

Govanhill Housing Association Business Plan: Update for 2020/2021



Introduction

The Business Plan is the main way that the Association plans for the future. It sets out our aims, what we will do to achieve these, and how we will pay for our plans.

A great deal has changed in the last 12 months. The rapid and devastating impact of the Covid-19 pandemic has already presented numerous challenges in relation to maintaining essential service delivery and protecting the safety and well-being of tenants, committee members and staff.

Further challenges lie ahead, as the current lockdown is eased and as the longer-term social and economic impacts of Covid-19 on tenants, the community and the Association become clearer.

The Management Committee is keeping the ongoing COVID-19 Crisis in mind, but does not intend to make any changes to GhHA's direction as a direct result. The impact of the pandemic has however delayed a number of areas of the Association's work, including our planned rent restructure.

The Management Committee's vision for the future remains that everyone living in Govanhill and Merrylee should:

- Enjoy good quality, warm, safe and affordable housing that contributes to their health and wellbeing and to community pride
- Live in a neighbourhood that is clean and well cared for, with excellent neighbourhood services and opportunities for all.

The uncertainties caused by Covid-19 will require us to be flexible and adaptable, however they also underline the importance of staying focused on our key priorities:

Our Key Priorities

- Investing in our tenants' homes
- Purchasing and improving poor quality housing, and building new homes
- Providing housing and repairs services safely and to a high standard
- Providing tenants with affordable rents and good value for money
- Contributing to the regeneration of Govanhill, reflecting our status as a community anchor for the area.

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To this end, our objectives over 2020/2021 are:

1. To provide good quality, cost-effective housing and services that meet customers' needs, while also raising levels of customer participation, service and satisfaction
2. To sustain quality and demand for the Association's existing housing stock, and develop new affordable housing in Govanhill where this can be done in a financially sustainable way
3. To contribute to the eradication of sub-standard housing and positive neighbourhood change in Govanhill, achieving long-term solutions that minimise risk to the Association
4. To work closely with Govanhill Community Development Trust (GCDT) and other partners, to deliver wider regeneration activities and services that will benefit the Govanhill and Merrylee communities
5. To make sure we have the sound governance and financial management needed to achieve our strategic objectives and plans
6. To make sure our staff are well-trained, valued, receive good support and are motivated to provide the best possible services to our customers.

And, across all the objectives shown above:

7. To comply with Public Health Guidance in responding to the Covid-19 pandemic, whilst preserving safe and effective services; maintaining support for tenants, the community and our staff; planning effectively for future changes; and safeguarding the resilience of the Association itself.

Our Actions

Repairs and Housing Services

Given the COVID-19 pandemic our priorities this year have shifted to undertaking the most essential work and supporting our tenants through the crisis. This has included carrying out emergency repairs and maintaining gas safety processes. It also has included providing individual support to vulnerable tenants through phone contact and the continued operation of our rent and welfare rights services.

Through 2020/2021 the Association will:

- Continue to provide rent and welfare rights support. (GhHA's welfare rights team generated £1.87 million of addition income for users of the service, in the period 1 April 2019 to 31 March 2020. Our Universal Credit Project generated a further £1.53 million over the same period)
- Plan actively for the safe restoration of our various services, as soon as government guidance permits.

Subject to delays brought about by COVID-19 Restrictions the priorities for Repairs and Housing Services during 2020/2021 are to:

- Manage the challenges presented by Universal Credit
- Focus on estate issues; to consulting on close cleaning, painter-work and improving standards
- Complete smoke and fire detection works to all GhHA flatted properties
- Improve the use of IT to enable us to:
 - Record estate management inspections on mobile devices
 - Provide a Tenant and Owner customer portal
 - Develop capacity to text and email tenants to improve communication
 - Increase capacity to use IT systems in the Association to maintain records on all health and safety matters such as fire safety and asbestos management

Rents and affordability

The Association is aware that the economic impacts of the COVID-19 crisis are likely to affect our tenants and underline the need to keep future rent increases to the minimum required to provide tenants with high quality services and investment in their homes.

During 2020/2021 the Association will:

- Seek ways of keeping future rent increases as low as possible. (The Association uses the Consumer Price Index (CPI) to calculate inflation when next year's rents are being set.

CPI is generally lower than RPI which was the Association's previous mechanism for rent setting)

- Begin a phased roll-out of the rent restructure and carefully manage the impact on tenants
- Continue to support tenants with the transition to Universal Credit and with welfare benefits advice. (The Welfare Rights team continues to work remotely to help tenants maximise their income)

Investment in Homes

Working restrictions brought in as a result of the COVID-19 have meant that the ability to complete works with tenants still inside their homes has been delayed.

This also means we will be unable to complete our programme of Energy Efficiency improvements in time for the Scottish Government's deadline of 31st December 2020.

In 2020/2021 the Association plans to:

- Commence building work on the Association's planned development at 159/161 Butterbiggins Road. This will provide 24 homes

- Continue feasibility work on the development of the former Larkfield Bus Depot in partnership with Link Housing; this project might provide 60 retirement and amenity homes
- Replace 30+ years old windows with new, high performance, double glazed windows (150 properties in 2020/21)
- Complete kitchen renewals (200 properties in 2020/21)
- Complete boiler/central heating replacements (150 properties in 2020/21)

South West Govanhill

2020/21 is the final year of the 4-year programme that has allowed GhHA to purchase and repair sub-standard housing in 18 tenement blocks in South West Govanhill.

Guaranteed Scottish Government funding will end in March 2021.

The City Council recognises that there will be further refurbishment works needed beyond 2021. Continued GCC funding would allow GhHA to gain majority ownership in target blocks and to deliver common repairs schemes that include flats in private ownership. We understand however the impact of Covid 19

on Council and SG funding and so are in early discussions with them around this.

Achievements so far:

- By the end of March 2020, GhHA had purchased 343 flats in South West Govanhill
- In 2019/2020 we acquired 65 of a targeted 60 properties
- Completed all targeted works in 2019/2020 (75 units in total)
- Exceeded our target of establishing the Association as factor in 10 closes (actual 14 closes)

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Priorities for 2020/21

The following priorities have been set for 2020/21, although our ability to take them forward is subject to delays caused by Covid-19 restrictions on non-essential works. This will affect the pace at which repair works can be taken forward. There are also concerns about how the pandemic is affecting the Roma community because of severe overcrowding in unimproved flats and the communications barriers that may limit understanding of public health advice and social distancing requirements.

Community workers from Govanhill Community Development Trust (GCDT) are engaging with the community to address these issues, as well as providing advice and language support when family members have become ill.

In 2020/2021 the Association will:

- Acquire 50 more properties to be refurbished for social let.
- Continue to expand the factoring of closes in the South West area.
- Focus on lettings and allocations to ensure that the newly improved properties provide much needed homes.

Paying for our Priorities

Managing Risks Presented by COVID-19

The real effects of the pandemic on future activities and therefore the financial performance of the Association are largely unknown at present. At the start of the pandemic, the Association completed a detailed analysis of the risks presented by the crisis. These risks include the loss of income brought about by delays in our development programme, as well as other

factors including potential increases in void losses and rent arrears. The budgets have been updated to incorporate our best estimate of these impacts on the financial results. Taking all these risks into account the Association will be able to meet the conditions of our lenders for the foreseeable future as well as maintaining sufficient cash levels.

Rent Restructure

In order to ensure that our properties provide the best value for money, the Association commissioned Arneil Johnston to conduct a rent restructuring review. Reporting on the affordability of the new rents proposed was a further objective of the review.

We were planning for the new system to be introduced on a phased basis in the second half of 2020/21; this has however been delayed until 2021/22 due to the pandemic. The system will include suitable phasing-in provisions for tenants whose rents will increase or reduce under the new structure which will bring increased transparency and fairness to tenants' rents.