



# **BUSINESS PLAN** 2024-2029



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# 1. EXECUTIVE SUMMARY

This Strategic and Business Plan is our key strategic document that informs our relationship with our customers, regulators, and funders. The influencers of this document are our committee of management, our customers and our employees. This joint working has helped us to set our priorities and our strategic and operational objectives.

Our central priority is our customers, who we recognise have had many pressures over the last 3 years. We recognise that recovery from the pandemic and then the economic crisis has created very challenging times for both customers and RSLs. Our customers' health and safety remain our main priority and our tenancy services team will strive to ensure everyone has a well maintained healthy home.

CDHA has built a solid tradition of driving positive change in the Cathcart community through housing-led regeneration and excellent service provision. With many new employees in place and a continually strengthened Committee of Management, we are in a strong position to deliver on the content of this 5-year plan.

We are excited to still refer to our organisation as a developing organisation with several new build plans under consideration.

The plan focuses on providing excellent housing management services and maintaining properties to a high standard in line with targets set by the Scottish Government. At the same time focusing on the long-term financial health; governance; independence and viability of the Association, whilst ensuring strong inspirational leadership. Cultural values and value for money are key factors in our service delivery.



# 2. INFORMING OUR PLAN



Our financial plans set out how we intend to fund our activities and ensure we meet our lender's covenants, whilst making rents affordable. We demonstrate our future borrowing needs that will allow us to deliver on improvements and new homes.



Joint working with our committee and workforce.



Our most recent Tenant Satisfaction Survey.



A strategic review carried out in 2022/23 establishing our future viability.

# 3. ABOUT US

CDHA is based on the southside of Glasgow in the Cathcart and Mount Florida areas. It was established in 1978. We are a registered social landlord with the Scottish Housing Regulator MS1821RS. We are also a registered charity No. SC037255. We currently employ 18 employees, and our organisation structure is appended to this plan.

## 3.1 Our Track Record

Since its inception, CDHA Ltd has grown into a highly successful social landlord, who provides a wealth of services to local people. As well as owning just under 600 houses, we factor just under 500 for sharing owners and private landlords. We work closely with another housing association and share the services of their Welfare Rights Team. We have a comprehensive asset management plan, and stock condition survey and continuously ensure we remain a viable entity.

We continue to be a developing organisation and currently have three potential development sites in the pipeline which have all been accepted by our partners and funders at Glasgow City Council.

Our accounts show an annual turnover of £2.4m and a strong balance sheet. We perform well across all our key performance indicators and compare favourably against the Scottish average in all Annual Return against the Charter (ARC) indicators provided by the Scottish Housing Regulator (SHR).

Our employees are at the heart of everything we do and we ensure that adequate training and support is available to everyone and that is reflected in our budgets for training and education.

Our Committee of Management is largely recruited from local people and we have a healthy mix of local people with local knowledge along with members recruited for their specialist knowledge.

## 3.2 Context

The development of this 5-year plan has been done by assessing the environment we operate in and the needs of our customers. The current economic environment has been one of the main drivers.

The environment is still in recovery from the global pandemic and the significant changes that followed e.g. Brexit and the cost-of-living crisis.

50% of our tenants rely on benefits and 50% are on income in the lower bracket. Our most recent Tenant Satisfaction Survey carried out in December 2023 helped us identify the real challenges over the next 5 years.



## 3.3 Challenges

- Economic uncertainty.
- The rising cost of living
- Political uncertainty
- The constitutional future of Scotland
- Fallout from Brexit.

All the above means that planning for the future can be difficult.

Many households are reliant on the welfare benefit system or manage on low-income topped up with benefits. Rent arrears continue to be our main challenge from an operational perspective. Although we see our rent arrears reducing owing to stringent policies and procedures, this does remain a continual challenge.

The new normal – since the pandemic many people's lives have changed forever. With more hybrid working, mental health challenges and more reliance on technology we continue to look at ways of adapting the way in which we serve our customers.



### **3.4 Opportunities**

Demand remains high for our properties. We are the main social housing provider in the area with circa 900 applicants on our list at any one time.

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### **3.5 Development**

We continue to class ourselves as a developing association with 3 live development plans which will continue beyond the life of this plan. We are supported by Glasgow City Council for Housing Association Grant (HAG) funding and the Royal Bank of Scotland (RBS) for private finance.

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### **3.6 Maintaining Independence**

Strategically we realise we need to continue to challenge ourselves as to the best way to serve our customers. To test this, we commissioned a strategic review in 2022/23 to look at our stock, finances, staffing structure, Committee of Management structure and succession planning. The report recognised the organisation's approach to change and ensuring that value for money and financial viability was at the heart of our business. The financial projections were viewed as cash backed and we remain confident that we are financially independent and going forward are best placed to serve our customers.

# 4. OUR VISION

**Each of our homes will be affordable, well maintained, safe, warm, and sought after. We have updated our design guide and asset management strategy to ensure all new homes and improvements meet current standards, which all help our clients to live independently.**

We have invested in new technologies which are ever improving and moving forward, and our customers can now access our systems 24 hrs a day. Our digital strategy has proved highly effective, and we continue to strive for continuous improvement and seek feedback from our customers.

We will continue to identify suitable development opportunities in the local area and work closely with funders and planning authorities to provide the best possible future proof low energy housing.

We will be recognised as a good employer where employees want to work and feel supported, equipped, and empowered to do their jobs and deliver a high-quality customer experience. We will see the impact of our new organisational structure and will consult our customers for regular feedback, act on complaints and publish our outcomes.

We will ensure embedded sustainability by following an environmental, social and governance framework to demonstrate that we care how our business impacts the larger economic climate.



## 4.1 Core Services

We believe we can continue to deliver high quality services across the range we offer despite demanding targets and external challenges. Rents make up 90% of our income and the two critical functions in this respect are collecting rents and minimising/collecting arrears. We work with robust procedures to ensure that every tenant receives support and advice with respect to paying their rent. We always aim to reduce void periods by letting houses as soon as possible after they become vacant. This ensures the maximisation of income from rents.

We are committed to working with Glasgow City Council to reduce homelessness and are currently taking part in their acquisition programme, buying back flats or open market purchases in order to allocate a flat to a homeless section 5 referral from Glasgow City Council.

We believe in tenancy sustainability to ensure that people have a balanced home life and continue to work with various agencies to offer a variety of support mechanisms.

The way in which we communicate with our customers is changing. Our digital strategy is now in its third year and has allowed us to offer various methods of contacting us and getting word to our customers in many different ways.

We believe that part of our investment in our people is to have a robust succession planning process in place. We offer succession planning events to both our Committee and employees to ensure that we seize all opportunities.

## 4.2 Good Governance

We achieve good governance by being fully committed to the regulatory standards of good governance and financial management set down by the Regulatory body Scottish Housing Regulator (SHR). The regulatory standards are embedded in all strategic work undertaken by our Committee of Management and reporting mechanisms. Our Annual Assurance statement is a live emergent document that reflects the work undertaken during each fiscal year. Each year we assess the skills of our committee to ensure we have the necessary expertise to meet our business requirements.

We carry out regular training for our committee members including the importance of promoting equality and diversity and ensuring it is at the heart of everything we do.

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## 4.3 Meeting Demand

We have a relatively small turnover of flats with about 50 a year. However, we work closely with Glasgow City Council and our waiting list to ensure that we are meeting the aspirations and needs of those customers who await a house. We hope with the support of the current Strategic Housing Investment Plan (SHIP) from Glasgow City Council, we will continue to develop new properties.

## 4.4 Asset Management

We have a new asset management plan in place which fully complies with the guidance set down by SHR and meets the requirements of our business plan and financial projections.

The plan along with our most recent external valuation shows a net present value of all our properties, which provides assurance to lenders and governing bodies. Currently, the valuation at the last valuation in 2022 was £15.6m. We assess our spending on our property over the next 30 years which as part of this plan is set at £17.5m.

Energy efficiency will be our largest challenge over the next 5 years. We will continue to follow guidance on this issue as it is released.

Our tenant and resident safety have been big ticket items over the last year and we are fully compliant on all components of tenant and resident safety such as gas servicing, electrical inspections, water fire and legionella testing.

# 4. OUR VISION

## 4.5 Affordability

We always try to ensure our rents are affordable to our current and future tenants, especially in the current economic climate. When setting our rents we strive to keep the current cost of living crisis at the forefront of our plans whilst trying to balance the ability to carry out necessary improvements to maintain our stock at a high level. We use the SFHA affordability tool to assist in this process. All our rents are within the affordability ratios within that tool.

The other area we continually strive to meet is that all our homes are energy efficient. This brings challenges to older traditional tenemental properties. We have utilised internal and external wall insulation to some of our properties and make use of any available funding initiatives.

Our welfare rights service continues to ensure that as many people as possible benefit from advice, fuel and food vouchers and other incentives that we have been able to benefit from to assist with fuel poverty such as winter packs that have been distributed to our tenants and internet dongles in line with our digital strategy to get everyone connected.

## 4.6 Estate Management

Estate management is an integrated part of our Housing Management and factoring services. We tackle issues such as backcourt maintenance and carry out continual surveys of bin stores and pathways, along with monitoring fly-tipping, and dog fouling and ensuring back courts are maintained to a high standard.

## 4.7 Resources

To achieve maximum value for money we are fully committed to making the best use of our resources. Our main financial objectives remain:

- Maximise income and minimise expenditure to ensure a strong balance sheet.
- Ensure we don't breach our loan covenants.
- Safeguard and invest in our assets.
- Invest each year in our stock through robust stock condition information and planned maintenance.
- Continue as a developing organisation to provide additional new homes.

We are financially viable with a healthy bank balance and strong balance sheet. This allows us to plan for future investment in both maintenance and development.

We operate strong and dynamic financial planning through rigorous budgetary control, stock condition surveys and feasibility studies to inform us of our investment requirements.

This business plan is supported by our 5 year and 30-year financial projections. Both financial documents are consistent with the requirements of SHR.

## 4.8 Our People

We recognise our employees is a key asset in successfully delivering on our business plan. We take steps to ensure our employees are equipped to carry out their roles by offering training, hybrid working and wellbeing services which are all appreciated by our employees.

We offer continual training so employees can reach their potential and progress within their chosen career. Training is identified at annual personal development reviews which help identify skills gaps.





# 5. RISKS & OPPORTUNITIES

Risk, along with governance is built into everything we do. All reports to the Committee contain details of risk attached to the proposal. Detailed risk reports are carried out for all financially impacting proposals and we have a risk register linked to all our strategic objectives. The management of risk is vital to our success, and we acknowledge that not all risks can be eliminated. Risk management is an integral part of all the functions and activities of the organisation and the services we deliver.

To ensure we always consider risk we:

- Can respond to changes in social and legislative conditions.
- Integrate risk into our work and culture.
- Ensure we maximise opportunities that are good for the business.
- Can provide assurance to our committee that we have effective controls and risk management in place.
- Can measure our performance against regulatory requirements.
- Continually raise awareness of the need for good risk assessment

Our Finance and Audit Sub Committee have delegated responsibility for risk management and receive quarterly reports. Our internal auditors report to the Finance and Audit Sub Committee and report on risks identified during internal auditing.

The table below details the four key strategic risks facing the association and how these will be managed:

Risk Area	How we will manage risk
Welfare Reform	<ul style="list-style-type: none"> <li>• Welfare Advice service</li> <li>• Build our tenant knowledge base</li> <li>• Identify and work with other partner agencies</li> <li>• Develop a communication strategy to improve how we inform customers – New housing system</li> <li>• Consider rent affordability at every rent increase</li> <li>• Ensure Value for Money in everything we do</li> <li>• Ensuring that benefits are paid to the organisation on time</li> </ul>
Management Committee Capacity	<ul style="list-style-type: none"> <li>• Carry out an annual skills audit</li> <li>• Fill gaps identified</li> <li>• Implement a training plan</li> <li>• Use external recruitment for Management Committee members when required</li> <li>• Management Committee member induction</li> <li>• Succession Planning Policy</li> </ul>
Asset Management	<ul style="list-style-type: none"> <li>• Independent stock condition surveys</li> <li>• Incorporate outcomes into long term financial plans</li> <li>• Ensure compliance with SHQS &amp; SHNZS</li> <li>• Assess the availability of free reserves</li> </ul>
Regulatory Compliance	<ul style="list-style-type: none"> <li>• Demonstrate compliance with Regulatory Standards</li> <li>• Have a robust landlord safety compliance programme with readily available certification backing this up</li> <li>• Assurance statements approved by the Management Committee</li> <li>• Continually strive for low engagement with the SHR</li> <li>• Attain compliance with Regulatory Standards as per the SHR</li> <li>• Implement any areas for improvement through self-assessment</li> <li>• Benchmark our performance against others</li> <li>• Continuous review of policies and procedures</li> <li>• Independent ARC compliance review</li> </ul>

To ensure we manage our Strategic Risks, we have embedded risk in all our committee reports. Each report identifies the Risk and is detailed on the header sheet. A report on Risk against our policy is delivered quarterly to our Finance & Audit Sub Committee.

## 6. STRATEGIC OBJECTIVES

**“Very happy  
with CDHA, no  
complaints”**

- Tenant feedback from the Rent  
Consultation 2024-2025

### 6.1 Strategic KPIs

We are committed to improving our performance and we will develop our knowledge base and use internal and external sector information to help us gauge and improve our performance.

We monitor our performance against our peer groups, and we benchmark our performance by using data from the SHR’s website and through our membership with Scotland’s Housing Network.

Our key strategic KPIs are revised annually by the Management Committee and are used in management reporting monthly and quarterly for monitoring and analysis.

### 6.2 Delivery Plans

To ensure we achieve our 4 Strategic Objectives we have developed practical performance reporting mechanisms. These reports are continually reviewed to incorporate the facilities of our IT system to supply system driven live reports. We also include direct ARC reporting per indicator for several Committee reports. This means the ARC builds up over the year with real input from the Management Committee.

Performance is reported monthly and will continue to be done in the new format. The Management Committee and employees review reporting mechanisms annually as part of the annual review of the Business Plan.

# 7. FINANCING OUR PLAN

## 7.1 Funding the Plan

To achieve our Strategic objectives, we must understand and control our costs. This is important to maintain an affordable rent structure; to allow us to invest in the development of the business and have the financial strength and flexibility to adapt to external challenges.

Appendix 3 contains our 5 year Financial Forecasts from 2024 to 2029; narrative and assumptions, including scenario testing; realistic costs, contingency planning and monitoring compliance with covenants. Our Financial Forecasts will be revised by the



Management Committee on an annual basis as part of our budget-setting process.

## 7.2 Value for Money

It is important that we review our approach to affordability, and that the approach takes into account value for money (VFM) in terms of service delivery and costs, in line with our Value for Money (VFM) Policy.

VFM has several meanings which can vary between housing associations and other organisations. Ultimately our aim is to ensure VFM in all that we do, and we put tenants at the heart of everything we do.

For us delivering VFM means that we will deliver on the following four key objectives:

- Deliver maximum value to our tenants and customers while minimising our costs.

- Provide an effective and high-quality service which meets the needs and expectations of our tenants and customers as efficiently and cost effectively as possible.
- Make the best use of available resources.
- Understand the relationship between our costs and our services.

During the period of this plan, we will continue to evolve our approach to VFM in our service delivery. We are members of Scotland's Housing Network, and we will utilise the support provided by SHN to further develop our VFM framework.

# 8. REVIEWING THE PLAN

The Business Management Plan is reviewed annually through a process commencing with the Away Day in May each year and then by discussion with the Committee and adding in new plans.

We will ensure that our Plan where appropriate aligns with other stakeholders' strategies such as the Council's Strategic Housing Investment Plan, Housing Strategy and key documents produced by the Health and Social Care Partnership.

## 8.1 Monitoring and Review

This business plan is our core document from where our strategic and operational plans flow. We report quarterly on our outcomes and performance management which flows from the commitments made in the plan.

# APPENDIX 1: ANALYSIS OF OUR OPERATING ENVIRONMENT

## 1.1 Political, Economic, Social, Technical, Legal & Environmental (PESTLE) Analysis

### Political/Legal

- Government target which commits to delivering 110,000 affordable homes by 2032 of which at least 70% will be available for social rent
- Welfare Reform
- SHQS & SHNZS
- Landlord Compliance and Health and Safety
- SHR Regulatory Framework
- Assurance Statement
- Procurement Regulations
- Data Protection Regulations and UK GDPR
- Freedom of Information
- Living Wage
- Charity law

### Social

- Demographic change
- Growth of elderly population
- Rising tenant & customer expectations
- Reputation of the neighbourhood
- Demand for social and affordable housing
- Condition of Tenements and need for further investment
- Plans for meeting Social Housing Net Zero Standard (SHNZS)
- Tenant poverty trap

### Economic/Environmental

- Rising inflation rate
- Austerity cuts (UK, Scottish Government and impact on Council funding)
- Unemployment
- Inequality and poverty
- Fuel poverty
- SHAPS pension valuation
- Climate change
- Rising Energy Prices
- Impact of Brexit
- ESG Reporting

### Technological

- Home/remote working for employees
- ICT requirements for online service
- Innovations in energy efficiency
- Improved performance management systems
- Increased use of mobile technology & social media
- Digital inclusion for all service users
- More in-depth Tenant Engagement

# APPENDIX 1: ANALYSIS OF OUR OPERATING ENVIRONMENT

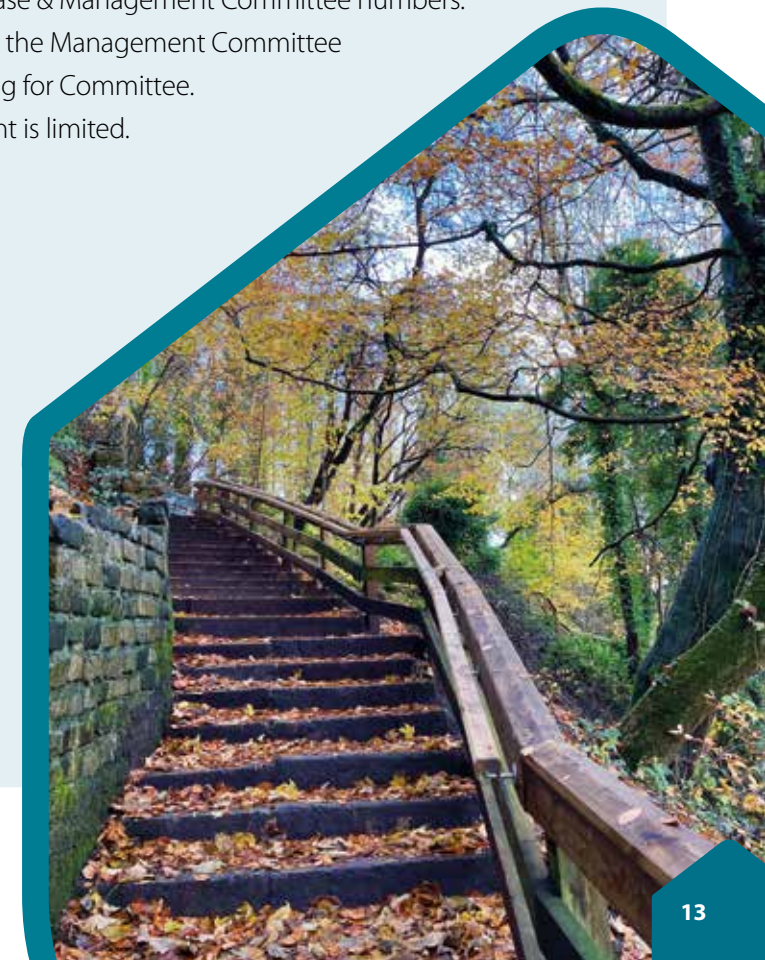
## 1.2 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

### STRENGTHS

- Financially sound, all reserves cash backed and SHQS works fully funded.
- Excellent professional reputation
- Professional and experienced workforce providing services.
- Low voids improved void turnaround.
- High levels of tenant satisfaction
- Local knowledge, skills & commitment of voluntary Management Committee
- Stable, highly motivated experienced employees
- Good Quality housing stock
- Stable community in which we operate.
- Strong, affordable asset base
- Adaptable to the changing environment
- Resilience
- Self-awareness
- Commitment to ongoing learning
- Few SHQS failures or expected SHNZS failures that cannot be managed.
- Welfare Advice Team
- Ability to buy in specialist services.
- Management Committee/Employees working relationship.
- Succession Planning
- Public access to the office central location to the area
- Robust plan in place for monitoring landlord safety compliance.

### WEAKNESSES

- Number of private landlords within factored stock and lack of engagement which leads to more environmental issues
- Lack of engagement with owners could impact on SHQS failures and improvement work
- Pressure on skills base & Management Committee numbers.
- Lack of diversity on the Management Committee
- Succession planning for Committee.
- Future development is limited.
- Brexit
- Inflation



# APPENDIX 1: ANALYSIS OF OUR OPERATING ENVIRONMENT

## 1.2 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis (Continued)

### OPPORTUNITIES

- New Development site currently 3 under consideration
- Purchase 'one-off' properties through GCC backed acquisition programme.
- Attract new Management Committee members with key skills.
- Work with GCC/other RSLs on neighbourhood management issues. e.g refuse dumping, youth issues
- Working relationship with local police assistance in anti-social behaviour and estate management. Sharing of information

### THREATS

- Welfare reform
- Benefit sanctions.
- Increased rent arrears & void loss
- Number of tenants on benefits and benefit system not streamlined.
- Discretionary housing benefit ceases
- Fallout from Brexit
- Owners within tenements reluctant to contribute to works
- Tenancy sustainment
- Inadvertent non-compliance with Regulatory processes
- Demand for our studio properties in light of more choices from other landlords.
- SHQS and SHNZS standards putting pressure on resources.
- Employee recruitment and retention
- Inflation
- IT cyber attacks

# APPENDIX 2: STRATEGIC OBJECTIVES

## EXTERNAL FOCUS

### Objective 1: Deliver Excellent Housing & Related Services

What we will do	How	How will we know we have achieved our goal
<b>Continually strive for better performance in all areas</b>	<ul style="list-style-type: none"> <li>Set challenging KPIs.</li> <li>Benchmark ourselves against our peers</li> </ul>	<p><b>We can demonstrate that we are a high-performing RSL with high levels of tenant &amp; customer satisfaction in all areas of our service delivery</b></p>
<b>Develop &amp; support excellent &amp; sustainable services for our tenants &amp; others</b>	<ul style="list-style-type: none"> <li>Ensure our service delivery plans meet the requirements of the intended outcomes.</li> <li>Review rent affordability annually.</li> <li>Take advantage of any initiative to assist with fuel poverty.</li> <li>Be ready to work with other providers to achieve better outcomes for our tenants in relation to digital inclusion or fuel poverty.</li> <li>Continue to provide Welfare Advice services. Review the current service on a regular basis.</li> <li>Work with Housing Officers and Glasgow City Council in relation to better Estate Management</li> <li>Investing in our community</li> <li>Ensure services are value for money.</li> </ul>	
<b>Develop the knowledge of our stock</b>	<ul style="list-style-type: none"> <li>Interrogate Stock Condition Survey</li> <li>Feed survey results into our Asset Management Strategy and new component system within Home Master</li> <li>Implement Asset Management Strategy</li> <li>SHQS demonstrate current &amp; future compliance</li> <li>Compliance with the new Social Housing Net Zero Standard (SHNZS)</li> </ul>	
<b>Develop our use of IT</b>	<ul style="list-style-type: none"> <li>Continue to develop our new system to use to its full potential.</li> <li>Produce Committee reports and ARC indicator reports directly from the system.</li> </ul>	

# APPENDIX 2: STRATEGIC OBJECTIVES

## EXTERNAL FOCUS

### Objective 2: Strengthen our Communication & Engagement with our tenants and other customers

What we will do	How	How will we know we have achieved our goal
<b>Improve Communication with our tenants, customers &amp; others</b>	<ul style="list-style-type: none"> <li>Review our communications strategy in relation to how we currently communicate and how we can improve practices using our new IT system.</li> <li>Promote existing social and economic inclusion projects.</li> <li>Develop an online portal through our website.</li> <li>Continue to work on our digital inclusion strategy</li> <li>Review and refresh the website throughout the year</li> </ul>	<p><b>We will have increased engagement with focused services that meet the needs of and are shaped by our tenants and other service users</b></p>
<b>Improve consultation with our tenants, customers &amp; others</b>	<ul style="list-style-type: none"> <li>Consult with other groups of stakeholders.</li> <li>Consult on &amp; review Customer Care Policy</li> </ul>	
<b>Increase our Membership</b>	<ul style="list-style-type: none"> <li>Continually review Membership Policy and ways to increase Membership.</li> <li>Hold information days for new tenants.</li> <li>Advise new tenants at sign up of opportunities to become involved.</li> </ul>	
<b>Seek our Tenant's views</b>	<ul style="list-style-type: none"> <li>Carry out a full Tenant Satisfaction Survey</li> <li>Review Landlord Report results against others.</li> <li>Continually review our rent consultation processes.</li> <li>Review internal processes relating to SPSO</li> </ul>	



## INTERNAL FOCUS

### Objective 3: Continue to Strengthen our Governance

What we will do	How	How will we know we have achieved our goal
<b>Develop &amp; support our Management Committee</b>	<ul style="list-style-type: none"> <li>· Carry out an annual Skill Assessment &amp; Training Needs Assessment for the Management Committee</li> <li>· Implement a rolling training programme.</li> <li>· Identify skill gaps and recruit to fill same on a need based basis</li> <li>· Ensure model rules are always based on the most recent publication</li> </ul>	<p style="text-align: center;"><b>We will have a strong, committed Management Committee and workforce living our vision, mission and values and attaining full compliance with the Regulatory Standards</b></p>
<b>Continue to improve our governance &amp; meet the SHR's Regulatory Standards</b>	<ul style="list-style-type: none"> <li>· Continually develop an Assurance Statement &amp; obtain Management Committee approval.</li> <li>· Implement any areas of improvement as identified through self-assessment.</li> <li>· Ensure to encapsulate any SHR guidance in the preparation of the Assurance Statement</li> <li>· Develop &amp; implement other improvement plans e.g. arising from Internal Audit</li> </ul>	
<b>Raise CDHA's profile</b>	<ul style="list-style-type: none"> <li>· Be willing to enter into partnership working with other RSLs if it benefits our organisation</li> <li>· Apply for appropriate awards and accreditations.</li> <li>· Attend networking opportunities</li> </ul>	
<b>Develop &amp; support our workforce</b>	<ul style="list-style-type: none"> <li>· Empower employees to do their jobs effectively.</li> <li>· Review Job Descriptions and Person Specifications.</li> <li>· Continue to embed our culture and core values.</li> <li>· Underpin with training and development plan</li> </ul>	

# APPENDIX 2: STRATEGIC OBJECTIVES

## INTERNAL FOCUS

### Objective 4: Continue to Ensure Strong Financial and Risk Management

What we will do	How	How will we know we have achieved our goal
<b>Maintain our solid financial Base</b>	<ul style="list-style-type: none"> <li>· Revise our 30-year financial projections annually</li> <li>· Assess the cost impact of ensuring ongoing landlord compliance with the health and safety of tenants</li> <li>· Define &amp; assess rent affordability.</li> <li>· Report regularly against our projections and budgets.</li> <li>· Ensure that covenants are always met by careful scrutiny of financial processes.</li> </ul>	<p style="text-align: center;"><b>Continue to be a strong independent organisation financially sound and effectively managing changing risks</b></p>
<b>Develop a Value for Money Framework</b>	<ul style="list-style-type: none"> <li>· Review our KPIs.</li> <li>· Review our management costs.</li> <li>· Know our cost drivers</li> <li>· Make efficiencies through new IT system</li> </ul>	
<b>Embed Risk Management</b>	<ul style="list-style-type: none"> <li>· Ensure an approach to risk management is embedded in the organisation.</li> <li>· Ensure risk awareness is embedded in the away day with the Management Committee &amp; employees.</li> <li>· Carry out robust risk assessments for any new projects</li> </ul>	
<b>Increase our housing stock</b>	<ul style="list-style-type: none"> <li>· Investigate development opportunities</li> <li>· Assess funding availability for acquisitions</li> <li>· Review local SHIP for opportunities</li> </ul>	

# APPENDIX 3: FINANCIAL PROJECTIONS

## Five Year Financial Forecast

STATEMENT OF COMPREHENSIVE INCOME	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
Turnover	3,047	3,212	3,612	3,895	4,369
Operating costs	2,496	2,660	2,958	3,028	3,269
Operating surplus	551	552	654	867	1,100
Interest Income	25	31	36	39	46
Interest Payable & Pension Movements	201	175	333	400	449
<b>Surplus / (Deficit)</b>	<b>375</b>	<b>408</b>	<b>357</b>	<b>506</b>	<b>697</b>

STATEMENT OF FINANCIAL POSITION	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
Housing Assets NBV	16,148	21,514	26,460	31,797	32,096
Other Fixed Assets NBV	93	73	54	40	21
Working Capital	1,999	2,435	2,680	2,817	3,534
Loans	(3,410)	(3,796)	(6,179)	(7,112)	(7,910)
Deferred Income	(6,668)	(11,656)	(14,087)	(18,108)	(17,611)
Pension	(113)	(113)	(113)	(113)	(113)
<b>Net Assets</b>	<b>8,049</b>	<b>8,457</b>	<b>8,815</b>	<b>9,321</b>	<b>10,017</b>

STATEMENT OF CASH FLOWS	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
Operating Activities	965	969	1,098	1,324	1,587
Tax	0	0	0	0	0
Investment Activities	(176)	(144)	(296)	(361)	(403)
Capital Expenditure	(374)	(778)	(2,943)	(1,764)	(1,264)
Financing	(221)	387	2,382	933	799
Increase/(Decrease) in Cash	194	435	242	131	718
<b>Brought forward Cash</b>	<b>1,697</b>	<b>1,891</b>	<b>2,326</b>	<b>2,568</b>	<b>2,699</b>
<b>Closing Cash</b>	<b>1,891</b>	<b>2,326</b>	<b>2,568</b>	<b>2,699</b>	<b>3,417</b>



# APPENDIX 3: FINANCIAL PROJECTIONS

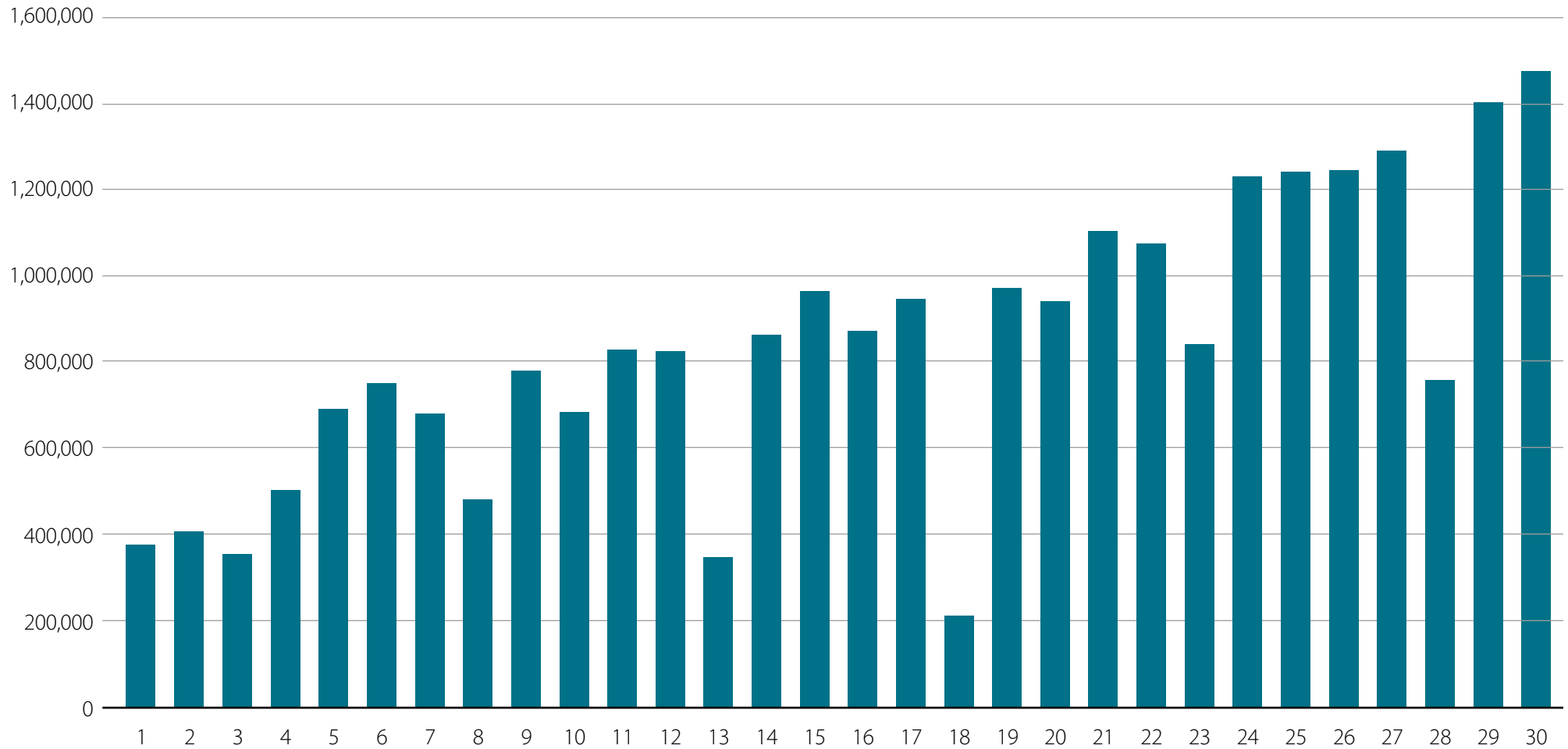


LOAN COVENANTS	24/25	25/26	26/27	27/28	28/29
	%	%	%	%	%
Gearing Covenant (Maximum)	60	60	60	60	60
Gearing Outturn	18	15	20	19	21
Headroom – in Loans	8,286	11,460	12,506	15,245	15,205
Interest Cover Covenant (Minimum)	110	110	110	110	110
Interest Cover Outturn	294	569	265	280	333
Headroom – in Surplus	323	662	459	614	900

MAIN FINANCIAL ASSUMPTIONS	24/25	25/26	26/27	27/28	28/29
	%	%	%	%	%
Inflation (CPI)	5	2	2	2	2
Rental Increase	6	3.25	3.25	3.25	3.25
Housing Voids	1	1	1	1	1
Bad Debts	1	1	1	1	1
UK BASE / SONIA	5.25	4.5	4	4	4

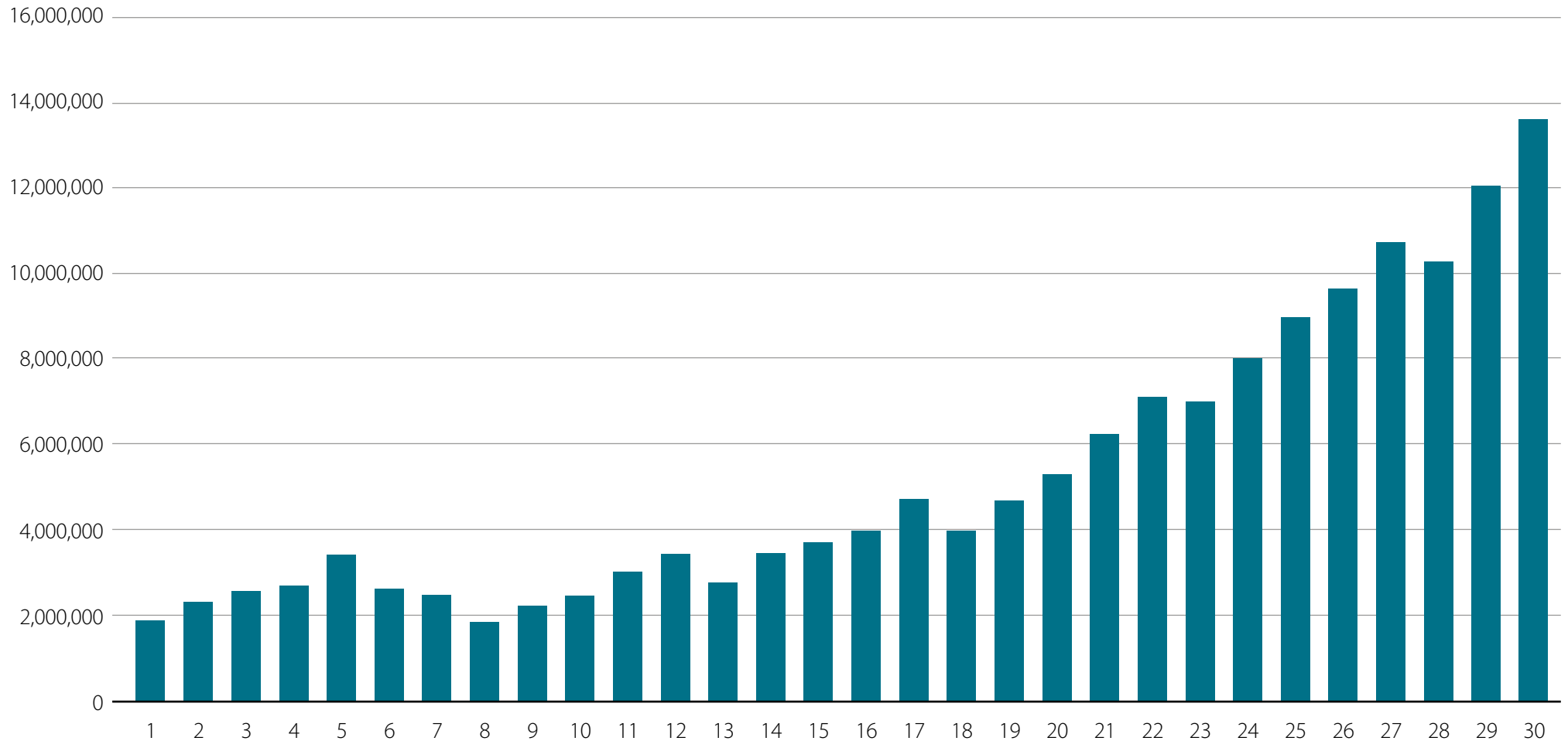
INCREASES MARGIN ABOVE/(BELOW) INFLATION - CPI	24/25	25/26	26/27	27/28	28/29
	%	%	%	%	%
Rents	1.25	1.25	1.25	1.25	1.25
Salaries	6.0	2.5	2.5	2.5	2.5
Maintenance	0.5	0.5	0.5	0.5	0.5

**CATHCART HOUSING ASSOCIATION LIMITED  
30 YEAR MODEL  
SURPLUS**



# APPENDIX 3: FINANCIAL PROJECTIONS

## CATHCART HOUSING ASSOCIATION LIMITED 30 YEAR CASH FLOW (CASH BALANCES)



# APPENDIX 4: MANAGEMENT COMMITTEE STRUCTURE

## CATHCART & DISTRICT HOUSING ASSOCIATION LTD - STRUCTURE OF MANAGEMENT COMMITTEE AND SUB COMMITTEES 2023/24

NAME	POSITION ON COMMITTEE	JOB TITLE
Alastair Penney	Chairperson	LOCAL BUSINESS OWNER
Marion McMillan	Vice Chairperson	TENANT
Chris Carr	Committee Member	OWNER
Bruce Strathearn	Committee Member	OWNER
Betty Carter	Committee Member	TENANT
Sue Harper	Committee Member	TENANT
Trudi Tokarczyk	Committee Member	HOUSING PROFESSIONAL
Gamal Haddou	Committee Member	ACCOUNTANCY HOUSING PROFESSIONAL
Lesley Dunan	Committee Member	TENANT
Patricia Crockett	Committee Member	TENANT
Christine Leitch (Director CDHA)	Secretary	EMPLOYEE

# APPENDIX 5: MANAGEMENT COMMITTEE ROLES

This section concerns matters of management practice. It covers the primary areas of responsibility and activity for a Management Committee.

The Management Committee, as a collective body, should encourage eligible people to join the organisation. Membership should be determined by the Rules and Membership Policy of the RSL, and all members should be encouraged to participate as much as possible.

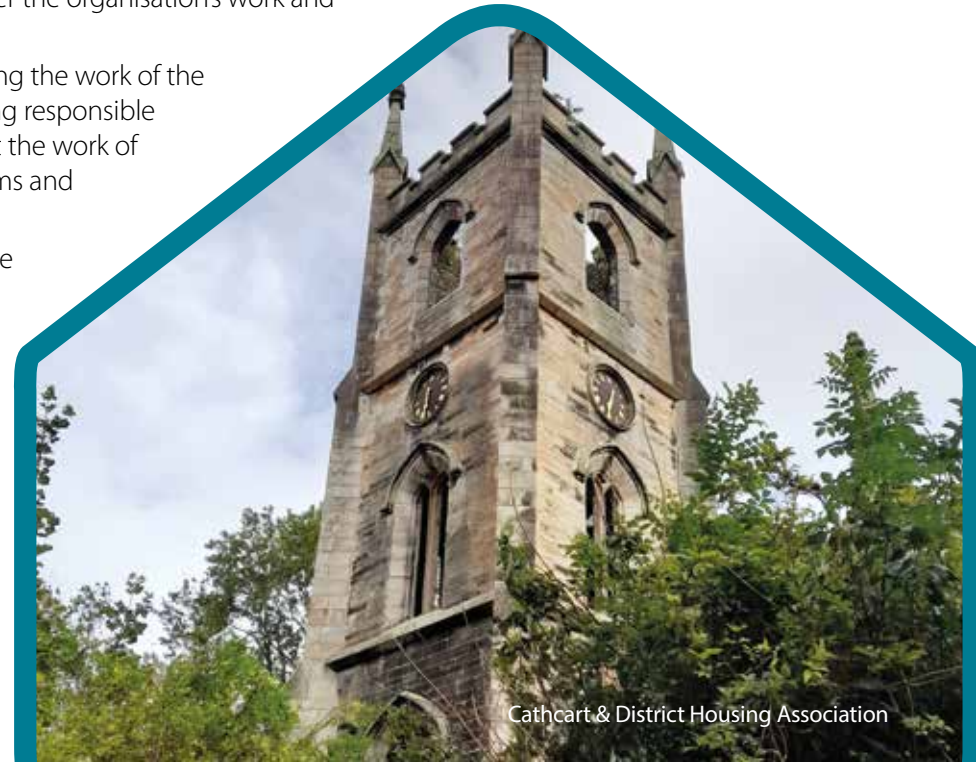
The Management Committee is responsible for:

- The direction and control of the organisation.
- Ensuring that it receives appropriate information and advice to carry out its duties.
- The risks and legal responsibilities arising from its control.
- Ensuring that the objectives of the organisation are in line with the Rules.
- Regularly reviewing the objectives.
- Ensuring there is a mechanism for regular performance reviews.
- Ensuring there is a balance of skill, experience and diversity of equality on the governing body.

## Core functions of the Management Committee

The core functions of the Management Committee include:

- Ensuring that the organisation operates within the law and according to its Rules and procedures, and meets the standards laid down by the Scottish Housing Regulator.
- Establishing business and financial objectives.
- Monitoring performance against those objectives and performance standards.
- Protecting the assets of the organisation.
- Recognising its duty to tenants, applicants and other service users.
- Developing, operating and regularly reviewing policies designed to achieve these objectives.
- Approaching each year's budget, exercising financial management and managing responsibility for both financial and non-financial risks.
- Overseeing and exercising control over the organisation's work and services.
- Delegating authority to and monitoring the work of the sub-committees and employees. Being responsible for employing employees to carry out the work of the organisation and setting their terms and conditions.
- Ensuring standards of performance are set by the organisation.
- Ensuring that the achievements of performance targets are monitored.
- Ensuring that the information collected is used to amend targets, policies and/or procedures as necessary.





## Conduct of Management Committee's Business

The Management Committee has a duty to the organisation, its members, its tenants, the wider community and its employees. New and prospective management committee members should be given an induction programme so that they learn the workings, policies and procedures of the organisation. They should also receive clear information of what is expected of them (for example, a copy of the Code, and RSL Rules Regulatory papers on Governance and Accountability).

The Management Committee should:

- Be given a regularly updated list of all the available policies and procedures that the organisation is required to have.
- Ensure that professional advice is sought when it is required to inform decisions.
- Ensure that sub-committees, working groups and employees are delegated the authority to enable the business of the organisation to be carried on between meetings, where there is urgent business, and during emergencies.
- Draw up a regular training plan for the management committee and individual governing body members to support continuing effectiveness.

## Roles and Responsibilities of Office Bearers

The Chairperson must be an elected Management Committee Member. The responsibilities of the Chairperson should include:

- Ensuring the smooth running of meetings by making sure that all those who wish to contribute are allowed to, allocating adequate time for contributors to speak, ensuring voting procedures are in place and that these are followed, and announcing votes at general meetings.
- Providing support for and establishing a constructive working relationship with the Director of the organisation.
- Representing the organisation where authorised.
- Taking all other decisions that are the responsibility of the Chairperson as laid down in the organisation's Rules and Standing Orders.
- Participating in training where necessary, to enable the above responsibilities to be taken.

The responsibilities of the Secretary should include:

- Calling, attending and keeping the minutes of general and committee meetings.
- Circulating the relevant papers for these meetings.
- Preparing and sending all necessary reports to Scottish Housing Regulator, and other regulatory bodies.
- Ensuring that the organisation acts legally and constitutionally within its Rules. Some Rules of Organisations, for example, can legitimately provide that certain documents can be delegated to others.
- Keeping the Register of Members, the organisation's Seal and accounts. If the Secretary is a employee, she/he must remain in an advisory role, and must not take part in the Management Committee decisions.

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## Co-opted Members

The Management Committee can co-opt anyone suitable to become a Management Committee member. Co-optees do not need to be members of the RSL, but they can only serve as co-optees until the next annual general meeting or until removed by the Management Committee. Co-optees can take part in Management Committee discussions and vote at meetings on all matters except those that directly affect the membership of the RSL or the election of Office Bearers to the Management Committee. Co-optees may not stand for election, nor be elected as one of the Office Bearers of the Management Committee.

# APPENDIX 5: MANAGEMENT COMMITTEE ROLES

## Sub Committees

Where Sub Committees exist, the following principles should apply:

- Each Sub Committee and its chair should have clear written terms of reference and levels of delegated authority, which have been approved by the Management Committee.
- Each Sub Committee must report regularly to the Management Committee.
- Sub Committees must meet regularly enough to complement the work of the governing body and to carry out the organisation's business.
- Sub Committees should have their terms of reference and levels of authority reviewed periodically.

## Openness and Accountability

RSLs are required to operate in an open and accountable manner. Openness in decision making and access to information is a prerequisite for accountability and empowering those who are users of services. However, confidentiality where necessary is equally important to the professional and personal conduct of the RSL and those who work for it – i.e. employees and governing body members. Information should be disseminated widely to all stakeholders and made readily available in different formats. Only information that is of a personal or commercially sensitive nature may be withheld or where disclosure is covered by legislation. RSLs are expected to have an Openness and Confidentiality policy that covers the following areas:

- Ensuring that all information is made available to the public unless it is personally confidential or commercially sensitive.
- Ensuring publication and wide access to key information on the organisation's performance and how it plans to improve.
- Ensuring a range of mechanisms (such as websites) for dissemination of handbooks, leaflets, newsletters, survey results, posters, etc.
- Ensuring that documents are written in plain English and translated into other languages if necessary.
- Ensuring that requests for information are met unless it is confidential or commercially sensitive.
- Consider allowing members to attend non-confidential parts of meetings, and making publicly available, non-personal or non-commercially sensitive Management Committee papers and minutes.
- Ensuring a well-publicised complaints procedure that is accessible and easy to use.
- Ensuring that feedback is used to inform policy and service reviews. How the organisation has responded to the feedback should be communicated to tenant members, etc.
- Ensuring a regular review of the organisation's policy and practice on openness and confidentiality.

The Management Committee and Employees where an RSL employs employees, the Management Committee should ensure that the organisation is complying with all current legislation and good practice on employment, including Equal Opportunities. In the recruitment of employees, the Management Committee (and each Management Committee member) must ensure a fair and impartial process that is in line with the organisation's recruitment policy. The Management Committee (and each Management Committee member) should foster mutual respect with all employees. However, great care must be taken to avoid undue familiarity.

## User Participation

RSLs should involve tenants, residents and other members of the community in their work, as this promotes accountability. The Management Committee should ensure that their organisation develops a policy on participation that outlines how tenants and other stakeholders can be involved. Such a policy should include for example, the participation of tenants on the Management Committee, the publication and distribution of policies and information, the methods by which tenants and other stakeholders will be consulted, the holding of public meetings to encourage participation, and the involvement of tenants in service reviews.

## Equality and Diversity

RSLs are expected to adopt and publish an Equality and Diversity Policy that underpins the work and culture of the whole organisation. The Management Committee has a legal responsibility to ensure that the policy is implemented within the organisation, with reporting structures established to monitor and develop progress.

## Financial Control

The Management Committee must ensure at all times that they have financial control of the organisation and that they comply with legislation and performance standards and guidance issued by the Scottish Housing Regulator and other regulatory bodies.

## Audit External

All RSLs are required to have their accounts audited externally. The Management Committee's role includes record keeping, setting and selecting appropriate accounting policies, and preparation of the financial statements. The Management Committee's role in the external auditing process should include the provision of a statement in its audited accounts about the organisation's system of internal financial control. The statement should cover:

- An acknowledgement of the management committee's responsibility.
- An explanation of the extent of the assurance against financial loss.
- A description of key procedures.
- Confirmation that the management committee has reviewed the effectiveness of the system.
- Information about weaknesses in financial control that have led to losses.

External auditors are appointed to comment on the Statement of Internal Financial Controls that governing bodies are required to include with the organisation's accounts. Thus, the management committee must ensure that they are independent and effective. The management committee must also ensure that auditors are appointed through a proper selection procedure, with the appointment subject to periodic review.

## Breaches of The Code of Governance

All RSL members must be committed to adhering to the principles of this Code. An RSL must primarily be concerned with promoting good practice. However, where any member breaches this Code of Governance this can be reported to the Scottish Housing Regulator in order to safeguard the integrity and reputation of the RSL and the voluntary movement as a whole.

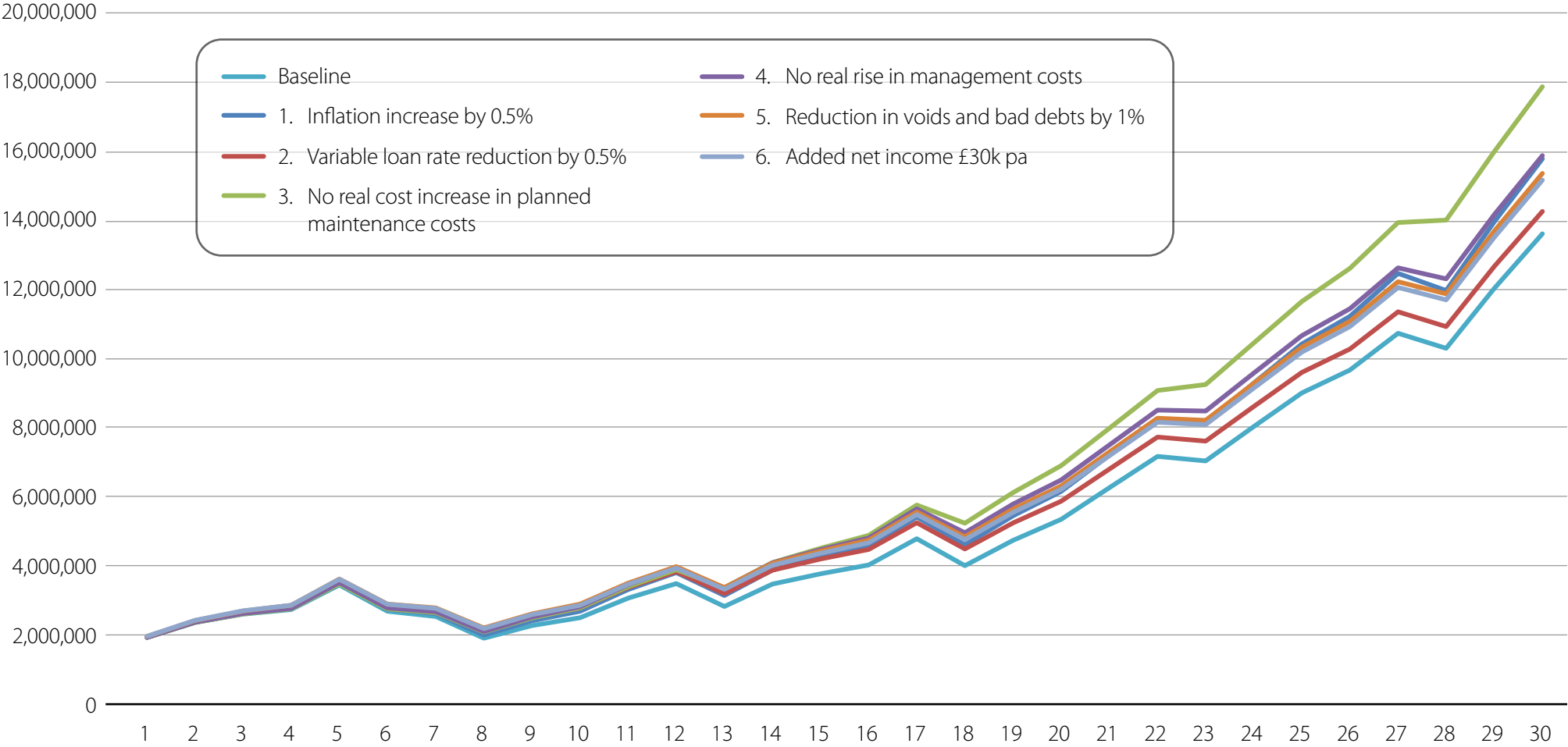


# APPENDIX 6: SENSITIVITY ANALYSIS

## Sensitivity Analysis

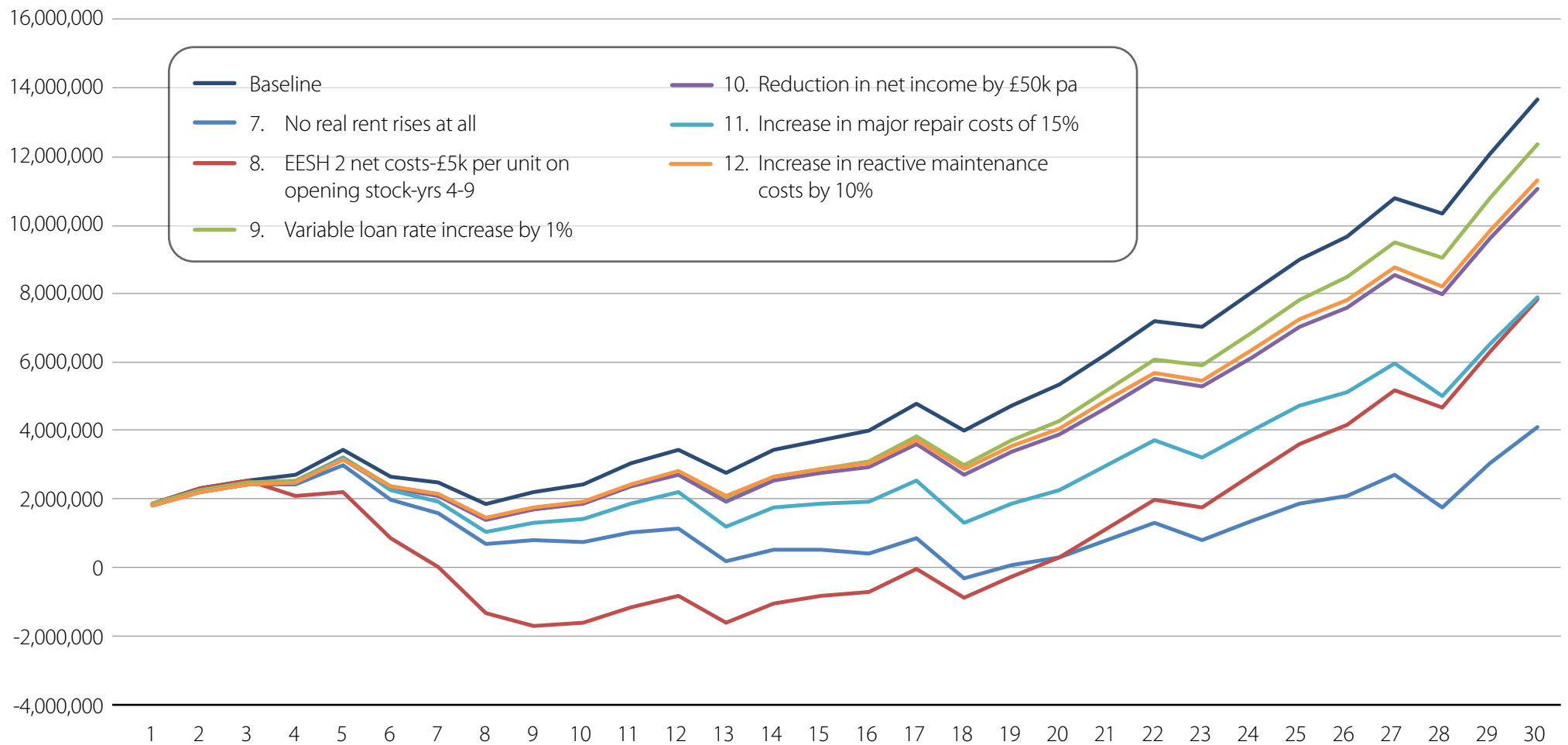
BASE CASH	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
BASE CASH	1,891	2,326	2,568	2,699	3,418
POSITIVE SENSITIVITIES	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
1. Inflation increase by 0.5%	1,891	2,330	2,579	2,725	3,470
2. Variable loan rate reduction by 0.5%	1,897	2,341	2,608	2,771	3,525
3. No real cost increase in major repair costs	1,891	2,328	2,576	2,718	3,448
4. No real rise in management costs	1,891	2,332	2,586	2,737	3,483
5. Reduction in voids and bad debts by 1%	1,919	2,384	2,659	2,826	3,584
6. Added net income £30k pa	1,921	2,387	2,662	2,827	3,581
NEGATIVE SENSITIVITIES	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
7. No real rent rises at all	1,891	2,292	2,458	2,465	3,001
8. EESH 2 net costs included	1,891	2,326	2,568	2,122	2,239
9. Variable loan rate increase by 1%	1,879	2,296	2,488	2,555	3,203
10. Reduction in net income by £50k pa	1,841	2,224	2,411	2,486	3,145
11. Increase in major repair costs of 10%	1,828	2,242	2,436	2,520	3,201
12. Increase in reactive maintenance costs by 10%	1,824	2,218	2,418	2,504	3,176
COMBINED SENSITIVITIES	24/25	25/26	26/27	27/28	28/29
	£'000	£'000	£'000	£'000	£'000
13. Combine versions 7,8 and 12	1,790	2,164	2,316	1,691	1,636
14. Reduce inflation by 1% and loan rates half %	1,891	2,319	2,643	2,871	3,677

### Positive Sensitivity Analysis

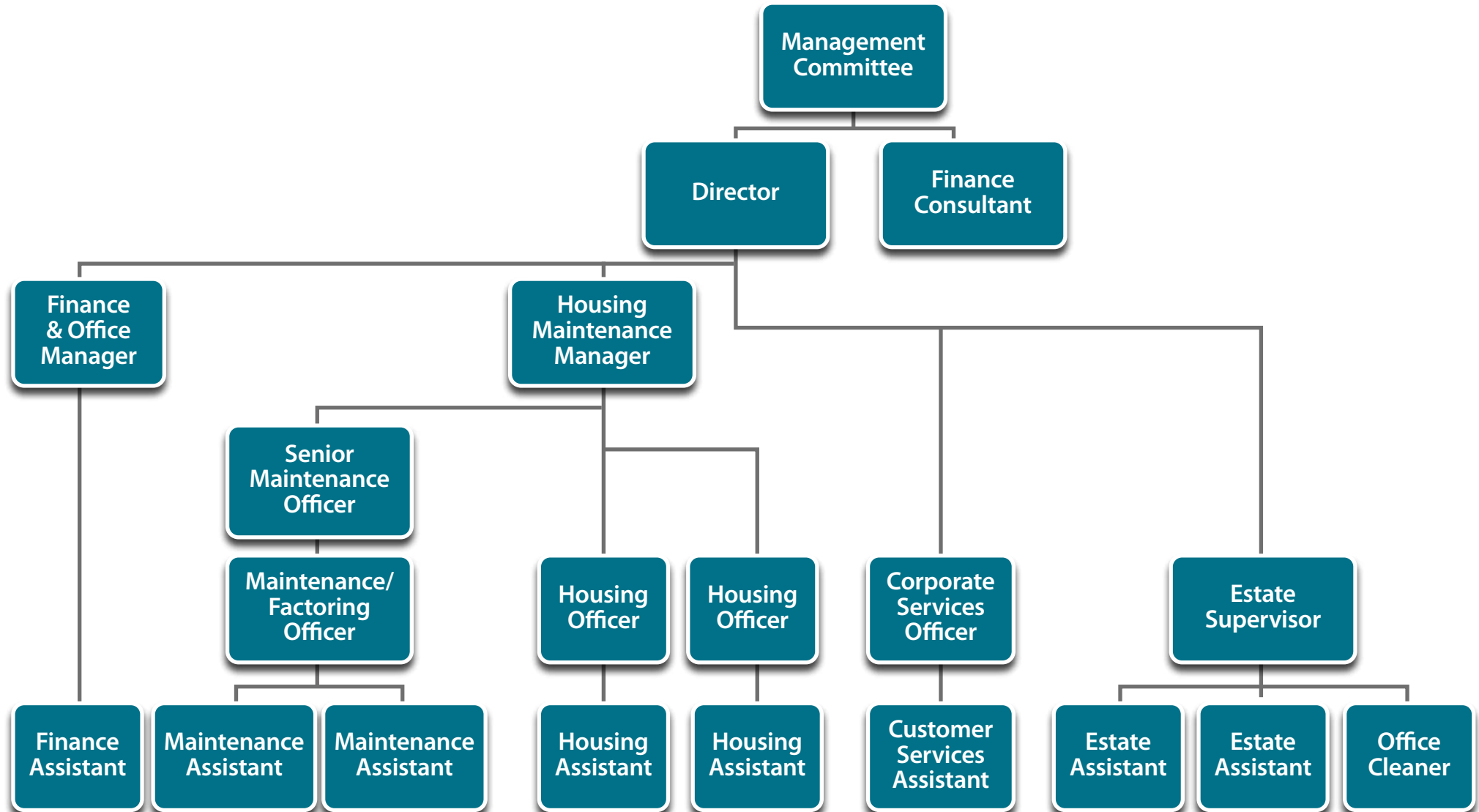


# APPENDIX 6: SENSITIVITY ANALYSIS

## Negative Sensitivity Analysis



# APPENDIX 7: ORGANISATION CHART





Cathcart & District Housing Association



Cathcart & District Housing Association Ltd  
3 Rhannan Road, Glasgow, G44 3AZ



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