



**Muirhouse
Housing
Association**

Executive Summary

Business Plan 2018/19 - 2020/21

Year 2: 2019-20



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Housing
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Welcome

Welcome to the executive summary of our 3 year business plan designed to support our business ambitions towards 2021.

We are a successful community-based housing association and as such we remain determined and focused to make the best use of our resources to provide quality homes, excellent services and a vibrant community for Muirhouse residents to thrive in.

We recognise that our best opportunity for success is to continue to work in partnership with organisations and individuals who share that passion to create a better Muirhouse.

Therefore, as an important partner and stakeholder who shares our ambition for Muirhouse, you are being sent a copy of this summary, we trust you will find it useful and we would welcome your comments or feedback. Further details are available on our website:

www.muirhouseha.org.uk, by contacting us at our office address: 11 Muirhouse Medway, Edinburgh, EH4 4RW or by calling **0131 336 5282**.

Introduction

Our Business Plan provides a comprehensive overview of Muirhouse Housing Association (MHA) and the environment in which we operate. It has been prepared by the Board, leadership and staff team of MHA and is designed to both articulate and facilitate our strategic aspirations until 2021.

Our Business Plan will be reviewed annually and rolled forward every year. This is a summary document which displays what MHA is about and we hope all who read it are persuaded to help support our journey to excellence.

This executive summary captures the essential ethos of that plan, our strategic intentions, aspirations, challenges and current performance in respect of trying to achieve our goals. Where required to comply with data protection, some content has been edited from this summary.



Mission Statement

MHA aims to work in partnership with the local community to provide homes and create a better Muirhouse.

Vision

MHA will be the landlord of choice in the Muirhouse neighbourhood, working with our customers, communities and local stakeholders to create an area where people choose and are happy to live. With our strong and positive reputation in the area and physical presence, we will act to strengthen the community, playing a key role in attracting mixed investment to improve the facilities, resources and opportunities in the area. Our goal is to have MHA play a leading role in bettering the lives of our residents and their families.

Values

The following values shape how we operate to achieve our mission and the strategic objectives set out in this plan. They underpin all the work that we do.

- ✓ **Excellence** - Across the MHA Group, we are committed to providing a high quality, customer focused service that demonstrates value for money, delivered by great staff. We will publicise information on how we are performing, welcoming challenge and feedback to continuously improve the effectiveness and relevance of the service we provide.
- ✓ **Accountability** - Our governing body and leadership team will provide strong strategic leadership and oversight, ensuring tenants' interests are protected and at the forefront of all that we do. We will ensure that our actions are transparent.
- ✓ **Partnership Working** - We will work collaboratively with all sections of the local community. This includes working collectively and individually with our customers and with other statutory, voluntary sector partners plus private organisations working in Muirhouse and the surrounding area to improve the lives of our residents. We will continue to be a proactive and leading member of the local community, seeking out new, innovative ways to address issues that impact Muirhouse residents.



Strategic Objectives

- **Objective 1: Deliver Excellent Housing Services**

We will strive to improve the impressive levels of performance that we currently achieve against the performance indicators of the Annual Return of the Charter (ARC). Our aim is to be the best possible performing RSL recognised for excellence. We will aim to achieve our ambitious targets in 2019/20 and beyond to drive this level of high performance, continuous improvement and excellent customer service.

- **Objective 2: Provide Quality Homes in an Attractive Environment**

Effective management of our physical homes will always be our core business. In 2019/20, we will deliver on year 2 of our 3-year Investment Plan 2018-2021 and Asset Management Strategy so that we can articulate to tenants what they can expect over this term in accordance with our 30-year Asset Management Plan.

- **Objective 3: Building Stronger Communities**

We want to be a significant force in driving positive change and improved life opportunities for those who live in our community. We will therefore continue to work in partnership with the community, local politicians and key public and voluntary sector partners to articulate what this will mean going forward and to promote our Community Development Strategy for MHA.

- **Objective 4: Demonstrate Strong Financial Management and Value for Money**

We will maintain the solid financial base of the organisation now and in the future. We recognise the need to achieve excellent services and value for money. However, we are also acutely aware of the requirements to ensure affordability of rent levels. We will embed our Value for Money (VFM Strategy) to support our business objectives.

- **Objective 5: Develop our Leadership and Staff**

We recognise the vital importance of strong and visionary leadership from the Board and senior team to develop our staff to be the best they can be. In 2019/20, we will build on this continuing our annual performance evaluations in line with our Performance Management Policy to ensure all parties understand the vision, values, strategic direction and delivery commitments of the organisation and their part in achieving same.

- **Objective 6: Seek to Maximise our Opportunities for Growth**

In 2019/20, we will explore business development opportunities for our subsidiary company Muirhouse Homes Ltd (MH4) to examine the potential for growth in the area e.g. in other social enterprise activities linked to our community development agenda.

We will explore any opportunity to work with partners to contribute to the City of Edinburgh Council's targets for new build provision within the Muirhouse area and beyond



Our Board and Sub Committee Structure

MHA has a Board which allows a maximum composition of 15 members. The Board has two sub-committees to which it delegates responsibilities for audit and risk, and for staffing as defined within our Standing Orders. The Board meets a minimum of 8 times per year, the Audit and Risk Committee meets a minimum of 4 times a year and the Staffing Sub-committee meets a minimum of two times a year.

Of the current Board, two members are tenants, one further member is a local resident, whilst one is employed locally. The Board therefore has a very good insight into what is happening in the local area and what the feeling is across the wider customer base in terms of service delivery.

Our Customers

MHA has a stable base of 570 tenants of mixed tenure types and a low turnover which is reflected in the current level of tenant satisfaction at 90.5%.

Asset Management

We undertake stock condition surveys every year, this informs our investment requirements. Our housing stock is 100% EESSH and 99.8% SHQS compliant. We have a 30 year investment plan for our houses. This is available upon request.

Risk Analysis

Risk is present throughout both MHA and MH4, in our buildings, equipment, policies, systems, processes, staff, tenants and visitors. We recognise that the management of risk is vital to our success and resilience. It must be an integral part of all the functions and activities of the organisation.



Key Performance

Key Performance Indicator	Targets 2018/19	Performance achieved 2018/19	Targets 2019/20
Void average days to relet	5 days	4.36 days	5 days
Rental income lost from empty properties	< 0.5%	0.06%	< 0.5%
Non-technical rent arrears	< 2%	1.9%	< 2%
Gross rent arrears	< 3%	2.8%	< 3%
Former tenant arrears	< 0.5%	0.31%	< 0.5%
Number of stage 1 complaints responded to within timescale	100%	100%	100%
Tenants satisfied with repairs carried out	90%	97.1%	90%
Tenant repair satisfaction surveys returned	25%	21.4%	25%
Percentage tenants satisfied with home when moving in	100%	100%	100%
Average length of time to complete emergency repairs	4 hours	1.72%	4 hours
Percentage emergency repairs carried out within timescale	100%	100%	100%
Average length of time to complete non-emergency repairs	Urgent: 2 days Normal: 10 days	3.26 days	Urgent: 2 days Normal: 10 days
Percentage non-emergency repairs carried out within timescale	95%	96.5%	95%
Percentage of repairs right first time	95%	95.4%	95%
Percentage occupied houses with valid gas safety certificate	100%	100%	100%
SHQS	100%	99.8%	100%
Percentage of relets to homeless people	Above 50%	68%	Above 50%
ASB cases resolved within local target	80% within 20 working days	97% (100% 2017/18)	80% within 20 working days

Business Plan Assumptions

Inflation:

- Based on Bank of England projections of 2.4% in year 1, 1.9% in year 2 and an annual target rate for CPI of 2% for the remainder of 30 year plan.

Rents:

- Below inflation (CPI) increase of 2% in year 1 and inflation only increases for years 2 - 30.
- Tenants affordability is considered when considering rent levels, as well as benchmarking with other Edinburgh HA's and the Scottish national average.



Rent collection and impacts of welfare reform:

- Rent arrears: Current tenants arrears assumed to be 1.97% in year 1, rising to 2.03% in year 2 and 2.07% in year 3. Arrears are not projected to increase above 4% throughout the Business Plan.
- Void losses of 0.5% of rental income in year 1, rising to 1% in year 2 and 1.25% in year 3 then to a maximum of 2% in year 6.
- Bad debts of 1% of rental income in year 1, rising to 2% in year 2 and 3% in year 3. Increasing to a maximum of 5% in year 5.
- The impact of Universal Credit has been considered when making the above assumptions.

Maintenance:

- Reactive repairs are projected to increase by CPI on an annual basis with an additional 10% increase at year 5, and every 5 year interval for the remainder of the plan.
- Planned maintenance (property improvements and expenditure) costings are taken from asset management software for the full period of the business plan and are increased by CPI on an annual basis.
- Void repairs are based on current spend, no. of voids and an average cost. Voids are also projected to increase by CPI on annual basis for the remainder of the plan.

Management costs:

- Salaries increased by 2.65% in Year 1 in line with approved salary increase and are anticipated to increase by CPI on annual basis. No change to staffing structure/ numbers has been included in this Business Plan.
- Pension costs include SHAPS auto enrolment defined contribution costs plus payments for Past Service Deficit costs.

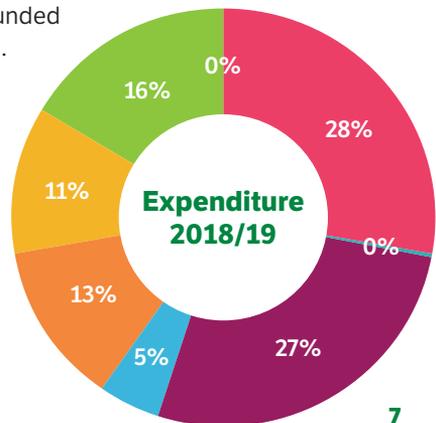
Development programme:

- There are no new development projects included in the Business plan for 2020 - 2022, however MHA will continue to seek opportunities in conjunction with external stakeholders and partners.

Interest rates / Treasury Management:

- Interest rates are projected to be 1% in year 1, rising by 0.25% in year 2 to 1.25% and again in year 3 to 1.5%. Increasing by 0.25% per annum to a maximum of 3% in year 9 and remaining at 3% for the remainder of the Business Plan.
- Assumed that all property improvements will be funded from cash balances throughout the Business Plan.
- No further bank loans are anticipated to be required to meet our current requirements.

-  Bad debts - **£0.00**
-  Property improvements - **£2.79**
-  Office improvements / equipment - **£0.02**
-  Management / running costs - **£2.70**
-  Service charges - **£0.46**
-  Loan interest - **£1.26**
-  Loan repayments - **£1.12**
-  Maintenance costs - **£1.63**



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Muirhouse Housing Association

Muirhouse Housing Association Limited

Board of Management, Executives and Advisers

Board of Management

Robert McDougall *(Chair)*

Pascale Adriaens

Karen Allum

Helen Armour *(Chair of Staffing Subcommittee)*

Laura Calder *(Resigned 23 September 2019)*

Eileen Carr *(Resigned 25 June 2018)*

Thomas Diamond

James Roy Douglas *(Chair of Muirhouse Homes Limited)*

Alasdair Fraser *(Resigned 15 January 2019)*

William Grieve

Eilidh Hegney *(Appointed 24 September 2018,
Resigned 13 May 2019)*

Eric Hollanders

Ann McDonald

Steven Prevost *(Chair of Audit & Risk Committee)*

Julie Smith

Iain Strachan *(Vice Chair)*

Martin Thoronka

Executive Officers

Stephen McAvoy *(Chief Executive)*

Registered Office

11 Muirhouse Medway, Edinburgh, EH4 4RW

Auditors

RSM UK Audit LLP, Chartered Accountants
Third Floor, Centenary House, 69 Wellington Street
Glasgow, G2 6HG

Internal Auditors

BDO, City Point, 65 Haymarket Terrace
Edinburgh, EH12 5HD

Bankers

The Royal Bank of Scotland
239 St John's Road, Edinburgh, EH12 7XA

Solicitors

T C Young, 69a George Street, Edinburgh, EH2 2JG

Staff Team

Barry Allan *(Finance and Corporate
Services Manager)*

Susanne Connell *(Housing Officer)*

Ainan Groat *(Housing Services Team Leader)*

Lee McEwan *(Housing Assistant)*

Lisa Murray *(Finance and Corporate
Services Assistant)*

Paula Mcvay *(Asset Management Officer)*

Grit Nielsen *(Corporate Services Team Leader)*

Chris Purnell *(Housing Officer)*

Stephanie Sedstrem *(Housing Officer)*

Courtney Wilson *(Housing Admin Trainee)*

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