



Dalmuir Park
Housing Association

Your Future Our Future

3 Year Business Plan 2018 - 2021

Year 2 - 2019/2020

Approved by Management Committee
20 March 2019

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1. EXECUTIVE SUMMARY

- 1.1 This Business Plan aims to ensure that we focus on providing excellent housing, care and support and factoring services and on maintaining our properties to a high standard in line with the targets set by the Scottish Government and the legitimate expectations of our tenants. We will ensure the long-term financial health and viability of the organisation and will drive a strong focus on efficiency and value for money.
- 1.2 Following the Scottish Housing Regulator (SHR) moving the Association into high regulatory engagement in December 2017 due to concerns over serious governance failings, major change has already been advanced at the organisation. The SHR Regulation Plan was updated in June 2018 to acknowledge the significant progress made in that short time, but extending the high engagement status for a further year to June 2019 to keep the support of the Statutory Manager and appointees to the Committee in place to help steer the organisation forward.
- 1.3 We are now moving into our second year of a programme of internal review, renewal and positive transformation and our Committee and staff team remain determined to see through our improvement plans to build the confidence of the SHR and other stakeholders in us and to become an ever learning/ improving organisation, proactive in our approach to driving positive change.
- 1.4 In March 2018, Management Committee agreed to conduct an options appraisal to determine the best strategic form for DPHA going forward in the best interest of its tenants. The appraisal was completed and reported to the meeting of the Committee in June 2018 at which time it was agreed that DPHA seek a partnership with one of the four local RSLs. This was part of the Year 1 Business plan.
- 1.5 Following a competitive selection process, it was decided that none of the bids from the local RSLs offered enough to proceed further as they both fell substantially short of being sufficiently attractive for DPHA tenants to support such a major strategic change. Following a further review in February 2019 of the progress made by DPHA over 2018/19 against the option of embarking on a competitive process to find a larger RSL to join with, the Management Committee took the landmark decisions to stay an independent RSL. This decision was back by clear evidence of improvement and informed by direct tenant feedback We will review strategic options every 3 years as part of developing each new 3 year Business Plan.
- 1.6 With that key decision made, this Year 2 Plan will focus on ensuring the programme of change and improvement is implemented effectively to deliver excellent and sustainable services to our tenants and wider customer base. To achieve this, a set of interlinked strategic objectives was agreed when this Plan was first developed. These remain valid in Year 2 of this Plan to reflect the updated opportunities and threats in the evolving external environment in which we operate and the current internal strengths and weaknesses of the Association.

1.7 Our agreed 6 Strategic Objectives over the 3-year Plan can be summarised as follows.

- ✓ ***Objective 1 - Create Strong and Sustainable Strategic Governance***
- ✓ ***Objective 2 - Deliver Excellent Services and Performance***
- ✓ ***Objective 3 - Provide Quality Homes in an Attractive Environment***
- ✓ ***Objective 4 - Demonstrate Value for Money***
- ✓ ***Objective 5 - Develop Leadership and People***
- ✓ ***Objective 6 - Be more than just a Great Landlord***

1.8 Section 5 of the Plan sets out the rationale for the 6 objectives and Section 6 provides the detail of what we will do in the coming year to continue to realise these objectives. A Summary Delivery Plan is set out in Section 7. This will be developed to a more granular level with staff to ensure that all our people know the part they must play in achieving the Plan.

2 INTRODUCTION

- 2.1 This Business Plan is the Year 2 position of our 3-year Business Plan. It provides a comprehensive overview of Dalmeir Park Housing Association Limited (DPHA) and the environment in which we operate. This has been prepared by the Management Committee, leadership and staff team and informed by the views of tenants and other key stakeholders, having reviewed and agreed the strategic direction of the organisation over the short, medium and long term to achieve our long-term mission.
- 2.2 Our Business Plan is a key strategic document which communicates our vision and objectives, plus how we will achieve those objectives. The plan articulates the strategic direction and ambition of the Committee as the governing body of the organisation. It provides a framework for action which communicates to customers, staff and key stakeholders what the organisation aims to achieve over the 3 years of the Plan. It also provides an overview of where we want to get to and how we will get there via our annual Delivery Plan for 2019/2020.
- 2.3 We have prepared this Plan cognisant of the Scottish Housing Regulator's (SHR) Recommended Practice for Business Planning of December 2015, the current Regulatory Standards of Governance and Financial Management and the new SHR Regulatory Framework launched in February 2019 that will go live on 1 April 2019.

The Business Plan Process

- 2.4 2017/18 was a difficult year for the Association which saw the organisation being placed in high regulatory engagement with the Scottish Housing Regulator (SHR) on 8 December 2017. A Statutory Manager was appointed by the SHR to support the Management Committee and staff team to address the serious governance failings that had been identified and ensure the organisation complies with all the regulatory requirements of the SHR going forward.
- 2.5 This led to change in long standing leadership both at the Management Committee and senior staff levels. By March 2018, the former Chair, Vice Chair and another long-standing Committee member had resigned along with a newer member. Initially, six appointees were placed on the Management Committee to work with the Statutory Manager alongside the remaining five elected Committee members to strengthen our governance. Whilst work will be required to create a sustainable governing body going forward, a strong interim governing body is now in place that has shaped and developed this Plan.
- 2.6 An experienced Interim Director was engaged in January 2018 to work alongside the Statutory Manager. As the lead officer, she is accountable to the governing body and will lead the staff team through a necessary period of change and transformation.

- 2.7 The statutory intervention allowed time for real reflection on the way the organisation had been operating and to challenge ourselves on what is best now and for the future to serve the needs of our tenants and community.
- 2.8 This plan benefitted from a lengthy and detailed strategic options appraisal which was initially concluded in June 2018 but reviewed in late 2018 with a decision taken on the future in February 2019. This appraisal allowed us to consult with and take on board the views of our tenants and other service users, staff, and key stakeholders as we explored a range of alternative operating models and finally decided the best solution for our tenants.
- 2.9 All of this has allowed us to produce this Year 2 Business Plan that is owned by the Management Committee and staff team and reflects the needs and aspirations of our customers and key stakeholders.
- 2.10 Each year, the Business Plan will be refreshed and rolled forward. This will ensure we always have a current Business Plan which sets out:
- Our strategic ambitions for the remaining term of the Plan.
 - The updated 30-year financial projections to establish and test our long-term financial health and future viability.
 - The 1-year Summary Delivery Plan of key activity for the coming year.
- 2.11 Every three years, we will conduct a comprehensive review of the strategic plan with the next due in 2021/22 or earlier if deemed appropriate. This will include a further review of strategic options to test that our current form is still the best vehicle to deliver maximum benefit for our customers and communities.

3. MISSION, VISION, VALUES & CULTURE

3.1 We reviewed and updated our statements of strategic intent and agreed the following:

Mission Statement

3.2 **Your Future is Our Future** - To deliver high quality and cost-effective housing and support services designed to meet the needs of existing and future customers. To work in partnership with others to create a thriving community that people want to live and work in.

Vision

3.3 Creating a sustainable, vibrant community with well-maintained homes, pleasant surrounding environment and a range of high quality services and support within the Dalmuir community.

Values

3.4 New values have been agreed by our Committee and staff team to reflect our new future. They will be visible in the workplace and easily remembered. Our Values are summarised as the 4 Cs as follows:

- **Customer** focused - empowering our staff and customers to fulfil their potential
- **Committed** - taking responsibilities for our decisions and actions. We always do what needs to be done and we think carefully about every penny we spend.
- **Community** based in Dalmuir, understanding the needs and aspirations of others and mindful of our impact on people, communities and the environment in everything that we do.
- **Caring** in what we say and do, ensuring that we help our customers feel listened to and safe and secure at home and in the services, we provide leading to fulfilling and independent lives.

Culture

3.5 We launched our new values in Year 1 of this plan and will embed these over Year 2. These will mean a new way of working and thinking up and down DPHA. This is designed to make sure we are ***always doing the right things, right, every time***. We are passionate about this change at DPHA and will use our acronym **HEART** to create a brand for the culture change that we seek. Our culture change programme will encompass the following that we will test ourselves against in every transaction:

HEART – we want to be at the *heart* of the community and have its needs at the *heart* of all that we do. We have created a new culture that reflects this:

Here – Based **here** in the community we serve, **here** when customers need us at a time, place and manner that suits the people we are **here** to serve. Owning customer issues and finding solutions for them either internally or if required, with partnership agencies.

Excellent –Skilled and committed Management Committee and staff team to make sure we are the best we can be. Designing services to ensure a tailored response that meets individual customer needs. Driven to continually review and improve to be the best housing association, care provider and community anchor to our customers.

Accountable - Well governed, open and transparent and accountable, ensuring tenant interests are at the forefront of all our actions.

Results –Top performing and publicising information on what and how we are doing, welcoming challenge and feedback to improve the effectiveness and relevance of the services we provide.

Together – Inclusive and there for all people. We will treat each other and everyone we do business with, with care and respect. We will listen and treat everyone with courtesy. We will become advocates for our customers, working on their behalf to help them thrive in life.

H.E.A.R.T. will be our service mantra for the future.

We will expect our key suppliers that work in our homes and communities to commit to our way of working and thinking.

4. WHO WE ARE AND ACHIEVEMENTS TO DATE

4.1 Our History

- 4.1.1 DPHA is registered under the Co-operative and Community Benefit Societies Act 2014, a Scottish Registered Charity and registered with the Financial Conduct Authority (FCA). We have been in existence for 40 years as a Registered Social Landlord (RSL) with the Scottish Housing Regulator. We are also a registered property factor with the Scottish Government. We operate in the Dalmeir area of West Dunbartonshire where we currently own and manage 689 homes and provide factoring services to 174 owners. This includes 2 sheltered housing complexes and 24 shared ownership homes.
- 4.1.2 We have charitable status and employ circa 33 staff, with the majority engaged on our care and support activity.
- 4.1.3 We are registered with the Care Inspectorate for the provision of support to customers in our 2 sheltered housing complexes and pre and post school support to up to 70 children per day from our 3 local schools via our Dalmeir Out of School Care Group (DCSCG) project.
- 4.1.5 We set up the Beardmore Trust, a charity aimed at attracting funding that DPHA could not, for ventures that would promote community development. Whilst we have no formal legal relationship with the Trust, it is closely connected to DPHA and its registered office is Beardmore House. We provide management support to the Trust and will assist its Trustees to make decisions about its future in 2019.
- 4.1.6 Our turnover for the year ended 31 March 2019 is anticipated was £3.7m. As of December 2018, the organisation is debt free

4.2 Our Roots

- 4.2.1 DPHA was formed in 1977 and registered as a housing association in 1978 in response to the “sub-tolerable” living conditions for the 900 or so tenement residents in Dalmeir. The prospect of improvement through demolition or improvement had become more realistic with the designation of an Action Area in Dalmeir by Clydebank District Council in 1977. A small group of committed residents set the Association on its way to fully improving all houses in the Action Area by 1989.
- 4.2.2 Since 1978 we have, with the support of various departments of The Scottish Government, and the local Council at that time, now West Dunbartonshire Council (WDC):
- Completed 21 tenement rehabilitation contracts
 - Completed 7 new build projects – social housing and shared ownership
 - Completed two stock transfers from Scottish Homes (sheltered and general needs housing)

- Purchased 6 additional properties which are non-self-contained and provide accommodation for tenants/occupiers who require support to live in the community. Three of these properties are Houses in Multiple Occupation (HMO) and are registered and licensed with WDC.
- 4.2.3 This has resulted in a current stock total of 689 houses in management. The Association has a mix of general needs, sheltered housing and shared ownership. The stock mix is predominantly flatted accommodation of 1 and 2 bedrooms. The 6 non-self-contained houses provide 41 bed spaces of accommodation and support is provided externally, via WDC, by voluntary sector organisations.
- 4.2.4 The Association has been affected by the Right to Buy legislation over the years. This Act has now been repealed and there is only one possible sale remaining in the pipeline. As a result of Right to Buy we started a property factoring service. This is now a registered service and provides factoring services to 170 properties. Two of our shared ownership properties are factored by an external provider. We manage 110 buildings but only having outright ownership of 45. This has an impact on the scale of cyclical and maintenance work undertaken by the Association.
- 4.2.5 We have two registered care services. One is for our sheltered housing developments who receive housing support. The other is for our Dalmeir Out of School Care Group (DOSCG) which is a service for local children before and after school and during school holidays which supports local parents to remain in employment.
- 4.2.6 Throughout our history, DPHA has been managed by a local Management Committee of tenants and residents.

4.3 DPHA today

- 4.3.1 2017/18 was a difficult year for the Association which saw the organisation being placed in high regulatory engagement with the Scottish Housing Regulator in December 2017. A Statutory Manager was appointed by the SHR along with six appointees to support the Management Committee and staff team, to address the serious governance failings that had been identified and ensure the organisation complies with all the regulatory requirements of the SHR. This led to change in long standing leadership both at the Management Committee and senior staff team levels. The SHR Regulation Plan was updated in June 2018 to acknowledge the significant progress made in that short time but extending the high engagement status for a further year to June 2019 to keep the support of the Statutory Manager and appointees to the Committee in place to help steer the organisation forward. An Interim Director is now working alongside the Statutory Manager to lead the staff team through a necessary period of change and transformation.
- 4.3.2 In 21 March 2018, Management Committee agreed to conduct an options appraisal to determine the best strategic form for DPHA going forward in the best interest of its tenants.

- 4.3.3 The appraisal was completed and reported to the meeting of the Committee on 20 June 2018 at which time it was agreed that DPHA seek a partnership with one of the four local RSLs. This was part of the Year 1 Business Plan. Following a competitive selection process, it was decided that none of the bids received offered enough to proceed further as they both fell substantially short of being sufficiently attractive for DPHA tenants to support such a major strategic change.
- 4.3.4 A further review was completed in February 2019 examining the progress made by DPHA over 2018/19 against the option of embarking on a competitive process to find a larger RSL to join with. This was informed by direct tenant feedback. Committee agreed unanimously that it wanted to stay an independent RSL. This is its strategic decisions for the remainder of this Business Plan with a plan to regularly review our strategic option every 3 years as part of developing the next full Business Plan.
- 4.3.5 With that key decision made, the focus is now firmly on ensuring the programme of change and improvement is implemented effectively to deliver excellent and sustainable services to our tenants and wider customer base. Thanks to the new focus on improving customer service and core rent/ letting performance, advancing investment in our homes and the wider environment and increasing efficiency 2018/19 saw improvements in satisfaction levels, core performance on letting and rent collection and our financial position. Our investment plans are now rolling out to deliver much needed investment in our homes and environment. In year 2, we have further refined these based on improved intelligence on the condition of our homes and the investment priorities going forward.
- 4.3.6 Our care and support services continue to deliver great services in the local community. Both services either maintained or improved their gradings with the Care Inspectorate in 2018. These services are popular and well received by tenants and parents.

4.4 Our Management Committee

- 4.4.1 We are controlled and led by a voluntary and unpaid Management Committee. This governing body is made up of tenants and other residents as well as the statutory appointees.
- 4.4.2 Our Committee make the key decisions about the Association and provide challenge and oversight over our staff team to ensure that all activity is in the best interests of our tenants.
- 4.4.3 Our current Committee is made up as follows:

Name	Role
Gordon Laurie	Chair of the Management Committee and Member of Staffing Sub Committee, Policy Review Working Group
Craig Edwards	Vice Chair of Management Committee and Chair of Audit & Risk Sub Committee, Policy Review Working Group
Bob McDougall	Chair of Staffing Sub Committee, Policy Review Working Group
Jack Marshall	Member of Audit and Risk Sub Committee and Member of Staffing Sub Committee, Policy Review Working Group
Audrey Simpson	Member of Audit and Risk Sub Committee and Staffing Sub Committee
Matthew Reid	Member of Staffing Sub Committee
Robert Murray	Member of Audit and Risk Sub Committee
Anita Williamson	Member of Staffing Sub Committee
Ashley Stockley	Member of Audit and Risk Sub Committee
Ian Lennox	
Lorraine Lester	Member of Audit and Risk Sub Committee
Jordan Henderson	Member of Audit and Risk Sub Committee
Karen Johnson	Policy Review Working Group
Melanie Cameron	Member of Staffing Sub Committee

Biographies for Management Committee are shown in **Appendix 1**.

4.5 Our Staff

4.5.1 We currently employ a team of 33 staff whose job it is to ensure that our tenants and other service users receive a friendly, efficient and responsive service.

4.5.2 The team provide housing, asset, care and support, factoring, finance, governance and back office support. All staff are experienced in their different areas of expertise with appropriate professional qualifications. In addition to our staff team, we engage several third parties to deliver specialist elements of our service, e.g. technical support, IT, internal/external audit services.

4.5.3 A profile of the leadership team is as follows:

Management Team

Catherine Lowe – Interim Director

Independent Housing Senior Management Consultant with 37 years' experience. She has been a senior manager working in local authorities, the voluntary sector, private sector and housing associations across Scotland. Catherine graduated from the University of Stirling Post Graduate Housing Studies course in the first cohort in 1982 and is a Fellow of the Chartered Institute of Housing. Catherine has a strong interest in RSL governance, allocations and homelessness. She is also a Committee member of another housing association in Glasgow. Catherine has been Interim Director at DPHA since January 2018.

Graeme Bruce, External Finance Agent

Finance Agent with 30 years accounting experience. He worked in the private sector for 7 years before specialising in providing financial management to housing associations and charities. He graduated from the University of Glasgow with a BSc as well as attaining a Post Graduate Diploma in Accountancy before becoming a Fellow of the Association of Chartered Certified Accountants. Graeme has been Finance Agent at DPHA since March 2017.

Peter French, External Asset Consultant (Knowes Housing Association)

With 22 years of housing experience in local authorities and housing associations, Peter has been supporting DPHA with the planning and delivery of all capital investment to our housing stock since June 2019. He has a BSc in Building and a MSc in Engineering Design of Buildings, along with the CIH level 2.

Jill Cronin, Temporary Customer Services Team Leader

Jill is a housing and management consultant with nearly 30 years' experience working in housing, management and public sector services. She is a qualified housing professional and Member of the Chartered Institute of Housing and previously served on the CIH Board heading up the Policy Sub Committee. Prior to setting up on her own, and following many years working in housing management, housing strategy and business planning, Jill latterly headed up a range of services in a Local Authority at Chief Officer level including Planning, Economic Development, Tourism, Art and Culture and Sport. Jill is currently working on a number of housing consultancy projects across Local Authorities and RSL's, as well as serving on the Board of Dunedin and Canmore Housing Association and being a Director on the Board of Wheatley Solutions.

Arlene Dickson – Care Services Manager

Having begun a career in Care in 1993 as a support worker within charity organisations, Arlene then increased her knowledge and experience across adult and children support services. Through her professional development she gained the appropriate qualification in line with SSSC registration: HNC in Social Care and SVQ level 3 in Care and Promoting Independence. She then progressed to the role of Registered Care Manager in 2001 and graduated from Glasgow Caledonian University with a Diploma in Managing Care, followed by attaining her SVQ Level 4 Health and Social care.

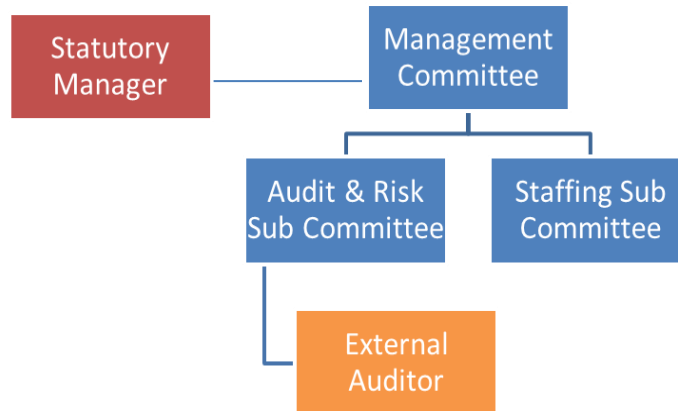
Arlene is also a qualified SVQ Internal Assessor-Verifier delivering qualifications to candidates across adult and children services at level's 2, 3, and 4. She gained her A1 (Assessor award) in 2005 and V1 (Internal verifier award) in 2008.

Biographies for our staff team are also shown in **Appendix 1**.

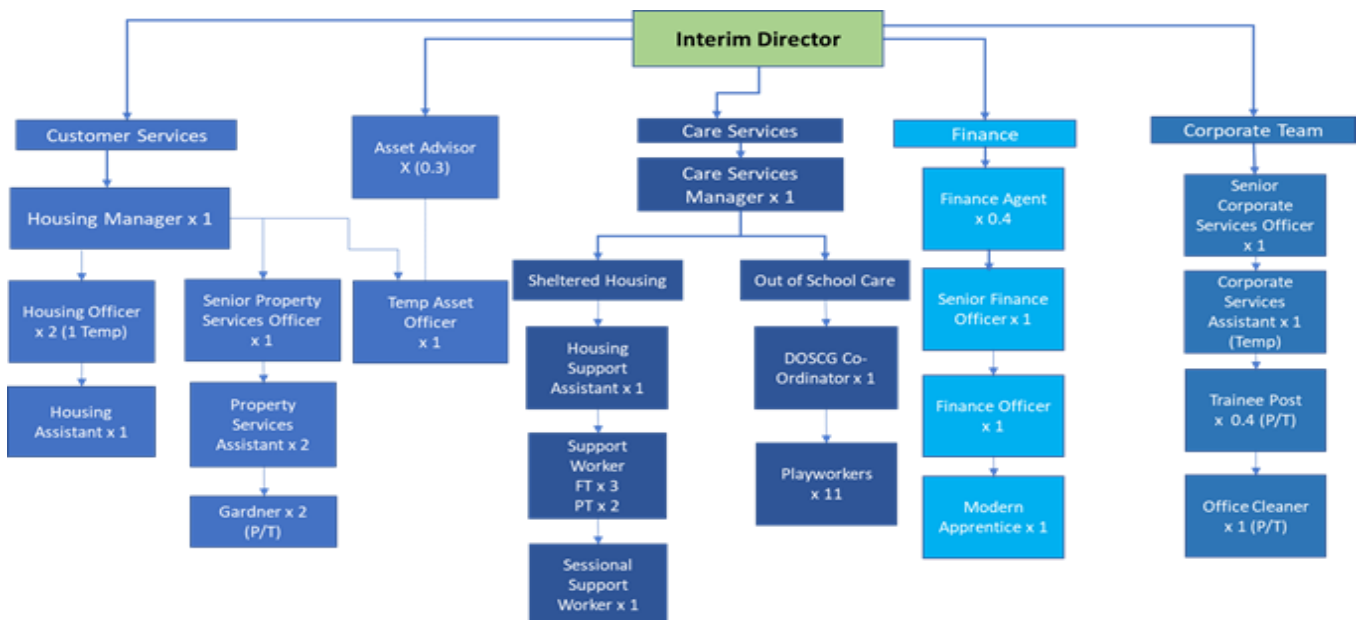
4.5.4 The staff team is supplemented by external agents, as follows:

Agent	Service
Tony Sinclair, French Duncan	External Auditors
Graham Gillespie, Wylie + Bisset	Internal Auditors

4.5.5 Chart 1 below shows our current structure of governance.



4.5.6 Chart 2 below shows our current staff structure.



4.5.7 Within the current staff structure, there are currently three posts with added responsibilities and one temporary post. The staff structure will be subject to full review in 2019 to reflect the new operating model and ways of working.

4.6 Area and Community Profile

4.6.1 We are based in Dalmuir on the western side of Clydebank located in West Dunbartonshire, Scotland. Dalmuir was originally a separate settlement

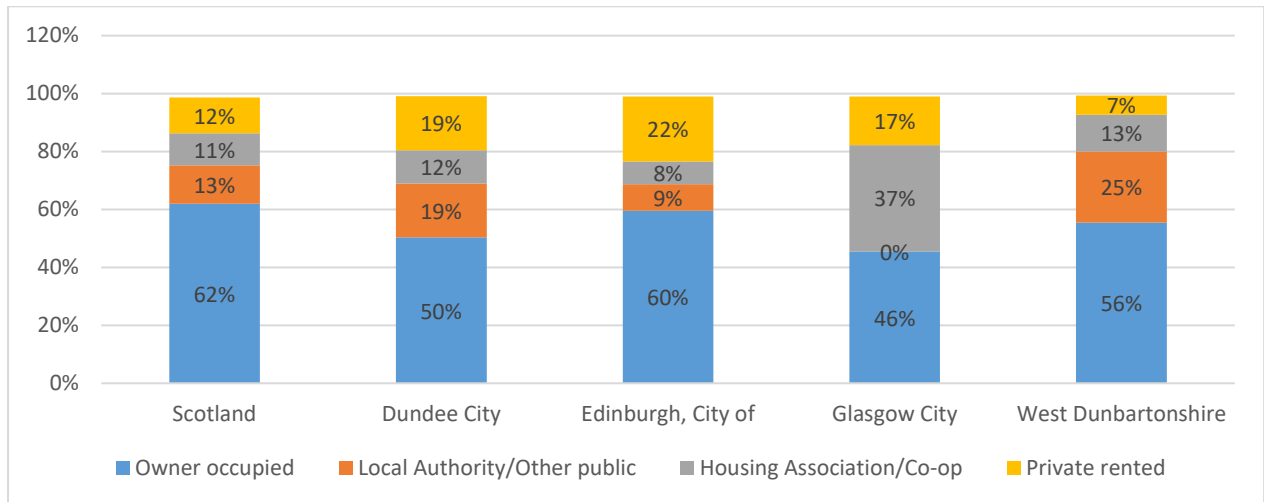
connected to a paper mill at Duntocher Burn, however expansion eventually led to the area joining together with Clydebank and becoming part of the larger town.

- 4.6.2 Dalmuir has proud connections to the shipbuilding industry and was home to the William Beardmore ship building Company. It was active from 1886 to the mid-1930s and at its peak employed about 40,000 people. It was founded and owned by William Beardmore, later Lord Invernairn, after whom the Beardmore Glacier was named. Beardmore expanded the activities at Dalmuir to include the manufacture of arms and armaments. One of Beardmore's most famous ships was HMS Ramillies and a replica of this ship is located in the Beardmore Garden adjacent to our office.
- 4.6.3 All of our housing stock is well connected in terms of roads and public transport links to the excellent amenities in Glasgow city centre, Helensburgh, Balloch, Dumbarton and the Highlands.
- 4.6.4 Dalmuir is located approximately one mile west of the main Clydebank centre and seven miles from Glasgow City Centre. The Association's properties are mainly situated on or near the main Dumbarton Road, a key public transport route. The area has a small but busy local shopping centre. It hosts a significant sized industrial estate, the Golden Jubilee National Hospital and NHS 24 call centre.
- 4.6.5 It has a busy railway station with links to Glasgow (Queen Street and Central Station) and to Dumbarton and the Highlands. Several key bus routes to Glasgow operate along Dumbarton Road and Duntocher Road. Glasgow Airport is situated approximately five miles from Dalmuir. The Erskine Bridge is two miles away. The Firth and Clyde Canal runs through the area which also includes the well-used Glasgow to Balloch cycle track. Dumbarton is five miles to the west. The area is only 10 miles from Loch Lomond and well situated for outdoor pursuits in the Old Kilpatrick hills and further on to the West Highlands.
- 4.6.6 We have many attractive leisure pursuits on our doorstep, including the Dalmuir Municipal golf course. The Dalmuir Community Education centre provides leisure and educational opportunities. Several private bowling clubs are located locally.
- 4.6.7 Dalmuir has three local primary schools and the secondary schools are located more centrally in Clydebank. West College Scotland is at Queens Quay, 1.5 miles away. The area is served by several private and state nurseries and we provide an after-school facility (Dalmuir Out of School Care Group) DOSCG within the Dalmuir Community Education Centre.
- 4.6.8 The majority of our housing stock 90% (620 units) is located in the Clydebank Waterfront area of Dalmuir and are mainly pre-1919 tenements built around the growth of the Beardmore shipyards, with the remainder 10% or 69 units located in the Mountblow and Old Kilpatrick areas.
- 4.6.9 As can be seen from Table 1 below, home ownership is the principal tenure in WDC with 56% of households owning their property. This is only 6% lower than the Scottish average of 62%. The social rented sector comprises some 38% of the local

authority area stock, well above the Scottish average of 24%. The availability of private rented tenancies in West Dunbartonshire is also lower (7%) than the Scottish average of 12%, which also brings extra pressure on the local social rented sector. WDC are the largest landlord in the area.

4.6.10 From a previous position of considering stock transfer of its properties, WDC now have an extensive regeneration/ new build programme in place. This could have an impact on the future demand for our properties.

Table 1 – Tenure breakdown



4.7 Our Customers

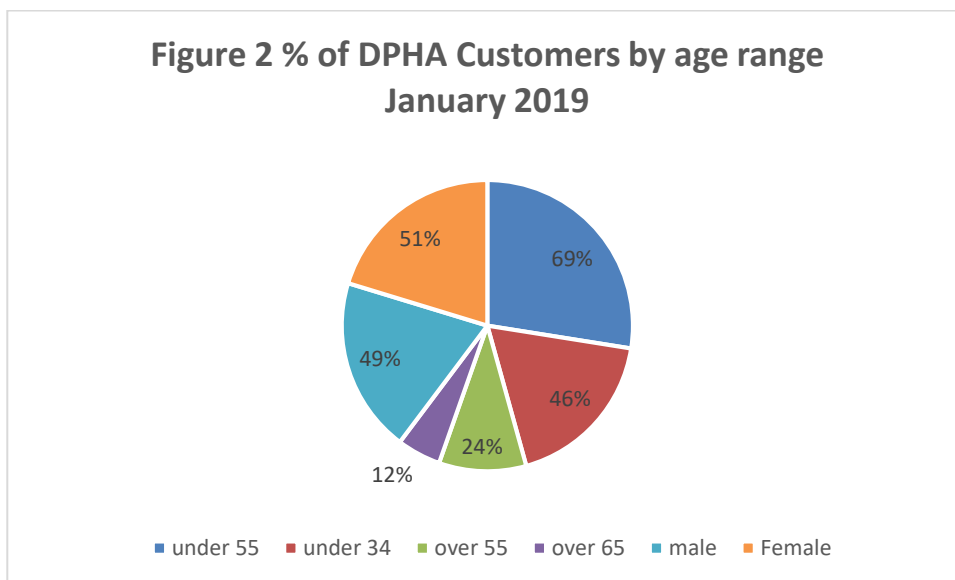
4.7.1 To be successful, we need to know our own current and future customers intimately if we are going to best respond to their needs and predict what they will want from us in the future.

4.7.2 Figure 1 below shows the Scottish Government’s population estimates by age group in 2017. This information highlights across Scotland that 19% of the population is over 65, 64% is between 16 and 64 and 17% of the population are under 15. It is clear from the overall population estimates that Scotland has a growing elderly population.

Figure 1: Mid - Year Population Estimates 2017



4.7.3 The pie chart in Figure 2 below shows that we have a higher percentage of working aged customers between the ages of 16-64 and our customer profile is 7% under the Scottish average for customers above retirement age.



Source: DPHA Castleton IT system January 2019

4.7.4 Table 2 below shows that 69% of residents in our households are under the age of 55. Within that group, 46% are the more geographically mobile under 34-year olds. At the other end of the age spectrum, less than 24% of our residents are 55 and over. This data is useful for considering tailoring service development around customer needs, e.g. younger working aged tenants are more used to using

information and communication technology and may prefer to access service in a more flexible way and at different times.

4.7.5 With 12% of our residents over the age of 65 and a growing aged resident profile a focus of our work will be the increasing need for medical adaptations and considering the role our care services should play in contributing to the agendas of key partners for delivering additional support required to help customers live independently at home for longer. Table 2 also shows that 49 % of our resident's base is male and 51% is female, which is identical to the Scottish averages of 49% and 51% respectively.

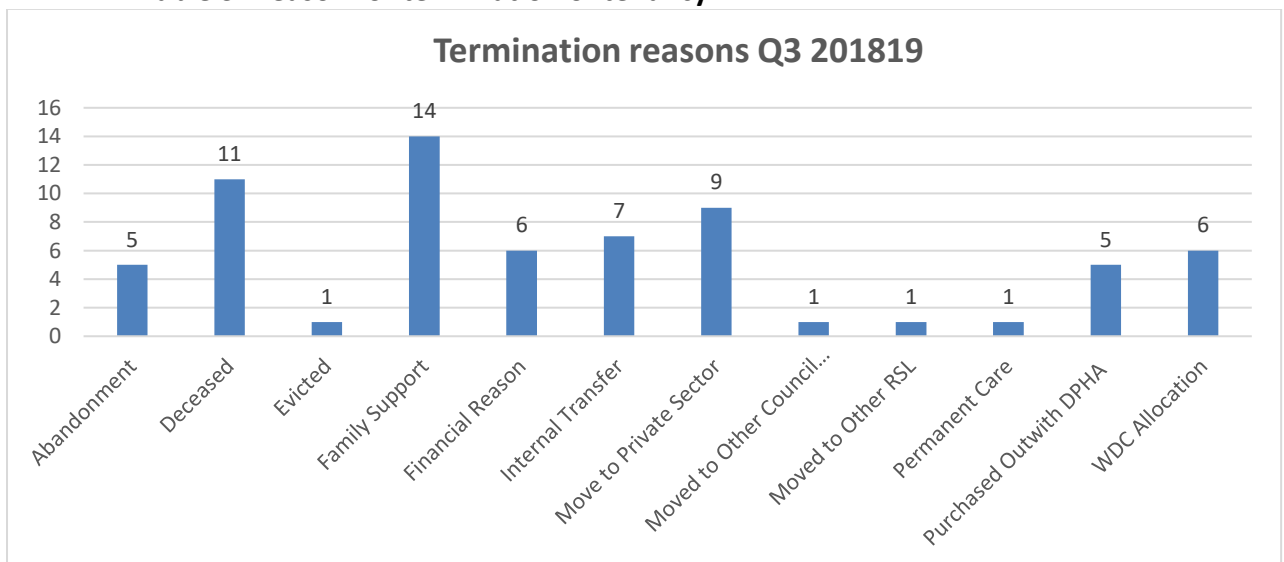
Table 2: Gender and Age Profile of DPHA Customers at January 2019

Age	16-24	25-34	35-44	45-54	55-64	65-74	75-80	80+	under 16	Unknown	Total
Male	47	101	76	64	77	43	16	10	99	49	582
Female	80	114	75	64	67	28	20	29	103	27	607
Total	127	215	151	128	144	71	36	39	202	76	1189
%	17.64%	29.86%	20.97%	17.78%	20.00%	9.86%	5.00%	5.42%	28.06%	10.56%	

Source: Castleton IT system Jan 2019

4.7.6 In the first three quarters of 2018/19, 67 properties (10.15%) became available for re-let. Reasons for terminations are detailed in Table 3 below and a high percentage of terminations are due to death and moving to permanent care from our sheltered properties, and to provide or receive family support, from our general needs properties.

Table 3: Reason for termination of tenancy



Source: Castletoun IT system January 2019

4.7.7 Tenant satisfaction levels are high with 95.92% of tenants satisfied with the service for 2018/19 which is above the 2017/18 Scottish average of 90.5%. However, we know from tenant feedback that we need to keep improving how we treat our customers to ensure this is consistently excellent. We also know that we need to keep improving the condition of our homes and environment by delivering our investment plans. We also want to keep our focus on value for

money by keeping costs down, performing well and minimising rent increases so that we improve rent affordability.

Ethnicity of our Customers

4.7.8 Table 4 below confirms that DPHA has the same levels of white Scottish population as WDC at 93% but higher than the national Scottish figure of 84%. This would suggest that there is potential to promote our housing list to a wider, more diverse population. We have a nominations agreement with the Scottish Refugee Council for two nominations per year but there has been limited success with this arrangement as refugees feel isolated in the Clydebank area. This may relate to connections but also suitable support that we would need to explore.

Table 4: Tenant Ethnic Origin at March 2018

Ethic Background	DPHA All Tenants March 2018	DPHA %	WDC %	Scotland total %
White total	669			
White Scottish	636	93%	93%	84%
White other British	13	2%	2%	8%
White other Irish	5	1%	1%	2%
Polish	12	2%	2%	1%
White any other background	3	0%	0%	2%
Mixed or multiple ethnic background	0	~	~	~
Asian, Asian Scottish, Asian British	8	1%	1%	3%
Indian	1	~	~	~
Chinese	1	~	~	~
Any other Asian background	6	~	~	~
Black, Black Scottish, Black British	1	~	~	~
African	1	~	~	~
Unknown	8	~	~	~
TOTALS	686	100%	100%	100%

Source: DPHA ARC return for DPHA March 2018 and Scottish Government Scotland's Census 2011

Demand for Social Housing

4.7.9 We currently hold a waiting list of 260 applicants. Demand by house size is set out in Table 5 below:

Table 5 - DPHA Housing Waiting List

Apartment Size/Type	No of Applicants
1 Apartment	3
2 Apartment	106
3 Apartment	88
4 Apartment	39
5 Apartment	10
6 Apartment	6
Sheltered housing	16
TOTAL	260

Source – DPHA February 2019

- 4.7.10 Our waiting list is reviewed annually, on a rolling monthly basis to ensure it is as up to date as possible. We receive 100% nominations from WDC for any void sheltered housing homes through a nomination’s agreement. WDC’s SHIP (2018-2023) has identified that there is a shortage of general needs 1 bedroom and larger family homes in the area. Our housing stock does not contribute to this demand need.

We also have a Section 5 nominations agreement with WDC to help permanently accommodate households experiencing homelessness. We allocate on average 35% of all our new lets annually through this route.

4.8 Welfare Reform

- 4.8.1 45% of our customer base currently relies on some form of Department of Working Pensions (DWP) benefits to help pay their rent. A snapshot of our benefit dependence at January 2019 is shown in Table 6.

Table 6: Benefit Levels

Entitlement	Number of tenancies	% of tenants
Full Housing Benefit	189	28%
Partial Housing Benefit	86	13%
Universal Credit	27	4%
No Benefit Entitlement	383	56%
TOTALS	685	100%

Source: Castleton IT system and DPHA records January 2019

- 4.8.2 Less than a third of our customers are in receipt of full housing benefit. Of the 189 tenants on full HB, 55% are of working age and will transfer to Universal Credit at some point as we have full roll out of Universal Credit in our area from November 2018. 42% are over the working age and will continue to receive housing benefit. We do not have age data for 3% of our full HB recipients. Of the 86 tenants who currently receive partial Housing Benefit, 50% are of working age and will be

transferring onto Universal Credit if they experience a change in their circumstances or are required to make a new claim for benefit entitlement. 42% are over the working age, and we do not have age data for 8% of our partial HB recipients. This pattern of benefit dependence may mean our income is less at risk than other housing associations.

4.8.3 As at January 2019, 27 tenants have moved onto universal credit and this number will continue to rise. The picture in relation to Universal Credit will regularly change as people move in and out of our homes. Part of the Universal Credit challenge will be helping tenants understand the implications and how to claim:

- Universal Credit from the DWP which can only be done online
- Grants from the local authority Scottish Welfare Fund and/or discretionary housing payments from WDC.

4.8.4 We must ensure our own staff are well trained on the changes to support customers and that we are able to engage expert help on complex cases when needed. We also need to ensure claimants can get on line directly or with our help to make and monitor their claims.

4.8.5 DPHA currently contribute towards the funding of the Clydebank Independent Resource Centre (CIRC) to provide a welfare benefit service 5 days a week. Through this, our tenants have access to a welfare rights officer help to maximise individuals' incomes, process housing benefit and universal credit claims and to assist customers with debt issues. This in turn helps our tenants to pay us rent and sustain their tenancies. In the financial year to 2017/18, CIRC reported that they had generated welfare monetary gains for our tenants of £291,142.69.

4.8.6 Personal contact with tenants has helped our staff and tenants understand the impact of universal credit. We have also emphasised in our newsletters the need for tenants to contact us as soon as their circumstances change so that early action can be taken to manage the transfer to universal credit. We have reviewed our Income, Arrears and Debt Management policy for the introduction of full roll out of Universal Credit. We will make personal contact with all our tenants of working age to provide advice on the possible impact of Universal Credit could have. We will ensure all customers have a bank or Credit Union account for their benefit to be paid into and discuss the various ways of paying rent, through online Allpay, Direct Debits etc. We will promote CIRC for general financial and debt advice.

4.8.7 The threat of the withdrawal of direct payments of the housing element of Universal Credit to landlords has to some extent been mitigated in January 2017 when the Scottish Social Security Minister announced that people in receipt of Universal Credit can choose to have the housing element directly payable to their landlord. Our staff will work closely with our tenants who migrate onto Universal Credit to encourage that they opt to pay the rent element direct to us. This will be part of new tenant counselling.

4.9 Our Rents, Affordability and Value for Money

- 4.9.1 Ensuring our rents are affordable and offer good value for money is crucial if we are to remain an attractive choice of landlord and to help our tenants deal with the continuing difficult economy and the challenges of the welfare reform.
- 4.9.2 Since the inception of Scottish Housing Charter and ARC reporting, we appointed an independent consultant, Management Information Scotland (MIS), to carry out continuous quarterly monitoring of our key customer satisfaction ARC indicators who undertake face to face tenant satisfaction surveys. A total of 203 tenants (29%) were interviewed face to face between the April 2018 and January 2019. On the question on rent affordability and value for money, 91% of our tenants believe their rent represents very or fairly good value for money. Only 3% felt our rent offered very or fairly poor value for money, with 6% answering neither nor.
- 4.9.3 This proportion of tenants who believed their rent represents very or fairly good value for money has increased from 84.49% in 2017/18 to 91% in 2018/19 and is higher the 2017/18 Scottish average of 83%.
- 4.9.4 Table 7 sets out our current rent level in comparison with other housing associations providing accommodation in Clydebank and Scottish average rents.

Table 7: 2017/2018 Average Rent Level Comparisons

Average Weekly Rent	DPHA	Clydebank	Trafalgar	Knowes	Faifley	Scottish Average
1apt	£58.51	~	~	~	~	£67.44
2apt	£74.24	£62.56	£63.13	£66.68	£72.61	£73.33
3apt	£75.44	£65.70	£66.86	£71.79	£79.29	£74.94
4apt	£85.29	£81.23	£74.48	£80.00	£83.75	£81.37
5apt	£101.05	£97.69	£81.20	£95.28	£85.66	£90.39

Source: Scottish Housing Regulator ARC Returns 2017/18

- 4.9.5 From the table above, our average rents appear higher than the Scottish average, but it is noted that these include our housing support charge within our sheltered housing. Taking the housing support charge out of the equation, our 2 apt. properties have an average weekly rent of £67.70. We provide furniture packages to a total of 21 individual properties, again this will make our average rents look higher. All our current rents pass the SFHA affordability test.
- 4.9.6 We also still have 40 Fair Rents (secure tenancies signed prior to 2 Jan 1989) which have their rent increase determined by the Rent Officer at Rent Service Scotland every three years.
- 4.9.7 In November 2016, the Scottish Housing Regulator (SHR) published a thematic study into how social landlords consult tenants about rent increases and highlighted several areas of good practice. This study also highlighted that in 2015/16, social landlords in Scotland reported that they received about £1.2 billion of housing benefit in respect of 402,752 households. This represents on

average around 56% of landlords' income for that year and around 69% of households. It also highlighted that 61% of households in social housing have a net income of £15,000 or less. The study gave a clear message on the need for RSLs to carefully consider affordability and the impacts on public spending when reviewing their rent increase policy.

4.9.8 Rent is a major household expenditure item for our tenants. 13% of our tenants receive partial housing benefit and 56% of our tenants pay their rents in full. Rent affordability is extremely important to our customers and we will continue to focus on clear strategies to keep our rent affordable. We will work to drive value for money in all that we do to support this including exploring partnership with a local RSL to help reduce our management costs.

4.9.9 We will also continue to support tenants to pay their rent on time and in full by offering pre and post tenancy advice and expert in-work and out-of-work welfare benefits and money advice support.

4.9.10 We have made substantial improvement in Year 1 of this Plan in rent collection levels as well as re-let times and will therefore continue to will look at improving our performance in line with good practice for maximising income collections and streamlining our re-let process.

4.10 Our Stock

4.10.1 Table 8 contains a summary of our stock portfolio including its age and stock transfer and acquisition dates.

Table 8: Summary – Stock Table Profile

Property Descriptions	Total No. Units	Comments
Pre-1919		
Tenements	435	Original stock from set up of Association in 1978 with additions through acquisitions. Most of these properties were subject to comprehensive tenement improvements from 1975-1989. 1 property is a Non-Self-Contained 4 apt ground floor flat managed by an external support provider.
1919 - 1944		
Houses	2	Self-contained houses, one of which was obtained through the Mortgage to Rent scheme in 2012. The other house is a specially adapted detached house for a tenant who receives extensive support.
1965 – 1982		
Nairn Street & Nairn Place	50	Stock transfer from SSHA in 1995, 35 of which are supported sheltered properties and 1 common room.
Ailsa Drive & Riddell Street	2	Non-self-contained detached houses managed by Cornerstone.
1983 - 2002		

Property Descriptions	Total No. Units	Comments
Shaftsbury Street complex	47	Stock transfer from SSHA in 1995, 35 of which are supported sheltered properties and 1 common room.
Adelaide Court, Mountblow	32	Flatted and terraced house new build development built in 1995 with mixture of tenanted and shared ownership. 1 property is a Non-Self-Contained 4 apt ground floor flat managed by an external support provider.
Burns Street	8	New build tenement type properties built in 1988
The Crescent	38	New build flats built in 1992, 1 property is a Non-Self-Contained 6 apt ground floor flat managed by an external support provider.
Dumbarton Road	29	New build flats dating 1994 with mixture of tenanted and shared ownership.
Glebe Court, Old Kilpatrick	10	New build shared ownership development, 1 has been bought back into full tenanted stock
Iona Crescent, Old Kilpatrick	27	New build flatted, and terraced house development built in 1992.
Old Street, Duntocher	2	2 Shared ownership properties in a 4 in a block, not factored by DPHA.
Pattison Street	7	New build terraced houses, and one tenement building, built in 1988. 1 non-self-contained house managed by an external support provider.
Total Rental Stock	689	

Source: DPHA IT system

4.10.2 Table 9 provides further summary information of our stock by building type and apartment size:

Table 9: Stock Profile – By Building Type and Apartment Size

	1apt	2apt	3apt	4apt	5apt	6apt	7apt	Total	%
Houses	-	18	3	22	1	3	2	49	7.1
Flats (Note 1)	-	2	1	6	-	1	-	10	1.5
Tenements	9	259	244	38	3	-	-	553	80.2
Sheltered	-	62	8	-	-	-	-	70	10.2
Wheelchair	-	-	5	1	-	1	-	7	1.0
Total	9	341	261	67	4	5	2	689	100.0

Source: DPHA IT system

Note 1: Flats and Maisonettes

4.11 Asset Management

4.11.1 The Association's physical assets along with our people are our key resources. Maintaining and investing in our properties is what we will spend most on. With this, the key building blocks for effective business planning are:

- Up to date and verify information on the condition of the housing stock and other assets

- Intelligence on how the stock is performing (i.e. current and future demand, repairs and maintenance information)
 - Future investment needs to help keep the stock attractive and popular and to ensure the component parts in a good condition.
- 4.11.2 The Business Plan coincides with several actions which have been completed during Year 1 of the Plan period to transform the performance of DPHA in managing our assets. These comprise:
- A significant increase in the levels of investment in planned maintenance and component replacement in our stock.
 - Embedding our new procurement policy to ensure best value is evidenced and that we are compliant with legislation and good practice.
 - Review of all policies relating to asset management services.
 - Complete re-tendering of all service contracts including reactive repairs and gas servicing contracts within the first two years of the Plan period.
 - Tendering all cyclical maintenance contracts as existing contracts expire.
 - Overhaul of business systems supporting the asset management function, including record systems required to demonstrate compliance with legislation and good practice.
 - Securing appropriate levels of resources to support our asset management proposals and deliver our programmes.
- 4.11.3 Some of these could not be advanced until we decided on our strategic direction but with the decision made in February 2019 to stay independent, we can now advance procure plans either on our own or in collaboration with others.

Stock Condition Survey (SCS)

- 4.11.4 In 2018, we commissioned John Martin Partnership (JMP) surveyors to undertake a 20% survey of our stock. Approximately 60% of our stock has been surveyed by JMP over the last 7 years to 31 March 2018. This SCS update allowed us to interrogate and refine our 30-year programme and produce an up-to-date plan for our stock. We will continue to survey the remainder of our stock over the next 3 years. Our current investment programme has been revised to take into account component replacement work undertaken in recent years and feeding this information into our future investment plans.
- 4.11.5 We currently use an asset management software system designed by JMP called The Hub to hold and manage our stock data. This information was used to complete our ARC Return 2017-18 in May 2018. Information available from The Hub has allowed for the reporting of more accurate information on the Scottish Housing Quality (SHQS) Standards. Although we know that 100% of our stock is SHQS compliant, we still look for failings on an ongoing basis and remedy any failings as we find them.
- 4.11.6 In March 2018, JMP updated their ESSH module of The Hub to be used to generate reports for our ARC return. We will need to invest time in 2019-20 to

familiarise ourselves with the upgrade and inputting of data into The Hub. Whilst the Hub software has been helpful with data collection, it does not support forward investment planning. We will therefore review to best asset management IT solution going forward to meet our needs but reflecting our scale.

4.11.7 We are currently reviewing compliance with the Energy Efficiency Standard for Social Housing (EESH2) which requires to be met by 2020. Our current practice is to build up information on Energy Performance Certificates (EPC's) when properties become vacant. This has involved a degree of cloning to produce figures on EESH compliance. In 2018/19 we have undertaken over 100 EPCs to update our information on the energy efficiency of our houses. This has increased our EESH compliance to 77% and has provided further information on what we need to do to reach 100% compliance by 2020.

4.11.8 Our heating breakdown for all our properties is:

Heating Type	Number of Properties	% of Properties
Gas Heating	620	93.5%
Electric Storage Heating	43	6.5%

Investment in planned maintenance and component replacement in our stock

4.11.9 Our proposed outline 5 Year investment programme is set out in **Appendix 2**. This has been informed not only by the updated SCS, but also through tenant feedback in the options appraisal on their investment priorities for the future. We have now completed the heating options review for the remaining stock at The Crescent and will be installing a modern electric heating system to 37 properties in Spring 2019.

4.11.10 We recognise that levels of investment particularly on external works have been low in recent years. Following analysis of the SCS update, we are clear that there is a backlog of work based on our recently reviewed life cycles for replacing building components. Key areas for attention will be window and door replacements, stonework/external wall insulation, heating/ boiler and kitchen replacements. We have supplemented our knowledge of the stonework repairs by commissioning an independent survey which has provided us with a plan for the next 15 years. It has identified the sandstone tenement blocks which require work carried out to them in the short, medium and longer term.

4.11.11 We currently have no debt and we still have strong cash balances. That said, accelerating our investment programme to the level set out in our plan will require additional borrowing facilities. Our investment plans and new borrowing requirements have been reflected in our 30-year financial projections set out in Section 8 of this Plan. Subject to detailed surveys to confirm conditions, over the 5 years from 2018 we want to plan the following:

- Window/ door replacement programme to an estimated **140** properties.
- Completion of **42** central heating systems and **183** replacement boilers to ensure EESSH compliance by 2020.
- External wall insulation programs to the rear elevations of some of our sandstone tenement properties benefitting **120** homes to reduce heating costs and help reduce fuel poverty. We will work closely with WDC to secure grant support for owners in our properties and will work with home owners to assist owners to participate in these works.
- Bid to the WDC Strategic Housing Investment Programme (SHIP) for financial provision to support buying back properties from home owners in multi tenure closes that will allow us to deliver external investment. Over the first 5 years of the plan would target acquisition of **20** properties.
- Upgrade of **293** kitchens.
- **304** bathroom upgrades.
- Backcourt landscaping/improvements to upgrade **15** back courts and bin areas.
- Replacing existing smoke, heat and carbon monoxide detectors with a linked alarm system to **every** property we own. The Scottish Government has set a target for completion of this work by October 2021.
- Replacing the integrated communication/alarm systems within our **2** sheltered housing schemes to a digital platform which will include hard wire carbon monoxide alarms and additional heat alarms linked to the system is provided from in year 2 of the plan.
- Provision for ongoing essential stonework repairs to our pre-1919 tenements.

Procurement and Asset Management Policies

- 4.11.12 In April 2018, we approved a new Procurement Policy. This is in line with current legislation and good practice. During the first two years of the Plan period, we will review all contracts and embark on procurement activity to ensure supplier arrangements are in line with our policy and can demonstrate value for money.
- 4.11.13 We will complete in Year 2 of this Plan the update of our asset management policies as part of a wider policy review.
- 4.11.14 An immediate focus will be on a compliance audit to ensure our policies and procedures on gas servicing, legionella, asbestos, fire protection devices and fire safety arrangements meet health and safety obligations. This should be completed in May 2019.

Technical Resources

- 4.11.15 We will continue to engage external expertise to assist in procuring and managing our investment programmes when required to supplement our staff resource. We have a part time Asset Adviser in post currently to help co-ordinate our programme as well as temporary project delivery resource.

4.12 Factoring Service

- 4.12.1 We are registered as a Property Manager with the Scottish Government and provide factoring services to 170 properties, containing owners and sharing owners within our general housing stock. We also provide a factoring service to 36 commercial properties.
- 4.12.2 As Property Manager, we organise and facilitate close meetings for all common repairs, involving owners, where the estimated expenditure exceeds £2,000 and deliver the following common services to factored owners:
- Repair, maintenance and servicing of all common areas
 - Cyclical maintenance to all tenement type properties
 - Landscape maintenance to all common areas
 - Building's Insurance cover
 - Major common improvements
 - Close cleaning
- 4.12.3 Our annual management fee is £55 per property. All the running costs in relation to factoring, except for common repairs, are recharged on an annual basis. We offer a direct debit facility where an owner may opt to spread their payments over the year at no additional cost. Payment in full is also accepted and if paid within 28 days from date of invoice will attract a discount of 5%.
- 4.12.4 Our factoring service was subject to an internal audit review in January 2019 and the results were that it received an impressive Substantial assurance report. We will further develop this service over 2019/20.
- 4.12.5 We will pursue all unpaid accounts through our arrear procedure. If no effort is made to clear arrears, we will take legal action with all legal costs being billed to the owner. Our action is dependent on the level of arrears and the advice of our solicitor. Our net factoring debt at the end of 2017/18 was £30,098 and £62,828 at 31 December 2018. We continue to focus on the accounts which have significant debt levels to obtain payment.
- 4.12.6 We aim to establish an Owners Panel, meeting on a bi-annual basis, to address any common factored related issues and discuss future ideas and suggestions primarily to enhance properties and the area. In addition, we will organise meetings for owners within areas involved in major works to ensure they are fully involved in our plans and the progress of projects. This will be a significant area of work for us as we progress the works relating to the external insulation and stonework repairs of our older tenement properties.

4.13 Care and Support Services

Sheltered Housing

4.13.1 We have two sheltered housing complexes providing 70 homes for people in need of care and support at home.

4.13.2 Our Shaftesbury Street complex was originally built by the Scottish Special Housing Association (SSHA) in 1986. It provides 35 units of sheltered accommodation (17 ground floor and 18 first floor properties) and a common room and laundry facility.

4.13.3 Our Nairn Street complex was originally built by SSHA in 1982. It provides 35 units of sheltered housing accommodation (19 bungalows, 12 ground floor and 4 first floor properties), a common room and laundry facility.

Table 10: Sheltered Housing Property Size

Property Type	2 Apt	3 Apt	
Bungalow	19	0	
Ground Floor Flat	25	4	
First Floor Flat	18	4	
TOTAL	62	8	70

4.13.4 In 1995, we submitted a proposal for the transfer of 105 SSHA properties which included both complexes. Tenants voted for the proposal and Scottish Homes transferred all these properties to the Association in June 1995.

4.13.5 Our Sheltered properties are fitted with an alarm system that provides sheltered tenants with support in an emergency 24 hours a day. Most of our sheltered properties are adapted to meet the individual's tenant's needs which promotes independence.

4.13.6 We actively promote the use our common rooms at both Nairn Street and Shaftesbury Street to promote social activities and address social isolation of sheltered tenants. The Beardmore Trust provides a weekly lunch club in each complex to promote good nutrition and social interaction.

4.13.7 Our communal facilities contain a support staff office, lounge area, kitchen, toilet facilities and laundry facility, where tenants can meet with their neighbours and become involved in various leisure indoor and outdoor activities.

Our Sheltered Customer Base

4.13.8 We recognise the variety of support needs of our sheltered tenants and implement an individual care plan to ensure their safety and well-being. Our current tenants receive housing support for a variety of general health issues, mobility issues, living with dementia issues and end of life care. Currently 38% of our sheltered tenants have significant mobility issues.

4.13.9 Working with West Dunbartonshire's Health and Social Care Partnership (WDHSCP) Occupational Therapists, we access funding from the Scottish Government for adaptations and a number of these are carried out within our sheltered housing stock to improve mobility and increase independence at home. We made adaptations to four of our sheltered properties last year.

4.13.10 We do experience turnover in our sheltered housing stock, which is to be expected. In the year to December 2018 we had 7 voids. WDC has 100% referral nomination for our sheltered properties and we work closely with the local authority to minimise the void times and ensure that these specialist homes are available to those who need the security and support they provide. However, this can create delays in reletting our homes and with this, we plan to engage with WDC as part of our proposed Rent/ Letting Improvement Plan to review and improve processes.

Funding

4.13.11 We receive revenue grant funding through our partnership with WDHSCP and currently directly deliver the housing support service at our sheltered housing complexes. We have not had an increase in revenue grant funding for the last 10 years and has worked closely with the WDC/WDCHCP to reshape services within an envelope of funding made up of revenue grant and a service charge directly to tenants. We currently receive £89,544 of revenue grant funding from WDHSCP and £134,694 is raised in service charges to provide the service in 2019/20.

4.13.12 The key challenge in the current financial year is to recognise the different hurdles facing each element of care arising from major changes in the external operating environment, particularly surrounding funding for elderly care. We need to examine the viability of developing a personal support service to our sheltered housing tenants and possibly the wider local community maximising on the funding changes for care.

Dalmuir Out of School Care Group (DOSCG)

4.13.13 DOSCG was established in 1992 as a not-for-profit child care facility run by parents. Initially, we were involved with the formation of the group and over the years have continued to offer the group support. In April 2008, the Association became the new registered providers of the service. DOSCG provides a service for local children between the ages of 4 years and 12 years the summer prior to the child going to secondary school. We are registered to support 70 children per day.

4.13.14 Our aim is to provide a high quality, safe and affordable out of school care facility. The service is entirely funded by parent's fees. DOSCG provides a school escort service during term time, supporting and collecting children from 3 local schools. We facilitate a play scheme during school holiday periods and in-service days, providing a range of trips, outdoor and indoor activities to meet with the development needs of the children within the wider community.

- 4.13.15 In 2018/19, we had a very successful year raising funds by holding indoor events, sponsored walk with the children and further funding being awarded from WDC, along with donations from a selection of local businesses. We raised £1,645 for our play scheme funds and these support the play scheme day trips, reducing the costs for the parents while ensuring the children experience interesting and fun places to go. We will also use this funding to buy resources to help stimulate the development needs of the different ages and stages of the children supporting them to meet their individual milestones.
- 4.13.16 We are a member of the WDC's After School Care Forum which allows us to access training opportunities, free transport passes and provides a useful network with the other afterschool providers in the area to share best practice.
- 4.13.17 We have an active Pupil Council made up of elected young people members that meet every month to discuss the ideas and decide on the most effective ways to change and improve DOSCG. The Pupil Council regularly share news and information about new resources, initiatives and the important things they want to achieve. This forum encourages our young service users to speak out and helps build their confidence and skills as young citizens.
- 4.13.18 Our service is available Monday – Friday. We have exclusive use of four large class rooms on the top floor with both male and female toilet facilities within Dalmuir Community Centre. We have installed a security door with a camera system for the safe guarding of the children and staff. For physical activities we have the use of the gym hall twice a week. We have an allocated outdoor picnic/play area, which we have recently secured by building wooden fencing and gates around the play area to maximise children's safety. We are aware that WDC are currently undertaking a review of their community centre provision. We want to work with WDC to review their plans for the Dalmuir facility as part of a wider review that we want to do on the range of support projects needed in the area against current provision.
- 4.13.19 Our service is valued within the Dalmuir community as it gives parents/carers the opportunity to continue with their working career, seek employment or return to further education. We supported 100 children in 2018/19, 33% 4 to 6-year olds and 67% 7 to 12-year olds.
- 4.13.20 Our play scheme register over the last two years is split into children that use the service all year round and children that register for the school holiday play scheme only from the wider community. This is important to DOSCG as it helps with the viability of the service and the continuity of staff employment.

Table 11: DOSCG Income generation over the last three years

	2016/17	2017/18	2018/19
Term time Usage	£127,806	£120,872	£127,537
Term time/Play scheme Usage	£34,426	£36,602	£29,518
Wider community Usage	£4,748	£2,772	£6,336

Regulation of Our Care and Support Services

- 4.13.21 Our sheltered and DOSCG services are both registered with and regulated by the Care Inspectorate. The Care Inspectorate have powers to inspect and grade services, dealing with service complaints and carry out enforcement action where necessary to address issues of concern. Once an inspection visit is completed, the service is then awarded grades for certain 'quality themes' that they have assessed. The six-point grading scales works in this way:

Grade 6	Excellent
Grade 5	Very good
Grade 4	Good
Grade 3	Adequate
Grade 2	Weak
Grade 1	Unsatisfactory

- 4.13.22 Our sheltered service visit was carried out early this year and the tables below show the grades awarded to housing support service over the last two years.

Table 12 - Care Inspectorate Grades

Sheltered Housing Report 2018-19		
Grade 5	Very good	Quality of care and support
Grade 5	Very good	Quality of management and leadership
Sheltered Housing Report 2017-18		
Grade 5	Very good	Quality of care and support
Grade 5	Very good	Quality of management and leadership

- 4.13.23 We continue to maintain a high standard of care and support to people using our housing support service.

- 4.13.24 The annual Inspection visit for DOSCG was also carried out early this year. The tables below show the grades awarded to DOSCG over the last two years:

Table 13 – Care Inspectorate Grades

DOSCG Report 2018-19		
Grade 4	Good	Quality of care and support
Grade 4	Good	Quality of environment
Grade 4	Good	Quality of staffing
Grade 4	Good	Quality of management and leadership

DOSCG Report 2017-18		
Grade 3	Adequate	Quality of care and support
Grade 3	Adequate	Quality of environment
Grade 4	Good	Quality of staffing
Grade 3	Adequate	Quality of management and leadership

4.13.25 We have secured grade improvement from the last inspection thanks to our efforts to improve the quality of the facility within which we operate. We continue to maintain a high standard of care and support to children/parents using our service.

4.14 Diversification through Wider Role Projects

4.14.1 DPHA has always believed that housing management goes hand in hand with community development. We have a proud history over the years of providing a wide range of Wider Role projects and activities which involves community groups, schools and individuals. Projects have included:

- Soccer Sixes Tournament – Football tournament involving all Clydebank Primary Schools. This project was absorbed into West Dunbartonshire Active Schools program in 2016
- Dalmuir in Bloom – Providing hanging baskets and window boxes in local streets and common areas. This project has now been absorbed into our Estate Management contract.
- Children’s Soft Play Party – Providing 30 local children with soft play apparatus followed by light snack and entertainment.
- Schools Football League – Sponsorship and administration support of outdoor football league involving all Clydebank primary schools.
- Dalmuir Youth Event – In partnership with WDC Youth Team providing an afternoon at Bearsden Ski slope for 20 young people, followed by light snacks.
- Dalmuir Illuminations – DPHA created its own feature, participating in WDC Illumination Project.

4.14.2 Major projects completed within the programme include:

- Moon Garden – Creation of community garden to encourage flower, fruit and vegetable growing. Community partnership created with Levensgrove Project to support and develop gardeners who continue to maintain the site which opened in 2007.
- Beardmore Garden – Creation of a community garden and seating area to compliment the Beardmore Sculpture. The site is maintained by our gardeners and supported by the Levensgrove Project and opened in 2010. The Beardmore Memorial Stones were moved here in 2014 in partnership with West Dunbartonshire Environmental Trust to commemorate the First World War.

4.14.3 We currently have the following projects that make up our programme of events:

- Pupil of The Year Award – Community partnership formed with Golden Jubilee & Conference Hotel in 2011 to establish a project with three local schools to promote educational achievements. This award was part funded by the Beardmore Trust in 2018/19.

- Independent Resource Centre Sensory Room – Located within one of our commercial properties, this project receives a rent subsidy with the project designed to support vulnerable children.
- Christmas Vouchers – Distribution of gift vouchers to older and special needs tenants
- Garden Competition – Annual awards involving up to 100 of our resident’s gardens
- Summer Social – an activity for our older and special needs tenants
- Community Grant Initiative – a partnership formed with local business in 2016 creating an annual £200 grant that local groups can apply to for funding.

4.14.4 Throughout each financial year we consider and make small donations to local charities and organisations from our local area.

4.15 Our Partners

Customers

4.15.1 We recognise that customers are the very reason for our existence. We want them at the heart of all that we do so that we continually review and improve the quality and range of services we offer to meet their needs. Most of our housing stock is within walking distance of our office which means we are very accessible to our customers. That said, we want to be out there, in our tenants’ homes to understand and support them as a great local landlord.

4.15.2 As part of the option appraisal, in April 2018 we established two new Tenant Panels to engage with our customers. One Panel covers our sheltered housing complexes and the other is for our mainstream tenants. We are continuing to consult and work with both groups as a sounding board on our journey to excellence.

4.15.3 Our AGMs are well attended by shareholders each year.

4.15.4 We issue three newsletters each year giving tenants and factored owners information on the changes and planned improvement works as well as local news stories and advice articles. We also issue each October our landlord report to tell our tenants and service users how we performed. We encourage feedback on what we are doing and how we are doing it. We will ensure customers feel that we are a learning organisation, listening to our customers, hearing their voices and ensuring customer priorities are at the centre of our transformational change management process. We want to do more on this including how we inform and engage customers on developing our asset management strategy.

West Dunbartonshire Council (WDC) and the Scottish Government

4.15.5 Over 2018, since DPHA moved to high engagement, we have kept WDC fully informed on the issues at the association and how we have been managing them

to ensure confidence. We have worked hard to re-engage strategically with WDC as the strategic housing authority.

- 4.15.6 We work closely at an operational level with WDC and currently receive some funding to deliver housing support services at our sheltered housing for the arm's length West Dunbartonshire Health and Social Care Partnership (WDHSCP). We are currently in discussion with WDHSCP to clarify the levels of funding likely to be available over the next 3 years.
- 4.15.7 We are also committed to assisting WDC deliver its legal obligations on homelessness including accepting Section 5 (homeless referrals) for permanent accommodation from the Council's homelessness team.
- 4.15.8 Over recent years, DPHA did not engage closely with WDC and as a result, missed opportunities to access grant funding for energy efficiency works and new build provision. In terms of new build, given our key priority to overhaul governance at DPHA and create a strong focus on improving the condition of our current stock, this will not be a priority during the term of this Business Plan.
- 4.15.9 EESSH/ HEEPS funding has been available for a number of years to RSLs and owners in various forms of grant but DPHA have not made use of this to improve the energy efficiency of its housing stock. Unfortunately, there is very limited grant assistance now available for RSLs. However, HEEPS grant funding is still available for owners and we will work closely with WDC to maximise the use of this grant mechanism for our EWI investment programme.
- 4.15.10 WDC has submitted next SHIP for 2018-2023 to the Scottish Government for approval. Following discussions with WDC Strategy Team, we submitted a grant proposal to buy back properties in our mixed tenure building to facilitate deliverability of common repairs and upgrades. We are proposing a buyback programme of 5 homes per year with a subsidy of £30,000 per property from 2019/20 to 2022/23 which could add 20 properties to our portfolio. We will develop a business case to support each acquisition. We are waiting on confirmation from The Scottish Government on the outcome of the SHIP submission.
- 4.15.11 We receive annual funding from Scottish Government to support disabled adaptation work. In 2018/19 our funding allocation is £20,000. We use this to carry out adaptation work specified by WDC Health and Social Care Partnership via their Occupational Therapist Service. This allows many of our tenants to stay in their own home for longer. In 2019/20 we have spent the whole allocation and have asked for some additional funding. We are awaiting the outcome of this request.
- 4.15.12 We will continue to build our relationships with WDC and Scottish Government to maximise resources through grant assistance and aim to play an active part in delivering national government policy and contributing to effective local strategies.

Lenders

- 4.15.13 We repaid all of our loans during 2018/19 and are currently debt free.
- 4.15.14 We will be developing a funding strategy in 2019 to secure new borrowing in 2020 to support the significant investment that we need to make in component replacements and planned improvements in our housing stock.

The Scottish Housing Regulator (SHR)

- 4.15.15 SHR have a key role to protect the interests of tenants by setting high regulatory standards for all RSL's to meet. Following the intervention of SHR, the current Management Committee and staff team are now clear on regulatory expectations and we are committed to meeting these in full to demonstrate that we are well governed and led. We will work in an open, co-operative manner with SHR to address all issues highlighted in our regulatory plan. Our Statutory Manager reports to SHR and will continue to keep them fully abreast of all key activity.

4.16 Our Performance – Benchmarking

- 4.16.1 As part of our current Governance and Financial Management Improvement Plan, we engaged an external consultant to review and verify the quality of the data collection for the Annual Return on the Charter (ARC) for 2017/18 before submitting this to SHR. This process did find errors with most earlier ARC data returns but allowed us to be confident in the submission for 2017/18 and going forward.
- 4.16.2 We have reviewed our data collection information for repairs and ESSH for the reporting year 2018/19. We have updated our core IT system this year and will ensure that this takes account of our data collection requirements.
- 4.16.3 Table 14 compares our performance over the last 2 years against other housing associations in Clydebank and sector averages.

Table 14 – Benchmarked Performance of DPHA

	DPHA 2016/17	DPHA 2017/18	Clydebank 2017/18	Trafalgar 2017/18	Knowes 2017/18	Faifley 2017/18	Scottish Average 2017/18
Tenant Satisfaction	95.1%	95.7%	94.0%	97.6%	91.0%	94.1%	90.5%
Repairs (last 12 months) %	88.2%	92.3%	87.3%	91.0%	87.1%	92.3%	92.1%
% Rent Collected	103.2%	98.3%	98.5%	100.6%	99.0%	96.9%	99.4%
Void Loss %	0.7%	0.8%	0.3%	0.1%	0.2%	0.3%	0.7%
Re-let days	17.9	23.1	15.4	3.0	7.6	24.2	30.7

4.16.4 As can be seen, whilst we enjoy good satisfaction levels, we want to get better and work to delight our customers in terms of what we do and how we do it. This will be a core focus for us. Stopped

4.16.5 We have made improvements on our core business, at the end of quarter three of 2018/19 our gross rent arrears have decreased to 4.05% of total rent collectable. Our days to relet voids has decreased to 14.83 days. The staff team are now clear on expectations. We have planned activity to redesign our approach to rent and letting that has streamlined and simplified our processes.

5. ANALYSIS OF OUR OPERATING ENVIRONMENT

At our strategy session on 2 February 2019 attended by the Management Committee and management team and facilitated by the Statutory Manager and consultancy support, we looked at the following:

- Current or future issues in our external operating environment and what implications they might have for the organisation and consider how these can, as appropriate, be built upon and/or improved;
- Our internal capabilities;
- Set against these and the knowledge of our business capabilities and appetite, what we want to do going forward;
- The risk considerations that exist or emerge from our plans and how best to address these in terms of avoiding, mitigating or managing each key risk.

The aim was to align the organisation to the changing environment, so that we manage the threats and take advantage of opportunities that further our Strategic Objectives.

5.1 Political, Economic, Social and Technical (PEST) Analysis

5.1.1 Table 15 sets out our assessment of the key external considerations that could impact our organisation.

Table 15 - PEST Analysis

Political/Legal	Social
<ul style="list-style-type: none"> • Welfare Reform and universal credit roll out • SHQS, EESSH and emerging fire safety requirements • SHR Regulatory Framework review • Procurement regulations • BREXIT/Scottish Referendum 2 • SHAPS Pension scheme • Govt. target for 50,000 new homes by 2020 • Legal changes to reverse ONC reclassification of HAs 	<ul style="list-style-type: none"> • Demographic change • Growth of old & very old population • Rising consumer expectations • Condition of local shared environment • Need for greater partnership working (cuts will drive the need for joint working) • Local competition • Demand for social and affordable housing • Development opportunities (housing and wider regeneration) •

Economic	Technological
<ul style="list-style-type: none"> • Rent affordability • Inflation rates (above gov. targets) • Interest rates (low but likely to rise) • Austerity cuts (UK, Scottish Government and impact on Council funding) • Unemployment • Inequality and poverty • Next SHAPS pension valuation - 2018 • House price inflation • Climate change • Rising energy prices/fuel poverty 	<ul style="list-style-type: none"> • Digital by default • Digital exclusion • Home/mobile working for staff • ICT requirements for on-line service • Innovations in energy efficiency • Increased use of mobile technology & social media • Innovations around home care and support

Political

5.1.2 The 2017 Westminster election produced another Conservative government. Although it has had to form alliances and make concession to advance its election manifesto, it continues to drive through its wide-ranging welfare reform programme. Whilst the Scottish Government is committed to mitigating the changes for those most in need in Scotland, welfare reform will continue to impact on the poorest in society who will commonly be social housing tenants. With full rollout of universal credit from November 2018 in our area of operation, we must ensure that we fully understand our tenant base and their changing needs and help them prepare for the future, including how they will pay for their rent. We must also proactively counsel prospective tenants in the same way and work to keep rents affordable. This will be a top priority going forward.

5.1.3 Whilst our rents compare favourably with sector average rents, when considered against the 4 local Clydebank associations and the local Council, there is room for improvement. That said, we know we want to deliver our programme of investment in our homes. Rental income plus new borrowing and any grant we can access will be our core sources of finance. We have modelled the sensitivity of changes to rent levels carefully in our short, medium and long term financial cash flows. Whilst we are a small housing association, we will work to reduce our costs and continue to improve performance so that we can improve rent affordability and still deliver the service we aspire to.

5.1.4 In terms of our physical assets, we have seen the welcome commitment of Scottish Government to secure the delivery of 50,000 new homes by 2020. Our local authority partner, WDC have their own housing strategies and Strategic Housing Investment Plan (SHIP) to contribute to this. Housing associations across the area are being expected to step up to the mark and play their part to support delivery. With this, opportunities exist to become involved in delivery. However, new build development brings specific risk considerations as set out in the SHR Development of Affordable Housing in Scotland (March 2017). Development today also involves a range of skills set that we do not have directly. Whilst the coming years may bring opportunity for us to become involved in new build via collaboration with others in the local area, in the short to medium term, given our

current regulatory status and other priorities around improving our current stock, building new homes would not be a key strategic priority.

- 5.1.5 SHR will publish its new Framework for how it regulates Councils and housing associations in February 2019. It will have a new focus on tenant safety, equality and rent affordability. We will also be required to submit an Annual Assurance Statements each October to confirm compliance or otherwise with the Framework. We have reflected on the direction of SHR travel and prepared to meet any new expectations. This will only go to strengthen our commitment to good governance and leadership.
- 5.1.6 On 23 June 2016, the UK voted to leave its membership of the European Union and the deadline is 29 March 2019 for this to happen. The only thing that is certain is that uncertain times lie ahead. There will be clear impacts for housing associations e.g. outlook for the economy, migration levels, impacts on demand and services and procurement arrangements to name a few. We will keep all of this on our strategic agenda and map the impacts and plan responses accordingly as the exit arrangements unfold.

Economic

- 5.1.7 The economic outlook has been shaped by the austerity agenda but more so, by the EU exit deal that Government are attempting to broker and the trade arrangements that will exist afterwards. Whilst the UK did not suffer the economic disaster that some commentators predicted after the BREXIT vote, we still face a very uncertain future in Europe and beyond.
- 5.1.8 We are building understanding of our tenant profile but know that a sizeable part of our tenant base are first generation migrants from Europe and particularly Poland. The risk clearly exists that depending on the impacts of Brexit, we could see some of our tenant base making decisions to leave the UK. There is also a clear risk that the employment market could be affected by Brexit with construction particularly affected.
- 5.1.9 House prices, rises in inflation and the ability of low income families to access a mortgage or quality/ affordable private rented options mean the demand for social housing will remain strong.
- 5.1.10 Spending cuts will continue to place pressure on public and voluntary services creating increasing pressure on local projects and their future sustainability. This puts us and other housing providers under added pressure to support services no longer funded by the state as we have seen in terms of support to our current sheltered housing. However, it does create the opportunity to explore how we might work better with WDC, our local RSL partners and the host of local voluntary projects to create complementary services that we can share to best effect.

- 5.1.11 Shifts in energy usage and costing are inevitable. These will continue to increase demands for improvements to energy efficiency and access to fuel poverty advice.

Social

- 5.1.12 The big social challenge going forward for DPHA in common with the whole of society is the changing demographic landscape. This has several implications. Firstly, the customer base will continue to get older and generate new demands. This is at a time when the NHS and local authorities have changed their models of care with a greater emphasis on keeping people at home but set against diminishing budgets. Our care and support service will be an important feature of our business but with funding pressures, we must keep viability of this non-core service under constant review. We will also need to continue to foster strong relationships with health and voluntary agencies to support people to stay in their homes.
- 5.1.13 We operate in an area with 5 local RSLs (Clydebank, Faifley, Knowes, Trafalgar and Yoker), but several other RSL of varying sizes with an operating presence (e.g. Wheatley/ Cube, Link, Caledonia/Bellsmyre). We know that some are already developing new homes and have ambitions to further expand. This landscape creates opportunity, both to partner and share resources with our local RSL neighbours where this makes sense. However, this environment also presents a clear threat to us in our ability to compete favourably in terms of price, quality and choice of service.
- 5.1.14 We must ensure that this Plan looks to the future to ensure that we build unique selling points for DPHA, particularly through our journey to excellence programme where we want to be the landlord and support provider of choice in the area.

Technological

- 5.1.15 Customer behaviour has changed dramatically over the past decade and modern businesses have changed their operating model to accommodate this and have driven cost savings as a result. More and more want to handle their simple transactions online by people of all ages using an array of IT devices and happy to do business in this way. Call handling on low level complexity service requests has been switching to customer service centres that are open out with traditional office hours. Innovative face to face solutions are being developed to take the service to the customer when complex matters present that need a highly skilled personal solution. Whilst larger housing associations have been developing new operating models to reflect this radical change away from the traditional housing model, this will always be a struggle for small housing associations like ourselves.
- 5.1.16 We need to widen our online offering, but still provide the means to speak to us directly in a cost-effective and accessible way, either on the phone or in person. The technology needed to get our services online will be important to meet consumer needs but could also be a cost reduction driver. As we develop our services, we need to ensure our staff team are comfortable and adept at using

modern technology to help consumers, but also to do their own business e.g. home working, handheld devices to take the service into the customers' home.

5.1.17 As well as rethinking how we offer services; we are aware that social tenants are still the most digitally excluded in society¹. Despite this, more and more public and commercial services are being designed as “digital by default” including the Universal Credit system on which so many of our tenants will rely on going forward. There are also the proven benefits of being able to access services online to get cheaper products and service, to learn and to access jobs and training.

5.1.18 We therefore must make sure we play our part to make it easier for tenants to get online confidently to engage and carry out business with us and others by developing a digital engagement plan.

5.1.19 We also need to consider what part technology can play in care and support at home to both reduce our costs but also help our tenants and service users live independently at home, recognising the benefits of social media to overcome loneliness and social isolation.

5.2 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

5.2.1 Table 16 sets out our internal strengths and weaknesses and our key external opportunities and threats as agreed by our Management Committee and staff team at our strategy day.

Table 16 - SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strengthened Committee and interim leadership • Self-assessment outcome – Working Towards Compliance • Staff (Interim leadership, committed, skilled, caring team, agent expertise) • Focus on customer excellence • Customer satisfaction levels and support for independent DPHA • Cash in bank/ no borrowing • Performance improving • Support services (sheltered and DOSCG) • Business process review • Updated SCS/ investment knowledge • Investment programme • Repairs service • Size (local knowledge, should be nimble) • IT systems upgrade and cloud based storage/ back up • New website to be launched 2019 	<ul style="list-style-type: none"> • SHR Regulation Plan • Rent levels (over local RSL's & sector average) • Customer engagement • Management Committee numbers and skills • Staff – small team but high management costs • Demand and level of give ups • Stock condition (mixed tenure blocks, energy efficiency, size of investment programme) • Contract compliance • Environment in some areas • Benefit dependence • Limited on-line services/innovation (feedback, texting, etc.)
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Reduce costs/improve efficiency/performance/more business process review • Culture change programme to transform DPHA - underway 	<ul style="list-style-type: none"> • Committee skills/ capacity • Staff skills/ capacity • Competition (WDC, local & national RSL's) • Universal credit impacts

<ul style="list-style-type: none"> • Widen tenant/community involvement • Wider role (digital access/jobs/apprenticeships) • Joint working especially in the local area • More Committee recruitment/ succession plans/ stabilise and develop Committee • Tap into external funding (buy backs, energy efficiency, wider role) • Procurement savings 	<ul style="list-style-type: none"> • Inflation rates rise • Rents become uncompetitive • Tenant profile and impacts of BREXIT • Further legislative/ regulatory changes on stock (fire safety, EESSH2?) • Supporting People budgets • Compliance with growing regulatory/ compliance requirements • IT hacking/ system failure
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Footnote: 1. *Spreading the Benefits of Digital Participation Final Report April 2014- Royal Society of Edinburgh*

Strengths

- 5.2.2 Our biggest strength should be that we are local. Our staff should know our customers well and be able to build up good, trusted relationships with high levels of customer satisfaction. We enjoy high levels of customer satisfaction despite the facts that we know we have let some customers down over the years in term of how we treat them and the condition of some of our homes.
- 5.2.3 Through the Options Appraisal process and as voiced by the 2 Tenant Panels and in the recent tenant survey, whilst tenants stressed that much needs to improve, they were very loyal to the DPHA brand and precious about having a landlord that is locally based rather than a large national association or one that operates out with our area.
- 5.2.4 Our Committee and staff team had been through a lot of pain over 2017/18. With the Committee strengthened through the SHR appointments and with the support of the Statutory Manager and leadership of the Interim Director, we are determined to transform DPHA and create an organisation that does the best for tenants and service users now and for the future.
- 5.2.5 Rent levels are considered affordable by our tenants, despite them being above local comparators. Tenant feedback is that they will be tolerant of this provided the service is better. That said, we know that we want to have a continued focus on reducing our management costs so that we can improve rent affordability and reduce our assumptions on rent increases each year whilst still delivering all that we have promised on services and investment.
- 5.2.6 The basic economics of the business are sound. Our stock condition in some areas needs to be addressed and investment accelerated. Our current levels of cash, with no borrowing and positive stock valuations and unencumbered stock mean that we have ample capability to pursue additional borrowing and generate supporting cash flows that allow us to do what is needed over the 30-year financial projections.
- 5.2.7 The updated stock condition survey has now allowed us to develop an investment for the next 5 years to meet the needs of tenants.

- 5.2.8 We enjoy a responsive and popular repairs and maintenance service mainly from local suppliers. However, with a new compliant procurement policy in place, a host of contracts will need to be re-tendered which could result in new suppliers and the potential for service disruption as new arrangements bed in.
- 5.2.9 Whilst good operational relationships exist with WDC, until 2018, there was no strategic engagement with the local authority by the association. This is now being addressed with positive contacts formed with the strategic leads for both housing and social care.
- 5.2.10 Our Care Services continue to perform well. Our sheltered housing service received “Very Good” grading from the Care Inspectorate at this year’s inspection and tenant and carer feedback was very positive about the person-centred care and support that tenants received. Our out of school club (DOSCG), for primary school age children, also received “Good” grades from the Care Inspectorate this year. The Inspector commented on the significant improvements, particularly to the environment of the service and nurturing ways of the staff with the children who use the service.

Weaknesses

- 5.2.11 We need to do much more to improve the quality and particularly the fabric and energy efficiency of our homes and surrounding environment. With much of our flatted property in blocks that we do not wholly own, this will bring real challenges of how we deliver investment to our homes and bring home owners on board to make this possible.
- 5.2.12 Whilst rents are largely affordable according to our tenants, we know we are more expensive than local RSLs and the local authority. Though there is pressure to accelerate investment, we know that we must also keep our costs down and rents affordable to our tenants.
- 5.2.13 Historically, core housing performance has not been given the attention it needed with the result that urgent work was needed in Year 1 of this Plan to turn this position around. Whilst we have room to further improve, we are already seeing radical improvement in rent collection levels, letting performance and void management.
- 5.2.14 Whilst the Management Committee as governing body has been strengthened through the SHR statutory appointments, we know this is a temporary solution and that we must ensure we can create a strong and skilled elected Committee going forward. We were placed in high regulatory engagement in December 2017 and the current plan is not due to be formally reviewed until June 2019. Whilst we were not complying with the SHR Regulatory Standards resulting in our move to high engagement, we developed and delivered a wide-ranging Governance and Financial Management Improvement Plan to address this. We conducted a self-assessment against the SHR Regulatory Standards in February 2019 with the support of our Statutory Manager and based on the evidence available, we

consider that we are **'Working Towards Compliance'** with no areas of material non-compliance identified. We have updated our Governance and Financial Management Improvement Plan for Year 2 of this Plan to ensure we reach a position of full compliance as now a learning and improving organisation.

5.2.15 Our management costs are still high but have reduced considerable over Year 1 of this Plan thanks to our efforts. We will restructure our staff team in 2019 and look to reduce costs further through this and also strategic collaboration where this is sensible.

5.2.16 We have been improving customer service and will continue to have this as our primary focus. To do this, we need a staff team with the right skills, attitudes and behaviours. We created a new culture focussed on customer excellence in Year 1 of this Plan and have been introducing new ways of working and thinking which are now bearing fruits in our results. We will roll these changes out across all of DPHA over the course of this Business Plan.

Opportunities

5.2.17 We see real opportunities for renewal of our governance and staffing structures to best prepare us for the future.

5.2.18 We also have a clear opportunity to review our processes to streamline and simplify all that we do to both reduce costs but also improve the customer experience by removing unnecessary processes and avoiding customer service requests being passed from team to team.

5.2.19 At a strategy session in February 2019, the Management Committee re-assessment the option of remaining independent against the two models of partnering with a larger RSL (group structure and transfer of engagements). The Committee were satisfied that the evidence considered demonstrated that DPHA in 2018/19 is now:

- ✓ financially stronger (debt free with improved cash flows);
- ✓ performing better;
- ✓ with reduced costs (still included full year high engagement costs and partnership provision);
- ✓ able to deliver the required investment into its homes and communities;
- ✓ with the financial capacity to further reduce costs in the future (and reduce rent increase assumptions and/ or accelerate investment);
- ✓ good and improving tenant satisfaction levels in most areas;
- ✓ direct tenant support (albeit based on a sample) in favour of keeping DPHA independent;
- ✓ substantial improvements in governance and financial management and
- ✓ positive staff changes with the culture change programme now well underway.

- 5.2.20 In weighing up this against the potential improvement that could be gained through forming a partnership with a larger RSL, the unanimous view of the Committee was that DPHA should **stay independent**.
- 5.2.21 With the government and WDC drive for more new homes, there is an opportunity to play a part, but given current priorities, new build provision would only be considered as part of wider collaboration during this Plan. We could also add to supply through our proposed home owner buy back scheme in the buildings we share with private owners. This would add to social housing supply, help us deliver investment in mixed tenure blocks and provide financial rescue for home owners who cannot afford to maintain their homes.
- 5.2.22 Whilst we were late to engage strategically with the Scottish Government, WDC or other funding sources to access the range of grant support that has been available to RSLs, the opportunity exists to do that now. This could cover support to deliver investment and improve energy efficiency in our homes and the blocks we share with owners as well as grants to deliver community development and wider role activity.
- 5.2.23 Although not legally part of DPHA, we set up the Beardmore Trust as a charity with the intension of it being a vehicle to access funding that the housing association could not and, to deliver a range of projects for the community. It has failed to develop as had been planned and it was unable to operate properly in the later part of 2017 due to the loss of Trustees. This was quickly regularised with the support of DPHA. The Trust is now considering its future and we will ensure that it is supported to either develop its role or to cease to exist.
- 5.2.24 Although public funding pressures exist around care and support generally, our registered services perform well, are popular and are not overly reliant on grant support. Whilst careful consideration should be given to expanding the service given the funding issues, the opportunity exists for us to do more, particularly in the surrounding area.

Threats

- 5.2.25 As we are forming new investment plans for our homes, we must stay conscious that new government standards are likely over the coming years that will bring unplanned costs that are unlikely to be supported by government grants. We will need to include resilience testing in our financial assumptions for such unforeseen costs.
- 5.2.26 Although local housing regeneration is a potential opportunity, it is also a clear potential threat. This applies if we are involved in provision or not. As new homes are built without a clear view of who this provision is for, there is a clear threat of displacement of our existing households and we need to understand this as we examine give ups of our lets and demand from our waiting lists.

- 5.2.27 There are other issues that we must not take our eyes off around welfare reform impacts and performance of our pension scheme.
- 5.2.28 Like every other modern business, we have a huge reliance on IT for effective operations but are at risk of service interruptions/failure. We have now successfully updated our key IT systems in January 2019. We will now work on streamlining business processes.
- 5.2.29 Cyber hacking is a growing issue and Scottish housing associations have been the subject of such attacks. The General Data Protection Regulation (GDPR) that came into force in May 2018 placed new responsibilities to protect the data we hold and manage in whatever form. We therefore need to ensure overall compliance with GDPR and review arrangements around IT to ensure personal data is managed appropriately and kept safe.
- 5.2.28 In 2019, we expect the publication of the third triennial actuarial pension valuation carried out in 2018. Whilst some improvement in performance has been seen, the outlook for the scheme remains challenging. We will need to reflect these liabilities in this business plan. Performance of the SHAPS pension scheme will remain a key risk factor for housing association members and an area that is closely monitored by SHR. As we still have employees in the final salary scheme, given the current management cost pressures, we should review our pension strategy.

5.3 Risk Analysis

- 5.3.1 Risk is present throughout DPHA - in our buildings, equipment, policies, systems, processes, staff, tenants and visitors. We recognise that the management of risk is vital to our success and resilience. It must be an integral part of all the functions and activities of the organisation.
- 5.3.2 Our Risk Management Policy ensures a consistent approach towards risk across the organisation. This outlines the processes for recognising, analysing and dealing with risks as well as assuring the effectiveness of the identified processes. In addition, risk management should actively support the achievement of our agreed objectives and not simply to avoid risk.
- 5.3.3 Our approach to risk management will be designed to enable us to minimise the frequency and effect of adverse incidents arising from risks, to identify improvements in procedures and service delivery to ensure the efficient and effective use of funds.
- 5.3.4 Risk management extends to the culture, processes and organisational structures, which contribute to the effective management of potential opportunities, threats and adverse incidents.
- 5.3.5 Risk consideration and management will be an integral part of our strategic planning and decision-making processes. For new initiatives and projects, risk analysis shall also be used to inform our decision-making process.

5.3.6 Whilst our Risk Register will be overseen each quarter by the Audit & Risk Sub Committee and annually by our Management Committee through the Business Plan process, we will promote the integration of risk management in the governance and management of our business so that it naturally flows through our business.

5.3.7 **Appendix 3** shows the Risk Register capturing the major risks presently facing DPHA and the action we have taken or plan to take to mitigate/manage/avoid them.

6. STRATEGIC OBJECTIVES

Strategic Analysis

6.1 Having reflected on our mission, vision and values and reviewed our customers, physical assets, performance, and stakeholder expectations and scanned our external/internal environment and the key risks we face, we have brought all these elements together and developed a new set of strategic objectives.

6.2 This Business Plan aims to ensure the programme of change and improvement is implemented effectively to support sustainable, excellent services to our tenants.

Strategic Mapping

6.3 Using the strategic analysis tools of a PEST and SWOT analysis shown in section 5, the Management Committee and staff team were able to clearly map the key issues from the external environment and the strengths, weaknesses, opportunities and threats and as a result, form 6 interlinked strategic objectives for life of the Plan. These reflect the opportunities and threats in the evolving external environment in which we operate and the current internal strengths, weaknesses of the organisation.

6.4 Several specific activities have been agreed and these were prioritised as part of the Committee/ Staff Strategy days held in April and August 2018 into the 3 years ahead, focussing primarily on activity for the current year. The outline plan of core activity for the remaining 2 years is attached as **Appendix 4**.

Our Strategic Objectives

Objective 1: Create Strong and Sustainable Strategic Governance

6.5 Since moving to high engagement with the SHR in December 2017, we developed **Governance & Financial Management Improvement Plan** to drive improvements and ensure full compliance with the SHR Standards.

6.6 We updated this in February 2019 after conducting a full self-assessment against the SHR Regulatory Standards. Each year, we will **repeat the self-assessment**

against the SHR Regulatory Standards to make sure we continuously test and improve our governance. This will ensure we have the required evidence to support the completion of our first Annual Assurance Statement as required in the new SHR Regulatory Framework.

- 6.7 We know that we currently rely on the SHR appointees to create a strong governing body. We completed a recruitment campaign to strengthen our Committee in terms of numbers and skills mix in 2018 and 5 new committee members were appointed. We have secured a voluntary commitment by our current 5 statutory appointees to continue on the Management Committee in either an elected or co-opted basis for a period if the SHR were to end their statutory role through moving DPHA out of high engagement at some point. **We will also run a further campaign in Spring 2019 to ensure strong and sustainable governance.**
- 6.8 We have already been undertaking training with our governing body to improve their role but recognise the importance of developing the skills of Committee members and testing the contribution of each member regularly. We will therefore **conduct annual Committee member appraisals.**
- 6.9 As part of the appraisal process, we will consider and **develop a succession plan for our Chair** who is a statutory appointee. This will be a critical appointment in the future to ensure we continue with the exemplary leadership provided by the current Chair.
- 6.10 The annual appraisals will also allow us to **update our training programme to develop our Management Committee** to ensure that individually and collectively, they demonstrate high levels of effective governance over the organisation. This will include a comprehensive **programme of induction and development for new Committee members.**
- 6.11 We will complete the **review of our governance, finance, corporate and service policy suite** to ensure all policies and related procedures are up to date, reflect law and regulatory requirements and good practice and are embedded in our operations.
- 6.12 We will ensure we **hold a successful Annual General Meeting (AGM)** to apprise our shareholders of progress since we moved to high engagement, how we are performing, the work we have done and what we plan to do.
- 6.13 We will agree our Year 2 audit programme as part of our **3-year audit plan** to test the resilience of key areas of our business against policy and best practice.
- 6.14 We will continue to embed our Risk Management Policy and the proactive consideration of risk management in our strategic and operational activity.

Objective 2 - Deliver Excellent Services and Performance

6.15 We will **embed our new H.E.A.R.T. values** created by our staff team and agreed by our Management Committee as follows:

- **Here**
- **Excellent**
- **Accountable**
- **Results**
- **Together**

6.16 We will **embed our culture and values and roll out our process review and produce a plan to streamline and simplify all that we do** to drive out unnecessary bureaucracy that gets in the way of doing the right thing for customers. Our future service ambition will be to design tailored solutions to suit individual customer needs by **developing a Customer Excellence Strategy**. We want to excel at customer service, so our focus will not only be doing what we say, when we say, right every time, but also and as important, making our customers feel that we care. Our new Customer Services Standards 2019 will further enhance our commitment towards satisfying our customers' needs and will set the standards we will use to measure our performance.

Success of the programme will be measured through improved satisfaction levels and customer feedback, lower complaints, better performance and improved staff satisfaction.

6.17 We want to continue to improve the performance that we currently achieve against the performance indicators of the Annual Return of the Charter (ARC). Our aim is to be a well performing RSL, recognised for excellence. We aim to achieve our **Key Performance Targets in 2019/20** set out in **Appendix 5** to drive this level of high performance, continuous improvement and excellent customer service

6.18 To supplement our continuous satisfaction surveys, we will **produce a Customer Engagement Strategy** to set out how we will ensure that we are listening to our customers and acting on what they say and to get the customer voice at the heart of all we do. This will cover engagement with all our customers groups (tenants, factored owners, care and support service users). We will **develop a Digital Strategy**, including the **launch our new Website**, to promote digital inclusion and embed basic digital skills so that our customers can get the most out of our services or access other digital public services.

6.19 We recognise that good intelligence will help us better understand customer needs now and tomorrow and shape our business accordingly. We will **conduct a review of local housing demand data**, waiting lists and tenancy sustainment and equalities data to plan how we will improve future services to customers. We have successfully upgraded our IT platform to get better use of automation, intelligence and reporting. This will also remove waste to let us dedicate more time and resources to things that matter to customers. We will also **review our**

use of the Hub asset management software to agree a solution going forward that also supports investment planning.

Objective 3 - Provide Quality Homes in an Attractive Environment

- 6.21 Effective management of our physical assets will always be a top strategic objective and part of our core business. In 2019/20, we will develop our first **Asset Management Strategy** to consider how we best manage, maintain and invest in our physical assets for maximum return over the short, medium and long term. The strategy will allow us to explore in more detail our strategic response to our older tenement stock, sheltered housing complexes, our 6 care and support properties and the remainder of our general need stock as well as the surrounding environment.
- 6.23 We manage our common ground, gardens and back courts extensively and this is appreciated by our tenants and owners. We do have a number of substantial trees, fences, walls and shared boundaries which will require more detailed attention during the life of this Plan. We will continue to work closely with WDC and other land owners to retain high management and maintenance standards of shared land and boundaries. We will develop an **Open Space strategy** to assist us in the long-term planning for this.
- 6.24 We will **develop and deliver our first 5-year investment plan** so that we can articulate to tenants what they can expect over this term. The outline plan is attached as **Appendix 2**. This will also allow us to seek economies of scale by procuring bigger work packages. We will as a priority, formalise and deliver our 2019-20 investment programme so that tenants start to see a physical difference in the stock and a demonstration of our commitment to improve their homes.
- 6.25 To support owner's engagement in our investment plans in mixed tenure buildings, we will **develop an Owner Involvement Plan**. This will include how we consult with owners as property factor, how we support them to become involved, helping them access grants. We will set up an **Owners Panel** to ensure that we give owners an opportunity to be heard or give their thoughts on our services or proposals. It was also set out our approach to buying back properties from home owners should our bid to the WDC SHIP be successful. Owner buy backs have not been factored into our financial assumptions until we secure a commitment on grant subsidy. It is proposed that each case would be the subject of a business case to demonstrate the business rationale for us to acquire.
- 6.26 We will commence with **delivering our next 2-year investment programme** which includes the decision to **install high performance electric heating** in The Crescent to resolve the long-standing issue of poor heating in this location.
- 6.27 We will conduct a **compliance audit** to provide assurance that we are delivering on our legal and regulatory health and safety responsibilities on relation to our physical assets.

Objective 4 – Demonstrate Value for Money

- 6.28 Like all good businesses, we need to maintain the solid financial base of the organisation now and in the future and to demonstrate that we ensure rent are affordable and provide value for money to our customers and other key stakeholders.
- 6.29 Section 8 sets out our financial position over the short, medium and long term. We have run a host of sensitivities to stress test our financial plans against the key risks that could affect us. The results indicate a business capable of withstanding challenges or able to adjust strategies to cope with changes. That said, we know that we want to do more in terms of faster investment, so must deliver on our fourth objective of demonstrating strong financial management and value for money.
- 6.30 In this Plan, we want to accelerate investment, particularly to improve the kitchens, bathrooms, heating and external fabric of our houses and help address fuel poverty and we have developed an outline 5 Year investment plan. We will **meet compliance with EESSH in all possible housing stock**. Informed by our investment plan, we will secure new borrowing to support this and will **develop a Funding Strategy** to set out how and when we will fund our activity over the course of this plan.
- 6.31 We must keep rents affordable and work to minimise rent increases. To fund our improvement programme, we know we will need additional borrowing and we have made rent increase assumptions at the levels set out in Section 8 of this Plan to support our plans. Each year, we will want to review these assumptions to test our ability to apply lower increases than we have assumed. We will be conscious of the cumulative effect of any variations in what we have assumed. To ensure a focus on value for money (VFM), we will **develop an annual VFM statement**. This sets out how we have developed our budgets each year from a zero base and how we identify and support costs savings projects to minimise rent increases. Likely in Year 3, once we are clear on our detailed investments plans, the borrowing to support this and other sources of funding that we can access, we hope to develop a Rent Affordability Strategy that will focus over the year ahead on how we will try to bring our rents in line over time with other local social landlords. This will help make DPHA competitive and also improve rent affordability.
- 6.32 Given the pressure on costs and our continued involvement with the SHAPS Defined Benefit Scheme, we will commission a **review of our pension's strategy** going forward.
- 6.33 We approved a new Procurement Policy in April 2018 to ensure our approach to procuring new goods, services and works complies with legal and regulatory requirements. We will use this to **procure our new investment programme**. We will also conduct a **full review of all supplier arrangements and procurement strategy** to work over a 2-year period to and re-procure where necessary. This should move us to a state of full compliance, but also help deliver demonstrable value for money.

- 6.34 We will maintain the solid financial base of the organisation now and in the future. We have updated our budgets and long-term financial assumptions to ensure they reflect our long-term stock investment needs. We will ensure that we **manage our service in line with or better than budget assumptions.**

Objective 5 - Develop our Leadership and Staff

- 6.35 Now that we have made the decision to stay independent for the coming period, we will **recruit a new dynamic, inspirational lead officer** to take forward our journey to excellence once the Interim Director role ends.
- 6.36 We will **conduct a full staff restructure** during 2019. Our goal will be to ensure good quality leadership, keep our management costs competitive and to create a flatter, empowered structure where everyone is clear on their role and goals and is supported and trusted to produce great results. Our structure will be populated with the right people in terms of both behaviours that fit our culture and technical skills. Our structure will be modern and flexible to deliver on our plans and ambitions and will be a blend of arrangements of permanent, temporary, fixed terms, supplemented where appropriate by external support.
- 6.37 We will **conduct annual staff performance reviews and create personal training and development plans** to ensure all our team understand the vision, values, culture, strategic direction and delivery commitments of the organisation and their part in achieving same.
- 6.38 From this, we will **create learning and development plans** to ensure staff members are trained and developed to deliver on expectations and to reach their full potential. We recognise the vital importance of strong and visionary leadership from our senior team to develop our staff to be the best they can be.
- 6.39 We want to continue to play our part in creating opportunities for local people including training and jobs within our organisation. We will continue to **support the creation of modern apprenticeship opportunities** to develop local talent into the housing sector.
- 6.40 We will ensure that our responsibilities for equality and human rights legislations are integral to all our work and treat everyone fairly and with dignity and respect. We will review our current Equalities policy and develop a new **Equality and Human Rights Policy** to support this. This will support the renewed emphasis and specific requirements on equalities and human rights in the new SHR Regulatory Framework 2019. The new Policy will set targets for how we monitor and measure our compliance and will evidence that we consider equality and human rights issues properly when making all of our key decisions.

Objective 6 – Be more than just a Great Landlord

- 6.40 We want to be known for more than just good quality housing and great service. Knowing the challenges faced by tenants in our communities, we want to play our part directly and with others where it makes sense to **become a community anchor**. We want DPHA to be a conduit to work with our residents and local partners to create community solutions that improve the lives and fortunes of our local people. In Year 2 of this Plan, we will **commission research * to better understand the needs of our tenants beyond their tenancy (digital access, financial advice, community development services for young and older people etc), to map the current service provision in the area to meet this and to identify funding sources that would support new community projects.**
- 6.41 Once we have this intelligence, we will **develop a More Than Housing Strategy** that will articulate what our role as Dalmeir’s community anchor will look like and what we will want to do as part of this.
- 6.42 We set up and support the Beardmore Trust. Whilst it is not part of DPHA, based on the above research (*), **we will support the Trust to either develop on community development or to wind it up as a charity.**
- 6.43 We will scope and **review our telecare systems** to move to a digital system. We will also **scope the opportunities to operate a Care at Home Service** within our sheltered housing complexes and in our locality with WDHSCP and include the potential to access self-direct payments for service users to contract with us for their own support packages. This will allow us to maximise the skills and expertise we have developed in providing housing support to customers in their own homes within our sheltered housing.
- 6.44 We will scope and **review our telecare systems** to move to a digital system. We will also **scope the opportunities to operate a Care at Home Service** within our sheltered housing complexes and in our locality with WDHSCP and include the potential to access self-direct payments for service users to contract with us for their own support packages. This will allow us to maximise the skills and expertise we have developed in providing housing support to customers in their own homes within our sheltered housing.
- 6.45 Within DOSCG, we will **facilitate more outdoor activities** by implementing good practice guidelines on “My World Outdoors” which will help to reduce barriers for children playing outside.
- 6.46 We will also look at **rebranding DOSCG** to give it an identify that reflects what it does provided this can be done in a cost-effective manner.
- 6.47 We will **establish a parent’s panel** for the service to listen to parent’s views and help shape the service going forward.

7. DELIVERY PLAN 2019/2020

Summary Delivery Plan

- 7.1 Our 6 Strategic Objectives above all need to be translated into practical tasks with timescales and targets with named individuals taking ownership of delivery. **Appendix 6** sets out the Summary Delivery Plan along with lead officers for each task and timescales for delivery.
- 7.2 An operational Delivery Plan will be developed with all staff to ensure everyone is clear about responsibilities and the part each officer will play in taking the organisation forward once the Plan is approved by the Committee.

Monitoring Progress

- 7.3 Progress against the Summary Delivery Plan will be reported to Management Committee on a quarterly basis.
- 7.4 The annual business planning process will commence again in September 2019 to create the annual budget, review of the 3-year strategic objectives and the next annual plan for 2020/21 to be fully considered and approved for March 2020.

8. FINANCIAL ANALYSIS

Resources

- 8.1 In order to fulfil our strategic objectives, we require to maximise income and control costs. This is important to maintain an affordable rent structure, invest in our housing stock, have the flexibility to adapt to external challenge and crucial if we are to achieve our aims to make a difference in the community.
- 8.2 Long-term financial forecasts include comprehensive scenario planning and stress testing, assessing the impact of different assumptions and identifying alternative strategies.
- 8.3 Key priorities are the continued investment and improvement of our housing stock, maintaining affordable rents as well as adapting to the challenges of welfare reform. The potential for an increase in rent arrears continues to present a significant financial challenge.
- 8.4 We will work to achieve value for money, while at the same time providing a first-class service to tenants. The financial forecasts base case assumes, at this stage, a real rent rise of 1% up until year 9. Sensitivity analysis considers the impact of limiting real rent increases. The potential for limiting increases will depend on our ability to maximise income, control/ reduce costs as well as adapting to changes in inflation and interest rates. However, the scale of the investment programme would suggest that real rent increases will be required especially within the first 9 years. The annual budget process will review progress to date and consider, based on prevailing circumstances, whether restrictions on rent increases are capable of being achieved.
- 8.5 Our financial forecasts achieve loan covenant compliance and deliver the services to support tenants and the wider community.

The Long Term View

- 8.6 As a property business with 689 properties to maintain over the long term and a requirement to draw down additional long-term borrowing estimated at circa £3.0m (approx. £4,400 per unit), we will seek out funding arrangements that support flexibility in terms of loan conditions and loan covenants. This Business Plan underpinned by 30-year financial model projections and scenario modelling should provide assurance to the Committee, SHR and future lenders that we can meet our long-term maintenance and debt repayment obligations.
- 8.7 We cannot expect to be precise over such a long period of time, but we have projected forward based on realistic assumptions of likely trends and expectations. The cash position indicates the level of funds available based on updated long-term maintenance programmes.

8.8 Key elements to the foundation of such a model are realistic cost assumptions and the annual budget provides a starting point for this based on current experience of actual costs across the organisation albeit we are carrying exceptional costs because of the current high engagement acuity.

8.9 Inflation needs to be considered, as well as real cost increases. The following table sets out the key assumptions used in this Business Plan followed by some commentary on the rationale for their use.

Table 17 - Business Plan Assumptions

Year	1	2	3	4	5-9	10-19	20-30
Assumption							
Inflation (CPI)	2.4%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Voids	1.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Bad Debts	1.5%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Rent policy	Infl+0.5%	Infl+1%	Infl+1%	Infl+1%	Infl+1%	Infl+0.5%	Infl
Real Cost Increase Salaries	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Cost Increase Repairs	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Base Rate	1.0%	1.5%	2.0%	2.5%	3.7%	4.0%	4.0%

8.10 Any assumptions must be realistic. The figure for inflation, based on CPI, will impact on the plan but from the analysis undertaken, any significant increase will have a positive impact on the forecasted cash position.

8.11 An increase in the voids assumption takes into consideration the potential impact of future welfare reforms. With continued investment in our housing stock we anticipate that voids will remain low.

8.12 An increase in the assumption for bad debts reflects the potential impact of future welfare reforms. There is a possibility that bad debts will increase, and the assumption is considered suitable.

8.13 An increase in the base rate assumption is in line with current economic forecasts produced by Bank of England and Ernst & Young.

8.14 A further 20% sample of the housing stock was surveyed in 2018 and the long-term investment plans was updated to reflect this survey and tenant feedback on investment priorities. These revised figures have been incorporated into this Business Plan, taking into account cyclical and major repairs.

8.15 In brief, the 30-year accounts show a relatively healthy business that can afford to borrow to deliver the required investment which is not unusual. The projected surplus/(deficit) for the year fluctuates in the first 10 years between a surplus of

£513k and a deficit of £297k. For the following 20 years, surpluses are generated in 17 of these years, with the largest deficit in Year 21 of £48k.

- 8.16 The Balance Sheet assumes an additional loan of £3m (Year 2 2021) for a 25-year period. The value of current loans outstanding at the start of the plan is £nil.
- 8.17 The current loan markets are operating on 3-month Libor with a margin of 1.85%. This assumption has been included within the projections for the additional loan. Due to the size of the additional loan it is assumed that this will be procured using traditional funding arrangements.
- 8.18 The figures are based upon prudent assumptions. They indicate that we will generate sufficient cash to progress our planned works programmes. Whilst this might well be tested over the coming 30 years, we start from a financially sound base.

Medium Term View

- 8.20 Table 18 below sets out the position over the next three years in relation to the statement of comprehensive income.
- 8.21 During this period a deficits are generated in Year 1 & 2 and a surplus in Year 3. This is due to high levels of expenditure for major repairs in the period. The plan assumes:
- £0.42m for installation of safety measures following the Grenfell tragedy.
 - £0.75m for stone works and external wall insulation

Table 18 - Statement of Comprehensive Income 2019- 2022

	2020	2021	2022
Revenue	£3,793,514	£3,875,015	£3,961,017
Operating Costs	£4,043,427	£4,090,226	£3,804,063
Operating Surplus/(Deficit)	(£250,419)	(£215,211)	£156,954
Interest Receivable	£8,000	£18,398	£16,175
Interest Payable	£0	(£100,500)	(£112,475)
Surplus/(Deficit) for Year	(£242,419)	(£297,313)	£60,654

- 8.22 The Statement of Financial Position as set out in Table 19 below. There is currently no new build development included in the 30-year projections. Owners buy back have not been modelled into our financial assumptions. These would be subject to securing grant subsidy via the WDS SHIP to part fund the acquisition. We would also intend to develop an individual business case to test and demonstrate the viability of each property we considered acquiring.

- 8.23 Cash remains relatively strong throughout the period with the lowest holding in 2019/20 at £1.528m as we accelerate our planned maintenance programme.
- 8.24 At this stage the Plan assumes a drawdown of private finance of £3.0m and is not drawn till year 2 of the plan (2020/21). We will update the Plan in 2019/20 to refine our bowring requirements as part of our Treasury Management strategy.
- 8.25 We will have a range of options to choose from when arranging private finance. The external environment has improved substantially since the dark days of 2007-2011. There is now a larger range of options available with lenders and therefore competition is healthy.

Table 19 - Statement of Financial Position

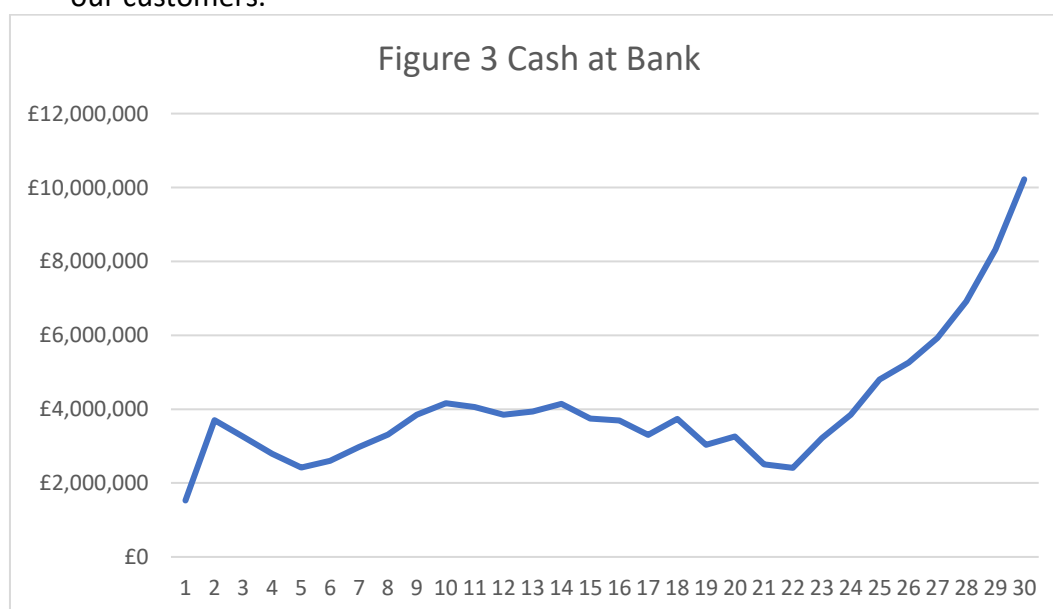
	2020	2021	2022
	£	£	£
NON CURRENT ASSETS			
Housing Properties	20,100,291	19,944,274	19,788,414
Other Fixed Assets	262,888	231,352	199,461
TOTAL NON-CURRENT ASSETS	20,363,180	20,175,626	19,987,875
Current Assets			
Debtors	362,827	362,827	362,827
Cash at Bank and in Hand	1,528,273	3,697,934	3,251,146
	1,891,100	4,060,761	3,613,973
Creditors: less than one year	(250,239)	(303,424)	(279,061)
NET CURRENT ASSETS	1,640,861	3,757,337	3,334,912
TOTAL ASSETS LESS CURRENT LIABLITIES	22,004,041	23,932,964	23,322,788
Creditors: more than one year	(22,486)	(2,849,850)	(2,780,149)
Deferred Income	(14,196,359)	(13,595,231)	(12,994,102)
NET ASSETS	7,785,196	7,487,882	7,548,537
EQUITY			
Share Capital	139	139	139
Revenue Reserves	7,785,057	7,487,744	7,548,398
	7,785,196	7,487,882	7,548,537

- 8.26 Table 20 below provides projected cash flow figures for the three years to 31 March 2021.

Table 20 - Statement of Cash Flows

	2020	2021	2022
Operating Activities	£	£	£
Operating Surplus/(Deficit)	(250,419)	(215,211)	136,311
Depreciation	1,065,917	1,089,960	1,117,097
Amortisation of Capital Grants	(599,014)	(601,129)	(601,129)
Movement in Pension Liability	(39,689)	(40,880)	(22,486)
Net Cash Inflow from Operating Activities	176,795	159,031	615,786
Investing Activities			
Purchase of Component Installations	(850,958)	(862,661)	(888,805)
Purchase of Other Fixed Assets	(5,564)	(39,746)	(40,540)
Net Cash Outflow from Investing Activities	(856,522)	(902,406)	(929,346)
Financing Activities			
Interest Received	8,000	18,398	16,175
Interest Paid	0	(100,500)	(112,475)
Loan Advances received	0	3,000,000	0
Loan Principal Repayments	0	(78,571)	(71,578)
Net Cash In/(Out) Flow from Financing	8,000	2,839,326	(167,878)
Increase/(Decrease) in Cash	(671,727)	2,169,661	(446,788)
Cash brought forward	2,200,000	1,528,273	3,697,934
Cash carried forward	1,528,273	3,697,934	3,251,146

8.27 It shows that the balance of cash is decreasing as we accelerate our component replacement programme. Figure 3 below highlights the projected cash at bank figure per the 30-year business plan. This highlights the continued need for us to deliver best value for our tenants, operating efficiently and in the best interests of our customers.



8.28 As we embark on our major improvement programme we must not lose sight of the need to ensure that we continue to let houses quickly, maximize our income whilst delivering a best value service for our tenants.

APPENDIX 1 - MANAGEMENT COMMITTEE BIOGRAPHIES

Name	Role
Gordon Laurie Chair	Gordon retired in March 2016 after a career of over 35 years in the housing sector, including 17 years as Director of a large Scottish housing association. He has extensive knowledge of the housing sector and housing operations in Scotland along with significant management experience and a strong understanding of regulatory and governance requirements. He is committed to ensuring that tenants and service users receive the highest possible standards of service. Gordon has a degree in economics from the University of Stirling and is a Fellow of the Chartered Institute of Housing.
Craig Edward Vice Chair and Chair of Audit & Risk Sub Committee	Craig is currently a full-time student studying Business Management at Glasgow Caledonian University. He has several years of management experience which has afforded him the ability to understand financial and operational decisions that need to be made. Craig is also a member and office bearer of a number of local community organisations.
Bob McDougall Chair of Staffing Sub Committee	Bob retired in May 2015 after 41 years working in Housing, latterly as the Chief Executive of Trust Housing Association. His long career in housing includes working in a variety of roles across Scotland, within Local Government, Livingston Development Corporation and most recently two Housing Associations as Chief Executive. During his career he was an active participant and a Fellow Member of the Chartered Institute of Housing. His support for the Institute continues since he is now acting adjudicator within the Fellowship Admission Process. Bob has spent the last ten years of his career as the CEO of Trust, during which time he kept the organisation at the forefront of discussions with external partners and stakeholders such as the Scottish Government, SFHA and the Scottish Housing Regulator promoting the housing and support needs of older people.
Jack Marshall	Jack recently retired from his role as Director of Finance & Business Services at Trust Housing Association. He had responsibility for the provision and management of the full range of financial services including advising and supporting the senior management team and the Board. He became company secretary for Trust's trading subsidiary Trust Enterprises Ltd in 2010. Jack considers himself to be a solutions person and enjoys the challenge of resolving issues often perceived by others as problems. He recognises that change is inevitable and always strives to harness all the advantages change can bring about. Jack is committed to his own continuing professional development.

Audrey Simpson	Audrey is an accomplished housing and management professional with 25 years' experience in the sector and 10 year's senior management experience. She is currently the Director at Ardenglen Housing Association in Glasgow. Audrey brings a proven track record of success in areas including housing management, business strategy, development, social regeneration, customer services and governance. She is a team player and motivational leader who communicates clearly at all levels and have a strong strategic focus. Audrey also brings significant knowledge and experience in customer focused practices, policy, equality and diversity, performance management and communications.
Matthew Reid	Matthew joined Parkhead Housing Association in 2011 after 2 years working within the Committee structure of the Scottish Football Association. As Corporate Service Manager at PHA Matthew is responsible in ensuring good governance practices are at the heart of everything the Association does. Matthew is currently lending his expertise on governance as a Board Member of the Parkhead branch of the Citizens Advice Bureau.
Robert Murray	Robert has experience working in housing in various Housing Associations in the Glasgow area, he also worked in the private sector as a repairs supervisor. Robert has recently gained a qualification from the Chartered Institute in Housing Practice Level 2 and is currently employed as a Home Improvement Assistant at Ferguslie Park Housing Association.
Ashley Stockley	Ashley has worked in a various different sectors including elderly social care, nursery care, hospitality, retail and accountancy. Although not officially qualified in accountancy, she has gained experience through training and has a keen interest in this area. She hopes to expand her housing knowledge and experience and as a tenant with genuine interest in the area, so she feels she can successfully contribute to the committee.
Ian Lennox	Ian worked as slater and plasterer for family business then moved on to larger company in east end of Glasgow. He dealt with small works and up to full tenement renovations, then he passed his PCV test (bus and coach driving) and worked for local company and advanced from local service work up to European Coach tours. He was the Manager for Cygnus Executive Travel Glasgow Airport, then moved to running off site car park at airport where he was promoted to General Manager. He had full control of staffing, marketing and day to day running of site with a turnover of up to just under £90k per month. He moved back to building on a self-employed basis for a period and is now working as delivery driver on self-employed basis.
Anita Williamson	Anita trained as a physio in Berlin, moved to Scotland in 2003 and worked for 5 years as a customer service advisor for the MOD (telecoms for British troops stationed in Germany) before moving into to the NHS where her most current role is a Research Project Assistant.

Lorraine Lester	Lorraine currently works as a Financial Controller for the Golden Jubilee Foundation and has previously been the Financial Controller for two other hospitality businesses. She is involved with high levels of financial management and has achieved an NVQ Level 5 in Customer Care. As well as being a volunteer Sunday School Teacher, she has held many voluntary positions including Secretary and Treasurer for various organisations.
Jordan Henderson	Jordan is currently employed as a Financial Analyst providing support with a wide range of financial analysis and consultancy tasks for Registered Social Landlords & Local Authorities. He has an Honors Degree in Accountancy and is currently working towards becoming a Chartered Certified Accountant. He has previously voluntarily delivered interactive housing workshops that introduce different housing tenures to secondary school pupils.
Karen Johnson	Karen currently works as a Housing Manager with NG Homes managing a team of 16 housing staff and is a former Registered Manager for NG Homes Housing Support Services. She has a Diploma in Midwifery, SVQ Level 4 in Health and Social Care and is currently studying to achieve CIH Level 4 in Housing.
Melanie Cameron	Melanie is a Clerical Officer with Clydebank housing Association and has held various senior administrative roles within the insolvency and debt collection industry. She has an Honors Degree in international Studies, a Masters in Administration, a Diploma in Digital Marketing, a Certificate in Proficiency in Insolvency and is currently studying the CIH Level 2 in Housing Practice. She has also previously volunteered with Made in West Dunbartonshire a pop-up shop for local artists.

STAFF TEAM BIOGRAPHIES

Housing and Property Services Staff

Margo MacPherson – Housing Officer

Margo is a Housing Officer with 25 years of experience with the Association. She started originally as a part-time receptionist, progressed into maintenance and finally moved to her chosen field of housing.

Margo has completed various educational and training courses with the most recent being Chartered Institute of Housing Level 4. Margo is keen to widen her knowledge further within housing management to allow her to provide a better service to tenants and residents alike.

Margo is also Secretary for another local charity within the area and is keen to help them grow and develop.

Kimberley Tennant – Temporary Housing Officer

Kimberley 16 years administration experience and a demonstrated history of working in social housing, facilities management and property management.

She has strong administrative and IT skills, has the Chartered Institute of Housing level 3 qualification and is a current member of the Institute of Leaders and Managers (ILM). Kimberley is interested in all aspects of social housing particularly housing management, health and safety, value for money and social inclusion.

Kimberley is also Chair of another local housing association managing approximately 1200 units with an active development programme for social rented housing.

Stuart Yates – Senior Property Services Officer

Stuart has 33 years construction industry experience, 25 years of them within a housing environment carrying out various maintenance and investment programmes. His roles have ranged from a joiner to a repairs officer within 2 local authorities, setting up an in-house maintenance service and managing the team for another housing association and property services officer. Stuart is currently carrying out a Senior Property Services Officers role in the Association.

Stuart is a time served joiner, an HND in Building and a NEBOSH Certificate. Stuart has a personal interest in housing in Dalmeir as his family lived and worked in the Clydebank and Dalmeir area.

Calum McLeod– Temporary Asset Officer

Calum joined the team in 2019 initially through an employment agency and now as a temporary member of our team to support the management and delivery of our investment plans. Calum is a time served joiner educated to advanced craft level with an HND in site management. He has over 35 years' experience in the build environment which includes 17 years at management level. He has strong customer service skills and has been working

in social housing in 2008 using his project management skills to successfully manage reactive, planned and void maintenance contracts.

Laura Greenlees – Property Services Assistant

Laura has worked for the Association for 18 years within the Admin and Property Services teams. She has trained on Shelter's Homepoint, Housing Admin I & II at Share and most recently CIH Housing & Maintenance. She is also a first aider and works with the Health & Safety group in the office. Laura enjoys working within the community and is a well-known face among our tenants.

Kirsty McIntosh – Property Services Assistant

Kirsty has worked with the public for 7 years in varied customer service roles, with her most recent 3 years' experience working in the housing sector. Kirsty obtained an HNC from West College Scotland, Paisley in 2015 and also an SVQ Level 3 in 2016 through WDC, both in IT and Administration.

Kirsty worked with WDC as a Modern Apprentice within the Housing & Administration section for one year before she gained employment at DPHA.

Kirsty has a keen interest in all aspects of housing and maintenance including component replacement programmes, good housing standards and estate management. She would also like to develop her skills more so that she can assist tenants in any way that she can.

Donald McKerry and Tony Pirrie – Gardeners

Care Services Staff

Fiona MacGregor – Housing Support Assistant

Fiona is a committed Community Development worker with over 25 years' experience of working within the voluntary sector in various settings. Qualified in Early Years and Child Development and play work, she supported vulnerable families and children in the Govanhill area of Glasgow, enabling parents to prepare to return to work or improve their life skills. Fiona has worked with WDC, and Unity Enterprise supporting vulnerable families and individuals in the community to sustain tenancies. Fiona gained an SVQ 3 in Social Care at this time.

In 2012, she came to work for the Association as a Housing Support Assistant, overseeing our two sheltered housing developments. She works closely with the Care Services Manager and the Support Workers to improve and maintain the level of care we provide for our tenants. Fiona achieved her SVQ 4 Social Care two years ago.

Housing Support Assistants:

- Ann McColgan
- Christine Hendry
- Mary Jane Anderson
- Raymund Mauchan
- Yvonne Mathieson

3 Support Assistants being qualified to level 3 SVQ Health and Social care, and 2 currently applying.

Elaine Kelly – DOSCG Co-ordinator

Elaine Kelly is the Manager of Dalmuir Out of School Care Group (DOSCG). She has over 20 years childcare experience working within DOSCG. Elaine has achieved her SVQ 2 in play work, SVQ 3 in play work and SVQ 4 in play work and Management during her time at DOSCG. She is currently in the process of applying for the BA Childhood Practice degree. Elaine is also the Chairperson of the WDC After-School Care Forum.

Play Workers:

- Anne Kelly
- Briony Carline
- Chana Taylor
- Chelsey McDowall
- Donna Scanlon
- Elaine Pyper
- Gary Gibson
- Simone Wallace
- Sylvia Elliot
- Yvonne Mathison
- Lorraine Browning

Our play workers have a variety of qualifications, 4 play workers are qualified to level 3 SVQ in Play Work, 2 play workers have achieved their HNC in Play Work, and another play worker has gained an HNC in Early Education and Childcare and working towards gaining a BA (HON) in Childhood Studies. 1 play worker has achieved their NC Early Education in Child Care and another has gained the National Progression award in Play Work and Child Care. 3 new play workers are currently applying for the opportunity to achieve level 3 SVQ in Play Work

In addition, we have a small bank staff team for our housing support and DOSCG services who provide support when required.

Finance and Corporate Services Staff

Carla Cameron – Senior Finance Officer

Carla began her career in 1991 as an Administrator within the private sector. In 1993, she began working in the social housing sector gaining a wealth of skills and knowledge, initially in administration where she gained a HNC in Administration in 1998. She progressed to Finance in 2005, beginning as a Finance Assistant and in 2008, Carla gained a HNC Accounting and has progressed to Senior Finance Officer. She is now studying for her ACCA qualification and has completed 4 of the 13 required subjects. She has over 25 years housing association experience.

Gary Earl – Finance Officer

Having begun a career in finance in 1990, within the Debt Recovery sector, Gary has gained a wealth of finance and administration experience within the Private Sector, Voluntary Sector

and has 12 years housing finance experience. Beginning as an Accounts Clerk, Gary progressed through Credit Control to Revenue and Debt Manager for International Correspondence Schools before moving into the voluntary sector as Admin and Resource Manager for a Community Forum and Healthy Living Initiative.

With a diverse CV, Gary also has 15 years' experience organising Wider Role projects and enjoys working with the local community.

Conor Fox – Modern Apprentice (Business Admin)

Conor is a Modern Apprentice within the Associations Finance Team. He previously worked in our maintenance team for 6 months followed by an SVQ administration apprenticeship within a local care home. Conor is going into second year of his HNC in Accountancy.

Lesley Gillespie (Assoc. CIPD) – Senior Corporate Services Officer

With 22 years of experience working in the social housing sector in various corporate governance and business support roles. Lesley's key skills are in governance, IT and office facilities management, customer services, office administration and human resource management. She is a strong support professional with an Advanced Diploma in Spatial Design, a Diploma in Human Resources Management and is an Associate Member of the Chartered Institute of Personnel and Development.

Pauline McDaid – Corporate Services Assistant

Pauline graduated from Glasgow Caledonian University with a Post Graduate Diploma in Human Resource Management. She has 30 years administrative experience in a public sector environment that has been the core to successful roles within Corporate & HR teams. A champion of change with experience of working with managers and staff at all levels within an organisation, Pauline is a confident communicator with a flair for building working relationships with colleagues and external partners. Pauline has expertise in HR Payroll systems and Project Management.

APPENDIX 2 – Outline Planned Maintenance Programme

Year 1: 2019-2020	Number of units
Kitchens	55
Bathrooms	40
Boiler replacements	43
Windows	25
Insulation/ stonework	
Hard landscaping	3
Door entry/close drs wins	5
Smoke alarms	327
Sheltered Housing alarm Upgrade	70
Year 2: 2020-2021	Number of units
Kitchens	53
Bathrooms	56
Windows	64
Insulation stonework Boilers	53
Hard landscaping	3
Smoke Alarm Upgrade	340
Door Entry/Close Doors/Windows	7

Year 3: 2021-2022	Number of units
Kitchens	53
Bathrooms	63
Insulation/stonework	
Doors/windows Nairn st/Place Windows/doors	68
Boiler Replacement	29
Hard Landscaping	3
Door Entry/Close Door Upgrades	4
Year 4: 2022-2023	Number of units
Kitchens	67
Bathrooms	53
Windows/doors	43
Boiler Replacement	41
Hard Landscaping	3
Insulation/stonework	
Close Doors / Door Entry	7

Year 5: 2022-2023	Number of units
Kitchens	57
Bathrooms	49
Boiler Replacement	43
Hard Landscaping	3
Windows/Doors	42
Close Doors/Door Entry	4
Insulation/stonework	

APPENDIX 3: RISK REGISTER

Risk ID	Name	Risk	Pre-Control Measures				Control Measure	Post Control Measures				Action Plan
			Likelihood	Impact	Total Risk Score	Risk Level		Likelihood	Impact	Total Risk Score	Risk Level	
1.	Customer Service Culture	Failure to establish and foster a culture of customer service results in perceptions of service decline among tenants and erosion of reputation	3	3	9	SIGNIFICANT	A) Culture change programme underway B) Performance reviews undertaken for all staff C) Staff learning & development plan will be implemented D) Tenants Panel formed and meeting 2 monthly E) Quarterly tenant satisfaction feedback received from independent consultant	2	3	6	MODERATE	Advance culture change programme and new values (HEART= Here, Excellent, Affordable, Results, Together). Review of job profiles with firm focus on customer service. Monitor tenant satisfaction
2.	SHQS/ EESSH Compliance	Failure to meet the deadline for housing stock to comply with SHQS/ EESSH results in regulatory engagement	3	4	12	SIGNIFICANT	A) SCS update complete B) BP and 30-year cash flows being created to support delivery of accelerate investment C) Temp Asset Adviser appointed to assist in the delivery of the investment programme D) EPC surveys being brought up to date.	2	4	8	MODERATE	Asset Management Strategy to be created 5-year investment programme agreed. Now in year 2. Funding Strategy to be agreed in 2019/20
3.	Contracts and Contract Management	Failure to establish contracts and contract management process results in failure to properly manage contract delivery and associated costs	4	4	16	HIGH	A) New Procurement Policy approved by MC B) Temp Asset Adviser appointed to assist in the delivery of the investment programme C) A number of contracts have been subject to tender processes in 2018/19 and more planned for 2019/20.	2	4	8	SIGNIFICANT	Procurement Policy approved by MC. Contracts register in place and up to date. New contracts being put in place Further areas to be subject to tender in 2019/20
4.	Welfare Reform	Uncertainty around pending changes in welfare reform results in loss of income	4	3	12	SIGNIFICANT	A) Understanding our tenants and their circumstances to identify those at risk B) Personal approach to all customers likely to be affected C) Welfare benefit advice and support by housing officers and advice agencies D) Training of staff in the proposed changes to ensure understanding has taken place	2	3	6	MODERATE	Ongoing monitoring Face to face contact with tenants who may move to UC still outstanding. Internal audit of UC shows strong performance.

Risk ID	Name	Risk	Pre-Control Measures				Control Measure	Post Control Measures				Action Plan
			Likelihood	Impact	Total Risk Score	Risk Level		Likelihood	Impact	Total Risk Score	Risk Level	
							E) Information programme to make tenants aware of risks, options and support available					
5.	Welfare Reform	Shift to direct payment of benefit to tenants' results in loss of income through non-payment of rent	4	4	16	HIGH	A) Communication strategy has been put in place to ensure all know that the responsibility for payment is with the tenant B) Additional benefits advice is being made available C) Sensitivities on increased rent arrears to be run on updated business plan Yr2	3	4	12	SIGNIFICANT	Ongoing monitoring
6.	IT Systems Failure	Failure of IT systems or a critical element of them results in disruption to delivery of services	4	5	20	HIGH	A) IT supplier in place to support DPHA B) IT system back-ups taken and held off site C) MIS upgrade has been completed in Jan 2019 D) Business continuity policy and procedures in final stages of development and testing E) IT disaster recovery test planned for Feb/March 2019 F) Association has some insurance cover in place for damage to hardware, portable equipment and CCTV, loss of information and increased cost of working as a result of an incident.	3	3	9	MODERATE	Internal Audit review of IT support and security arrangements taken place and improvement plan in development. Once the MIS upgrade has been completed this will move to Moderate.
7	GDRP	Failure to implement GDRP requirements and subject to challenges under the legislation or prosecution by the Information Commissioner	4	4	16	HIGH	A) GDPR Policy and procedures approved B) GDPR working group in place and action plan being implemented C) Staff training on GDRP implemented D) External store of files now cleared.	2	3	6	MODERATE	Ongoing monitoring Sharing agreement contract addendums to be issued by March 2019
8.	Policy Suite Review	Policy review is not completed in reasonable timescales and new policies are not embedded in operational business	3	4	12	SIGNIFICANT	A) Policy working group established working through work plan B) Policy training being undertaken for Management Committee and staff C) Policies and procedures being imbedded into operational business	2	3	6	MODERATE	Ongoing review programme in 2018/19 and 2019/20

Risk ID	Name	Risk	Pre-Control Measures				Control Measure	Post Control Measures				Action Plan
			Likelihood	Impact	Total Risk Score	Risk Level		Likelihood	Impact	Total Risk Score	Risk Level	
9.	Tenant Expectation	Tenants' expectations of service and housing stock quality increasing results in reducing satisfaction and potential income effect	4	3	12	SIGNIFICANT	A) New BP created to articulate vision/objectives with a strong focus on VFM B) Tenant Panels used to hear views/shape service C) Culture change programme to focus staff effort back on the customer D) Quarterly tenant satisfaction surveys	2	3	6	MODERATE	Ongoing monitoring
10.	SHR Relationship	SHR is not satisfied with progress and forces a transfer of assets	3	5	15	HIGH	A) Statutory Manager and Statutory Appointees on Management Committee B) Recruited new Interim Director C) Gov. & Fin. Mgt Imp. Plan formed and year 1 implemented	1	4	4	MODERATE	Ongoing monitoring
11.	Staff Capacity/ Capability	Service disruption/failure High absence levels Employment disputes Failure to meet budget reductions	4	4	16	HIGH	A) Statutory Manager/ Interim Director in place to lead and manage the change B) Interim staff changes to support transition C) Staff consultation to ensure buy in D) Further staff restructuring planned to support service delivery in 2019/20.	2	4	8	MODERATE	Ongoing work to embed new culture and values Future staff restructure
12.	Comparative Performance Against Peers	Performance against peers is poor affecting local and sector reputation of DPHA	4	4	16	HIGH	A) Benchmarking of 2017/18 ARC complete and engaged again for 2018/19 return. B) New performance culture and value for money ethos C) Some areas of performance against peers improved.	2	3	6	MODERATE	Ongoing monitoring Peer visits are helping staff gain external experience
13.	Funding	DPHA cannot secure new loans on favourable terms to support accelerated investment plans	1	5	5	MODERATE	A) Engage re-financing expertise B) New Treasury Management Strategy approved	1	3	4	MODERATE	Ongoing monitoring
14.	Funding	Existing lender causes delays/ difficulties with new loans arrangements	0	0	0	LOW	A) All loans now paid off. B) New Treasury Management Strategy approved	0	0	0	LOW	REMOVE All loans redeemed
15.	Interest Rate Risk	Bank interest rates increase results in higher costs of borrowing	4	3	12	SIGNIFICANT	A) No current loans. B) New loans not required till 2020/21 C) Our Treasury Management policy has been updated and approved.	2	2	6	MODERATE	Finalisation of Year 2 of Business Plan will clarify when we require to have additional

Risk ID	Name	Risk	Pre-Control Measures				Control Measure	Post Control Measures				Action Plan
			Likelihood	Impact	Total Risk Score	Risk Level		Likelihood	Impact	Total Risk Score	Risk Level	
												borrowing in place so we can plan for this.
16.	Committee Capacity and Prioritisation	The scope and size of change place strain on the committee's capacity and ability to prioritise work reasonably results in delays and deferrals in implementing the changes with falling morale among the whole committee and staff team	4	4	16	HIGH	A) New committee member recruitment campaign successful and recruited 5 new community members B) MC appraisals completed and training plans issued C) Self-assessment updated against SHR Standards and updated Improvement Plan created D) 5 appointees have committed to stay on for an interim period until the new and any additional MC members bed in.	2	4	8	SIGNIFICANT	Chair succession plan to be formed L & D plan for MC Chair staying on Recruit next campaign
17.	Pension Scheme Deficit	Pension scheme deficit due to historic scheme performance issues, results in increase in deficit recovery contributions more than assumptions	3	3	9	SIGNIFICANT	A) All new staff join the DC scheme B) Sensitivities run in BP C) Conduct Pension reviews in early 2019/20	2	3	6	MODERATE	Ongoing monitoring Pensions Review
18.	Care Inspectorate intervention	Poor operational practice in our sheltered housing/DOSCG Service results in low inspection grades or threats of closure to a service	3	5	15	HIGH	A) Regular Staff Supervision B) Core and Mandatory training for all staff C) Regular quality assurance on care plans, risk assessments, safe guarding and operational practice D) Implementation National Care Standards – My Support My Life E) Undertake PVGs and SSSC Registration for all staff F) Inspection grades for 2018/19 maintained or improved.	2	3	6	MODERATE	Annual Care Inspectorate visit due April/May 2019
19.	Dalmuir Community Centre	Closure of the Dalmuir Community Centre and requirement to find alternative accommodation for the service to operate.	4	5	20	HIGH	A) Maintaining close working relationship with Centre Manager and WD Leisure Trust Senior Managers B) Scan local properties that might be suitable alternative accommodation on a regular basis C) Review lease arrangements to ensure beneficial termination notice	2	4	8	SIGNIFICANT	Ongoing monitoring Awaiting a 1-year lease from WDC. WDC and DPHA discussing alternative accommodation should the CE Centre not be

Risk ID	Name	Risk	Pre-Control Measures				Control Measure	Post Control Measures				Action Plan
			Likelihood	Impact	Total Risk Score	Risk Level		Likelihood	Impact	Total Risk Score	Risk Level	
							D) Develop a contingency plan if Community Centre not available.					available for any short-term reason
20	Impact of Brexit	Costs increase for repairs and improvements resulting in reduction of programme or changes in specifications	3	3	9	SIGNIFICANT	A) Close monitoring of contract and tender costs B) Early review of programmes if costs increase C) Maintaining good communications with tenants if programmes likely to change	4	3	12	SIGNIFICANT	NEW. Some tenders currently out to competition which will give an indication of any increases in costs
21	Staff Restructure	If posts are selected for redundancy, staff could claim unfair dismissal	3	3	9	SIGNIFICANT	A) Experienced staff to follow processes B) Obtain professional advice C) Follow legal requirements	3	2	6	MODERATE	Ensure compliance with EVH and ACAS guidance

RISK REGISTER KEY

Business Impact		
5	Extreme	Reputation - Sustained widespread media critical coverage. SHR statutory intervention & potential transfer of assets.
		Financial Loss in excess of £1m
		Service Delivery - Significant disruption of the whole organisation
		Legislative - legislation has significant impact on the whole operation
4	Major	Reputation - Prolonged National Media Exposure. SHR statutory intervention.
		Financial Loss between £250k and £1m
		Service Delivery - Significant disruption of large parts of the organisation
3	Moderate	Legislative - legislation has significant impact on a key area
		Reputation - One-off National Media Exposure. SHR engagement - Regulation Plan
		Financial Loss between £50k and £250k
2	Minor	Service Delivery - Significant disruption of one part of the organisation
		Legislative - legislation has moderate impact on a number of functions.
		Reputation - Prolonged Local Media Exposure. SHR engagement
1	Insignificant	Financial Loss less than £50k
		Service Delivery - Minimal disruption of the whole organisation
		Legislative - legislative impact affects small number of procedures.
		Reputation - One-off Local Media Exposure.
Likelihood (of risk manifesting)		
5	Almost Certain	The risk is almost certain to occur (greater than 80% chance)
4	Likely	The risk is more likely to occur than not (between 51% and 80% chance)
3	Possible	The risk is fairly likely to occur (between 21% and 50% chance)
2	Unlikely	The risk is unlikely but not impossible to occur (between 6% and 20% chance)
1	Rare	The risk is unlikely to occur (<5% chance)
Risk Score = Business Impact x Likelihood		
15 or more		Risk Score is High
8-12		Risk Score is Significant
4-6		Risk Score is Moderate
3 or less		Risk Score is Low

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

APPENDIX 4: REMAINING ANNUAL ACTIVITY 2019/21

		Annual Delivery Plan	
No.	Strategic Objective	Year 2	Year 3
1	STRONG AND SUSTAINABLE STRATEGIC GOVERNANCE	Deliver Gov. & Fin. Mgt. Imp. Plan	
		Conduct MC appraisals	Conduct MC appraisals
		Agree Chair succession plan	
		Deliver training plan and update post recruitment campaign and AGM following appraisals.	
		Hold a successful AGM and ensure strong MC membership	Hold a successful AGM and ensure strong MC membership
		Conduct 2 nd recruitment campaign focussed on finance, asset and care skills.	
		Complete policy suite update	
		Agree & deliver annual Internal Audit Plan	Agree & deliver annual Internal Audit Plan
		Update self-assessment against the SHR Regulatory Standards	Carry out self-assessment against the SHR Regulatory Standards
2	DELIVER EXCELLENT SERVICES AND PERFORMANCE	Develop a Customer Excellence Strategy	Pursue external accreditations
		Embed H.E.A.R.T culture change	
		Launch new website	
		Develop a Digital Strategy	
		Conduct process review to streamline and simplify	Conduct process review to streamline and simplify
		Produce Engagement Strategy	
		Review our use of The Hub asset management software	

		Annual Delivery Plan	
No.	Strategic Objective	Year 2	Year 3
3	PROVIDE QUALITY HOMES IN AN ATTRACTIVE ENVIRONMENT	Create asset management strategy & 5-year investment plan	
		Develop an Owner Involvement Plan	Deliver Year 3 investment programme
		Deliver Year 2 investment programme	
		Meet EESSH Standards in all possible housing stock	
		Develop an Open Space Strategy	
		Develop new Funding Strategy	Loan agreement in place
		Secure new funding to support new Business Plan and accelerated investment	
		Procure our new investment programme	
		Create Annual VFM Statement	Create Annual VFM Statement
		Review pension strategy	Develop Rent Affordability Strategy
		Carry out a full review of all our supplier arrangements and develop procurement strategy	
5	DEVELOP OUR LEADERSHIP AND STAFF	Recruit new lead officer	
		Staff Restructure	
		Develop Equalities and Human Rights Policy	
		Support Modern Apprenticeship Opportunities	Support Modern Apprenticeship Opportunities
6	BE MORE THAN JUST A GREAT LANDLORD	Conduct a local analysis of community support needs (digital, financial, childcare, sheltered, community facilities etc) and map local service provision	
		Support Beardmore Trust to agree its future strategic direction based on findings	
		Develop a More than Housing Strategy	
		Implement the new digital alarm technology in our sheltered housing	

		Annual Delivery Plan	
No.	Strategic Objective	Year 2	Year 3
		Scope the opportunities to operate a care at home service	Scope the potential to access self-directed payments to develop a wider Care at Home service
		Scope the rebranding of DOSCG	

APPENDIX 5: KEY PERFORMANCE TARGETS 2019/20

	2017/18	2017/18	2018/19	2018/19	2019/20
Measure	Scottish Average	DPHA Achieved	Target	Qtr3	Targets
% All complaints responded to in full within SPSO timescales	96.2%	70%	100%	94.74%	100%
Average time taken to complete emergency repairs (hours) - make safe (ARC) (DPHA Policy 4 hours)	4.0 hrs	1.74 hrs	4hrs	1.50hrs	4 hrs
Average time taken to complete non-emergency repairs (working days) (ARC) (DPHA Policy Urgent 2 days, non-urgent 10 days)	6.4 days	3.85 days	7 days	4.2 Days	7 Days
% properties requiring a gas safety record which had gas safety check by anniversary date	99.81%	100%	100%	100%	100%
% of tenants who have had repairs or maintenance carried out in last 12 months satisfied with the R&M service (monthly)	92.1%	92.97%	95%	95%	95%
% of reactive repairs carried out in the last year completed right first time	92.2%	90.8%	95%	90.00%	95%
% tenancy offers refused during the year	35.86%	40.26%	25%	32.97%	25%
% anti-social behaviour cases resolved within locally agreed targets	87.88%	100%	100%	100%	100%
% new tenancies sustained for more than a year - overall	93.35%	85.53%	90%	93.75%	92%
% lettable houses that became vacant	8.56%	12.79%	8%	10.15%	8%
%Tenants satisfied with the standard of their home when moving in	90.24%	98.25%	95%	95.83%	95%
Average time to complete approved applications for medical adaptations (calendar days)	51.2 days	46.82 days	35 days	55.9 days	35 days
Rent collected as % of total rent due	99.38%	98.29%	100%	100.96%	100%
Gross rent arrears (all tenants) as a % of rent due	5.41%	5.38%	4%	4.05%	4%
% rent due lost through properties being empty	0.85%	0.78%	0.80%	0.62%	0.75%
Average time to re-let properties	30.72 days	23.1 days	12 days	14.83 days	12 days
% properties meeting the SHQS	94.2%	100%	100%	100%	100%
% properties meeting the EESSH standard	82.72%	72.4%	85%	77.7%	100%
% Sickness rate	N/A	10.54%	4%	7.11%	5%
% Annual Contact Visits to DPHA Tenants	NEW Target/ Activity				100%

APPENDIX 6: SUMMARY DELIVERY PLAN 2019/2020 - Year 2

Activity	Lead Officer	Timescale
Objective 1 – Create Strong and Sustainable Strategic Governance		
Deliver Gov. & Fin. Mgt. Imp. Plan	Dir	Ongoing
Conduct 2 nd Recruitment Campaign to MC focussed on Finance, Asset and Care expertise	SCO	Apr 19
Deliver Management Committee training plan approved Dec. 18 and update after recruitment campaign and AGM	SCO	Jun 19
Conduct MC appraisals	SCO	Jun 19
Agree Chair succession plan	Dir/Chair	Jul 19
Hold a successful AGM and ensure strong MC membership	SCO	Sep 19
Complete policy suite update	ALL	Jun 19
Agree annual Internal Audit Plan with Audit & Risk Sub Committee	Dir/FA	May 19
Update self-assessment against the SHR Regulatory Standards to support submission of Assurance Statement	Dir	Aug 19
Objective 2 – Deliver Excellent Services and Performance		
Develop a Customer Excellence Strategy	SCO/CSTL	Aug 19
Embed H.E.A.R.T culture change	Leadership Team	ongoing
Conduct a review of local housing demand data, waiting lists and tenancy sustainment data and a plan we improve these	CSTL	Jun 19
Launch new Website	CSO	Apr 19
Develop a Digital Strategy	SCO	Sep 19/Now 202021
Produce a roll out plan for 2019/20 process review to streamline and simplify all that we do	SFO	Jun 19
Produce Customer Engagement Strategy	CSTL	Aug 19
Review our use of The Hub asset management software	CSTL/AA	Sep 19
Objective 3 – Provide Quality Homes in An Attractive Environment		
Create asset management strategy & 5-year investment plan	AA	tba
Develop an Owner Involvement Plan	CSTL/SPO	Jun 19
Set up Owner Panel	CSTL	Jun 19
Procure our new investment programme	AA	tba
Deliver Year 2 investment programme	AA	Mar 20
Objective 4 - Demonstrate Value for Money		
Meet EESSH Standards in all possible housing stock	SPO	Mar 20
Develop an Open Space Strategy	CSTL/HO	Sep 19
Develop new Funding Strategy	FA	Sep 19
Secure new funding to support new Business Plan and accelerated investment	FA	tba
Create Annual VFM Statement	FA	Feb 20
Review pension strategy	FA	Dec 19
Carry out a full review of all our supplier arrangements and a procurement strategy	FA/ CSTL/Dir	Sep 19
Objective 5 - Develop Leadership and Staff		
Recruit new lead officer	Staffing Sub Committee/ Dir	Aug 19 - onwards
Design and implement new staff structure	Dir/SCO	July 19
Develop an Equalities & Human Rights Policy	SCO	April 19
Support Modern Apprenticeship Opportunities	SCO	May 19
Objective 6 - Be More than Just A Great Landlord		
*Conduct a local analysis of community support needs (digital, financial, childcare, sheltered, community facilities etc) and map local service provision	External	Aug 19
Support Beardmore Trust to agree its future strategic direction based on findings(*)	Dir	May 19
Develop a More than Housing Strategy to reflect findings (*)	Dir	
Implement the new digital alarm technology in our sheltered housing	CSM	Dec 19
Set up Parents Panel	CSM	Sep 19
Scope the opportunities to operate a care at home service	CSM	May 19
Scope the rebranding of DOSCG	CSM	Jul 19

