

Grampian Community Care Charitable Trust



Business Plan 2017– 2019

"Providing sustainable and adaptable homes for people with particular needs."

GCCCT is a subsidiary of Castlehill Housing Association Limited



Due to be submitted to Trust Board on 29.11.17 for approval

Grampian Community Care Charitable Trust

Business Plan 2017-19

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1. Introduction

This document sets out the intended business activities of Grampian Community Care Charitable Trust (hereafter referred to as “The Trust” or “GCCCT”) for the period 2017 to 2019. The Trust is a subsidiary of the Registered Social Landlord, Castlehill Housing Association.

GCCCT is a company limited by guarantee (company number SC168624) and recognised as a charity by the Office of the Scottish Charity Regulator (OSCR) (charity number SC025334).

The Trust helps Castlehill Housing Association to deliver on its Aims and Objectives as a charitable organisation but retains its distinct identity and specialism in the housing options it delivers. The Trust will be managed in a way that is “self sufficient” ensuring that it’s own income streams can cover all it’s outlays and obligations, and will have no negative impact on the financial position of Castlehill Housing Association.



This document should be read in the context of the Trust’s financial projections that are designed to underpin the delivery of its Business Plan.

2. About GCCCT

From its formation in 1996, the Trust’s remit was to develop housing in response to the increasing demand for adapted accommodation for people with particular needs. This has included people with physical disabilities, sensory disabilities, autistic spectrum disorder and challenging behaviour.

To develop this type of housing the Trust has worked in partnership with Local Authorities, Grampian NHS, banks and building societies, and secured government grants including special needs capital grant (SNCG), private sector housing grants, local authority grant funding and section 75 grants, as well as private loans.

This has resulted in the Trust housing over 160 people in properties that range from group homes (including Houses in Multiple Occupation), homes for families and homes for individuals.

The Trust rents its property to individual tenants through assured tenancies and leases directly to service providers (who hold occupancy agreements with their service users). The Trust also leases properties from local authorities.

The care service provided in the properties depends on the needs of the individual. In some cases, for example, in homes provided for families, the family members provide the primary care for a relative, while in other cases a service provider commissioned by the local authority will be the

primary carer and will be registered with the Care Inspectorate. The Trust is not registered with the Care Inspectorate as it does not provide any care services.

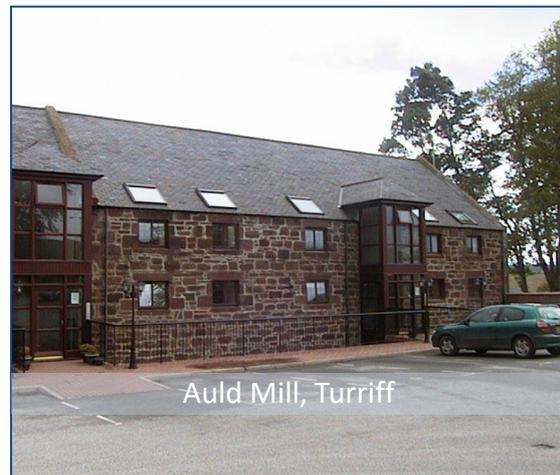
The Trust has management agreements for each property where a service provider provides the care but does not lease the property from the Trust. The management agreement sets out the responsibilities of the Trust, the service provider and the tenant.

Appendix 1 summarises the types of Trust properties, their locations and, where relevant, which service provider is responsible for the care of the tenants or occupants and how the care is defined by the Care Inspectorate.

From 1996 to 2011 the Trust had agreements with Castlehill Housing Association, Grampian Housing Association and Langstane Housing Association to provide development, property management and housing management services for the Trust.

In 2008, the Trust's Board considered how it could secure a sustainable long-term future with the aim of maintaining a focus on housing for people with particular needs. This was because the Board recognised that opportunities to access funding for new developments had been severely curtailed due to changing government policy, in particular the withdrawal of SNCG.

After a comprehensive assessment process, the Trust's Board decided that Castlehill Housing Association had the expertise to help the Trust achieve its strategic objectives.



Since 1st October 2011 the Trust has been a wholly owned subsidiary of Castlehill Housing Association.

3. Strategic Objectives 2017 - 2019

Objective	Target	Action to achieve targets
<p>The Trust remains a financially viable organisation in order to meet its other strategic objectives as set out below.</p>	<p>To devise a rents/points policy to meet our objectives and to ensure our policy is transparent and accountable.</p>	<p>Appropriate rent and service charge setting with clear rent pointing process. To ensure the rents clearly define the components of the individual properties and within this the legal requirements that we have to meet.</p> <p>Priced and budgeted programmes for property maintenance.</p> <p>External audit of Trust finances.</p> <p>Compliance with the Office of the Scottish Charity Regulator’s accounting regulations.</p>
<p>Work in partnership with local authorities and other organisations that share the same aims as the Trust to contribute to the housing of people with particular needs.</p>	<p>The Trust enhances its profile as an organisation that ‘champions’ the provision of housing for people with particular needs.</p>	<p>Attend strategic meetings that will allow the Trust to contribute to strategies such as local housing and community care strategies, and identify client groups that would benefit from housing that meets their specific needs.</p>
<p>Raise the profile of the Trust in the wider community via a re-brand to “Castlehill Trust” as previously agreed by the Board and Castlehill HA.</p>	<p>The Trust enhances its distinct identity and its link to Castlehill HA.</p>	<p>Publicity around Trust events and increased contact with residents and their relations.</p> <p>Resolve issues of existing “Castlehill Trust” organisation in conjunction with Moray Council</p>

Objective	Target	Action to achieve targets
Identify funding to provide an on-going development programme to house people with particular needs.	By 2019 the Trust will have new development opportunities at the initial planning stage.	Access funding through working in partnership with organisations with a similar vision as the Trust including local authorities.
The Trust will play an active role in supporting the Health and Social Care Integration (Scotland) Agenda and its partnership organisations.	The Trust will be seen as an important contributor of housing solutions for people with specific needs	Input to Health and Social Care Strategic Plan. . Close working with local authority and health staff. Promotion of community living and support.
Ensure that the Trust's properties comply with Health and Safety legislation.	<p>All properties have fire safety measures that comply with all current relevant legislation.</p> <p>All Houses in Multiple Occupation maintain their licenses.</p> <p>Each year 20% of the Trust's properties, on a rolling programme, pass the Electrical Installation Condition inspections.</p> <p>Ensure that all Trust properties remain compliant with legislative requirements regarding legionella</p>	<p>Continue to carry out fire risk assessments and review on an annual basis or when required.</p> <p>Liaise with the local authorities to ensure the Trust is up to date with the latest Houses in Multiple Occupation legislation. Annual PAT testing and boiler servicing and regular PEI's and legionella testing (where applicable) are carried out regularly to ensure compliance.</p> <p>There is an annual programme of property and void inspections.</p> <p>Programmed testing, inspection and reporting.</p>

Objective	Target	Action to achieve targets
Ensure the Trust continues to adapt properties to ensure people can live in homes to meet their needs.	The Trust will respond positively to requests to adapt property to continue to meet residents needs	Through contact with local authorities, tenants and care providers, the Trust considers potential adaptations and discusses potential funding options to meet their requirements.
Ensure a quality management, maintenance and support service.	Targets as set out in the Service Level Agreement with Castlehill Housing Association are met.	Performance is reported to the Trust's Board on a quarterly basis.
Aspire to complying with the Scottish Housing Quality Standards and EESSH in line with the parent RSL, Castlehill HA.	Life cycle costing of the stock is updated by 2018 and continues to be updated on an annual basis thereafter.	<p>Programme of EPC inspections and stock information surveys.</p> <p>Input data into QL with which to produce annual planned maintenance budgets.</p>

The table above outlines the Trust's Strategic Objectives and further commentary on issues to be considered by the Board during the period of this Plan is given below.

4. Structure

The Trust is governed by a Board of up to 11 members, who meet at least 4 times a year. A maximum of 6 Board members may be representatives of Castlehill Housing Association, the Trust's parent Company. The Trust aims to ensure that the structure and make up of its Board delivers a balanced approach with a range of experience and knowledge recognising that overall strategic control sits with Castlehill but that the Trust must operate and deliver its services in its own distinctive way meeting the particular needs of its clients. Given the close alignment of the aims and objectives of Castlehill and the Trust as Charitable organisations, it is not envisaged that any conflict of approach should arise.

During the period of this Plan, the Trust will keep Board membership under review to ensure it is fit for purpose and that we have the balance of skills and knowledge required to oversee operations and ensure the interests of Trust tenants are protected. In addition to Castlehill representation, we will aim to maintain input from local authority representatives and client support providers.

5. Housing Stock Maintenance

Records on stock maintenance have been patchy and subject to the different systems operated by the three managing Housing Associations. A survey of all Trust Stock was undertaken during 2013-2015 and this has enabled accurate Life Cycle Costing data to be integrated with Castlehill's own stock data, maintained on the Association's QL computer system.



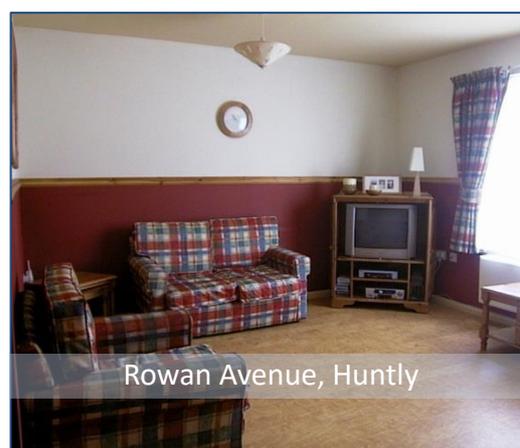
The life cycle costing has enabled a planned maintenance programme to be devised in conjunction with the Trust Manager and Finance, to ensure there is a rolling programme of improvements across the stock. The close working between departments also allows provision for factors where planned maintenance may have to move to reactive where there has been a quick deterioration in items such as windows.

Legislation such as HMO licence conditions ensures that our stock meets a high standard of repair and continuously evolves to meet the needs of our legislation and the individual needs of our tenants.

6. Rent and Service Charges

The Trust reviews its rent and service charges annually, with implementation from 1st April. Rents will continue to be set at levels to ensure the Trust has sufficient income to meet all its obligations and maintains sufficient future reserves for planned maintenance. We will endeavour to ensure that our rents represent the components and reflect the provision of equipment in our properties.

Measures have been put in place to address the anomalies in how service charges were treated across the Trust stock, prior to the transfer to Castlehill. Service equalisation accounts are now in place for each development and will be closely monitored and reviewed annually to ensure service charges accurately reflect actual and estimated costs and are tailored to specific services at each scheme. There are now programmes in place for servicing disability equipment on a regular basis to ensure that where the servicing is the responsibility of the



Trust that we are meeting our obligations. Provision for replacement of fixtures, fittings and equipment are also now in place and will be kept under review.

7. New Housing Opportunities

GCCCT recognises the challenges in funding new housing development following the withdrawal of SNCG and the difficult general funding climate at present. The Trust will continue to maximise opportunities for growth, providing this can be done within available resources and without a negative impact on existing tenants and the maintenance of existing property.

Castlehill Housing Association is looking at innovative ways of providing new affordable housing and will consider developments that involve a mix of housing options including Mid Market Rent. There may be mutually beneficial opportunities for the Trust and Castlehill to combine resources to make particular development sites viable, for example where additional local authority funding could be brought in due to the Trust's involvement and the Board will consider such opportunities should they arise.

The Trust's most recent stock acquisition was in 2013 with the purchase of 9 properties, mostly occupied by clients with very similar needs to existing Trust tenants, on the former Ladysbridge Hospital site near Banff. The Trust worked closely with the Local Authority to complete the transaction, ensuring continuity of housing support and continued security of tenure for residents. While the Trust had to invest a significant sum from its reserves and from loan finance, it successfully secured £300K of grant from the local Authority to make the project viable. The Trust

will continue to seek out such opportunities in conjunction with local authorities and others but must ensure that any new purchase can be financially self sustaining.

The Trust has experience in leasing property from local authorities and will consider further such developments where appropriate and viable. The Trust has met with the commissioning teams of the three local authorities to ensure that we are consulted as part of the ongoing reviews of accommodation for adults with learning disabilities.

8. Staffing and Service

Provision of staff time and “back office” services, such as invoice processing, human resources, etc. is governed by a Service Level Agreement with Castlehill. In addition to allocated time for Housing Management, Maintenance and Financial services, the Association employs a part-time Manager to oversee the work of the Trust and report to the Trust Board. The Board will continue to monitor these arrangements to ensure quality and value of services.

9. Policy and Procedure Development

An on-going programme of new policies and procedures for the operation of the Trust has been progressed. This has ensured continuity of service and removed any differing approaches previously applied by the three different managing Associations. The Trust has benefited from Policy integration with Castlehill in areas such as Health & Safety with the Trust Manager being part of the Associations Health & Safety Management Group. Our recent membership of EVH has also ensured that we have additional resources to ensure legal compliance with the constantly evolving requirements of health and safety.

In addition to “internal” policy and procedure review, we will continue to monitor arrangements we have with the three local authorities in the Trust’s area of operation, e.g. on Allocations and meeting void costs, to ensure these remain fit for purpose and reflect localised needs and demands. There is a current void loss/allocations policy with the three local authorities that we work with.



10. Risks and Controls

Given its status as a subsidiary of Castlehill Housing Association, many of the operational risks that the Trust needs to consider are covered under Castlehill's Risk Register, which is updated on a six-monthly basis. Examples of this would be on risks controlled by appropriate Insurance, or associated with staffing, as all staff providing services to the Trust are employed by Castlehill. The table below considers a number of the specific risks and control measures that the Trust Board wish to consider during the lifetime of this Business Plan, but should be read in parallel with Castlehill's risk management documents.

Category 1 – External Factors.

Risk	Control in Place	Likely Impact as Modified by Control
Lack of available funding to undertake new development activity.	Liaison with local authorities and loan providers. Links to Castlehill development activities. Modelling package used by Castlehill to be utilised to refine financial forecasts. This will encompass the ongoing securities review, to enable the Trust to clearly see our unencumbered stock.	Medium
Changes in commissioned services funded by Local Authority Housing Support and Social Care budgets	On-going dialogue with Local Authority partners and support providers	Medium
Failure of nomination arrangements with Local Authorities leading to voids.	Allocations and Void loss cover agreements in place and closely monitored	Low
Welfare Reform and Housing Benefit Changes	Castlehill wide mitigation work. Protection for specific vulnerable groups close fit with Trust clients	Medium
Changes in benefit system impacting on rental income/increased arrears	Close liaison with Local Authority HB departments. Tenant profiling. Ensure relevant policies in place	Medium

Risk	Control in Place	Likely Impact as Modified by Control
Introduction of The Private Housing (Tenancies) (Scotland) Act 2016	Legal advice and guidance on the implementation and how this will affect new tenants of the Trust	Low
Changes to property to meet external regulatory requirements or new legislation. e.g. Care Inspectorate registration requirements	Liaison with care and support providers, HMO licence authorities and relevant Health & Safety policies in place	Medium
Decline in demand or changes in client aspirations	Close work with local authority strategic staff and knowledge of local needs and demands.	Low
Legislative changes requiring adoption of new technologies	Planned maintenance and improvement programme integrated with Castlehill. Access to funding for new technology such as renewable heat sources.	Low
Loss of Charitable Status	Completion of OSCR returns, legal advice	Low

Category 2 – Internal Factors

Risk	Control in Place	Likely Impact as Modified by Control
Becoming financially non-viable	Audit Process. Long term forecasts, budget setting and control. Regular Management account reporting to Board.	Medium
Breach of Loan Covenants	Budget setting and control.	Medium
Fraud, theft	External audit. Clear staff roles and counterbalance checking, bribery policy, insurance.	Low

Risk	Control in Place	Likely Impact as Modified by Control
Rents Income	Review of rents and points setting to be phased in if a large increase/decrease to ensure no significant change to the Trust rental income.	Medium
Arrears, bad debts and void loss	Board reporting, debt management policy and access to specialist advice and support	Medium
Maintenance and Operation of Life Cycle Costing	Populating data input on Castlehill QL system	Medium
Major property related incident e.g. gas explosion, flood	Maintenance policy and procedures, emergency response procedures. Insurance	Medium
Maintenance Spend Exceeding Budget	Board reporting, policy and procedure, recovery of re-chargeable work	Medium
Accidental property damage by tenants	Liaison with support staff, maximise use of protective elements within buildings and upgrade works, insurance.	Medium
Failure to provide gas safety certificates	Contract with Kingdom Gas and close monitoring	Low
Failure to comply with Legionella legislation	Appropriate policy in place	Low
Failure to comply with Asbestos legislation	Appropriate policy in place	Low
Changes to fire safety requirements	Fire safety audits and qualified advice. Compliant fire safety equipment	Medium
Changes to relevant Health & Safety legislation	Training, involvement in Castlehill H&S Management Group.	Medium