



Date	<b>31/01/2022</b>
Time	<b>18:30 - 20:30</b>
Location	<b>Teams</b>

# Board Meeting

Maryhill Housing Association

## Agenda - 31 January 2022

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**1 Welcome**

18:30, 5 min  
*Lindsay Forrest*

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**2 Approval of Previous Minutes - 30th November 2021**

18:35, 5 min  
*Lindsay Forrest*

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**3 Action Tracker**

18:40, 5 min  
*Lindsay Forrest*

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**4 Chair's Update**

18:45, 10 min  
*Lindsay Forrest*

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**5 Feedback from Board Training/ Conferences**

18:55, 5 min  
*Roger Popplewell, Tim Holmes, Isabella McTaggart, Paul Imrie, Jenny Crowe, Caitlyn Maccabe, Lindsay Forrest, Raphael Rickson, Valerie Wilson*

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**6 Rent and Service Charge Approvals**

19:00, 30 min  
*Jennifer Simon*

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**7 Redan Pub Compulsory Purchase Order**

19:30, 10 min  
*Bryony Willett*

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**8 Strategy and Development Funding Plan**

19:40, 20 min  
*Alistair McArthur*

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**9**

**CEO Report**

20:00, 10 min  
*Bryony Willett*

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**10**

**Governance Report**

20:10, 10 min  
*Rebecca Wilson*

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**11**

**Meeting Review**

20:20, 10 min  
*Roger Popplewell, Tim Holmes, Isabella McTaggart, Paul Imrie, Jenny Crowe, Caitlyn Maccabe, Lindsay Forrest, Raphael Rickson, Valerie Wilson*

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1

18:30, 5 min

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## 1 - Welcome

*Lindsay Forrest*

- Apologies
- Declaration of Interests

| For Discussion

2 - Approval of Previous Minutes - 30th  
November 2021

*Lindsay Forrest*

| For Decision

3

18:40, 5 min

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## 3 - Action Tracker

*Lindsay Forrest*

| For Decision

### **Attachments**

[3. Action Tracker January 2022.docx](#)

## Board Action Tracker

### Board Meeting 29<sup>th</sup> April 2021

Item	Action	Lead	Latest update and anticipated completion date
12.3	BW advised it would be appropriate to review the other Retirement Housing Officer post over the next 12 months. TH agreed that this should be carried out to ensure that the Association was not paying too much for a specific role, and to ensure consistency.	<b>BW</b>	<p>This to be progressed once new Head of Service in post – target completed March 2022.</p> <p><b>Jan update:</b> this is likely to be delayed due to planned sickness (operation) for one of the retirement housing officers.</p>

### Board Meeting 23<sup>rd</sup> August 2021

Item	Action	Lead	Latest update and anticipated completion date
10.4	RP advised that feedback from the ongoing Board review meetings suggested that members were keen for in-person Board meetings to recommence at some stage however they appreciated that there were still issues regarding the need for these to be COVID-safe. It was suggested that RP, PI and LF meet with BW and the incoming Performance & Governance Manager to discuss options regarding this and circulate these to the other Board members. RW advised that the new Performance & Governance Manager would not be in post until mid-October.	<b>DW</b>	<p>Corporate Team are currently seeking to book appropriate meeting space which would allow for physical meetings with 1 metre social distancing. It is hoped to secure venues for October Board meeting onwards.</p> <p>October Update: Booking has been confirmed for the Attic Room, Maryhill Burgh Halls. However, the IT connection has still to be tested to ensure that we can run an effective meeting and enable virtual attendance. This will be confirmed on 25<sup>th</sup> October.</p> <p><b>November update:</b> Burgh Halls IT connectivity issue has still not been resolved. It is intended that Board meetings will return to in person from January 2022.</p> <p><b>January update:</b> Due to current COVID restrictions we are unable to hold in person meetings. This will continue to be reviewed in line with government guidelines.</p>
12.8	The Board agreed that this would not be good value for money and an external agency should not therefore be used to carry out this year's rent consultation survey however they were keen to see further analysis on the responses received by tenants with and without staff assistance.	<b>BW</b>	<p>This will be included in the January 2022 report to Board on the outcome of the rent consultation.</p> <p><b>Jan update:</b> this is included in the analysis for the rent report.</p> <p><b>Proposed for closure.</b></p>

Item	Action	Lead	Latest update and anticipated completion date
13.4	It was noted that, as the longest-serving Board members, both IM and TH would require to be re-elected at the AGM and both VW and CO co-opted. RW confirmed that she would email a form regarding the Association's rules to all four members for completion in advance of the AGM.	RW	Confirmation received from IM, TH & VW. Awaiting confirmation from CO shortly. January update – CO has now confirmed. <b>Propose for closure</b>

### Board Meeting 30<sup>th</sup> September 2021

Item	Action	Lead	Latest update and anticipated completion date
4.3	The Board requested a demo session on Teams Decisions ahead of the next Board meeting. RW to arrange this.	DW	A demo session is scheduled for 6pm at the Burgh Halls ahead of the start of tonight's meeting (subject to IT connectivity testing as noted above). <b>November Update:</b> Decisions training will be postponed until this can be delivered at an in person meeting, hopefully January 2022. <b>January Update:</b> Decision training will be held as soon as we are able to hold in person meetings.

### Board Meeting 28<sup>th</sup> October 2021

Item	Action	Lead	Latest update and anticipated completion date
3.2	LF advised of the discussion at the TSIG meeting and that the group expressed concern about the rent policy and in particular the greater impact on smaller properties of the current rent structure. It was agreed that consideration of this point would be included in the rent increase report to Board in January 2022.	RW	This will be covered in the January 2022 rent report. <b>January update:</b> This is covered in the rent report on today's agenda. <b>Propose for closure.</b>
9.2	The Board discussed in full the different ways of allocating the new build housing to meet the range of housing needs. Following this discussion, it was agreed that amendments were required to the proposed lettings targets as set out in the report: <ul style="list-style-type: none"> <li>Section 5 target to reduce from proposed 30% to 25%</li> <li>Transfer Need to increase from 25% to 30%</li> </ul>	JS	A further update is provided in the CEO report for November 2021. <b>January update:</b> This policy has now been implemented at Rothes Drive. <b>Propose for closure.</b>

Item	Action	Lead	Latest update and anticipated completion date
11.6	RW provided a verbal update on Board recruitment, the application form awaited had not yet been submitted. It was also discussed that the second expression of interest is likely not to be progressed by the individual until January. RW also updated that TH had volunteered if necessary, to be the independent member who steps down in January 2022 to enable Rule compliance if the tenant majority had not been achieved by that time.	RW	Appointment of tenant Board member will be considered at the November Board meeting. If approved this would bring the Association back into compliance with the Rules.  <b>January Update:</b> JMcC appointed to Board at the November meeting. <b>Proposed for closure</b>
13.3	The challenges presented by only having access to one screen during virtual meetings was raised and suggested that we might want to ensure that any new members have access to two screens.	DW	A review of IT provided to Board Members will be undertaken as part of the planned upgrade to our current boardroom to make it more suitable for hybrid meetings in the future.  <b>January 2022 Update:</b> It was agreed at board away day on 15/01/22 that DW will contact each board member to discuss their individual IT requirements. This will be completed before the end of February.

### Board Meeting 30<sup>th</sup> November 2022

Item	Action	Lead	Latest update and anticipated completion date
6.7	Board agreed to change the recommendation in the paper to note rather than approve Officer's intention to explore the option of an in-house void maintenance in more detail along with other options which are detailed in the shortlist. In addition, Board asked Officers to also consider options of partnering with another RSL and exploring potential for extending the current reactive repairs contract to cover void repairs.	JS	This is being progressed and will be incorporated into the Board discussion around in-house services in February 2022.

Item	Action	Lead	Latest update and anticipated completion date
7.2	<p>The paper was reviewed and discussed, and the Board agreed the following:</p> <ul style="list-style-type: none"> <li>To extend the overarching objectives to include land purchases</li> <li>The strategic aims for property purchases as set out in the report.</li> <li>The strategic drivers for property sales, but that the Not improvable driver to be reworded “where investment work required to make a property fit for purpose would be uneconomical and would result in a property delivering a negative NPV”.</li> <li>The assessment process.</li> <li>Delegation for property purchases but decided that all sales proposals would come to Board rather than being delegated.</li> </ul>	RW	<p><b>January Update:</b> the final Policy will come to February Board and will include these amendments.</p>
9.5	<p>Board approved an external review of voids as it is recognised that the improvements that have been implemented by the Association are not showing the necessary improvements. The standards and specifications that we adopt for voids must be included in the review. Board also asked that officers include learning from other Associations and the staff team as part of this project.</p>	JS	<p>The standards and specifications we adopt for voids will be included in the review. Learning from other Associations has also commenced.</p> <p>Progress on actions to reduce voids expenditure is reported in the CEO report.</p> <p><b>Propose for closure.</b></p>
10.4	<p>The Board agreed not to change the local letting targets on the basis that mitigation has already been done by increasing the number of lets from the waiting list which also has higher number of BME applicants. Board requested that the Equality Impact Assessment be updated to reflect this.</p>	JS	<p><b>January update:</b> This policy has now been implemented at Rothes Drive.</p> <p><b>Propose for closure.</b></p>

**Key:**

AM: Alistair McArthur	JS: Jennifer Simon	MM: Marie Murphy
BW: Bryony Willett	KF: Karen Fee	RW: Rebecca Wilson
CB: Carol Bain	JR: Joanne Reid	DW: Debbie Watt

4

18:45, 10 min

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## 4 - Chair's Update

*Lindsay Forrest*

Verbal Update

| For Information

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## 5 - Feedback from Board Training/ Conferences

*Roger Popplewell,  
Tim Holmes, Isabella  
McTaggart, Paul  
Imrie, Jenny Crowe,  
Caitlyn Maccabe,  
Lindsay Forrest,  
Raphael Rickson,  
Valerie Wilson*

Verbal Update

| For Information

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## 6 - Rent and Service Charge Approvals

*Jennifer Simon*


| For Decision

### **Attachments**

[6. Rents and Service Charges 2022-2023.docx](#)

[6.1 Rents and Service Charges 2022-2023 Appendix A - GWSF 2022 rent increa~.docx](#)

[6.2 Rents and Service Charges - Appendix B.pdf](#)

<b>REPORT TO:</b>	<b>Board</b>	
<b>DATE OF MEETING:</b>	<b>31<sup>st</sup> January 2022</b>	
<b>AGENDA ITEM:</b>	<b>6</b>	
<b>CONFIDENTIALITY:</b>	<b>Non-Confidential</b>	
<b>AUTHOR:</b>	<b>Jennifer Simon, Director of Operations; Rebecca Wilson, Director of Resources</b>	
<b>RESPONSIBLE DIRECTOR:</b>	<b>Jennifer Simon, Director of Operations</b>	

## **REPORT TITLE: RENTS AND SERVICE CHARGES 2022/2023**

### **1. PURPOSE OF THE REPORT:**

- 1.1. This paper sets out the proposed annual increase for rent and other charges, including the factoring management fee. It sets out how tenants have been consulted on the proposed rent increase and the outcomes from the consultation.
- 1.2. The paper also sets out several scenarios for consideration by the Board of an increase of more than 2.7% to general needs rents in view of the exceptional circumstances of current and future inflation levels. The proposals will set out the potential impact on the business plan.

### **2. BACKGROUND DOCUMENTS:**

- 2.1. Annual Rent Increase proposals report to Board – 30 September 2021

### **3. RECOMMENDATIONS:**

- 3.1. The Board is asked to:
  - **Consider** the responses to the consultation on the proposed rent increase from April 2022.
  - **Discuss** the scenarios and proposals presented by Officers of the impact of inflation levels on the business plan and to consider a higher increase than was consulted on or to agree a rent increase of 2.7%
  - **Approve** setting rents/charges from April 2022 in line with the recommendations listed below:
  - **Approve** that, after consideration of the request from the TSIG, there is no need to review the rent structure

#### **For all general needs and retirement properties:**

To apply a rent increase as determined by the Board meeting at its meeting on 31 January 2022.

#### **For retirement housing tenants**

To delegate authority to the Chair to set service charges from April 2022 based on projected costs for the services following consultation with tenants plus 15% administration fee.

**For leased properties and temporary furnished flats:**

To increase rents by 5.9% this reflects an increase of September 2021 RPI (4.9%) plus 1%.

**For shared ownership properties:**

To increase the rental element from April 2021 in line with the increase being applied to general needs tenants and apply an increase which will be determined by the Board at its meeting on 31 January 2022.

**For lock ups**

To increase the lock up charge in line with the general needs rent which is to be determined by the Board at its meeting on 31 January 2022.

**For factored properties:**

To increase the annual management fee from £162 to £180 to reflect benchmarking comparisons in line with the original proposal.

**4. EXECUTIVE SUMMARY:**

- 4.1. At its meeting in September 2021 the Board considered a range of rent increase levels modelled through the business plan. The Rent & Service Charge Policy notes that the Association generally uses August CPI (Consumer Price Index measure of inflation) as the reference point for annual rent increases, but this is not binding. Due the volatility being experienced in inflation at the time of the September meeting, consideration was given to moving away from August CPI use. At the time of the September Board meeting, CPI was at 3.4% and forecasts were predicting CPI might go as high as 4% before falling back. It was agreed that the Association should consult tenants on a 2.7% increase to general needs and retirement rents based on the latest estimate of what CPI would be during 2022/23.
- 4.2. It was also agreed at the Board meeting to apply the same level of increase to the lock ups and the rental element of shared ownership.
- 4.3. It was agreed by the Board that an increase in annual factoring fee from £162 to £180 would be applied to reflect benchmarking comparison.
- 4.4. It was agreed by the Board that an increase of (September) RPI plus 1% would be applied to the leased properties.
- 4.5. All tenants currently residing in the Association's homes were consulted on the proposal to apply a 2.7% increase to the rent. The consultation was carried out between October 2020 and December 2020

- 4.6. Of the 3041 tenants asked to participate in the consultation 601 responded which is a response rate of 17%. The previous year saw a response rate of 24.5% but the target of a 15% response rate was met.
- 4.7. Of the 601 tenants who responded to the consultation 335 tenants (56%) were in favour of the proposed rent increase.
- 4.8. 60.6% of tenants supported the rent increase in the previous year.
- 4.9. Given the volatility of CPI and projected increases to the level of inflation the Board are being asked to consider an increase in excess of 2.7% because of the potential impact on the business plan.
- 4.10. It is proposed that if the Board decide to apply an increase of more than 2.7% to general needs and retirement rents the same level of increase will be applied to lock ups and the rental element of shared ownership properties.

<b>IMPLICATIONS OF THE REPORT</b>	
<b>FINANCIAL RESOURCE AND VALUE FOR MONEY:</b>	Rental payments are the key source of income for the Association. It is vital that rents are set at a level that is viable for the Association in terms of the longer-term business plan. MHA has to comply with the Scottish Social Housing Charter. Outcome 13 states 'social landlords manage all aspects of their business so that tenants, owners and other customers received services that provide continually improving value for the rent and other charges they pay'.
<b>LEGAL/REGULATORY/ RULES/NOTIFIABLE EVENTS:</b>	The Association has a Regulatory duty to consult tenants on proposed changes to rents and to give at least 28 days' notice of rent increases. The Association also has a responsibility to ensure rents are genuinely affordable for tenants and prospective tenants and provide value for money. This is stated in the Scottish Social Housing Charter outcome 14 - 'a balance has to be struck between the level of services provided, the cost of the services and how far customers... can afford them'. The April 2019 Regulatory Framework also introduced a new standard 3 that "The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay". There is no legal duty to consult factored owners of proposed charges, but we do need to provide 28 days' notice of any changes.
<b>CORPORATE PLAN/STRATEGIC OBJECTIVES:</b>	Rent consultation and implementation from April 2022 is a key priority but it is 'business as usual' and does not appear in the Corporate Plan
<b>CUSTOMER/TENANT PARTICIPATION:</b>	Tenants have been consulted on the proposed increase to general need and retirement rents from April 2022. The consultation was promoted on social media and on the website.
<b>COMMUNICATIONS:</b>	Correspondence was sent to all tenants setting out the proposal for the rent increase for 22/23 with details of how they could provide feedback on the proposed rent increase. Text messages were also sent to encourage tenants to participate in the consultation exercise. Front line staff also encouraged tenants to provide feedback on the proposed rent increase. All

	tenants will receive formal correspondence confirming the outcome of the consultation and the increase in their rent charge. An article will be included in the Spring newsletter setting out the details of the consultation. The outcome of the consultation will also be included on the website and via social media. Customers subject to lock up charges, factoring charges and leased rent charges will be advised in February of the increases to their charges
<b>HEALTH AND SAFETY:</b>	There are no health and safety issues to be considered at this time
<b>ENVIRONMENTAL:</b>	There are no environmental issues to be considered at this time
<b>EQUALITY IMPACT ASSESSMENT:</b>	There are no equality issues to be considered at this stage.
<b>RISK ANALYSIS:</b>	The key risks associated with the rent increase are financial: ensuring that the proposed rent increase will not have a negative impact on the business plan, loan covenants, and reputational – ensuring that tenants understand why we are changing rents, that rents remain affordable and the support we can provide to ensure that customers incomes are maximised. In view of the ongoing pandemic and current cost of living increases, increasing rents could expose the Association to reputational risk as increasing rents at a time where jobs and incomes have been impacted could be seen to be inappropriate.

## 5. BACKGROUND

- 5.1. The Business Plan assumes that rents would increase by CPI in April 2022, but this would be subject to an annual review and decision by the Board.
- 5.2. The Scottish Housing Regulator has set out an expectation that associations should consult tenants on a range of rent options when consulting on any proposed changes to rents rather than proposing a single increase where possible.
- 5.3. In March 2020 the Board considered whether there was scope within the business plan to offer tenants a range of rent increase options. The Asset Management Strategy approved in March 2020 set out a 4 year investment programme which prioritised the replacement of outdated electric heating systems in approximately 1000 homes.
- 5.4. During the 4 year programme it was highlighted that there would be no scope to offer rent options to tenants without impacting negatively on the deliverability of the heating upgrade project.
- 5.5. At its meeting in September 2021, the Board were asked to consider the following rent increase levels for general needs, shared ownership and retirement properties:
  - 0.0% (rent freeze)
  - 1.7% (Consumer Price Index inflation (CPI) assumption included in March 2021 Business Plan)
  - 2.7% (latest estimated CPI for 2022/23)
  - 2.9% (non-CPI linked increase based on business plan performance)
  - 3.2% (August actual CPI)

- 5.6. In considering the options provided to them the Board considered the viability of the Association in applying the varying rent increase levels and the impact on loan covenants and the Business plan. Consideration was also given to the affordability of rent increases for tenants.
- 5.7. The Board were also provided with some comparison information of the impact on the rent increase options on average rents linked to property size. The Board were not able to consider the levels of rent increases being proposed throughout the city and attached as at Appendix A is a summary of rent increase proposals which is collected by Glasgow West of Scotland Forum (GWSF). Of the Associations responding to the survey all Associations were proposing a rent increase ranging from 2% to 5.2% with a majority proposing a rent increase above 3%. **2 year avg 4.5%**
- 5.8. Based on The Scottish Housing Regulator published results of the 2020/21 Annual Return on the Charter when compared to local landlords Queens Cross, NG, and Cube it can be confirmed that our rents are comparable or lower. When compared to the Scottish average the Association's rents are broadly comparable with the exception of two-bedroom properties which are slightly above the Scottish average.
- 5.9. Having considered the report and supporting information the Board agreed that tenants would be consulted on a proposed rent increase of 2.7%. It was further agreed that lock ups, factored owners' management fee and the rental element of shared ownership properties would be subject to the same increase as rents. Leased properties would be subject to an increase of RPI (September) plus 1%.

## 6. RENT CONSULTATION

- 6.1. The Tenant Service Improvement Group (TSIG) were consulted for feedback on the proposed letter and FAQs which would be sent to tenants.
- 6.2. Tenants were encouraged to complete an online survey on the website and social media, staff promoted the rent consultation whenever they engaged with tenants and text reminders were sent with a link to the survey. In addition, all tenants were sent a letter setting out the proposals and how they could provide their feedback following the Board decision to consult on a proposed rent increase of 2.7%.
- 6.3. A total of 601 tenants responded to the consultation with 335 (56%) tenants supporting the rent increase proposal. The table below provides details on the level of support for the increase split between tenants completing the survey either with or without assistance from staff:

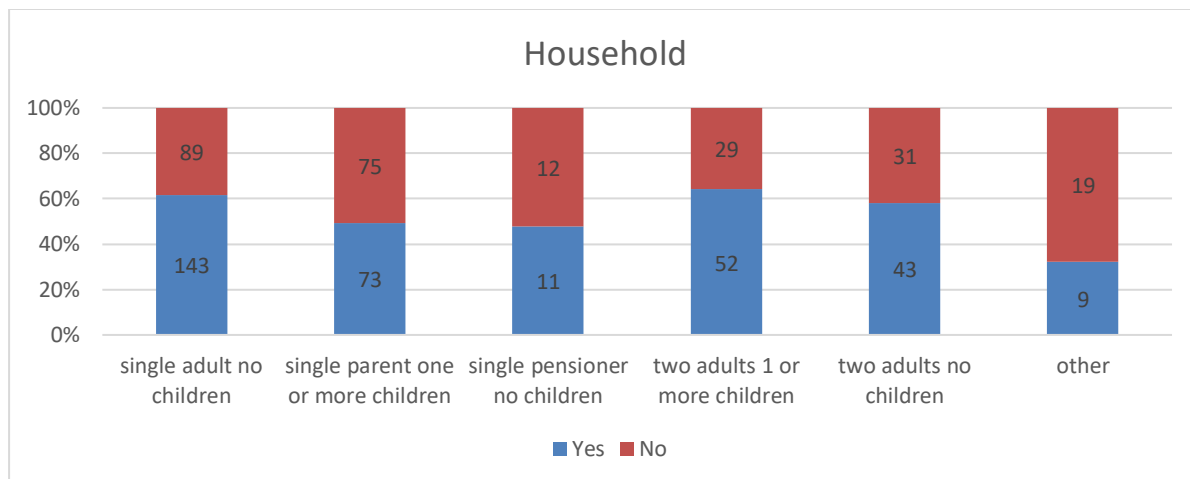
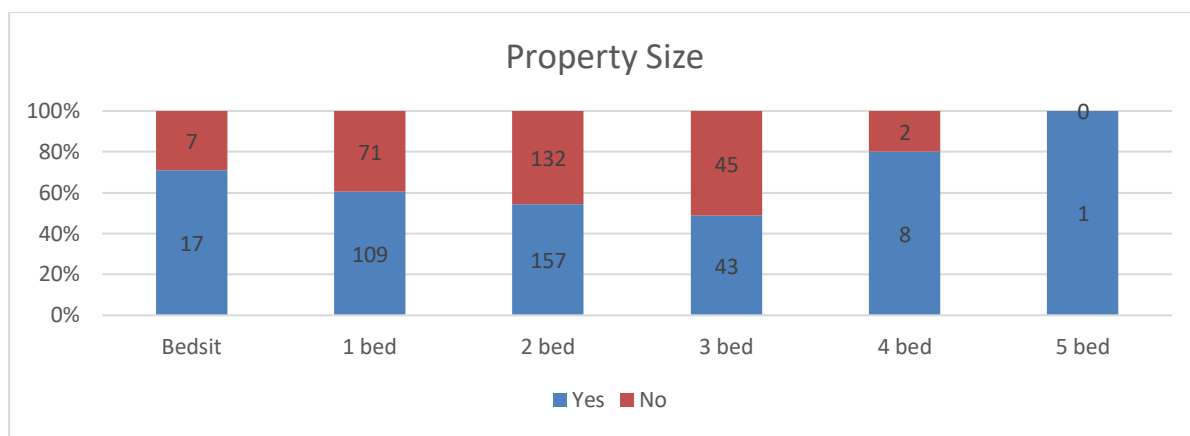
	Total	% supporting rent increase
With staff assistance	215	67%
Without	386	49%
Total	601	56%

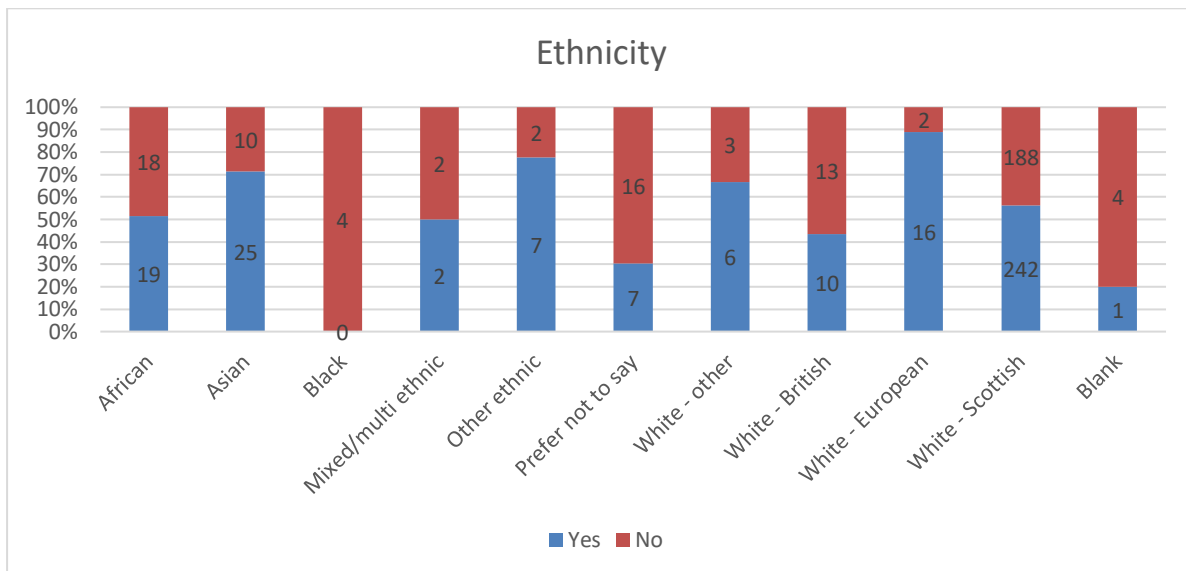
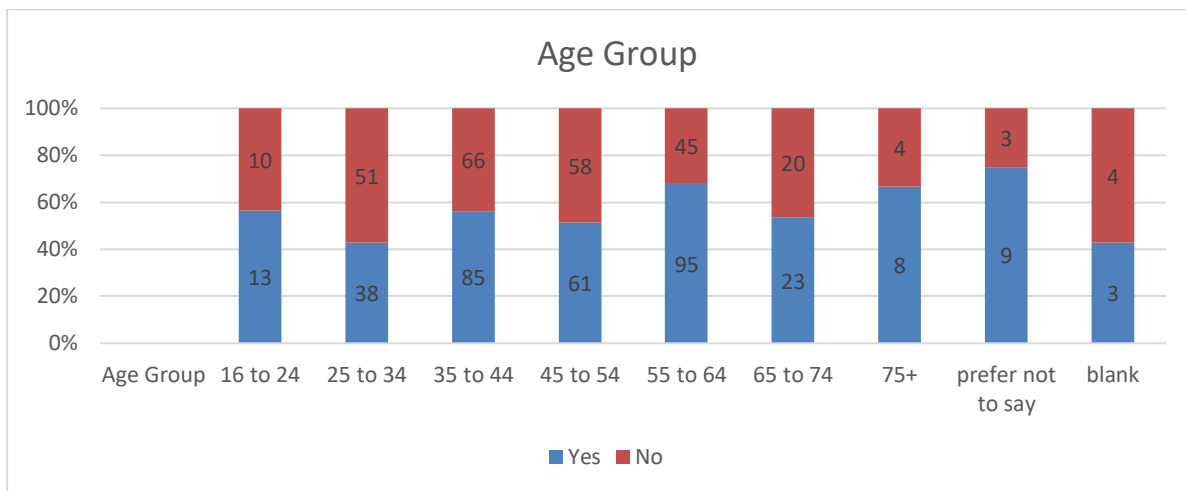
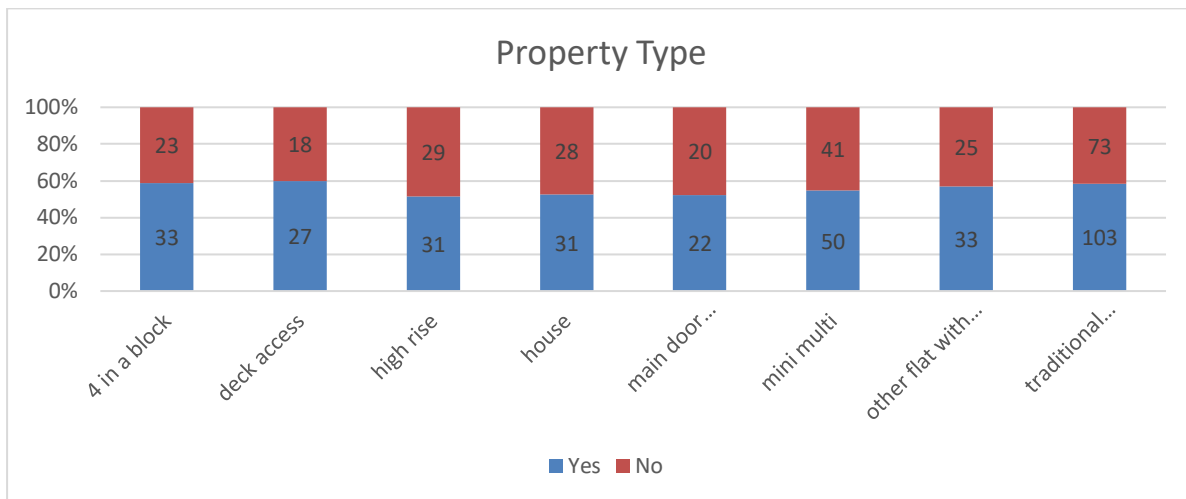
- 6.4. The Association saw a drop in the response rate to the consultation this year with 17% of tenants responding this year when compared to 24.5% of tenants responding in the

previous year. The drop in responses may be because of busy periods on the phone where the priority for staff was to deal with calls and not promote the consultation to limit call waiting times.

6.5. As part of the consultation, more data was obtained to provide a breakdown of property types, household composition and some demographic information to understand where there was the most support for the increase. The data shows that tenants living in deck access properties demonstrated the highest level of support for the rent increase at 60% whilst the lowest level support for the rent increase was amongst the high-rise stock at 52%, it should be noted however that splitting responses down to such detail means sample sizes are relatively small. **AND THEREFORE PROB NOT STATISTICALLY SIGNIFICANT**

6.6. The following graphs provide detail of the comparative level of support across the range of data sets obtained:





6.7. The affordability assessment considered at the September 2021 meeting using the SFHA affordability model looked at the impact of the proposed increases on a range of house types. When rent level alone is considered, this indicated that our rents are least affordable for single working age people in 1 bed properties. However, when the full costs of living are taken into account it showed that single parents with two children would struggle most financially. The response by household above appears to reflect this, with single parents with one or more children showing only 49% support for the rent increase.

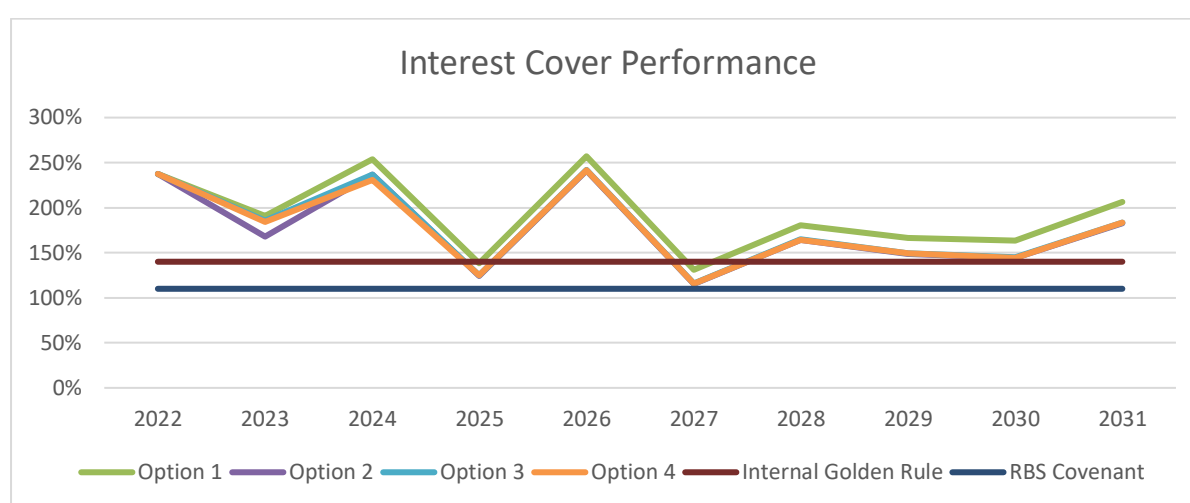
- 6.8. The Tenant Service Improvement Group (TSIG) had raised concerns that our current rent policy resulted in rent which proportionately too high in smaller properties, however the results above for household size show lowest support for the rent increase being in 3 bed properties. This could relate to the household type and reflect the pressure on single parent families overall costs of living as discussed above. The TSIG group requested that the Association review the rent structure if tenants in smaller properties (or particular property types) found their rents less affordable. This does not appear to be supported by the rent consultation feedback and therefore officers would not recommend reviewing the rent structure. **But is the data reliable/STAT SIGNIFICANT ENOUGH TO BE ABLE TO MAKE THAT ASSESSMENT**
- 6.9. There were no formal responses received from any of the tenant groups or individual tenants. Of the responses received, 136 tenants who responded to the consultation confirmed that they would like us to contact them to discuss an issue that they raised. The aim is to contact these customers by the end of February 2021.
- 6.10. A summary of the tenant consultation is attached at Appendix B.

## 7. VIABILITY REVIEW

- 7.1. Rental income is required to be sufficient to cover the Association's costs and in particular costs in relation to management, maintenance, service costs, loan repayments and future cyclical and major repairs obligations. As a result, any review of rent levels needs to ensure that all of the Association's costs are adequately resourced both in the short and long term. Associations must consider value for money when setting rents, and in balancing viability with affordability, the SHR has made it clear that the RSLs should first look to make savings rather than apply above inflationary rent increases.
- 7.2. At the September 2021 Board consideration was given to the volatility that had occurred in inflation levels since the start of the Covid-19 lockdown in March 2020. At the time of the September Board meeting, CPI was at 3.4% and forecasts were predicting CPI might go as high as 4% before falling back. It was agreed that the Association should consult tenants on a 2.7% increase to general needs and retirement rents based on the latest estimate of what CPI would be during 2022/23.
- 7.3. At the January 2022 Board Away day further detailed consideration was given to the increasing impact of inflationary pressures, not only in continuing rising CPI but also unprecedented specific inflationary pressures on electricity costs and building materials which in turn had led to our reactive repairs and void contractors seeking contract price increases. The impact of these specific inflationary pressures have been included in the business plan before assessing all of the rent increase options outlined below.
- 7.4. At the time of the Away Day CPI was at 5.1% and was forecast to peak at 6% in April 2022 before falling back gradually. Increased assumptions of CPI levels of 4% for 2022/23, 5% for 2023/24 and 3% for 2024/25 were assessed through the business plan. Consideration was given to the impact on viability of continuing with the 2.7% rent increase for 2022/23 that had been consulted upon. Board requested that officers prepare further rent options modelling smoothing the impact of the inflation spike for tenants over a 2-year period.
- 7.5. Since the January Away Day, December CPI figures have been published, with CPI now sitting at 5.4% and are forecast to peak at 7% by April before starting to gradually fall back.

Our treasury advisers DTP have confirmed that CPI assumptions of 4% for 2022/23, 5% for 2023/24 and 3% for 2024/25 before returning to 2% thereafter are reasonable assumptions to use in our business plan modelling.

- 7.6. The following graph outlines the range of rent increase options modelled through the plan:
- **Option 1 – increase rents in 2022/23 by 4%** in line with assumed CPI and then assume CPI rent increases of 5% in 2023/24 and 3% in 2024/25
  - **Option 2 – increase rents in 2022/23 by 2.7%** as per consultation, and then assume CPI rent increases of 5% in 2023/24 and 3% in 2024/25
  - **Option 3 – increase rents in 2022/23 by 3.7%** in 2022/23 (assumed CPI of 4%-0.3%) and then assume by 4% in 2023/24 (assumed CPI-1%)
  - **Option 4 - increase rents in 2022/23 by 3.6%** in 2022/23 (assumed CPI of 4%-0.4%) and then assume by 3.6% in 2023/24 (assumed CPI-1.4%) and then by 3.5% in 2024/25 (assumed CPI+0.5%)



7.5 The Interest Cover covenant performance is also shown in the table below as well as Final Year 30 cash position, resulting decrease in Year 30 cash from September 2021 business plan, the year of loan debt repayment and the level of the investment programme costs budgeted within each year:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2051 Cash £m	Cash + or - £m	Loan Debt Repaid
Base Case	238%	228%	304%	154%	261%	142%	189%	177%	169%	212%	53.8	n/a	2041
Option 1	238%	191%	254%	139%	257%	131%	180%	166%	164%	207%	49.9	-3.9	2042
Option 2	238%	168%	237%	125%	241%	115%	164%	149%	144%	183%	39.0	-14.8	2044
Option 3	238%	186%	237%	125%	242%	116%	165%	149%	145%	184%	39.4	-14.4	2044
Option 4	238%	184%	231%	125%	242%	116%	164%	149%	145%	183%	39.2	-14.6	2044
RBS Covenant	110%	110%	110%	110%	110%	110%	110%	110%	110%	110%	n/a	n/a	n/a
Internal Golden Rule	140%	140%	140%	140%	140%	140%	140%	140%	140%	140%	n/a	n/a	n/a
Option 4 Headroom on 110% £m	0.8m	0.6m	1.4m	0.2m	1.9m	0.1m	1.0m	0.8m	0.7m	1.4m	n/a	n/a	n/a
Investment Programme £m	5.0m	3.0m	2.6m	5.0m	3.4m	5.5m	5.3m	5.3m	5.3m	5.1m	n/a	n/a	n/a

- 7.6 From the above analysis it can be seen that all of the rent options modelled breach the interest cover golden rule in 2024/25 and 2026/27. However, these breaches could be addressed by smoothing of the investment programme across 2025, 2026 and 2027. Loan Debt repayment on Options 2, 3 & 4 are all 3 years later than original Business Plan with **interest payments over the plan period increasing by £3.8m from £23.6m to £27.4m**
- 7.7 Option 1 generates the strongest financial performance, but would see tenants rents fully impacted by the short term inflation spike at a time when tenants will also be feeling the impact of this inflation spike across their cost of living expenses.
- 7.8 Options 2, 3 & 4 all produce very similar financial performance, with almost £15m lost from the plan and loan debt taking 3 additional years to clear. Option 2 would give the lowest increase for 2022/23 but offers no cushion for tenants from the inflation spike in Year 2. Option 3 & 4 would allow for smoothing over 2 or 3 years of the impact of inflation on tenants, but would result in a rent increase higher than the 2.7% consulted upon.
- 7.9 Whilst Option 3 & 4 provide an assessment of smoothing of rent increases beyond 2022/23, due to the volatility of inflation it is not recommended that Board consider approving a firm rent increase promise beyond 2022/23. Instead, Board are asked to only approve the 2022/23 increase and note the ability of the business plan to support a below CPI increase next year if Board opt for an above 2.7% increase for 2022/23.
- 7.9 Board are asked to give consideration to the relative merits of the rent increase options set out in this report. Officers feel that Option 4 which demonstrates the ability to smooth the impact of the inflation spike over 3 years may provide the best cushion to tenants in this difficult time. If Board wish to approve Option 4 it is recommended this be on the basis of **approving a 3.6% increase for 2022/23 whilst noting the intention, if possible, to smooth any continuing inflation spike over the coming two financial years.**



**GWSF rent increase survey for April 2022 – eighth results edition 10/1/22 (new results/updates in red)**

	<b>Increase April 2021</b>	<b>Proposed increase for April 2022</b>	<b>Any further commentary</b>
Maryhill HA	0%	<b>2.7%</b>	Our Board considered options ranging from 0% to 3.2%.
Prospect CH	0.7%	<b>2%</b>	2.0% is being modelled as part of budget preparations. Our rent increase is linked to a maximum of August CPI + 0.5%, as agreed in Tenant Satisfaction Survey Rent Consultation from 2019.
Craigdale HA	1.5%	<b>4.1% or 5.2%</b>	Our business plan allows for CPI + 1% (CPI at October 2021) however we will look at the effect of furlough ending and UC additional payment being scrapped before making a final decision. Update: After a long discussion we have decided to consult on September CPI +1% and October CPI +1% so effectively 4.1% and 5.2% we will be consulting on the full implications to the business plan of the lower figure and the effect on services moving forward.

Oak Tree HA	1%	<b>3%</b>	Now consulting on 3%, with no alternatives being offered.
New Gorbals HA	0%	<b>3.8%</b>	Sept CPI plus 0.7%.
ng homes		<b>2.7%</b>	We are hoping to go to our board to consult with a minimum of 2.7%, but would be interested to see what others are doing.
Charing Cross HA	2%	<b>2%</b>	Provisional at this stage.
Partick HA	1%	<b>2.6%</b>	We are consulting tenants on a 2022/23 rent increase of 2.6% (i.e. September 2021 CPI of 3.1% - 0.5%).
Queens Cross HA	0.7%	<b>2.9% or 3.4%</b>	Currently consulting with our tenants on 2 options: 2.9% (September's CPIH) and 3.4% (CPIH + 0.5%).
Kingsridge Cleddans HA	1.2%	<b>4.2%, 4.7% or 5.2%</b>	We're going to our Management Committee at the end of November with a view to pegging at October's CPI rate, so I'm really interested to find out what others are doing/proposing. Update: Meeting of MC 30.11.21 agreed to consult on CPI (October) – CPI+1%, therefore consultation on 4.2%, 4.7%, 5.2%
Pineview HA	0.7% on base rent but variable overall impact due to Kendoon transfer with many rents	<b>2.6%, 3.1% or 3.6%</b>	Report going to November Committee meeting. Policy does not tie us to anything but Kendoon HA ToE ties us to no more than CPI for 1/4/22 and 1/4/23. LTPs assume CPI at 2%. Sept CPI – 3.1%, Ave CPI for Oct 21 – Sept 22 = 1.5%. Along with affordability concerns for customers, issue is the increase in costs, especially labour and material – for example, City Building looking for 15% increase, and some in sector saying tenders coming in way over budget. Low increase has tremendous compound

	being reduced or capped.		effect over the 30 years, with potential short term saving costing tenants much more in medium and longer term. Really difficult position this year. Update: Committee have decided to consult on Sept CPI +- 0.5%, so 2.6%, 3.1%, 3.6%.
West of Scotland HA		<b>2.5%, 3.1% or 4.1%</b>	We have now completed the paper for our Board and are proposing three options – 2.5%, 3.1% or 4.1%. We normally consult on September CPI + 1% (3.1%) and 4.1% is based on CPI only/plus 1%) but are hoping to use what was in the Business Plan (i.e. 2.5%).
Cadder HA	1.2%	<b>2.5%</b>	
Glasgow West HA	1.5% average	<b>3.96%</b>	MC agreed consultation on average 3.96% (0.8% of which is for the “imposed” bulk uplift service)  Currently exploring “enhanced service” options, although suspect there will be a very low appetite for an increase beyond the minimum noted. We are in the 3 <sup>rd</sup> year of rent restructuring programme (although aiming for only partial implementation this year due to potential impact on some households)  MC concerns re: escalating costs for our service delivery; and for our tenants’ affordability (utility costs / withdrawal of UC top up etc.).
Tollcross HA	0%	<b>4%</b>	Not yet confirmed but looks like the likeliest option at this stage.
Linthouse HA	1.5%	<b>Oct CPI 4.2%, or Oct CPI</b>	Report going to Dec Management Committee meeting. Increase reflects the level of investment required in the housing stock at LHA, which is a top priority for customers. 2022/23 is also the third year of a 4-year

		<b>minus 0.5% = 3.7%</b>	comprehensive rent restructure at LHA. We have tested the rent increases against the estimated Scottish Average rents – 20/21 Actual average rents – plus 1.5% for 21/22 and 2.5% for 22/23 and this does not give a cause for concern. This test shows that the new average rents for our restructured rents are generally lower than the estimated Scottish average and for our highest rents will be no more than 2.5% above the Scottish average. We will test the rents again against SFHA affordability model and against a bespoke affordability tool developed by Arneil Johnston before presenting the report to Committee.
Ferguslie Park HA	0%	<b>4.5% (Oct CPI + max 0.3%)</b>	Over the past three years our cumulative increase in rent has been 1.2% less than the cumulative rates of CPI
Cernach HA	0%	<b>3.1% (probable)</b>	are proposing to consult on the September CPI (our business plan is based on CPI for 30 years). Taking a paper to the MC on 2 December seeking approval to consult on CPI or CPI +1% for the April 2022 review; however, the paper also notes that it's unlikely that the higher option will be favoured, so we may just go out on CPI.
Shire HA	1%	<b>4% or 5%</b>	The Association will be consulting with tenants on two rent increase options: 4% and 5%. Whilst affordability of our rents is a key concern, the Board were also aware of increasing costs in delivery many of our services. The Association also analysed the compound effect of proposed rent increases over our 30 Financial Plans and the impact of these in meeting Business Plan Objectives before deciding on the proposed rent increase options.
Abronhill HA	1.7%	<b>4.2%</b>	Based on October CPI, with the Committee keen to ensure future resources are sufficient to enable us to carry out all our investment plans.

Cloch HA	1.9% <i>although deferred - implemented Oct 2021</i>	<b>2.5%</b>	We are likely to consult on 2.5%, albeit as we are in the middle of a rent harmonisation process we will still have some tenants whose rent charge is frozen, while others pay additional - this is a minority, though, and for those on their “target rent” the increase is likely to be 2.5%.
Ayrshire Housing	1.5%	<b>4.5%</b>	The Board here decided yesterday evening to consult on a figure of 4.5%. We see it as a significant risk that the cost of maintenance will increase substantially over the coming year alongside other operating costs. Given the uncertainty, it was thought prudent to consult on a figure which can be pared back if hopefully we have greater cost certainty when the budget is set in February.
Whiteinch & Scotstoun HA	0%	<b>2.5%</b>	A report is going to Committee on 1 December proposing that 2.5% is the figure to be recommended to tenants, with 3.2% and 4.0% offered for consultation purposes as “safer” in terms of ensuring works and services are delivered as planned.
Rutherglen and Cambuslang HA	2%	<b>2.5%</b>	Subject to approval by the management committee.
Cathcart and District HA	1.7%	<b>4% or 4.5%</b>	Both options being offered through the tenant consultation.
Spire View HA	3%	<b>5%</b>	<b>Now 5%, not 5.5%.</b> We appreciate this is quite high however the rationale behind the proposed increases for both is to support our business plans and we are aware that our rents are currently some of the lowest in Scotland.

Copperworks HA	1.7%	<b>4.2%</b>	<b>Now 4.2%, not 5%.</b> We appreciate this is quite high however the rationale behind the proposed increases for both is to support our business plans and we are aware that our rents are currently some of the lowest in Scotland.
Thenue HA	1.1%	<b>3.1%</b>	No decision until after the consultation closes at the end of January.
Ardenglen HA	1.5%	<b>3.9%</b>	<p>The ongoing financial impact of covid and other associated factors represent high-level risk and we have incorporated prudent business assumptions within our plan to effectively manage various risk scenarios. We anticipate an increase in rent arrears, bad debts and void rent loss. This area will be closely monitored to ensure our assumptions are set at the appropriate level.</p> <p>Repairs costs are expected to increase. All maintenance costs in the revised models have been increased to CPI plus 2.5% (6.7%) in 22/23 and CPI plus a further 2.5% (6%) in 23/24, then inflation plus 0.5% thereafter.</p> <p>Our Board also took into account the results of the affordability modelling and the impact rising cost of fuel, food etc will have on our tenants.</p> <p>Taking all this into account, as well as the new stock condition data, our Board decided to consult tenants on a 3.9% increase.</p>
Clydebank HA	0.7%	<b>1.5%, 2.0% or 2.5%</b>	All options are based on budget projections as opposed to CPI or RPI (the impacts of which are simulated in cost projections). The three options will be put to tenants and will have a wellbeing theme with extra wellbeing services offered to mirror tenant wishes as gained during wellbeing calls

			during the two lockdowns – this will be in addition to extra support services we have already introduced to assist with tenancy sustainment and welfare rights.
Rosehill HC	0.9%	<b>3.1%</b>	Our BP commitment which has been extended into our new 5 year BP is to cap any increases at inflation (use RPI, typically at October). Discussions were held earlier this year, so using September RPI as basis. Committee decided to propose a below inflation rate again this year. RPI at September was 4.9% but putting out to tenants for consultation an increase of 3.1%.
Southside HA	1%	<b>2.75%</b>	We are also consulting on an additional 0.5% increase each year over the next two years to fund an “in house” bulk uplift service.
Glen Oaks HA	1.6%	<b>3.5%, 4% or 4.9%</b>	Three options being offered. Tenant consultation will close in January and a Board decision will be made by the end of January.
Hawthorn HC	1.5%	<b>3.2%</b>	Not offering a choice this year - we don't feel that we can go any lower and concerned that tenants on a low wage will struggle if we set a higher increase.
Linstone HA	1%	<b>4.2%</b>	4.2% going to the Board, but not yet agreed. This reflects October CPI.
Easthall Park HC	1%	<b>4.95% or 5.2%</b>	October CPI plus 0.75% based on BP requirements set in June 2021 and CPI plus 1% for supporting the updated long term projections exercise carried out in November.
Parkhead HA	0%	<b>2.7%</b>	

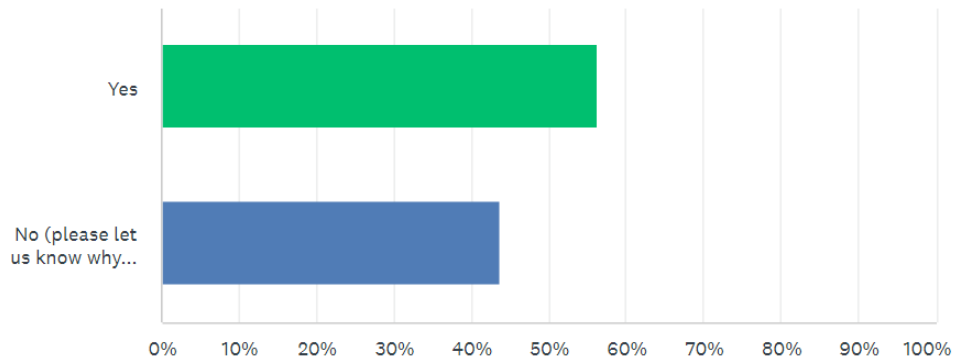
Dunbritton HA	0.5%	<b>4.2%</b>	We are proposing 4.2% this year based on all economic factors.
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## Rents and Service Charges – Appendix B

Q.1

Based on this information, do you support a 2.7% rent increase?

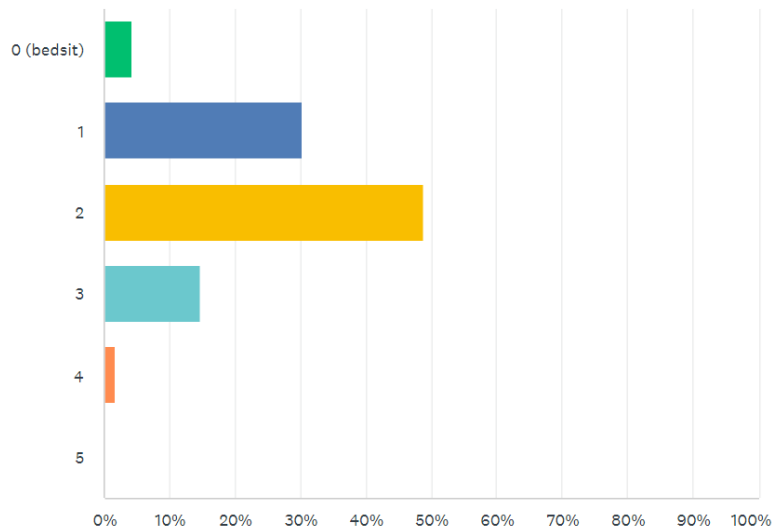
Answered: 596 Skipped: 5



Q.4

How many bedrooms does your property have?

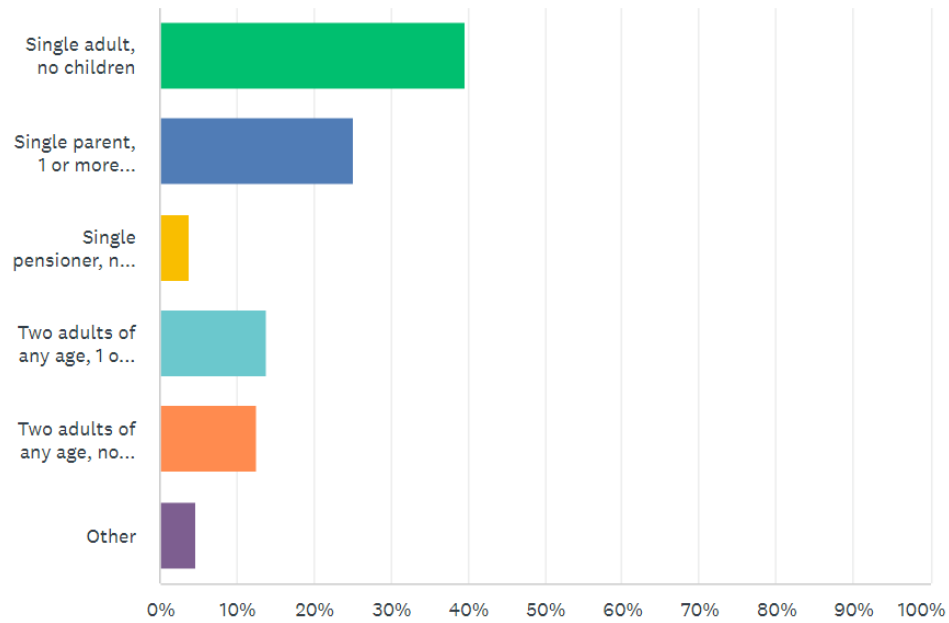
Answered: 596 Skipped: 5



### Q.5

## What best describes your family composition?

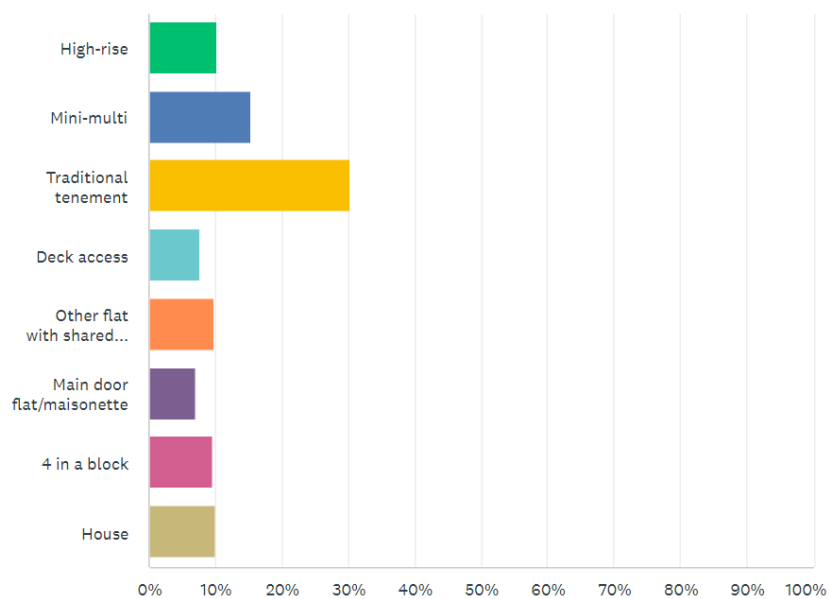
Answered: 586 Skipped: 15



### Q.6

## What is your property type?

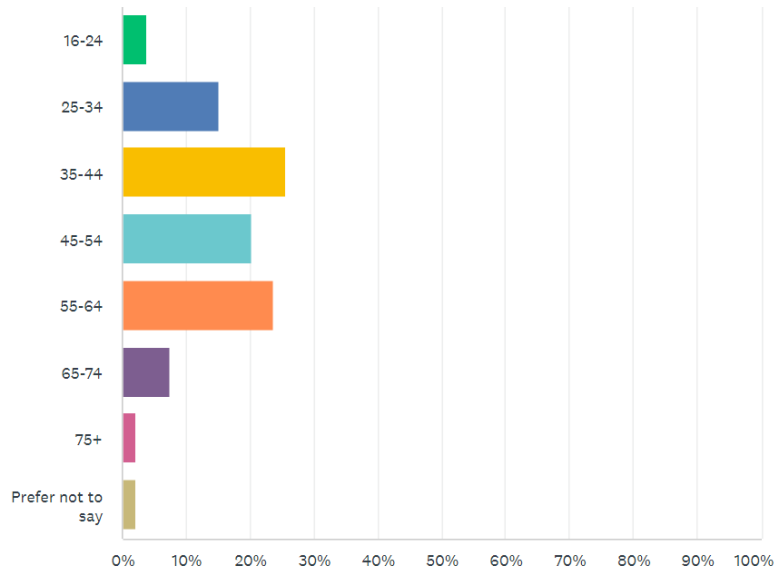
Answered: 590 Skipped: 11



### Q.7

What age group do you belong to?

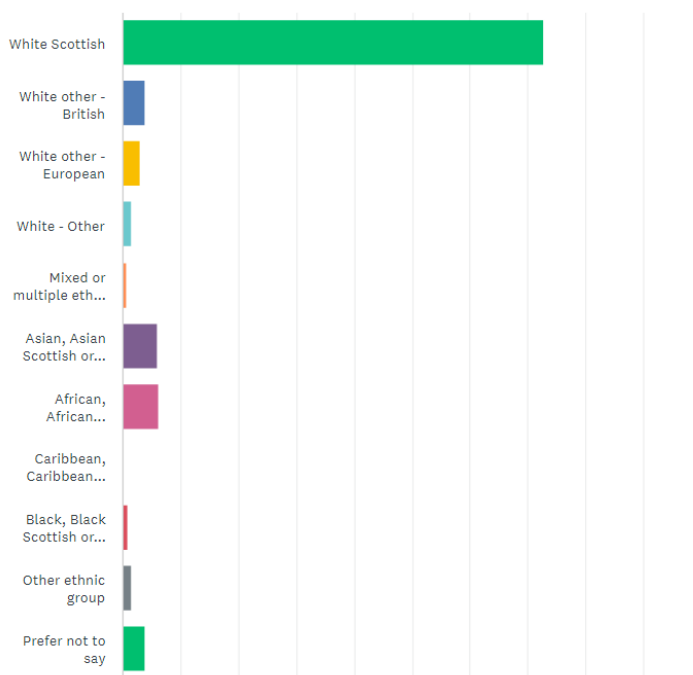
Answered: 592 Skipped: 9



### Q.8

Which of the following groups best describes your ethnicity?

Answered: 596 Skipped: 5



7

19:30, 10 min

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7 - Redan Pub Compulsory Purchase Order

*Bryony Willett*

| For Decision

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## 8 - Strategy and Development Funding Plan


*Alistair McArthur*

| For Decision

### **Attachments**

[8. SDFP Board report Jan 22.docx](#)

[8.1 SDFP Dec 21 - Final.xls](#)

<b>REPORT TO:</b>	<b>Board</b>	
<b>DATE OF MEETING:</b>	<b>31<sup>st</sup> January 2022</b>	
<b>AGENDA ITEM:</b>	<b>8</b>	
<b>CONFIDENTIALITY:</b>	<b>Non Confidential</b>	
<b>AUTHOR:</b>	<b>Alistair McArthur</b>	
<b>RESPONSIBLE DIRECTOR:</b>	<b>Bryony Willet</b>	

## **Glasgow City Council (GCC) Strategy & Development Funding Plan (SDFP) 2022/23 – 2026/27**

### **1. PURPOSE**

1.1 This report introduces the Association’s Strategy and Development Funding Plan (SDFP) for submission to Glasgow City Council. The SDFP is the Association’s growth plan and request for funding support for new build housing covering the five year period 2022/23 – 2026/27.

### **2. RECOMMENDATIONS: The Board is requested to:**

2.1 **Approve** the SDFP for submission to GCC.

### **3. EXECUTIVE SUMMARY**

3.1 Social housing landlords in Glasgow are asked to submit strategy and development funding plans annually to set out their development aspirations and request for housing association grant (HAG) to help fund new build development and adaptations. GCC use these plans to develop their strategic housing investment plan (SHIP) for the city. In order to aid future planning and programme management GCC have asked for our SDFP return to cover an extended period from 2022/23 – 2026/27.

3.2 At the Board Away day on 15<sup>th</sup> January the Board confirmed our continued commitment to build new homes and support for the priorities for new build highlighted in the existing Development Policy. The Board also confirmed their appetite for land banking (acquiring sites for new build development even if they are not developed out for a number of years).

3.3 The new build schemes listed in the SDFP are the Association’s new build pipeline. The growth plan which will form part of the Association’s March 2022 Corporate Business Plan will mirror the SDFP submission.

3.4 Board should note that not all schemes shown in the SDFP will be developed in practice. The table at 5.5 summarises the potential schemes, their strategic fit with Development Policy priorities, current estimate of the funding gap and an assessment of deliverability.

3.5 At the Board away day it was discussed whether the SDFP should be based on a best estimate of costs (which are higher) or notional costs (which are lower). This

year's SDFP is based on a best estimate of costs and this has been discussed with GCC officers who confirmed that they do not refer to the detailed cost estimates at this stage. Lower notional costs will be used in next year's submission.

3.6 A draft SDFP was submitted in December 2021, and GCC are now seeking a finalised submission, approved by Board. This final draft submission is attached at Appendix 1.

<b>IMPLICATIONS OF THE REPORT</b>	
<b>FINANCIAL RESOURCE AND VALUE FOR MONEY:</b>	<p>Robust financial appraisal is required to ensure Board are aware of the funding requirements of each project. Design specification and resulting costs of development require robust scrutiny to ensure value for money.</p> <p>The proposed sites in the SDFP would create a requirement for private finance in excess of the £24m rolling credit facility in place with Royal Bank of Scotland. Therefore, should all of the development outlined in the SDFP proceed, additional private finance would need to be put in place. This should not prove problematic in the current financial climate and with the strength of the Association's balance sheet and level of unsecured assets against which it could borrow.</p> <p>The SDFP as drafted is based on a best estimate of costs from recent tenders. It assumes that housing association grant will be secured at above benchmark levels to make these schemes financially viable for the Association.</p>
<b>LEGAL/REGULATORY/HA RULES:</b>	<p>Scottish Housing Regulator (SHR) Regulatory Framework requires associations to effectively manage and mitigate risks. Our Development Policy (Appendix B) sets out key gateways where developments that should be reported to Board before commencement of the next stage to ensure risk is fully understood.</p>
<b>CORPORATE PLAN/STRATEGIC OBJECTIVES:</b>	<p>The principles underpinning the Association's approach to new build growth were considered as part of the Board Away Day on 15<sup>th</sup> January. The SDFP submission outlined below will mirror the Association's growth plan which will form part of the Association's Corporate Business Plan submitted for Board approval in March 2022.</p>
<b>CUSTOMER/TENANT PARTICIPATION:</b>	<p>Appropriate consultation will take place for each site at various stages and with various stakeholders, in line with the stakeholder engagement plan for each project.</p>
<b>COMMUNICATIONS:</b>	<p>All new development will include a communications and engagement plan</p>
<b>HEALTH AND SAFETY:</b>	<p>A Principal Designer will be appointed for each development. They will be responsible for construction design management and other site health and safety requirements. Active inspection of the site's</p>

	preconstruction will be carried out to monitor. Once on-site health and safety passes to the building contractor.
<b>ENVIRONMENTAL:</b>	Environmental considerations will be taken into account specific to each development site. An energy strategy will be produced for each development considering the environmental impact of sources of heating.
<b>EQUALITY IMPACT ASSESSMENT:</b>	An equality impact assessment has not been completed for this paper. Across all the potential developments we are proposing a range of house types to meet different needs, such as amenity housing for the elderly, wheelchair accessible housing and family housing.
<b>RISK ANALYSIS:</b>	Development of new build housing is identified as a strategic risk to the Association. Key risks around new build developments are: Cost overruns, which can be mitigated through tightly specified projects, aggregated procurement and effective contract management. Delays, which can be mitigated by effective project management and application of contractual provisions to claim back damages in the form of lost rental income. Project specific risk logs will be put in place and regularly monitored

#### 4. BACKGROUND

- 4.1 The Scottish Government have produced a new strategy for housing in Scotland: *Housing to 2040*. The previous target of 50,000 new homes in the previous parliament was impacted by the Covid pandemic. The new strategy will break away from the false five-year Parliamentary cycle and bring new stability and commitment to housing by setting a new ambition to deliver a further 100,000 affordable homes over the following ten years up to 2031/32, with at least 70% of these for social rent. The aim is to deliver 50,000 of these homes by 2026/27 and, following a mid-point review, deliver a further 50,000 homes by the end of 2031/32. Glasgow City Council (GCC) were allocated substantial funding Scottish Government's More Homes Scotland programme to achieve this target.
- 4.2 The Association identifies new build opportunities from a variety of sources: vacant land and sites in the area; opportunities within our own stock; sites identified by Glasgow City Council in their ownership and sites identified by private developers who contact the Association directly. At the Board Away Day on 15<sup>th</sup> January the Board reconfirmed priorities for new housing as set out in the Association's Development Policy, e.g. family housing; specialist housing; housing for older people; sites with a regeneration impact and sites within the Transformational Regeneration Area. The Board also asked officers to be pragmatic and bring forward sites even where they do not align with these priorities. These principles will be taken forward by officers. The new build schemes listed in the SDFP are the Association's new build pipeline. The growth plan which will form part of the Association's March 2022 Corporate Business Plan will mirror the SDFP submission. There may be minor variations in the growth plan around cost updates or any new schemes which come forward between now and March. Any changes between the SDFP and growth plan will be highlighted to the Board in March.

4.3 We will be moving to acquisition/funding approval gateway stage with several developments in 2022. These will be reported to Board for specific approval. Approval to work with GCC to undertake a compulsory purchase order to progress development of Maryhill Cross is elsewhere on the agenda for tonight's Board meeting.

## 5. SDFP (Strategy and Development Funding Plan)

5.1 The SDFP details the projects, the proposed number of units and tenure mix and provides a breakdown of the total funding required for each development, the level of Housing Association Grant (HAG), Private Finance, Sales Income and any other funding contributions. Assumptions have been used to calculate private finance and the development costs/unit for the potential projects and are based on recent experience, best practice and current guidance and are approved as part of MHA's Development Policy.

5.2 The Scottish government sets benchmarks for HAG for different property types and sizes. These benchmarks are not designed to be a cap, but they are meant to be used as a guide to the level of funding that will be available. Where housing associations are seeking funding above these benchmarks GCC will interrogate costs in detail and funding at the level requested may not be provided. Board should note that all of the developments in the SDFP would require HAG at above benchmark levels. The table at 5.5 below set out how much each proposed development is estimated to cost above the benchmark HAG funding. This is a funding gap which it might be possible to bridge through additional (above benchmark) HAG. Or, it may be necessary to bridge the gap in other ways, such as reducing costs or a contribution from the Association. This year's SDFP and the Association's business plan assume that above benchmark HAG will be secured and no additional costs will fall on the Association.

5.4 Inclusion of a project in the SDFP does not mean that the Association will definitely develop the scheme in practice. In addition to the funding gap issue highlighted above, there are a number of other areas that can prevent a development progressing, such as the inability to acquire a site or planning issues. The table at 5.5. also sets out officers' assessment of the likelihood of each scheme being delivered in practice.

### 5.5 Table summary of future projects

Scheme	House type and unit numbers	Total above benchmark HAG requirement (funding gap)	Per unit above benchmark HAG requirement (funding gap)	Deliverability RAG rating Red: unlikely Amber: quite likely Green: likely	Strategic fit

Maryhill Cross	37 social rent (9 x 1bed, 28 x 2 bed) 13 mid market (4 x 1 bed, 9 x 2 bed)	£2.8m social rented  £750k MMR	£75k per social rented  £58k per MMR		Regeneration  Tenure diversification  TRA
Shawpark Street	24 social rent (16 x 1 bed, 8 x 2 bed)	£1.3m	£54k		Older people's
Shannon Street	22 social rent (3 x 2 bed wh/ch, 3x2bed flat, 12x 2 bed house, 4x3bed house)	£850k	£39k		Family housing
DEBRA Building	12 MMR (4x1bed, 8x 2bed)	£420k	£35k		Tenure diversification
Ruchil/Shuna Street	40 social rent (20x2bed, 20x3bed) 20 MMR (20x2bed) 20 NSSE (20x2bed)	£2.4m social rented  £930k MMR  £2.4m NSSE	£59k per social rented  £47k per MMR  £121k per NSSE		Family housing  Tenure diversification  Regeneration
TRA – Older People	30 social rented (24x1bed, 6x2bed)	£2m	£68k		Regeneration  Older people's  TRA
TRA – Mid market	20 MMR (20x3bed)	nil	nil		Regeneration  Tenure diversification  TRA
TRA - family	20 social rent (20x3bed house)	£250k	£13k		Regeneration  Family housing  TRA
Fearnmore Lockups	8 social rented (8x2bed)	£90k	£11k		Regeneration  Wheelchair adapted  TRA

Shuna/Cadder Lockups	7 social rent (7 x 3 bed house)	£50k	£7k		Family housing
Cotter Street	9 social rent (9 x 3 bed house)	£300k	£33k		Regeneration
Acre Road	30 social rent (30 x 3 bed house) 6 MMR (6 x 2 bed)	£580k social rented £70k MMR	£19k social rented £12k MMR		Family Housing Family Housing
Craigmount Drive/Maryhill Road	12 MMR (12x2bed)	£285k	£24k		Regeneration Tenure diversification
Dawsholm Road	22 social rent (22 x 3 bed house)	£550k	£25k		Family housing

## 6. PROGRAMME SUMMARY

### 6.1 Projects out with SDFP

#### Conversions of existing properties into social rented stock

The conversion work undertaken at the following 3 properties are almost complete, and all grant funding has already been drawn down for these. The conversions are not included within the SDFP:

- Former shop premises at 5 **Leyden Street** is on site and would have been completed however the house was flooded from the private owner's house above. This is being resolved.
- Former sleepover unit at 60 **Oran Place** has been completed and handed over.
- Former warden's house at **Shiskine Place** has been completed however we have not been able to achieve the sound test level. Remedial with the contractor is underway.

### 6.2 Block A

Projects for which tenders have already been accepted in year 2021/22 or earlier as follows:

#### Botany Corner/Locks View

This project started on site on the 7<sup>th</sup> December 2021 – 90-week programme – it is running approx. 8 weeks behind programme - completion – est. end of Oct 2022. The SDFP allows for anticipated £600k additional grant claim in 2022/23 for additional costs incurred.

### **Rothes Drive**

This project started on site in March 2021 – 12-month contract – due for completion in March 2022. The SDFP allows for anticipated £100k additional grant claim in 2022/23 for additional costs incurred.

### **Smeaton Street**

The original contractor withdrew from this contract as we were unable to accept the additional Covid cost guarantee. We are negotiating with the contractor for Botany Corner. The revised tender price is being analysed with a report to GCC in February 2022 and is therefore anticipated will achieve tender approval from GCC before 31<sup>st</sup> March 2022

### **Maryhill Locks Phase 2 HAG PC**

Additional HAG funding of approximately £1m is required to cover additional costs for this project including costs of the Contractors claim. This has been discussed with GCC and £1m has been included in the SDFP. The completion and submission of the HAG PC (post completion reconciliation exercise) has been outstanding for a number of years.

## **6.3 Block B**

Projects for which we expect tenders to be accepted in year 2022/23 as follows:

### **Shuna/Cadder lock ups**

We are investigating the potential to demolish the existing lock ups and build new houses on these sites. Early feasibility studies are due to complete with support from GCC to be obtained.

## **6.3 Block C**

Projects for which we expect tenders to be accepted in after 2022/23 as follows:

### **Maryhill Cross**

This is the Redan pub site across the road from our Botany Corner/Locks View development. A feasibility study was completed demonstrating potential for 50 units. This site is recognised by GCC as being strategically significant. Our agent has been unable to reach an agreement on price with the owners. We are working with the Council on a potential CPO. This is the subject of a separate report to Board.

### **Shawpark Street**

This is a former tenement gap site. The site is in MHA/GCC ownership. Some residents, who have bought under the right to buy, have a small share in the ownership of the back court. A first stage feasibility study has been completed. The council have approved a second stage feasibility study including site investigations. This has been put on hold until the ownership has been resolved. The site is being promoted for amenity housing for the elderly. The site can be transferred under stock transfer and an acquisition report will be brought to the board. A project proposal form has been submitted to GCC and is currently being considered.

### **Shannon Street**

A feasibility study has been completed and submitted to GCC. The council have approved a second stage feasibility study including site investigations. The study indicates potential for family housing on this site. The site is identified in the local plan as open space and we are producing a justification for the removal of this designation, by improving the tree belt/open space as part of the development proposals. A project proposal form has been submitted to GCC and is currently being considered.

### **North Maryhill TRA (Amenity Housing for Older People/ Mid Market Rent/ Family Housing)**

As part of the current Masterplan process for the North Maryhill TRA, we have discussed with GCC the potential for newbuild projects: elderly amenity flats, family housing and mid market rent flats.

### **Ruchill/Shuna Street**

This site is currently in private ownership and has potential for development through developer led Design & Build contract. This may be a site that is suitable for mid-market rent or shared equity. The owner needs to obtain vacant possession and is in negotiation with his existing tenants. We have been approached by an owner of a site at this location which is being considered.

### **DEBRA – 1480 Maryhill Road**

This site is in private ownership and is seen as a strategic site in Maryhill.

### **Acre Road**

A site adjacent to West of Scotland Business park. The owner's preference is for a 100% flatted development including the conversion of the listed buildings on the site. We have declared an interest in undertaking a development which would include mid-market rented flats in the listed building conversion and 2, 3-bedroom low rise family homes in the rest of the development. This low density will impact of the owner's value

### **Lockups: fearnmore**

A feasibility study is being undertaken to establish if a development of new houses of the lock ups under the existing mini multis sites is a feasible option

### **Cottar Street**

This is a site for 9 new houses adjacent to the existing carry out restaurant. A developer is investigating the potential. The owner's valuation of the site is higher than we can justify at present.

### **Craigmont Drive/Maryhill Road**

A strategic site opposite Tesco and in front of the gym. Potential for mid-market rented houses.

### **Dawsholm Road**

The owner of this site approached West of Scotland Housing Association (WoSHA) to carry out a development. We have agreed with WoSHA that we

would have no objection to them carrying out mid-market rented houses on part of the site with MHA carrying out social family housing on the rest of the site. A feasibility study is being carried out.

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# GLASGOW CITY COUNCIL

HOUSING AND REGENERATION SERVICES

STRATEGY & DEVELOPMENT FUNDING PLAN 2022/23 - 2026/27



RSL: MARYHILL HOUSING ASSOCIATION

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**GCC HOUSING & REGENERATION SERVICES  
STRATEGY & DEVELOPMENT FUNDING PLAN**

RSL:                      **MARYHILL HA**

**BLOCK A: TENDERS APPROVED IN 2021/22 OR BEFORE**

PROJECT NAME AND KEY DATES

NO OF UNITS AND CLIENT GROUP

<b>Smeaton Street</b>	
Acquisition	
Tender	#####
Start Date	#####
Completion	#####

RENT	MMR	NSSE	TOTAL
16			16
Provision for Particular Needs			

ADDITIONAL	
Greener Standard	Yes
HA Ownership	Yes

<b>Botany Corner</b>	
Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
26	18	18	62
Provision for Particular Needs			

Greener Standard	Yes
HA Ownership	Yes

<b>Maryhill Locks</b>	
Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
			0
Provision for Particular Needs			

Greener Standard	Yes/No
HA Ownership	Yes/No

<b>Roths Drive</b>	
Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
22			22
Provision for Particular Needs			

Greener Standard	Yes
HA Ownership	Yes

**EXPENDITURE PROFILE BY YEAR & TYPE OF FUNDING (£0.000Ms)**

	PREV. YRS (21/22 & prev)	YEAR 1 (22/23)	YEAR 2 (23/24)	YEAR 3 (24/25)	YEAR 4 (25/26)	YEAR 5 (26/27)	TOTAL
GRANT	0.445	1.358					1.803
PRIVATE		0.935	0.300				1.235
SALES							0.000
OTHER							0.000
TOTAL	0.445	2.293	0.300	0.000			3.038
	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	
GRANT		0.600					0.600
PRIVATE							0.000
SALES							0.000
OTHER							0.000
TOTAL	0.000	0.600	0.000	0.000			0.600
	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	
GRANT		1.000					1.000
PRIVATE							0.000
SALES							0.000
OTHER							0.000
TOTAL	0.000	1.000	0.000	0.000			1.000
	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	
GRANT		0.100					0.100
PRIVATE							0.000
SALES							0.000
OTHER							0.000
TOTAL	0.000	0.100	0.000	0.000			0.100

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**GCC HOUSING & REGENERATION SERVICES  
STRATEGY & DEVELOPMENT FUNDING PLAN**

RSL:           MARYHILL HA          

**BLOCK B: TENDERS TO BE APPROVED 2022/23**

PROJECT NAME AND KEY DATES

NO OF UNITS AND CLIENT GROUP

<b>Shuna/Cadder Lockups</b>	
Acquisition	
Tender	3/1/2023
Start Date	7/1/2024
Completion	7/1/2025

RENT	MMR	NSSE	TOTAL
7	0	0	7
<u>Provision for Particular Needs</u>			

<b>ADDITIONAL</b>	
Greener Standard	Yes
HA Ownership	Yes

<b>Stage 3 Adaptations</b>	
Acquisition	
Tender	
Start Date	
Completion	

RENT	MMR	NSSE	TOTAL
			0
<u>Provision for Particular Needs</u>			

Greener Standard	Yes/No
HA Ownership	Yes/No

**EXPENDITURE PROFILE BY YEAR & TYPE OF FUNDING (£0.000Ms)**

	PREV. YRS (21/22 & prev)	YEAR 1 (22/23)	YEAR 2 (23/24)	YEAR 3 (24/25)	YEAR 4 (25/26)	YEAR 5 (26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.804	0.000	0.000	0.804
PRIVATE	0.000	0.000	0.000	0.249	0.351	0.000	0.600
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.053</b>	<b>0.351</b>	<b>0.000</b>	<b>1.404</b>
	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	
GRANT							0.000
PRIVATE							0.000
SALES							0.000
OTHER							0.000
<b>TOTAL</b>	<b>0.060</b>	<b>0.060</b>	<b>0.060</b>	<b>0.060</b>	<b>0.060</b>	<b>0.060</b>	<b>0.360</b>

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HA  
STRATEGY & DEVELOPMENT FUNDING PLAN

RSL: MARYHILL HA

BLOCK C: TENDERS TO BE APPROVED AFTER 2022/23

EXPENDITURE PROFILE BY YEAR & TYPE OF FUNDING (€0.000M)

PROJECT NAME AND KEY DATES

NO OF UNITS AND CLIENT GROUP

ADDITIONAL

PREV. YRS YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5 TOTAL

RENT	MMR	NSSE	TOTAL
37	13	0	50
Provision for Particular Needs			

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.629	1.150	4.599	6.378
PRIVATE	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.629	1.150	4.599	6.378

Shawpark Street				
Acquisition	7/1/2022			
Tender	7/1/2023			
Start Date	9/1/2023			
Completion	1/30/2025			

RENT MMR NSSE TOTAL

24 0 0 24

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.057	2.037	1.241	0.000	0.000	3.335
PRIVATE	0.000	0.000	0.000	1.670	0.000	0.000	1.670
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.057	2.037	2.911	0.000	0.000	5.005

Shannon Street				
Acquisition	8/1/2022			
Tender	8/1/2023			
Start Date	10/1/2024			
Completion	12/1/2025			

RENT MMR NSSE TOTAL

22 0 0 22

Provision for Particular Needs

Greener Standard	Yes/No
HA Ownership	Yes/No

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.202	0.000	1.944	0.877	0.000	3.023
PRIVATE	0.000	0.000	0.000	0.000	1.714	0.000	1.714
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.202	0.000	1.944	2.591	0.000	4.737

DEBRA Building				
Acquisition	8/1/2023			
Tender	8/1/2024			
Start Date	11/1/2024			
Completion	12/1/2025			

RENT MMR NSSE TOTAL

0 12 0 12

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.174	1.005	0.170	0.000	1.349
PRIVATE	0.000	0.000	0.000	0.000	1.437	0.000	1.437
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.174	1.005	1.607	0.000	2.786

Ruchill/Shuna Street				
Acquisition	8/1/2025			
Tender	8/1/2027			
Start Date	11/1/2027			
Completion	11/1/2029			

RENT MMR NSSE TOTAL

40 20 20 80

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.000	1.088	0.000	1.088
PRIVATE	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	1.088	0.000	1.088

North TRA Older People Housing				
Acquisition	8/1/2024			
Tender	12/1/2025			
Start Date	3/1/2027			
Completion	6/1/2028			

RENT MMR NSSE TOTAL

30 0 0 30

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.000	0.000	0.453	0.453
PRIVATE	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.453	0.453

North TRA - MMR				
Acquisition	8/1/2025			
Tender	12/1/2026			
Start Date	3/1/2027			
Completion	6/1/2028			

RENT MMR NSSE TOTAL

0 20 0 20

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.000	0.000	0.305	0.305
PRIVATE	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.305	0.305

North TRA - Family				
Acquisition	8/1/2025			
Tender	12/1/2026			
Start Date	3/1/2027			
Completion	6/1/2028			

RENT MMR NSSE TOTAL

20 0 0 20

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.000	0.000	0.305	0.305
PRIVATE	0.000	0.000	0.000	0.000	0.000	0.000	0.000
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.305	0.305

Frammore Lockups				
Acquisition	4/1/2023			
Tender	4/1/2023			
Start Date	6/1/2024			
Completion	6/1/2025			

RENT MMR NSSE TOTAL

8 0 0 8

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.000	0.000	0.921	0.000	0.000	0.921
PRIVATE	0.000	0.000	0.000	0.339	0.252	0.000	0.591
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	1.260	0.252	0.000	1.512

Cotter Street				
Acquisition	3/1/2023			
Tender	4/1/2024			
Start Date	7/1/2024			
Completion	7/1/2025			

RENT MMR NSSE TOTAL

9 0 0 9

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.131	0.000	1.180	0.000	0.000	1.311
PRIVATE	0.000	0.000	0.000	0.289	0.490	0.000	0.779
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.131	0.000	1.469	0.490	0.000	2.090

Acre Road				
Acquisition	1/1/2023			
Tender	3/1/2024			
Start Date	6/1/2024			
Completion	6/1/2026			

RENT MMR NSSE TOTAL

30 6 0 36

Provision for Particular Needs

Greener Standard	Yes
HA Ownership	Yes

	(21/22 & prev)	(22/23)	(23/24)	(24/25)	(25/26)	(26/27)	TOTAL
GRANT	0.000	0.412	0.000	3.034	0.963	0.000	4.409
PRIVATE	0.000	0.000	0.000	0.058	2.748	0.618	3.424
SALES	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OTHER	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.412	0.000	3.092	3.711	0.618	7.833

Craigmount Drive/Maryhill Road				
Acquisition	9/1/2023			
Tender	12/1/2024			
Start Date	4/1/2025			
Completion	7/1/2026			

RENT MMR NSSE TOTAL

0 12 0 12

Provision for Particular Needs

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	Smeaton Street	Shannon Street	Shawpark Street	Maryhill Cross	North TRA Older peoples housing	North TRA MMR	North TRA family housing
STRATEGIC HOUSING INVESTMENT PLAN PRIORITY							
SUPPORT AREA BASED REGENERATION			✓	✓	✓	✓	✓
SOCIAL RENTED HOUSING TO MEET HOUSING NEED	✓	✓	✓	✓	✓		✓
INTERMEDIATE HOUSING OPTIONS				✓		✓	
SUPPORTING PRIVATE SECTOR HOUSING DEVELOPMENT							
SOCIAL CARE HOUSING PRIORITY LEARNING DISABILITY							
SOCIAL CARE HOUSING PRIORITY PHYSICAL DISABILITY							
SOCIAL CARE HOUSING PRIORITY MENTAL HEALTH							
HOUSING FOR OLDER PEOPLE			✓		✓		
PROVISION OF WHEELCHAIR HOUSING		✓	✓	✓	✓		✓
LARGE FAMILY HOUSING		✓				✓	✓
SUSTAINING EXISTING SUPPLY							
PROTECTING GLASGOW'S BUILT FORM	✓		✓	✓			
ADAPTATIONS							

Please Indicate Priority Compliance for each Project with a Tick

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Lockups Shuna Cadder	Dalsolm Road	Acre Road	Debra Building	Ruchill Shuna Street	Cotter street	Craigmont Dr/Maryhill Road	Lockup Fearnmore
			✓	✓			✓
✓	✓	✓		✓	✓		✓
			✓	✓		✓	
							✓
	✓	✓		✓			✓
✓	✓	✓		✓	✓		
			✓			✓	

9

20:00, 10 min

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9 - CEO Report

*Bryony Willett*

| For Decision

10

20:10, 10 min

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## 10 - Governance Report

*Rebecca Wilson*

| For Information

### **Attachments**

[10. Governance Report.docx](#)

<b>REPORT TO:</b>	<b>Board</b>	
<b>DATE OF MEETING:</b>	<b>31<sup>st</sup> January 2022</b>	
<b>AGENDA ITEM:</b>	<b>10</b>	
<b>CONFIDENTIALITY:</b>	<b>Non confidential</b>	
<b>AUTHOR:</b>	<b>Director of Resources / CEO/Performance and Governance Manager</b>	
<b>RESPONSIBLE DIRECTOR:</b>	<b>Director of Resources</b>	

## **REPORT TITLE: GOVERNANCE REPORT**

### **1. PURPOSE**

- 1.1 This report aims to provide Board with an overview of key governance activity. The report updates Board Members on issues that relate to the Association's Rules, its Regulators or the Board, where such items do not require a paper in their own right.

### **2. RECOMMENDATIONS**

- 2.1. Board is asked to:
- **Note** this report

#### **Contents:**

- 1. Regulatory issues**
- 2. Board issues**
- 3. Other Governance issues**

### **1. REGULATORY ISSUES**

#### **1.1 Notifiable events**

One new notifiable event has been submitted since the November last Board papers were issued:

22491 – Negative press, sexual harassment claims

Remaining open notifiable events are summarised in the table below.

Reference	Date Submitted	Subject	Response from Regulator
1002840	02/10/2018	Render failure	Update December 2020: We note the updates provided and that the association has commissioned a study into options for long term replacement of the render with a final draft report expected before Christmas 2020. We will keep this notifiable open at this stage. Please keep us informed about any key updates in relation to this notifiable event and advise us once the matter has concluded. 11.3.21. SHR leave open. 17.9.21. Further email update requested by the Regulator and issued today. 16.12.21. Further update provided to the Regulator via email. 19.1.21 Meeting with the Regulator. H and S Board Assurance report uploaded to the portal.
1003364	26-Sep-2019	Common area asbestos records	Asked to see action plan. Provided 11th October 2019. Update Dec 2020: We note the work that has been carried out to date and that the association's approach to asbestos management will be externally tested by Housing Health and Safety compliance between November 2020 and June 2021. We will keep this notifiable event open until the testing has been carried out. Please keep us informed about the outcome of this testing. 11.3.21 SHR leave open until audits complete. 7.7.21. At meeting with Regulator today advised of limited assurance audit report. Agreed I would submit report following August Audit and Risk committee. 16.8.21 Audit report uploaded to the portal and update email sent. 17.9.21. Regulator emailed asking for confirmation when all actions due to be complete. This provided today. 16.12.21. Further update provided to the Regulator by email. 19.1.21 Meeting with the Regulator. H and S Board Assurance report uploaded to the portal.
1003383	11-Oct-2019	Water safety management	Asked to see fire safety information. Provided. Update Dec 2020: We note the work that has been carried out to date and the association's approach to water safety management will be externally tested by Housing Health and Safety between November 2020 and June 2021. We will keep this notifiable event open until the testing has been carried out. Please keep us informed about the outcome of this testing. 11.3.21. SHR leave open until audits complete. 7.7.21. At meeting with Regulator today agreed I would submit report following August Audit and Risk committee. 16.8.21 update email sent as report won't get to audit and risk until November. 16.12.21. Audit report uploaded to the portal. 19.1.21 Meeting with the Regulator. H and S Board Assurance report uploaded to the portal.

1004308	29-Jan-2021	Health and safety issue. Potential carbon monoxide poisoning	Regulator responded asking for further details of the incident and steps the Association will take to ensure it does not happen again. CEO responded to confirm this will be contacted in the Board report issued following the 1st March Board meeting. 02.03.21 update. Board report issued. HSE confirmed file closed. 11.3.21. SHR reviewing. May include in engagement plan. 7.7.21. Following meeting with the Regulator today I uploaded today the latest version of the action plan from May Board and June H and S action plan. 16.8.21 Audit report uploaded to the portal and update email sent. 17.9.21. Regulator emailed asking for confirmation when all actions due to be complete. This provided 17.9.21. 16.12.21 Further update provided to the regulator via email. 19.1.21 Meeting with the Regulator. H and S Board Assurance report uploaded to the portal.
22064	15-Mar-2021	Weak assurance in electrical safety audit result	16.03.21. SHR asked to be informed when action plan is complete.7.7.21. Following meeting with the Regulator today I uploaded today the latest version of the action plan from June - H and S action plan as appended to June H and S Board report. 17.9.21. Further email update requested by the Regulator and issued 17/9/21. 16.12.21. Further update provided to the Regulator via email.19.1.21 Meeting with the Regulator. H and S Board Assurance report uploaded to the portal.
22250	03-Aug-2021	Payments made on the basis of fraudulent receipts	Note: incident dates back to Spring 2020. Delay in notifying the Regulator.
22277	20-Aug-2021	Cyber Incident – data Breach reportable to the ICO	SHR asked for confirmation that no financial loss (correct) and that we have cyber incident insurance cover in place (we do); whether we are carrying out any further assessment and management of risks in relation to cyber incidents (a further learning from incidents meeting is to take place); confirmation requested that we have actioned all recommendations from our incident report (TBC); advising of any media interest (none so far); advising of ICO response (response received 20/9/21 saying no further action as not viewing it as a breach); confirmation if further investigation established if any data loss (our further investigations concluded no data loss occurred).
22282	24-Aug-2021	Additional leased properties	
22306	10-Sep-2021	connectivity issues	

22387	28-Oct-2021	Incorrect EICRs	11.11.21 SHR asked for what risk this issued posed to the Association and its tenants and what steps we are putting in place to ensure this does not happen again. Agreed that a statement would be provided by the Association's H and S advisers to the November Board and submitting to SHR. SHR also confirmed that they think they should have been notified of the issue as soon as we were aware of it (in August) instead of waiting until we understood the scale of the problem. 16.12.21. CEO report and H and S statement uploaded to the portal. Update provided to the Regulator via email. 19.1.22. Meeting with the Regulator and update on number of outstanding EICRs (circa 200) provided.
22491	15-Dec-2021	Negative press - sexual harassment investigation	16.12.21 SHR asked for links between other notifiable events and timeframes for the investigation. Information provided on 17.1.22.

## 1.2 Regulatory Correspondence

One new piece of correspondence has been received from the Regulator asking the Association to complete a survey on landlord health and safety. This will be submitted by the deadline of 26<sup>th</sup> January 2022.

The CEO met with the Regulator on 19<sup>th</sup> January 2022 to discuss the Association's Engagement Plan and notifiable events. Following this meeting it was agreed that the Association would submit the audit action tracker following each Audit and Risk Committee meeting and the quarterly Health and Safety Assurance Board report following the Board meeting. This will be added to the Governance Tracker.

## 2. BOARD ISSUES

### 2.1 Maryhill Living Board

The first meeting of Maryhill Living Board took place on 10<sup>th</sup> November. The Board members are Lindsay Forrest, Isabella McTaggart, Roger Popplewell, Pauline Munro and Louise Wilson. Louise chaired the meeting on the night but the Subsidiary Board members agree to give further thought to who they may wish to propose for appointment as permanent Chair. Isabella has recently kindly offered to undertake the role of Chair and this will be put to the Maryhill Living Board meeting in February for consideration. Any decision on appointment of Chair will then come to February Maryhill Housing Board for approval.

### 2.2 Delegated decisions taken by the Chair

No delegated decisions have been taken by the Chair.

### 2.3 Potential breaches of the Board Member Code of Conduct

There are no potential breaches to report.

## **2.4 Board member leave of absence**

No Board Members are currently on a leave of absence.

## **2.5 Board recruitment**

At September Board LF, JC and IM were appointed as the Board recruitment panel for the current round of recruitment. During February the panel is due to interview tenant member applicant Viola McDade and depending on the outcome of the interview Viola will then be invited to observe the February Board meeting.

There are 3 further tenants who have expressed an interest in joining the Board and have been issued with information packs, one has since requested an application form. We will continue to link in with these tenants to progress.

## **3. OTHER GOVERNANCE ISSUES**

### **3.1 Updates on delegated authority granted to staff**

No delegated authority actions were taken by staff since the last Governance report.

### **3.2 Updates on delegated authority to Committees**

No delegated authority actions were taken by Committee since the last report.

## 11 - Meeting Review

***Roger Popplewell,  
Tim Holmes, Isabella  
McTaggart, Paul  
Imrie, Jenny Crowe,  
Caitlyn Maccabe,  
Lindsay Forrest,  
Raphael Rickson,  
Valerie Wilson***

Verbal update from Board members only.

| For Discussion