

## **EXECUTIVE SUMMARY**

### **Introduction**

Gardeen Housing Association (Gardeen) has produced this Business Plan to set out our mission and values, along with our objectives, plans and resources for the period 2020 to 2023.

The Business Plan will inform Gardeen's services to our tenants and residents, and our relationships with funders, regulators and partner organisations.

### **The Association and its Services**

Gardeen operates in the Barlanark neighbourhood in Greater Easterhouse.

- Gardeen owns and manages 253 homes for social rent, as well as factoring 17 properties in private ownership.
- We are a significant social business, with an annual cash turnover approaching £1 million.
- We are led by an experienced and strongly committed Management Committee, made up of local residents who volunteer for the benefit of the community
- Gardeen employs 6 members of staff, led by our Director who is responsible for the day to day management of the Association.

Gardeen provides a comprehensive range of services, all of which are focused 100% on the needs of our tenants and community. These services include tenancy and neighbourhood management, repairs and property management, asset management and investment in tenants' homes, environmental works, income maximisation and factoring.

### **The Association's History and Achievements**

Gardeen was established in 1991 when a group of local residents association formed a housing association, to tackle the poor housing, social and environmental conditions in the area.

At that time, tenants in our area lived in cold and damp houses that were of a very poor standard. Many tenants had left the area because of its decline, and there were serious issues with antisocial behaviour and criminality.

With support from government, Gardeen took ownership and control of the houses in the area from Glasgow City Council. We then carried out a comprehensive programme of housing renewal, providing a mix of new and improved homes.

We also introduced local control over housing and neighbourhood services. A commitment to finding local solutions to problems has been at the heart of our approach from the outset.

Today, Gardeen's area is a very different place, offering:

- Decent and affordable homes
- A stable community where people choose to live
- Excellent housing and maintenance services
- An environment that is clean and well cared for

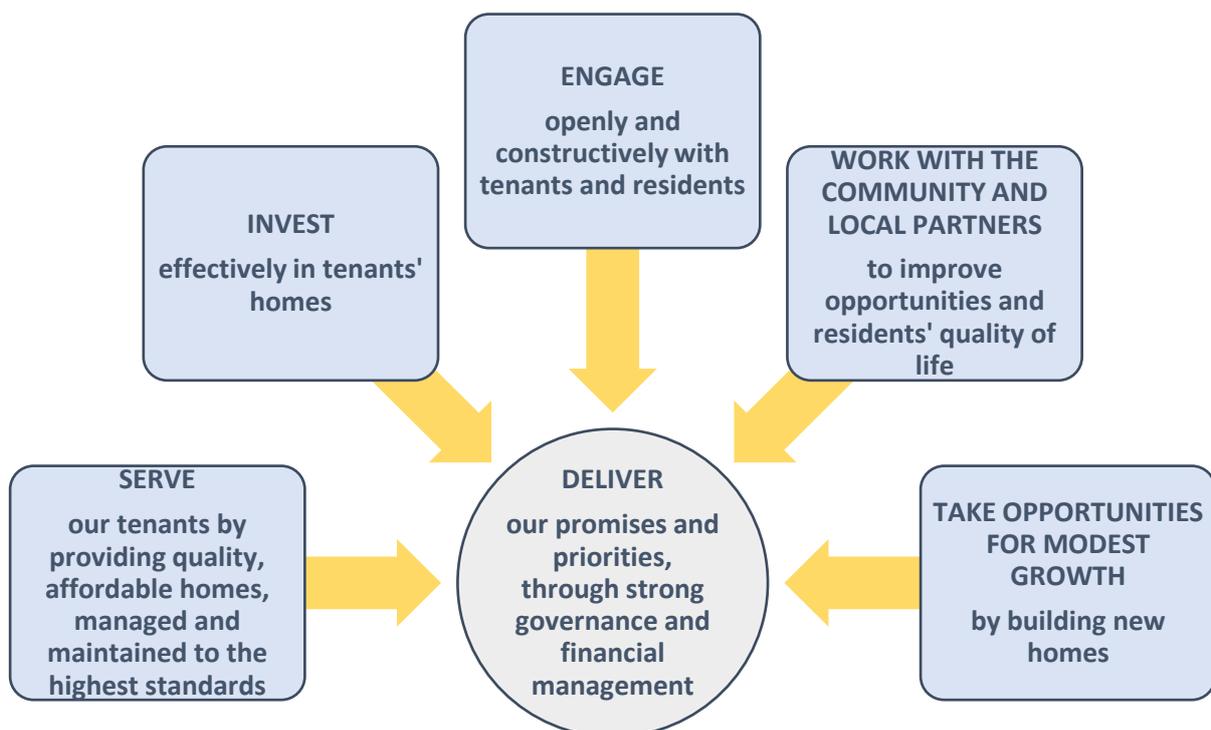
Community leadership and control has been the foundation for our success, and we are determined this will continue to be the case in the future.

### Business Plan: Key Highlights

**The Management Committee's vision** is that *the Barlanark community is a safe and inclusive place where people are proud to live, with good housing, an attractive environment that is clean and well cared for, and better opportunities to help local people to achieve a good quality of life.*

To help achieve this vision, **Gardeen's Mission Statement** is that we will *provide, manage and maintain good quality affordable housing, controlled by local people to contribute towards the continuing regeneration, pride and wellbeing of the Barlanark community.*

**The strategic direction that Gardeen will follow over the next three years is shown in the following diagram:**



**Gardeen’s plans for the 3 years covered by the Business Plan** are based on the followings aims:

- 1) To continue to flourish as an independent, high performing organisation that is controlled by local people and accountable to tenants and residents
- 2) To provide a quality, personal service that tenants and residents value highly and that helps to foster pride in our community
- 3) To make sure tenants’ homes and the local environment are maintained to a high standard
- 4) To work with the community and local partners, to develop activities and services that improve the lives of Gardeen residents and help to sustain our community
- 5) To make sure we can deliver on behalf our tenants and community, by providing affordable housing and meeting high standards of governance, financial management and risk control.

The Business Plan sets out what Gardeen intends to do to achieve these aims over the next three years. The rest of this Summary describes the main priorities the Management Committee has set for **the first year of the Plan period** (1 April 2020 to 31 March 2021).

Activity Area	Key Priorities 2020/21
<p><b>Response to the Covid-19 pandemic</b></p>	<ul style="list-style-type: none"> <li>○ Manage the initial stage of the emergency in accordance with government guidance to ensure the safety of tenants and staff</li> <li>○ Plan for the re-introduction of services and re-opening of the office, when safe to do so</li> <li>○ Work with the community and local partner organisations to help restore community resilience following the emergency stage of Covid-19</li> <li>○ Monitor forecasts about longer-term impacts of Covid-19 and include these in Gardeen’s financial planning</li> </ul>
<p><b>Rents and Affordability</b></p>	<ul style="list-style-type: none"> <li>○ Check every year whether our rents are competitive and affordable, while also raising sufficient income to ensure that Gardeen continues to be in good financial health</li> <li>○ Review our Rent Setting and Rent Account Management policies</li> <li>○ Continue intensive rent arrears management, particularly those that accrue as a result of Universal Credit, to preserve Gardeen’s income</li> <li>○ Continue to offer tenants a local welfare benefits advice service, to help maximise incomes and mitigate low wages and welfare reform</li> </ul>

Activity Area	Key Priorities 2020/21
<b>Gardeen’s housing and repairs services</b>	<ul style="list-style-type: none"> <li>● Re-profile repairs and maintenance expenditure to take account of Covid-19</li> <li>● Deliver housing and property services to a high standard, measured against Gardeen’s key performance indicators, tenant satisfaction information and benchmarking information</li> <li>● Maintain our housing in accordance with all applicable legal obligations, particularly in relation to the safety of our tenants</li> <li>● Continue to provide accommodation for homeless people, while seeking improved performance on the part of Glasgow City Council in making suitable referrals to Gardeen</li> <li>● Develop our approach to gathering and analysing equalities data</li> </ul>
<b>Local Environment</b>	<ul style="list-style-type: none"> <li>● Maintain estate management standards to the level that the community now expects</li> <li>● Continue to provide a bulk uplift service within the area</li> </ul>
<b>Asset Management and Investment in Tenants’ Homes</b>	<ul style="list-style-type: none"> <li>● Maintain high quality asset management data, to ensure we can plan investment with confidence (next stock condition survey due 2021)</li> <li>● Deliver our investment programme priorities for 2020 to 2022 (at a lower level, before the programme accelerates 2022/23 onwards)</li> <li>● Plan our future investment programme for 2022/23 onwards, ensuring that priorities are based on sound data and that the proposed programme is affordable and will deliver high standards for tenants</li> <li>● Continue to improve the energy efficiency of our housing stock and tenants’ ability to afford to heat their homes</li> <li>● Progress our interest in new house building by Gardeen, to meet housing need and contribute to the physical regeneration of our area.</li> </ul>
<b>Community Regeneration</b>	<ul style="list-style-type: none"> <li>● Provide a Community Support Service, in particular promoting volunteering within the community</li> <li>● Encourage and assist the community to develop the Gardeen community garden project</li> <li>● Strengthen our links with the Barlanark Community Centre</li> </ul>
<b>Value for Money</b>	<ul style="list-style-type: none"> <li>● Continue to compare Gardeen’s service results, rents and costs with other social landlords (Easterhouse and more widely)</li> </ul>

Activity Area	Key Priorities 2020/21
	<ul style="list-style-type: none"> <li>○ Keep seeking feedback from tenants about value for money and their priorities for the future</li> <li>○ Priority areas of work in 2020/21 will be the review of the rent setting policy; tenant priorities for planned maintenance; and providing feedback to Gardeen using online/digital methods</li> </ul>
<b>Governance and Organisational Management</b>	<ul style="list-style-type: none"> <li>○ Commission and complete an external governance review</li> <li>○ Complete a new committee succession policy and plan</li> <li>○ Continue to achieve good levels of committee member participation in training and development</li> <li>○ Meet all of our regulatory obligations including compliance with Regulatory Framework and completion of follow up actions from our 2019 self-assurance review against Regulatory Requirements.</li> <li>○ Consult with staff, and then decide, the future of the SHAPS pension scheme.</li> </ul>

## Financial Position and Risks

Strong financial management will continue to be of the highest importance to Gardeen, all the more so because of the developing economic consequences of Covid-19 and the additional risks that could still materialise as a result of Brexit.

Our financial projections confirm that Gardeen is in a healthy financial position, with low levels of debt, no onerous loan covenants, and positive future cashflows.

Currently, we envisage that all of the activities and costs set out in the Business Plan will be funded through revenue and cash reserves rather than additional borrowing. However, the Association's cash position is set to become less favourable as we carry out major repair works on a larger scale from 2022/23 onwards.

It is likely that real term increases in rent levels will be needed to maintain a satisfactory cash position in the period ahead, particularly if the negative scenarios outlined in Chapter 11 of the Business Plan materialise. This should be achievable since our current rent levels are exceptionally low, although the Management Committee is always very mindful of the impact of rent increases on tenants. This will be a key issue for the Management Committee to address in the year ahead.

Like all housing associations, Gardeen is working in an environment that involves unprecedented financial challenges. Accordingly, we have conducted a series of stress tests to establish the Business Plan's resilience. The results show that under the "base case", Gardeen would continue to have annual cash balances of at least £500,000. However, the Business Plan is most vulnerable in circumstances where rent levels stay the same, annual income reduces significantly, and reactive and major repairs costs increase.