Forth Housing Association

Business Plan 2019 to 2022

Internal Management Plan 2019/22

1   Introduction

The purpose of this plan is to outline the Association's objectives for the period 2019/22 with a primary focus on the year 2019/20. The Management Committee has considered the Association's strategic priorities and objectives as part of the planning process and the Business Plan has been developed following extensive discussion at Away Days and committee meetings. In addition the main items from the plan were discussed with tenants through the Association's Tenants' View Forum meetings.

The plan outlines organisational priorities, assesses resource requirements, identifies targets, and plans to progress areas of work. It will serve as a benchmark for the Association's monitoring and evaluation of its work.

The Plan was revised and updated in March 2019 as part of the Management Committee's review.

1.1   Background

Forth Housing Association is a not-for-profit housing provider, a "Registered Social Landlord" with the Scottish Housing Regulator (Registration No. 110) and a Registered Scottish Charity (No. SC003550).

Our origins date back to 1987, when a steering group called Stirling Single Housing Group, was established with the aim of increasing the provision of housing for single people in the Stirling area. Since formal registration in 1988 we have continued to take on new challenges and the Association has a stock of general needs housing, suitable for a wide range of households, across Stirling City and various communities in the east of the Stirling Council area.

In 2010 the Association established StrathFor Housing Alliance, along with Rural Stirling and Ochil View Housing Associations. This informal Alliance seeks to secure benefits for the member Associations through collaboration and joint working.

1.2   Stock Type and Distribution

The Association's current stock consists of 836 rented properties and 12 Shared Ownership properties, throughout the Stirling City and the eastern part of the Stirling Council area.

The following rented properties were all built or purchased between 1991 and February 2019:

Area	Development	Mainstream Properties				Ambulant Disabled				Wheelchair				Other	TOTAL
		Apartment Size				Apartment Size				Apartment Size					
		two	three	four	five	two	three	four	five	two	three	four	five		
Allan Park	Crosbies Court	6	9	3	-	-	-	-	-	-	-	-	-	-	18
Bannockburn	Bogend Rd/ Milnepark Rd	11	-	-	-	-	-	-	-	1	1	-	-	-	13
	Bruce Street	1	2	-	-	1	-	-	-	-	-	-	-	4	8
Braehead	Colquhoun Street	12	-	-	-	-	-	-	-	-	-	-	-	-	12
	Muirend Road	-	4	-	-	-	-	-	-	-	-	-	-	-	4
Cambusbarron	Auld School Wynd	-	13	2	-	-	-	-	-	-	2	-	-	-	17
	Chapelcroft	-	-	-	-	2	-	-	-	-	-	-	-	4	6
	Clayhills Drive	-	40	8	-	-	-	-	-	-	-	-	-	-	48
Cornton	De Moray Court	5	24	2	6	1	-	-	-	-	1	1	-	-	40
	Castlevale	-	1	-	-	-	-	-	-	-	-	-	-	-	1
	Wallace Gardens	-	-	-	1	-	-	-	-	-	-	-	-	-	1
	Vorlich Place	-	-	1	-	-	-	-	-	-	-	-	-	-	1
	Fleurs Park	-	-	-	1	-	-	-	-	-	-	-	-	-	1
	Adamson Place	8	8	-	-	-	-	-	-	-	-	-	-	-	16
	Johnston Avenue	12	11	-	-	-	-	-	-	-	-	-	-	-	**23**
Cowie	Flint Crescent	12	12	6	-	-	-	-	-	-	2	-	-	-	32
	Hilton	-	-	1	-	-	-	-	-	-	-	-	-	-	1
Dunblane	Old Doune Rd/ Clement Loan	2	10	2	-	-	-	-	-	-	-	1	-	-	15
	Thomas Brittain Court					6				1	1				8

Fallin	Archie Bone Way	8	24	8	1	-	-	-	-	-	-	-	1	-	42
	Colliers Road/ Hirst Crescent	12	12	8	-	-	1	-	-	-	1	1	-	-	35
	Hilton Terrace	-	-	1	-	-	-	-	-	-	-	-	-	-	1
	Stirling Road	-	-	1	-	-	-	-	-	-	-	-	-	-	1
Plean	Gillespie Terrace	20	-	3	-	-	-	-	-	-	3	-	-	-	26
	Stirling Place	-	14	4	-	-	-	-	-	-	-	1	-	-	**19**
Raploch	King Robert Court	10	4	3	1	-	-	-	-	-	-	-	-	-	18
	Monument View	7	5	-	-	-	-	-	-	-	-	-	-	-	12
	Craighall Street/ Raploch Road	6	2	2	1	2	-	-	-	-	-	-	-	-	13
	Menzies Drive/ Thistle Place	5	5	-	-	1	-	-	-	-	-	-	-	-	11
	Cordiner Close/ Huntly Cres/ Waulker Ave	2	10	8	5	2	-	-	-	-	-	1	-	-	28
	Winchel Place/ Gordon Sq./ Fisher Row/ Drip Road	11	20	11	5	-	-	-	-	-	-	3	-	-	50
	Craighall Court	5	5	2	-	-	-	-	-	1	1	-	-	-	14
	Raploch 4a	8	12	-	-	-	-	-	-	-	-	-	-	-	**20**
	Raploch 4b	11	12	-	-	-	-	-	-	-	1	-	-	-	**24**
Riverside	Abbey Road/ Cask Cres/ Cooperage Quay	8	18	18	2	-	-	-	-	-	2	2	-	-	50

	Forth Place/ Forth Street	-	6	-	-	-	-	-	-	-	-	-	-	-	6
Stirling Town	Baker Street/ Morris Terrace	9	6	1	-	-	-	-	-	-	-	-	-	-	16
	Barn Road	18	-	-	-	-	-	-	-	-	-	-	-	-	18
	Cowane Street	8	-	-	-	-	-	-	-	-	-	-	-	-	8
	Myles House, Irving Place	9	1	-	-	-	-	-	-	-	-	-	-	-	10
	Queen Street/ Tannery Lane	12	12	-	-	-	-	-	-	-	-	-	-	-	24
St. Ninians	Barnsdale Road	7	9	1	-	-	-	-	-	1	-	1	-	-	19
	Earlsburn Avenue	-	6	2											8
	Cultenhove Crescent	8	12	-	-	-	-	-	-	-	-	-	-	-	20
	Cultenhove Road	8	2	1	-	-	-	-	-	-	-	-	-	-	11
	Mayfield Street	-	1	-	-	-	-	-	-	-	-	-	-	-	1
	Gateside Rd/ Wordie Road	-	22	-	-	-	-	-	-	-	1	-	-	-	23
Whins of Milton	Bruce View	8	10	-	-	-	-	-	-	-	2	-	-	-	20
	Gillespie Place	-	-	-	-	-	-	-	-	3	-	-	-	-	3
	Bryden Road	-	7	5	-	-	-	-	-	-	-	-	-	-	12
	Milton Brae	-	5	2	-	-	-	-	-	1	-	-	-	-	8
TOTAL		**269**	**376**	**106**	**23**	**15**	**1**	**0**	**0**	**5**	**21**	**11**	**1**	**8**	**836**

*

The following Shared Ownership and Shared Equity properties were completed between 1993 and 2017

Area	Development	2apt	3apt	4apt	Total
Allan Park	Crosbies Court	2	1	-	**3**
Bannockburn	Bogend Road				**1**
	Milnepark Road	-	1	-	
Cowie	Flint Crescent	-	2	-	**2**
Dunblane	Anchorscross	-	10	4	**14**
Fallin	Colliers Road	-	1	-	**1**
Plean	Gillespie Terrace	-	-	1	**1**
	Stirling Place	-	2	-	**2**
Stirling Town	Baker Street	-	1	-	**1**
St. Ninians	Barnsdale Road	-	1	-	**1**
Whins of Milton	Bruce View	-	1	-	**1**
	Bryden Rd	-	4	-	**4**
TOTAL		**2**	**24**	**5**	**31**

In addition to the above properties the Association also provides a factoring service to the following owner occupiers:

Development	Properties
Various individual owners in Forth developments	56 flats & houses

Whilst the Association has concentrated on the delivery of general needs mainstream homes it does work in partnership with a range of agencies to provide supported and/or specialist housing. At present the following arrangements exist:

- Lease of properties to Stirling Women's Aid, for refuge provision
- Lease of properties to Stirling Council, for temporary homeless accommodation
- Lease of properties to Stirling Council, for supported housing for those with learning disabilities
- Management agreement with Enable, for supported housing for those with learning disabilities
- Management agreement with Richmond Fellowship, for supported housing for those with learning disabilities
- Management agreement with Stirling Council, for supported housing for those with mental health difficulties

In addition the Association has been working in conjunction with Social Bite to establish a Housing First project within Stirling. This project will involve the allocation of 20 homes from October 2018 to April 2020 to individuals who require and wish to engage with intensive support services to be provided by Loretto Care and Barony.

1.3 Development Programme

The Association has an ongoing development programme to build additional properties and the following table summarises homes currently being built.

Area	Development	Number of properties	Proposed completion date
Cultenhove	Howlands Road	35	September 2019

Further development beyond the above is entirely dependent on whether suitable grant funding can be secured by the Association.

The following table outlines Forth's developments included in the Strategic Housing Investment Plan (SHIP) submitted by Stirling Council for the period 2019 to 2023.

Area	Development	Number of properties	Proposed completion date
Raploch	Site 9	16	**2020/21**
Raploch	Site 8	37	**2021/22**
Cornton	Johnstone Ave 2	24	**2021/22**
South Stirling Gateway	Croftside	20	**2022/23**
Cambusbarron	Polmaise Road	20	**2022/23**
Raploch	Site 6, Phase 1	20	**2022/23**
Cambusbarron	Polmaise Road	**20**	**2023/24**

This programme will be subject to review, in light of the funding regime, by the Association's Management Committee and Stirling Council, through the SHIP Review Group.

1.4   Governance Structure

The Association has a current Management Committee of 11 as follows:

Name	Designation	Date of appointment
Robert Buchanan	Ordinary member	Elected 2013 re-elected 2016
John Fyfe	Ordinary member	Elected 2004 re-elected 2017
Patrick Heneghan	Vice Chairperson	Elected 2008 re-elected 2018
Neil Macleod	Ordinary member	Elected 2006 re-elected 2017
Gordon Mason	Chairperson	Elected 1999 re-elected 2017
Linda Mason	Ordinary member	Elected 1999 re-elected 2018
John Paterson	Ordinary member	Elected 2018
Colleen Sharp	Secretary	Elected 2016
Gillies Thomson	Ordinary member	Elected 2017
Margaret Turner	Ordinary member	Elected 2010 re-elected 2017

In addition a full time observer is appointed by Stirling Council and this post is currently filled by Councillor Jim Thomson, who has held the position since 2017.   The Management Committee therefore has a balance of experienced and more recently elected members as shown:

Length of Service	Committee Members
9 years or more	5
5 years or more	2
Less than 5 years	4

Three members are tenants or service users of Forth. All Management Committee members subscribe to Forth's Code of Conduct which is based on the SFHA's Model. Management Committee Members are encouraged to undertake regular training and development and Forth's Committee Members' Training Policy outlines an expectation that each member will attend at least two training or briefing sessions each year. Annual appraisals (which reflect good practice advice) are undertaken to allow a discussion about any areas for personal development and training plans are developed as necessary to facilitate training or development for individuals or groups. The annual appraisals are also used to inform succession planning and the Management Committee will make use of their capacity to co-opt in order to fill any identified 'gaps'. The Management Committee considers annual reports relating to both training and appraisals.

The full Committee meets monthly, normally on the last Monday evening of the month, at 7.00pm. The committee normally meets 12 times per year and, in addition, holds an annual Away Day to consider Forth's strategy and performance and inform planning. Ad hoc additional meetings are also held in order to consider matters of particular interest, such as policy developments, national consultations etc.

The only Sub-Committee constituted at present is a Staffing Sub-Committee. Membership of this consists of the 4 recognised office bearers and it meets as and when required in order to deal with the following issues:
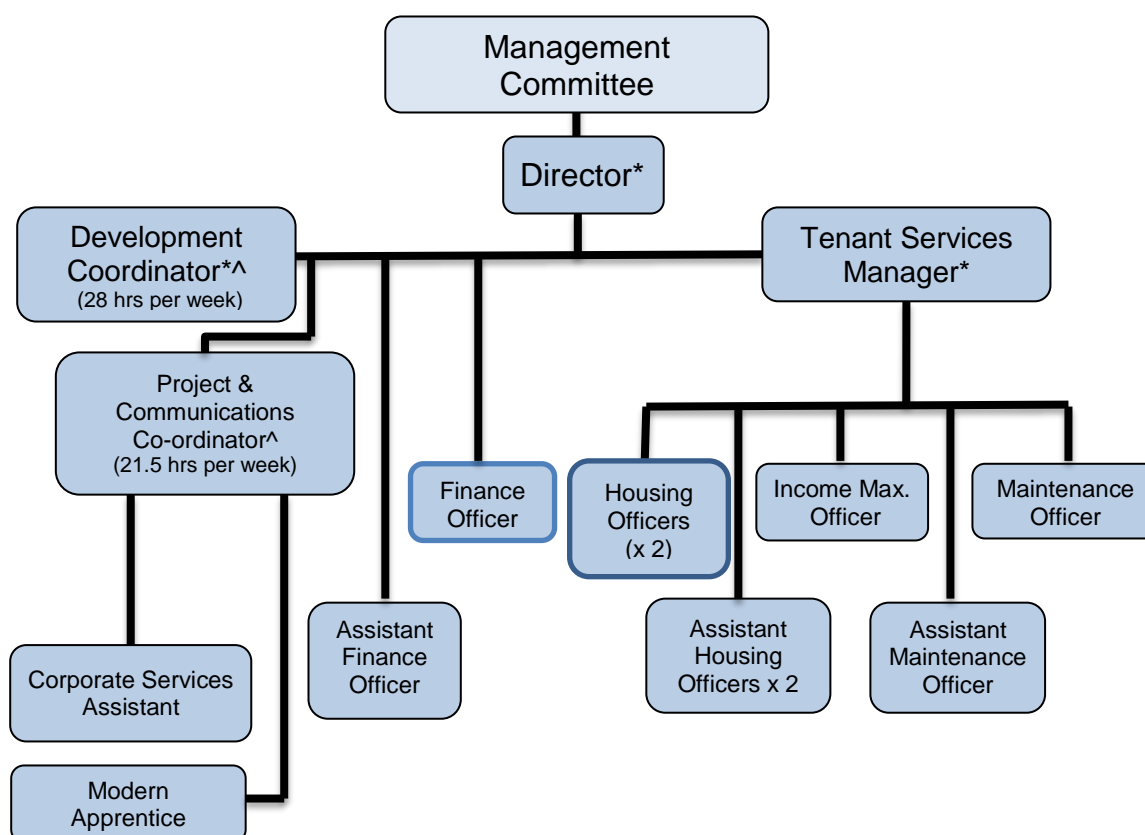
■ Disciplinary procedures

- Grievance procedures

Standing orders allow for the formation of further Sub-Committees to carry out such functions as may be referred and delegated to them. No such Sub-Committees have been formed in recent times although informal working groups, comprising Committee and staff, are formed from time to time to progress specific issues.

1.5   Operational Structure

The operational structure of the Association is as follows:

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                          ┌──────────────────┐
                          │   Management     │
                          │   Committee      │
                          └──────────────────┘
                                   │
                            ┌────────────┐
                            │  Director* │
                            └────────────┘
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* = Member of Management Team   ^ = Part-time

Director	Grahame Cairns Email grahame@forthha.org.uk
Responsibilities	Strategic and overall operational management, servicing Committee and operational management of corporate services function.
Development Coordinator	Anne Matthew Email anne@forthha.org.uk
Responsibilities	Operational management of development programme.
Tenant Services Manager	Nicola Stobie Email Nicola@forthha.org.uk
Responsibilities	Operational management of housing management, maintenance and money advice functions.

Maintenance Officer Paul Fraser
Email paul@forthha.org.uk

Responsibilities Main focuses are planned and cyclical works

Assistant Maintenance Officer Calum Carberry
Email calum@forthha.org.uk

Responsibilities Main focus is reactive works

Housing Officers Caroline Stevenson & Elaine Shepherd
Emails caroline@forthha.org.uk
  elaine@forthha.org.uk

Responsibilities All generic housing management related activities for designated patches of stock.

Assistant Housing Officers Ann Gordon & Kevin Milne
Emails anngordon@forthha.org.uk
  kevin@forthha.org.uk

Responsibilities Operational and administrative backup to Housing Officers.

Income Maximisation Officer Tracy Doran
Emails tracy@forthha.org.uk

Responsibilities Provision of welfare benefits and other advice and assistance to maximise the income of tenants and household members.

Projects & Communications Coordinator Angela Laley
Email angela@forthha.org.uk

Responsibilities Coordination of projects and initiatives, particularly focussing on communications issues.

Finance Officer Elisha Kimani
Email elisha@forthha.org.uk

Responsibilities Coordination of finance functions.

Assistant Finance Officer Shona MacLeod
Email shona@forthha.org.uk

Responsibilities Administrative and operational support within finance and coordination of IT issues.

Corporate Services Assistant   Margaret Glencross
Email margaret@forthha.org.uk

Responsibilities   Coordination of reception services and administrative support across all functions.

Modern Apprentice   Becky Ramage
Email becky@forthha.org.uk

Responsibilities   Provision of reception services and administrative support across all functions, whilst undertaking SVQ in Business Administration

Finance Agent   Mr Howard Dales
FMD Financial Services Ltd
KCEDG Commercial Centre
Unit 29
Ladyloan Place
Glasgow
G15 8LB

Responsibilities   Strategic financial planning, budgeting and management accounts.

Data Protection Officer   Mr Daradjeet Jagpal
Information Law Solutions Ltd
272 Bath Street
Glasgow
G2 4JR

Responsibilities   Ensuring the Association's compliance with Data Protection legislation, via the provision of advice and audit services.

All staff are encouraged to maintain and develop their knowledge and skills through training and an annual appraisal process allows the development of training plans which are discussed at Management Team, as required, to agree the funding of courses etc. At present 7 staff have recognised membership of professional bodies and 4 staff are studying for professional qualifications. The Director's appraisal is carried out annually by the office-bearers and the outcomes and agreed priorities/objectives are reported to the Management Committee.

1.6   Main Activities and Services

The main activities and services are as follows:

Housing Management -   full range of housing management services to tenants and prospective tenants, delivered in a generic manner.

Property Management -   full range of property management services to tenants and factored owners involving reactive, planned and cyclical works.

Development -   development of rented and low cost home ownership properties, involving site procurement, scheme design and contract supervision.

Income Maximisation -   welfare benefits, budgeting and debt advice to Forth tenants and other household members.

General Advice -   general housing related advice to Forth tenants, applicants and other household members.

1.7   Tenant and Service User Involvement

There is one tenant group constituted in line with Section 53 of the Housing (Scotland) Act 2001. This is as follows:

Name	Area of operation	Date of registration
De Moray Association	De Moray Court, Cornton	2009

Membership of the Association is actively encouraged, as is attendance at annual general meetings etc. Increased use has been made of newsletters and subject specific consultation exercises, including focus group meetings, with tenants being actively encouraged to take a more active stance. All policy reviews or new policies covering service delivery activities are subject to tenant consultation.

The Social Housing Charter, introduced in April 2012 and revised in 2017, established a stronger emphasis on tenant involvement in ensuring effective service delivery and monitoring. Forth has reported its performance against the Charter Outcomes, to the Scottish Housing Regulator, since 2014 and, as required, produces an Annual Performance Report for tenants. The format of this report was discussed and agreed with tenants and is kept under review to ensure it meets their preferences and expectations.   Forth attaches significant priority to communicating effectively with tenants, as demonstrated by the establishment of a specific post with a communications focus and our Charter performance indicates that this is successful.

A comprehensive Tenant Satisfaction Survey was carried out in 2016, in conjunction with Stirling and Clackmannanshire Councils and Rural Stirling Housing Association. This provided a unique benchmarking opportunity and the following summarises key findings for the main Charter indicators.

Charter Indicator		Forth HA	RSHA	Stirling Council	Clacks Council
1	Percentage of tenants satisfied with the overall service provided by their landlord (% satisfied)	94%	97%	93%	94%
3	Percentage of tenants who feel their landlord is good at keeping them informed about services and decisions (% good)	96%	99%	92%	92%
6	Percentage of tenants satisfied with the opportunities given to them to participate in their landlord's decision making processes (% satisfied)	96%	100%	91%	89%
10	Percentage of existing tenants satisfied with the quality of their home (% satisfied)	92%	98%	91%	89%
16	Percentage of tenants who have had repairs or maintenance carried out in the last 12 months satisfied with the R & M service (% satisfied, for those who say they had a repair carried out in last 12 months)	93%	94%	83%	86%
17	Percentage of tenants satisfied with the management of the neighbourhood they live in (% satisfied)	94%	99%	90%	90%
29	Percentage of tenants who feel that the rent for their property represents good value for money (% good)	94%	100%	91%	93%

The Association fully supports the principles of tenant involvement, as outlined in the Scottish Social Housing Charter, and will continue to seek to develop working practices which meet its purpose.

A comprehensive series of satisfaction questionnaires are used to gather feedback from tenants at key stages during their tenancy, such as start and end of tenancy and following planned improvement works. Further questionnaires are used to monitor service delivery, such as landscaping and close cleaning. The results of these surveys are reported to the Management Committee and drive service delivery and improvement.

Informal consultation exercises, regarding new or revised policies and potential service delivery changes, are carried out via email to individuals who have volunteered to take part in such surveys.

A Tenants' View Forum allows tenants to meet with staff several times a year and these meetings focus on performance reporting and briefings about key policy or practice issues. The structure of these meetings is designed to allow tenants to give opinions and feedback in an informal manner.

2 Aim and Objectives

Aim:

Forth aims to develop and maintain quality affordable homes and services.

Objectives:

- Developing and maintaining quality homes within the eastern Stirling area.
- Allocating homes to meet a range of housing needs.
- Encouraging tenants to meet their responsibilities.
- Providing income maximisation and associated assistance.
- Ensuring robust governance and value for money.
- Delivering excellent customer services.
- Engaging with our communities and encouraging tenant involvement.

Values:

We will undertake all of the above in a responsive, fair and transparent manner in accordance with our policies and legal obligations.

Business priorities:

The above translate into the following priorities:

- Focusing our activity within the eastern part of the Stirling Council area.
- Developing homes which meet or surpass current standards regarding quality, accessibility and sustainability.
- Allocating our homes so that we meet a range of housing needs in a manner which keeps void rent loss to a minimum.
- Enforcing tenancy conditions in a firm but fair manner, to deliver tenants' rights and encourage tenants to meet their responsibilities.
- Maintaining and investing in our homes to ensure that they meet or surpass current standards wherever possible.
- Providing income maximisation and associated assistance, to help people improve their wellbeing and future prospects.
- Delivering customer services which meet expectations in a prompt and efficient manner.
- Engaging with our communities and encouraging participation in decision making at a variety of levels, from information sharing, to Committee involvement.
- Developing services which bring added value to our tenants and communities, including through joint working with other agencies.
- Providing value for money across our full range of activities.
- Ensuring transparent governance, which adheres to legislation and regulatory requirements.
- Sharing information in an open and appropriate manner.

3 Environmental Assessment

Forth operates in an ever changing environment in which political and social developments will influence its work and future. This section seeks to consider the current environment and known developments to identify significant risks and influences on the Association.

3.1 Political Environment

The Association operates in a wider political climate where the main source of influence and importance is the Scottish Government.

The Scottish Housing Regulator is the statutory regulator responsible for the continual performance assessment of the organisation.

Development funding is dealt with by the More Homes Division of the Housing and Social Justice Directorate in the Scottish Government. Scottish Parliament elections are next due in May 2021.

Within the Stirling Council area strategic housing issues are coordinated by the Local Authority but the Association actively participates in a variety of forums which seek to develop and coordinate housing related activities. Local Council elections are due to occur in May 2022.

The Association is an active member of the StrathFor Housing Alliance (StrathFor) which is a collaboration involving Forth, Ochil View and Rural Stirling Housing Associations. StrathFor seeks to identify and achieve improved efficiency and effectiveness in procurement and service delivery, through collaboration and co-operation. To date examples of collaboration have included the following:

- Combined Strategic and Development Funding Plan
- Commissioning of shared Design Guide
- Shared Satisfaction Survey
- Shared Tenants Conference
- Sharing of benchmarking information
- Shared commissioning of cyclical and planned maintenance contracts
- Shared training and networking opportunities for tenants and staff

It is intended that StrathFor will continue to investigate and establish such collaborative ventures. However the three Management Committees each see the preservation of their organisations' independence as being of paramount importance. A component of the 2018 review of Forth's Business Plan involved consideration of the extent to which this commitment continues to support the best interests of tenants and services users. Sections 7 and 9 of the Plan describe the range of financial and service delivery comparisons which were considered which confirm that Forth's current structure demonstrates continued financial viability and has the capacity to maintain and promote high standards of service delivery. This Business Plan describes the priorities for the organisation over the short term.

3.2   Economic Environment

Forth's acquisition and development of homes has been funded from two sources. Firstly, Social Housing Grant (SHG) and secondly, loans raised from Banks.

The Association refinanced its loans in 2008 and consolidated these, primarily with the Nationwide Building Society. Other loans exist with the Scottish Building Society and the Bank of Scotland. The total value of loans at 31 March 2018 was approximately £14 million and repayment of this is a substantial part of the Association's operating costs. In accordance with Forth's Treasury Management Policy, a proportion of the loans is at a fixed rate of interest.

In 2017 the Association established a £4 million loan facility with the Bank of Scotland which will remain available to finance new build housing development until 2020. At that point the Association is likely to seek a further such facility to fund ongoing development work, subject to the agreed development programme.

Since the middle of 2008 the economic environment has become increasingly difficult due to the "credit crunch" and the general economic downturn. This resulted in the delay or abandonment of a number of joint developments with private developers. There are some indications that activity by house builders may increase in the coming years and discussions have been held with Stirling Council officials to explore how affordable housing can be delivered in the absence of sufficient grant. This would involve developer subsidy in return for a lower affordable housing provision under their section 75 agreement.

Pressure to control and reduce public expenditure in the light of the wider economic climate is likely to continue be a factor throughout the period of this plan. However the Scottish Government's higher benchmark grant levels which took effect from January 2016 and their target of delivering 50,000 homes (35,000 for social rent) in the lifetime of the current parliament has ensured that Forth has been able to continue to develop new homes and increase supply for those in housing need. During the life of this plan, the Scottish Government will consider its potential future housing supply strategy from 2021 onwards.   Forth has taken account of both current commitments and future potential in its strategic and financial planning.

3.3   Social Environment

The Association operates within the city of Stirling and the eastern part of the Stirling Council area. Whilst much of the area is considered to be prosperous and thriving there are a number of areas identified as being in need of regeneration. The social environment and relative needs of communities can therefore vary greatly across the area. Population projections indicate a growth in population of around 13,000 across the area by 2037.

In many areas the demand for housing can make it difficult for those with modest incomes to access owner occupation whilst in other communities' high rates of unemployment and the lack of opportunity result in increased demand for affordable rented housing. As the statistics show, the level of owner occupation in the area is higher than the Scottish average whilst the availability of housing for rent from either the Council or another social landlord is lower. Forth therefore has an important role to play in contributing to an increased supply of affordable housing for rent in the area.

The following represents some of the key statistics for the area, drawn from the 2011 census:

Stirling by Numbers (Stirling Council area) Key Statistics July 2016

Population 2015 (2015 Mid Year Estimate of Population, NRS 2016)	Persons			92,830
	Males			44,624
	Females			48,206
Projected Population 2037 (2012-Based Population Projections, NRS 2014)	Persons			105,860
	Males			51,591
	Females			54,269
Land Area and Population Density (2015 Mid Year Estimate of Population, NRS 2016)	Land Area (square kilometres)			2,187
	Land Area (square miles)			844
	Persons per (square kilometre)			42
	Persons per (square mile)			110
Largest Settlement Populations 2012 (NRS 2014)	Stirling			36,440
	Dunblane			8,830
	Bannockburn			7,040
	Bridge of Allan			5,000
	Callander			3,120
City of Stirling Population Estimate 2011 (2011 Census and datazone estimates)	City of Stirling			41,000
Electorate December 2015 (NRS June 2016)	UK Parliament and Stirling Council Area			63,704
	Scottish Parliamentary Constituency - Stirling			54,353
Households 2015 (NRS Household Estimates 2016)	No. of Households			38,665
Projected Households 2037 (2012-Based Household Projections. NRS 2014)	No. of Households			47,162

			Stirling	*Scotland*
Tenure 2011 (2011 Census)	Owner Occupied	24,878	66%	62%
	Rented from Council	5,559	15%	13%
	Private Rented	4,060	11%	11%
	Other Social Rented	1,910	5%	11%
	Other	1,159	3%	3%

		Stirling	*Scotland*
Educational Attainment 2014/2015 Session Percentage of school leavers by highest SCQF level at which one or more passes were achieved (National Statistics 2016)	No passes at Level 3 or better	2%	2%
	Level 3: Standard Grade at Foundation	2%	2%
	Level 4: Standard Grade at General	10%	11%
	Level 5: Standard Grade at Credit	21%	25%
	Level 6: Higher at A-C	44%	41%
	Level 7: Advanced Higher at A-C	22%	19%
School Leaver Initial Destinations 2014/2015 Session (Skills Development Scotland, June 2016)	Positive Destinations	91%	93%
	Higher Education	43%	38%
	Further Education	18%	28%
	Training	3%	4%
	Employment	26%	22%
	Unemployed (seeking work)	7%	5%
	Other	3%	3%
Economic Sectors: Employees within Stirling and Scotland 2014 (Business Register and Employment Survey, ONS via www.nomisweb.co.uk 2016)	Utilities, Agriculture, Forestry & Fishing	2%	3%
	Manufacturing	6%	8%
	Construction	5%	6%
	Wholesale and Retail, incl. Motor Trades	18%	15%
	Transport Storage	3%	4%
	Accommodation and Food Services	11%	7%
	Information and Communication	2%	3%
	Financial and Other Business Services	21%	19%
	Public Admin, Education and Health	28%	31%
	Other Services	4%	4%

		Stirling	*Scotland*
Earnings by Workplace (W) and Residence (R) (ONS Annual Survey of Hours and Earnings 2015) Gross weekly full-time median earnings for employees working in the area and residing in the area (NOMIS - National Statistics January 2016)		£504 W	£527 W
		£512 R	£527 R

		Stirling	*Scotland*
Unemployment Rate (Claimant Count June 2016)* (ONS via NOMIS July 2016) *This is measured by combining the number of people claiming JSA and National Insurance credits with the number of people receiving Universal Credit*	Total (865)	1.5%	2.2%
	Males (555)	2.0%	3.0%
	Females (310)	1.0%	1.4%

* Currently designated as Experimental Statistics. Claimants declare that they are out of work, capable of, available for and actively seeking work during the week in which the claim is made.

Other than the Association itself the main social housing provision within its area of operation involves the following:

- Stirling Council
- Paragon Housing Association
- Castle Rock Edinvar Housing Association
- Various special needs Associations

The breakdown of stock ownership as at 31/3/2012 was as follows (unfortunately up to date information, in this or a similar format, is no longer available from the SHR):

RSL Name	Self contained units	Non self contained bedspaces	Shared ownership	Total
Abbeyfield Scotland Ltd	2	16	0	18
Bield Housing & Care	104	1	0	105
Cairn Housing Association Ltd	45	0	0	45
Castle Rock Edinvar Housing Association Ltd	174	0	0	174
Dunedin Canmore Housing Limited	0	0	8	8
Forth Housing Association Ltd	665	8	23	696
Hanover (Scotland) Housing Association Ltd	96	0	0	96
Key Housing Association Ltd	31	0	0	31
Link Group Ltd	49	457	4	510
Margaret Blackwood Housing Association Ltd	73	14	0	87
Paragon Housing Association Ltd	167	0	0	167
Rural Stirling Housing Association Ltd	500	12	28	540
Trust Housing Association Ltd	69	0	0	69
Stirling	1,975	508	63	2,546

* Link HA owned 457 non-self-contained units let as student accommodation.
+ Stirling Council stock figures are an estimate as exact figures are not available.

The following tables, gathered from the 2016 Tenant Satisfaction Survey, gives some information regarding Forth's tenants' profile:

Household make-up	Tenants %
One adult under 60	19.5%
One adult aged 60 or over	17.2%
Two adults at least one over 60	4.6%
Two adults both under 60	11%
1-parent family with child/ren, at least one under 16	19.5%
2-parent family with child/ren, at least one under 16	13.7%
Three or more adults, 16 or over	11.8%
Other	2.3%

Age	Tenants%
16-24	4.6%
25-34	16.4%
35-44	22.5%
45-54	20.6%
55-64	16.0%
65-74	13.7%
75+	6.1%

Economic status	Tenants %
Employee in full time job (30 hours or more per week)	25.6%
Employee in part time job (less than 30 hours per week)	16.0%
Self-employed	1.1%
Unemployed and available for work	4.6%
Full-time education at school, college or university	1.9%
Permanently sick or disabled	15.3%
Looking after the family or home	15.3%
Retired	20.6%
Other	1.5%
Prefer not to say	0.4%

3.4   Technological Environment.

The Association enjoys relatively high levels of computerisation covering word processing, rent accounting, allocations, maintenance, salaries etc., with spreadsheet and database packages available for financial and strategic planning. A Local Area Network exists, ensuring full sharing of information. A support contract exists to provide specialist IT support and ensure business continuity.

An internet banking system is utilised to manage bank accounts and electronic downloading of rent payments via the All Pay system is operated. Increasingly the Internet is utilised for communications and purchasing and the Association's own web site www.forthha.org.uk provides a wide range of information and services to tenants, applicants and others. Tenants can pay their rent online via the Association's website.

Specialist Housing Management, Repairs and Rent Accounting software is provided by SDM and in recent years additional modules have been purchased and established. Annual software updates and regular training are provided by SDM to ensure that the software and staff develop to meet needs.

All IT hardware is replaced on a regular basis to ensure that relatively up to date processing speeds, operating systems etc. are available. For example the main server and all PCs were replaced in 2015, with most staff now operating with thin client terminals.

4 Strengths and Weaknesses

In order to identify the effects that the various environmental factors may have on the Association a SWOT Analysis (looking at **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats) was carried out in October 2018.

4.1 Strengths

- Forth is a mature organisation
- Staff have very close working relationships with our tenants
- Most of our stock is relatively young and all is well maintained
- SHQS compliance is high
- We have a generally positive reputation and relationship with Council officials
- Our financial position is robust
- We are respected by tenants who perceive us as firm but fair
- We have good tenant engagements/empowerment
- Have a positive relationship with lenders
- Low engagement with SHR
- Good relations with Scottish Government
- Good customer satisfaction
- Good relationships with most Community Councils where we own stock
- Good balance of skills, knowledge and experience on Committee
- Committed and experienced staff team
- Good relationships with contractors
- Effective in using local influence (e.g. promotion and participation in Stirling's Housing First pilot)

4.2 Weaknesses

- Have a limited profile/reputation with communities where we currently have no or little stock
- We don't do enough to highlight our successes
- The Council is currently in a state of flux
- Finite borrowing capacity to extend development programme

4.3 Opportunities

- A new senior housing team will soon start at the Council
- Development opportunities remain
- Scope to improve our profile in some communities
- StrathFor is a vehicle which could develop further
- Kildean gives us a good base to build better links with local agencies
- Improve use of regulatory and performance data
- Scottish Government Initiatives e.g. Health and Social Care Integration, Warm Homes

4.4 Threats

- Political change and uncertainty
- Economic uncertainty
- Development funding after 2021
- Increased regulatory burdens
- Ongoing environmental concerns
- Welfare reform
- Pressure on rents
- Continuing restrictions on public finances
- Impact and implications of Brexit
- Stable governance can't be taken for granted

5 Risk assessment

Taking into account the PEST and SWOT analyses this risk assessment seeks to identify what hazards may be posed for the Association (that is something that may cause injury, damage or loss) and to ascertain the possible risks that these might pose (that is the probability that they will occur and with what severity). Both risks and hazards are apportioned a frequency and severity weighting (from 1 to 3) and are multiplied, the out coming factor suggesting the likely level of those risks being of damage to the Association.

The Management Committee is actively involved in identifying and assessing the key risks facing the organisation and in monitoring their management. A Business Continuity Plan outlines proposals to respond to and mitigate the main areas of risk to the Association's operational service delivery and a Business Continuity Agreement has been signed by all StrathFor associations, committing each organisation to provide support and assistance to partners in the event of disaster.

Category	Hazard	Risk	Likely Frequency	Severity	Score
Political	Housing Benefit reforms capping the level of benefit and/or ending direct mandating of payments to the Association.	The financial position of the Association is affected as arrears rise and staff must divert more time and energy to this area of work.	3	2	6
	Relationships with Stirling Council deteriorate.	The relationship between Stirling Council and the Association deteriorate so that cooperation on development and other strategic issues is hampered.	3	2	6
	Withdrawal from the EU creates uncertainty.	The political and economic uncertainty may undermine the secure position of the Association.	3	2	6
Economic	Interest rate rise.	Loss of viability as loan costs increase and rents need to rise to compensate.	2	2	4
	Private funding becomes difficult to procure.	Inability to secure funding to undertake further developments	2	2	4
	Arrears increase markedly.	Loss of viability and staff resources are diverted from other tasks.	2	3	6
	Void rates increase.	Loss of viability as rental income is lost and maintenance costs rise.	1	3	3
	Economic difficulties result in contractors or suppliers ceasing to trade	The collapse of contractors or suppliers impacts on service delivery and also on the costs to Forth	2	3	6
	Increased pressure on general public funding	As other publicly funded services are reduced, due to funding constraints, there may be increased pressure on Forth to provide substitute services	2	3	6
	Income is severely reduced	The introduction of Universal Credit results in a marked reduction in income and an increase in rent arrears/bad debts.	3	2	6

	Inflation rises dramatically	Loss of viability as costs rise and pressures mount to increase rents accordingly	2	2	4
Social	Anti-social behaviour and vandalism increase.	Repair costs escalate and properties become increasingly hard to let resulting in rent loss.	1	3	3
	The knowledge base of the Management Committee fails to develop or keep abreast of developments and changes and members fail to engage with the appraisal system.	Committee Members have insufficient knowledge or understanding to maintain effective control	1	3	3
	The knowledge base of the staff team is reduced through staff changes	Skills and knowledge are lost through staff departures and the knowledge/ skills base of the staff team is diminished	1	3	3
	Difficulties are experienced when seeking to recruit and appoint a suitable person to replace the retiring Director.	Unexpected delays in recruiting a suitably experienced individual could result in a loss of direction for staff and/ or Management Committee	2	2	4
Technological	Technological advances become increasingly expensive and beyond the means of the Association	Service levels to tenants fall and staff are restricted in their ability to work effectively.	1	2	2

5.1 Risk Strategy

Where the Risk Assessment has identified a risk score of 6 to 9 the under noted strategies will be adopted to reduce or control the risk or the effects should it come to pass.

Category	Risk	Strategy
Political	Housing Benefit reforms capping the level of benefit and/or ending direct mandating of payments to the Association. The financial position of the Association is affected as arrears rise and staff must divert more time and energy to this area of work.	Staff will continue to take action to prepare for the introduction of Universal Credit arrangements.
	The relationship between Stirling Council and the Association deteriorate so that cooperation on development and other strategic issues is hampered	Staff and Committee Members should take every opportunity available to establish contact with elected members and share information about Forth's work when appropriate.
	Uncertainties relating to EU exit creates general uncertainty which adversely influences the Association's business plans.	Staff and Committee Members should continue to monitor the political and economic outlook and be prepared to address issues at the earliest opportunity.
Economic	Interest rates rise resulting in a loss of viability as loan costs increase and rents need to rise to compensate.	The Association will reduce the risk by ensuring a proportion of loans are of a fixed rate nature and will continue to monitor any interest rate changes, and their implications, at Management Committee meetings.
	Arrears increase markedly leading to a loss of viability.	Staff to ensure that procedure and policy are implemented rigorously. Committee continue to monitor arrears levels closely. Also that the impact of Welfare reform changes are monitored carefully and mitigation action taken wherever possible.
	Supplier or contractor ceases to trade resulting in additional costs and increased workload	Staff and Committee take steps to ensure that contractors and suppliers are in a secure position before any substantial contracts are established and steps such as performance bonds are put in place where possible.

	As other publicly funded services are reduced due to funding constraints there may be increased pressure on Forth to provide substitute services.	Staff and Committee members to ensure that a complete cost benefit analysis is undertaken before introducing new or additional services. Also active lobbying to protect existing services is undertaken where necessary.
	The introduction of Universal Credit results in a marked reduction in income and an increase in rent arrears/bad debts.	The Association will actively work with other relevant agencies to establish effective working relationships and will seek to identify trends relating to universal credit when monitoring and reporting arrears information.
	Supplier or contractor ceases to trade resulting in additional costs and increased workload	Staff and Committee take steps to ensure that contractors and suppliers are in a secure position before any substantial contracts are established and steps such as performance bonds are put in place where possible.

6 Strategic And Operational Objectives

6.1 Strategic Objectives

The following represent the Association's main strategic objectives for the period of this plan:

- To consolidate current areas of strength and at the same time keep abreast of forthcoming changes (in funding, political, legislative and economic world) so that the Association can be well placed to respond as required.

- To continue to ensure local control of any future housing developed for affordable rent in the Association's area of operation and to seek to further increase the Association's stock and range of housing.

- To continue to develop joint working initiatives with other Associations and partner agencies to provide new and/or more effective services for the Association, its tenants and the communities it works in

- To identify every possible opportunity to improve the efficient running of the Association's operations and services.

6.2 Operational Objectives

The following tables outline the operational objectives established for year one of this plan. These are set for each functional area of the Association.

6.2.1 Governance

Objective	Anticipated output	Performance target	Lead Responsibility
Develop and maintain systematic reporting and policy review structure.	• Existing monitoring reports refined and expanded to increase effectiveness and Policies reviewed and updated. • Strategic planning session to be held to begin the process of self-assessment against the SHR's Regulatory Standards in 2018 and, in future years, to monitor progress and continue to develop the Business Plan	• Committee Schedule and Policy review Schedule maintained (see Appendixes 1 & 2). • Joint Committee and staff planning session to be held Oct/Nov each year	**Director** **Director**
Improve tenant influence on Committee decisions.	• All reviewed policies covering service delivery should reflect tenant's priorities/preferences where possible.	• All policy reviews covering service delivery issues to incorporate tenant feedback.	**Director**
Improve the skills and knowledge of Committee Members	• All new Committee Members to receive induction training and information • All Committee Members attend training and other events designed to improve their knowledge and understanding of the Association and its activities	• Information pack to be supplied to all new Committee Members. • All new Committee Members to participate in Induction Training in accordance with Forth's policy • All Committee Members attend at least 2 "training" activities during the course of the year. • At least one Committee away day event to be held annually. • Briefing session on areas of new legislation, practice etc. as and when required (in	**Director** **Director** **Chairperson** **Chairperson** **Director**

		collaboration with StrathFor when appropriate)	
Implement Internal Audit Programme	• Internal audit programme planned in consultation with Committee; undertaken and reported to Committee	• Internal audit visits and reports to Committee as planned	**Director**
Maintain the StrathFor Housing Alliance	• Closer working relationships and joint working benefits achieved with StrathFor members	• Updates to Management Committee regarding the StrathFor business	**Director**
Ensure compliance with Scottish Housing Regulator (SHR) requirements	• **Policy, procedure and practice to be amended as necessary in light of revised SHR requirements** • Self-assessment to be conducted and Action Plan developed and implemented	• **Reports to Management Committee as new and revised guidance is published** • **Assurance Statement to be agreed and signed off by Committee before submission by October 2019**	**Director** **Director**

6.2.2 Staffing

Objective	Anticipated output	Performance target	Lead Responsibility
Complete annual staff appraisal and staff development programme.	• Staff appraisals carried out on an annual basis and tailored objectives established and reviewed at work reviews.	• All staff to receive annual appraisal in Jan/Feb. • All staff to receive regular work review sessions (frequency dependant on role & duties) • All agreed training needs to be addressed within the year.	**Director** **Director** **Director**
All staff recruitment and selection to meet legislative and good practice guidance	• All staff recruitment to be conducted in accordance with agreed policy	• All personnel involved in recruitment to receive appropriate training/briefing before selection process starts	**Director**
New staff to receive comprehensive induction programme	• Tailored induction programme to be draw up and implemented for all new staff.	• New staff to have completed induction programme within 1 month of starting	**Director**
Maintain an appropriate staffing model to meet organisational requirements	• When vacancies occur the Management Team will review staffing structure/options prior to recruitment commencing. • Organisational strategy reviewed by Management Committee in the light of the current Director's retirement in 2018	• Management Team will informally review options prior to seeking any recruitment authorisation • Management Committee decision reached and implemented in respect of future strategy	**Director** **Management Committee**

6.2.3 Corporate Services

Objective	Anticipated output	Performance target	Lead Responsibility
Ensure monitoring of budgets	• Management Committee to regularly monitor spend against budget	• Management Accounts to be considered by Management Committee May, August, November, February • Spend against budget variances <10%	**Director** **Director/Finance Officer**
Receive satisfactory audit report	• Annual audit undertaken smoothly with minimal concerns raised	• Annual audit to be completed by end July with no major concerns raised.	**Director/Finance Officer**
Maintain satisfactory relationship with Regulator, Scottish Government & lenders	• Association to meet Regulators and lenders requirements regarding monitoring	• Copies of ARC, accounts, 5 year projections etc. to be submitted as required • Regulatory Self-assessment to be conducted in collaboration with Management Committee	**Finance Officer & Director**
Maintain appropriate monitoring of organisational functions	• Appropriate Internal Audit checks undertaken and acted on	• Internal audit visits to be carried out and action plans agreed by Management Committee. (actual areas of review to be agreed)	**Director**
Maximise any external funding opportunities	• Obtain external grant funding to support activities wherever possible	• Ensure that external funding for initiatives is considered and pursued whenever possible	**Director**
Maintain up to date 30 year projections	• Review and update the 30 year projections following any meaningful changes to key assumptions	• Updated 30 year projections to be reported to Management Committee as required	**Director**

| Ensure effective use of BIG Lottery funding | • Lottery funding secured for Connecting Stirling initiative is effectively controlled and obtains maximum benefit | • Housing Management quarterly reports to include Digital Inclusion update
• Performance against the Key Performance Indicators should meet or exceed stated targets | **Director/TS Manager**

Director |

6.2.4 Housing Management

Objective	Anticipated output	Performance target	Lead Responsibility
Review housing list on annual rolling basis Review Allocation Policy	• All applicants to be contacted to confirm continuing demand to remain on housing list • To carry out consultation with tenants and applicants in line with Housing (Scotland) Act 2014	• Applicants to be annually contacted on anniversary of application • To be approved by Committee before November 2019	**TS Manager** **TS Manager**
Maintain effective housing management services	• Effective services and tenant satisfaction maintained within budgets	• All housing management tasks completed within agreed targets • Tenant satisfaction feedback maintained within agreed targets	**TS Manager** **TS Manager**
Monitor the impact of the Welfare Reform changes	• Existing policy and practice to be reviewed and amended in light of the impact of welfare reform changes and ongoing proposals	• Provide updates to the Management Committee as required via Housing Management reports • Management Committee updates to include specific information about arrears levels attributable to Universal Credit claimants	**TS Manager** **TS Manager**
Maintain factoring services to owner occupiers	• Factoring services to existing owner occupier to be managed in line with written statements	• All factoring tasks completed within agreed targets • Factoring satisfaction feedback maintained within agreed targets	**TS Manager** **TS Manager**
Implement the Housing First initiative	• Forth becomes actively involved in the Housing First initiative being coordinated by Social Bite	• Housing First tenancies are established from October 2018 onwards	**Director/TS Manager**

6.2.5 Maintenance

Objective	Anticipated output	Performance target	Lead Responsibility
Planned and cyclical works implemented	• Properties modernised or repaired to current standards	• All gas safety checks completed within 12 month period	**Maintenance Officer**
		• 10% gas safety audit checks undertaken in year	**As above**
		• Smoke detector & periodic inspection checks completed in parallel to Gas safety checks	**As above**
		• Cyclical & planned spend maintained within budget	**As above**
		• Painter works to the following by September 2019: • Bryden Road • Thistle Place/Menzies Drive/ Monument View • Stirling Place/Gillespie Terrace • Crosbies Court/Colquhoun Street • Milnepark/Bogend	**As above**
		• Kitchen and Boiler replacement to the following by December 2019 • Thistle Place/Menzies Drive • Raploch Road/Craighall Street	**As above**
		• Bathroom replacement to the following by December 2019 • Tannery Lane • Queen Street	**As above**
		• Electrical condition inspections to 66 homes by March 2020	**As above**

		• Fire Detection Upgrade Tender and Programme to be agreed and implemented by February 2021	**Maintenance Officer**
Maintain effective reactive maintenance service	• Reactive maintenance works carried out responsively and within budget	• All reactive works carried out within agreed response times • Tenant satisfaction feedback maintained within agreed targets • Reactive maintenance spend maintained within budget	**TS Manager** **TS Manager** **TS Manager**
Provide effective adaptation service	• Adaptations carried out within effective timescales and within available budget	• All adaptations to be completed within 6 weeks of finalised referral • Adaptations to be completed within budget	**Maintenance Officer**
Planned maintenance projections and SHQS compliance to be maintained	• 30 year plans to be maintained in light of works carried out and additional stock	• Regular reporting to Management Committee regarding progress of works	**Maintenance Officer**

6.2.6 Development

Objective	Anticipated output	Performance target	Lead Responsibility
Complete funded projects within budget	• Development at Cornton, Raploch and Cultenhove	• Regular reporting to Management Committee regarding progress of works	**Development Coordinator**
Fully participate with Stirling Council regarding housing strategy issues	• Active participation in joint discussions regarding housing strategy	• Staff attendance at all Housing Strategy and sub group meetings	**Director/ Development Coordinator**
Maximise development opportunities	• Agreed development programme achieved	• Contribute as appropriate to discussions regarding the Robertson Raploch project • Progress Johnston Avenue 2 development to planning application by December 2018 • Progress all new development opportunities (incl section 75s and regeneration areas) in order to establish ongoing development programme	**Development Coordinator** **Development Coordinator** **Development Coordinator**

6.2.7 Tenant And Community Engagement

Objective	Anticipated output	Performance target	Lead Responsibility
Encourage information flow with tenants	• Tenants given opportunities to receive and provide feedback regarding Association's activities	• Newsletters produced June, September, December & March. • Website reviewed & updated on at least a quarterly basis. • Tenant feedback sought on all service delivery policy changes or developments. • Target AGM attendance of 20 tenants/members.	**Project & Communications Co-ordinator** **Project & Communications Co-ordinator** **Projects & Communications Co-ordinator/ Director**
	• Tenants' View Forum to meet to discuss performance and issues of interest	• Forum to meet at least 3 times per year	**Projects & Communications Co-ordinator**
Support the principles of effective community engagement	• Support Registered Tenant's Organisations and encourage their formation where the opportunity arises	• Provide ongoing support to RTOs. • Support and encourage any other interested tenants to establish RTO.	**Project & Communications Co-ordinator** **Projects & Communications Co-ordinator**
	• Seek to ensure appropriate attendance at any public meetings, established community groups or community events when invited	• Appropriate staff attend any meeting or event where requested.	**Director**

Obtain user feedback to influence service delivery	• Tenants and applicants are consulted on issues and services that they receive	• Ongoing and one off survey questionnaires are issued following key service delivery, with results and outcomes reported to Committee quarterly.	**Project & Communications Co-ordinator**
Ensure Forth engages with the Social Housing Charter agenda	• Policy and practices is amended as necessary to integrate with the Social Housing Charter • Tenant report on Charter performance to be produced by the end of October	• Tenant Participation reports to Management Committee to include updates on the development of the Charter. • Tenant Participation reports to Management Committee to include updates.	**Project & Communications Co-ordinator** **Project & Communications Co-ordinator**

7   Financial Planning

7.1   Annual budget 2019/20

The annual budget for the year 2019/20 follows and performance will be monitored quarterly by Management Committee via the consideration of management accounts. A review will coincide with the availability of the management accounts to the period 30 September 2019, at the November Management Committee.

Forth Housing Association Limited Budgeted statement of comprehensive income for the year ending 31 March 2020			
	2019/20 **£**		2018/19 £
Revenue	**3,797,162**		3,511,581
Less : Operating Costs	**(2,703,382)**		(2,447,317)
Operating Surplus	**1,093,780**		1,063,868
Interest Receivable	**5,492**		4,041
Interest Payable	**(367,097)**		(342,329)
Other Finance Charges - Re Pension Deficit	**(4,000)**		(17,207)
Total Comprehensive Income	**728,175**		708,373

Forth Housing Association Limited Budgeted statement of financial position as at 31 March 2020	Estimated March 2020	Movements in 2019/20	Estimated March 2019
Non-Current Assets	£	£	£
Housing Properties	49,924,691	8,813,988	41,110,703
Less Accumulated Depreciation	(4,143,671)	(912,456)	(3,231,215)
	45,781,020	7,901,532	37,879,488
Other Assets	371,545	3,968	367,577
	46,152,565	7,905,500	38,247,065
Current Assets			
Debtors	195,655		195,655
Cash at Bank and in Hand	1,387,681	343,980	1,043,701
	1,583,336	343,980	1,239,356
Creditors			
Amounts falling due within one year - General	(547,527)	0	(547,527)
Amounts falling due with one year - Loans	(727,877)	(91,655)	(636,222)
Amounts falling due within one year - Pension	(89,000)	5,000	(94,000)
Net Current Assets	218,931	257,325	(38,393)
Total Assets Less Current Liabilities	46,371,946	8,162,825	38,208,672
Loans Repayable after more than one year	(15,725,230)	(2,272,123)	(13,453,107)
HAG - As deferred Income	(16,439,670)	(5,247,524)	(11,192,146)
Pension Fund Deficit	(47,964)	85,000	(132,964)
Net Assets	**14,158,632**	**728,178**	**13,430,455**
Equity	£	£	£
Share Capital	68	3	66
Revenue Reserve	14,158,564	728,175	13,430,390
	14,158,632	**728,175**	**13,430,455**

7.2   Long Term Financial Projections

A review of the 30 year projections was undertaken in October 2018 and the outcome was considered by Management Committee as part of its review of the Business Plan. The long term projections confirmed that Forth is in a healthy financial position, starting the year with cash reserves of £1.6m and loan debt of £14.3m. The projections show the Association to be viable over the 30 years both within the base model and even within the negative and combined sensitivity testing.

Current operating environment

In considering the main assumptions to be employed within the business planning model the Committee recognised the current financial and political climate which the Association is expecting to operate within.

Main factors include:-

- Global economic and political climate including Brexit
- UK Government cuts
- Welfare reform
- EESH
- Pension deficits
- Low interest rates
- UK headline inflation
- Increased lender and SHR interest
- Expectation of service level improvements

The business plan and financial forecasts are based on the following assumptions:

- Continuing to develop until year six (additional 268 units)
- Inflation assumed at 2.5% for years one and two and 2.0% thereafter.
- Rent rises at inflation only
- Bad Debts increasing over the long term
- Staff structure increasing to reflect additional stock going forward
- Planned maintenance costs based on life cycle costings
- Real maintenance cost increases at 0.5% over 30 years
- Real increases of 0.25% in management costs over 30 years
- All staff to remain in their present pension scheme.
- LIBOR/BASE rate increases annually up until a maximum of 4% by year 5
- Increased rent arrears, bad debts and voids to reflect effects of welfare reform
- Additional borrowing of £11.4m private finance to help fund the development programme.
- Interest income assumed at a level of 0.6% per annum.
- Overdraft rate assumed at a level of 6.0%. Discount rate applied is 6% per annum.

Assumptions and comment

Base Data and Stock Levels

All financial information is based at 2018/2019 levels.

The Association's rented housing stock levels at the start of 2018/19 comprises of 788 general rented units and 13 shared ownership properties.

Rental Policy

Recent rent level comparisons based on the most recent published Charter information is shown below:

Average Weekly RSL Rents – Local Landlords (2017 - 2018)				
	Forth	Rural Stirling	Ochil View	Scottish Average
2 Apt	£68.63	£69.91	£72.27	£73.33
3 Apt	£77.00	£79.22	£79.19	£74.94
4 Apt	£84.59	£86.65	£85.28	£81.37
5+ Apt	£90.46	£91.60	£87.76	£90.39

As can be seen from the table above Forth's rents are generally in line with, or slightly better than, those of other local associations. The 2019/2020 rent increase, after tenant consultation, was agreed at 2.4%, being CPI only at the time of the consultation.

The projections assume inflation (CPI) only rent rises. This is the current planning assumption but will be subject to review on an annual basis. The Association recognises the potential for affordability issues with its tenants but the SFHA affordability tool confirms no material concerns in terms of affordability. Combined with Forth's strong performance in terms of tenant satisfaction and the prudent assumptions contained in the financial projections in respect of rent increases, the Association is confident that services deliver value for money to tenants and service users. Maintaining affordability will continue to be a key priority for Forth.

To ensure robust planning, sensitivity analyses were undertaken. In the event that a 0.5% real rent increase is applied until year 5 only then this would increase the cash balance at year 30 by around £4.1m.

Conversely, a rent freeze in year two would have a negative impact of £4.3m. Negative sensitivities were also calculated on the basis of a two year rent freeze, negative £7.6m and for a three year rent freeze, negative £10.8m. Whilst the latter two see cash remaining positive this would reduce the cash to unacceptably low levels.

The ability of the Association to apply continued restricted increases will depend upon changes in the economy and performance compared with the approved business plan.

Gross rent arrears for mainstream units at 31 March 2018 were 2.5% (2017 – 2.3%) of total rented stock. The base model assumes that due to welfare reform these will increase to 5.00% with immediate effect and remain at this level thereafter. This is felt to be a prudent assumption given that Universal Credit has already been introduced for Forth tenants.

Voids and Bad Debts

For the year to 31 March 2018 voids and bad debts for the Association were 0.06% (2017 – 0.02%) and 0.34% (2017 – 0.32%) respectively. In the base model voids have been set at 0.30% and bad debts at 0.80%, with sensitivity testing assuming both increase by 1.00% in total. This represents an increase of rent losses over the long term to reflect ongoing welfare reform and prudent financial planning. This increase is a business planning assumption as opposed to a specific target.

A 1% change in voids and bad debts has an overall negative impact of around £1.8m over the 30 year period.

Major Repairs

The planned maintenance programme is based on life-cycle costing estimates developed in-house. These costs have been inflated in the base model by 0.5% above inflation over the whole 30 year period.

Sensitivity testing was carried out to measure the impact of planned maintenance costs being at CPI only, this would increase cash levels at the end of year 30 by £3.2m and a 5% reduction in costs would increase cash by £1.8m by year 30.

Conversely, if planned maintenance costs were to increase by 5% there would be a negative impact on cash of £1.8m

The impact of future major repairs on the newly developed stock has been factored into both the base model and the sensitivities.

Reactive Maintenance (including Void Repairs)

Over the last three years reactive repair costs have been:

2015/2016	£360 per unit per annum
2016/2017	£338 per unit per annum
2017/2018	£435 per unit per annum

These projections start from an assumption of £364 per unit per annum and this figure is increased each year in the base model in line with inflation plus a real cost increase of 0.5% per annum over the whole period.

Sensitivity testing has been done on the basis of reactive costs increasing by 5% which would have an adverse effect of £0.8m.

Sensitivity was also carried out on the basis that both reactive and planned maintenance costs increase by 5% giving an adverse impact of £2.7m

Taking account of our knowledge of the stock, the Association is satisfied that costs can be contained within sums provided for in the base financial model.

Management and Administration

The Association's management and administration costs cover all staff and overhead costs related to the running of the Association. Over recent years the Association has performed well in this area and, as the following table demonstrates, the Association generally outperforms the national average and that of its peer group.

	Forth HA	Peer Group Average	National Average
2015/2016	£1,038	£1,183	£1,160
2016/2017	£1,042	£1,218	£1,378
2017/2018	£1,202	£1,300	N/A

Statistical data taken from Scottish Housing Regulator's website.

The management costs going forward factor in two additional staff to allow for the growth in future stock levels. In addition salary costs are ran out at a rate of 0.25% above CPI for the whole 30 year period.

Sensitivity tests were also done assuming an additional benefit advisor would be required to deal with welfare reform (adverse £1.8m) and also testing for the same staff member, plus voids and bad debts increasing for the same reason (adverse £3.6m).

Other Fixed Assets

The long term projections have included replacement costs for furniture, fittings and equipment over the plan period. The total expenditure on these items over the 30 year period is just over £0.5m. The largest part of this will be spent on maintaining and improving the Association's IT and communications systems.

Cash Management

As at 31 March 2018 the Association had £1.6m in cash reserves. In the base model cash levels are shown to increase slowly over the years, increasing to £4.1m by year 10, £7.9m by year 20 and £22.8m by year 30.   This can be seen in the base model cash chart.

In addition there are three cash charts showing the impact on cash levels from the positive, negative and combined sensitivities.

The projections demonstrate that at all times the cash remains positive, even during the negative and combined negative sensitivity testing.

This is consistent with the Association's objectives (as set out in the Treasury Management Policy) of maintaining sufficient cash reserves to meet its needs,

ensuring that the properties are maintained to a high standard of repair, whilst ensuring that rents remain affordable for the Association's tenants.

Loan Finance

The 30 year projections show loan debt starting at £14.3m, increasing to £22.0m in year 5 and reducing thereafter, the increase during the first 5 years reflecting the proposed development programme.

Interest rate assumptions are felt to be prudent showing BASE rate, LIBOR rates (i.e. loans excluding the margins) increasing to 4% over the period. Sensitivity testing was done with rates increasing to 5% which would have a negative impact of £2.4m.

One very important measure that the Association has to monitor is that at all times it meets its loan covenants. These are measured within the 30 year projections to reflect the various loan agreements. The projections confirm that in the base model and within all the various sensitivities the loan covenants are met.

Forth Housing Association Limited
Revised Base Model - September 2018
Loan Balances 2018 - 2048

Development Activity

The Association has a planned development programme over the next 6 years totalling £27.2m producing an additional 201 units. This will be funded by £16.6m of housing grant and £10.6m of private finance. At this stage, only the programme over the next two years is committed.

One sensitivity test that was carried out was to assume only the committed works were carried out and no more. This would result in cash levels at year 30 reducing by £3.0m. This is calculated excluding one of the additional staff and excluding direct development costs at an earlier date.

The base model and the above sensitivity demonstrate that the Association would remain viable under either set of conditions.

Sensitivity Analysis

Sensitivities are modelled on varying rent levels, voids, bad debts, maintenance costs, management costs, inflation, interest rates and various combinations of these.

All of the sensitivities applied, including the combined negative sensitivities show positive cash levels throughout the 30 year period. However, a three year rent freeze option, would reduce cash levels to an unacceptable level.

The sensitivity testing demonstrates that even within adverse trading situations the Association maintains positive cash levels. The impact can again be seen on the relevant cash charts.

Forth Housing Association Limited
Revised Base Model - September 2018
Cash Chart 2018 - 2048
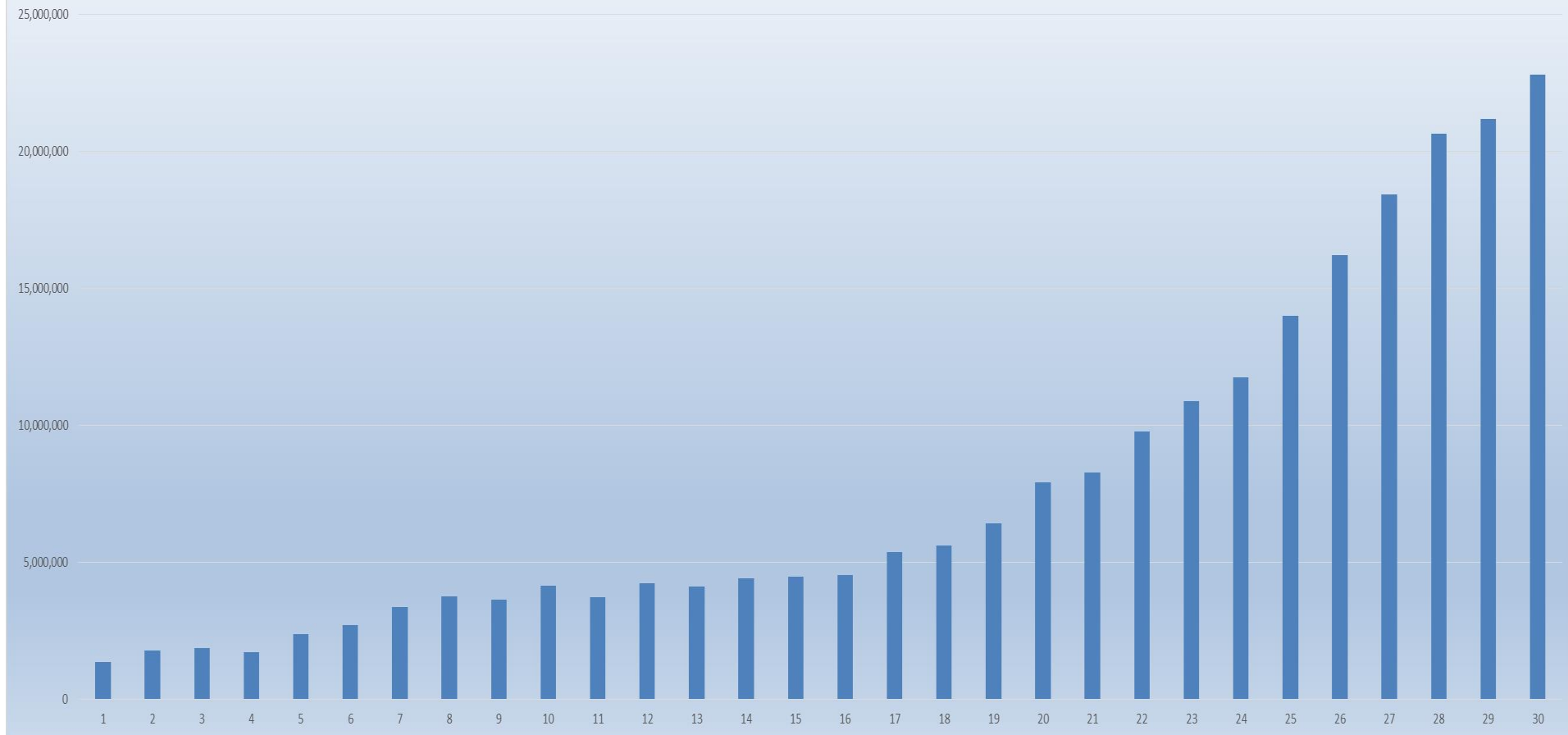
FORTH HOUSING ASSOCIATION
POSITIVE SENSITIVITIES - 2018 - 2048

- BASE MODEL
- 1 - Real rent increase of 0.5% for next 5 years
- 2 - Reduce voids and bad debts by 0.5%
- 3 - No real cost increases on planned maintenance
- 4 - Major repair costs savings of 5%
- 5 - Added net income of £50k per annum
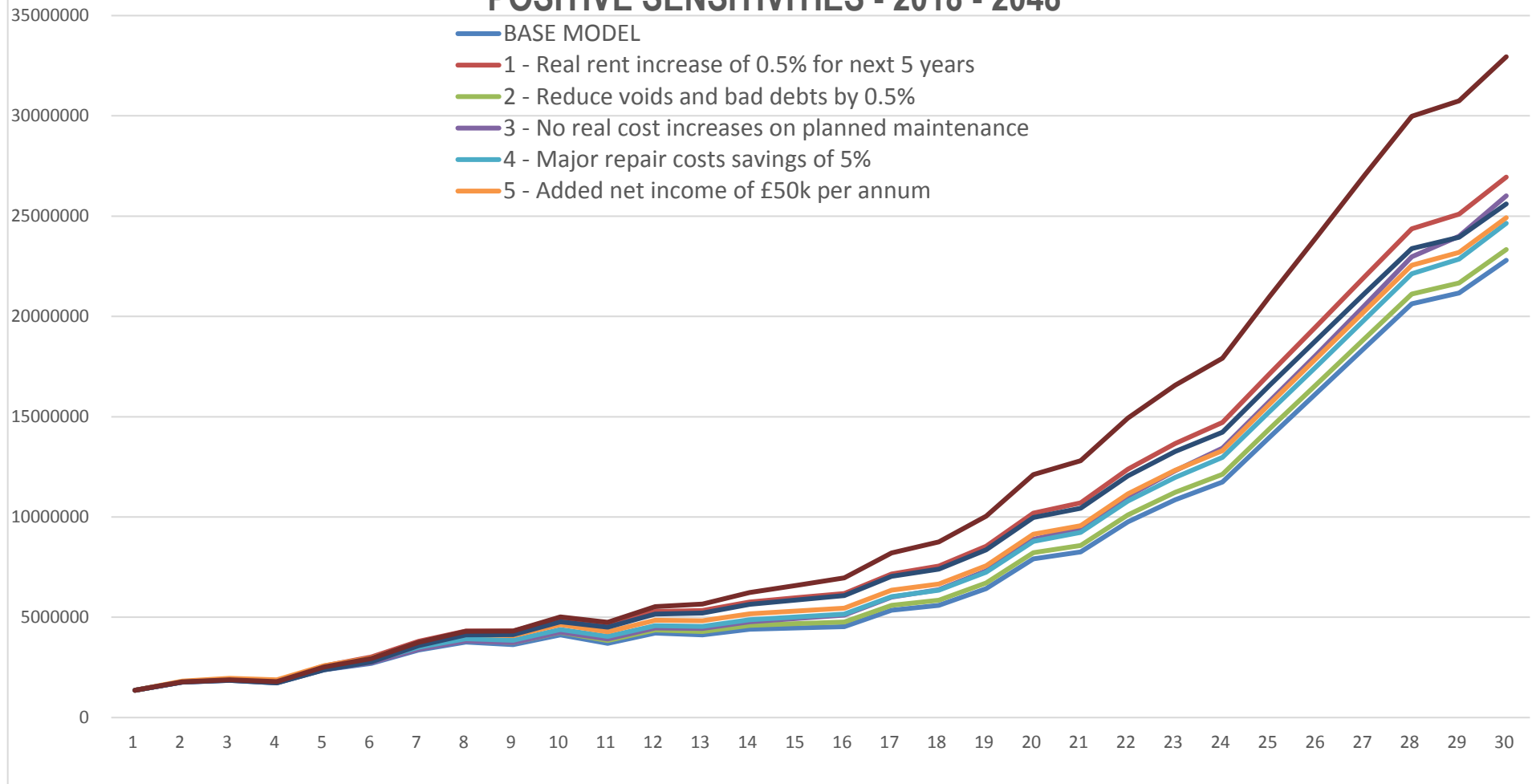
FORTH HOUSING ASSOCIATION
NEGATIVE SENSITIVITIES 2018-2048

- BASE MODEL
- 11 - Increase voids and bad debts by 0.5% each
- 12 - Major repair costs increase by 5%
- 13 - Increase in interest rates by 1%

51
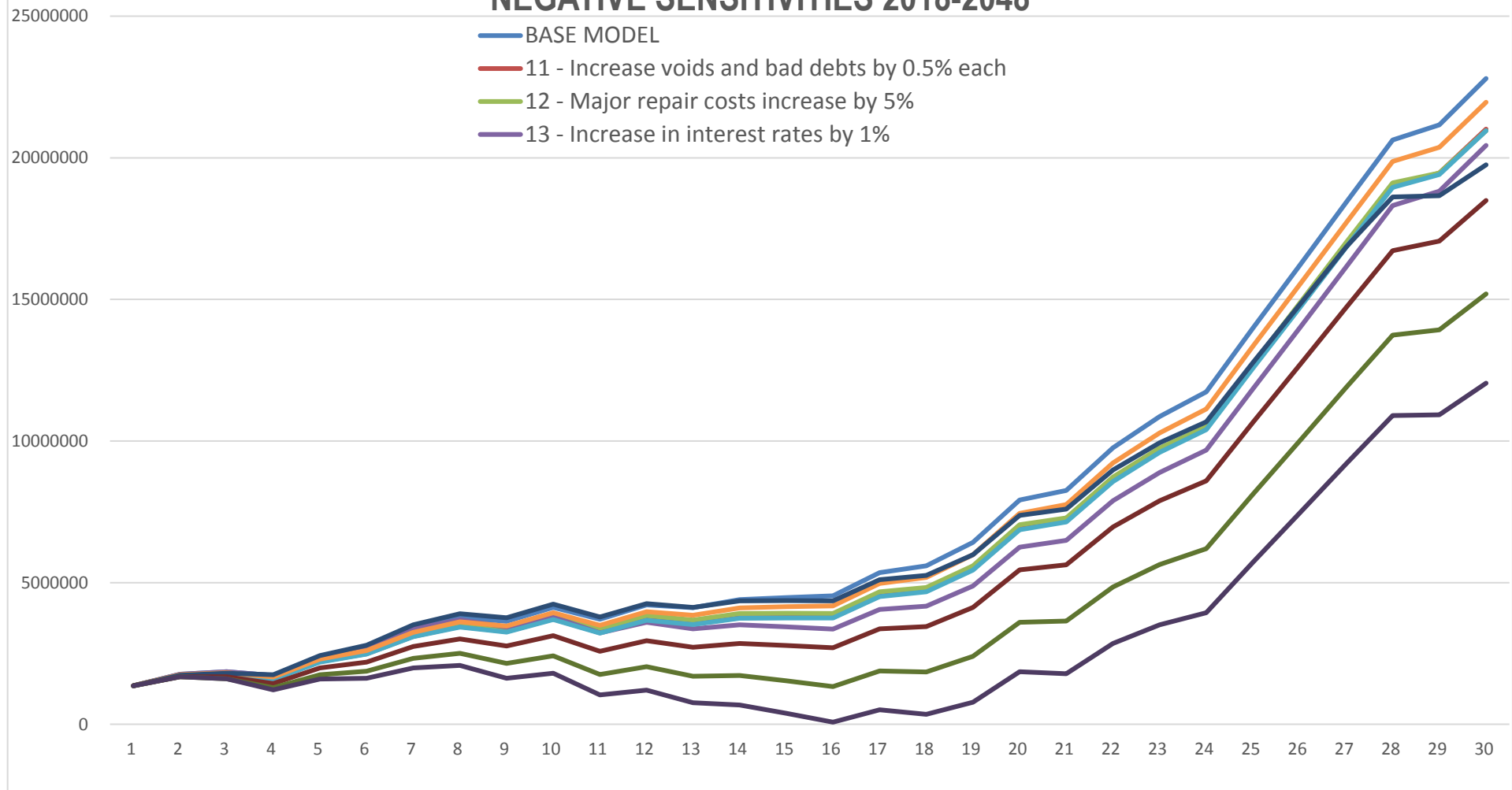
FORTH HOUSING ASSOCIATION
MIXED NEGATIVE SENSITIVITIES 2018 - 2048

BASE MODEL
21 - Adverse 14, 11 Combined additional salary, voids & bad debts
22- Adverse 12, 15. Planned & reactive increase by 5%
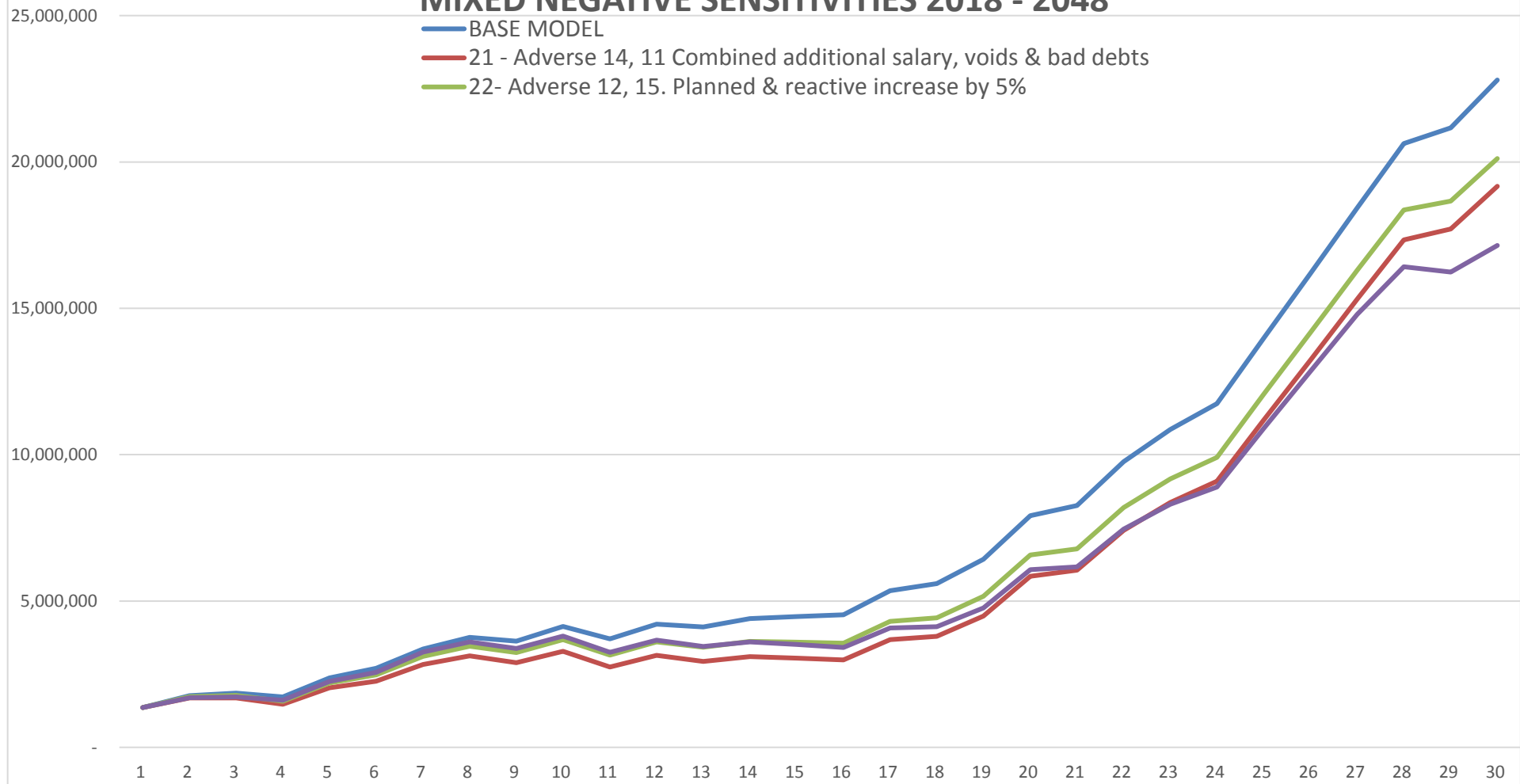
Summary of Conclusions from Financial Projections

Based on reasonable assumptions the Association's financial projections show annual surpluses and confirm more than adequate liquidity in order to allow implementation of the base financial model. No material concerns arise in respect of loan covenant compliance and the Association continues to operate in a satisfactory manner throughout the period of these projections.

The sensitivity analysis undertaken by the Association shows that each of the adverse scenarios could, assuming they arise as single events, be managed by the Association. Many factors remain within the Association's control such as rental policy, staffing levels, the timing of maintenance and development contracts and any adverse testing of these in isolation can be seen to be manageable by the Association. The combined adverse sensitivities also result in positive cash flows.

The review of the financial projections therefore confirms that the Association continues to demonstrate its long-term viability.

Appendix 1 provides basic summary information for the first 2 and last 3 years of the projections.

8 Asset Management

Forth Housing Association recognises that is essential to maintain its housing stock to an appropriate high standard for the following reasons:

- To ensure that there is continuing demand for housing of particular types and localities.
- To ensure that the existing stock meets the current and future needs and aspirations of tenants and their households.
- To maintain a high quality of environment.
- To comply with the Scottish Housing Quality Standard and other relevant standards including those relating to energy efficiency.

8.1 Assessment of demand

At the present time demand for the Association's homes is high with no housing types or locations being classified as hard to let. This is evidenced by the extremely low void rent loss experienced over the last few years, indicating the very low level of rejections received when allocations are made.

The ongoing demand for housing is assessed through the monitoring and reporting of housing applications and void period information. Where trends indicate a reduction in demand for particular housing types or localities further analysis or research may be undertaken to identify causes and potential steps to address this.

8.2 Meeting needs and aspirations

The Association's homes have all been constructed to meet the relevant standards applying at the time of construction. The age profile of the stock means that all its new build homes are perceived as meeting current tenants' expectations. Where planned works are undertaken to homes, consideration is given to upgrading to modern standards wherever possible. This can be evidenced from the upgrading of insulation standards and the switching to gas heating undertaken in recent years.

Regular tenant satisfaction feedback from all new tenants and regular satisfaction surveys will be utilised to identify any changes in aspirations and expectations. These surveys will seek to gather information regarding tenants' homes and the wider environment.

Although the Association has experienced no difficulties allocating properties with electric heating systems, there is a generally held perception that gas heating provides a more controllable and cost effective option. The Association has therefore completed a programme to switch heating systems to gas in virtually all its homes and will install gas in remaining homes at tenancy turnover.

8.3   Wider environments

The Association recognises that the general environment surrounding tenants' homes has a major impact on the quality of life and resultant satisfaction. The maintenance and improvement of this wider environment is not the sole responsibility of the Association and where appropriate we will seek to liaise and work with others to address maintenance and improvement. This will include the following:

- Tenant and resident organisations, such as Community Councils.
- Other statutory and voluntary agencies.

8.4   Scottish Housing Quality Standard

All of the Association's homes surpassed the Scottish Housing Quality Standard by 2015 (except where exemptions applied). Ongoing property inspections are used to ensure that any deterioration in the standard of properties is identified and there are no difficulties envisaged regarding maintaining this standard in the longer term.

8.5   EESH

The Energy Efficiency Standard for Social Housing was published in 2015 and the Association has carried out checks on its stock. Around 1.5 percent of our stock cannot achieve EESH due to tenants refusing to upgrade to central heating. These properties are in abeyance and are not considered a fail. The association has engaged BPH Energy Assessments Limited to carry out up-to-date EPC checks for further evaluation of these properties and will monitor any incoming recommendations.

8.6   Stock remodelling

Given the current demand for and satisfaction with the existing housing stock the Association has no plans to remodel any of its existing stock during the period of this plan. The Association will however seek to maintain stock in a condition which meets current standards and will continue to monitor demand for and satisfaction with the current stock.

8.7   Planned maintenance and improvement works

A comprehensive projection of expected planned maintenance and improvement works exists and was last reviewed by external consultants in 2013. This is based on industry standards used to predict the lifespan of the main building elements and the costs of works. These industry standards are supplemented by local knowledge of circumstances and costs.

An update of projections was last undertaken in 2017, involving random inspections of homes to review stock condition. All projected life spans etc. are reviewed at least every 5 years, to ensure that they remain appropriate in the light of tenant expectations and developments in materials, building techniques etc.

During the period of this plan these projections indicate that the following works will be undertaken: these planned works have been incorporated into the updated financial projections which form part of this Business Plan.

Year	Description of works
2019/20*	**Painter works at:** Bryden Road, Thistle Place/ Menzies Drive/Monument View Forth Street/Colquhoun Street Stirling Place/Gillespie Terrace Crosbies Court Milnepark/Bogend **Kitchens at:** Thistle Place/Menzies Drive Raploch Road/Craighall Street **Central heating boilers at:** Thistle Place/Menzies Drive Raploch Road/Craighall Street **Bathrooms at:** Tannery Lane/Queen Street **Electrical Installation Condition Report:** To 66 homes
2020/21*	**Painter works at:** Abbey Road/Cask Crescent Cooperage Quay Clayhills Drive/Chapelcroft Colliers Road Baker Street/Morris Terrace **Kitchens at:** Abbey Road/Cask Cres/Cooperage Quay **Bathrooms at:** Bruce View Myles House **Central heating Boilers at:** Cowane Street Abbey Road/Cask Cres/Cooperage Quay **Electrical Installation Condition Report:** To 150 homes
2021/22	**To be agreed**

9   Performance Comparisons

Forth has participated in recent SHN benchmarking which, to date, has demonstrated that Forth performs very well in the context of the SHN peer group. The results for the 2017/18 year were not available at the time of revising this plan.

Until the establishment of the SHN benchmarking service, Forth participated in annual benchmarking with its StrathFor partners. They are:

StrathFor Members	
RSL	Units in management (at March 2018)
Forth	780
Ochil View	1370
Rural Stirling	567

As this table shows, although the StrathFor partners operate in areas which are geographically similar, their sizes vary considerably; all three have current development programmes, although they are resourced differently: Forth employs a part-time member of staff; OVHA uses the services of Kingdom HA and RSHA employs development consultants.   There is value in comparing costs and performance between the StrathFor partners since they operate in neighbouring geographical areas and share similar values. Equally, there is value in comparing costs, rent levels/ recent increases and performance against the other local RSL providers, although they are considerably larger than Forth:

Local Providers	
RSL	Units in Management (at March 2018)
Castle Rock Edinvar	5154
Paragon	1357
Link	6514

9.1   Benchmarking

Forth's performance in respect of the key ARC indicators for the year 2017/18 has been compared with both StrathFor partners and neighbouring landlords. The SHR's Landlord Comparison Tool was used and the tables are below:

Table 1: StrathFor Comparison

Annual Rent Increase Scottish Average 3.2%	Forth (3%) is lower than average (3.4%)
Satisfaction with the overall service Scottish Average 90.5%	Forth (93.9%) is higher than average (92.2%)
Satisfaction with being kept informed Scottish Average 91.7%	Forth (95.8%) is higher than average (92.7%)
Satisfaction with opportunities to participate Scottish Average 85.9%	Forth (95.8%) is higher than average (91.1%)

SHQS Compliance Scottish Average 94.2%	Forth (99.1%) is higher than average (86.3%)
Emergency repairs response time Scottish Average 4 hours	Forth (2) is close to average (2.1)
Non-emergency repairs response time Scottish Average 6.4 days	Forth (3.7 days) is better than average (7.2 days)
Right first time Scottish Average 92.2%	Forth (99.1%) is better than average (82.7%)
Repairs Satisfaction Scottish Average 92.1%	Forth (99.3%) is better than average (93.7%)
% of ASB cases resolved within agreed targets Scottish Average 87.9%	Forth (100%) is better than average (92.9%)
% of total rent due collected Scottish Average 99.4%	Forth (110.5%) is better than average (99.1%)
Void loss Scottish Average 0.7%	Forth (0.1%) is better than average (0.4%)
Re-let time Scottish Average 30.7 days	Forth (3.4 days) is better than average (17.1 days)

Table 2: Neighbouring RSLs Comparison

Annual Rent Increase Scottish Average 3.2%	Forth (3%) is higher than average (2.4%)
Satisfaction with the overall service Scottish Average 90.5%	Forth (93.9%) is higher than average (86%)
Satisfaction with being kept informed Scottish Average 91.7%	Forth (95.8%) is higher than average (88.4%)
Satisfaction with opportunities to participate Scottish Average 85.9%	Forth (95.8%) is higher than average (81.9%)
SHQS Compliance Scottish Average 94.2%	Forth (99.1%) is higher than average (97.1%)
Emergency repairs response time Scottish Average 4 hours	Forth (2 hours) is better than average (4.7 hrs)
Non-emergency repairs response time Scottish Average 6.4 days	Forth (3.7days) is better than average (6.2 days)
Right first time Scottish Average 92.2%	Forth (99.1%) is better than average (89.6%)
Repairs Satisfaction Scottish Average 92.1%	Forth (99.3%) is better than average (89.8%)
% of ASB cases resolved within agreed targets Scottish Average 87.9%	Forth (100%) is better than average (71%)
% of total rent due collected Scottish Average 99.4%	Forth (110.5%) is better than average (99.9%)
Void loss Scottish Average 0.7%	Forth (0.1%) is better than average (0.7%)
Re-let time Scottish Average 30.7 days	Forth (3.4 days) is better than average (36.8 days)

Summary:

- In terms of the key ARC indicators, therefore, Forth performs very well against both StrathFor partners and other local providers.

- Against all indicators, Forth's performance is **better** than the Scottish average but this is not true for the peer groups. StrathFor's average performance is **poorer** than the Scottish average in respect of average rent increase, SHQS compliance and percentage of rent due collected.

- Neighbouring RSL's performance is **poorer (compared to the Scottish average)** in respect of overall satisfaction, satisfaction with being kept informed and opportunities to participate, emergency repairs response times, right first time and repairs satisfaction, ASB resolution and re-let times.

- Forth's annual rent increase was **higher** than the other local RSLs but **lower** in comparison to the StrathFor average (and the Scottish average).

  Although not shown in the tables, Forth's rents for larger properties (4 and 5 apartments which account for 18% of total stock) are slightly higher than neighbouring landlords but are lower than average for 2 and 3 apartments (which form the majority of Forth's stock). When compared to StrathFor, Forth's rents are lower for all properties except 5 apartments.

Forth has a significant development programme and so performance was compared with RSLs of a similar size which are active or recent developers of affordable housing.

Based on the published statistical information for 2016/17, a long list was identified of RSLs of similar size to Forth but it was established that very few are currently developing. Using the SHR's landlord comparison tool, Forth's performance against four developing landlords (Cernach, Dunbritton, Clydesdale and Rutherglen and Cambuslang) was considered and the results are shown below: (i.e. Cernach, Dunbritton, Clydesdale and Rutherglen and Cambuslang):

Table 3: Developing Associations

Annual Rent Increase Scottish Average 3.2%	Forth (3%) is lower than average (3.3%)
Satisfaction with the overall service Scottish Average 90.5%	Forth (93.9%) is lower than average (96.2%)
Satisfaction with being kept informed Scottish Average 91.7%	Forth (95.8%) is lower than average (98.3%)
Satisfaction with opportunities to participate Scottish Average 85.9%	Forth (95.8%) is close to the average (95.5%)
SHQS Compliance Scottish Average 94.2%	Forth (99.1%) is higher than average (92.6%)
Emergency repairs response time Scottish Average 4 hours	Forth (2 hours) is better than average (3.1 hrs)
Non-emergency repairs response time Scottish Average 6.4 days	Forth (3.7 days) is close to average (3.9 days)
Right first time Scottish Average 92.2%	Forth (99.1%) is better than average (91.8%)
Repairs Satisfaction Scottish Average 92.1%	Forth (99.3%) is better than average (93.8%)
% of ASB cases resolved within locally agreed targets Scottish Average 87.9%	Forth (100%) is better than the average (93.9%)
% of total rent due collected Scottish Average 99.4%	Forth (110.5%) is better than average (101.2%)
Void loss Scottish Average 0.7%	Forth (0.1%) is close to the average (0.0%)
Re-let time Scottish Average 30.7 days	Forth (3.4 days) is better than average (9.7 days)

Summary:

- Against all of the indicators, the developing peer group performs better than the national averages, except in relation to repairs being completed right first time.

- Forth's performance is **mixed** in comparison to the 'developing' peer group averages: annual rent increase is **lower** but rents for 2 and 3 apt properties are **higher**; tenant satisfaction is **lower**; time taken to carry out repairs is consistent with the average but right first time completions and satisfaction are **higher**; rent collection performance is **better** and void loss is consistent with the average.

- Rent levels are **higher** for 2 and 3 apartments but **lower** for 4 and 5 apartments than the average.

This comparison demonstrates that, whilst Forth performs strongly, there remain areas that can be improved and this business plan will support the promotion of continuous service improvement.

The comparison of Forth's performance also included consideration of how Forth compares against alternative constitutional models. Consequently, Forth's performance against the same key indicators has been compared against some similar

RSLs which have different organisational models. Having reviewed the sector, the following were identified as reasonable comparators:

RSL	Structure / Model	Number of Units
Drumchapel Housing Co-op	Shared Director: c 2days per week equivalent	479
Cordale HA	Part of Caledonia Group	506
Horizon HA	Part of Link Group	795
West Lothian Housing Partnership	Part of Wheatley Group	381

Using the landlord comparison tool, Forth was compared against these four landlords with the following results:

Table 4: Alternative Models

Annual Rent Increase Scottish Average 3.2%	Forth (3%) is consistent with the average (3%)
Satisfaction with the overall service Scottish Average 90.5%	Forth (93.9%) is better than the average (92%)
Satisfaction with being kept informed Scottish Average 91.7%	Forth (95.8%) is consistent with the average (95.9%)
Satisfaction with opportunities to participate Scottish Average 85.9%	Forth (95.8%) is better than the average (92.4%)
SHQS Compliance Scottish Average 94.2%	Forth (99.1%) is below the average (99.9%)
Emergency repairs response time Scottish Average 4 hours	Forth (2 hrs) is better than the average (2.4hrs)
Non-emergency repairs response time Scottish Average 6.4 days	Forth (3.7days) is better than the average (4.6 days)
Right first time Scottish Average 92.2%	Forth (99.1%) is better than the average (96.2%)
Repairs Satisfaction Scottish Average 92.1%	Forth (99.3%) is better than the average (94.8%)
% of ASB cases resolved within locally agreed targets Scottish Average 87.9%	Forth (100%) is better than the average (97.3%)
% of total rent due collected Scottish Average 99.4%	Forth (110.5%) is better than the average (100%)
Void loss Scottish Average 0.7%	Forth (01.1%) is consistent with the average (0.2%)
Re-let time Scottish Average 30.7 days	Forth (3.4 days) is better than the average (10.2 days)

Summary:

- The 'alternative models' peer group performs **better** than the national averages against all indicators. Forth's performance across all indicators is either **better**

or consistent with the average and rent levels across all property types are consistently **lower**.

9.2   Conclusion

Forth's performance has been compared with a variety of landlords against the most recently published ARC results. In almost all comparisons, Forth's performance is strong and exceeds that of the comparators. In three of the four groups, the peer performance is better than the national average and Forth maintains its strong performance.

Additionally, comparisons have been considered between Forth's performance against a range of key financial indicators and the performance of two of the peer groups used for service delivery comparison.

In respect of developing associations, the comparisons demonstrated that Forth's debt levels per unit and gearing are higher than the peer group and national averages. Financial performance in terms of voids, arrears and bad debts is either consistent with or better than the peer group and is better than the national averages. Forth's management and maintenance costs are lower than both the peer group and national averages and satisfaction levels are high. Gross and net surpluses are significantly higher than the group and national averages.

In comparison to the peer group made up of associations with different operating / constitutional models, Forth's debt levels are also higher than the group and national averages but gearing levels are lower than the peer group (but higher than the national average). Forth's financial performance in respect of voids, arrears and bad debts is either consistent or better than the group averages and better than the national averages – and Forth's satisfaction levels are higher. Gross surplus is higher than the group and national averages; net surplus is slightly lower than the group average but higher than the national figure.

Forth's strong service delivery and financial performance against a range of generally high performing peer groups enables the Association to be confident that it is well-placed to continue to deliver good performance.

10   Performance targets

Committee monitoring throughout the year will compare actual performance against target.

In order to manage performance the Association will operate to the following targets.

Category	2018/19 target	2018/19 actual	2019/20 target
Governance			
Membership attendance at AGM	20		**20**
Elected Committee membership after AGM	15		**15**
Attendance at Committee meetings	>75%		**>75%**
Percentage of meetings quorate	100%		**100%**
Resolve complaints before ombudsman	100%		**100%**
Review policies as per programme	100%		**100%**
Staffing			
Annual appraisals carried out	100%		**100%**
Average employee days lost through illness	<5		**<5%**
Maintenance			
Emergency work dealt with within 4 hours	100%		**100%**
Urgent works dealt within 2 working day	98%		**98%**
Routine works dealt within 10 working days	98%		**98%**
Average length of time for emergency repairs	4 hours		**4 hours**
Average length of time for non-emergency repairs	<10 days		**<10 days**
Repairs carried out first right time	>95%		**>95%**
Qualifying repairs within deadlines	100%		**100%**
Void repairs complete within 2 working days	>98%		**>90%**
Pre inspection of works	>10%		**>10%**
Post inspection of works	>10%		**>10%**
Planned works completed within period	100%		**100%**
Gas safety checks completed within date	100%		**100%**
% of gas safety checks post inspected	10%		**10%**
Smoke/carbon monoxide detector safety checks completed within date	>80%		**>80%**
Spend against Stage 3 award	100%		**100%**
Development			
Spend against Grant Planning Target	100%		**100%**
Units receiving tender approval	Subject to programme		**Subject to programme**
Post scheme reviews within 6 months of completion (Contractor/consultants/tenant satisfaction)	100%		**100%**

Category	2018/19 target	2018/19 actual	2019/20 target
Community Engagement			
Newsletters issued	4		**4**
Attend public meetings where requested	100%		**100%**
Number of individuals engaging with Connecting Stirling during year	>50		**>50**
Housing Management			
Applications processed within 10 working days	100%		**100%**
Tenancy offers refused	<10%		**<20%**
Voids re-let under 2 weeks	100%		**100%**
Voids re-let 2 - 4 weeks	0%		**0%**
Voids re-let 4 - 8 weeks	0%		**0%**
Voids re-let over 8 weeks	0%		**0%**
Average re-let time	<1 day		**<3 days**
Average new let time	0 days		**0 days**
Rent loss due to voids	<0.05%		**<0.05%**
Total stock turnover	<10%		**<10%**
Downsizing transfers	Prioritised*		**Prioritised***
% of lets to section 5 referrals and nominations	50% of net lets		**50% of net lets**
% of lets to housing list	50% of net lets		**50% of net lets**
% of housing list lets to tenant transfers	10%		**10%**
% of housing list lets to homeless	10%		**15%**
% of housing list lets to threatened homeless	10%		**5%**
% of housing list lets to BTS	5%		**5%**
% of housing list lets to overcrowded	5%		**5%**
% of housing list lets to unsatisfactory housing	5%		**5%**
% of housing list lets to general needs	5%		**5%**
New tenancy visit within 6 weeks	100%		**90%**
Very serious complaints investigated within 1 day	100%		**100%**
Serious complaints investigated within 3 days	100%		**100%**
Other complaints investigated within 5 days	100%		**100%**
Complaints resolved within targets	100%		**100%**
Current tenant net rent arrears	<2.0%		**<2.0%**
Current tenant gross arrears	<2.6%		**<2.6%**
% of tenants owing >£1000	<1.5%		**<2.5%**
% of court actions resulting in eviction	<20%		**<20%**
% of potential rent collected	100%		**100%**
Max number of abandoned homes	<5		**<5**
One estate management inspections each two months	100%		**100%**
Tenancies sustained for at least 12 months	>85%		**>85%**

Category	2018/19 target	2018/19 actual	2019/20 target
Finance			
Provide quarterly Management Accounts to Committee as programmed	100%		**100%**
Interest cover ratio	>602%		**>543%**
Staff cost/turnover	<25%		**<25%**
Gearing ratio	>80%		**>70%**
Total spend against budget	Within 5%		**Within 5%**
Factoring			
Arrears on invoiced charges	**<10%**		**<10%**

*From 1/4/12 all allocations prioritise downsizing transfers

30 Year Financial Projections

STATEMENT OF COMPREHENSIVE INCOME 2018 - 2048	Year 1	Year 2		Year 28	Year 29	Year 30
	2018/19	**2019/20**		**2045/46**	**2046/47**	**2047/48**
Gross rents and service charges	3,377,296	3,662,393		7,349,373	7,496,361	7,646,290
Rent loss from voids	(3,353)	(10,913)		(21,924)	(22,362)	(22,810)
Net rent and service charges	3,373,943	3,651,480		7,327,449	7,473,999	7,623,480
Other income - Factoring	26,057	26,708		44,694	45,588	46,500
HAG Amortisation	111,581	137,182		301,882	301,882	301,882
Turnover	**3,511,581**	**3,815,370**		**7,674,025**	**7,821,469**	**7,971,862**
Less Operating costs:						
Management & Maintenance Administration	1,035,229	1,075,808		1,716,650	1,754,700	1,793,596
Planned Maintenance - "Non-Components"	30,000	44,802		515,839	67,639	173,246
Cyclical Maintenance - Direct Costs	159,648	182,339		-	422,176	431,696
Reactive/Voids Maintenance-Direct Costs	219,105	328,775		705,297	721,201	737,464
Bad debts	26,825	29,101		58,463	59,633	60,825
Service Costs	83,000	85,075		142,366	145,213	148,118
Depreciation on Social Housing	897,051	908,222		1,788,428	1,833,457	1,874,081
Depreciation on Other Fixed Assets	7,595	8,307		18,733	19,052	19,377
Other Costs	2,151	7,601		12,720	47,966	13,234
Operating costs	**2,460,604**	**2,670,029**		**4,958,496**	**5,071,039**	**5,251,638**
Operating surplus/(deficit)	**1,050,977**	**1,145,341**		**2,715,530**	**2,750,431**	**2,720,224**
Interest receivable and other income	4,041	7,794		92,917	99,637	104,997

Interest payable and similar charges	(286,476)	(459,677)	(36,187)	(18,608)	(9,568)
Surplus/(deficit) on ordinary activities	**768,542**	**693,458**	**2,772,260**	**2,831,460**	**2,815,653**

Statement of financial position 2018 - 2048	Year 1	Year 2	Year 28	Year 29	Year 30
	2018/19	**2019/20**	**2045/46**	**2046/47**	**2047/48**
Non-Current Assets					
Land & Buildings - Gross Cost or Valuation	42,760,348	51,169,115	94,579,128	98,262,395	100,942,428
Less: Housing Depreciation	3,357,145	4,265,367	(51,123,029)	(52,956,486)	(54,830,567)
Housing Net Book Value	39,403,203	46,903,749	43,456,100	45,305,909	46,111,861
Other Fixed Assets	382,717	384,660	356,630	355,075	353,547
Total Non-Current Assets	**39,785,920**	**47,288,409**	**43,812,730**	**45,660,984**	**46,465,408**
Current assets					
Debtors	157,638	164,576	256,475	260,139	263,876
Cash at Bank & in Hand	1,359,574	1,765,809	19,715,665	20,238,804	21,864,958
	1,517,212	**1,930,385**	**19,972,141**	**20,498,943**	**22,128,834**
Current liabilities					
Accounts payable within one year					
Loans	628,017	731,386	300,503	154,521	79,456
Other Creditors	770,674	683,674	452,674	452,674	452,674
	1,398,691	1,415,060	753,177	607,195	532,130
Net current assets / (liabilities)	**118,520**	**515,325**	**19,218,964**	**19,891,748**	**21,596,704**
Total assets less current liabilities	**39,904,440**	**47,803,733**	**63,031,694**	**65,552,732**	**68,062,111**

Amounts due after one year						
Creditors Due in More Than One Year	14,362,943	17,424,976		17,579	9,040	4,648
HAG - As deferred Income	12,197,829	16,341,631		17,371,885	17,070,003	16,768,121
Pension Fund Deficit	-	-		-	-	-
	13,343,668	**14,037,127**		**45,642,229**	**48,473,689**	**51,289,342**
CAPITAL & RESERVES						
Share Capital	67	67		67	67	67
Revenue Reserves	13,343,602	14,037,060		45,642,162	48,473,622	51,289,275
	13,343,669	**14,037,127**		**45,642,229**	**48,473,689**	**51,289,342**

Committee Schedule 2019/20

Date	Reports	Policies	Focus
Mon 29th April	Housing Management Monitoring (Jan to Mar)	Compensation & Goodwill Payments	Annual registers update
Thu 23rd May*	Management accounts (to 31 Mar) Tenant Participation Update (Jan to March)	Customer Care Management Committee Recruitment & Induction	Annual Return of the Charter
Mon 24th June	Maintenance Monitoring (Jan to Mar) Development Update	Management Committee Training	Risk review Loan Portfolio return 5 Year financial projection
Mon 29th July	Housing Management Monitoring (Apr to Jun)	Asbestos Management Factoring	
Mon 26th August	Management accounts (to 30 Jun) Tenant Participation Update (Apr to Jun)	Tenant Participation	Annual Accounts
Tue 1st October*	Maintenance Monitoring (Apr to Jun) Development Update	Staff Safety	AGM 5th September & new Committee
Mon 28th October	Housing Management Monitoring (Jul to Sep)	Allocations Pets Policy Standing Orders	Business Plan review
Mon 25th November	Management accounts (to 30 Sep) Tenant Participation Update (July to Sep)		Committee/Staff Away Day 10th Nov
Mon 16th December	Maintenance Monitoring (Jul to Sep) Development Update	Staff Induction	Draft Budget
Mon 27th January	Housing Management Monitoring (Oct to Dec) Write off of rental and factoring bad debts		Final Budget Risk review
Mon 24th February	Management accounts (to 31 Dec) Tenant Participation Update (Oct to Dec)	Committee Members Expenses	
Mon 30th March	Maintenance Monitoring (Oct to Dec) Development Update Write off of recharges bad debts	Repairs & Maintenance	Business Plan

* The May and September Monday last Monday dates coincide with designated Public Holidays for Forth staff and meetings will therefore occur on the following Tuesdays except for May which is the Thursday before.

Policy Review Programme

Code	Policy / Procedure / Key Documents	Last reviewed	Review due
GOV 01	Standing Orders	Oct-16	Oct-19
GOV 02	Code of Governance for Committee Members	Sept-17	Sept-20
GOV 03	Data protection	Sept- 18	Sept-21
GOV 04	Corporate Donations & Sponsorship	April-17	April-20
GOV 05	Complaints	May-18	May-20
GOV 06	Customer Care	May-16	May-19
GOV 07	Tenant Participation	Aug-16	Aug-19
GOV 08	Business Continuity	May-17	May-20
GOV 09	Equal Opportunities	Feb-18	Feb-21
GOV 12	Business Plan	Mar-18	Mar-19
GOV 13	Management Committee Training	Jun-16	Jun-19
GOV 14	Publicity	Aug-18	Aug-21
GOV 15	Membership	May-18	May-21
GOV 17	Management Committee Recruitment & Induction	May-16	May-19
GOV 18	Entitlements, Payments, and Benefits Policy	Aug-17	Aug-20
GOV 20	Risk Management Policy	Feb-18	Feb-21
GOV 21	Rules	Jan-18	Jan-21
GOV 24	Whistleblowing	Oct-13	*
GOV25	Information security	Sept- 18	Sept-21
GOV26	Data breach management	Sept- 18	Sept-21
GOV27	Response procedures for data subject requests	Sept- 18	Sept-21
FIN 01	Financial Regulations	Aug-17	Aug-20
FIN 02	Financial Procedures	Aug-17	Aug-20
FIN 03	Treasury Management	Aug-17	Aug-20
FIN 04	Committee Members Expenses	Feb-17	Feb-20
FIN 05	Rent Setting	Oct-17	Oct-20
FIN 06	Procurement	Aug-18	Aug-21
FIN 07	Compensation & Goodwill Payments	Apr-16	Apr-19
FIN 14	IT Strategy	Aug-18	Aug-21
DEV 02	CDM Regulations	Jun-18	Jun-21
DEV 03	Consultants Selection	Jul-02	*
DEV 04	Contractor Liquidation	Jun-18	Jun-21
DEV 06	Defects	Sep-18	Sep-21
DEV 08	Handover	Sep-18	Sep-21
DEV 09	Housing Design Brief	May-11	*
DEV 11	Indemnity Insurance	Dec-18	Dec-21
DEV 12	Main Contractors - Selection	Dec-01	*
DEV 15	Sustainability	Nov-17	Nov-20
DEV 18	Asbestos Management	July-16	July-19

HR 02	Alcohol and Drug Misuse	Aug-10	*
HR 03	Attendance & Absence Management Policy	Nov-18	Nov-21
HR 04	Code of Conduct for Staff	Sept-14	*
HR 05	Dignity at Work	July-11	*
HR 06	Flexible working	Aug 17	Aug-20
HR 07	Flexitime	Apr-18	Apr-21
HR 08	Health & Safety Manual	Oct-04	*
HR 09	Staff induction	Nov-16	Nov-19
HR10	Principal Officer Remuneration	Jun-13	*
HR12	Shared Parental Leave	Jan-15	*
HR 13	Staff Appraisal	Nov-17	Nov-20
HR 16	Staff Training	Jan-19	Jan-22
HR 17	Stress	Aug-14	*
HR 20	Staff Safety	Sept-16	Sept-19
HR 24	Pre-Retirement Policy	Aug-05	*
HR 26	EVH Conditions of Service	Apr-08	*
HR 28	Acceptable Use of Computer Resources	May-17	May-20
HR 29	Staff recruitment	Apr-18	Apr-21
HM 02	Abandonment	Jul-18	Jul-21
HM 03	Allocations	Oct-16	Oct-19
HM 04	Anti-social	Oct-18	Oct-21
HM 05	Assignation & Succession	July-18	July-21
HM 06	Decant	Oct-18	Oct-21
HM 07	Estate Management	Jul-18	Jul-21
HM 08	Factoring	Jul-16	Jul-19
HM 09	Harassment	Jul- 17	Jul- 20
HM 10	Lodgers & Subletting	Jul-18	Jul-20
HM 11	Adaptations	Jun-17	Jun-20
HM 12	Nomination Agreement with Stirling Council	Aug-13	As required
HM 13	Pets Policy	Oct-16	Oct-19
HM 14	Rent Arrears Policy and procedures	Jul- 17	Jul- 20
HM 16	Scottish Secure Tenancy Agreement	Nov-02	*
HM 17	Shared Ownership Allocations	Jan-02	^
HM 24	Tenants Handbook	Jul-18	Jul-21
HM 26	Voids Policy	Jul- 17	Jul- 20
HM 27	Mortgage to Rent Policy	Jun-12	^
HM 28	Shared Equity Policy	Mar-12	^
HM 29	Management of Sex Offenders Policy	Jan-18	Jan-21
HM 30	Shared ownership Buyback	Oct-17	Oct-20
M 01	Alterations & Improvements	Mar-19	Mar-22
M 08	Minimum Standard for relet properties	Dec-17	Dec-20
M 10	Repairs & Maintenance	Mar-19	Mar-22

M 11	Rechargeable Repairs	Sep-17	Sep-20
M 15	Right to Repair	Dec-17	Dec-20

These policies are based on model documents and updates will be automatically adopted when produced.

^These policies relate to suspended activities and will only be reviewed if future developments make this necessary