



fairfield housing
co-operative

Summary Plan for the Period 2020 - 2023

Executive Summary

FHC has produced a comprehensive Business Plan, a combination of a guiding document for its direction and activities for the three year period 2019 - 2022 and the detailed financial plans which support these. This document provides an update of the plan for the year 2020/21 and rolls forward its delivery plan and 30 year forecast by one year.

The Business Plan Objectives and Financial Plans will be reviewed in September to assess and recognise the impact of Covid-19. As part of the next review of the business plan the impact will be assessed, to not only recognise the financial impact but also to consider the impact across all business areas of operation. The revised business plan will include a separate section which will assess and consider the impact, risks, and opportunities for improved working practices, including service delivery, digital infrastructure, systems and performance.

Vision, mission, values and objectives

Tenants are at the heart of shaping and creating thriving, inclusive and engaged communities, in all our areas of operation.

This is Fairfield Housing Co-operative's (FHC) vision – the outcome it would like to see as a result of its activities over the next three years. In support of this, we have defined our purpose, considered the values needed to drive our work, and set six strategic objectives.

Mission: To deliver high quality affordable homes and excellent services which meet the needs and aspirations of our customers and communities.	
OUR VALUES Trust: we take responsibility, communicate transparently, commit and deliver Hearing: we place a focus on ensuring that we are listening to our tenants Respectful: we treat each individual with respect and ensure equality for all Innovation: we continue to explore ways to provide modern services Value: effective, efficient, added value and social impact Excellence: we strive for excellence in everything we do	OUR OBJECTIVES 1. Strong, sustainable and effective strategic governance and financial management. 2. Desirable high quality homes and attractive environments where people want to live and contribute. 3. Excellent, continually improving, modern, customer-driven services and performance. 4. Demonstrable value for money and social impact. 5. High performing, skilled, empowered and sustainable staff team. 6. More than a landlord: a partner in developing active community development, wider regeneration and renewal.

The story so far

Fairfield's history and a summary of its achievements and current challenges are explained in Chapter 3. After decades of neglect, the Co-operative emerged in 1988 from the passion and energy of a small group able to harness statutory agencies and funding to regenerate Fairfield into a

vibrant community. Its next twenty years saw quality homes, innovations and development of new build housing in Fairfield. In the last 10 years new development in Muirton and the City Centre, mean that the Co-operative's housing portfolio is almost equally balanced between its original refurbishment programme and new homes.

Issues experienced in the last few years became apparent in 2018, and resulted in statutory intervention in December 2018 with seven statutory appointees placed on the Management Committee and a Statutory Manager appointed. Achievements and progress since intervention are recorded, including its options appraisal outcome in July 2019 and decisions taken in January 2020 to share services with Kingdom Group with intent towards a longer term constitutional partnership. In addition, we are pursuing a change from Co-operative to Housing Association Rules better to support our work to achieve and sustain compliance with regulatory standards.

Operating environment and performance review

In Chapter 4, we provide base data on our properties and services and identify the external and internal drivers and influences on our work and in Chapter 5 assess our strengths, weaknesses, opportunities and threats (SWOT), as well as our external environment using PEST (Political, Social, Demographic and Technological) assessment. These can be summarised as including:

- Governance and financial requirements and improvements
- Increasing needs and aspirations our existing and potential customers
- Our own and regulatory focus on rent affordability and value for money
- Internal data informing us of need to: increase our knowledge of our customers and our properties; improve and streamline services; address historic underinvestment in tenants' homes and neighbourhoods, especially in Fairfield; understand and, potentially, reduce maintenance costs; and to address anti-social behaviour
- Good performance in many key areas, and need to maintain this; and requirement for significant improvements in some areas of the business, particularly debt and void management
- Procurement requirements and our current position
- Welfare Reform and continued benefit cuts
- Public sector budgets under significant pressure
- Climate of low inflation, rent increase constraints and rising service expectations
- UK, Scottish Government and local strategic plans in relation to climate change, fuel poverty, Brexit and planning for "Housing in 2040"

Strategic and delivery planning framework

Our plans and priorities have been formed under the six strategic objectives with Chapter 6 setting out what we want to do, and Chapter 7 providing a high level Delivery Plan for how we will do this over the three years, with timescales set for Year 1. Many of the actions planned for year 1 comprise a first step or first phase of a three-year programme of change and improvement.

The planned actions will in turn be developed as team and individual job plans. Some key deliverables are:

- Continue governance and financial improvements to achieve compliance with Standard 6, including Committee member recruitment, induction, learning and development
- Implement and monitor shared services with Kingdom and, when timely,

- commence consideration of longer term constitutional partnership
- Achieve member support for a change of rules to become a charitable housing association
- Complete a significant, £2.1 million, improvement programme over the three years of the plan, replacing all windows and doors to tenement flats in Fairfield and carrying out a phased environmental improvement programme
- Develop customer service standards and focus on customer excellence
- Improve and target resourcing and systems to support service and performance improvement
- Develop and implement a 3-year procurement plan to achieve full procurement compliance
- Review our rent setting structures
- Invest in staff learning and development with performance review systems, and associated learning and development plans.
- Provide local housing management services for 264 Kingdom Housing Association properties over the three years
- Improve on our partnership working and provide a community anchor point, advocating for and brokering opportunities for enhanced tenancy services and activities which support thriving communities.

In everything we do, tenants will be at the heart, consulted and involved, shaping and driving our decision-making.

Performance targets

Performance targets for 2020/21 are provided in chapter 8, based on actual performance at December 2019/20 and projections for further improvement in some cases based on trends.

Key assumptions, resources and budgets

These are shown in Chapter 9 and Appendices 1- 3. The plan sets out the key assumptions underpinning preparation of the 30 year financial forecasts. They show the Co-operative to be a viable concern, able to meet its commitments and requirements in relation to service and asset management. The detail shows that the impact of low inflation and rent constraints and priority of service improvements means lower surpluses within the first three years of the plan, but demonstrates ability to meet financial covenants.

Sensitivity analyses demonstrate the areas of pressure and risks. The biggest pressure on cash flow and on loan covenants arises from a scenario of no real rent increases combined with voids and bad debts running significantly higher than current projections, with Year 2 being the most pressured in the next five years in this scenario. If there were to be no rent increases or higher than assumed inflation, voids or bad debts. In practice this would require measures to reduce expenditure in order to maintain a financially viable organisation.

Risk strategy

The final section of the plan summarises the risk strategy. The detailed risk register is maintained as a separate document, updated regularly through the year.