

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**

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 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.

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 deliver.

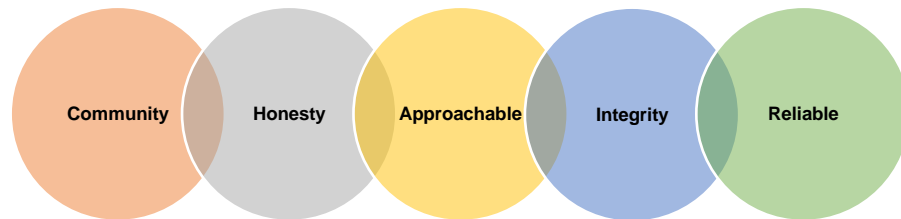
Community controlled Housing Association Established 1991	Total Annual Rental Income £1,948,778	523 homes for social rent
Low Debt per unit of £1,122	11 strong Management Committee (8 tenants)	Low average weekly rent of £81.43. Scottish Ave is £91.63
11 Staff team	Bank and reserves of £4,067,575	£3,875,136 planned Capital Expenditure over 3 years

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.

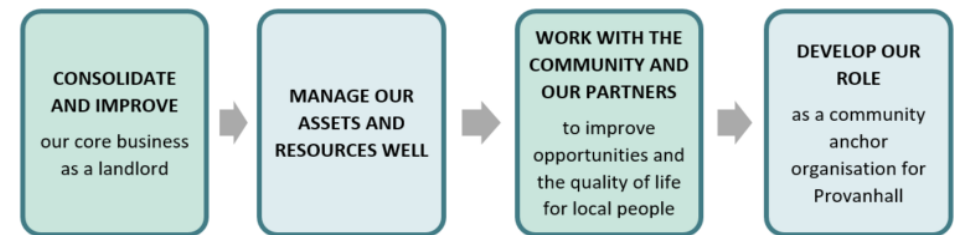
Approachable: Ensuring that the organisation and its members are accessible, welcoming, and open to dialogue, fostering an environment where communication is encouraged and valued.

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.

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.



Governance and Leadership

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

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)

Senior Management Team

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



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**.

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 Tenement Flat		22	36	30	17	83	16%
Total		284	62	10		378	72%
		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.

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.

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 (ESSH 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.

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

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 (Scottish Housing Regulator) / SG (Scottish Government) Policies: Policies or 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.



EESHS 2 (Energy Efficiency Standard for Social Housing): The implementation of Net 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



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 two financial years

Porvanhall Housing Association

Tenant Satisfaction Survey 2022

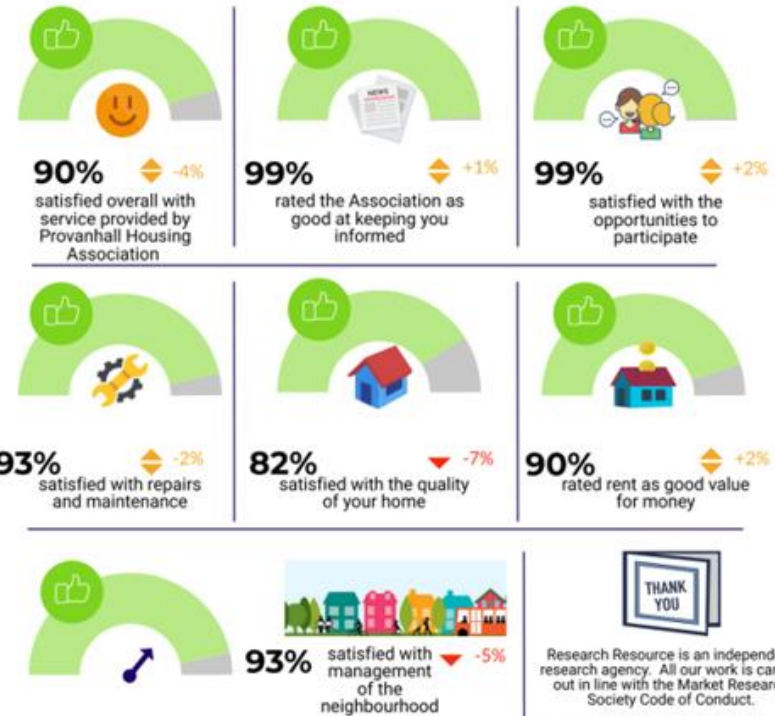
What did we do?

250

INTERVIEWS

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.

What did you tell us?



Research Resource is an independent research agency. All our work is carried out in line with the Market Research Society Code of Conduct.

All data is confidential and anonymous. It is held in accordance with the General Data Protection Regulations.

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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Budgeting for the future

PHA complete accurate Financial Planning as part of our requirements set out by the Scottish Housing Regulator. This includes a five year plan – which we submit annually and a 30 year plan which is updated annually.

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.

We project 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).

Strategic Delivery Plans

Our plans for the years ahead are as follows:

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

- Buy back private owned properties and those supported by GCC in the estate
- All properties are maintained to an excellent standard
- Deliver component replacement programme
- All properties are safe
- Tenants are satisfied with their homes

2 Improve the local, physical and social environment

- Help tenants remain in their homes
- Homes are made available quickly
- Services are rated as excellent
- Tenants enjoy their homes peacefully

3 Be customer-focused with a deep understanding of needs through meaningful engagement

- Develop green space & support local community
- Review the Estate Management Contract in the context of changes being planned by Glasgow Council for managing waste and recycling from flats with on-street bins
- Be customer-focused with a deep understanding of needs through meaningful engagement

4 Support our People, MC and Community to reach their full potential

- Tenant Participation – Deliver PHA’s 2024/25 programme of tenant participation activities. Plan for the next comprehensive Tenant Satisfaction
- Equality, Diversity & Inclusion – Implement the plan contained in the EDI Strategy

5 Continue to achieve good governance, be financially robust, efficient, and value-driven

- Provide opportunities to feedback regarding staff and organisational performance
- Maintain effective succession planning arrangements for the MC, focused on promotion of committee membership within the community
- Implement the training Matrix for all our people including MC
- Continue to offer income maximisation services to Provanhall residents
- Continue to achieve good governance, be financially robust, efficient, and value-driven
- Ensure PHA is well governed

- Ensure we have sufficient Board Capacity
- Ensure PHA is financially sound
- Identify and manage risk effectively
- Develop relationship with EHRA Landlords to find deeper synergy and opportunities for collaborative working

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.

This version of our Business Plan is an Executive Summary. For our full detailed Business Plan, please scan the QR code or visit our website at:

www.provanhallha.org.uk



Provanhall Housing Association Limited is a company registered in Scotland under the Companies Acts, Company Number: SC037762.
Registered Office: 34 Conisborough Road, Easterhouse, Glasgow, G34 9QG. It is registered as a Property Factor Id: PF000389.
Registered Housing Association No. HHC 242 Scottish Charity No SC037762. Financial Conduct Authority No 2401RS.