)	£8,751.07	£9,489.01	£12,810.61	<£6,000
Relets (No.) (ARC 23, C2)	39	27	27	
Relets:				
Section 5 (%)	23%	11 41%	16 59.26%	Leases /Other referrals – 23% Section 5 – 58%
Housing List (%)	64%	14 52%	10 37.04%	15%
Transfer (%)	13%	2 7%	1 3.70%	4%
Number of lets in year split between 'general needs' and 'supported housing' (No.) ARC C4	31 general 8 supported	25 general 2 supported	23 general 4 supported	
Average Relet Time (Days) (ARC 30)	2.6 days	3.26 days	3.19 days	6 days (Back to 3 days post Covid19 restrictions)
Void Numbers at end of period	0	0	0	0
Void Rent Loss (£, £, %) (ARC 18)	£1,005.58 0.05%	£941.94 0.04%	£2,195,817.85 £909.05 0.04%	0.10%
9 Pineview Court void numbers & void rent loss	1 void £3,520.65	0 £1386.33	0 £0.00	
Tenancy Terminations (No.)	39	27	27	
Turnover % (ARC 17)	7.33%	5.08%	27 /533 5.07%	<6%
Refusals as % of offers (%) (ARC 14)	20.41%	0.00%	1 /28 3.57%	

Housing Services KPI	2017/18 Outcome 31/03/18	2018/19 Outcome to 31/03/19	2019/20 Outcome to 31/03/20	2020/21 Target
Tenancy Sustainment: % tenancies sustained for more than 1 year (%) (ARC 16)	88.46%	89.74%	28 / 30 93.33%	90%+
Abandoned Properties (ARC C4)	6	3	3	
No. of new applications added to the Housing List	1190	157	153	
Applications: Total number on the Housing List	1033	1099	1016	
Applications: Number suspended at period end	3	2	3	
Applications: Number cancelled	332	91	236	
Applications: average time to process (days)	22.46 days	4 days	2.25 days	5 days
Number of section 5 referrals received (ARC 23)	20	26	27	
% of section 5 referrals that resulted in an offer (No. & %) ARC 23			21/27 77.78%	
% of section 5 referrals that resulted in a let (No. & %) ARC 23			16 /21 76.19%	
Settling In Visits Completed (%)	92.85%	100%	23/33 69.70%	100%* When Covid 19 restrictions lifted
Settling In Visits Completed within timescales (%)	89.74%	86.21%	23/23 100%	90%+* When Covid 19 restrictions lifted
Tenants satisfied with standard of home when moving in (%)	89.74%	96.30%	27/29 93.10%	95%+ * When Covid 19 restrictions lifted
Anti-social behaviour cases resolved within locally agreed targets (%) (ARC 15)	100%	100%	67 / 69 97.10%	100%* When Covid 19 restrictions lifted
Resident and Customer Forum	Achieved	10	9	Recommence when Covid 19 restrictions lifted
Emergency Repairs – average completion time (Hrs.) (ARC 8)	1 hr 50 mins	1 hour 43 mins	165 jobs 1.83 hours	4 hours
All Non-Emergency Repairs – average completion time (Days) (ARC 9)	2.32 days	2.65 days	1678 jobs 2.52 days	4 days
Urgent Repairs - average completion time (Days)	1.62 days	1.61 days	170 jobs 1.88 days	2 days
Routine Repairs - average completion time (Days)	2.88 days	3.23 days	1148 jobs 3.03 days	4 days
Non-Emergency Reactive repairs completed right first time (%) (ARC 10)	96.89%	96.13%	1628 / 1672 97.37%	95%+

Housing Services KPI	2017/18 Outcome 31/03/18	2018/19 Outcome to 31/03/19	2019/20 Outcome to 31/03/20	2020/21 Target
Repair appointments kept (%)	95.12%	96.13%	1326 / 1383 95.88%	95%+
Average reactive repairs completed per occupied property (No.)	3.11	3.16	3.46	
Reactive Repairs Satisfaction (%) (ARC 12)	99.49%	95.03%	220 / 224 98.21%	96%+
Pre Inspections – Policy Mandatory reactive repairs cases (%)	14.97%	100%	255 / 256 99.61%	100%* When Covid 19 restrictions lifted
Post Inspections - Reactive repairs (%)	20.88%	17.86%	369 / 1843 20.02%	20%* When Covid 19 restrictions lifted
Post Inspections- Policy Mandatory Cases	96.27%	100%	547 / 581 94.15%	100%* When Covid 19 restrictions lifted
Legionella Checks - compliance	100%	100%	100%	100%* When Covid 19 restrictions lifted
How many times in reporting year was gas safety check not complete within timescale (No.) (ARC 11)	0	0	0	0
Properties with current Electrical Periodic Inspection Record (%)	100%	100%	532 / 533 99.81%	100%* When Covid 19 restrictions lifted
Number of households awaiting adaptations (No.) ARC 19	N/A	N/A	1 (11/12 completed)	
Total cost of adaptations completed in year by source of funding ARC 20	N/A	N/A	£20,805.95 (£7812 – landlord £12,994 grant)	
Medical Adaptation applications completed (%)	100%	100%	14 / 16 87.5%	100%* When Covid 19 restrictions lifted
Average time to complete medical adaptations applications (Days) (ARC 21)	41 days	13 days	22.14 days	60+days (<21 days post Covid19 restrictions)
SHQS Compliance (%) (ARC 6, C8, C9)	532/532 100%	532/532 100%	532 / 533 99.81%	534/534 100%
EESSH Compliance (Nos & %) (ARC C10, C11)	532	532/532 100%	533 / 533 100%	534/534 100%
EPCs (ARC C12 :				
Number of properties which have a valid EPC at year end by banding. (no.)			A = 0, B = 2, C = 487, D - G = 0 Total = 489	

Housing Services KPI	2017/18 Outcome 31/03/18	2018/19 Outcome to 31/03/19	2019/20 Outcome to 31/03/20	2020/21 Target
Number of EPCs lodged in reporting year by banding (No.)			A - B = 0 C = 16 D - G = 0 Total = 16	
EPCs SAP version			SAP2009 = 48 SAP2012 = 441 Total = 489	
Properties brought up to EESSH in reporting year (No.)			0	
Investment in EESSH by £ and source			£0 Source of £	

Some housing services indicators do not have targets set as the outcome is largely not controllable, for example, number of new applications added to housing register.

However, even where there are no targets set it is important to monitor the outcomes to identify if there are any trends or concerns. This can also help identify any areas where more or less resources may be required.

Section 8: Financial Information (Oct 2019)

The Scottish Housing Regulator Regulatory (SHR) Standards of Governance and Financial Management - Standard 3 states:

“The RSL manages its resources to ensure its financial well-being and economic effectiveness, while maintaining rents at a level that tenants can afford to pay.”

In order to comply with this standard, as well as good business management practice, the Association keeps its financial position under regular review. This includes annual budget setting; five year financial projections; 30 year long term projections; quarterly management accounting; annual financial statements and auditing; and quarterly treasury management reporting.

The Association has a financial planning timetable for keeping matters under review as follows:

Month	Area of Work	Reporting Details
Nov	Annual budget – first draft	To November committee meeting
Jan	Annual budget – final draft	To January committee meeting
Feb	Update 30 year financial projections following approval of annual budget	
Feb	Management accounts to 31/12	To February committee meeting
Feb	Treasury management reporting to 31/12	To February committee meeting
May	Annual Financial Audit	
May	Management accounts to 31/03	To May committee meeting
May	Treasury management reporting to 31/03 and annual review	To May committee meeting
May	Five year financial projections for SHR	To May committee meeting (Previously June – change by SHR)
June/July	Update finance section of business plan to reflect the above 3 items	
June	Annual Financial Statements and Audit Reporting	To June committee meeting
June	Loan portfolio return for SHR	To June committee meeting
Aug	Annual Financial Statements for SHR	To Aug committee meeting
Aug	Annual budget – restated to take account of 31/03 actual closing balances	To Aug committee meeting
Aug	30 year financial projections – restated to take account of 31/03 actual closing balances	To Aug committee meeting
Aug	Management accounts to 30/06	To Aug committee meeting
Aug	Treasury management reporting to 30/06	To Aug committee meeting
Aug	SHAPS Financial Assessment	To Aug committee meeting
Sept	Financial Conduct Authority annual return	To Sept committee meeting
Sept	OSCR annual return	To Sept committee meeting

The Association’s intention with the above timetable is to aim for continuity between its financial documents, with this section of the plan being updated each June/July.

This section of the Business Plan should be read in conjunction with Section 7 Performance Monitoring.

Five Year Financial Projection KPIs

This section of the plan will include projections from the submitted five year financial projections. Any changes throughout the year will be reflected in quarterly management account reporting, with the finance section of the business plan only being updated each June/July.

The Association is required to submit five year projections to the SHR each year. The below financial targets are based on the projections submitted during 2019 and as updated internally.

- Year 0 is the outcome figures from the 31/03/2019 management accounts.
- Year 1 is the annual budget for 2019/20.
- Year 2 – 5 is prepared using the following assumptions which were incorporated in the 5 year projections:
 - General Inflation assumed at 2.0% for the five year period.
 - A rental/service charge increase assumed at CPI inflation only.
 - The SHR figures give arrears net of bad debts.
 - The projections assume the current staffing structure, plus a finance manager and contingency for the 5 year period.
 - Includes Employer Pension contributions at 14.6% for members of the Final Salary Pension scheme. This may change when results of next triennial valuation is known.
 - Assumed 10% and 8% for two defined contribution schemes for those enrolled and 0% for those not. Auto Enrolment took place on 1 August 2016 and will be reviewed 2019.
 - Past Service Deficit contributions will increase by 3% each year until 2022 in accordance with Pension Trust assumptions. This may change when the results of the next triennial valuation is known.
 - Operating cost increase (overheads etc.) assumed at 2.5% (0.5% above general inflation).
 - Direct maintenance cost increase is assumed at an increase of 2.5% (0.5% above general inflation).
 - Cyclical maintenance and planned renewals costs are based on the long term projections life cycle costings work by David Adamson. This will be updated during 2019 to JMP survey outcomes.
 - Average cost of borrowing (long term loans) is assumed in line with fixed rates in place for 2 loans (one fixed rate matures in December 2019 and the other in December 2025). The variable rate loans assume a year on year increase in LIBOR rate throughout the five year period (2.5 – 5.3%).

When the assumptions are entered into the five year financial projections (FYFP) this produces a trend and comparators statement which highlights KPI ratios, as given in the following tables. PHA actuals show FYFP result for most recent year end and then FYFP forecasts for projected years 1 to 5.

Five Year Forecasts - From SHR submitted five year financial projections 2019.

Interest Cover % - (Net Cash from Operating Activities + Interest Received) / Interest Paid.

This ratio indicates the extent to which the interest payable on loans is covered by cash generated from operations. This KPI can change radically due to the timing of expenditure over the 5 year projections period.

Financial Capacity	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Interest Cover High % Good	969.7%	1285.6%	1191.6%	650.2%	869.1%	869.3%	797.5%	849.8%

Gearing % - Net debt / Total capital & reserves.

This ratio considers the proportion of debt to total reserves. The higher the gearing % the riskier the Association would be viewed by lenders and other organisations. There are no plans to increase long term loans therefore the outstanding debt will reduce each year as repayments are made. Less than 0 (%) results are shown where the Association will have more cash than loans if all projections and assumptions are achieved.

Financial Capacity	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Gearing Low % Good	2.2%	(1.4%)	(6.3%)	(7.5%)	(13.8%)	(17.3%)	(23.9%)	(28.1%)

Voids % - Rent loss from voids / net rents and service charges receivable.

This indicator shows the percentage of income lost as a result of properties being void (unoccupied).

The Association performs well in this area and continues to do so by ensuring quick turnaround of void properties.

Efficiency	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Voids Low % Good	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%	0.2%	0.2%
	0.02%	0.05%	0.04%					

Arrears % - Net rental receivables / (net rents and service charges receivable).

This ratio shows the level of rent arrears being carried after deducting potential bad debts. SHR requests the arrears figure net of the Bad Debt Provision. Projected to rise with roll out of universal credit.

Efficiency	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Arrears Low % Good	0.8%	1.2%	1.0%	1.5%	2.0%	2.5%	3.0%	3.0%

Bad Debts % - Bad debts written off / (gross rents and service charges receivable).

This ratio shows the percentage of gross rental & service charge income lost from bad debts.

Efficiency	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Bad Debts Low % Good	0.9%	0.4%	0.9%	0.5%	1.0%	1.0%	1.0%	1.0%

Staff Costs / Turnover %.

This Ratio shows staff costs incurred to generate income. Estimated increase in costs due to budgeted finance manager post and contingency.

Efficiency	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Staff Cost/Turnover Low % Good	17.9%	19%	17.9%	19.7%	21.5%	21.8%	22.1%	22.5%

Turnover Per Unit £ - Turnover / Number of Units Owned.

This ratio shows the turnover generated by each unit owned.

Efficiency	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Turnover per unit	£5,136	£5,265	£5,276	£5,257	£5,298	£5,375	£5,424	£5,466

Responsive Repairs to Planned Maintenance – (Planned maintenance (direct costs) + improvement of housing) / total reactive & void maintenance

This ratio indicates the how much is being spent on planned maintenance against responsive maintenance.

Efficiency	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Responsive repairs to planned maintenance	N/A	NA	3.5	4.2	1.9	3.1	1.4	2.2

Current Ratio - Current assets / current liabilities.

This ratio is to monitor solvency, and the ability to pay liabilities as they fall due. FYFP and AFS definitions vary.

Liquidity	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Current Ratio Higher Good	5.5 2.9 - AFS	5.0 2.7 - AFS	6.5 3.1 - AFS	6.6	7.2	7.4	9.0	9.4

Gross Surplus/Deficit % - Operating surplus / turnover.

This ratio monitors operating performance, before funding commitments. This ratio will fluctuate with committed operating cost expenditure.

Profitability	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Gross Surplus / Deficit High % Good	26.0%	21.9%	26.1%	11.0%	20.2%	18.8%	19.4%	22.3%

Net Surplus/Deficit % - Net surplus / turnover.

This ratio monitors operating performance, after funding commitments. This ratio will fluctuate with committed operating cost expenditure.

Profitability	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Net Surplus % High % Good	23.7%	20.0%	16.2%	8.9%	17.5%	16.3%	16.5%	19.2%

EBITDA/Revenue % - (Operating surplus (deficit) – depreciation & amortisation – improvement of housing) / turnover.

This ratio monitors operating performance.

Profitability	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
EBITDA/Revenue	N/A	N/A	20.6%	10.5%	26.7%	18.7%	30.5%	25.1%

Debt Burden - Debt / Turnover.

This ratio indicates the time for turnover to repay debt (years).

Financing	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Debt burden	1.4	1.3	1.2	1.1	1.0	0.9	0.8	0.7

Net Debt Per Unit £ - Net debt / number of units owned.

This ratio shows the average amount borrowed, less cash and near cash, to finance each unit owned.

KPI	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Net debt per unit	£274	(£191)	(£912)	(£1,125)	(£2,198)	(£2,895)	(£4,213)	(£5,256)

Debt Per Unit £ - Debt / number of units owned.

This ratio shows the average amount borrowed to finance each unit owned.

KPI	Actual 31/3/17	Actual 31/03/18	Actual 31/03/19	Projected 31/03/20	Projected 31/03/21	Projected 31/03/22	Projected 31/03/23	Projected 31/03/24
Debt per unit	£7,323	£6,840	£6,338	£5,829	£5,276	£4,710	£4,142	£3,684

Lenders Covenants

The Association also has obligations in respect of loans it has, known as lender covenants. The Association requires to ensure that all lenders covenants are complied with and not breached. The covenants require strict monitoring and future costs planned accordingly to avoid technical or potential breaches. The Association has loans with the Clydesdale Bank (CB) and the Nationwide Building Society (NW). There are no financial covenants with the Nationwide, although there are information covenants. The financial covenant requirements are as detailed below, information covenants are detailed in the returns due table in Section 5 of the Business Plan:

KPI	Requirement	Actual 31/03/17	Actual 31/03/18	Actual 31/03/19
CB - Security value to loans >110%	>110%	268%	292%	358%
CB - Rental Income/Loans (capital repayment & Interest) >145%	>145%	612%	618%	614%
CB - Rental Income/Loans (capital repayment & Interest) >145% (CB stock only)	>145%	N/A	392%	370%
CB - Operating surplus + depreciation – amortised HAG – pension deficit payment, as % of interest payable >130%	>130%	1092%	1158%	1235%

Section 9: Risk Management Current Key Risk Summary (April 2020 review)

The Association undertakes a review of its risk management twice yearly involving the Association’s Internal and External Auditors, and a review of risk registers from other RSLs. The table below provides a summary of the high and medium scoring risks identified. These risk assessments are supported and complemented by the programme of internal audit.

The risk register/matrix is an integral part of the Business Plan process and documentation. It will include the:

- Risk category – Governance & Human Resources (including strategic), Housing Services (housing management & maintenance), Finance & Corporate Services;
- Hazard - what is the actual risk identified;
- Possible consequences if risk happened;
- Likelihood score before mitigation controls;
- Impact score before mitigation controls;
- Total risk score before mitigation controls;
- Mitigation control measures;
- Revised likelihood score after mitigation controls;
- Revised impact score after mitigation controls;
- Revised total risk score after mitigation controls;
- Risk owner (for day to day management);
- Planned actions.

The risk matrix is prioritised on a scoring methodology as below.

Quantifying Risks

Impact	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
		Likelihood				

Risk Score = Business Impact x Likelihood of occurring	
15 or more	Risk Score is High
8 - 12	Risk Score is Significant
4 - 6	Risk Score is Moderate
3 or less	Risk Score is Low

Impact (on the business if the risk happened)		
5	Extreme	Reputation - Sustained widespread media critical coverage. SHR statutory action & potential transfer of assets.
		Financial Loss more than £1m.
		Service Delivery - Significant disruption of the whole organisation.
		Legislative - legislation has significant impact on the whole operation.
4	Major	Reputation - Prolonged National Media Exposure. SHR statutory action.
		Financial Loss between £250k and £1m.
		Service Delivery - Significant disruption of large parts of the organisation.
		Legislative - legislation has significant impact on a key area.
3	Moderate	Reputation - One-off National Media Exposure. SHR Review or View– Working Towards Compliance.
		Financial Loss between £50k and £250k.
		Service Delivery - Significant disruption of one part of the organisation.
		Legislative - legislation has moderate impact on a number of functions.
2	Minor	Reputation -Prolonged Local Media Exposure. SHR Review or View– Working Towards Compliance.
		Financial Loss less than £50k.
		Service Delivery - Minimal disruption of the whole organisation.
		Legislative - legislative impact affects small number of procedures.
1	Insignificant	Reputation - One-off Local Media Exposure.
		Financial Loss - Negligible financial impact.
		Service Delivery - Minimal disruption of one part of the organisation.
		Legislative - minimal Legislative Implications.
Likelihood (of risk happening)		
5	Almost Certain	The risk is almost certain to occur (greater than 80% chance).
4	Likely	The risk is more likely to occur than not (between 51% and 80% chance).
3	Possible	The risk is fairly likely to occur (between 21% and 50% chance).
2	Unlikely	The risk is unlikely but not impossible to occur (between 6% and 20% chance).
1	Rare	The risk is unlikely to occur (<5% chance).

The following summarises those risks currently identified with a High or Significant Risk Score:

Risk No.	Risk Identified	Risk Score
All		
71	Covid19 pandemic	15
Governance and Human Resources		
8	Lack of Committee	10
13	SHR Engagement	10
14	Failure to comply with Regulatory Framework and associated	10
9	Committee members poor attendance at meetings	8
Finance & Corporate Services		
27	Covenant breach / repricing of loan agreements	10
45	Withdrawal from Europe	10
30	Overspend on budget	8
32	Pension implications	8
36	Failure to submit statutory returns on time	8
42	Poor financial / corporate record keeping	8
Housing Services		
49	Ongoing welfare reforms	12
50	Failure to collect rent and / or other income owed to the Association	12
59	Deterioration of properties	8
60	Funding for major repairs insufficient	8
61	Major storm / frost / fire	8
62	Post Grenfell fire regulations	9
66	Failure to comply with gas servicing and maintenance regulations	8
67	Failure to comply with periodic electrical regulations	8
68	Failure to comply with legionella regulations	8
69	Failure to comply with asbestos regulations	8
70	Compliance with EESSH2	8

Risk Register April 2020

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	1	Lack of committee control	1 - Organisational reputation 2 - SHR Engagement 3 - OSCR Engagement	2	5	10 (A)	1 - Proper committee structure 2 - Training 3 - New members 4 - Standing orders 5 - Delegated authority 6 - Reports to committee 7 - Internal audit 8 - Annual committee appraisal system 9 - Induction process 10 - Compliance with regulatory standards of governance & financial management 11 - Self-assessment/assurance process 12 - FMD services re financial matters	1	5	5 (G)	Director	
Governance and Human Resources	2	Factions	1 - Organisational reputation 2 - SHR Engagement 3 - OSCR Engagement	3	3	9 (A)	1 - Training 2 - Annual committee appraisal system 3 - Rules (Based on SFHA model) 4 - Compliance with regulatory standards of governance & financial management 5 - Code of Conduct 6 - Conflict of interest declarations 7 - Governing body member's role description 8 - Governing body member's guide	2	2	4 (G)	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	3	Improper conduct by committee	1 - Organisational reputation 2 - SHR Engagement 3 - OSCR Engagement	2	5	10 (A)	1 - Training 2 - Annual committee appraisal system 3 - Rules (Based on SFHA model) 4 - Compliance with regulatory standards of governance & financial management 5 - Code of Conduct 6 - Conflict of interest declarations 7 - Governing body member's role description 8 - Governing body member's guide 9 - Internal audit 10 - Model Entitlements, Payments & Benefits Policy	1	5	5 (G)	Director	
Governance and Human Resources	4	Lack of strategic planning	1 - No clear strategy for business 2 - Organisational reputation 3 - SHR engagement 4 - OSCR engagement 5 - Covenant compliance failure	2	5	10 (A)	1 - Annual review day 2 - Internal management plan 3 - Business planning system with minimum quarterly reporting 4 - Reporting timetable 5 - Internal audit 6 - Annual committee appraisal system	1	5	5 (G)	Director	
Governance and Human Resources	5	Equal opportunities problems	1 - Organisational reputation 2 - SHR Engagement 3 - OSCR Engagement	2	3	6 (G)	1 - Equal opportunities policy and procedures 2 - Code of conduct 3 - Governance standards 4 - Staff & committee training 5 - Equalities work being undertaken with GCIL	1	3	3	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	6	Health & safety	1 - Personal injury or property damage 2 - Organisational reputation 3 - SHR engagement 4 - OSCR engagement 5 - HSE engagement	3	3	9 (A)	1 - Health & safety policy and procedures 2 - Housekeeping inspections 3 - Health & safety committee 4 - External health & safety audit 5 - EVH membership - ACS services 6 - Walk together from committee meetings 7 - Lone working arrangements 8 - Safety clothing & devices 9 - Training	2	2	4 (G)	Director	
Governance and Human Resources	7	Membership problems	1 - Organisational reputation 2 - SHR Engagement 3 - OSCR Engagement	3	3	9 (A)	1 - Membership policy 2 - 2013 model rules 3 - Share Register quarterly reconciliations	1	3	3	Director	
Governance and Human Resources	8	Lack of committee	1 - Ability to operate 2 - Organisational reputation 3 - SHR engagement 4 - OSCR engagement	3	5	15 (R)	1 - Promotion of committee membership 2 - Succession planning 3 - Membership policy 4 - Annual committee appraisal system 5 - Ongoing recruitment process 6 - Induction process 7 - Encourage observers	2	5	10 (A)	Director	Keep committee place(s) for Kendoon committee members post-transfer

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	9	Committee members poor attendance at meetings	1 - Ability to operate 2 - Organisational reputation 3 - SHR engagement 4 - OSCR engagement	3	4	12 (A)	1 - Co-options/ Casual vacancy filling 2 - More condensed strategic reporting (not overburdening committee with operational detail) 3 - Streamlined meetings 4 - Attendance reported at each meeting	2	4	8 (A)	Director	
Governance and Human Resources	10	Skills gap in committee	1 - Weakness in governance	3	3	9 (A)	1 - Induction process 2 - Annual review of skills and training needs 3 - Joint Drumcog training needs analysis and training programme 4 - Access to training events and conferences 5 - Training attendance reported at each meeting	2	3	6 (G)	Director	
Governance and Human Resources	11	Policies not updated	1 - Consistency of service 2 - Failure to comply with good practice 3 - Organisational reputation 4 - Failure to comply with regulatory and legal requirements	3	5	15 (R)	1 - Staff responsible set and work to timetable for ensuring that policies are reviewed in line with timetable and any changes in legislation 2 - Policy review timetable 3 - Reporting to committee	1	5	5 (G)	Director	
Governance and Human Resources	12	Inaccurate record keeping	1 - Ability to operate 2 - Organisational reputation 3 - SHR engagement 4 - OSCR engagement	3	3	9 (A)	1 - Committee reports 2 - Minutes of meetings 3 - Committee history file 4 - Internal audit 5 - More than one officer in attendance at CoM meetings	2	3	6 (G)	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	13	SHR Engagement	1 - Ability to operate 2 - Organisational reputation 3 - Covenant compliance failure 4 - OSCR engagement	3	5	15 (R)	1 - Compliance with SHR standards for governance & financial management 2 - Whistleblowing procedures 3 - Notifiable events procedure 4 - Transparent approach - advise SHR of any issues as soon as identified 5 - Committee reports and minutes 6 - Engage constructively	2	5	10 (A)	Director	
Governance and Human Resources	14	Failure to comply with SHR regulatory framework and associated requirements	1 - Resources required to meet compliance 2 - Volume of business for committee and senior staff 3 - Regulatory engagement for non-compliance 4 - Banking covenant implications	3	5	15 (R)	1 - Awareness and preparation for changes - JO on SHR working party 2 - Current systems robust and should assist transition 3 - Forward planning for implementation - focus of 2019 strategy day	2	5	10 (A)	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	15	Poor staff performance	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - SHR engagement 5 - OSCR engagement	3	3	9 (A)	1 - Recruitment policy and procedures 2 - Training policy 3 - Appraisal system 4 - Staff meetings 5 - Conditions of employment 6 - Model code of conduct for staff 7 - Reviewing job descriptions 8 - Internal audit 9 - IIP accreditation 10 - Staff development work with Remarkable - Behaviours framework 11 - Management team meetings	2	3	6 (G)	Director	
Governance and Human Resources	16	Loss of key personnel	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - SHR engagement 5 - Options appraisal requirement	3	3	9 (A)	1 - Overlap of duties 2 - Clear policies and procedures 3 - Responsive recruitment process 4 - Access to temporary staff 5 - EVH membership and services 6 - Continually updated business plan 7 - Continual review of staff structure to ensure appropriate	2	3	6 (G)	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	17	Too many/ not enough staff	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - SHR engagement	3	3	9 (A)	1 - Continual review of staff structure to ensure appropriate 2 - Sell/ share services 3 - Modern apprenticeship opportunities 4 - Terms & conditions - redundancies procedure 5 - Access to temporary staff 6 - Review against peers 7 - Financial provisions/ contingencies	1	3	3	Director	
Governance and Human Resources	18	Misuse of power breach of trust/ confidentiality	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - SHR engagement 5 - OSCR engagement	3	5	15 (R)	1 - Delegated authority 2 - Codes of conduct - staff and committee 3 - Standing orders 4 - Training 5 - Disciplinary procedures 6 - Complaints procedure 7 - Internal audit 8 - Behaviours framework	1	5	5 (G)	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Governance and Human Resources	19	Long term absenteeism	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - Financial loss	3	2	6 (G)	1 - Attendance management policy 2 - Revise budget accordingly to include temporary staff if required 3 - Terms & conditions of employment 4 - HWL membership 5 - Staff development work with Remarkable 6 - Intense management within terms and conditions 7 - Legal and HR advice from solicitors and EVH 8 - Internal audit 9 - Committee reporting	2	2	4 (G)	Director	
Governance and Human Resources	20	Frequent short absenteeism	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - Financial loss	3	2	6 (G)	1 - Attendance management policy 2 - Terms & conditions of employment 3 - HWL membership 4 - Internal audit 5 - Committee reporting	2	2	4 (G)	Director	
Governance and Human Resources	21	Industrial action	1 - Ability to operate 2 - Service provision 3 - Organisational reputation 4 - SHR engagement	2	3	6 (G)	1 - Membership of EVH 2 - Trade union recognition 3 - Staff consultation processes 4 - Investors in people accreditation	1	3	3	Director	
Governance and Human Resources	22	Freedom of information extension	1 - Resources to respond 2 - ICO Engagement and fines if not dealt with appropriately	3	3	9 (A)	1 - Keep abreast of developments 2 - Purchase of DPO service from Information Law Solutions (ILS) 3 - Compliance work to be undertaken with ILS	2	3	6 (G)	Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	23	Theft of fraud leading to material losses	1 - Organisational reputation 2 - SHR Engagement 3 - Financial loss	3	4	12 (A)	1 - Insurance, including crime cover 2 - Financial procedures and controls 3 - Fraud & bribery policy 4 - Whistleblowing policy 5 - Code of conduct & declarations of interest 6 - Model entitlements, benefits and payment policy 7 - Treasury management policy 8 - External & internal audit 9 - Control addition - staff awareness/ regular reminders for vigilance 10 - Daily bank checks	2	2	4 (G)	FMD Financial Services / Director	Share any examples of fraud reported in industry news channels as they happen - as a reminder that this is a constant threat
Finance & Corporate Services	24	Viability issues	1 - Organisational reputation 2 - SHR Engagement 3 - Insufficient funds to maintain priorities	4	5	20 (R)	1 - Strategic management 2 - Minimise impact of welfare reform 3 - Short, medium & long term budgets 4 - Stock condition survey reviews 5 - Quarterly management accounts 6 - Cost control/ management of budgets 7 - Operational efficiency 8 - Appropriate staff structure 9 - Review service levels 10 - Independent review of long term projections	1	5	5 (G)	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	25	Funds not invested properly	1 - Organisational reputation 2 - SHR Engagement 3 - Poor financial management 4 - Loss of income	4	2	8 (A)	1 - Treasury management policy 2 - Reports to management committee 3 - Information from lenders 4 - Assess interest rates in place 5 - SHR guidance	1	2	2	FMD Financial Services / Director	
Finance & Corporate Services	26	Inappropriate borrowing strategy	1 - Organisational reputation 2 - SHR Engagement 3 - Poor financial management 4 - Additional interest costs	4	3	12 (A)	1 - Treasury management policy 2 - Review margins 3 - Information from lenders 4 - Covenant testing 5 - External & internal audit	1	3	3	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	27	Covenant breaches/ Repricing of loan agreements	1 - Organisational reputation 2 - SHR Engagement 3 - Poor financial management 4 - Loan repayable immediately	4	5	20 (R)	1 - Treasury management policy 2 - Review margins 3 - Information from lenders 4 - Covenant monitoring and compliance 5 - External auditor advice on change of accounting policy 6 - Summary covenant schedule details financial calculations, information requirements and timescales to be met 7 - Soft covenant compliance 8 - Monitor quarterly, mitigate and manage 9 - Cost control measures 10 - Careful planning of component replacements 11 - Legal advice 12 - Updated long term projections for financial planning	2	5	10 (A)	FMD Financial Services / Director	
Finance & Corporate Services	28	Interest rate and inflation rate uncertainties and fluctuations	1 - Negative impact on cash flow 2 - Additional costs/ impact on long term viability 3 - Uncertainty of future costs	3	3	9 (A)	1 - Treasury management policy 2 - Short, medium and long term cash flows 3 - Sound investment strategy 4 - Appropriate mix of fixed & variable rates 5 - Financial forecasting	2	3	6 (G)	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	29	Lack of financial planning	1 - Organisational reputation 2 - SHR engagement 3 - FCA intervention 4 - Negative impact on cash flow	3	5	15 (R)	1 - Annual budget 2 - Management accounts 3 - 5 year cash flow 4 - 30 year cash flow/ long term projections 5 - Internal management business plan 6 - Independent review of long term projections	1	5	5 (G)	FMD Financial Services / Director	
Finance & Corporate Services	30	Overspend on budget	1 - Budget/ cash flow adversely affected 2 - Reduced reserves 3 - Reduced interest income	4	4	16 (R)	1 - Prudent budgeting 2 - Quarterly management account reporting 3 - KPI reporting 4 - Financial procedures and controls	2	4	8 (A)	FMD Financial Services / Director	
Finance & Corporate Services	31	Reduced lender confidence	1 - Organisational reputation 2 - Impact on ability to borrow in the future	3	4	12 (A)	1 - Provision of regular information to lenders 2 - Regular contact with lenders 3 - Submit quarterly and annual information timeously 4 - Covenant reports within management accounts 5 - Meet regulation requirements & maintain low engagement	1	4	4 (G)	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	32	Pension implications	1 - Costs of defined benefit to association and staff 2 - Negative impact on cash flow 3 - Risk associated with other organisations withdrawing from the scheme. All others left standing will share liabilities of insolvent participating employers. 4 - Non-compliance with auto enrolment	3	4	12 (A)	1 - Triennial valuation/ external advice 2 - Long term cash flows to assess viability 3 - Continual review of correspondence from SHAPS 4 - EVH SHAPS support group membership 5 - 2016 review of options 6 - Auto enrolment procedure 7 - 2018/19 independent review planned 8 - Final salary scheme closed to new entrants 9 - Defined contributions option only to new entrants	2	4	8 (A)	FMD Financial Services / Director	
Finance & Corporate Services	33	SHAPS pension accounting changes	1 - Potential impact on interest covenant 2 - Timing of information for annual financial statements	3	3	9 (A)	1 - Awareness of matter 2 - Testing of covenant on information known at present 3 - Attendance at SHAPS employer meetings for information 4 - Membership of EVH SHAPS support group for information 5 - Liaison with external auditors regarding potential timing issues	2	3	6 (G)	FMD Financial Services / Director	

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Finance & Corporate Services	34	Use of own resources	1 - Negative impact on cash flow	3	4	12 (A)	1 - Life cycle costings in place 2 - Cash flow for expenditure 3 - Cost control 4 - Annual budget 5 - 5 year and 30 year cash flow projections 6 - Treasury management strategy 7 - Reviewed long term projections	1	4	4 (G)	FMD Financial Services / Director	
Finance & Corporate Services	35	Inadequate recording systems	1 - Organisational reputation 2 - SHR Engagement 3 - Inaccurate reporting leading to poor decision making	3	3	9 (A)	1 - Financial procedures and controls 2 - Sector specific financial services provision 3 - Ongoing training for staff 4 - Internal audit 5 - External audit 6 - Internal management plan	2	3	6 (G)	FMD Financial Services / Director	
Finance & Corporate Services	36	Failure to submit statutory returns to external organisations on time	1 - Organisational reputation 2 - SHR engagement 3 - FCA/ OSCAR intervention 4 - Breach of covenants 5 - Scottish Information Commissioner (SIC) intervention	4	4	16 (R)	1 - Work planning timetable 2 - Business planning 3 - Internal management plan 4 - Return timescales added to business plan timeline, detailing planned meeting for approval and required submission dates 5 - Reporting to committee 6 - Scheduled diary of returns and reporting framework 7 - Returns contained with business plan priority targets	2	4	8 (A)	FMD Financial Services / Director	1 - New quarterly reporting requirement re FOISA and property factors registration - if no annual update office to operate as a factor.

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Finance & Corporate Services	37	Material loss because of damage or injury to person or property	1 - Organisational reputation 2 - SHR engagement	2	5	10 (A)	1 - Comprehensive insurance 2 - Property insurance 3 - Terrorism insurance 4 - Engineering inspection insurance	1	5	5 (G)	FMD Financial Services / Director	
Finance & Corporate Services	38	Computer failure	1 - Organisational reputation 2 - Disruption to service delivery 3 - Operational viability	2	3	6 (G)	1 - Procedure for backing up 2 - Back-up onsite & replicated offsite to Tecnica cloud 3 - Testing of restore facility 4 - Maintenance contract in place 5 - 2018 review of systems 6 - 2018 reviewed support provision	1	2	2	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	39	Inappropriate access to information	1 - Organisational reputation 2 - SHR engagement 3 - ICO intervention/ fine	4	5	20 (R)	1 - Ensure passwords for computers and bank accounts 2 - Ensure confidential papers are not left lying around 3 - Adhere to policy on data protection and access to information 4 - Compliance with GDPR 5 - Internal audit 6 - Encryption for backup and disaster recovery information held off site 7 - Staff training 8 - Policies/ procedures 9 - Purchase of DPO service from Information Law Solutions (ILS) for period 2018-20 10 - Compliance work being undertaken with ILS 11 - Cyber and crime insurance	2	3	6 (G)	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	40	Office fire	1 - Disruption to service delivery	3	5	15 (R)	<ul style="list-style-type: none"> 1 - Office insurance 2 - Fire proof safe/ fire resistant filing cabinets 3 - Smoke alarms 4 - Fire extinguisher checks 5 - Fire drills 6 - Electrical checks 7 - Keeping office tidy 8 - Safety audit of fire escapes 9 - Key holders and action in emergency out with office hours 10 - Fire training 11 - Disaster recovery plan 12 - Consider linking office fire alarm to an alarm receiving centre 13 - Consider option to use alternative premises - Clydebank HA have service that a number of HA's buy in to 	1	4	4 (G)	FMD Financial Services / Director	
Finance & Corporate Services	41	Office break-in	1 - Disruption to service delivery	2	4	8 (A)	<ul style="list-style-type: none"> 1 - Office insurance 2 - Intruder alarm 3 - Key holders and action in emergency 4 - Locked safe/ locked filing cabinets 5 - CCTV 	2	2	4 (G)	FMD Financial Services / Director	
Finance & Corporate Services	42	Poor financial/corporate record keeping	<ul style="list-style-type: none"> 1 - Organisational reputation 2 - Disruption to service delivery 3 - Operational viability 	4	4	16 (R)	<ul style="list-style-type: none"> 1 - Procedures for keeping information 2 - Library 3 - Archives 4 - SDM attachment module 5 - Internal and external audits 	2	4	8 (A)	FMD Financial Services / Director	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Finance & Corporate Services	43	Disaster	1 - Organisational reputation 2 - Disruption to service delivery 3 - Operational viability	2	5	10 (A)	1 - Disaster recovery plan updated annually	2	3	6 (G)	FMD Financial Services / Director	
Finance & Corporate Services	44	Inadequate insurance cover	1 - Organisational reputation 2 - Disruption to service delivery 3 - Operational viability	3	5	15 (R)	1 - Ensure appropriate cover in place which is adequate for needs 2 - Annual review of cover in place 3 - Insurance broker used to review type and level of cover to ensure appropriate and sufficient	1	5	5 (G)	FMD Financial Services / Director	
Finance & Corporate Services	45	Withdrawal from Europe	1 - Uncertainty 2 - Cost of European goods (maintenance parts and components) 3 - Financial implications - interest rates, inflation, economic uncertainty	5	4	20 (R)	1 - Keep abreast of developments 2 - Quarterly monitoring of finances (management accounts) 3 - Budgeting scenario/ sensitivity analysis 4 - Director being involved in SFHA/ Scottish Government preparation meetings/ discussions	5	2	10 (A)	FMD Financial Services / Director	
Housing Services	46	Lack of or failure to maintain property/ tenant records	1 - Inappropriate planning & budgeting processes 2 - Organisational reputation 3 - Service provision	4	2	8 (A)	1 - Computerised data base 2 - Tenants files 3 - Procedures and staff responsibility for recording changes 4 - Back up tape to be removed from office/ fire safe 5 - Regular audits to ensure compliance	2	2	4 (G)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Housing Services	47	Inappropriate rents set	1 - Income management 2 - Housing demand 3 - Service provision 4 - Not cover costs	4	3	12 (A)	1 - Rent setting policy & procedures 2 - Application of policy correct 3 - Income survey 4 - Comparability survey 5 - Independent rent setting & service charges review undertaken 2018/19, to be finalised 2019 for implementation April 2020, following consultation 6 - Budgets and management accounts	2	3	6 (G)	Housing Services Manager	
Housing Services	48	Inappropriate service charges	1 - Income management 2 - Housing demand 3 - Service provision 4 - Not cover costs	4	3	12 (A)	1 - Tender for work 2 - Ensure costs are covered 3 - Have separate cost centres 4 - Investigate housing/welfare benefit entitlement 5 - Independent rent setting & service charges review undertaken 2018/19, to be finalised 2019 for implementation April 2020, following consultation 6 - Budgets and management accounts	2	3	6 (G)	Housing Services Manager	

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Housing Services	49	Ongoing welfare reforms	1 - Income management 2 - Planning & budget 3 - Process re uncertain rental income 4 - Repairs & maintenance investment	4	4	16 (R)	1 - Keep abreast of government policy 2 - Update procedures as required 3 - Input from welfare benefits advisor 4 - Regular liaison with Glasgow City Council, DWP etc. 5 - Welfare reforms action plan	3	4	12 (A)	Housing Services Manager	
Housing Services	50	Failure to collect rent and / or other income owed to the Association	1 - Income management 2 - Repair & maintenance investment 3 - Service provision 4 - Performance indicators/ poor ARC	4	4	16 (R)	1 - Debt recovery policies & procedures 2 - Maximise personal contact methods by staff 3 - Earlier staff intervention/ legal action considered in all suitable cases 4 - Monitor housing benefit/ universal credit etc. 5 - Provide welfare benefits advice service. Actively encourage appointment attendance and follow up 6 - Complete tenancy sustainment and housing options interviews 7 - Regular statements 8 - Set targets & regular audit of cases to ensure policy/ procedural compliance 9 - Report to committee 10 - Variety of payment options 11 - Internal and external audits	3	4	12 (A)	Housing Services Manager	

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Housing Services	51	Failure to provide a safe and attractive environment	1 - Housing demand 2 - Turnover & void management 3 - Income management/ increased costs due to vandalism 4 - Organisational reputation	3	3	9 (A)	1 - Design of property 2 - Estate management, health & safety and anti-social behaviour polices & procedures 3 - Regular audits to ensure compliance 4 - Regular inspections. Record & action outcomes of property/ area inspections 5 - Legal action as required/ appropriate 6 - Liaison with other agencies/ organisations 7 - Insurance 8 - Reports to committee	2	3	6 (G)	Housing Services Manager	
Housing Services	52	High Turnover	1 - Housing demand 2 - Performance indicators/ poor ARC 3 - Income management 4 - Organisational reputation	3	3	9 (A)	1 - Meet tenants' aspirations 2 - Ensure mix and types of properties are appropriate 3 - Analyse why tenants are leaving and act on same 4 - Tenancy sustainment and support 5 - Housing options 6 - Welfare benefit advice 7 - Housing officers and housing services manager monthly reviews	2	3	6 (G)	Housing Services Manager	

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Housing Services	53	Inability to let properties / low demand	1 - Housing demand 2 - Performance indicators/ poor ARC 3 - Income management 4 - Organisational reputation 5 - Turnover 6 - Impact of other RSLs developments	3	3	9 (A)	1 - Property schedule 2 - Maintain properties in good condition 3 - Provide house types people want 4 - Advertise housing list 5 - Keep open list 6 - Regular review of housing list and turnover 7 - Procedures	2	3	6 (G)	Housing Services Manager	
Housing Services	54	Incorrect allocations	1 - Organisational reputation 2 - Housing demand	2	2	4 (G)	1 - Allocations policy and procedures 2 - Regular audits to ensure compliance 3 - Check pointing 4 - More than one person does allocation	1	2	2	Housing Services Manager	
Housing Services	55	Potential relaunch impact of GHR	1 - Increase in application processing time 2 - Increase in staff workload 3 - Difficulties for non-digital customers	3	2	6 (G)	1 - Innovative solutions to deal with backlogs 2 - Planning workloads 3 - Assist applicants with online process	2	2	4 (G)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Housing Services	56	Insufficient void control/ void management	1 - Income management/ increased void costs 2 - Turnover 3 - Housing demand 4 - Organisational reputation 5 - Performance indicators/ poor ARC 6 - Void maintenance cost overspend	3	2	6 (G)	1 - Void management policy and procedures 2 - Regular audits to ensure compliance 3 - Ensure appropriate documentation and record keeping in place (including EPC Register) 4 - Targets for lets 5 - Reports to committee 6 - Keep housing list up to date 7 - Section 5 referrals 8 - Ensure all sections notified 9 - Keep note of utility suppliers 10 - Providing tenants with correct documentation 11 - Officer and housing services manager monthly review of costs (void repair and void loss)	1	2	2	Housing Services Manager	
Housing Services	57	Tenant dissatisfaction / compensation pay outs (ombudsman)	1 - Organisational reputation 2 - Income management 3 - Service provision	4	3	12 (A)	1 - Tenant participation policy 2 - Customer service policy 3 - Complaints policy 4 - Staff training 5 - Service levels 6 - Tenant satisfaction surveys 7 - Tenant handbook to be reviewed 8 - Website updates 9 - Newsletters - comments/ complaints slip	2	3	6 (G)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Housing Services	58	HMO Licence not approved	1 - Organisational reputation 2 - Implications for service and vulnerable individuals	3	3	9 (A)	1 - Ensure proper procedure in place and appropriate control mechanisms 2 - Minimum annual inspections of property 3 - Quarterly liaison meetings with care provider 4 - Apply for renewal well in advance 5 - Undertake mock assessments in run up to renewal	2	3	6 (G)	Housing Services Manager	
Housing Services	59	Deterioration of properties	1 - Income management 2 - Housing demand 3 - Organisational reputation	4	4	16 (R)	1 - Stock condition surveys 2 - Cyclical maintenance plan 3 - Major repairs plan 4 - Budgets for same 5 - Reactive repairs 6 - Maintenance policy & procedures	2	4	8 (A)	Housing Services Manager	
Housing Services	60	Funding for major repairs insufficient	1 - Income management 2 - Housing demand 3 - Organisational reputation	4	4	16 (R)	1 - Set aside funds for major repairs 2 - Re-mortgage loans	2	4	8 (A)	Housing Services Manager	
Housing Services	61	Major storm/frost/fire	1 - Budget implications 2 - Organisational reputation re response	2	4	8 (A)	1 - Adequate buildings insurance 2 - Void management policy & procedures 3 - Procedures for dealing with emergency 4 - Disaster recovery plan	2	4	8 (A)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Housing Services	62	Post Grenfell fire regulations	1 - Budget implications 2 - Availability of supplies 3 - Tenant access to complete	4	3	12 (A)	1 - Keeping abreast of developments and guidance 2 - Mid-year budget review 3 - Liaising with suppliers/ contractors 4 - Raising tenant awareness of fire safety and requirements	3	3	9 (A)	Housing Services Manager	
Housing Services	63	Poor contractor performance	1 - Organisational reputation 2 - Performance indicators/ poor ARC 3 - Budget implications/ costs 4 - Service provision	3	4	12 (A)	1 - Procurement and contractor management policy and procedures 2 - Post inspections 3 - Check response times 4 - Check standard of work 5 - Tenant satisfaction surveys 6 - Check invoices for accuracy 7 - Regular liaison meetings with contractors 8 - Report statistics in newsletter	2	3	6 (G)	Housing Services Manager	
Housing Services	64	Improper appointment of contractors	1 - Organisational reputation 2 - Service provision 3 - Budget implications/ costs	2	3	6 (G)	1 - Procurement and contractor management policy and procedures 2 - Tender procedures followed 3 - Checking of requirement to get on framework/ tender list (e.g. insurance etc.) 4 - Regular audits to ensure compliance	2	2	4 (G)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Housing Services	65	Failure to comply with new procurement legislation/ regulations	1 - Budget implications/ costs 2 - Legal challenges 3 - Service provision 4 - Organisational reputation	4	3	12 (A)	1 - Procurement and contractor management policy and procedures 2 - Employ appropriate consultants for required advice 3 - Regular audits to ensure compliance 4 - Training 5 - Budget for impact	2	2	4 (G)	Housing Services Manager	
Housing Services	66	Failure to comply with gas servicing & maintenance regulations	1 - Legal challenges/ action 2 - Health & safety implications 3 - Organisational reputation 4 - Performance indicators/ poor ARC	4	4	16 (R)	1 - Completion timescales 2 - Documentation 3 - Monitoring & control of performance issues 4 - Contractors' quality & performance	2	4	8 (A)	Housing Services Manager	
Housing Services	67	Failure to comply with periodic electrical regulations	1 - Health & safety implications 2 - Organisational reputation	4	4	16 (R)	1 - Completion timescales 2 - Documentation 1 - Monitoring & control of safety issues 2 - Contractors' quality & safety	2	4	8 (A)	Housing Services Manager	
Housing Services	68	Failure to comply with legionella regulations	1 - Legal challenges/ action 2 - Health & safety implications 3 - Organisational reputation 4 - Performance indicators/ poor ARC	4	4	16 (R)	1 - Documentation 2 - Monitoring & control of performance issues 3 - Contractors' quality & performance	2	4	8 (A)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
Housing Services	69	Failure to comply with asbestos regulations	1 - Legal challenges/ action 2 - Health & safety implications 3 - Organisational reputation	4	4	16 (R)	1 - Asbestos management policy & procedures 2 - Asbestos risk assessment 3 - Asbestos register	2	4	8 (A)	Housing Services Manager	
Housing Services	70	Compliance with energy efficiency standard for social housing version 2 (EESH 2)	1 - Performance indicators/ regulatory return 2 - Service provision 3 - Value for money 4 - Reputation 5 - Demand for stock	4	3	12 (A)	1 - Demonstrating cost of compliance and that not currently value for money 2 - Keep reviewing delivery action plan as costs reduce and technology improves 3 - Keep costs/ benefit analysis under review 4 - Carry out 'easy' cost effective measures as life cycles come round e.g. boiler replacements 5 - Monitoring control of energy documentation	4	2	8 (A)	Housing Services Manager	

Risk Area	Risk Number	Risk(s) Identified	Potential Risk Consequences	Likelihood (1-5)	Impact (1-5)	Risk Score	Mitigation Controls	Revised likelihood (1-5)	Revised Impact (1-5)	Revised Risk Score	Risk Owner	Planned Actions
All	71	COVID19 pandemic	1 - Service provision 2 - Health & safety implications - staff, tenants & contractors 3 - Organisational reputation 4 - Financial impact - increase in voids and bad debt as well as costs associated with bringing the estate back into order once lock down is over 5 - Committee's ability to govern effectively without physical meetings 6 - Delay to end of year audit completion 7 - Delay to regulatory filing 8 - Delay to completing transfer of engagements 9 - Contractors adversely affected and unable to honour contracts even once lock down is lifted	5	4	20 (R)	1 - Following government advice 2 - Office closed 3 - Estate management service suspended 4 - All non-urgent repairs stopped 5 - Disaster Recovery Plan updated with specific COVID19 insert 6 - Daily communication between staff 7 - At least weekly communication between Director and Committee 8 - Working from home arrangements in place 9 - Register of self-isolating cases in place 10 - March committee meeting cancelled 11 - Allocation of void properties suspended (except for options to aid GCC with temp accommodation for homeless people) 12 - Risk register updated	5	3	15 (R)	Director	1 - Financial modelling to test impact on income lost through voids, bad debt levels and increased estate management costs post-lock down 2 - Await further guidance from the Social Housing Resilience Group (set up by SFHA and consists key organisations in the sector) 3 - Review committee communication options - Zoom, Microsoft Teams, Facetime

Section 10: Internal Audit

Effective internal audit provides independent assurance to the Management Committee that risk is being identified and managed effectively and that robust internal controls are in place. As such, the Committee are the driving force behind a successful internal audit function.

The Chartered Institute of Internal Audit (CIIA) defines the role of Internal Audit as:

“to provide independent assurance that an organisation’s risk management, governance and internal control processes are operating effectively”.

With the issue of the revised 2019 SHR Regulatory Framework internal audit is now compulsory. The Regulatory Standards of Governance and Financial Management at Standard 4 states:

Standard 4

The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation’s purpose.

The standard further references audit at points 4.3 and 4.5:

“4.3 The governing body identifies risks that might prevent it from achieving the RSL’s purpose and has effective strategies and systems for risk management and mitigation, internal control and audit.”

4.5 The RSL has an internal audit function. The governing body ensures the effective oversight of the internal audit programme by an audit committee or otherwise. It has arrangements in place to monitor and review the quality and effectiveness of internal audit activity, to ensure that it meets its assurance needs in relation to regulatory requirements and the Standards of Governance and Financial Management. Where the RSL does not have an audit committee, it has alternative arrangements in place to ensure that the functions normally provided by a committee are discharged.

The Association treats internal audit as a crucial tool to establish robust, internal controls and to gain independent assurance. There are no alternatives to internal audit that can provide the same level of necessary independent assurance.

The Association follow the good practice recommendation of splitting the internal and external audit functions, and do not have one firm of auditors carrying out both functions.

Our internal auditors undertake internal audit work for a number of housing associations. As such, they are able to provide an assessment of the systems and controls of Pineview Housing Association, and also provide comparisons of these, and the associated outcomes, with outcomes and good practice from across the sector.

The audit work is determined by the Association (management committee and staff) and the internal auditor. This planning takes account of previous audit work; reviews of the Association’s risk register; reviews the current and impending business environmental factors; and the auditors experience from audits elsewhere. Our external financial auditors also contribute to the planning process and can highlight any concerns direct to our internal auditor.

In recognition of good practice, the internal audit programme can periodically be determined independently by the Association’s internal auditor.

Our current internal auditors contact details are as follows:

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The audit plan of internal audit work undertaken to date and the audit work planned ahead is as detailed on the following page.

Internal Audit Programmes - 2014 – 2023

System	Audit Area	Complete	Complete	Complete	Complete	Complete	Complete	Plan	Plan	Plan
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Financial Systems	Budgetary & Financial Controls	1						3		
	Rental Income and Arrears Management	1				2.5				
	Purchasing, Payments and Procurement	2					2.5			
	Property Management			1						
Non Financial Systems	Personnel and payroll	1							2	
	Covid-19 Arrangements							3.5		
	Maintenance (Planned/Reactive/Cyclical)		2				2			
	Health and Safety, and Gas Safety			1						
	Complaint Handling and Tenant Communications			1						2
	Tenant Participation and Engagement									2
	Void Management					2				
	Staff Attendance and Management				1					
	Data Protection				2					
	Insurance Tender				0.5					
	Share Register				1					
	Housing Allocation and Management			1.5						2.5
	Review of Business Plan (Re Regulatory Guidance)						2			
ARC Reporting				2	2	2	2	2	2	

IT	IT Systems		1.5						2.5	
Governance	Corporate Governance and Risk Management (Auditor takes part in 6 monthly risk review)		1						2	
Required	Follow Up Review		0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
	Audit Management	1	1	1	1	1	1	1	1	1
	Total Days	6	6	6	8	8	10	10	10	10

Section 11: SHR Standards of Governance & Financial Management Compliance (May 2020)

Following the review of the Regulatory Standards of Governance and Financial Management and their update in February 2019, the Committee decided that the Association would undertake a formal review of the Association's compliance at the 2019 business planning strategy day. This was facilitated by Linda Ewart and the resulting self-assessment outcomes form the basis of the Association's 2019 assurance statement.

Joint committee and staff group work took place reviewing the Association's compliance with the Chapter 3 of the Regulatory Framework. Most effort was spent reviewing self-assessment of compliance with The Standards of Governance and Financial Management for RSLs as it was agreed that compliance with these would support the Association in demonstrating compliance with the other elements of the Regulatory Framework – as supported by the later published Self-Assurance Toolkit.

The review considered each element and determined if the standard was currently met; what was the evidence to support the compliance; what additional actions were required for compliance; and if there were any further suggestions for improvements (but that were not necessary for compliance). The work undertaken highlighted confidence with compliance. There were no areas of non-compliance identified, other than full compliance with equalities requirements, but this is not required until 2021. A few areas were identified for possible improvements but were agreed as not being required for compliance – more of a wish list.

The process was of vital importance for undertaking and for completing the Annual Assurance Statement (AAS). This work formed a large part of the evidence bank for the committees AAS which required to be submitted to the SHR by 31/10/19.

Following this further work was undertaken and an Action Plan for ongoing compliance assurance and improvement was set up. All items are for improvement only as compliance is currently met.

It was decided by committee that compliance should be considered at each Committee of Management (CoM) meeting through a standalone report.

Standard 7 was not included in the assessment as the Association are not currently undertaking organisational or constitutional change. However, if the Association will be reviewing compliance with this Standard during 2020 due to the planned revision of our Rules (constitution) and for the potential transfer of engagements from Kendoon Housing Association. The outcome will be added to our compliance evidence bank.

The first Annual Assurance Statement was submitted to the SHR on 30/10/19 and will thereafter be submitted annually.

An annual assurance statement requires to be submitted to the SHR each year by 31 October. Committee will continue their review of compliance on an ongoing basis throughout the year and are aware that formal notification to the SHR on non-compliance is required

The following table details the compliance/improvement action plan that was agreed and the updates with progress to June 2020.

Action:	Purpose:	Lead:	Due By:	Update:
Committee decide treatment of ARC Indicator 19 for AAS.	To determine materiality and disclosure.	CoM	At 27/08/19 CoM.	Completed 27/08/19.
Committee decide treatment of Equalities requirements for AAS.	To determine materiality and disclosure.	CoM	At 27/08/19 CoM.	Completed 27/08/19.
Draft AAS for Sept CoM meeting to consider, and incorporate annually.	To allow committee to consider AAS in time to allow changes.	JO/CoM	24/09/19 & annually	Completed - Draft AAS considered at 24/09/19 CoM meeting.
Monthly compliance reporting.	To make assurance / compliance core to business activities and not simply an annual one off exercise. Monitor the implementation of Action Plan(s). To identify any changes to assurance and advise SHR.	JO/CoM	Ongoing	Completed - Monthly standard agenda item until Committee instruct otherwise.
Committee to instruct staff of any changes they wish to implement to actions and reporting systems.	To support committee's confidence of compliance assurance.	CoM	Ongoing – monthly review.	Committee to advise at meeting if any changes required.
Final AAS for approval at Oct CoM, and incorporate annually.	Annual determination by committee of their AAS.	JO/CoM	29/10/19 & annually	Completed - Final AAS approved at 29/10/19 CoM and submitted.
Submission of AAS by required date.	Regulatory requirement – already incorporated into returns calendar.	JO	31/10/19	Completed – submitted 30/10/19.
Equalities compliance work with Stewart Montgomery and GCIL and DPO.	To devise processes to comply with regulatory requirement in a way that provides usable information for PHA to improve services to customers and complies with GDPR.	IF/KB/JO/DPO	Ongoing – implementation during 2020/21	Awaiting SHR Guidance – due 2020.

Work to enhance compliance with specific standards:				
Action:	Purpose:	Lead:	Due By:	Update:
3.7 - Annual Assurance Statement to be added to returns calendar.	Ensure awareness of return date and reporting.	JO	31/07/19 – complete.	Completed on time.
2.3 - Customer Forum Minutes publish on Website	Transparency.	KB/IF	Oct 2019	Completed on time.
3.6 - Rent increase – more information on different options – explaining what increase in rents could accomplish but compound increase effect.	More information for tenants to consider when replying to consultation.	KB/JO/ FMD	December 2019 consultation	Completed on time. Consultation issued to tenants and posted on website 10 Dec 2019.
3.1 - Develop statement on how value for money is assessed – involve forum in determining.	Add to process for achieving balance between costs and outcomes.	JO/KB	December 2019	Completed on time. Resident and Customer Forum concluded VFM Statement at meeting of 4 Dec 2019 and approved for issue – issued to all tenants and posted on website 5 Dec 2019.
2.1 - Annual detail of property improvement plans: cyclical 5 years, Painterwork, renewals 5 years etc.	Useful information for customers for planning and information.	KB	Feb 2020	Completed and issued.
3.3 - Finalise and implement new rent structure.	For tenant planning and Association financial planning.	KB	April 2020	Completed for 01/04/2020 debit.
2.4 & 5.3 - Undertake equality survey work on protected characteristics.	Allow a better understanding of individuals needs and meet future requirement of equality monitoring.	JO	2020	Awaiting SHR Guidance – due 2020
2.4 - Customer open meetings/coffee mornings.	To obtain wider opinion and input.	KB	2020/21 Priorities B	Delay due to Covid19.
6.5 - Streamline Committee Induction information – not too much at one time.	So as not to overload.	JO	Post 2020 AGM – aim for Aug 2020	
6.5 - Formalise Committee Induction feedback from new members.	Learning record from feedback process.	JO	Post 2020 AGM	

2.4 - Develop repair satisfaction survey by text.	Increase methods of response/ participation.	IF	May 2020.	System set up 29/05/2020.
2.4 - Develop consultation register.	To obtain wider opinion and input.	KB/IF	2020/21 Priorities B	
2.4 - Increase diversity in Resident and Customer Forum.	To obtain wider opinion and input.	KB	2020/21 Priorities C	Covid19 impact.
1.7 - Provide background information on committee candidates as part of AGM process.	Transparency.	IF	May - July 2020	JO will develop pro forma for CoM members to complete.
2.2 & 2.3 - Audit website against the Model Publication Scheme of Scottish Information Commissioner (SIC).	FOI compliance and good practice on transparency.	IF/DPO	Nov 2020	
2.3 - FOI - Proactively Publish Requests & Responses	FOI compliance and good practice on transparency.	IF/DPO	Dec 2020	

A copy of our Annual Assurance Statement will be posted on our website each year once it has been submitted to the SHR.



Putting People 1st

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