

The Caledonia Housing Association Group – Annual Assurance Statement 2020

The governing bodies within the Caledonia Group, in conjunction with tenant representation have considered our compliance with regulatory and legislative requirements and have taken account of the impact of COVID-19, including the associated temporary changes to legislation and supplementary guidance in preparing the Annual Assurance Statement for 2020. The governing bodies have reviewed a wide range of evidence and information throughout the year which includes: policies, procedures, reports and performance information, financial reporting and stress testing, internal & external audit, and implementation of our governance improvement plan from the Annual Assurance Statement 2019.

The governing bodies confirm that the Group and each of the individual Associations (Caledonia, Cordale and Bellsmyre) within the Group are compliant with:

- All relevant regulatory requirements as set out in Section Three of the Regulatory Framework
- The Regulatory Standards of Governance and Financial Management
- The relevant standards and outcomes of the Scottish Social Housing Charter
- Our statutory obligations in respect of tenant and resident safety, housing and homelessness and equalities and human rights

Impact of COVID-19

We have undertaken a comprehensive review of the measures that we have put in place and business continuity planning that we have implemented in response to COVID-19, to ensure that we continue to meet our responsibilities to our tenants, service users, regulators and funders. Interruptions or changes to services have been communicated to our tenants and service users. We have maintained appropriate records to ensure resumption of normal service levels when possible.

As part of our business continuity procedures we have taken account of legislation, Government guidance and advice and local policy to ensure the safety and welfare of our tenants, staff and contractors. The governing bodies are assured that there are no material areas of non-compliance, but note that the pandemic has had an impact on our business, services and tenants in the following areas:

- Annual Gas Safety Checks – reasonable steps were taken across the Group to complete the annual gas safety checks. 25 properties were unable to have this work completed as a direct result of the pandemic. All the outstanding safety checks were completed by the end of August.
- Reactive Maintenance Services – due to restrictions, this service was limited for a period of time to emergency-only repairs. All services were resumed in July with the backlog of non-emergency repairs being released to contractors. By the end of September 97% of these works had been completed, the remainder will be completed by the end of December.
- Planned Investment Programme –the intended programme of works has been revised and prioritised to complete works related to tenants' safety. The reduced programme is expected to be completed by the end of the financial year. We have begun discussions with our lenders with a view to enabling catch up investments to take place without impacting covenants. We will then set out a revised 5 year planned investment programme to be incorporated into the 2021-2026 budget for agreement by the Board when we receive confirmation from the lenders how this issue is to be approached.
- Tenant Services – restrictions have limited the ability to carry out other elements of our tenant services, including home visits, office opening, home help service and our care and repair service. Each of these services will be reviewed as guidance and advice changes.

- Financial – we considered and approved revised budgets for the current and future financial years, incorporating more prudent assumptions on voids and bad debts, a new budget for crisis response costs, and a necessary scaling back of current year investment in major repairs. The Associations are currently operating well within these revised budgets.

The evidence we reviewed and our approach adopted has provided us with assurance that there are no significant areas of material non-compliance with the Regulatory Framework. We have maintained an improvement approach as part of the review, and implemented a significant number of improvement actions throughout the year across the Group. We continue to implement improvements to further strengthen our governance arrangements, enhance tenant consultation and feedback, and implement our equalities action plan. These actions will be monitored by the governing bodies through our performance reporting framework.

We recognise that we are required to notify the Scottish Housing Regulator of any changes in our compliance during the year and we have effective arrangements in place to enable us to do so.

This statement is provided for and on behalf of the Caledonia Housing Association Group. The statement has been considered by our Governance Working Group and each of the governing bodies in the Caledonia Housing Association Group have approved the statement. I have been authorised by the respective governing bodies to sign this Annual Assurance Statement on behalf of the Group.

Signed:
Alan Nairn, Chair of Caledonia Housing Association

Date: