



Business Plan

2024 - 2027

Our Aims are to be a provider of sustainable, supportive and inclusive services
We will achieve this by our vision to create a thriving community with affordable desirable housing, where every tenant can feel at home

This document is available in different formats including larger text for example. For more information please get in touch with us at info@provanhallha.org.uk or 0141 771 4941



Contents

Introduction	3
History and Achievements.....	4
Aims, Vision and Core Values.....	6
Future Direction.....	7
Strategic Objectives	7
Governance and Leadership	8
Management Committee and Structures.....	8
Senior Management Team.....	9
Poverty and Inequality in Provanhall	10
Asset Management	11
Environmental Analysis: SWOT – Strengths... ..	17
Changing Expectations	19
Conclusions.....	20
Stakeholder Relationships and Priorities.....	21
Scottish and UK Parliaments and Governments	22
Funders and Regulators.....	22
Insurers	23
Our People	23
Housing Services	23
Value for Money (VFM)	28
Location & Premises	29
Human Resources and Succession Planning	29
ICT Systems – Hardware & Software.....	31
Disaster Recovery	31
Appendix 1 – Details of MC, Senior Staff, and Organisational Structure.....	32
Appendix 2 – Financial Position, Plans and Projections	33
Appendix 3 – Strategic & Operational Risk Registers	43
Appendix 4 – Data Sets.....	52
Appendix 5 – Strategic Delivery Plans	61

Introduction

This Business Plan sets out the strategy and priorities of Provanhall Housing Association (PHA) for the 3-year period from 2024/25 to 2027/28. The Plan is based on consultation with our Management Committee (MC) and in accordance with the Scottish Housing Regulator (SHR) guidance. It describes:



The Business Plan is designed to be a practical tool:

- It describes our overall direction for the next three years, including our plans for consolidation, improvement and any growth or diversification that is planned.
- It enables the MC to set PHA's objectives and targets and to review subsequent progress.
- It informs PHA's staff team about our goals, and their contribution to achieving these.
- It describes how we will continue to provide tenants and residents with high quality housing, repairs, estate management and asset management.

The Business Plan will inform our relationships with tenants and residents and with partner organisations. It will also be of interest to the Association's funders and regulators.

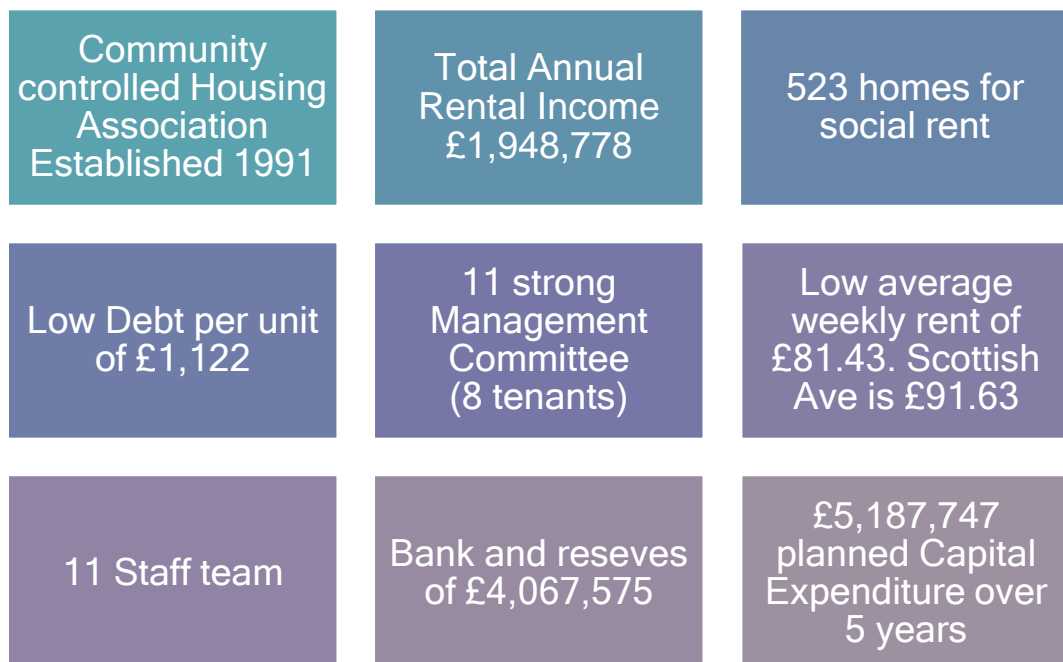
This year's Business Plan is produced against a backdrop of uncertainty including: Behaviour changes after the pandemic, changes in taxation and benefits, recovery from sustained inflationary pressures baked into the cost of goods and services, war in Ukraine, global supply chain issues and the increasing cost of living for our tenants.

Climate change obligations and the impact of other legislative and policy priorities of both Scottish and UK government will have further implications for us. There is also the election of a new UK government this year who will need to deal with the impact of reduced GDP and the costs in servicing the national debt accrued during the pandemic.

Political, social and economic uncertainty appears likely to continue during the Plan period, and this will impact PHA, our residents and community. While PHA cannot directly influence many of the uncertainties described in the Business Plan, we will do all that we can to preserve the position of the Association and our tenants and the legacy that local people in Provanhall have created over the last 33 years. In this regard, PHA's financial strength, low debt, rent, management costs and service excellence provide firm foundations for PHA to continue to flourish.

History and Achievements

The Association operates in the Provanhall neighbourhood of Easterhouse, 6 miles east of Glasgow city centre. The following graphic gives a quick profile of the Association at 31 March 2024:



PHA's roots go back to the 1950s when Glasgow Corporation followed a policy of large-scale slum clearance in the inner city and the creation of a new generation of council houses on the city's outer edges. Easterhouse was built from the mid-1950s onwards to house a population of 50,000 people and was the largest of the new estates that were built.

By the 1980s; communities in Easterhouse, including Provanhall, had serious housing and social problems which the Corporation (now Glasgow Council) was unable to resolve. A new breed of community-controlled housing associations emerged in Easterhouse – Provanhall among them – which became landlords, developers, and managers of housing. Led by local residents, the Easterhouse housing associations exemplified “people power” in action and became part of a citywide movement of similar organisations which acted as renewal agents in communities throughout Glasgow.

PHA’s initial focus was on improving the quality and sustainability of housing, by renovating existing homes and building new ones. The new build element of the regeneration has helped to increase diversity in house types and sizes.

A second wave of growth occurred in 2009, when Glasgow Housing Association completed the transfer of 195 homes to the Association, following a six-year transfer process. This established PHA as the owner and manager of all social rented housing in Provanhall, although GHA has since built 2 new build developments in Provanhall. PHA secured a role in the second of these developments, taking ownership of 26 completed homes over the course of 2019/20 and 2020/21.

Community governance has been part of the Association’s DNA throughout its history. The leadership provided by local people has contributed to sustainable regeneration, better long-term value for public money, and a wide range of other achievements, including:

- Comprehensive refurbishment of 371 properties from the City Council.
- The construction of 144 new homes.
- Investing £3,875,136 over the next three years in tenants’ homes cyclical and major repairs programmes. These programmes will focus on window and boiler replacements, new kitchens, common door installations and environmental works.
- Excellent local housing and maintenance services, evidenced by PHA’s consistently high level of performance results in service delivery and tenant satisfaction.
- Operational efficiency, demonstrated by low rents, operating costs and lean staffing structure.
- Maintaining low debt levels and strong cash flow.
- Improving the external amenity of the neighbourhood.
- Supporting The Connie, the local community centre, and the services it provides.
- Using PHA funds to support wider role activities and optimising the value of this investment by working in partnership with local organisations.
- Working collaboratively with other Easterhouse Housing Associations through Easterhouse Housing and Regeneration Alliance (EHRA) on a range of initiatives.
- Adapting to providing a hybrid working approach for staff without compromising on quality or availability of service with our office open five days per week.

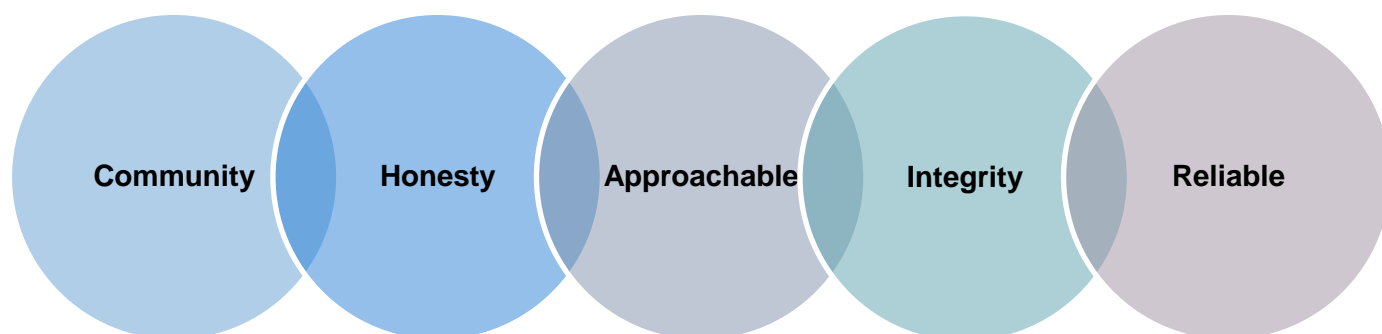
PHA has a long history of achievement and we recognise much remains to be done to meet our ambitions for the community. We continually develop our service delivery to meet tenants’ expectations. Our people and MC are committed to addressing the challenges of the future; assisted by the strong community spirit found in Provanhall.

Aims, Vision and Core Values

The MC has set the following vision and values:

Our Aims are **to be a provider of sustainable, supportive and inclusive services**
We will achieve this by our vision **to create a thriving community with affordable, desirable housing, where every tenant can feel at home**

Our Core Values are:



Community: Recognising the importance and impact of a sense of community. This value speaks to the PHA's understanding of the significance of person centred approach to stakeholders' lives and its commitment to supporting this balance.

Honesty: Placing utmost importance on being truthful and transparent in all dealings. This value underpins the organisation's commitment to integrity in its operations and interactions.

Approachable: Ensuring that the organisation and its members are accessible, welcoming, and open to dialogue, fostering an environment where communication is encouraged and valued.

Integrity: Upholding ethical standards and doing the right thing consistently. This value is central to the organisation's identity, guiding its decisions and actions with a strong moral compass.

Reliable: Demonstrating unwavering loyalty to the organisation's mission and values, and fostering a sense of solidarity and trust within the team.

As a community anchor organisation, PHA provides a focal point for the Provanhall community. The MC is committed to achieving the best for everyone who lives in Provanhall. We will work with all sections of the community and organisations who share our Vision and Values, in a spirit of partnership, co-operation, and collaboration.

Equality is central to our values. We reflect this in our work and promote fair treatment and equal access to services and opportunities when working in our own right and working with others. We always seek to comply fully with equalities legislation, notably the Equality Act 2010 and the anti-discrimination provisions it contains. PHA launched their Equality

Strategy in 2024 which sets out in detail how we will monitor and ensure Equality Diversity and Inclusion in all our activities.

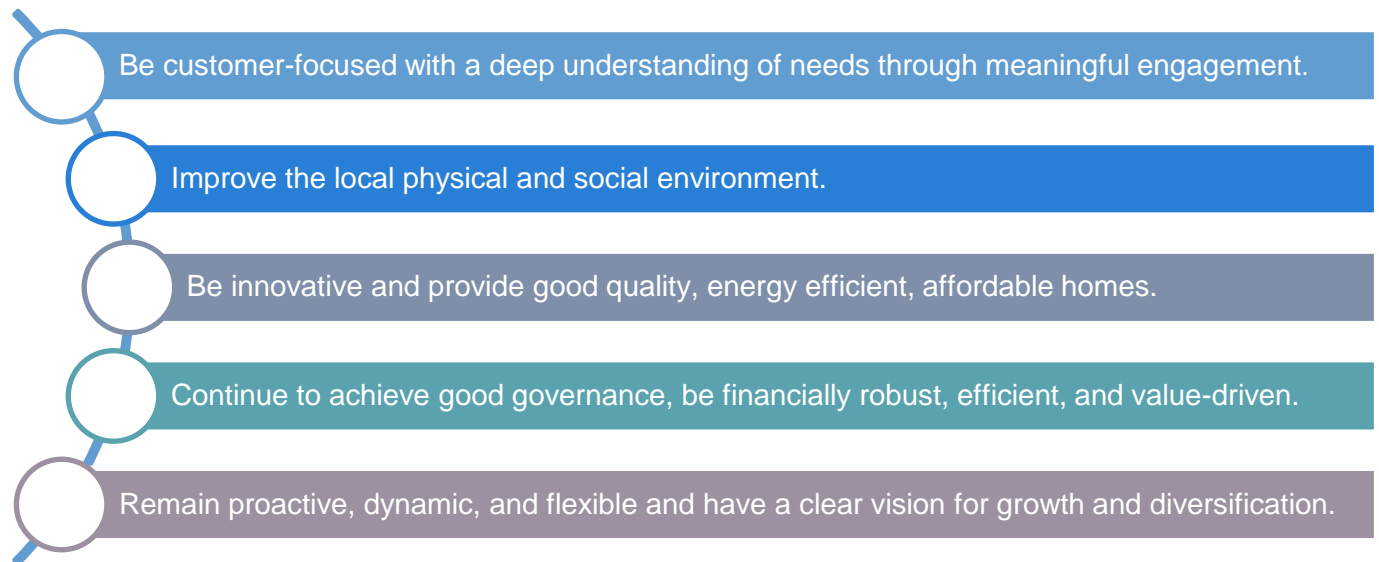
Future Direction

The Association's future direction over the period of the Business Plan is as follows:



Strategic Objectives

The MC has set five strategic objectives to be addressed and achieved over the three years of the Business Plan.



The Business Plan and the accompanying strategic options appraisal chart our understanding of these challenges and express the MC's strong belief that PHA in its present form will better serve the interests of tenants and our community than any alternative organisational forms.

We may, over the course of the Business Plan period, apply options or risk review techniques to areas of our business where impact or value to the Association needs to be re-appraised periodically. For example, if we were to seek to resume a small-scale development programme.

Governance and Leadership

PHA is a not-for-profit Scottish Charity registered with the Scottish Housing Regulator and the Office of the Scottish Charity Regulator. PHA is a Property Factor registered with the Scottish Government.

PHA's Rules describe our permitted objects and are based on the principle of "one member, one vote". This ensures that we operate in a democratic manner.

We are a place-based organisation, with our purpose and priorities 100 per cent focused on the Provanhall community. We were established as a community-owned and community-controlled body and these features are as relevant today to our governance model as they were when we were first set up.

Members of PHA may attend and vote at general meetings, seek election to the MC, and vote in the election of MC members.

Constitution	Management Committee (Governing Body)	Regulation
<ul style="list-style-type: none">• Community Benefit Society• Individuals/Groups become members for £1• Registered Social Landlord• Scottish Charity	<ul style="list-style-type: none">• Up to 15 members• Elected by the members (co-options also possible)	<ul style="list-style-type: none">• Scottish Housing Regulator• Scottish Charity Regulator• Financial Conduct Authority• Scottish Government (Property Factor Register)

Management Committee and Structures

Appendix 1 provides information about the current members of the MC.

Four MC members have served for more than 9-years and seven have joined over the last year. This provides an effective balance between continuity and renewal in committee membership.

The MC meets monthly (with the exception of July when no meeting is held) and is supported by three sub-committees which meet quarterly. These are Housing Services; Technical Services; and HR, Finance & Audit. All meetings, and our Annual General Meetings from 2022 have been back in person after the COVID-19 pandemic. We continue to offer face-to-face service delivery five days per week during office hours for our tenants.

Sub Committees carry out their role under the authority of the MC, with each Sub Committee's role and delegated authority being described in the Association's Standing Orders which are reviewed periodically. The aim of the structure is to enable proper

scrutiny and assurance for all main business areas, while also permitting the MC to focus on its role of providing strategic direction and leadership.

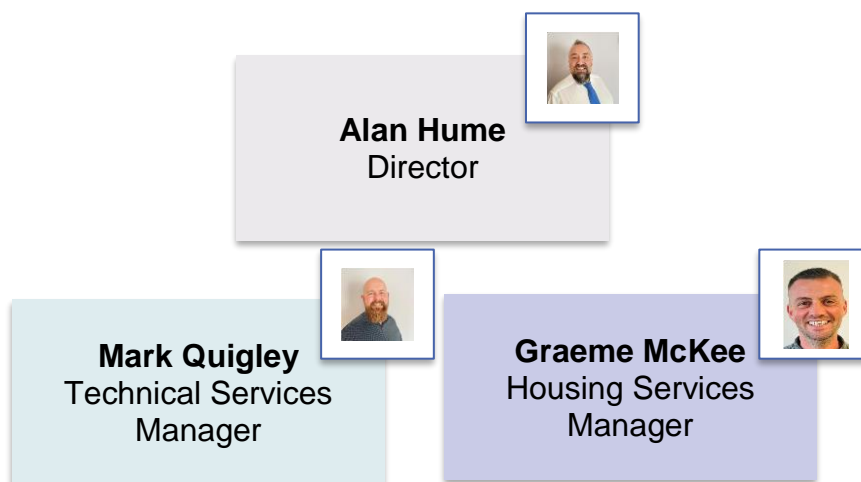
Skills audits and committee member reviews take place each year to help members reflect on their skills and contribution to the MC and identify what support PHA can provide. A review of the MC is also carried out annually and we have a succession plan in place.

PHA works with the other members of the Easterhouse Housing and Regeneration Alliance (EHRA) to deliver training along with in-house bespoke training and access to online resources and sessions. As members of SHARE our people and MC have access to bespoke on-line training modules along with opportunities to attend virtual and in person events. Along with attendance at conferences, this approach enables committee members to stay up to date with topical subjects and to network with committee members from other housing associations.

PHA has adopted the Scottish Federation of Housing Associations (SFHA) Code of Conduct for committee members and the SFHA Code of Conduct for staff. The Codes are supported by a range of other governance policies and procedures to make sure PHA meets good practice and regulatory standards.

Senior Management Team

The members of the Association's senior management team are:



All Senior Management Team members are suitably qualified and have a wealth of service and experience in housing. Appendix 1, shows the Association's staffing structure.

Alan joined PHA in 2022 and brings with him over 20-years' experience in Housing background at a senior level from a national association and experience from community lead Associations. Alan achieved the Diploma in Housing Management, is a qualified Letting Agent, Fellow of the Institute of Leadership and Management and achieved the Certificate in Corporate Governance from the Chartered Institute of Public Finance and

Administration. With a previous background in retail banking and the Civil Service, Alan is passionate about achieving the best outcomes for the Association and its' tenants.

Mark has worked in housing since 2012 and joined PHA as Technical Services Manager in March 2020. After completing a Degree in Building Surveying from Glasgow Caledonian University he worked in Building Consultancy for five years and is a member of the Royal Institution of Chartered Surveyors. Mark has experience in asset, facilities and project management along with residential repairs, refurbishment and cyclical maintenance.

Graeme joined Provanhall Housing Association since July 2024 and has over 18 years' experience in the social housing sector. Graeme previously worked for Local Authority in a number of management roles prior moving into the community lead association sector. Graeme is experienced in all aspects of housing operations and has a real passion for social housing and has achieved his Diploma in Housing. Graeme is also member of the Chartered Institute of Housing and a member of the Scottish Social Services Council.

Area of Operation

Population and Households in Easterhouse and Provanhall shown in the diagram here

Easterhouse

Between 2001 and 2011, Easterhouse lost both population and households, at rates that were among the highest in Glasgow. There was a 12% fall in households with children, while the number of single person households stayed largely the same. 552 dwellings were lost between 2001 and 2011 (about 1 in every 8 houses), mainly through demolition of social rented homes.

Poverty and Inequality in Provanhall

The 2020 Scottish Index of Multiple Deprivation (SIMD 2020) provides profiling results for a geographical area that is a very close match for PHA's area of operation. This is based on two SIMD 2020 data zones which can be broadly described as "Conisborough Road/North Provanhall" and "Conisborough Road/South Provanhall". The combined population of the two data zones is 1,400 people, of whom 910 are of working age. SIMD 2020 produces data for nearly 7,000 small areas in Scotland, with a ranking of 1 representing the most deprived in Scotland and a ranking of 6,976 being the least deprived. Both data zones in Provanhall have an overall ranking in the **5% most deprived of all data zones in Scotland**. Please refer to [Appendix 4 – Data Sets, 4.1 SIMD](#)



The results for Provanhall are poorer than the average for Glasgow in every single case, a fact made worse by Glasgow being the most deprived council area in Scotland.

The gap between Provanhall and the more affluent community of Mount Vernon and Sandyhills is even wider for all the indicators shown. This is truly “a tale of two cities”, The gap in income and employment deprivation is particularly significant since these are the most common causes of poverty which in turn causes substantial health inequalities and poorer educational outcomes.

Local Housing Market

According to Right move’s website properties in Easterhouse had an average price of £80,964 over the last 12 months (2023). The volume of housing for sale in Provanhall is very low and consists mainly of properties sold under the right to buy and other private rented/owned properties in the area. The average sale prices for properties in Provanhall are generally below the Easterhouse average at around £66,000.

Private rents in Easterhouse range from £575.00 and £795.00 (Apr 2024) with an average of £706.67 which is significantly higher than Registered Social Landlord rents in the area.

Asset Management

PHA’s aim is to protect and achieve best value from our assets. We do this by providing high quality, affordable homes that our tenants want to live in, while maintaining the Association as a viable business.

The Association’s main asset management activities are:

- Providing a comprehensive property management service, covering reactive repairs, cyclical maintenance works, and major component replacement works.
- Ensuring that PHA meets all of its legal obligations for tenant and stock safety.
- Improving the energy efficiency of tenants’ homes, to reduce fuel bills and fuel poverty.
- Ensuring that PHA improves the quality of our homes by meeting national quality standards.
- Providing factoring services to home owners.
- Maintaining the external environment and improving standards of neighbourhood management.
- Building new homes forms part of asset management, at present PHA does not envisage building new homes in the next three years. Instead, the focus during this time will be on the improvement of and management of existing assets.

Housing Stock Profile

The composition of PHA’s rented housing stock is shown in the following table:

Type	1 apt	2 apt	3 apt	4 apt	5 apt	Total	%
Four in a Block		39	23			62	12%
House			36	30	17	83	16%
Tenement Flat		22	284	62	10	378	72%
Total		61	343	92	27	523	100%

In summary:

- Almost three-quarters (72%) of the PHA rented housing stock is post-war tenement flats, acquired from GCC and then modernised by PHA, followed by a further stock transfer from GHA to PHA in 2009. All 375 tenement flats were built between 1945 and 1964.
- The remaining 28% of the housing stock is new build cottage flats and houses. They include 6 houses or ground floor flats built to wheelchair standards.
- Two-thirds of the housing stock (66%) has 2 bedrooms.
- Just over one fifth (22%) of the rented stock has 3 or more bedrooms, which limits opportunities to house larger households, including the rehousing of PHA tenants whose households have grown in size.

Performance Results (Charter Indicators)

The following table compares PHA's performance results with the averages for our EHRA peer group and the Scottish average in 2022/23.

The results show high standards of performance by PHA. Our performance was better than the Scottish average for all eight Charter indicators shown, and better than the EHRA average for five out of six indicators and only slightly lower for indicator [Appendix 4 – Data Sets, 4. Performance Comparison](#)

Stock and Tenant Safety

PHA recognises the health safety and wellbeing of our tenants is paramount. These obligations include:

- Completing annual safety inspections of all gas boilers and appliances that we have fitted in our properties.
- Conducting a rolling five-year programme of electrical inspections of all our properties.
- Providing interlinked fire and smoke detection in all our properties.
- Managing asbestos in our properties, to protect residents and our contractors' operatives.
- Legionella risk assessment by development phase.

Our people follow detailed policies and procedures. Further assurance is provided where an alternative appropriately qualified contractor quality assures a proportion of gas and electrical safety checks along with our internal audit programme.

A dashboard detailing all performance data is presented to the Board each month in order to assure the Board that our procedures are effective and detailing any cases of non-compliance and actions taken to address them.

Asbestos

77% of our homes were built when Asbestos Containing Materials (ACMs) may have been used in property construction or subsequent tenant decoration. Between 1994 and 2002 44% of the properties constructed in 1958 underwent extensive refurbishment which brought the properties up to the building standards at that time, this amounted to 175 units. Blue (crocidolite) and brown (amosite) asbestos was prohibited for use in 1985 and it is therefore not thought to be widely present in our homes. As white chrysotile asbestos was prohibited in 1999 it could be present in our homes, particularly in the form of asbestos artex.

To meet obligations under the Control of Asbestos Regulations 2012, PHA has a clear Asbestos Management Policy and associated procedures, which includes:

- **Asbestos Register:** a database of asbestos management information, which has been collated following asbestos management surveys. This information is made available to contractors.
- **Repairs:** Contractors are notified if the property is known to contain asbestos when a responsive repair is instructed. Association staff are alerted by a warning at the point of raising a works order against the property record.
- **Planned Maintenance:** Contractors are provided with a copy of the Association's asbestos register at the survey stage or earlier. Discussions will be held as to the quality and extent of the existing asbestos information and to whether cloning and representative samples are appropriate and sufficient.
- **Action:** Where ACMs are identified, the appropriate management techniques or removal works are instructed. Removal or encapsulation works will be undertaken by a competent contractor.

Damp and Mould

PHA maintain a damp and mould register which is supported by a detailed procedure for investigation, remediation and follow-up. All Asset Management staff have received training on identifying causes of dampness and mould along with our requirement that all cases are followed up to ensure remedial actions are successfully resolved to the tenants satisfaction.

Fire Safety

None of our homes are designated as high risk in relation to fire safety. All properties have interlinked smoke, fire and carbon monoxide detection in advance of the Scottish Government deadline of February 2021. The systems are tested at each annual gas safety inspection.

Legionella

None of the Association's residential stock utilise water storage tanks and the water supply for all uses in our properties involves direct supply from the mains. The Association has a water hygiene management plan in place for its commercial office.

Reinforced Autoclaved Aerated Concrete (RAAC)

No Reinforced Autoclaved Aerated Concrete (RAAC) is present in the Association's stock.

Scottish Housing Quality Standard (SHQS)

97.52% of the Associations stock meets Scottish Housing Quality Standards (SHQS). Within the 13 properties not meeting SHQS, 7 are exempt (kitchen storage) and 6 are marginal energy efficiency failures.

We have detailed data about our stock, make sure this is regularly reviewed, and plan carefully where and how we will invest. Our main sources of information are:

- Regular stock condition surveys
- Life cycle costings (LCCs)
- Information from our routine property management activities

Our compliance was externally validated by Brown and Wallace in 2021 and our next Stock Condition Survey is currently underway. The Association has appointed an in-house Asset Officer to undertake a 50% stock condition survey, this will allow us to reassess the compliance rate based on updated information.

Energy Efficiency and Net Zero

PHA has an important part to play as a landlord, by ensuring tenants' homes are warm and affordable to heat. To date, our response has included:

- Installation of highly efficient gas boilers and radiators
- New windows in our planned maintenance programme
- Ensuring we have EPC ratings for all properties
- Achieving 98.66% compliance with the SHQS energy standard (EESH 2020 target)

As with all other social landlords, PHA will need to adapt to requirements to improve the energy efficiency of our housing and to contribute to national plans to achieve net zero emissions by 2045.

Scottish government (SG) has withdrawn the Energy Efficiency Standard for Social Housing (EESH 2 – 2032 target) and is currently consulting on proposals for a **Social Housing Net Zero Standard (SHZNS)**. The proposals raise a number of fundamental issues for social landlords:

- SG to ensure a just transition for tenants to prevent rents being increased to pay for higher standards.
- The Association awaits SG proposals on government financial support beyond the existing budgets to 2026.
- SG states SHZNS “will be introduced in 2025 at the earliest”.
- The Association continues to monitor the publication of proposals on the linkage between Fabric Efficiency Ratings and the concurrent review of EPCs.
- The likelihood that heat networks will be the most feasible solution. Glasgow City Councils Local Heat and Energy Efficiency Strategy has not identified a substantial heat source for Glasgow North East.

We expect the current position of these matters will evolve rapidly and we will track them carefully in 2024-2025. PHA has a sound financial grounding to enable us to borrow where required for improvements to meet the new challenges ahead with exceptionally low debt per unit ratio.

Asset Management

The Association has an Asset Management Strategy which, along with Stock Condition Surveys and Life Cycle Costings, chart the course for PHA's investment programme and long-term financial planning. The key issues addressed in the Asset Management Strategy are as follows:

- Through 2024-2027 PHA has significant planned investment with an average of £1mn spend per year. Expenditure is focussed on 150 units which are approaching the 30 year anniversary of its 1994-1997 development or refurbishment.
- We will continue to analyse customer feedback and satisfaction to establish if tenants deem our properties to meet their expectations on quality standards.

On an ongoing basis, we follow good asset management disciplines to:

- Maintain good levels of demand for our housing. Turnover has increased over the last two years. In part due to new build development programmes in the Easterhouse area.
- Re-let empty houses quickly. PHA seeks to re-let empty homes quickly without compromising on safety or quality of the home on offer.

Investment programme

Total costs over 30 years are stated in the Business Plan cash-flows as £8.6mn. The major areas of expenditure over the 30-year period are:

- Heating systems
- Kitchen fitments/appliances
- Window sashes and frames
- Bathroom fitments

Our Capital Expenditure programme outputs for the five years is projected at £5,187,747 from 2024/25 to 2028/29 are shown in the following table.

Planned Repairs	Year 1 2024/25	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	Year 5 2028/29
Fascia	£29,250	£27,625	£27,625	£16,250	
Windows	£422,450	£294,650	£163,300	£198,800	£173,950
Close doors	£13,800	£19,500		£11,100	
Close floors	£10,840				
Doors					£82,650
Kitchens	£2,752		£316,480	£121,088	£126,592
Bathrooms	£53,902	£63,450	£103,400	£122,655	
Gas Heating	£112,000	£86,800	£156,800	£112,000	
Radiators	£94,000	£82,000	£80,000	£58,500	
Rewires	£232,000	£158,000	£166,000	£129,000	
Rewires close	£14,160	£9,840	£10,080	£4,440	
Door entry	£52,046				
TV system	£2,924	£2,032	£2,081	£917	
Paving	£54,001	£5,068		£46,320	
Rotary Driers	£5,300				
SUB TOTAL	£1,099,425	£748,965	£1,025,766	£821,070	£383,192
VAT (20%)	£219,885	£149,793	£205,153	£164,214	£76,638
Fees	£65,966	£44,938	£61,546	£49,264	£22,992
VAT on Fees	£13,193	£8,988	£12,309	£9,853	£4,598
TOTAL	£1,398,469	£952,683	£1,304,774	£1,044,401	£487,420

Procurement

PHA advertises larger-scale contracts (“regulated procurement”) through the Public Contracts Scotland portal and we assess tenders using the Scottish Government’s guidance on the Most Economically Advantageous Tender.

Procurement methods for lower value activities are decided with reference to our Procurement Policy. The Association has operated a framework agreement for reactive repairs, voids and adaptations since 2019. A retendering exercise is planned for 2024. PHA are members of Scotland Excel and Procurement for Housing Scotland. This provides PHA with access to national framework agreements which can provide efficiencies, risk mitigation and greater value for money.

Environmental Analysis: SWOT – Strengths...



People: are our greatest asset. Characterised by expertise, dedication, and innovation. Our People are committed to the organisation's mission and success.



Financial: we maintain a robust financial standing, marked by strong capital reserves, effective cash flow and treasury management, and a solid balance sheet.



Performance: we demonstrate high performance in levels. This is evident through quality services, high customer satisfaction rates, and consistent achievement of business objectives.



Governance: PHA is committed to effective governance in all our activities. This includes transparent and ethical decision-making, accountable leadership, and adherence to regulations and standards.



Community: PHA is a key player within the community, known for its positive contributions and influential role. This helps build a positive relationship with local stakeholders.

Weaknesses...



Age of Stock– first 30 Year Lifecycle now in place. Deferment of which can risk increased maintenance costs and operational inefficiencies.



Recruitment, retainment, skills and engagement: The organisation faces challenges in recruiting and retaining skilled people, particularly in specialised areas, as well as creating a motivating and engaging work environment. This weakness could adversely affect the ability to attract and retain essential talent, impacting overall productivity and growth.



Community Services: While expanding the scope of community services, PHA experience difficulties in managing a broader range of services due to potential resource overextension and additional expertise.



Development: Opportunities to develop new homes are currently a weakness due to limitations in growth capacity, lack of innovative approaches, or insufficient investment.



Small Size (Back Office, Loans, and Regulation): represents a weakness for PHA. This situation can lead to operational challenges, financial constraints, and difficulties in adapting to regulatory changes, impacting the organisation's scalability and adaptability.

Opportunities



Deeper Collaboration with Other RSLs: forming strategic alliances, sharing best practices, co-developing and deeper collaboration could lead to improved operational efficiency, and increased funding opportunities.



Wider Role: Expanding the organisation's role beyond current scope presents a considerable opportunity. Diversifying services or increasing involvement in community and development projects.



Our People & MC Development: Investing is a key opportunity for enhancing our capabilities. Including professional training, leadership development program and initiatives to foster a culture of continuous learning and improvement.



Development of More Housing: PHA has the opportunity to develop more housing units. This can address the growing demand for affordable housing and contribute to the organisation's mission. Expanding the housing portfolio can also increase revenue and strengthen the organisation's position as a key player in the housing sector.



Location Regeneration: Engaging in projects presents an opportunity for significant impact. Including revitalising specific areas, contributing to urban renewal, or collaborating with local authorities and other stakeholders on development projects.

Threats....



Inflation: impacts on operational costs, including the cost of materials, labour, and general overheads. Affect the affordability of housing for clients and impact the purchasing power of the organisation, potentially leading to reduced financial stability and increased challenges in budgeting and financial planning.



SHR SG (Scottish Government) Policies: Regulations imposed by SHR or SG pose a threat. This could include new compliance requirements, changes in funding allocations, or shifts in housing policies that may require considerable adjustments in the organisation's operations and strategies.



Net Zero: implementation Zero represents a threat. Compliance may require significant investment in upgrading existing housing stock.



Stock: Challenges such as aging infrastructure, maintenance needs, and the cost of upgrades, pose a threat. These issues can lead to increased capital expenditure, potential service disruptions, and the need for substantial long-term planning to ensure the stock remains viable and compliant.



Contractors (Increased Costs, Lack of, Capacity): including increased costs, scarcity of contractors, and limited capacity to undertake projects. Can lead to delays in project completion, and increased costs.

Changing Expectations

Customer Ambitions & Expectations over next 10 years



Staff Ambitions & Expectations over next 10 years

Development

- Able to engage in training, improvement and self-reflection

Environment

- Work in a modern, flexible environment

Fulfillment

- Enjoy their work and feel valued and supported

Tools

- Have clear authority levels, robust IT systems and real time updates

Stakeholders Ambitions & Expectations over next 10 years

Reputation	Acheive	Clarity
See the RSL as a preferred and trusted local partner.	Work closely to achieve joint objectives, especially in the third sector.	Have a clear understanding of mutual roles and responsibilities.

Conclusions

There are many external and local factors that will potentially affect PHA's future strategy and operations. Many of these factors – such as the financial climate are out-with PHA's control. Our key priority will be to monitor and assess potential impact, and apply appropriate risk mitigations where this is necessary and feasible.

In other areas, it is possible to be more specific about future actions by PHA. A sample of these is shown in the following table, with more information provided in the relevant business plan chapters.

PHA remains open to the possibility of growth through further development in the future, but this is unlikely to be a priority in the next three years. We will work with Glasgow Council to purchase properties identified in private ownership in Balcurvie Road which are in poor condition to make them suitable homes for social rent.

Our focus will be on service delivery, managing our assets and seeking a greater role in supporting our community to address existing poverty and inequality. We will strive to find more effective ways of partnership working to make best use of our resources to improving our community.

Many of the factors described will change over time, sometimes rapidly. We will ensure careful monitoring and evaluation of change takes place on an ongoing basis.

Achievement of our strategic objectives demands a continued focus on sound and stable governance and strong financial management. These have been high priorities in the past and must remain so. Ongoing monitoring and evaluation of risks and change factors change will also be essential.

Stakeholder Relationships and Priorities

In implementing our strategy, PHA will work closely with our tenants, residents, service users and a range of public sector and community partners.

PHA's main stakeholders are shown below.

Stakeholders specific to PHA	Strategic and Regulatory Stakeholders
<ul style="list-style-type: none"> • PHA tenants • Local residents and owners • Housing applicants • Our people • The local community • Local organisations with whom we work to benefit our tenants and the local area • EHRA • Our lenders, auditors, and insurers 	<ul style="list-style-type: none"> • Glasgow City Council • Glasgow Health & Social Care Partnership • The Scottish and UK Governments • The Department of Work and Pensions (DWP) • The Scottish Housing Regulator (SHR) • The Office of the Scottish Charity Regulator • The Financial Conduct Authority • SFHA

Provanhall Housing Association Tenants

Our tenants are our most important stakeholder group and we encourage them to be involved in the decision-making process as their views ultimately influence our actions and how we deliver services.

Our Tenant Participation Strategy and action plan, which is updated annually, covering engagement topics and delivery methods regarding how we will consult with stakeholders on a number of strategic and operational areas of business.

We conduct a three-yearly Customer Satisfaction Survey. This provides tenants and owners with opportunities to influence our service delivery. Our most recent survey was carried out in 2022 and shows high levels of satisfaction with the Association and our services.

The Wider Community

We have a successful record of delivering services and supporting the wider community by acting in our own right and by working in partnership with other groups, services, and support providers. Our close working relationship with Connect Community Trust (CCT) provides income advice, employability, and digital inclusion services funded by PHA. We support CCT to provide a range of activities and support to local residents at The Connie Community Centre.

External Partners

Our main public agency partners are Glasgow City Council (GCC), Glasgow Health and Social Care Partnership (GHSCP), Police Scotland, Scottish Fire and Rescue Service (SFRS), and the Department for Work and Pensions (DWP).

The following aspects of GCC's strategic role and services are of particular importance to PHA:

- Funding for development projects
- Housing Benefit
- Homeless referral arrangements
- Delivery of public services

PHA's financial wellbeing and cash flow are highly dependent on housing benefit (HB) and Universal Credit (UC) payments therefore we maintain close links with the Council and DWP to ensure payments are received.

Scottish and UK Parliaments and Governments

PHA is always mindful of events and pipeline changes from both legislative bodies and governments. The Scottish Government is responsible for legislation and policy on housing and a number of other devolved matters. Emerging Scottish Government policy on homelessness and climate change will have a major impact on our business.

The further migration of legacy benefits to Universal Credit and the work requirement for those who are longer term sick will have an impact on our tenants.

There is also further pressure from increasing budget cuts which will potentially have an impact on development programmes.

Funders and Regulators

PHA's external funders are Royal Bank of Scotland (RBS) and Nationwide Building Society (NBS). We maintain close relationships with both institutions with no current borrowings at RBS and as at April 2024 £578k in lending with Nationwide.

PHA are regulated by the Scottish Housing Regulator (SHR) and the Office of the Scottish Charity Regulator. The Engagement plan for 2024/25 includes Financial Management where a high level of expenditure is identified within our five year projections. This is primarily due to component lifespans coming due for replacement at the same time. We provide SHR with detailed annual reports on our performance and finances and advise SHR of any Notifiable Events as they occur. PHA's strategy and working practices take account of specific SHR priorities. These include a strong focus on business planning, effective governance, financial performance and risk management, self-assurance, cost control, asset management, rental sustainability, health and safety of our tenants and value for money.

Insurers

Achieving value for money is important to us, as is establishing a strong working relationship with our insurers. In the last two years; our premium has increased significantly along with an increase in claim excess. We expect to provide further detailed valuations of our stock in the coming years in order to achieve realistic cover for our stock. PHA have procured a Broker service which provides whole of market procurement of insurance products for our business and evidences best value for money.

Our People

We aim to create a positive, supportive working environment for our people. We want all of our people to be clear about what is expected of them, committed to giving their best in their respective roles, and to feel valued for the work they do on behalf of PHA. We support staff in appropriate Learning and Development with an individual Learning and Development plan for each member of the team. PHA subscribe to being a Fair Work Employer and Disability Confident Employer.

Housing Services

Services Provided by PHA Tenancy, property, and neighbourhood management services include:

<ul style="list-style-type: none">● Allocations<ul style="list-style-type: none">○ Housing applications○ Housing options○ Lettings○ Mutual exchanges● Tenancy Management<ul style="list-style-type: none">○ New and current tenant visits○ Tenancy sustainment○ Tenancy changes○ Tenancy breaches○ Abandonment investigation● Rent Management<ul style="list-style-type: none">○ Rent collection○ Arrears actions○ Former tenant arrears○ Write-offs● Estate Management<ul style="list-style-type: none">○ Estate inspections○ Block inspections○ Close cleaning○ Grass cutting○ Bulk uplift○ Bin pull-out	<ul style="list-style-type: none">● Managing Antisocial Behaviour<ul style="list-style-type: none">○ Investigation● Income Advice, Employability and Digital Inclusion<ul style="list-style-type: none">○ Welfare Rights○ Income Maximisation○ Money Advice● Tenant Participation<ul style="list-style-type: none">○ Consultation○ Estate walkabouts○ Tenant scrutiny○ Focus groups● Property Factoring<ul style="list-style-type: none">○ Owner occupiers● Partnership Working<ul style="list-style-type: none">○ Working with stakeholders● Customer Complaints Follow-up<ul style="list-style-type: none">○ Best practice○ Lessons learned● Community Investment<ul style="list-style-type: none">○ Funding○ Events○ Engagement
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We provide each of these services in house with the exception of Income Advice, Employability and Digital Inclusion which is funded by PHA and delivered by Connect Community Trust.

Tenant Profile

Tenancy records and local knowledge give us strong insight into our tenants' lives and their needs. It is also important to consider the extensive evidence that shows that Provanhall falls within the 5% most deprived SIMD data zones in Scotland. Issues relating to income, employment, health, and inequalities remain a challenge for the community.

Age

Provanhall has an aging population which will have significant implications for services in future. The reach and quality of health and social care services will need to support older residents to remain within their homes. We can expect to see more tenants with mobility issues and this will pose a challenge for the Association as the majority of our stock consists of tenement flats.

% Adults > 65 years	
Provanhall	20.4%
Easterhouse	14.0%
Glasgow	13.6%
Scotland	19.6%

Household Types

The table below shows the household composition changes according to Tenant Satisfaction Surveys carried out from 2015 – 2022. Most recent figures show that 47.6% of households were single adults, 6% were 2 parent families, 15.2% were single parent families, and 19.2% were two adult households with no children.

Household Type	2015	2019	2022
Single Adult > 65 years	14.4%	17.6%	16.8%
Single Adult < 65 years	26.0%	26.8%	30.8%
2 Adults > 65 years	2.8%	3.6%	3.6%
2 Adults < 65 years	18.8%	9.2%	15.6%
2 parent family	8.0%	10.8%	6.0%
1 parent family	14.0%	20.4%	15.2%

Disability

According to our most recent Tenant Satisfaction Survey (2022) over half of our tenants (55%) said either they or a member of their household had some form of long-term illness, health problem or disability which limits their daily activities or the work they can do.

Ethnicity

Ethnic minority groups in Easterhouse make up 7.0% of the overall population compared to 11.5% in Glasgow City, and 4.0% in Scotland. In Provanhall, ethnic minority groups account for 8.84% of the tenant population. PHA are members of 'Happy to Translate'

which provides a range of translation services for staff and tenants. The table below shows a breakdown of ethnic groups who are currently tenants of the Association.

Ethnic Origin	% of Tenants		
Scottish	84.01%	Caribbean	0.19%
British White	0.77%	Black Background	0.19%
Irish White	0.19%	Asian Background	0.96%
Polish	3.85%	Arabian	0.19%
African	2.50%	Not known	7.15%

Tenant Satisfaction

Provanhall continues to record strong performance in Tenant Satisfaction. The following table summarises PHA’s performance in relation to tenant satisfaction over the last four financial years. [Appendix 4 – Data Sets, 4.3 Tenant Satisfaction](#)

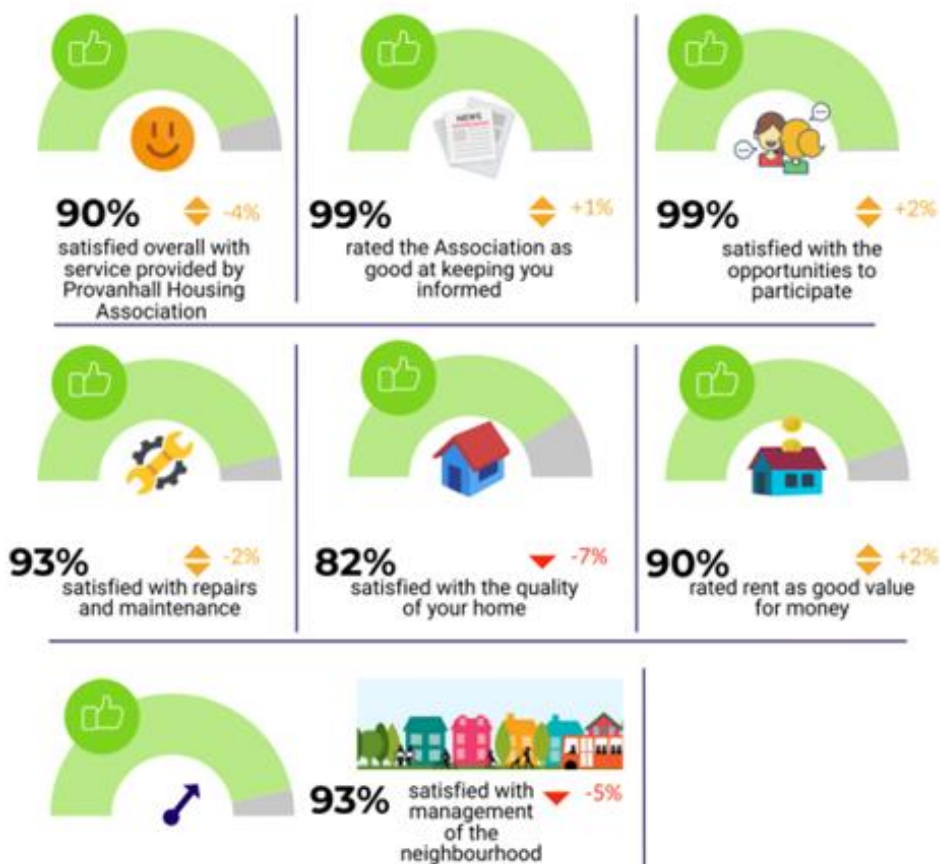
Provanhall Housing Association

Tenant Satisfaction Survey 2022

What did we do?

250 We spoke to 250 Provanhall Housing Association tenants to find out how satisfied they were with the Association and the services they provide. This is done to report back to the Scottish Housing Regulator and allows the Association to improve their services for customers.
INTERVIEWS

What did you tell us?



Rent Collection and Rent Arrears Management

Rent collection accounts for almost all of the Association's income therefore maintaining a high level of performance is critical in order to provide tenants with quality services and investment. PHA's income management results in 2022/23 were substantially better than our EHRA peer groups and the Scottish National Average.

Provanhall has a relatively high proportion of its rental income paid direct via Housing Benefit and Universal Credit. In 2022/23 73.55% of all tenants had their rent paid in this way. [Appendix 4 – Data Sets, 4.4 Rent & Arrears Management](#)

The Association ensures that tenants have access to welfare rights and income advice services and funds, in collaboration with two other RSLs, we fund an Income Advisor post provided by Connect Community Trust. The Income Advisor is based within PHA's Office two days per week.

Tenant Participation

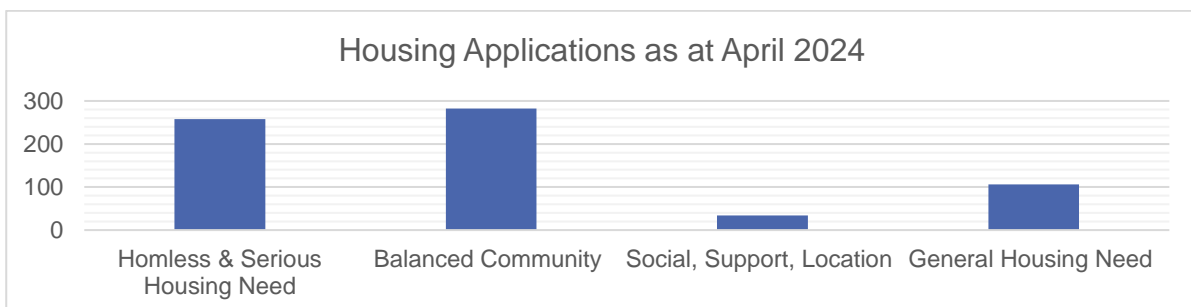
We are proud to be a community controlled Housing Association and are passionate about taking part in decision making processes and influencing decisions. We believe Tenant Participation is a two way process and effective participation gives tenants an opportunity to shape the way services are delivered. We have revised our Tenant Participation Strategy and will publish an Action Plan and Tenant Participation Timetable detailing our engagement topics and consultation methods on an annual basis.

Estate Management

Estate Management is a key service for the Association and its tenants. We believe that maintaining a high quality neighbourhood makes Provanhall an attractive place to live for existing and prospective tenants. We carry out regular inspections and estate walkabouts to ensure that issues are identified and resolved quickly, and we have an extensive catalogue of routine maintenance services in place to help make the neighbourhood look the best it can be.

Demand for Housing – Housing Applications

As of April 2024 there were 680 live housing applications placed as follows



Lettings Plan

The Annual Lettings Plan is how we achieve the aim of the Allocations Policy. The Allocation priorities approved by the MC are to help maintain a balanced, stable and sustainable community whilst making best use of the available stock. In addition, to recognise the different needs and aspirations of all groups of applicants, and give reasonable preference to those in greatest housing need and minimise the turnover of housing.

Applicant Source

The following tables show the current target breakdown by Source of let and Applicant Group for 2024/25. The Applicant Group relates to one of the four groups outlined in the Allocations Policy under which each applicant is placed into by staff once their application has been assessed.

Source of Let			
PHA Residents (Internal transfers & waiting list internal)	Section 5 Referrals	Waiting List External	Other
50%	35%	15%	0%

Applicant Group			
Homeless & Serious Housing Need	Balanced Community	Social, Support & Location	General Housing Need
55%	20%	15%	10%

Homelessness

The Association has a positive attitude in regard to its role in tackling homelessness and works in partnership with GHSP to identify suitable housing for applicants.

The following table shows our performance in regard to homelessness compared to the average for our peer groups.

	PHA	EHRA	PHA	EHRA	PHA	EHRA
Charter Indicator	2020/21	2020/21	2021/22	2021/22	2022/23	2022/23
23.1 – Section 5 referrals received	40	20	29	15	5	13
23.4- Referrals that result in an offer	31	13	20	11	5	7
23 Percent of referrals that result in an offer	78%	63%	69%	73%	100%	64%
23 percent of offers that result in a let	48%	70%	85%	77%	100%	95%

Value for Money (VFM)

The Association recognises the need to achieve VFM in all areas of business. Our approach to achieving this is based on:

- Ensuring that the Association maintains financial viability
- Maintaining tenants' rents at affordable and competitive levels
- Maintaining and investing in our housing stock
- Seeking to continually improve the quality of our services
- Making the best use of resources to benefit tenants and the community
- Being efficient and effective in how we work
- Reducing costs where we can without detriment to tenants

VFM is becoming increasingly important due to the challenging nature of our operating environment and the economic climate is likely to continue to put multiple cost pressures on our business and tenants' financial situation. PHA perform strongly amongst peers and compare favourably against the Scottish Average

Appendix 4 – Data Sets, 4.3 Value for Money

Rent Setting

The following tables provide a breakdown of our rents in comparison to the Scottish average and other Easterhouse Housing Associations for 2022/23. This shows that our rents are below the Scottish Average and other community Housing Associations in Easterhouse. Our rents are also significantly lower than private rents in Easterhouse which range from £575.00 and £795.00 (Apr 2024) with an average of £706.67 per month which is considerably higher than Registered Social Landlord rents in the area.

To ensure affordability for our tenants, the Association benchmarks rents against other RSLs in EHRA and Scottish social housing average.

Our main approach to rent-setting is based on:

- Keeping rents affordable for tenants
- Keeping rent increases to a minimum whilst continuing to provide high quality services
- Keeping rents competitive in comparison with those of other Housing Associations
- Making sure the Association has sufficient income to meet its obligations to tenants and funders, as well as headroom to manage future financial and economic risks

Rent Increase

The Association has given high priority to restricting rent increases, while also continually improving services and investing in tenants' homes. Maintaining this balance will continue to be a priority with new challenges to be met as a result of rising inflation, high interest rates, and the cost of living crisis.

We have consistently maintained lower rent increases than the Scottish average over the last four years. In addition, it has kept increases to lower than the EHRA average for the same period with the exception of 2023/24.

Our rents are also considerably lower than local private sector rents, with the Association also providing a higher standard of accommodation and management. The local private rented market in Easterhouse frequently involves poor property and management standards as is seen in properties adjacent to our own area of operation in Balcurvie Road. In the period ahead, we need to balance the ongoing challenges that the Association and tenants face, while also raising sufficient income to continue to be able to provide high-quality services and investment in our housing stock.

Affordability Assessment

The SFHA 'Affordability Tool' measures both income and rent levels for every local authority in Scotland. Based on the moderate income of different household types in each area, this tool assesses the % of income different households spend on rents in each area. Using a traffic light report:

Green:	Less than 25% of income is spent on rent
Amber:	Between 25% and 30% of income is spent on rent
Red:	More than 30% of income is spent on rent

Based on Glasgow City measures, we are pleased to report 100% of our rents for all different household types and house sizes are assessed as:

Our individual assessments are even more affordable; the % of income different households spend on our rents range from 10.40% to 22.70%.

Based on each bedroom 'Average Weekly Rents' for proposed 2023/24 and Moderate Incomes (ASHE 30th):

Moderate incomes are calculated based on the 30th percentile for each local authority, which is above housing benefit eligibility. The justification for using these moderate incomes is that incomes converge around this point once housing benefit and tax credits are included in lower incomes. Following the Joseph Rowntree Foundation's Living rent methodology, the household incomes are weighted to account for additional income for adults and child benefit entitlements.

Location & Premises

The Association's office is based in Conisborough Road, in the heart of our area of operation. Whilst we positively support hybrid working for our people, we will continue to offer full access to face to face meetings with our customers. The PHA office is fully compliant with the Disability Discrimination Act and will meet the Association's requirements well into the future.

Human Resources and Succession Planning

The Association is a full member of EVH, operating in accordance with EVH Terms and Conditions. We employ 11 members of staff, with some staff working less than 35 hours a

week. The Director has overall responsibility for ensuring HR management standards throughout the organisation in relation to recruitment, absence management, training assessment and provision, health and safety management, staff performance management, discipline, and grievance. The Housing Services Manager and Technical Services Manager assist with the implementation of these tasks. The Director also advises and supports the MC in its role as employer.

PHA has well-established procedures for staff and committee succession planning, with an annual plan produced for both. Our internal auditors examined procedures and practice in both areas in 2019 and concluded that our approach was strong.

On the staff side, the annual appraisal applies to all posts. This is particularly important because there are few instances in PHA where more than one person carries out the same job. This issue of “key person risk” is therefore important if someone leaves the Association or if a long- absence were to occur. We have a number of options in place to deal with any such situations, tailored to the impact that could occur in the various job roles in our structure.

Succession planning is particularly important for senior posts. While such plans have no formal status and cannot be activated in detail until a staff member gives formal notice of their intention to leave, we have ensured that the MC has discussed such scenarios and has taken steps to prepare for them to the extent that this can reasonably be done in advance. Over the last three years of operation, the Director, Technical Services Manager, and Housing Services Manager have all retired with a new Senior Management Team in place.

Learning and Development

Line-managers complete an annual Learning and Development plan with all staff in conjunction with the Training & Development Matrix which sets out the minimum training requirements by job role for all our people. In the last 12 months (2023/24) PHA supported three staff with funding for advanced qualifications.

Staff Remuneration

Salaries are based on the EVH salary scales, set through collective bargaining between EVH (as the body representing employers) and the trade unions.

The Association has closed the Scottish Housing Association Pension Scheme (SHAPS) final salary scheme to new entrants. The final salary scheme has a small number of current members, while most members of staff have joined the SHAPS Defined Contribution (DC) scheme which is also our option for auto-enrolment. As a result, contributions have reduced significantly for most of our employees and for PHA. The Association’s pension contributions have also reduced because some members of staff have made their own personal choices on saving for retirement, outside an employer pension scheme. Employer’s pension costs, reflecting all of these factors, are incorporated in PHA’s budgets and financial projections.

ICT Systems – Hardware & Software

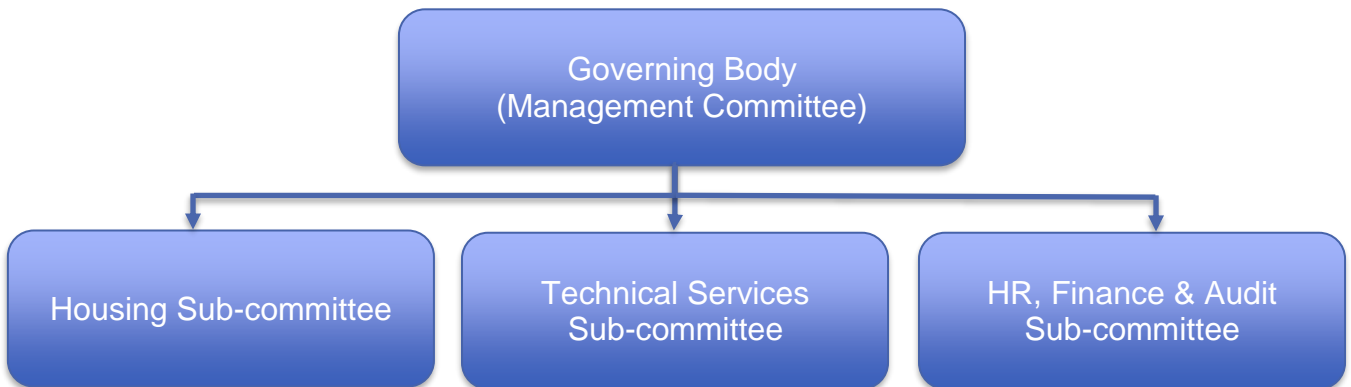
The Association implemented a hardware replacement programme in 2023 to allow our people to do their jobs effectively with minimising cost. This resulted in a saving by having one piece of equipment (laptop) which can be used in the office or at home. Our telephony system supports anywhere availability for our people. The Association will work to implement a new computer software system in 2024/25 to improve productivity and communication with customers.

Disaster Recovery

As part of its business continuity plan, the Association has appropriate disaster recovery options in place. These include agreements to use the offices and ICT equipment of neighbouring housing associations, in the event that our office or systems cannot be used for any reason.

Appendix 1 – Details of MC, Senior Staff, and Organisational Structure

Our Governing Body (Management Committee) is structured as follows:

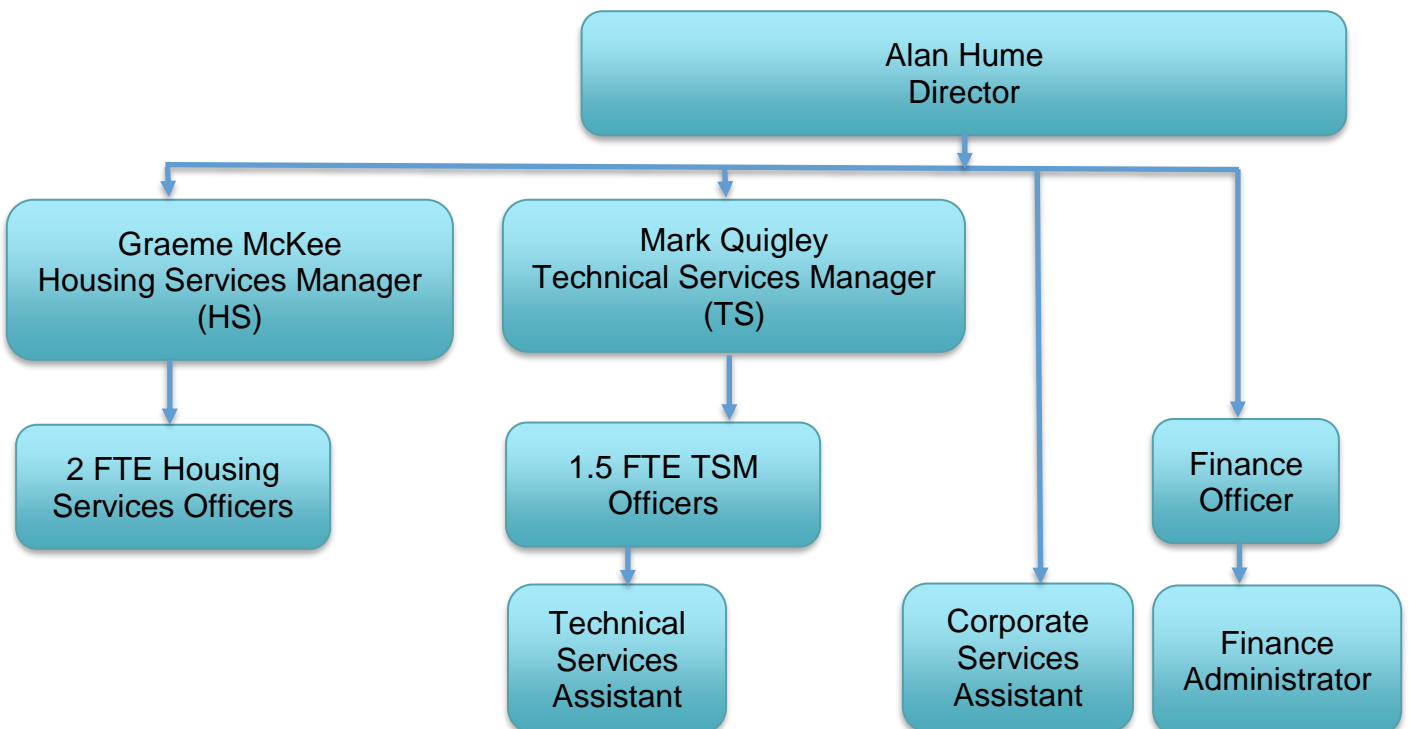


Our Management Committee is comprised of 11 members (8 of which are tenants)

Office Bearers:



Our Senior Staff and Team structure is:



Appendix 2 Cash-flow (page 1 of 2)

PHA ASSUMPTIONS & CASHFLOWS	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39
ASSUMPTIONS															
Starting number of units / Opening Stock	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519
Average number of units in year	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519
Average rent per unit (Base Amount)	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405
EXPENDITURE INCL. VAT															
Major Component Replacement	2887	1900	2680	2188	1042	958	1901	878	2694	1746	1483	1259	947	231	748
Fixed Assets - Office, IT and F&F	14	10	48	10	10	14	10	67	10	10	14	10	67	10	14
REVENUE EXPENDITURE															
Cyclical Maintenance per unit	469	305	308	179	161	317	203	214	199	150	406	303	376	218	196
Reactive Maintenance per unit	811	760	783	799	815	831	848	865	882	900	918	936	955	974	993
Estate Maintenance costs per unit	481	498	513	523	534	545	555	567	578	589	601	613	625	638	651
Management & Administration	1786	1435	1757	1700	1734	1769	1804	1840	1877	1914	1953	1992	2032	2072	2114
Other costs per unit	83	101	88	90	100	94	95	106	99	101	113	105	108	120	112
*** Cashflow ***															
INCOME															
Rental Income - Basic	2286150	2366165	2437150	2510264	2585572	2637284	2690029	2743830	2798706	2854681	2911774	2970010	3029410	3089998	3151798
Less : Voids	11431	11831	12186	12551	12928	13186	13450	13719	13994	14273	14559	14850	15147	15450	15759
TOTAL INCOME	2293942	2374828	2446620	2520423	2596461	2648813	2702230	2756733	2812344	2869087	2926985	2986062	3046342	3107850	3170611
EXPENDITURE															
Fixed Assets (Capital)	7500	5175	26651	5437	5546	8485	5770	41195	6003	6123	9368	6370	45483	6627	10140
Major Repairs (Capital)	1498153	986027	1390955	1135651	540607	497389	986379	455553	1398372	906214	769851	653202	491522	119796	388169
REVENUE															
Cyclical Maintenance	243510	158062	160102	92733	83617	164759	105196	110862	103338	77830	210477	157330	195164	113042	101929
Reactive & Void Maintenance	420784	394668	406508	414638	422931	431389	440017	448818	457794	466950	476289	485815	495531	505441	515550
Service Charges	249807	258550	266306	271633	277065	282607	288259	294024	299904	305902	312020	318261	324626	331119	337741
Management and Administration	926924	744724	911791	882257	899902	917900	936258	954983	974083	993564	1013436	1033704	1054378	1075466	1096975
Bad Debts	11431	11831	12186	12551	12928	13186	13450	13719	13994	14273	14559	14850	15147	15450	15759
Other costs	42939	52315	45775	46691	51917	48577	49549	55095	51551	52582	58467	54706	55800	62046	58054
Loan Repayments including interest	86266	85741	84743	84007	83397	82884	82884	82884	82884	13982	0	0	0	0	0
TOTAL EXPENDITURE	3487314	2697094	3305019	2945598	2377909	2447176	2907761	2457133	3387921	2837420	2864466	2724238	2677651	2228987	2524318
NET SURPLUS / DEFICIT IN THE YEAR	-1193372	-322265	-858399	-425175	218552	201637	-205531	299600	-575577	31668	62519	261824	368691	878863	646293
CUMULATIVE SURPLUS / DEFICIT	-1193372	-1515637	-2374036	-2799211	-2580660	-2379023	-2584554	-2284954	-2860530	-2828863	-2766343	-2504520	-2135829	-1256966	-610672
FUNDING Debtors Movement	522	-1562	-1386	-1427	6943	-841	3518	-788	-804	-820	-836	-853	-870	-887	-905
	3375896	-1562	-1386	-1427	6943	-841	3518	-788	-804	-820	-836	-853	-870	-887	-905
	2182524	-323827	-859785	-426602	225494	200796	-202013	298812	-576380	30848	61683	260971	367821	877976	645388
INTEREST RECEIVABLE	34008	20546	14834	8550	7630	9838	9930	10513	9231	6595	7124	8808	12040	18390	26190
INTEREST PAYABLE ON OVERDRAFTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE SURPLUS / DEFICIT-Base	2216532	1913250	1068299	650247	883371	1094004	901922	1211247	644098	681541	750348	1020127	1399989	2296355	2967933

Appendix 2 Cash-flow (page 2 of 2)

PHA ASSUMPTIONS & CASHFLOWS	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
	2039/40	2040/41	2041/42	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52	2052/53	2053/54
ASSUMPTIONS															
Starting number of units / Opening Stock	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519
Average number of units in year	519	519	519	519	519	519	519	519	519	519	519	519	519	519	519
Average rent per unit (Base Amount)	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405	4405
EXPENDITURE INCL. VAT															
Major Component Replacement	1374	1314	1055	1033	76	2803	1592	2509	2655	604	1304	1712	2299	1983	1703
Fixed Assets - Office, IT and F&F	10	10	67	10	10	145	10	67	10	10	14	10	67	10	10
REVENUE EXPENDITURE															
Cyclical Maintenance per unit	387	247	260	243	183	494	370	458	267	239	472	301	317	296	223
Reactive Maintenance per unit	1013	1033	1054	1075	1097	1119	1141	1164	1187	1211	1235	1260	1285	1311	1337
Estate Maintenance costs per unit	664	677	691	704	718	733	748	762	778	793	809	825	842	859	876
Management & Administration	2156	2199	2243	2288	2334	2380	2428	2476	2526	2577	2628	2681	2734	2789	2845
Other costs per unit	114	127	119	121	135	126	128	143	134	136	152	142	145	161	151
*** Cashflow ***															
INCOME															
Rental Income - Basic	3214834	3279131	3344713	3411608	3479840	3549437	3620425	3692834	3766690	3842024	3918865	3997242	4077187	4158731	4241905
Less : Voids	16074	16396	16724	17058	17399	35494	36204	36928	37667	38420	39189	39972	40772	41587	42419
TOTAL INCOME	3234653	3300000	3366681	3434724	3504155	3557258	3629201	3702615	3777531	3853980	3931995	4011607	4092851	4175761	4260372
EXPENDITURE															
Fixed Assets (Capital)	6895	7033	50217	7317	7464	114194	7765	55443	8079	8240	12608	8573	61214	8920	9098
Major Repairs (Capital)	712857	681806	547619	536349	39448	1454795	826488	1302143	1377787	313469	676872	888747	1193376	1029392	883817
REVENUE															
Cyclical Maintenance	200840	128233	135140	125968	94874	256570	191785	237904	138464	124251	244823	156316	164735	153554	115651
Reactive & Void Maintenance	525861	536379	547106	558048	569209	580593	592205	604049	616130	628453	641022	653842	666919	680258	693863
Service Charges	344496	351386	358413	365582	372893	380351	387958	395717	403632	411704	419938	428337	436904	445642	454555
Management and Administration	1118915	1141293	1164119	1187401	1211149	1235372	1260080	1285281	1310987	1337207	1363951	1391230	1419054	1447436	1476384
Bad Debts	16074	16396	16724	17058	17399	17747	18102	18464	18833	19210	19594	19986	20386	20794	21210
Other costs	59215	65843	61608	62840	69873	65379	66686	74150	69380	70768	78689	73627	75099	83505	78133
Loan Repayments including interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	2985154	2928369	2880945	2860563	2382311	4105002	3351069	3973153	3943293	2913302	3457497	3620659	4037688	3869500	3732710
NET SURPLUS / DEFICIT IN THE YEAR	249499	371631	485736	574160	1121845	-547744	278132	-270538	-165762	940678	474498	390948	55163	306261	527661
CUMULATIVE SURPLUS / DEFICIT	-361173	10458	496195	1070355	2192199	1644455	1922588	1652050	1486288	2426966	2901464	3292413	3347576	3653836	4181498
FUNDING Debtors Movement	-923	-941	-960	-979	-999	-1019	-1039	-1060	-1081	-1103	-1125	-1148	-1171	-1194	-1218
	-923	-941	-960	-979	-999	-1019	-1039	-1060	-1081	-1103	-1125	-1148	-1171	-1194	-1218
	248576	370690	484776	573181	1120846	-548763	277093	-271598	-166843	939575	473373	389801	53993	305067	526443
INTEREST RECEIVABLE	30922	34328	38948	44628	53544	56940	56151	56740	55115	59530	67190	72178	75118	77665	82599
INTEREST PAYABLE ON OVERDRAFTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CUMULATIVE SURPLUS / DEFICIT-Base	3247432	3652449	4176174	4793982	5968372	5476549	5809793	5594934	5483207	6482312	7022874	7484853	7613964	7996696	8605738

Appendix 2 – Financial Position, Plans and Projections

The projections have been prepared by PHA and our external accountant FMD. The financial model used has been reviewed by Azets (Corporate Finance), to provide additional assurance to the MC regarding the assumptions used and results presented.

Whilst PHA continue to perform well, we are aware of the financial challenges arising from inflation and supply issues are likely to continue to affect us. Headline Inflation has fallen however the costs are now baked into building materials in particular and are unlikely to decrease. Our commitment to providing low rents must be balanced with the need to provide decent standards and meet our tenant's expectations. We must carefully consider the financial impacts of Scottish Government Net Zero requirements. Much of the detail is still awaited and we will continue to monitor this closely.

The **desired outcomes** used in preparing the 30-year financial projections are shown below. The desired outcomes:

- Allow the Association to continue to generate surpluses
- Provide headroom to manage future risks and adverse financial impacts

Business Plan 2024: Base Case Assumptions

Inflation	5.5% in Year 1 (24/25), 3.5% in Year 2, 3% in Year 3 to 5 and 2% from Year 6 to 30. Assumptions are based around the latest Bank of England forecasts (May 2024) of 2.75% for Q4 of 2024/25 (year 1) and its target inflation rate of 2% thereafter
Rents	There was a 5% increase in prior year (2023/24). In current year increase was capped at 5.5% (October CPI + 0.9%).
Rent Collection	Void losses: 0.5% of rental income in year 1 to 20, 1% in Year 21 to 30
Bad debts	0.5% from 1 to year 30.
Rent arrears	Business Plan assumes arrears will be 3% of turnover from years 1-4, 2.5% of turnover years 5 to 6 and 2.25% for years 7 to 30. While the Association currently has a low level of rent arrears, we have made allowance for the cost of living, and Government policy on welfare benefits.
Reactive/Major	Reactive repairs profiled to include real increases by inflation only. Allowance for real terms increases reflects annual increases in prices beyond today's or recent levels. The scenario testing later in this Chapter increases today's prices across all years before the real increase is applied, to test the Plan's resilience. This approach has also been taken for cyclical maintenance and major repairs. The timing of cyclical maintenance and major repairs costs have been profiled in accordance with the Association's Life Cycle Costings document which is based on the 2016 Stock Condition Survey. A recent review of costs has taken place and the Life Cycle Costings

document used for the projections has been updated to reflect today's prices. A stock condition survey is underway, and any material changes will be updated in the projections and reported as required and in a timely manner. Costs for cyclical maintenance and major repairs have been reviewed and increased to current rates where applicable.

Interest Rates Loan rate based on SONIA. The rate used in Year 1 is 5.07%, falling to 3.57% in Year 2, 3.26% in Year 3, 3.00% in Year 4, 2.75% in Year 5 and 2.5% for the rest of the plan.

Management Costs Salaries increased by 3.5% in Year 2, 3% in Year 3, and 2% for the remainder of the 30 years of the Business Plan. Pension costs include SHAPS final salary and auto enrolment defined contribution costs.

Overall trend in the cumulative surplus over the next 30 years is as follows:

PHA projects annual cash surpluses will be made for 21 out of the 30 years. Cumulative cash balances are positive throughout the 30-year period, remaining above £1mn for 24 out of the 30 years. There is scope for further increases (for example if inflation increases, or if PHA chose to increase rents above the levels assumed in the base case). Cash balances dip to £644,098 in Year 9. This is due to a substantial programme of major repair spend of £1.4m for the year. The programme of works included the projections do mirror those in the LCC document. There is scope for some of the planned works to be moved forward, postponed or spread over several years should it be required

Testing the Business Plan

To assess the risks to the Business Plan and its resilience to withstand these, PHA completed detailed assessment of risks and possible future scenarios. The factors tested are shown below, followed by graphs showing the impact on the Association's future cash flows.

Positive Sensitivity Analysis

SA1 Reduce void bad debts by 0.5%

SA2 No cost Inc. on planned maintenance

SA3 Major Repair cost saving 5%

SA4 Savings of £200/unit cyclical y1

SA5 Rent Increase 6% in year 1

Adverse

SA6 Increase by 1% in void debt

A7 Major Repair cost increase by 5%

SA8 Increase of 10% reactive costs

SA9 Management cost +0.5% to Y10

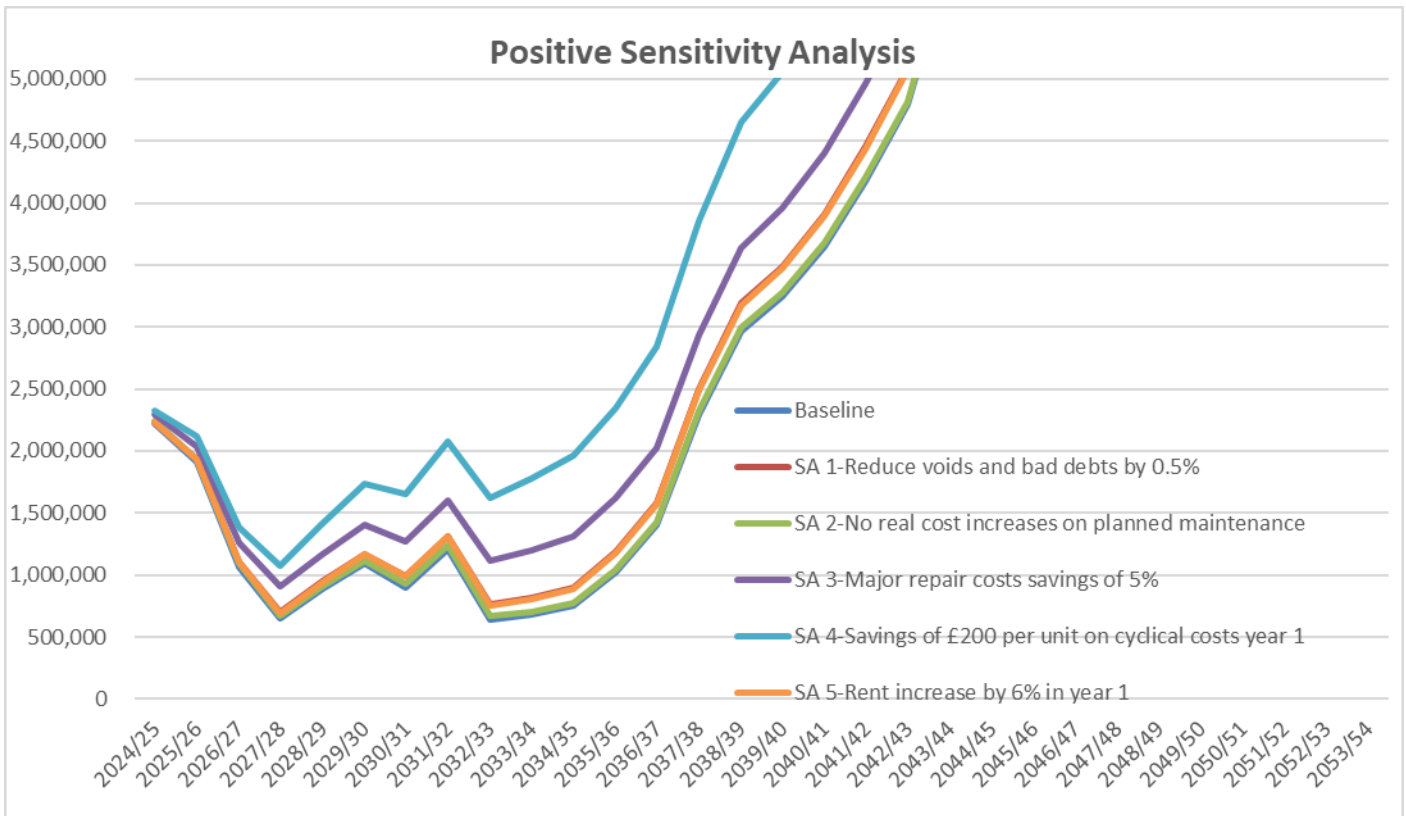
SA10 Inc. in variable interest rate 1%

SA11 Rent increase -0.5% per annum

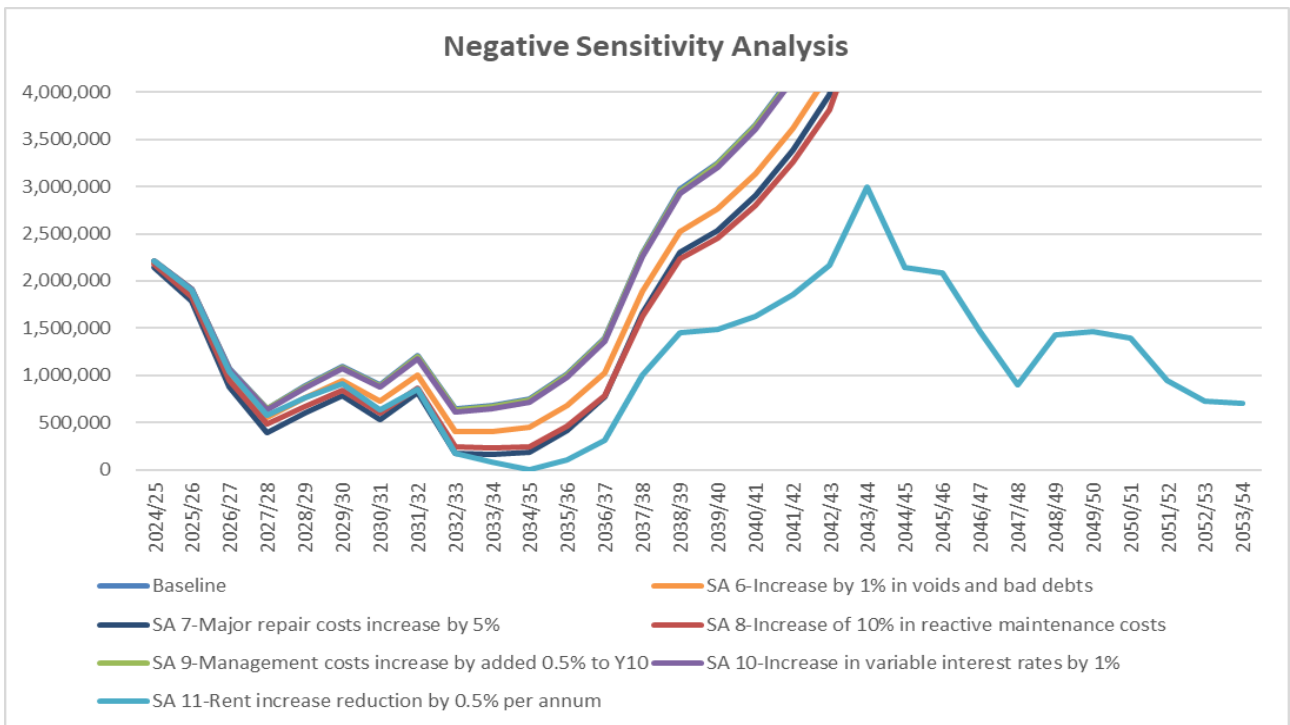
Combined Negative Sensitivity Analysis

SA12 Combine 6/7/10

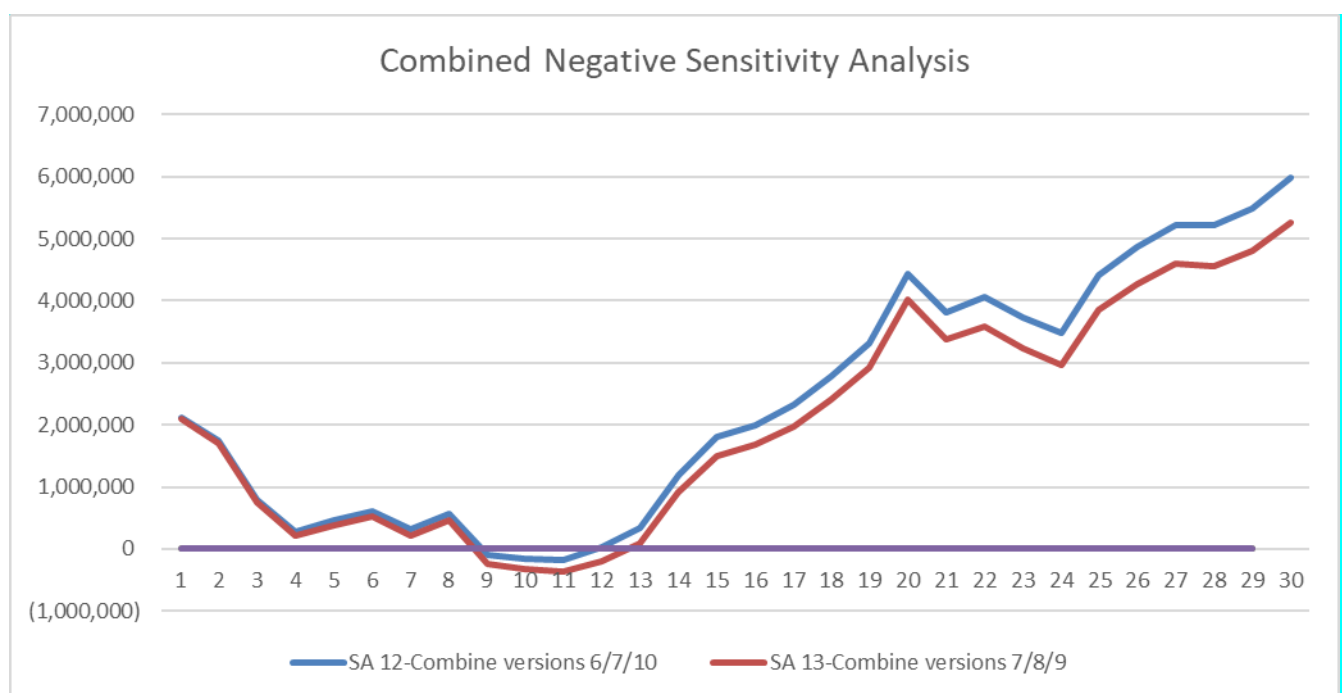
SA13 Combine 7/8/9



The graph demonstrates increase in cash reserves under each of the positive scenarios 1 – SA 5 detailed above. Saving £200 cyclical costs per unit in Year 1 has the largest positive impact, with the savings resulting in not a single year where the cash balance dips below £1m. Scenario 2 has the least impact on the cash balance, this proposes no real cost increases on planned maintenance.



The sensitivity analysis above demonstrates the impact of increased costs in various scenarios as well as reduced inflation, thus reduced rental income. PHA continues to perform well financially under all the adverse scenarios above. A constant rent increase reduction of 0.5% throughout the plan shows the largest negative impact with cash reserves reduced by £7.9m at the end of the 30 years. An increase of 5% in major repairs costs brings cash to £394,865 in year-4. This compares with £695,884 in the base case. There is scope to move planned works around in order to manage this risk. The Association would also have the option of seeking efficiencies as part of its budget-setting. We already do this as part of the annual budget-setting process, but the level of savings would be substantial and would most likely be considered as part of a package of measures, the most significant being the re-profiling of expenditure.



The graph above shows that when we combine several adverse scenarios the impact can drive cash into a deficit position. This is to be expected, when stress tests involving multiple adverse scenarios are carried out for the combined effects of the chosen scenarios. In Provanhall's case, the multiple scenarios approach shows us that the greatest vulnerability occurs particularly in Years 9 to 13 where there is a high level of major repairs expenditure planned, pushing PHA's cash balance into a deficit.

While combined scenario 14 has a significant negative impact, it is important to place the results in the context of **the Association's underlying financial strength**:

In the event of severe financial pressure, the Association would not adopt a passive approach. Instead, we would **make appropriate interventions** to mitigate identified risks:

- A review of planned major repairs has been undertaken with a view to reducing the risk of cash deficits where the adverse scenarios have been

combined. While this deviates from the LCC document there are no safety issues presented by these scenarios. The graph shows the combined adverse scenarios with major repairs being re-distributed during times of cash deficits. This is for illustration only and does not consider the option of additional finance or increased rents, which in fact could be considered as well as some redistributed costs.

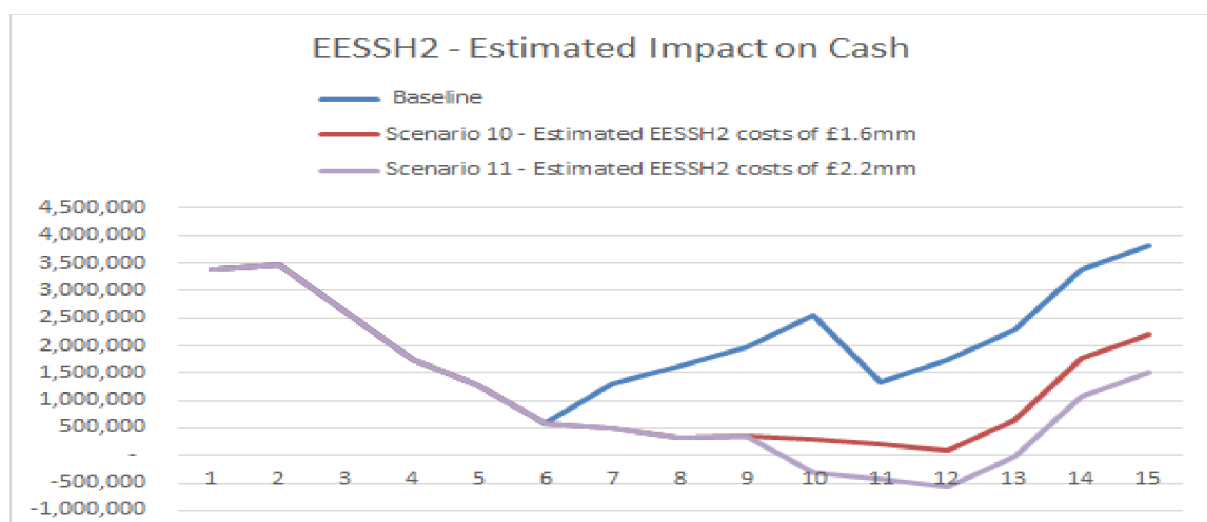
Net Zero – Where EESSH 2 is referred to, this should be understood to be Net Zero

Based on the lack of information surrounding government plans for Net Zero – Housing, we have assumed we will require £2.2m in grant funding, as per previous EESSH 2 costings, assuming that this would satisfy Net Zero policy.

The graph below shows 2 scenarios in relation to the estimated costs of meeting assumed Net Zero standards, using EESSH 2 as a guide. Years within graph should be disregarded as no end date for Net Zero has been set however the timeline would be assumed to be the same. With no end date, costs can be spread if necessary to maintain a positive cash balance moving forward. There is strong downward pressure on the cash-flows for a number of years while investment is made, before the cash position then recovers. Unless significant grant funding is made available, the Association would have to use its existing borrowing capacity to fund works and this would most likely result in rent increases. The cost figures shown in the graph below represent PHAs initial estimate of EESSH2 compliance costs and assume no external grant funding provided. These figures will be subject to review as it becomes clearer what actual costs are likely to be (for example, costs of retrofit measures are forecast to reduce significantly as demand increases). They also illustrate the importance of external funding being made available, a requirement that is likely to be in evidence across the housing sector as a whole.

Overall, the testing that has been undertaken across a wide range of scenarios indicates that:

- The Association can comfortably maintain adequate cash flows and levels of cash balances throughout the period of the Business Plan. (Assuming Base Model assumptions).
- Increased costs for major repairs and maintenance and increased voids and bad debts



have the greatest adverse impact on the Business Plan in the short term.

- PHA has sufficient headroom (assuming Base Model assumptions) to move towards inflation only rent increases after year 5. Whether this is achievable depends on wider economic environment we are working in as well as the impact of meeting external standards, particularly EESSH2, and the question of funding already described.
- Provanhall's rents continue to be competitive in comparison with our peers and sector averages. This potentially allows some headroom to review rent levels upwards, if that became necessary because of increased pressure on costs. The MC views this as a possible contingency measure, rather than something that is needed at the present time.

Treasury Management

PHAs Treasury Management policy is based on the Code of Practice on Treasury in the Public Services, issued by the Chartered Institute of Public Finance and Accountancy (CIFPA). We aim to make appropriate use of surplus funds whilst meeting the overriding need to protect the capital sum. The Chartered Accountant and Director seek investment opportunities in the form of term deposits and notice accounts. Financial institutions will only be used if they meet the top rating of 2 out of the 3 recognised credit agencies, Moody's, Fitch and Standard & Poor. PHA cash is invested in a 32 day notice account with BoS and longer term fixed return deposit accounts held with RBS. Prudent review of budgets and projections ensures cash surpluses are invested for a suitable time, allowing PHA to continue to meet financial obligations as they fall due and reducing liquidity risk.

Keeping borrowing costs to a minimum

The Association currently has loans with NBS £0.6mn. The base case assumes that we will not require additional borrowing to meet the stock investment costs we have set out, and the projections indicate that the Association will be able to meet all loan repayments as they fall due. Existing loan facilities allow for additional borrowing should it be required during times of insufficient cash flow. The existing loan is SONIA compounded rate. PHA may consider early repayment or refinancing of existing debts at more preferential rates in future.

Risk management and responsibilities

Liquidity, funding, interest rate exposure, legal and regulatory, failure of internal controls and default by an institution on deposits are all considered by the Association's policy and related procedures.

The Association's detailed approach to preparation and review of budgets, 'erring on the side of caution' as well as both committee and staff being sufficiently trained and aware of their responsibilities and committed to adherence to policies and procedures, reduce the risk in all of these areas.

Summary and Conclusions

The Base Case 30-year projections demonstrate financial viability over the 30-year period of the financial projections. They also confirm that the Association will be able to meet its obligations to tenants and to funders over this period. The projections and the sensitivity analysis undertaken allow for operating in a more challenging and uncertain financial environment. The projections show PHA continue to monitor cash balances closely. The Association will continue to exercise strong financial discipline and will also track changes in the external risks and uncertainties we face so that these are identified at an early stage and incorporated in future budgets and financial projections.

Appendix 3 – Strategic & Operational Risk Registers

Provanhall Housing Association Strategic Risk Register

Section 1 – Housing Services

Risk & Mitigations	Owner	I Score	R Score
<p>1) Loss of rental income due to Universal Credit (UC) and other benefit changes. (Example leading to higher arrears; increased rent collection costs and/or slower rent collection; reduced affordability; increased void losses or tenancy failure; reduced services).</p> <p>Mitigations</p> <ul style="list-style-type: none"> • Employed Welfare Rights Officer and income maximisation for tenants • Keep informed of proposed migration of Disability benefits to UC • Engage with tenants through newsletters and forums <p>Future</p> <ul style="list-style-type: none"> • Business Plan stress testing to assess worst case scenarios of rent levels remaining static or reducing • Continue to monitor proportion of tenants on UC • Monitor introduction of Scottish Welfare system, for example Scottish Child Payment. • Monitor movement of tenants to UC and impact on rent collection and arrears 	HSM	20	16
		(High)	(High)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
<p>2) Failure to meet tenant expectations.</p> <p>Mitigations</p> <ul style="list-style-type: none"> • Tenant Satisfaction Surveys • Comprehensive 30 year plan to maintain stock • Balanced and stable community. • High level of service including managing ASB • Tenant Engagement Plan <p>Future</p> <ul style="list-style-type: none"> • Continue to refine resident involvement methods, in accordance with resident preferences 	HSM	20	12
		(High)	(Significant)
		Risk Type: Strategic Financial Impact: Moderate Reputational Impact: Major Reviewed: 24.06.24	

Risk & Mitigations	Owner	I Score	R Score
<p>3) Increasing proportion of existing and prospective tenants find rent levels are unaffordable.</p> <p>Mitigations</p> <ul style="list-style-type: none"> Awareness of peer rent levels Balance investment with affordability Provide WRO service to assist with income maximisation Benchmarking with SHN and other EHRA peers <p>Future</p> <ul style="list-style-type: none"> Refresh methods used to assess rent affordability for a range of household types, in particular minimum wage earners and those on zero hours Monitor impact of tax and benefit systems in reducing affordability for certain household types, particularly single persons and single parents working part-time Balance cost of living increases and increases in PHA's costs each year when reviewing rents 	HSM	16	12
		(High)	(Significant)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
<p>4) Other new build adjacent to PHA area of operation reduces demand for PHA stock and/or complicates effective neighbourhood management.</p> <p>Mitigations</p> <ul style="list-style-type: none"> Maintain high service levels Maintain lower rent levels Offer community focused services 	HSM	9	4
		(Significant)	(Moderate)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
<p>5) Increasing loss of rental income due to voids.</p> <p>Mitigations</p> <ul style="list-style-type: none"> Aim to complete Cyclical and Major repairs when occupied Complete annual tenancy visits to maintain property quality Complete Stock Condition Survey to accurately capture data and manage stock 	HSM	9	4
		(Significant)	(Moderate)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
<p>6) Increasing pressures on waiting lists due homeless crisis.</p> <p>Mitigations</p> <ul style="list-style-type: none"> Aim to maintain balanced communities whilst meeting target of allocations to S5 referrals Be open honest and transparent with waiting list customers Work with others to increase supply where financially viable 	HSM	9	4
		(Significant)	(Moderate)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	

Provanhall Housing Association Strategic Risk Register

Section 2 – Technical Services

Risk & Mitigations	Owner	I Score	R Score
1) Costs of future Net Zero investment cannot be met within the Business Plan. Mitigations <ul style="list-style-type: none"> • Maintain operational awareness and business acumen of developments by Scottish Government and SHR • Attend training sessions and keep board appraised • Maintain effective relationship with lenders and low debt per unit for future borrowings • Review and update Asset Management Strategy • Identify and keep appraised of funding opportunities 	TSM	20	16
		(High)	(High)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
2) Planned and Cyclical maintenance costs increase significantly above levels allowed for in Business Plan. (E.g. due to increases in costs, post Brexit risks and wider economic factors). Mitigations <ul style="list-style-type: none"> • Maintain Procurement Policy • Maintain new business plan which is dynamic and average real costs included in all costings • Maintain effective relationship with lenders for future borrowing with current low debt per unit rate • Consider novel ways of reducing cost including direct labour • Achieve VFM through partnership procurement and framework membership (EHRA, PfH and ScotExcel) • Develop Strategy when Net Zero requirements are fully clarified • Regularly review Capital Expenditure to ensure that planned cyclical works are being completed to high standard • Use data from stock condition survey to ensure adequate funding in place through rent increases and borrowings as required while maintaining healthy cash reserves 	TSM	16	9
		(High)	(Significant)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Moderate Reviewed: 24.06.24	
3) Failure to maintain stock to required standards, leading to reduced demand. Mitigations <ul style="list-style-type: none"> • Regularly review Capital Expenditure to ensure that planned cyclical works are being completed to high standard • Regular stock condition surveys and estate management. • Use data from stock condition survey to ensure adequate funding in place through rent increases and borrowings as required while maintaining healthy cash reserves • Maintain Charter outcomes through tenant engagement and consultation 	TSM	16	6
		(High)	(Significant)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	

Provanhall Housing Association Strategic Risk Register
Section 3 – Corporate, HR, Finance, Administration, ICT&D, H&S x& Governance



Risk & Mitigations	Owner	I Score	R Score
<p>1) Impact of forecast or unforeseen increases in inflation or other cost increases on PHA operations and Business Plan.</p> <p>Mitigations</p> <ul style="list-style-type: none"> Regularly review Business Plan and 30 year plan and report to Board Maintain adequate cash reserves to meet unexpected costs and ensure rent increase is sufficient each year Maintain high level of business acumen on financial developments through membership with external authorities and qualified staff and FMD consultants Maintain relationship with FMD for specialist advice and guidance Maintain effective relationships with lenders for future borrowings Report on treasury management to Board <p>Future</p> <ul style="list-style-type: none"> Track closely rising costs of repairs and maintenance works (amount / duration) and mitigate risks. 	Director	20	16
		(High)	(High)
		Risk Type: Strategic Financial Impact: Significant Reputational Impact: Moderate Reviewed: 24.06.24	
<p>2) Downward pressure on PHA rents as a result of external pressures. (E.g. Housing Benefit caps, SHR, Scottish Government introduce rent controls).</p> <p>Mitigations</p> <ul style="list-style-type: none"> Maintain rents lower than LHA and in line with peers subject to investment plans Consider stripping out service charge and charging as additional cost Consider reduction in funding for non-core obligations such as funding the Connie through CCT and bulk uplifts for example <p>Future</p> <ul style="list-style-type: none"> Seek savings in operating costs, if this is required in response to externally-imposed cuts Mitigate where possible via Allocations policy 	Director	25	9
		(High)	(Significant)
		Risk Type: Strategic Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
<p>3) Failure to contain staffing costs at affordable levels.</p> <p>Mitigations</p> <ul style="list-style-type: none"> Membership of EVH for collective bargaining and salary scales Develop staff to undertake as much as practicable services in-house to minimise external consultant fees Share resources through partnership working with other EHRA landlords <p>Future</p> <ul style="list-style-type: none"> Proposed additions to staffing levels to be agreed by MC 	Director	12	6
		(Significant)	(Moderate)
		Risk Type: Strategic Financial Impact: Moderate Reputational Impact: Moderate Reviewed: 24.06.24	

		Assessment of Risk					
Impact	Fatal / Catastrophic	5	5	10	15	20	25
	Major	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Minor	2	2	4	6	8	10
	Insignificant	1	1	2	3	4	5
			1	2	3	4	5
			Very Unlikely	Unlikely	Possible	Likely	Almost Certain
		Probability					

Provanhall Housing Association Operational Risk Register

Section 1 – Technical Services

Risk & Mitigations	Owner	I Score	R Score
1) Failure to meet legal obligations for the safety of PHA tenants and/or homes. Mitigations <ul style="list-style-type: none"> Implementation of Policies and Procedures (Health and Safety, asbestos management, gas safety checks, periodic electrical testing) Estate management checks Staff Training Effective record keeping Internal audit Performance and assurance reporting to the MC Damp & Mould Register Maintain disciplines of regular external and in house checking 	TSM	25	9
		(High)	(Significant)
		Risk Type: Operational Financial Impact: Minor to Major Reputational Impact: Major Reviewed: 24.06.24	
2) Ensuring stock compliance with Scottish Housing Quality Standards (SHQS). Mitigations <ul style="list-style-type: none"> Implementation of Policies and Procedures (Health and Safety, asbestos management, gas safety checks, periodic electrical testing) SHQS Reporting Stock Condition Survey Compliance registers and effective record keeping Internal audit Performance and assurance reporting to the MC Future <ul style="list-style-type: none"> 2024/25 Stock Condition Survey covering a minimum of 50% 	TSM	15	4
		(High)	(Moderate)
		Risk Type: Operational Financial Impact: Major Reputational Impact: Moderate Reviewed: 24.06.24	
3) Failure to deliver strategic investment in line with stock condition survey cycles. Mitigations <ul style="list-style-type: none"> Asset Management Strategy 30 Year Business Plan Stock Condition Survey Quarterly Contract Monitoring Reports Future <ul style="list-style-type: none"> 2024/25 Stock Condition Survey covering a minimum of 50% Project Management Software as part of new Housing Software. 	TSM	12	8
		(Significant)	(Significant)
		Risk Type: Operational Financial Impact: Moderate to Major Reputational Impact: Major Reviewed: 24.06.24	

Risk & Mitigations	Owner	I Score	R Score
<p>4) Increase in tender works cost / high inflation.</p> <p>Mitigations</p> <ul style="list-style-type: none"> • Procurement Policy • Procurement Framework Membership • Asset Management Strategy • Life Cycle Costing. • Quarterly Management Accounts • Monitor achievement value for money <p>Future</p> <ul style="list-style-type: none"> • SHN Value for Money Reporting 	TSM	20	9
		(High)	(Significant)
		<p>Risk Type: Operational Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24</p>	

Provanhall Housing Association Operational Risk Register



Section 2 – Corporate, HR, Finance, Administration, ICT&D, H&S x& Governance

Risk & Mitigations	Owner	I Score	R Score
<p>1) Impact of major health and safety or housing stock disaster incident (e.g. fire, flood, and storm).</p> <p>Mitigations</p> <ul style="list-style-type: none"> • Adequate insurance in place • Adequate disaster recovery plan in place for office and operations • Regular inspection of estate and recording / acting on risks • Health and Safety Policy <p>Future</p> <ul style="list-style-type: none"> • Disaster Recovery Plan update. 	Director	15	9
		(High)	(Significant)
		Risk Type: Operational Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	
<p>2) Loss of Housing Management Software supplier.</p> <p>Mitigations</p> <ul style="list-style-type: none"> • Procurement exercise completed April 2024 appointing new contractor from 2025/26 with migration expected October 2024 • Maintain both systems for year-end financial reporting 	Director	15	9
		(High)	(Significant)
		Risk Type: Operational Financial Impact: Major Reputational Impact: Major Reviewed: 24.06.24	

		Assessment of Risk					
Impact	Fatal / Catastrophic	5	5	10	15	20	25
	Major	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Minor	2	2	4	6	8	10
	Insignificant	1	1	2	3	4	5
			1	2	3	4	5
			Very Unlikely	Unlikely	Possible	Likely	Almost Certain
		Probability					

Appendix 4 – Data Sets

4.1 SIMD Data

Data zone & location	S01010114 Conisborough Rd to Auchinlea Rd	Compared with all Scotland	S01010113 Conisborough Rd to Balcurvie Rd	Compared with all Scotland
Overall SIMD rank (all factors)	16	Bottom 5%	230	Bottom 5%
Income rank	31	Bottom 5%	254	Bottom 5%
Employment rank	41	Bottom 5%	229	Bottom 5%
Education rank	38	Bottom 5%	372	Bottom 10%
Health rank	13	Bottom 5%	190	Bottom 5%
Crime rank	335	Bottom 5%	1164	Bottom 20%
Housing rank	546	Bottom 10%	635	Bottom 10%

The table below shows indicators of deprivation covered by SIMD 2020.

Pink shading represents the worst result and **Green shading** represents the best result

SIMD Indicator	Conisborough to Balcurvie Rd	Conisborough to Auchinlea Rd	Glasgow City	Mt Vernon & Sandyhills
Percentage of people who are income deprived	33%	44%	19%	3%
Percentage of people who are employment deprived	26%	33%	13%	3%
Standardised mortality ratio*	150	172	116	79
Comparative Illness Factor: standardised ratio*	250	290	155	75
Emergency stays in hospital: standardised ratio*	178	222	119	82
Proportion of population being prescribed drugs for anxiety, depression, or psychosis	23%	33%	21%	15%
Hospital stays related to alcohol use: standardised ratio*	233	327	148	31
Hospital stays related to drug use: standardised ratio*	268	182	111	20
Proportion of live singleton births of low birth weight	2%	8%	5.6%	0.0%
Attainment rate of school leavers	4.7	4.8	5.8	6.0
School pupil attendance	73%	62%	77%	91%

SIMD Indicator	Conisborough to Balcurvie Rd	Conisborough to Auchinlea Rd	Glasgow City	Mt Vernon & Sandyhills
Working age people with no qualifications: standardised ratio*	247	271	153	70
Proportion of 17-21 year olds entering university	6.1%	1.4%	7.0%	11.6%
Proportion of people aged 16-19 not participating in education, employment, or training	9%	7%	4%	1%
Crime rate: recorded crimes of violence, sexual offences, domestic housebreaking, vandalism, drugs offences, and common assault per 10,000 people	462	830	327	59

*** Note: Standard ratios**

The SIMD uses standardised ratios to report on a number of health and education indicators. This allows comparison of local results with the national average, with adjustments made to reflect the age and sex profile of the data zone. A ratio of below 100 is better than the national average while a ratio of more than 100 is worse. The higher the number, the worse the outcome is for the indicator being reported on.

Appendix 4 – Data Sets, 4.2 EHRA Landlord Rents

EHRA Landlords Rent 2022 23				
Housing Association	2apt	3apt	4apt	5apt
Blairtummock	£66.93	£72.59	£82.57	£89.09
Calvay	£72.86	£79.57	£86.78	£103.15
Easthall Park	£73.02	£75.81	£92.08	£100.47
Gardeen	£68.14	£78.30	£84.33	£101.24
Lochfield Park	£73.78	£81.76	£91.95	£102.13
Provanhall	£66.52	£72.55	£87.61	£99.03
Wellhouse	£73.34	£80.93	£90.34	£99.80
EHRA Ave	£70.66	£77.36	£87.95	£99.03
Scottish Avg	£83.46	£86.28	£93.96	£103.72

EHRA Landlords Average Weekly Rents 2022 23					
Apartment Size	Provanhall HA	EHRA RSLs	EHRA Difference	Scottish Average	Scottish Average Difference
2 apt	£66.52	£70.66	-6.22%	£83.46	-25.47%
3 apt	£72.55	£77.36	-6.63%	£86.28	-18.92%
4 apt	£87.61	£87.95	-0.39%	£93.96	-7.25%
5 apt	£99.03	£99.27	-0.24%	£103.72	-4.74%
EHRA Landlords Rent 2023 24					
Housing Association	2apt	3apt	4apt	5apt	
Blairtummock	£70.28	£76.22	£86.70	£93.54	
Calvay	£76.50	£83.55	£91.12	£108.31	
Easthall Park	£76.67	£79.60	£96.68	£105.49	
Gardeen	£71.55	£82.22	£88.55	£106.30	
Lochfield Park	£76.73	£85.03	£95.63	£106.22	
Provanhall	£69.85	£76.18	£91.99	£103.98	
Wellhouse	£75.54	£83.36	£93.05	£102.79	
EHRA Ave	£73.87	£80.89	£91.97	£103.81	
Scottish Ave	TBC	TBC	TBC	TBC	
EHRA Landlords Average Weekly Rents 2023 24					
Apartment Size	Provanhall HA	EHRA RSLs	EHRA Difference		
2 apt	£69.85	£73.87	-5.76%		
3 apt	£76.18	£80.89	-6.18%		
4 apt	£91.99	£91.97	0.02%		
5 apt	£103.98	£103.81	0.16%		

Appendix 4 – Data Sets, 4.2 Performance Comparison

Performance Comparison for 2022/23

Charter Indicator	PHA 2022/23	EHRA Ave 2022/23	Scottish Average
6 - Percentage properties meeting SHQS year end	96.91	95.87	79.02
8 - Average hours to complete emergency repairs	2.02	2.80	4.17
10 - Percentage reactive repairs completed right first time	93.66	92.75	87.80
9 - Average working days to complete non-emergency repairs	5.60	4.45	8.68
11.1 Number of times gas safety check not met, as % of all stock	0.00	0.17	0.00
12 - Percentage tenants satisfied with repairs service	96.35	91.61	88.02

Appendix 4 – Data Sets, 4.3 Tenant Satisfaction

Charter Indicator	2019/20	2020/21	2021/22	2022/23	2023/24
1 Percentage of tenants satisfied with the overall service provided by landlord	94.4%	94.4%	94.4%	92.8%	92.8%
2 Percentage of tenants who feel landlord is good at keeping them informed about services and decisions	98.4%	98.4%	98.4%	98.8%	98.8%
5 Percentage of tenants satisfied with opportunities given to participate in landlord decision making	96.8%	96.8%	96.8%	99.2%	99.2%
7 Percentage tenants satisfied with quality of their home	88.8%	88.8%	88.8%	82.4%	82.4%
12 Percentage of tenants satisfied with repairs service	94.8%	94.38%	94.14%	96.35%	96.35%
13 Percentage tenants satisfied with the landlord's contribution to management of neighbourhood	99.2%	99.2%	99.2%	92.8%	92.8%
25 Percentage of tenants who feel rent for property represents good value for money	88.4%	88.4%	88.4%	89.6%	89.6%
29 Percentage of factored owners satisfied with factoring service	100%	80%	50%	100%	100%

Charter Indicator	2019/20	2020/21	2021/22	2022/23	2023/24
14 Percentage of offers refused	1.75%	0%	0%	0%	25.64%
15 Percentage of anti-social behaviour cases resolved	100%	100%	100%	100%	100%
16 Percentage of new tenancies sustained more than a year - all	85.71%	96.49%	94.44%	93.88%	95.65%
17 Percentage of lettable self-contained houses that became vacant in year	12.07%	11.46%	8.12%	5.02%	6.12%
18 Percentage of rent due lost through empty properties	0.14%	0.83%	0.46%	0.12%	0.31%
22.1 Number of court actions initiated	1	0	0	0	2
23.1 Individual homeless households referrals received under section 5	35	40	29	5	14
23 Percentage of offers result in let	56.52%	48.39%	85%	100%	78.57%
26 Percentage collected of rent due	101.64%	102.86%	101.7%	104.7%	102.34%
27 Percentage of gross rent arrears of rent due	2.44%	2.06%	2.22%	2.00%	1.59%
30 Percentage Average calendar days to re-let properties	4.65	26.65	17.86	10.17	18.73
30.1 Properties re-let	49	54	49	23	30

The table below shows the comparison results for 2022/23 with our peer group in EHRA and the Scottish Average.

Charter Indicator	PHA	EHRA Average	Scottish Average
14 Percentage of offers refused	0%	19.30%	30.87%
15 Percentage of anti-social behaviour cases resolved	100%	96.76%	94.21%
16 Percentage of new tenancies sustained more than a year – all	93.88%	93.34%	91.22%
17 Percentage of lettable self-contained houses that became vacant in year	5.02%	5.53%	7.42%
18 Percentage of rent due lost through empty properties	0.12%	0.36%	1.4%
22.1 Number of court actions initiated	0	5.86	No Data
23.1 Individual homeless households referrals received under section 5	5	12.71	No Data
23 Percentage of offers result in let	100%	95.01%	82.5%
26 Percentage collected of rent due	104.7%	100.58%	99.03%
27 Percentage of gross rent arrears of rent due	2.00%	3.70%	6.86%
30 Percentage Average calendar days to re-let properties	10.17	23.87	55.61
30.1 Properties re-let	23	46.71	No Data

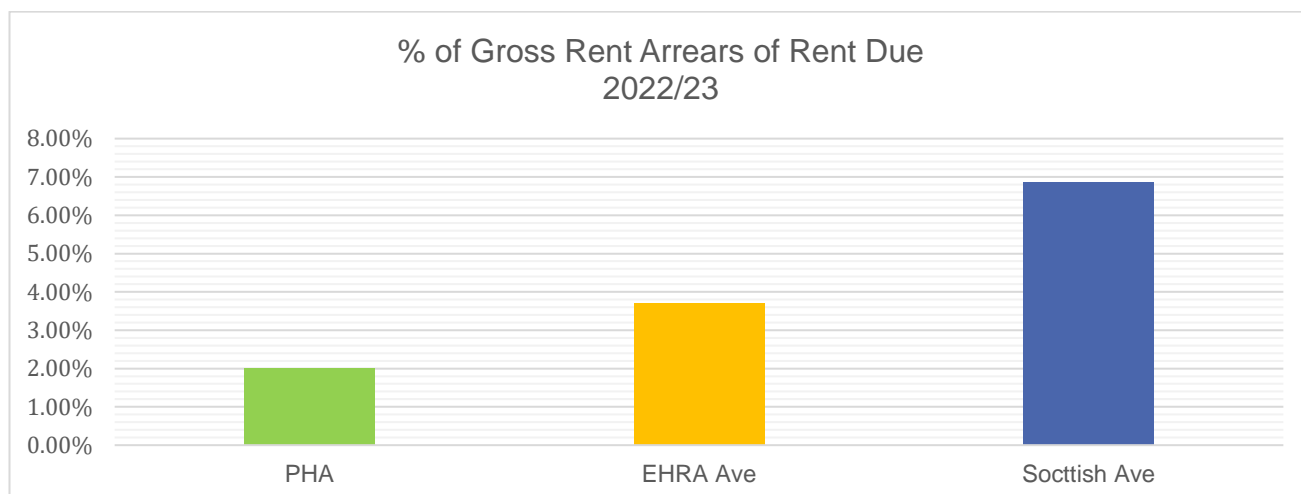
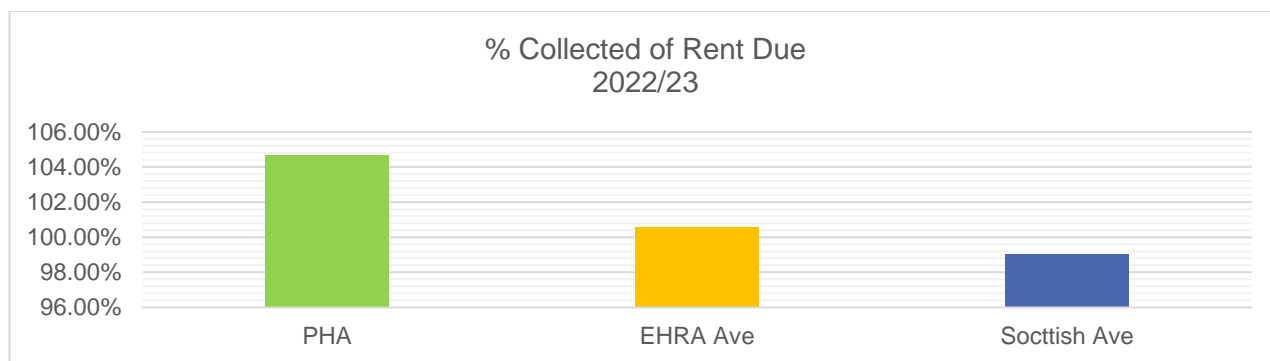
Complaints - The following table summarises PHA's performance relating to complaints over the last four financial years.

Charter Indicator	2019/20	2020/21	2021/22	2022/23
3 & 4 – % of all complaints responded to in full Stage 1	100%	100%	100%	100%
3 & 4 – % of all complaints responded to in full Stage 2	100%	100%	100%	100%

The table below shows the comparison results for 2022/23 with our peer group in the EHRA and the Scottish Average in relation to complaints.

Charter Indicator	PHA	EHRA Ave	Scottish Ave
3 & 4 – % of all complaints responded to in full Stage 1	100%	97.37%	95.34%
3 & 4 – % of all complaints responded to in full Stage 2	100%	81.19%	92.53%

Appendix 4 – Data Sets, 4.4 Rent & Arrears Management



The table below shows the comparison in regard to tenants who have their housing costs paid direct to their landlord (EHRA Landlords).

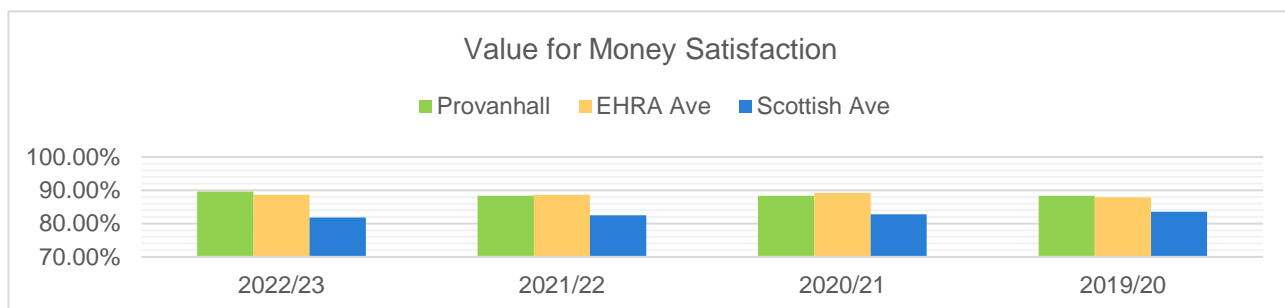


Appendix 4 – Data Sets, 4.3 Value for Money

The following table shows the average 3 year performance (2020/23) for the Association compared to its peer group and the Scottish average

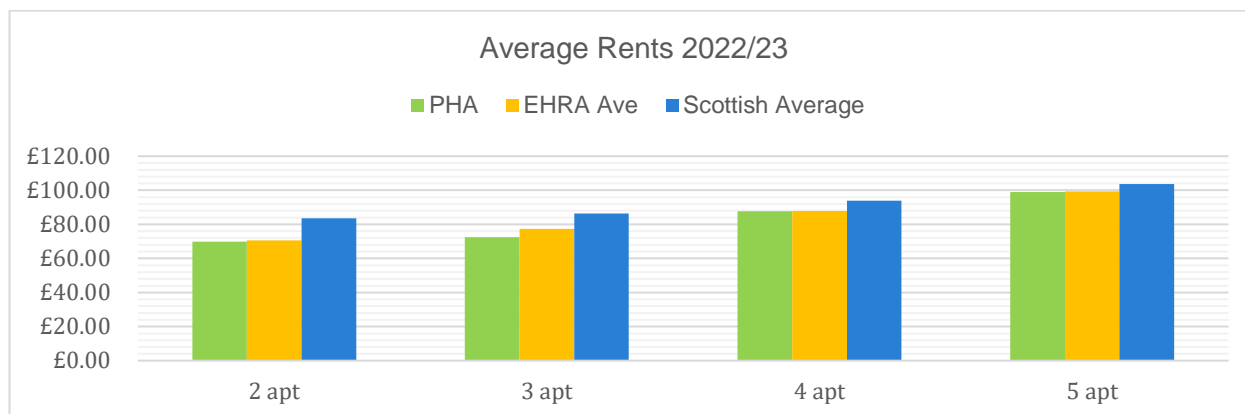
VFM Performance Measure	VFM Category	PHA Average	EHRA Average	Scottish Average
1 Percentage of tenants satisfied with overall services provided by landlord	Value	93.87%	93.29%	87.80%
6 Percentage of properties meeting SHQS at year end	Financial	97.16%	97.31%	79.37%
C10 Percentage of properties meeting ESSH	Financial	98.45%	99.06%	Null
7 Percentage of tenants satisfied with quality of home	Value	86.67%	88.55%	85.58%
8 Average hours for emergency repairs	Efficiency	2.08	2.6	4.18
9 Average working days to complete non-emergency repairs	Efficiency	8.36	4.96	8.10
12 Percentage of tenants satisfied with the repairs service	Value	94.96%	88.14%	88.69%
14 Percentage of tenancy offers refused	Financial	0.00%	17.48%	31.91%
16 Percentage of new tenancies sustained more than 1-year	Financial	99.07%	88.34%	94.25%
26 Percentage collected of rent due	Financial	103.08%	100.05%	99.12%
27 Percentage of gross rent arrears of rent due	Financial	2.09%	3.75%	6.45%
18 Percentage of rent lost through empty properties	Financial	0.47%	0.36%	1.40%
30 Percentage Average calendar days to re-let properties	Financial	18.22%	22.37%	34.49%
25 Percentage of tenants who feel rent represents good value for money	Efficiency	88.8%	88.85%	82.36%
C1.3.3 Percentage days lost through staff sickness absence	People	3.26	4.31	Null

The table below shows tenant feedback on value for money comparison to the Scottish average and other Easterhouse RSLs.



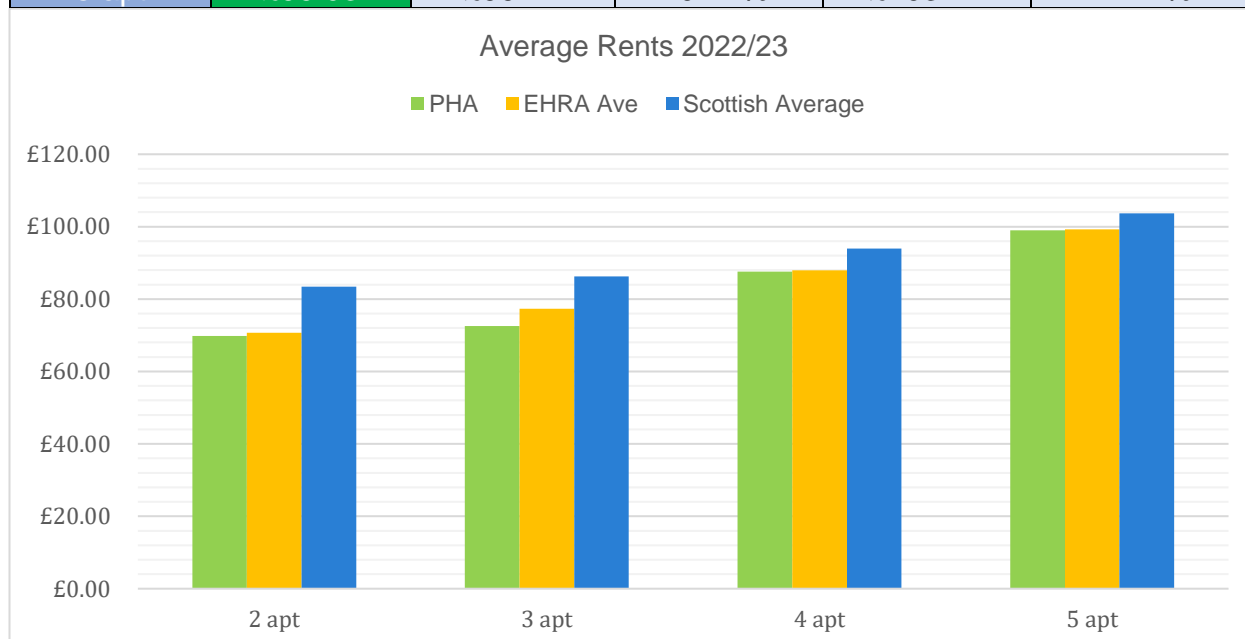
Appendix 4 – Data Sets, 4.4 Rent Setting

Apartment Size	PHA	EHRA Average	EHRA Difference	Scottish Average	Scottish Average Difference
2 apt	£66.52	£70.66	-6.22%	£83.46	-25.47%
3 apt	£72.55	£77.36	-6.63%	£86.28	-18.92%
4 apt	£87.61	£87.95	-0.39%	£93.96	-7.25%
5 apt	£99.03	£99.27	-0.24%	£103.72	-4.74%

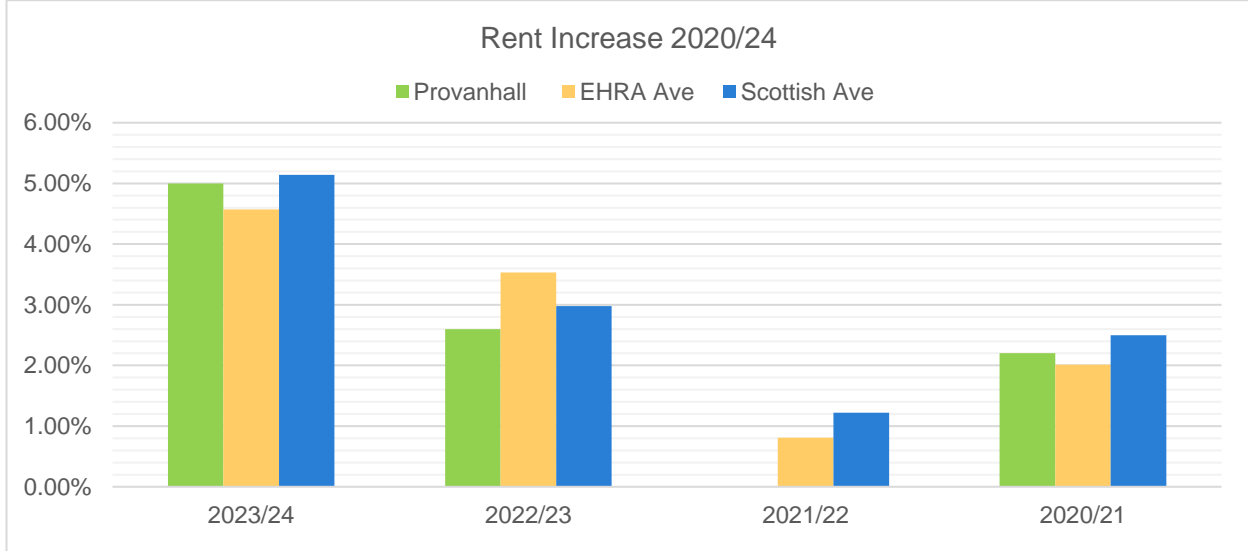


Appendix 4 – Data Sets, 4.5 Rent Increase

Apartment Size	PHA	EHRA Average	EHRA Difference	Scottish Average	Scottish Average Difference
2 apt	£66.52	£70.66	-6.22%	£83.46	-25.47%
3 apt	£72.55	£77.36	-6.63%	£86.28	-18.92%
4 apt	£87.61	£87.95	-0.39%	£93.96	-7.25%
5 apt	£99.03	£99.27	-0.24%	£103.72	-4.74%



Rent Increase Comparison 2020/2024				
RSL	2023/24	2022/23	2021/22	2020/21
Blairtummock	5.00%	2.50%	0.00%	0.00%
Calvay	5.00%	4.20%	1.50%	2.00%
Easthall Park	5.00%	5.00%	1.00%	2.90%
Gardeen	5.00%	4.10%	1.50%	2.50%
Lochfield Park	4.00%	2.50%	0.00%	2.00%
Provanhall	5.00%	2.60%	0.00%	2.20%
Wellhouse	3.00%	3.80%	1.70%	2.50%
EHRA Average	4.57%	3.53%	0.81%	2.01%
Scottish Average	5.14%	2.98%	1.22%	2.50%



Bedroom Size	Household Type	% of Income spent on rent
1 bedroom	Single Person	20.80%
1 bedroom	Couple 1 x PT, 1 x FT	13.90%
1 bedroom	Couple 2 x FT	10.40%
1 Bedroom	Single Pensioner	19.00%
1 Bedroom	Pensioner Couple	13.90%
2 Bedroom	Single Person	22.70%
2 Bedroom	Couple 1 x PT, 1 x FT	15.20%
2 Bedroom	Couple 2 x FT	11.40%
2 Bedroom	Single Pensioner	20.70%
2 Bedroom	Pensioner Couple	15.20%
2 Bedroom	Single Parent & 2 Children	14.20%
2 Bedroom	Small Family (2 children)	10.80%
3 Bedroom	Single Parent & 2 Children	17.20%
3 Bedroom	Small Family (2 children)	13.10%
4 Bedroom	Single Parent & 2 Children	19.40%
4 Bedroom	Small Family (2 children)	14.80%

Appendix 5 – Strategic Delivery Plans

1	Be innovative and provide good quality, energy efficient, affordable homes
2	Improve the local, physical and social environment
3	Be customer-focused with a deep understanding of needs through meaningful engagement
4	Support our People, MC and Community to reach their full potential
5	Continue to achieve good governance, be financially robust, efficient, and value-driven

1 Be innovative and provide good quality, energy efficient, affordable homes					
Outcome	Action	KPI	2025	2026	2027
Buy back private owned properties and those supported by GCC in the estate	Work with owners & GCC to identify opportunities	Increase in number of homes managed	5	5	2
All properties are maintained to an excellent standard	Annual reactive & cyclical repair investment programme	% of repairs delivered on time	95%	95%	95%
Deliver component replacement programme	30 year component replacement programme	% of annual programme delivered on time	95%	95%	95%
All properties are safe	Maintain gas safety checks within 12 months	% of properties completed on time	100%	100%	100%
Tenants are satisfied with their homes	Re-let properties are brought up to standard	% of tenants satisfied with re-let standard	95%	95%	95%
Provide sustainable energy efficient homes	Reduce carbon footprint and ensure properties are resilient for climate change	Number of properties compliant with SNZS	TBC	TBC	TBC
Tenants remain in their homes	Adapt homes to suit individual needs	Number of aids & adaptations fitted within 40 days of approval	95%	95%	95%
Homes are made available quickly	Monitor & improve time to re-let properties	Days to let reduced	20	18	18
Services are rated as excellent	Monitor and improve all customer facing services	Overall tenant satisfaction %	95%	95%	95%
Tenants enjoy their homes peacefully	Address anti-social behaviours	% of anti-social cases resolved within timescale	95%	95%	95%

2 Improve the local, physical and social environment					
Outcome	Action	KPI	2025	2026	2027
Develop green space & support local community	Improve external environment for local residents	Local residents are satisfied with green space around them	90%	90%	90%
Review the Estate Management Contract in the context of changes being planned by GCC for managing waste and recycling from flats with on-street bins	Develop an Environmental Strategy taking account of how we can reduce our carbon footprint in all operational areas and to give nature a chance.	Reduced cost of Estate Contract	Develop	Implement	Assess

3 Be customer-focused with a deep understanding of needs through meaningful engagement					
Outcome	Action	KPI	2025	2026	2027
Deliver genuine and meaningful tenant and community engagement opportunities	Maximises opportunities for engagement	% of tenants satisfied with opportunity to engage	95%	95%	95%
Tenant Participation – Deliver PHA's 2024/25 programme of tenant participation activities. Plan for the next comprehensive Tenant Satisfaction	Monitor and respond to changing tenants needs and maintain high satisfaction	% tenants satisfied with opportunity to engage 2025/26 survey	95%	95%	95%
Equality, Diversity & Inclusion – Implement the plan contained in the EDI Strategy.	Monitor and respond to changing tenants profiles	Maintain high levels of overall satisfaction and attract a diverse MC	95%	95%	95%

4 Support our People, MC and Community to reach their full potential					
Outcome	Action	KPI	2025	2026	2027
PHA has well trained and knowledgeable people	Deliver training and development program	Training budget spend	95%	95%	95%
Provide opportunities to feedback regarding staff and organisational performance	Programme regular feedback sessions with staff on how to improve	Staff survey satisfaction overall happy with work	95%	95%	95%
Maintain effective succession planning arrangements for the MC, focused on promotion of committee membership within the community	Conduct annual appraisals and develop training plan for members wishing to attain office bearing roles	Leadership Development Programme to establish for aspiring leaders	Develop	Implement	Assess
Implement the training Matrix for all our people including MC	Conduct annual Training and Development plan with all people	All staff have received mandatory training	100%	100%	100%
Continue to offer income maximisation services to Provanhall residents	Work with CCT to continue service	Look to broaden service to include Money Advice	Develop	Implement	Assess

5 Continue to achieve good governance, be financially robust, efficient, and value-driven					
Outcome	Action	KPI	2025	2026	2027
PHA is well governed	Demonstrate high standard of governance and leadership	Maintain regulatory compliance with SHR and identify opportunities with other EHRA landlords to improve	Develop	Implement	Assess
Board Capacity	Maintain healthy board size and mix of tenant and external members	Vacancies filled	Develop	Implement	Assess

PHA is financially sound	Monitor and review Business Plan and FYFP	Ensure liquidity ratio and all (future) covenants are complied with.	100%	100%	100%
	Closely monitor operational cost base and find ways of delivering best VFM with membership of procurement partnerships	Develop constant improvement approach	Develop	Implement	Assess
	Ensure accurate and timely budget setting and forecasting including scenario and stress testing	Annual, 5 year and 30 year plans are 100% submitted timeously	100%	100%	100%
Identify and manage risk effectively	Tender for new 3-year internal audit	Identify next areas for assessment based on previous results	Implement	Assess	Assess
Develop relationship with EHRA Landlords to find deeper synergy and opportunities for collaborative working	Collaborative Working – determine ways of working closer with other RSLs in particular EHRA to manage back-office costs more effectively and provide best value to our Tenants.	Attend scheduled meetings and report back to people and MC	95%	95%	95%