



**ng
homes**

**Business Plan
2017 - 2020**



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Introduction

ng homes is the trading name of North Glasgow Housing Association which was established over 40 years ago. During that period we have seen much change in Glasgow and in Scotland as a whole, and none of us know what the next 40 years will bring. ng homes has moved with this change and grown with the local community. We have built a strong foundation that allows us to manage change. The Association is led by a dedicated voluntary Board who are passionate about making a real difference to our communities. From this positive position we look ahead to the future with a real sense of commitment and an open mind to the opportunities that may present themselves. Whether this is in expanding our areas of operation, attracting new types of tenants or building modern new homes, we are committed to being the best we can be for our customers and communities.

With this in mind we have developed a new vision for the organisation, our vision is: **A community where people can flourish and prosper.**

We will deliver this through: **Providing quality homes and on-going community regeneration and empowerment.** As can clearly be seen in the following table, at this time our financial position is much stronger than we projected in our 2011/12 Business

Plan and we will continue to ensure that robust financial planning underpins all of our decision-making. Especially with regard to new build proposals and investments. This is complemented by our Asset Management Strategy which is currently being reshaped for the future using intelligence from a comprehensive stock condition survey of all of our stock to be completed by 31 March 2018.

Projected Financial Position 2016/17 and Actual 2016/17

| | 2011/12 PLAN for 2016/17 | 2016/17 Actual |
|-------------------|-----------------------------|-------------------|
| Peak Debt | £39m | £26m |
| Cash in Bank | £6.05m | £19.1m |
| Debt per Unit | £7,211 | £4,775 |
| Net Debt per Unit | £6,130 | £1,296 |
| Rental Income | £19.6m | £22.26m |
| Employee Costs | £6.05m | £4.7m |
| Net Surplus | Loss £188k | Surplus £4.8m |
| Reserves | £13m | £75m |

This Business Plan reflects our Board's aspiration to build more new houses on a modest scale. This is a significant shift from recent years as we want to build new houses to allow for diversification of tenure and address unmet needs. We will look beyond the number identified in our financial management projections and where our stock has low demand and high investment requirements, through options appraisals we will consider alternative use or demolition.

Our social enterprise, ng2 goes from strength to strength and is an important driver in maintaining affordable rents, given that we do not pay VAT on labour, as well as ensuring the quality of repairs and maintenance for our tenants. Our community regeneration is based on three pillars of regeneration – physical, economic and social. This is reflected in our Regeneration Strategy and we recognise the important role that regeneration can play in tenancy sustainment.

We will also continue to seek meaningful partnerships with other local RSLs on a variety of strategic and operational matters where we can

add value for local tenants and communities.

Above all, people remain at the heart of what we do – our tenants and customers, our staff and our Board. Reflecting this, we have taken a new approach to developing our business plan this year, harnessing the talents of a wider range of managers and Board members in developing the new plan and engaging with staff as it progressed through the development stages. We have also listened to tenants and customers views during rent consultations, tenant conferences and our tenant scrutiny panel as well as in the course of our daily contact with the people who live in the homes we provide.

We hope that all readers of this document can see the ownership that is built into this plan from all parts of our business and community. We recognise that only through such a collaborative approach and investment in our people will we be able to deliver on our vision.

Robert Tamburrini

Robert Tamburrini
Chief Executive, ng homes

Our vision, mission and values

ng homes is all about

- People
- Community

Our vision is

A community where people can flourish and prosper

Our mission is

To provide quality homes and on-going community regeneration and empowerment

Our values

- ✓ We are a quality organisation delivering excellence
- ✓ We act with integrity
- ✓ We are friendly and treat people with respect
- ✓ We are customer focused and put the customer first
- ✓ We are trusted and trusting
- ✓ We are accountable



Priorities 2017 – 2020

Prudent financial management

- Manage cash flow and loans in conjunction with agreed expenditure programmes
- Deliver the Procurement and Asset Management Strategy
- Upgrade IT systems
- Review Treasury Management
- Review Value For Money (VFM) Strategy
- Review Pensions
- Undertake a rent comparison / affordability analysis

Continuous improvement

- Prepare for Universal Credit full service
- Produce a robust investment programme using stock condition information and ensure adequate funding is in place
- Carry out an options appraisal/demand analysis: Saracen tenements, Balgrayhill decks and Galloway Street tenements
- Develop alternative tenure proposals for Stonyhurst Street
- Complete EESSH surveys and action plans and ensure adequate funding is in place
- Prepare staff training plans
- Ongoing review of customer satisfaction
- Keep rents affordable
- Achieve KPIs
- Explore new, innovative methods of communication and consultation
- Address fuel poverty issues
- Support the Thriving Places initiative
- Implement internal audit recommendations

Growing our business

- Reshape services delivered to older people across the business
- Identify small scale strategic new build opportunities
- Consider opportunities for acquisitions, mergers and partnerships
- Grow ng2 services and maximise VAT savings
- Attract new grant funding for regeneration
- Explore opportunities for selling services
- Promote tenure diversification including Mid Market Rent (MMR)

Priorities 2017 – 2020

Creating a positive culture

- Continue to focus on Customer Service Excellence
- Further develop our approach to employee engagement
- Develop new and existing forums including Young Person's, Elderly, multi-storey flats, Owner Occupier etc.
- Develop effective cross department working and share good practice
- Develop and implement a new performance management system
- Develop an equalities action plan
- Promote staff health and wellbeing
- Maintain robust health and safety standards
- Invest in staff and Board development
- Invest in the community – building capacity

Robust governance

- Review and enhance the Board induction process to incorporate e-learning
- Review the effectiveness of the governance framework
- Carry out governance self assessment
- Conduct Board appraisals
- Develop comprehensive Board training programmes
- Review Risk Strategy and Registers
- Ensure ng Group procurement compliance
- Review ng homes Model Rules
- Review ng homes areas of operation
- Review the membership policy

These priorities have been developed in a consultative manner across the organisation. We have engaged the Executive Team, the Board, our managers and the wider staff body taking account of tenant and customer views. Each staff team is directly engaged in shaping and defining specific action and work plans to ensure we deliver on our strategic priorities for the benefit of our customers and the community as a whole. We will monitor departmental work plans and will ensure these are reviewed and if necessary updated quarterly and reported to the Board.

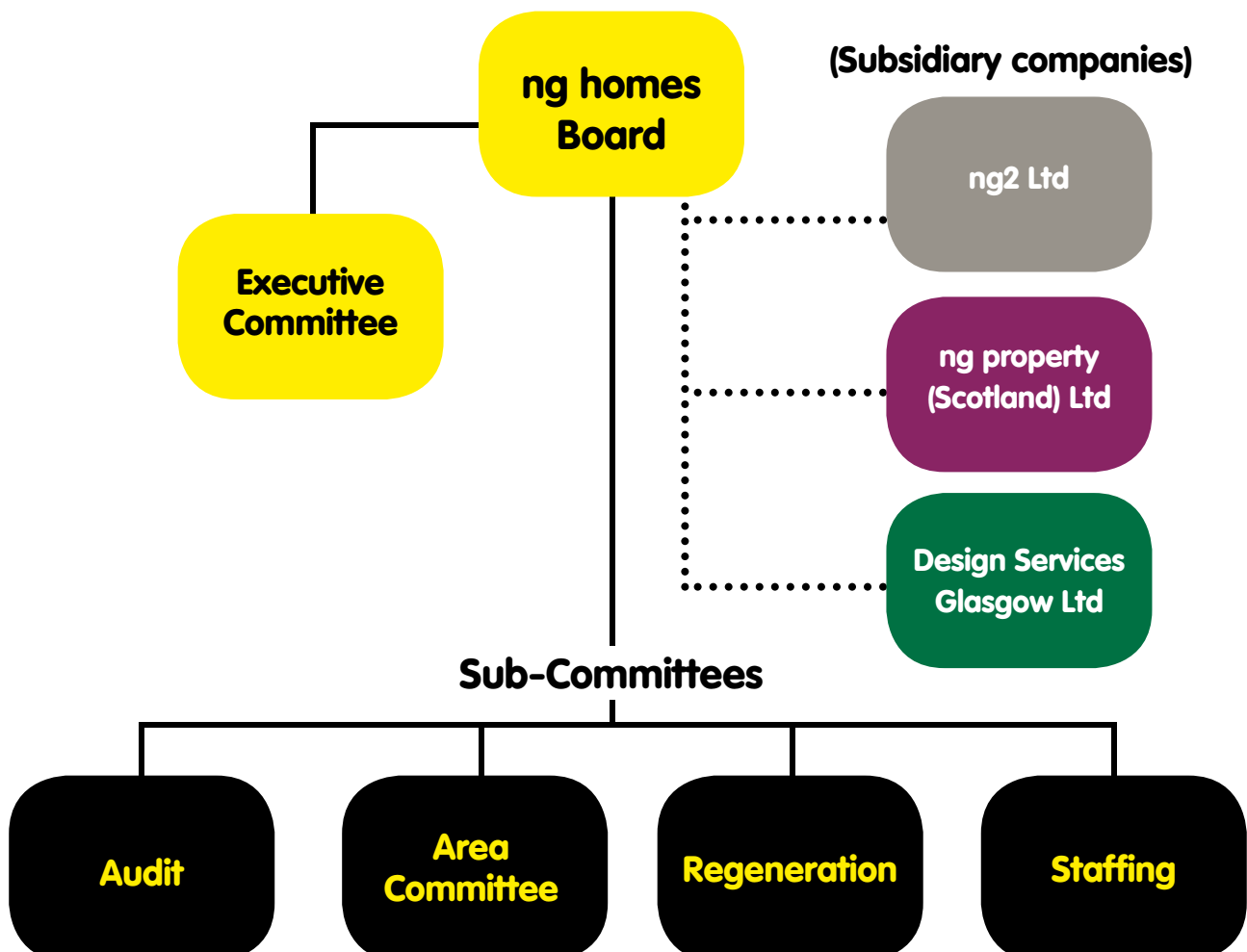
Organisational structure

The business has grown dramatically in scale and complexity with over 4,000 units added since 2001, mainly through Large Scale Voluntary Transfer. This, together with a continually changing external environment means that effective governance and stewardship of the organisation is increasingly important.

Board and Committee Structure

The Board is the governing body that controls ng homes. The Board is responsible for the strategic direction, setting standards, monitoring performance and the effective running and financial management of ng homes and is the employer body, with senior staff accountable to the Board.

Some business areas with a more operational focus are delegated to Sub-Committees, and activities of a more commercial nature are delivered via wholly-owned subsidiary companies within ng homes' group structure:



Organisational structure

ng2

A 100% owned subsidiary company, ng2 is a social enterprise delivering services direct to the community. Since its establishment in 2010, ng2 has grown and diversified to provide a wide range of environmental and facilities management services.

ng2 now employs 76 people and has an annual turnover of over £4 million; ng2 has three registered Directors – two senior ng homes managers (Director of Finance and Director of Regeneration) and one ng homes Board member. A further four ng homes Board members are represented on the ng2 Board.

ng2 is an important part of ng homes strategic delivery plans; we anticipate continued growth for ng2 aligned to ng homes planned investment programme. Environmental maintenance and the development of trades service delivery are two specific areas of growth. ng2 has a significant role to play in helping ng homes to sustain tenancies, deliver value for money and ultimately reduce the pressure on rents through cost/VAT savings for the Association.

ng property (Scotland) Ltd

ng property provides property factoring services to owners. This factoring role increased dramatically with the GHA stock transfer in 2011 and the subsidiary now provides services to 1,255 owners. There is no direct employment in this subsidiary; rather ng homes provide staff support services. Turnover to 31 March 2017 was £518,986.

ng property (Scotland) Ltd has two registered Directors - the ng homes Director of Finance and the Assistant Director (Housing Services). A further four ng homes Board members, two Area Committee members and one other owner are represented on the ng property Board.

Design Services Glasgow Ltd

This subsidiary company acts as agent for new design and build housing, enabling VAT reclaim on consultants' fees. Activity has been minimal in recent years, but for the period of this plan it is anticipated that activity and turnover will increase in line with our new build plans. Turnover to 31 March 2017 was £36,873.

Executive Committee - comprises office bearers of ng homes' Board plus Sub-Committee and subsidiary Chairs with the remit to plan agendas, co-ordinate across the Group and deal with emergency business.

Audit Sub-Committee - reviews the financial affairs of the organisation, effectiveness of risk management and internal and external audit.

Regeneration Sub-Committee - oversees the implementation of the regeneration strategy and programme, approving and monitoring

individual projects and reviewing progress against target outcomes.

Staffing Sub-Committee - considers staffing, human resources and organisational development, training, and health & safety matters.

Area Committee - comprises a mix of Board members and tenants/residents, monitoring local performance for housing service delivery, estate management, repairs and maintenance.





Governance

ng homes is run by a voluntary Board. It has a maximum of 15 places – 11 designated for local community members, up to 3 places for independent members and 1 place for a nominated Glasgow City Council elected member.

The Board and Sub-Committee Members have the requisite skills, knowledge and awareness to carry out their role in a confident and effective manner. All Board and Sub-Committee members receive thorough and detailed training on governance and other related matters on a regular basis and they sign-up to the ng homes Board members' Code of Conduct annually.

Any skills gaps identified are addressed through a combination of training and development of individuals plus review of the Board and Sub-Committee composition, with scope via our Rules to co-opt up to three independent members.

Board Appraisal

The annual Board appraisal exercise is led by ng homes' Chairperson and supported by an independent consultant. The appraisal exercise covers individual Board members, plus evaluation of how the Board functions collectively. An overall report is produced which informs the individual and group Board training/development priorities each year. We intend to extend the appraisal process to all Sub-Committee members.

Board Training and Development

Governance features prominently in Board training linked to the Governance Standards. In addition to governance training, the Board has also benefitted from specialised training/

development sessions on other priority issues identified from training needs assessments / Board appraisal and business priorities. Training sessions are held out with Board meetings and frequently involve external expert facilitators.

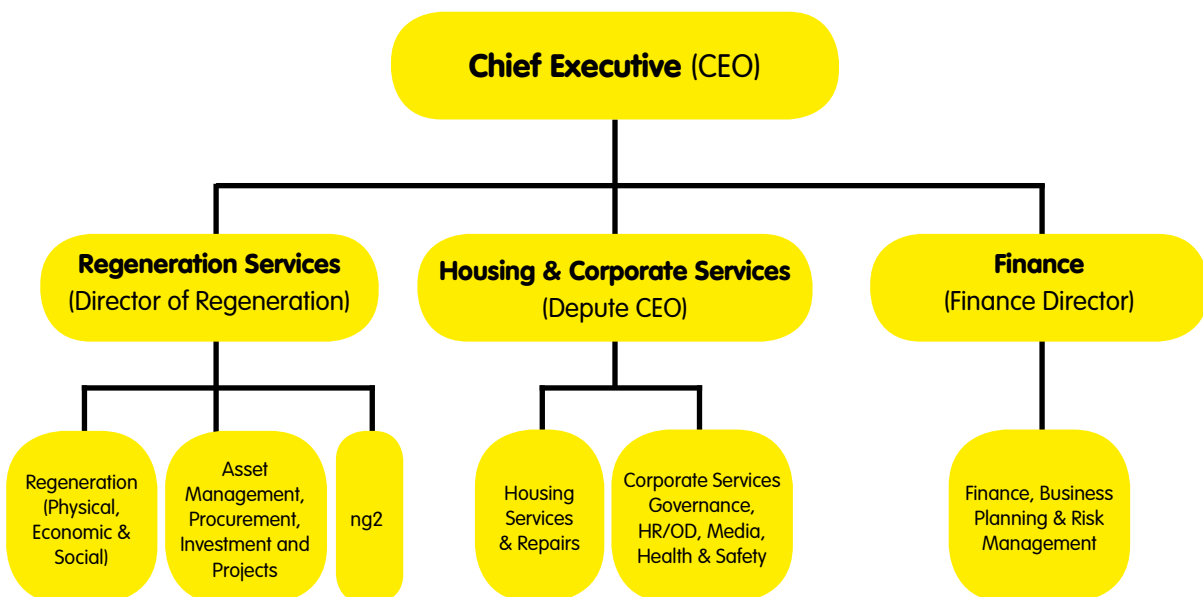
Proposals for further Board training in 17/18 will include sessions on health and safety and equality and diversity plus priorities to be identified from the 2017 Board appraisal process.

In addition to ng homes training and awareness sessions, Board members participate in external training such as SHARE's Introduction to Housing Associations and attend external conferences and seminars e.g. events organised by Scottish Federation of Housing Associations (SFHA), Glasgow and West of Scotland Forum (GWSF) and Employers in Voluntary Housing (EVH).

Staffing Structure

ng homes has three directorates, with the depute CEO and two fellow directors reporting directly to the CEO. The directors and depute CEO are supported by seniors managers who have day-to-day responsibility for Finance, Regeneration, Investment and Procurement, Housing Services and Corporate Services.

At March 2017 ng homes had 98.1 (full time equivalent) staff in post, this includes 16 staff whose posts are fully funded via external grant support. The ng homes staff are supplemented by 24.7 ng2 (full time equivalent) staff who provide direct services to ng homes.



Managing finance and scenario planning

Financial Headroom

To survive in the economic environment, ng homes must have appropriate and sustainable headroom in its financial projections. This should demonstrate that loans are repaid timeously and that we have the ability to handle any risks that arise. ng homes Board will ensure that it is able to detect any serious risk to the financial sustainability of the Association in a timely manner and take quick and appropriate corrective action. ng homes needs to be candid about its finances

and realistic about the implications of, among other issues, welfare reform, pension deficits, increases in inflation, covenant compliance and the implications of Brexit.

The Board will consider all of the risks in the business plan, model the financial effects of changes to key assumptions and have contingency plans in place as appropriate. It is anticipated that the operating environment will remain challenging for the foreseeable future.

We have amended some of the assumptions used in previous years to reflect current conditions:

- Voids and bad debts now assumed to be 2.5% for each while this was previously assumed to be 3% for each. In the year to March 2016 the void rate for ng homes was 0.45% and the bad debt write off was 1.22%. This one change in assumption adds £10m to the 30 year cash flow
- In previous years the loan interest on The Housing Finance Corporation (THFC) loan was assumed to be 7%, this is fixed at a rate of 4.4%. The projections now assume the actual fixed rate which adds £1.5m to the cash balances across the term of the loan
- The interest rate on the Nationwide Building Society (NBS) loans have been reduced to reflect that most of the lending is fixed and this has added another £1m to cash balances

| Year | 1 | 2 | 3 | 4 | 5 |
|-------------|-----------|-----------|-----------|---------|---------|
| Net surplus | £1.825m | £4.518m | £4.496m | £5.205m | £5.393m |
| Cash flow | (£2.304)m | (£0.072)m | (£2.275)m | £2.510m | £3.082m |

5 year and 30 year financial plans

Our 5 year financial projections show ng homes generating the following projected net surplus for years 1-5. The projections show that ng homes is covenant compliant and viable. The income and expenditure account assumes that 85% of major repairs are capitalised.

Our 30 year projections indicate that ng homes is viable in the long term and fully compliant with lending covenants and loans repaid within the required term. The current projections have been prepared under FRS102.

Summary of financial assumptions for the Business Plan

Opening rental income of £21.9m is projected to rise with a base line inflation rate of 2% and 0.5% uplift above that for years two to thirty. Libor is projected to rise to 4.5% by year five. Opening cash balance is at £19.1m and loans at £26.2m. We have built in contingencies such as rises above inflation for all maintenance and salary costs. We recognise the importance of financial headroom to meet challenges associated with an uncertain economic environment including low inflation and welfare reform. As previously stated, the void and bad debts are assumed to be 5% (2.5% for each), despite this assumption the baseline plan is sustainable in the short, medium and long term and there are also adequate cash resources throughout the 30 years. ng homes is predicted to be debt free by year 14.

Our current cost of loan interest is just below 4% so our 4.5% long term assumption plus

margin provides additional headroom. In addition, rental income rose last year due to rent harmonisation and this should generate additional income in future years (albeit diminishing) as re-lets occur for the first time since April 2011. At present this additional income is not factored into the Plan therefore ng homes is in a strong position to deal with potential financial pressures. The average cash at Bank projected over the next 5 years is £17m. At this point ng homes has assumed that the 47 new build properties on the Springburn Halls site will be financed from cash reserves.

ng homes will continue to seek operational efficiencies and review our operating costs to ensure we deliver best value for our customers. It is appreciated that we must have a strong focus on cost control in a low inflationary environment. ng homes rent policy of inflation + 0.5% will be reviewed annually to ensure rents remain affordable.

Managing finance and scenario planning

Sensitivity analysis

We have undertaken rigorous sensitivity analysis on our plan. The Brixx model has been set up to ensure a minimum working capital balance of £3m. The model demonstrates the impact of different assumptions on annual surplus/deficit and

borrowing. Risks modelled include increased voids/arrears; rent increases below inflation +1%; increased cost of borrowing; increased pension costs; increased management and maintenance costs; and increased inflation:-

| Sensitivity | Y30 Surplus | Peak Debt | Yr | Y30 Debt |
|---|-------------|-----------|----|----------|
| Base | £44.4m | £26.2m | 1 | £0m |
| Reactive + 10% | £34.9m | £26.2m | 1 | £0m |
| Cyclical + 10% | £38.9m | £26.2m | 1 | £0m |
| Major Repairs + 10% | £19.1m | £26.2m | 1 | £0m |
| Voids 5% and Bad Debts 5% | £3m | £26.2m | 1 | £0m |
| Salary Costs increased + 10% | £23.6m | £26.2m | 1 | £0m |
| Inflation 3% | £42.4m | £26.2m | 1 | £0m |
| Inflation 1% | £45.1m | £26.2m | 1 | £0m |
| Inflation only rent increase 30 years V 5% BD 5% | £3m | £89.6m | 30 | £89.6m |
| Inflation only rent increase 30 years | £3m | £26.2m | 1 | £17.4m |

The assumption of inflation only rent increases with voids and bad debts of 5% each while allowing other costs to increase faster than inflation effectively brings ng homes down.

No lender would accept over £100m of cash outflow and this being funded by over £90m of new and additional loans. Changes would be required or the funding would not be advanced. It may be a possibility in some businesses but not in housing associations

operating their basic management activities.

At the time of preparing the Business Plan, few of these scenarios are anticipated. However, the situation will be continually monitored closely and in the event of one or more changes in the assumptions made, appropriate action will be taken to ensure the Association remains viable and fully compliant with lenders' covenants.

Loan portfolio covenant structures

ng homes has current loan facilities with two mainstream lenders to the RSL sector, Nationwide Building Society (NBS) and The Housing Finance Corporation (THFC). Each lender sets covenants over their lending and we have to satisfy these conditions of lending on an ongoing basis. Lenders apply their own definitions and covenants.

ng homes has fully considered the implications of their different covenant structures over the 30 year plan. Full compliance is evidenced throughout.

Financial accounts and treasury management

Our financial position going into 2017/18 continues to be healthy. The table below provides a comparison of the position over the past 5 years from end March 2012 through to end March 2016. The results for 2015 and 2016 were affected by changes arising from SORP 2014 and FRS102.

| | Mar 2012 | Mar 2013 | Mar 2014 | Mar 2015 | Mar 2016 |
|-------------------|----------|----------|----------|----------|----------|
| Turnover £ | £20.9m | £20.2m | £22m | £22.9m | £23.8m |
| Operating costs | £16.9m | £18.3m | £18.1m | £18.7m | £20.4m |
| Operating surplus | £4.0m | £1.9m | £2.9m | £4.2m | £3.4m |
| Surplus for Year | £2.9m | £0.59m | £1.66m | £1.1m | £3.7m |
| Loan balance | £33.6m | £31.9m | £32m | £30.2m | £28.2m |
| Net reserves | £19.3m | £19.9m | £24.3m | £66.8m | £70.5m |

The position for 2017 is being finalised with a significant surplus, reduced pension liabilities, increased cash balance and reduced loans outstanding.

Treasury Management Plan

The banking and financial crisis resulted in some unusual financial situations, not least a dramatic fall in base rates and changes in lending institutions, underlining the requirement for RSLs to pay particular attention to this important area.

The continuing uncertainty in global financial markets emphasises the importance of treasury management to our business.

ng homes recognises the importance of

cash management and compliance with the terms set out in its loans with current lenders, Nationwide Building Society and The Housing Finance Corporation. The underlying principle that shapes the Treasury Management Policy is that the ng homes Board is risk-averse. We have continued to reduce the outstanding loan balances as allowed within actual cash flow. Across the last five years we have reduced loan balances by £7.5m and increased cash balances by £10m.

Past, present and future



Before looking forward to inform this plan, we looked back on ng homes' long standing in the community. We considered: What are we all about? What are we good at?

ng homes was established in 1976 as a community controlled housing association, originally formed to protect and improve sub-standard Victorian sandstone tenements in Springburn (the original Committee are shown in the photograph above). The Association has now grown to provide 5,411 homes for rent across North Glasgow.

Today ng homes is a registered social landlord (RSL), a community benefit society and a registered charity. The Association is regulated by the Scottish Housing Regulator, OSCR (Scottish Charity Regulator) and the Financial Conduct Authority. ng homes is an award winning organisation, recent accolades include: Investing in People Gold and Customer Service Excellence Standard (held since 2002), Investors in People Health and Wellbeing Good Practice Award and Investors in Young People Award, Scottish Care Awards – Housing Support Provider of the Year 2016 (Sheltered Housing), National Award for Environmental Excellence - Keep Scotland Beautiful – 2016 (related to work at our 14 multi-storey blocks) Concierge Service, Herald and GenAnalytics - Diversity Awards – 2016 (for work with Chinese

and African Communities), Police Scotland Youth Volunteer Award – 'Outstanding Support to PSYV Volunteer programme' (2017), Local Environmental Quality Award – 'Outstanding Team' in Local Environmental Quality (2017)

When the Board and staff were asked what ng homes meant to them the overwhelming response was that it was about People. John Fury ng homes Chairperson from 2012 to 2017 summed this up nicely stating **"we serve local people, we employ local people, we support people, without people a house is not a home and we are in the business of providing affordable homes and creating sustainable communities."**

Our staff and Board members identified that we excel at:

- Supporting, nurturing, inclusion
- Change, developing, adapting
- Customer care/service, interaction
- Innovation
- Housing

Stakeholders



Customers

Our most important stakeholder group is our customers – they are at the heart of our business. ng homes customers include tenants, residents and other service users. We are committed to achieving customer service excellence in all that we do; we always strive to treat our customers with respect and be responsive to their needs. We value the views of our customers and actively seek ways in which to engage with and listen to our customers, involving them and working with them to develop and deliver the services that they want.

Value - We are customer focused and put the customer first

Staff

At ng homes we know that people are our greatest resource. People make it happen. We value all of our people and support and encourage them to achieve their maximum potential. We are committed to ensuring our staff are motivated, supported and developed to ensure that the organisation provides excellent services to tenants and other customers and achieves our ambitious objectives. We have created a positive work environment, where everyone can contribute to achieving high performance and we work together to make the organisation the best it can be. We aim to create a workplace where everyone is personally involved and understands how their role contributes to the success of the organisation.

Succession planning is a priority, we will identify clear development routes for staff and we recognise the importance of informal types of development, such as mentoring and coaching as well as more formal methods of training and development.

We hold the Investors in Young People Award and we want to play our part in the housing sector being seen as a place where young people can have a fulfilling job and build a rewarding and meaningful career. To this end we have supported a number of Modern Apprentices and Trainees many of whom have gone on to permanent positions in ng homes and beyond.

We are passionate about playing our part in ensuring that there is a constant supply of talent coming into the housing sector in Scotland including supporting the SFHA's Housing Apprentice Action Plan for Scotland which aims to increase the amount and range of Modern Apprenticeships and Trainees that are available. We fully support the Action Plan's focus on equality and diversity, addressing issues around gender, additional support and complex needs, and minority group participation including BME young people. We will continue to work with PATH Scotland in this respect and we have had several Trainees who have come through this route.

Value - We are a quality organisation delivering excellence



Volunteers

Volunteers play an increasingly important role in ng homes. We are very fortunate to have dedicated, skilled and enthusiastic volunteers who support and complement our staff teams. This is achieved through a variety of initiatives and activities, from helping develop the landlord report, to focus groups, and community based projects. These include “Activate” a community development training

course and “Song/Shimmy” a regular social event for older residents. The Association supports our volunteers with training and development opportunities to ensure that they are able to get the most from their volunteering, including accreditation where appropriate. In 2016 we developed a Volunteer Strategy to oversee this key aspect of our work and joined the Scottish Mentoring Network.

Value - We are friendly and treat people with respect

Stakeholders

Regulators

ng homes is registered with and regulated by the Scottish Housing Regulator (SHR). The Association has been classified by the SHR as 'systemically important' and assessed as 'medium engagement'. The SHR will be reviewing our business plan and financial projections as part of this engagement. We work closely with the Regulator and are committed to ensuring that we continue to

meet the regulatory standards of governance and financial management. Governance self assessment is a key feature in this respect. We maintain an effective governance framework with high standards on risk, probity, governance and audit. We are also a registered charity regulated by OSCR and as a community benefit society we are overseen by the Financial Conduct Authority.

Value - We are accountable



Scottish Government

The Scottish Government has supported a number of our key programmes and initiatives with funding and this has enabled ng homes to deliver innovative programmes within our communities. We take account of the Scottish Government's national policy priorities when developing our services. We are committed to delivering excellent customer service and meeting customer expectations in line with the Scottish Social Housing Charter ensuring quality and standards of service

and supporting the Scottish Government's long-term vision for a safer, stronger Scotland. Where appropriate, we will work with others to influence government policy on housing, community, and health and social care for the benefit of our customers. This is reflected in funding support direct from the Scottish Government and from other public grant programmes including Climate Challenge Fund, People and Communities Fund, BIG Lottery Fund and others.

Value - We act with integrity

Partners

Our aim is to work with a range of partners to deliver lasting benefits to local communities and to have a positive influence on the housing sector in general. Our partners may be small local organisations or groups or they can be large national organisations. Key partners include SFHA, CIH, SHARE, Employers in Voluntary Housing, Glasgow and West of Scotland Forum, Glasgow City Council and the Scottish Government as well as several small local community based voluntary groups and local businesses / organisations. ng homes is an established 'community anchor' and we work with local partners to deliver community events and develop community assets, build capacity, develop local people and improve access to support and services.



Value - We are trusted and trusting

Lenders

At ng homes we understand the importance of loans and treasury management to our business and maintain a strong professional relationship with our lenders. Finance is important to allow us to build new homes and refurbish our existing stock.

ng homes recognises the necessity of compliance with the terms set out in its loans

with current lenders, Nationwide Building Society (NBS) and The Housing Finance Corporation (THFC). We communicate with our lenders in an open, professional and timely manner to ensure that our lenders are aware of our plans and that we are meeting all of our obligations within the terms of our loan agreements and covenants.

Value - We are accountable

Suppliers / Contractors

We have strong working relationships with a variety of suppliers and contractors. Our relationships are built on mutual respect and integrity. We engage with professional, ethical companies that deliver value for money

products and services. We will ensure that we continue to develop and maintain sound positive relationships in line with good practice in procurement, contract management and professional services.

Value - We are a quality organisation delivering excellence



Housing provision

Stock in Ownership

ng homes owns a total of 5,411 self-contained properties for social rent as shown in the table below.

| Stock Type | 1 apt | 2 apt | 3 apt | 4 apt | 5 apt+ | Total | % of total |
|-----------------------|------------|--------------|--------------|------------|-----------|--------------|------------|
| Multi-storey flats | 0 | 357 | 576 | 0 | 0 | 933 | 17% |
| Deck access | 43 | 21 | 91 | 84 | 17 | 256 | 5% |
| Tenement flats | 52 | 760 | 1246 | 316 | 5 | 2379 | 44% |
| 4-in-a block cottages | 0 | 57 | 741 | 161 | 1 | 960 | 17% |
| Houses | 0 | 6 | 341 | 328 | 70 | 745 | 14% |
| Retirement | 8 | 128 | 2 | 0 | 0 | 138 | 3% |
| Total | 103 | 1,329 | 2,997 | 889 | 93 | 5,411 | |
| % of total | 2% | 25% | 55% | 16% | 2% | | |

33 houses are excluded from the letting pool, pending an options appraisal on future use therefore the lettable rented stock is 5,378. In addition, there are 41 sharing owner properties.

Our housing is geographically concentrated in 4 adjoining neighbourhoods across North Glasgow, approximately 2 miles from Glasgow city centre. The Springburn neighbourhood has

the largest share of stock (40%), most of which are flats including multi-storey and deck access properties. This contrasts with Parkhouse, our smallest neighbourhood (9% of stock), mostly houses and 4-in-a-block. Balornock accounts for 25% of the stock with an even split between flats and houses/4-in-a block. Possilpark accounts for 26% of stock, with a majority of flats but with a sizeable proportion of new-build houses.

General Needs

The majority of our housing stock is general needs which is let to single people, couples and families. These properties are let in line with our Allocations Policy.



Retirement Housing

The new Retirement Housing service is an enhanced housing and property management service. It is delivered by highly skilled local staff with knowledge and experience of tenancy and property maintenance services. Staff will offer locally based advice and information services to tenants relating to welfare benefits, housing options and signposting to other services as required. The new service began in September 2017.

This new service is provided across 5 areas named below:-

- Hawthorn Street
- Carron Crescent
- Kemp Street
- Gourlay Street
- Barloch Street

The Retirement Housing properties are available to older people and allow tenants to live independently, while having a community alarm system in place for emergencies. Retirement Housing staff work across the sites Monday to Friday and Concierge services carry out security patrols out of hours and at weekends. The service partners with our Regeneration team to support existing social activities and to develop new activities, on and off site.

ng homes no longer provide Sheltered Housing. The service was previously commissioned and funded by Glasgow City Council, unfortunately this funding has been withdrawn and we no longer provide any registered care or support services.

Particular Needs

ng homes has 51 elderly amenity flats and 17 wheelchair houses spread across the stock.

A significant proportion of our stock has been physically adapted to meet medical needs, supporting tenants to remain in their own homes. For our 2016/17 programme of medical adaptations we completed 185 medical adaptations part funded by a Glasgow City Council grant of £181,000.



Supported Housing / Special Lets

ng homes provides housing which is leased to a variety of agencies to allow tenants with a range of different needs to live in our community, these agencies include but are not limited to:

- Glasgow City Council
- Orchard and Shipman (Glasgow)
- Phoenix Futures
- Key Housing
- Penumbra
- Mungo Foundation
- SAMH

Housing Initiatives

ng homes supports the Government's mortgage-to-rent scheme and other initiatives to prevent people losing their home, and will continue to pursue Mortgage to Rent purchase and shared ownership buy-backs where these make business sense. Over the past few years, ng homes has undertaken a modest programme of one-off existing market purchases, where this meets our financial and other criteria e.g. to help consolidate common factoring and houses suitable for tenants with medical support requirements. This programme has benefitted from significant grant support from Glasgow City Council, adding value to our business. This business plan assumes a small number of such purchases in 2017/18.

Services

Factoring Service

ng homes provides a factoring service to 1,255 owners - managing properties and supporting owners. We consult owners in terms of future investment and have a quarterly Owners Forum to discuss topics of interest.

Concierge Service

ng homes currently has a 24 hour Concierge service that covers its multi-storey flat areas 365 days per year. The Concierge service includes:

- Cleaning the multi-storey flat and deck access communal areas
- Clearing out empty houses in the multi-storey flat area
- Assisting tenants
- Maintaining and preparing the bin area for cleansing uplift

- Patrolling all our areas and offices
- Monitoring our CCTV
- Sheltered assistance at weekends

Our Concierge service is valued by tenants and staff alike, it provides emergency support out with office hours and the quality of service has been recognised by Keep Scotland Beautiful who awarded Gold and Silver National Awards for Environmental Excellence in 2016 and 2017.



Handyperson Service

ng homes provides a handyperson service to all tenants who are over 60 or disabled. This is a free service that can be utilised to assist with small repairs such as putting up a curtain rail, changing a light bulb or fitting a shelf. The tenant provides the materials and labour is provided by ng homes.



Welfare Benefits and Budgeting Advice Service

At ng homes, we want to ensure that our tenants receive advice and assistance about benefits. For this service, we use Greater Easterhouse Money Advice Project (GEMAP) to provide a welfare benefits service to our tenants. This service is available in our Springburn and Possilpark offices. The service is available to all of our tenants and referrals can be made from the tenants themselves, or a third party. In 2016/17, GEMAP secured over £3.5m in additional income for over 1,000 of

our tenants, this was money which would otherwise have been unclaimed.

ng homes is also the lead landlord for the citywide Big Lottery funded project – EPIC 360, which provides financial and budgeting advice over 6 x 60 minute sessions with a dedicated advisor. Referrals can be made to this service by tenants themselves or through a third party. This service is also available to owner-occupiers.

Operating environment

Our customer profile encompasses a wide range of ages, genders and ethnic origins as detailed in the tables below:

Age

| Age | Percentage of Stock |
|-------------|---------------------|
| Under 25 | 4% |
| 25-54 | 52% |
| 55-74 | 30% |
| 75 and over | 14% |
| Total | 100% |

Gender

| Gender | Percentage of Stock |
|--------|---------------------|
| Male | 47% |
| Female | 53% |
| Total | 100% |

Ethnic Origin

| Ethnic Origin | Percentage of Stock |
|----------------------|---------------------|
| White | 72% |
| Black | 4% |
| Chinese/Indian/Asian | 2% |
| Other | 22% |
| Total | 100% |

Our operating environment is challenging, 79% of our tenants are either in receipt of Housing Benefit or Universal Credit and North Glasgow includes areas of multiple deprivation. It is important to us that we use this information to shape our services to tenants and to deliver services that encourage tenancy sustainment and community cohesion.

Customer Engagement

Engaging with our customers is very important for ng homes. Housing Officers are responsible for tenant participation and work closely with our regeneration team to engage our tenants in local activities. In line with the Scottish Social Housing Charter's significant emphasis on tenant participation, we have worked with the Tenants Participation Advisory Service (TPAS) Scotland to develop a tenant scrutiny panel which looks at the services delivered by ng homes and makes recommendations for improvement or highlights areas of good practice. We also have a group of customers who work on our annual landlord report and they play an active role in collating the information and designing the report that is delivered to our tenants. We are keen to support any group of tenants, particularly in the initial stages and will use TPAS or Tenants Information Service (TIS) to set up new groups.



Health & Safety

As part of ng homes ongoing commitment to health and safety, we have invested in making sure we protect both staff and tenants. This includes employing a full-time professionally qualified Health and Safety Officer to support and advise the business.

We also work closely with the Scottish Fire and Rescue Service (SFRS) to ensure that we maintain our high level of focus on fire safety for all our residents. To ensure this happens, we have had a Fire and Home Safety Officer seconded from the SFRS to work with our community over the last 18 months. Continuing this, and in light of the recent tragic fire at Grenfell Tower in Kensington, London, the ng homes Board are encouraging the establishment of a multi-storey flat Tenant Scrutiny Panel (TSP) specifically for health and safety in our high-rise buildings. We want to promote conversation and a clear route to inform us of any fears or issues that tenants have about the buildings.

The TSP members would be drawn from each of our 14 multi-storey blocks and will receive appropriate awareness training and support. The TSP would

receive performance, inspection and actual test reports provided to ng homes to assess compliance with its statutory obligations and regular risk assessments. The Board would encourage the TSP to have independent advisors on health and safety issues. We are consulting with tenants to get the Panel up and running during 2017 and beyond.



Demand

Maintaining demand for our stock is essential for the financial viability of the organisation. Potential demand challenges arise from the impact of welfare reform and also the Scottish Government's plan to build 35,000 social rented homes plus 15,000 other affordable homes. This may have an adverse impact on the demand for ng homes properties. Much of our stock is located in the Springburn ward where the population has reduced significantly in recent years due to extensive demolition carried out by Glasgow Housing Association, the population is projected to fall further by 2020. Across Springburn and Canal wards, home ownership is comparatively low.

In deprived areas suffering from de-population, large scale re-provision of social housing on vacant sites could threaten regeneration efforts and the stability of existing RSL stock. This is particularly the case in the absence of detailed

local areas demand assessments. Currently Glasgow City Council has recognised the need for 2,000 new-build homes mainly for rent in the north area of the city.

ng homes does not control land supply or land use – this falls largely to Glasgow City Council as the planning authority, major land owner, and strategic housing authority. We will liaise with Glasgow City Council on an individual basis and collectively via representative bodies in an effort to ensure that planned activity by other developer RSLs does not impact negatively on our stock, much of which has been built or improved with public grant support.

There is currently demand for the majority of our homes and services. However, some of our accommodation e.g. Possilpark tenements, Galloway Street and the Balgrayhill deck access

homes are more difficult to let. Decisions on their future are currently being examined and demand profiles for all areas will be kept under regular review.

Turnover in the last 5 years has been around 10% per annum. The turnover in tenements and deck access houses has been higher than the turnover for main door houses and multi-storey flats.

New Services and Homes

ng homes is currently investigating the opportunity to build new houses within our areas of operation. We will look at this, with a view to diversifying our stock type and providing mid market rent properties as well as houses for social rent. We will only do this where there

is an unmet demand and where it makes financial sense to the organisation. We will encourage private sector investment in housing and retail to attract a more diverse range of people into the area.

Homelessness

ng homes supports the Homelessness initiative via Glasgow and West of Scotland Forum (GWSF), aimed at improved joint working with Glasgow City Council (GCC) on homelessness referrals. This involves part-funding a GWSF post to work with GCC Housing Access Team and RSLs across the city, aiming to

tackle homelessness more effectively. At an individual level the Association supports tenants to access the Keys to Learn programme through the Glasgow Homeless Network. This programme supports the development of tenancy sustainment skills for people affected by homelessness or housing crisis.

Common Housing Register

ng homes is participating in a North West Glasgow Common Housing Register pilot project, aimed at creating a shared database across a group of local RSLs which should

achieve a more efficient allocations process. It may also assist assessment of demand for our stock. The pilot has been live since April 2017 and early signs are encouraging.

Health and Social Care Integration

At ng homes we recognise that health and social care integration and related proposals to switch care from acute hospital services to support in the community presents a challenge. A significant proportion of our tenants are

elderly and ng homes can make a positive contribution to delivering the Government's integration aims in Glasgow e.g. in our multi-storey flats where we have a 24/7 Concierge service.

Welfare Reform

ng homes monitors the UK and Scottish Government's policy on this key issue. ng homes will take action to mitigate impacts on tenants and our business. We are already experiencing complexities of Universal Credit

and the direct payments of Housing Benefit to tenants. We currently have 91 tenants in receipt of Universal Credit. We are assessing the situation closely and the early signs are that the arrears have increased for this group.



Performance

ng homes is a member of an established benchmarking group – Scottish Housing Network (SHN) which looks quarterly at Housing Management performance information and value for money. This, along with the information provided by each landlord to the Scottish Housing Regulator in the annual return, allows us to compare our performance against our peer group. This gives us accurate information to quickly determine how we are performing in relation to others within the sector.

We pride ourselves on our performance in the sector, notably from the latest 2016/17 benchmarking data and the list below highlights some examples where our performance is above average:

- 93% of our tenants were satisfied with the overall service compared to the Scottish average of 89%
- 91% of our tenants were satisfied with the opportunities given to them to participate in their landlord’s decision-making processes compared to the Scottish average of 83.8%
- 99% of our stock meets the Scottish Housing Quality Standard compared to the Scottish average of 93.6%
- Houses were let within an average of 19.2 days compared to the Scottish average of 31.5 days
- Non-emergency repairs were completed within 4.1 days compared to the Scottish average of 7.1 days
- We did not collect 0.5% of rent due because homes were empty compared to the Scottish average of 0.9%

Achieving high performance is important to us and we set key performance indicators for the year ahead. On the next two pages, for each indicator we have noted our performance out turn for 2016/17 together with our targets for 2017/18.

Key Performance Indicators (KPIs)

Average re-let timescale

16/17 out turn : Target 17/18
 19.2 days : **20 days**

Void rent loss

16/17 out turn : Target 17/18
 0.5% : **0.5%**

Gross rent arrears

16/17 out turn : Target 17/18
 5.5% : **5%**

Tenancies Sustained for more than 12 months

Transfer List

16/17 out turn : Target 17/18
 90% : **85%**

Homeless List

16/17 out turn : Target 17/18
 76% : **85%**

Waiting List

16/17 out turn : Target 17/18
 85% : **85%**

Number of Anti-Social Cases resolved within timescale in the year

16/17 out turn : Target 17/18
 83% : **75%**

Days to Process a Housing Application

16/17 out turn : Target 17/18
 0.3 days : **2 days**

Offers Refused

16/17 out turn : Target 17/18
 28% : **50%**

Average timescale to complete Emergency Repairs

16/17 out turn : Target 17/18
 4.76 hours : **24 hours**

Average timescale to complete Non Emergency Repairs

16/17 out turn : Target 17/18
 4.1 days : **5 days**

Reactive Repairs completed right first time

16/17 out turn : Target 17/18
 84% : **90%**

Repairs appointments kept

16/17 out turn : Target 17/18
 94% : **95%**

% with current gas safety certificate

16/17 out turn : Target 17/18
 100% : **100%**

Properties with gas certificate renewed within 12 months

16/17 out turn : Target 17/18
 100% : **100%**

KPIs

% of properties meeting SHQS

16/17 out turn : Target 17/18

99% : **100%**

Total number of days taken to complete approved disabled adaptations

16/17 out turn : Target 17/18

27 days : **25 days**

Overall Service Level

16/17 out turn : Target 17/18

93% : **90%**

Landlord good at keeping you informed about services and decisions

16/17 out turn : Target 17/18

88% : **90%**

Given opportunity to participate in decision making processes

16/17 out turn : Target 17/18

91% : **90%**

Satisfied with overall quality of home

16/17 out turn : Target 17/18

82% : **90%**

Satisfied with repairs service

16/17 out turn : Target 17/18

85% : **90%**

Satisfied with management of neighbourhood

16/17 out turn : Target 17/18

83% : **90%**

Satisfied that rent represents value for money

16/17 out turn : Target 17/18

79% : **90%**

Satisfied with the factoring service provided

16/17 out turn : Target 17/18

87% : **90%**

New Tenants satisfied with the standard of their home when moving in

16/17 out turn : Target 17/18

96% : **90%**

Regeneration

ng homes has developed a Regeneration Strategy for 2017/20 that supports our three pillars of regeneration: Physical, Economic and Social. Our strategy is designed to build on the success of our existing regeneration activities and deepen our reach within the community in order to improve the lives of our tenants, residents and local people. The strategy is aligned with relevant national and regional policy priorities.

Physical regeneration

This strand is delivered by a number of services and initiatives within ng homes. The main impact locally is delivered through our on-going capital investment and environmental programmes.

Economic regeneration

This strand is driven through our social enterprise ng2 which supports the delivery and outcomes of our employability and personal development initiatives.

Social regeneration

This strand focuses on community development, capacity building and community cohesion. These themes are supported by a range of community charities, local volunteers, universities, further education partners and schools who are vital to the delivery of various projects and initiatives.

Our regeneration activities support local people in a number of ways. We have developed bespoke initiatives that respond to local and national issues like social isolation, community cohesion, the local environment, energy efficiency, fuel poverty, recycling, employability, sport, and health and education. We undertake direct delivery and have a

successful track record in securing additional external funding to help consolidate, expand and sustain these initiatives. Partnership working is vital to successful and meaningful delivery of local social and economic initiatives. This approach is the foundation to delivering ng homes Regeneration Strategy for the benefit of our tenants, residents and the wider community.

Our Regeneration Strategy supports the most vulnerable and marginalised members of our community. The strategy recognises the need to address: Mental Health and Wellbeing, Poverty, Older People's issues, Young People's Voice, Disabilities, and Community Integration. Data gathered from the last 5 years of delivery has been used to shape and influence our strategy. We have also invested in monitoring and evaluation systems to track our outcomes to assist in providing detailed and accurate reports to our Board, strategic partners and funders.

A recent example of ng homes engaging and empowering local young people to give them a meaningful voice on how local services are designed and delivered was a Scottish Government funded initiative we named "Your Choice, Young Voice". This was aimed at working directly with young people to empower them to shape and influence services using a participatory budgeting methodology. This is a new approach to engaging young people with the Scottish Government keen to see how this engagement is developed at a local and community level, they are also keen to look at the different engagement methods being developed and piloted by ng homes.

An example of our Community Development and Partnership working is our Community Networking Breakfast events. These continue

Regeneration

to attract a wide range of partners with an average of 60 attendees each month. Events provide an opportunity for new and existing community partners to meet face to face and learn directly from others about the different range of training programmes, initiatives and partnership opportunities happening in North Glasgow and city wide.

Climate Challenge

As a socially responsible and ethical RSL, ng homes is committed to undertaking its business activities in a sustainable and ethical manner. The Association has developed a Waste Implementation Plan which outlines 14 specific actions to impact on waste disposal and areas for recycling. Implementation of these actions will further reduce our waste that goes to landfill and thus lower our overall carbon footprint.

ng homes will continue to minimise the energy we use and have recently invested in employing an Energy & Sustainability Assistant (Heating & Power Systems) to generate information to support the development of

our investment programmes and to improve energy efficiency within the Association's housing stock.

A key aspect of this role will include the identification of cutting edge innovations and technical solutions and opportunities that will reduce the Association's carbon emissions such as bio-mass, communal gas and district heating systems.

Through our partnership with the Keep Scotland Beautiful Climate Challenge programme we have increased opportunities and access for residents to recycle and reduce waste going to landfill. We have established a local distribution unit where we operate our textile and furniture re-use and recycling project. We have set targets within this funded project and we exceeded our targets for year 2016/17 with an overall carbon saving of 215,909 tonnes of co2e.

ng homes has an on-going commitment to environmental quality and this was recognised through a national award presented by Keep Scotland Beautiful for Environmental Excellence in 2016.





Asset Management Strategy

A major objective for ng homes in 2017/18 is to complete a fully costed Asset Management Strategy. To enable this to be done, the Association is undertaking a stock condition survey to accurately ascertain the condition of the existing stock. We currently own and manage over 5,400 properties and our stock base is extremely varied and includes a mix of pre-1900 Victorian tenements, non-traditional housing, deck access properties, low and high rise multi-storey flats and new build houses and flats. In addition, we own 5 retirement housing complexes.

Stock condition

The stock condition survey process will allow us to make an informed assessment of the future maintenance requirements over the next 30 years for business planning and investment purposes. The survey will take full account of the Scottish Housing Quality Standard (SHQS) and the Energy Efficiency Standard for Social Housing (ESSH).

Phases 1 & 2 of our stock condition survey were completed and analysed earlier this year with Phase 3 being commissioned to include an updated ESSH review. Phases 4 and 5 will be progressed later in 2017.

Investment

The Investment Programme for 2016/17 was £5.67m and is projected to be £7.3m in 2017/18. The types of works programmes undertaken were extremely varied and included:

- Environmental works including backcourt / binstore upgrades and landscaping.
- Kitchen and bathroom replacements
- Resurfacing car parks
- Rewiring
- Foyer upgrades to multi-storey flats
- Windows and doors replacement
- Door entry systems

- LED Close lighting
- Close painting
- External wall insulation
- Digital aerial upgrades

ESSH

To help tackle fuel poverty and meet carbon reduction targets, the Scottish Government has set a minimum energy efficiency rating that all RSLs must meet by 31 December 2020. In order to ensure that this is met, ng homes is carrying out a full energy compliance assessment to highlight any ESSH failures, produce a programme of works and identify potential funding sources to meet the ESSH standard. This will be addressed in our new Asset Management Strategy.

SHQS

The Scottish Government requires that all RSLs meet the SHQS standard, except for agreed exemptions and abeyances. This requires that all properties meet the tolerable standard, are free from serious disrepair, are energy efficient, have modern facilities and services, and are healthy, safe and secure to live in. Currently 99% of our homes meet the standard.

Procurement

In order to comply with the recent Scottish Public Procurement Regulations, we are in the process of undertaking numerous new procurements. All regulated contracts, for works over £2million and services over £50K are being advertised on the Public Contracts Scotland website. By establishing robust Frameworks and Measured Term Contracts with a range of contractors and consultants we can respond quickly to the demands of the Investment Programme.

We are currently jointly procuring a Legal Services Framework and a Consultancy Services Framework with a number of local Housing Associations and will explore opportunities for further partnership working.

We will continue to conduct non-regulated procurements in such a way as to demonstrate openness, transparency and value for money.



New build

ng homes is committed to providing high quality, sustainable, energy efficient homes for all of our tenants. This can be achieved in a number of ways, particularly through a new build housing programme. New build provides an opportunity for tenure diversification from largely providing housing for social rent to housing for mid market rent (MMR) and shared-ownership. A greater choice of tenure, beyond purely social rent, will help attract a more diverse range of households into the area. Mid market rent could help meet the housing demands of key workers from the city, especially those employed in health, social care and education who cannot afford city centre private rents.

The Scottish Government want to increase and accelerate the supply of affordable

housing across all tenures and our new build programme will contribute to their target of building 50,000 affordable homes over the next 5 years. Within Glasgow City Council's Affordable Housing Supply Programme there is a strong focus on enhancing energy efficiency to meet The Greener Homes Standard and higher new build grant subsidies are available to achieve this. These improved energy efficiency standards will in turn help tackle fuel poverty which is a major concern to ng homes.

ng homes recently completed a feasibility study for a site in Springburn for a 47 unit flatted development for MMR and we will continue to explore other potential development opportunities.

Risk Management

ng homes' updated Risk Management Strategy was adopted in November 2016, following a Board and senior staff workshop on strategic risk management. Strategic and operational risk registers were also updated at that time. More recently the Board Business Planning session held in April 2017 included a review of key risks.

The Association's Audit Sub-Committee has specific responsibility for overseeing the work of external and internal auditors, conducting reviews and implementing procedures necessary to maintain internal control. This is done to ensure that the internal control arrangements are systematically reviewed and that any weaknesses in control are identified, reported and corrected. As part of this the Audit Sub-Committee produces annual reports for the Board, commenting on the internal control

system, the external auditor's Audit Findings Report, and the internal audit annual report.

The role of the auditors is only part of the internal control process and management of risk. The Board, staff and external consultants contribute to the process of risk management through a variety of different reports and reviews that are presented to the Board. When significant decisions are being made these are always accompanied by appropriate reports outlining the options relating to that decision and what effect this will have on ng homes.

At ng homes we proactively work to contain and limit the risks to which our organisation is exposed. Each activity we undertake will bring its own particular area of risk. We will regularly identify and appraise risks, taking a prudent approach to managing them.

In our management of risk we:

- Recognise that ultimate responsibility rests with the Board, with high quality advice and support from the management team and auditors.
- Recognise that everyone in the organisation has a role to play in identifying, managing and mitigating risk
- Comply with all statutory, regulatory and good practice requirements
- Adopt, implement and regularly review key policies
- Adopt structures which delegates authority to the appropriate level for risk management of various activities
- Support Board members and staff with risk and business continuity training
- Employ a programme of internal audit to assist in risk identification
- Obtain verification from external auditors of the statements of internal control

To enable risk management reporting, identified risks need to be assessed and evaluated in terms of the likelihood or probability of the risk occurring and the impact that such an occurrence would have.

ng homes has developed a Strategic Risk Register that identifies the risks to our business

plan and the achievement of our strategic goals. This includes the actions that we undertake to mitigate these risks. The Strategic Risk Register is reviewed on a regular basis by all Sub-Committees and the Board to assess whether any new risks should be added, evaluate existing risks and agree on any action required.

STEP/SWOT analysis

As part of the strategic planning process the Association has used two recognised frameworks to provide an assessment / analysis of the business environment.

STEP

Sociological

- Demographic change
- Digital inclusion
- Immigration / migration
- Homelessness
- Health and social care demand
- Community development

Technological

- Digital inclusion
- Energy efficiency
- Renewable energy
- Data protection / Freedom of Information

Economic, environmental, ethical

- SHQS / EESSH
- Inflation / rising costs
- Economic uncertainty
- Stigma / reputation of local area
- Sustainability

Political

- Brexit
- Potential 2nd Scottish independence referendum / further devolutionary powers
- Political uncertainty
- Welfare changes including Universal Credit
- Changes to housing legislation/ regulation
- SHQS / EESSH
- Procurement legislation
- Community Empowerment Act
- Pension reform

STEP/SWOT analysis

SWOT

Strengths

- Our Board members and staff
- Brand and track record
- Excellent relationships with local people
- Robust financial and risk management
- Ability to develop and sustain effective partnerships
- Performance compared to other RSLs (SHR benchmarking data)
- Governance structure
- Leadership

Opportunities

- Reshaping services for an ageing population
- New build targets and increased funding availability for social housing
- Increased diversity of Association membership
- Increased diversity profile of the Board
- Proximity to city centre
- Better use of IT - to full potential
- New partnerships
- Selling services to other Housing Associations
- Working closely with other Housing Associations in the area
- Increased use of social media
- Growing ng2

Weaknesses

- Lack of experienced Development staff sector wide
- Variability in demand for stock / area
- Over reliance on one tenure
- External perception of the area
- Neighbourhood in top 10 Scottish Index of Multiple Deprivation (SIMD)

Threats

- Welfare dependency and reform
- Fuel poverty
- High cost of land / transport links
- Low demand in some locations / stock types
- Displacement caused by other housing providers
- Unemployment levels



Progress monitoring and reporting

The ongoing monitoring, review and reporting of performance against the Business Plan are considered to be key components of the business planning process at ng homes. The Association will assess our performance in a variety of ways with a comprehensive rolling programme implemented to ensure that progress is measured and evaluated as follows:

- Managers will work with and support teams and individuals to achieve their objectives – this will be achieved through regular team and departmental progress review meetings, individual one to one discussions and via the performance review process
- Performance will be reviewed with staff at the operational level on a monthly basis
- An internal review will be undertaken by the Executive Team on a quarterly basis reviewing progress, status reports and financial information
- A quarterly update report will be provided to the Board on performance and progress against the Business Plan
- A Business Plan review and update session will be held with the Board and staff every 6 months to report and examine performance against the business objectives, review achievements, discuss any issues that have impacted on the plan and explore any new opportunities that have emerged.

The approach outlined above reinforces the importance of the Business Plan as a strategic planning tool and will ensure that we respond quickly to any changes in the internal and external environment and are able to take the appropriate action in line with our strategic direction.



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ng homes is a trading name of North Glasgow Housing Association Ltd. This document can also be downloaded from www.nghomes.net
 This document is also available in other languages. This document is available in braille.

