embracing change
## Contents

- Foreword ..................................................................................................2
- Introduction ............................................................................................3
- Our Vision .............................................................................................5
- Group Structure and Responsibilities ..................................................7
- Strategic Goals ......................................................................................10
- Financial Planning ................................................................................14
- Key Performance Indicators .................................................................17
- Planning Process ...................................................................................18
The Board of Dunedin Canmore Housing Association is very proud of the achievements and successes the Group has had over the past five years. We have developed a number of communities and built up a range of services that have benefited a great number of people in need of housing and support. It is this work in developing and sustaining communities that drives us forward.

However, the challenges ahead will be even more demanding. We are in very uncertain and difficult economic times. The skills and support of the Boards of the Group along with an extremely professional staff team will allow us to move forward with confidence.

I am very pleased to be introducing our plan for the next five years. It will not be easy to emulate the past success but with a growing need for our services it is so important to continue with our work to help and support an ever increasing range of tenants, residents and other service users.

Yvonne Summers Chair
Introduction

Our approach has always been one of diversity. We deal with the community as a whole and cater for a broad range of community needs.

The Dunedin Canmore Group has built a brand based on ethical values, commitment and excellence. This has allowed us to grow into a strong and financially secure organisation providing value for money and satisfying a wide range of customer needs. We will build on this success and brand in the next five years.

So what makes the Dunedin Canmore Group special? Our approach has always been one of diversity. We deal with the community as a whole and cater for a broad range of community needs.

Community regeneration is a core function of the Dunedin Canmore Group. We are an extremely pro-active Group and intend to develop a further 1,000 houses over the next five years. The current economic environment is very challenging and we will adapt to the changing demands for affordable housing. We provide many more services than those of a basic landlord. These include: factoring for private owners, employment initiatives, financial advice and welfare advice, training and developing community businesses.

Sustainability will be at the heart of what we do. Whether this is supporting tenants in their homes, considering new forms of energy or modern methods of construction, the Dunedin Canmore Group will concentrate on supporting tenants and communities.

The improvement and maintenance of the external environment is every bit as important to the well being of the community as working with individual tenants. We will develop this jointly with the communities we work in.

We will continue to promote and develop our “can do” attitude and be entrepreneurial and innovative. We will work in partnership with the Rowan Group (one of three preferred partners of the City of Edinburgh Council comprising eight housing associations) and with organisations that can add value to the Dunedin Canmore Group. We will continue to invest in technology to improve the way we work and communicate. Electronic document management is an essential part of any progressive organisation. This, linked to the other forms of management systems, will help us to streamline our operations and make them more efficient and effective.

The environment the Group is working in is changing significantly. We plan to satisfy this changing market by developing a balance of tenures in accordance with demand. To do this we will work closely with key stakeholders including Local Authorities and the Scottish Government. At the same time we will consider the views and aspiration of tenants and communities.
Introduction

As a mature and professional organisation we have a lot to offer our customers and other housing associations. This creates opportunities to share and sell services. This will only be done when it is appropriate and not at the expense of compromising the excellent service to our existing and future customers.

As a diverse business the Dunedin Canmore Group will continue to take a flexible and forward thinking approach. However, Dunedin Canmore Housing Association is regulated by the Scottish Housing Regulator, so it will continue to comply with all of its regulatory requirements.

Malcolm Homes Limited, a subsidiary of Dunedin Canmore Housing Association, is able to take a more commercial view. It will take a responsible approach to all of the activities it carries out and will follow good business practice. The strength of Malcolm Homes and Dunedin Canmore working together is a really positive aspect of the Group.

We believe the foundations of our business, based on social principles, are strong. We will build on these foundations through innovation and continuous improvement for the benefit of our customers.

As we move into more difficult times we must not lose or reduce our standards. While we will take a more commercial view we will give staff more autonomy and encourage people to take ownership in order to improve services to our customers.

The customer base we have will grow over the next five years. The Group will take a professional and increasingly commercial approach to enable us to provide excellent services in all areas of our operations.

We will be flexible and adapt to changing demands. Our skilled and motivated staff team will be working more closely with key strategic partners. We will take opportunities that arise and streamline our operations to improve on the affordability of these services.

The Dunedin Canmore Group is facing challenging times ahead and is ready to embrace these challenges, take advantage of opportunities that fit in with our business aspirations and continue to be leaders in building communities where people choose to live.

Ewan Fraser Chief Executive

> Firhill Neuk, Oxgangs – Residential and Commercial units
Leaders in Building Communities where People Choose to Live

Our Mission

- The Dunedin Canmore Group will build and improve upon the excellent track record of providing a range of housing and support services to a broader mix of people in the community. This will involve the development of a further 1,000 houses during the period of this plan.

- The Group will improve its customer service by gaining a better understanding of the needs of our customers. The continuous improvement agenda will also include the introduction of a quality management system that best suits our organisation.

- The Group will build on the partnership work that we do to support tenancies, improve services and create desirable and self-sustaining communities. This will include working more closely with specialist support providers, young people, tenants and owners’ groups alike.

- The Dunedin Canmore Group will have strong governance, good leadership and will continue to keep the Group structure under review in order to develop and grow its presence in Edinburgh, the Lothians and Fife. This will involve developing the skills of Board members and staff.

- The Dunedin Canmore Group will develop a financial strategy and will focus on providing good value services to all of its customers. It will also increase the performance of the commercial business it runs to give additional financial support to the Group as a whole and reduce the reliance placed on grant aid.

- As a progressive Social Enterprise the Dunedin Canmore Group will develop its capacity in providing employment initiatives, seek and adopt new forms of technology and renewable energy and take an entrepreneurial approach to business development.

> Lochan – Firhill Neuk, Oxgangs
Our Core Values

All of the activities of the Dunedin Canmore Group are based around three key important values. These values are embedded into our culture to ensure that we achieve our Vision:

- **Ethical:**
  By firmly embedding equality in all that we do, we inspire trust by being open, fair, and respectful to our customers, our suppliers and each other

- **Commitment:**
  By working together and adopting an enterprising and “can do” attitude, we will focus on making it happen and realise our aspirations

- **Excellence:**
  We are passionate to be the best, promoting a culture of continuous improvement and innovation in order to deliver the highest standard of services

Culture

The culture of the Dunedin Canmore Group continues to evolve and develop as the Group increases the support and services that it provides to others. This is clearly laid out in our Vision Statement

At Dunedin Canmore we are committed to providing the highest standard of professional services not only for our customers but also by providing support for each other. We are committed to creating sustainable communities for our customers and a workplace environment where people are valued, respected and encouraged to exceed expectations. We will promote a culture of excellence in everything we do and encourage innovation in order to continually improve. By embedding a “can do” attitude we will ensure we are a housing provider and an employer of choice, striving to deliver an excellent service at all times.

One of the defining features of the Dunedin Canmore Group is partnership working. We understand and embrace the benefits of working with other people who can bring their own skills to help us achieve our objectives. We have a strong working relationship with the Rowan Group, a preferred development partner in Edinburgh comprising eight housing associations. We also have strong links with support agencies such as Foursquare and the Action Group along with a number of others.

As a local organisation we ensure that we are reliable and approachable. It is very important to listen and respond to needs to gain the respect of the communities we work in.
Group Structure

The Group structure brings a number of key benefits. As an organisation we are proactive in looking for new ideas. We like to take a flexible and innovative approach in the work that we do and this enables us to take advantage of a number of opportunities.
Dunedin Canmore Housing Association

Formed in 1975, Dunedin Canmore Housing Association is a registered Scottish Charity and is regulated by the Scottish Housing Regulator. The Association provides a wide range of affordable housing and related services to tenants and other service users in Edinburgh, the Lothians and Fife. It is a progressive and innovative organisation with a strong social enterprise. A wide range of community, training and employment initiatives are delivered to the communities we work in. There is a strong commitment to sustainability, affordability and value for money.

Malcolm Homes Limited

Malcolm Homes Limited employs all staff for the Group, offering good employment practices and excellent terms and conditions. It is also the commercial arm of the Group, providing agency services to a number of housing associations, mid and market housing for rent, property factoring and professional business support to external clients through its trading divisions. It also operates a maintenance and repair division based at our Bilston workshop to modernise and protect the housing stock and amenity areas. Working closely with others, the Group of companies will continue to offer a broad range of housing, properties and services, delivered to a high standard.

Trading Divisions of Malcolm Homes Limited

Providing a specialist property management service to a variety of tenure types and a multitude of complex management needs, New Horizons Property Services offers clients an unrivalled personal service from small residential to larger commercial development. New Horizons Property Services brings the quality of service expected by customers but not available elsewhere on the market.

Malcolm Professional Services is a social enterprise providing support services to housing associations, those who work in partnership with housing associations and the wider “not for profit” organisations. It offers a simple, cost effective way of providing professional business support specialising in Human Resource services.

Independence and Service Level Agreements are in place within the Group to clearly define roles and responsibilities of each member of the Group.
The staff structure of the Group will remain flexible and evolve if required. With the uncertain economic climate and the potential for more partnership working, flexibility is essential to rise to the changing and demanding challenges we face.

The Dunedin Canmore Group has been established to allow further expansion and help attract new business and encourage new membership. We are at the forefront of piloting “New Ideas” and specialise in “Fresh Thinking”, reflecting the discussion document released for consultation by the Scottish Government in May 2010.

This innovative attitude can be demonstrated by work we have done with New Horizons Property Services in establishing a factoring company and the initiative taken to train staff to carry out the service of providing Energy Performance Certificates to commercial customers. The development of a Youth Café at Slateford Green in Edinburgh is also a major success in working with young people. The Mobile Caretaking service provided at Hyvots and Moredun is another example of response to improving service delivery in a new way. The flexibility of our Group structure allows us to do a range of charitable and commercial projects for the benefit of our communities.

The current Group structure will change to allow any potential partners the opportunity to join when this is appropriate. A revised Group structure would offer all members the chance to influence the direction and services provided and the final shape of the Group.

During the next five years the Dunedin Canmore Group will add strength to the services it provides by concentrating on providing a good quality service to a broader range of people with a diverse range of housing and support needs. Giving people real choice and greater opportunities will be a measure of our success.
In order to achieve our Vision, the principal areas of activities for the Group for the next five years will be to focus on **Customer Service Excellence, Business Growth, Sustainable Communities, Continuous Improvement** and **Learning and Development**.

The magnitude of change that we face over the next five years cannot be emphasised enough. We are facing extremely challenging times that will be new to us all.

During this uncertain future we will continue to develop and grow the Group as the demands for our services expand. Dunedin Canmore is a strong and successful Group and we will continue to be successful, albeit, we will be selective in the opportunities that we take. These will be prioritised to add value to the customers that we have. The priorities will be different given the current economic climate and the uncertain market conditions. However, we have a number of skills to allow us to carefully manage the process.

Part of the process of service development is working with and developing greater strengths with established and new partners.

Planning during this more difficult period is extremely important. This Business Plan sets out the strategic direction. However, we must always consider a number of scenarios to enable us to take the best way forward. Scenario planning will therefore play a bigger role in the work we will do. This means we will have to develop new skills and increase our degree of risk assessment from strategic risks to operational risks. We cannot become complacent.

The Dunedin Canmore Group is totally committed to Learning and Development. This really sets us apart from a number of other agencies. The Board and senior staff believe that developing new skills right across the Group is a sound investment if we are to adapt and meet the requirements of the changing environment. This is demonstrated by our Strategic Learning agreement with Napier University where we are working closely with the Business School.

The new skills developed will allow us to enter into new markets that may arise during the next five years and also allow us to build on the good work that is already taking place. For example, the marketing skills for mid market and market rent as well as winning new business for our factoring company are important.

Finally, we must ensure that the financial situation created by the economic crisis across the country is well managed. The position we are in is strong. We will be encouraged to try new ways but financial awareness is paramount to our continued success.

These are growing parts of our business and will continue to be for the next five years.
<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Goal</th>
<th>Activity</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Excellence</strong></td>
<td>To satisfy the needs and requirements of our customers.</td>
<td>Carry out customer profiling and assessments in order to tailor our services to meet current and future customer needs.</td>
<td>Years 1-3</td>
</tr>
<tr>
<td></td>
<td>To understand the needs of potential customers.</td>
<td>Through customer satisfaction surveys and market research we will monitor the changing aspirations of customers.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td></td>
<td>To improve the services we deliver by simplifying and streamlining the way in which we work to provide better value.</td>
<td>Carry out process mapping exercises and implement the change in all areas of our business where appropriate.</td>
<td>Immediate and ongoing</td>
</tr>
<tr>
<td></td>
<td>To help our tenants sustain their tenancies.</td>
<td>Actively seek to work in partnership with other organisations in order to bring added value to the organisation and improve the services we offer.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td></td>
<td>To improve service delivery within our Repairs and Maintenance section.</td>
<td>Implementation of a Customer Contact Centre for a more responsive and improved service.</td>
<td>Years 1-3</td>
</tr>
<tr>
<td><strong>Business Growth</strong></td>
<td>Ensure our financial strategy remains robust to meet the needs of the changing environment.</td>
<td>Research and explore options / choices for finance in order to reduce reliance of Housing Association Grant and public funding.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td></td>
<td>Expand income generation opportunities through Malcolm Homes to make it more financially independent.</td>
<td>Look for new business opportunities to offer existing services to new client groups by developing existing businesses within Malcolm Homes.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td>Strategic Objective</td>
<td>Goal</td>
<td>Activity</td>
<td>Timescale</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>----------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td></td>
<td>Provide affordable housing to meet the needs and aspirations of future customers and communities.</td>
<td>Adapt our development activity in order to provide affordable housing for social rent, mid market, market rent and shared ownership with an emphasis on new financial models.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td></td>
<td>Continue to seek regeneration opportunities which complement the activities of the Group.</td>
<td>Working with key stakeholders we will consider all opportunities for regeneration and develop proposals which will take cognizance of Local Housing Strategies.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td>Sustainable Communities</td>
<td>Look at ways in which we can mitigate fuel poverty for our customers and the communities in which we work.</td>
<td>Develop a strategy for renewable technology and energy efficiency and implement this during the planning period.</td>
<td>Years 1-3</td>
</tr>
<tr>
<td></td>
<td>Improve employability services, youth participation and environmental projects for 16-25 year olds.</td>
<td>Partnership collaboration with employability organisations with Dunedin Canmore acting as a “hub” through our Employability Pathway initiative.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>To seek improvements and corporate efficiencies through the use of Information Technology.</td>
<td>Prepare and promote an Information Technology Strategy which takes into account the needs of external and internal customers.</td>
<td>Years 1-2</td>
</tr>
<tr>
<td></td>
<td>Ensure continuous improvement is embedded within the culture of the organisation.</td>
<td>We will explore and implement a Quality Management System which best fits our organisation.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td></td>
<td>We will market, promote and protect our brand to ensure that Dunedin Canmore Group is synonymous with quality and choice.</td>
<td>Implementation and management of our Public Relations and Communication Strategy.</td>
<td>Years 1-5</td>
</tr>
</tbody>
</table>
## Strategic Goals

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Goal</th>
<th>Activity</th>
<th>Timescale</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ensure governance and Group structure are appropriate to meet the needs of a changing business environment.</td>
<td>Review of the Group structure to reflect demographics and terms and conditions of customers, business and employee needs and preferences.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td>Learning and Development</td>
<td>To promote and embrace learning and development to aid business growth.</td>
<td>Implementation and management of our Learning and Development Strategy to ensure the skill base of our existing staff and Board members is fully developed and utilised to meet the changing needs of the organisation.</td>
<td>Years 1-5</td>
</tr>
<tr>
<td></td>
<td>To promote equality of opportunity within employment.</td>
<td>We will develop an Equality Impact Assessment Strategy to ensure that equality is embedded into our culture.</td>
<td>Years 1-5</td>
</tr>
</tbody>
</table>
The next five years will be informed by the likely austerity in public finances following the recession and banking crisis. Over half our income and nearly 60% of our capital investment is supported by Government funding. The balance of our capital spending comes from banks whose problems are well documented.

Nevertheless our proven track record in service delivery over the years enables us to continue our activities while taking full recognition of the changed economic environment. The track record established means that we remain well placed both with our funders and contractors to avoid the worst constraints of the economic downturn.

**Financial Principles**

The financial principles established over the past years will continue:

a) Dunedin Canmore Housing Association and Malcolm Homes will provide a housing management service to all its tenants including social, mid rent, market rent, sheltered and hostel clients.

b) The service will include provision of welfare rights advice, wider action facilities and tenant participation.

c) Dunedin Canmore Housing Association and Malcolm Homes will continue to develop properties for rent, funding these activities from Housing Association Grant and private borrowing.

d) Dunedin Canmore Housing Association will achieve full Scottish Housing Quality Standard compliance by the target date of 31st March 2015.

e) It will observe and adhere to the interest cover and gearing covenants as agreed in June 2006 with the funding partners (Royal Bank of Scotland, Lloyds Banking Group and Dunfermline Building Society) and with any subsequent requirements arising from future agreements.
Dunedin Canmore Housing Association

The five year financial forecast to March 2015 lays out a scenario which matches the business strategy outlined above. One thousand new properties will be delivered and almost £16m of major works will be invested in the existing housing stock to achieve the Scottish Housing Quality Standard. Dunedin Canmore Housing Association’s borrowing, already established, will rise to be able to fund the developments. Funding costs will continue to be actively managed to deliver the lowest finance cost concomitant with low risk. Staff and administrative support costs will absorb a progressively lower share of turnover by using better working methods, economies of scale and increased use of technology. By the end of the five year period Dunedin Canmore Housing Association will be in a strong financial position as it enters the repayment period of its loans.

The forecast for growth over the next five years for Dunedin Canmore Housing Association:

<table>
<thead>
<tr>
<th>Area</th>
<th>2010 £000’s</th>
<th>2011 £000’s</th>
<th>2012 £000’s</th>
<th>2013 £000’s</th>
<th>2014 £000’s</th>
<th>2015 £000’s</th>
<th>% Increase Over 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Properties Cost</td>
<td>290,761</td>
<td>331,776</td>
<td>364,075</td>
<td>399,298</td>
<td>405,563</td>
<td>412,206</td>
<td>41.8%</td>
</tr>
<tr>
<td>Housing Association Grant</td>
<td>184,196</td>
<td>207,739</td>
<td>226,236</td>
<td>251,743</td>
<td>256,559</td>
<td>261,171</td>
<td>41.8%</td>
</tr>
<tr>
<td>Loans</td>
<td>103,000</td>
<td>122,000</td>
<td>133,000</td>
<td>142,000</td>
<td>142,000</td>
<td>142,000</td>
<td>37.9%</td>
</tr>
<tr>
<td>Reserves</td>
<td>18,122</td>
<td>18,628</td>
<td>19,305</td>
<td>20,513</td>
<td>22,629</td>
<td>25,062</td>
<td>38.3%</td>
</tr>
<tr>
<td>Tenancies</td>
<td>4,454</td>
<td>4,699</td>
<td>5,093</td>
<td>5,450</td>
<td>5,843</td>
<td>6,012</td>
<td>35.0%</td>
</tr>
</tbody>
</table>

DCHA 2010 – 2015
Malcolm Homes Limited

The various elements of the Malcolm Homes business have been developed and reshaped as it has moved from being the obligatory commercial supplier to Dunedin Canmore Housing Association to becoming a multi faceted property service company. The workshop is now a dependable contributor both in terms of service and finance. The factoring business has reached a sufficient size to be independent of the initial grant and its portfolio of mid market rented and commercial property is now a platform for further expansion. With the impending decline of grants for social housing Malcolm Homes is well placed to participate in the Group’s developments to provide a wide mix of housing choice. This will entail an increase in its borrowings and a steady reduction in dependence on its parent as a customer and funder.

The forecast for growth over the next five years for Malcolm Homes:

<table>
<thead>
<tr>
<th>Area</th>
<th>2010 £000’s</th>
<th>2011 £000’s</th>
<th>2012 £000’s</th>
<th>2013 £000’s</th>
<th>2014 £000’s</th>
<th>2015 £000’s</th>
<th>% Increase Over 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Properties Cost</td>
<td>13,142</td>
<td>18,073</td>
<td>25,776</td>
<td>29,702</td>
<td>32,422</td>
<td>37,222</td>
<td>183.2%</td>
</tr>
<tr>
<td>Housing Association Grant</td>
<td>753</td>
<td>1,220</td>
<td>1,220</td>
<td>1,220</td>
<td>1,220</td>
<td>1,220</td>
<td>62.0%</td>
</tr>
<tr>
<td>Loans</td>
<td>7,563</td>
<td>12,342</td>
<td>20,045</td>
<td>23,970</td>
<td>26,690</td>
<td>31,490</td>
<td>316.4%</td>
</tr>
<tr>
<td>Reserves</td>
<td>5,092</td>
<td>5,265</td>
<td>5,445</td>
<td>5,678</td>
<td>6,000</td>
<td>6,355</td>
<td>24.8%</td>
</tr>
<tr>
<td>Tenancies</td>
<td>147</td>
<td>155</td>
<td>219</td>
<td>253</td>
<td>287</td>
<td>306</td>
<td>108.2%</td>
</tr>
</tbody>
</table>

Malcolm Homes 2010 – 2015
Key Performance Indicators

Dunedin Canmore is committed to continuous improvement. To measure the performance of the Group we review our Key Performance Indicators against targets set for the year.

We are a member of back office benchmarking groups which allow us to look at how well we are doing in specific areas of our business and make recommendations to our Boards on any improvements that may be required.

**Dunedin Canmore Housing Association**

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest cost £000's</td>
<td>3,976</td>
<td>4,482</td>
<td>6,337</td>
<td>6,834</td>
<td>7,057</td>
<td>7,057</td>
</tr>
<tr>
<td>Debt per property £000's</td>
<td>23,125</td>
<td>25,963</td>
<td>26,114</td>
<td>26,055</td>
<td>24,303</td>
<td>23,619</td>
</tr>
<tr>
<td>Surplus £000's</td>
<td>520</td>
<td>505</td>
<td>6,77</td>
<td>1,207</td>
<td>2,116</td>
<td>2,432</td>
</tr>
<tr>
<td>Interest cover</td>
<td>113%</td>
<td>113%</td>
<td>122%</td>
<td>120%</td>
<td>133%</td>
<td>138%</td>
</tr>
<tr>
<td>Gearing</td>
<td>52.2%</td>
<td>54.8%</td>
<td>56.7%</td>
<td>54.5%</td>
<td>53.1%</td>
<td>51.9%</td>
</tr>
<tr>
<td><strong>Housing Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and maintenance costs £</td>
<td>1,941</td>
<td>2,140</td>
<td>2,127</td>
<td>2,089</td>
<td>2,050</td>
<td>2,080</td>
</tr>
<tr>
<td>Net rent arrears</td>
<td>2.3%</td>
<td>2.3%</td>
<td>2.2%</td>
<td>2.2%</td>
<td>2.1%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Legal actions</td>
<td>0.67%</td>
<td>0.65%</td>
<td>0.63%</td>
<td>0.61%</td>
<td>0.60%</td>
<td>0.60%</td>
</tr>
<tr>
<td>Overall repairs within specific target times</td>
<td>98.9%</td>
<td>99.0%</td>
<td>99.4%</td>
<td>99.6%</td>
<td>99.8%</td>
<td>99.8%</td>
</tr>
<tr>
<td><strong>Business Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Planning Target versus actual</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Corporate Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Turnover</td>
<td>15%</td>
<td>15%</td>
<td>14%</td>
<td>13%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Staff Absence</td>
<td>3.8%</td>
<td>3.5%</td>
<td>3.4%</td>
<td>3.3%</td>
<td>3.2%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>
The Dunedin Canmore Group has a strong “Family of Plans” to assist in the effective running of the Group. To enable the planning process to be successful it is important that a range of stakeholders are involved.

Board consultation on the development of the Group is carried out at two seminars each year as the Boards are responsible for the strategic direction of the Group.

Directors have a full day seminar every year to consider the activities, risks and opportunities and strategic direction of the Group. The outcomes of this seminar are used to advise the Boards.

Managers deal with the operational activities of the Group. The Managers meet as a group with the Directors and Chief Executive once a year for a full day seminar to bring their expertise to the planning process.

There is a full staff conference once every two years to bring the team together. Every other year there are department day conferences to help build the teams and increase the understanding of the organisation as a whole.

The Five Year Business Plan
This document takes a comprehensive high level view of the organisation. It sets out the vision of the Group and the strategic direction the Group is moving in.

The Vision Statement
This sets out the culture of the Group highlighting the importance to the Group of the Group Boards, the staff, service delivery, development and growth and the principles of continuous improvement. Our vision is positive and socially aware, driven by quality with a determination to succeed.

The Internal Management Plan
This Internal Management Plan is produced annually. The main purpose of this plan is to set targets for the year that give clear guidance to staff as to the requirements of them. Also to demonstrate to the Board that the strategic direction set out in the Business plan is progressing. There will be milestones set to measure progress and these will be reported to the Boards. The plan will also be flexible enough to take account of new opportunities arising and changes in political direction or variations in the financial climate. There are separate plans for Dunedin Canmore Housing Association and Malcolm Homes.

The Budget
The budget is set annually and is the financial plan for the year. Progress against budget is reported quarterly, highlighting any variations. The staff also have full updates and a good understanding of the financial management of the Group. There are separate budgets for Dunedin Canmore Housing Association and Malcolm Homes. The budgets are used to annually update the five year financial projections for the Group.

The Equality and Diversity Plan
This plan is produced every three years and is for the whole of the Dunedin Canmore Group. The main purpose of this plan is to ensure that our services are designed to promote equality and social inclusion, ensuring that the needs of the diverse community are met as far as reasonably possible. Through our policies and procedures we wish to promote institutional equality for all, acting as a model employer. The document details how Board members and employees are made aware of the basic principles of equalities, diversity and social inclusion and are provided with appropriate training where applicable. We strive too to engage our partners in consultation on equality, diversity and social inclusion issues,
responding quickly to legislation and regulatory changes. Finally, the plan outlines how we monitor and review how well we are achieving the above aims.

**Risk Management**

The Dunedin Canmore Group has an established Risk Management Strategy. The strategic risks that face the organisation are reviewed annually. They are monitored six monthly and approved by the Directors and the Group Audit Committee. Based on the current economic environment and the challenges these present, the risks identified and agreed by us include:

- Funding in the present extremely volatile economic environment.
- Political changes.
- Succession planning for the Board and senior staff.
- Delivery of the Scottish Housing Quality Standard.
- Working relationships with key stakeholders.
- The uncertainty of Supporting People allowances.
- Reliance on information technology and information technology investment costs.
- Recruitment in the Edinburgh job market.
- Competition for funding.
- Competition from larger/private sector companies.

During the period of the Business Plan all risks will be reviewed and updated as circumstances change. We will also introduce a Risk Register to cover operational risks as the financial circumstances of the Registered Social Landlords become more challenging.

Board reports will continue to include a standing item on risk.

**Strategy and Development Funding Plan**

The Strategy and Development Funding Plan is prepared annually by Dunedin Canmore for the Rowan Group, and forms the basis of our bid for Housing Association Grant for the next three years. For the Strategy and Development Funding Plan we identify potential new sites, likely spend and programme, which can then be fed into the next year’s budget and longer term forecasts.

The bid covers Edinburgh and the Lothians, and explains how we work in partnership with the Councils, Scottish Government and other partners, to provide the best affordable housing for any location. Statements of cost efficiencies are balanced in the bid with commitments to quality, sustainability and special needs to ensure that the developments will remain attractive and easily maintained places to live over many years.

**Departmental Planning**

All departments have operation planning targets. These include the Scottish Housing Quality Standard, Workforce, Information Technology and Asset Management.

**Scenario Planning**

The Dunedin Canmore Group has a reputation and good track record in development. To achieve its aims the borrowing limits have been substantially increased. There is a requirement by the Scottish Housing Regulator that a five year forecast is produced annually to test the viability of the organisation.

The Group also has a requirement to bring all of its housing stock up to the Scottish Housing Quality Standard by 2015. This increases the financial risk to the Group.

Scenario planning therefore has a big part to play in the financial planning of the organisation. This has become a key part of the reporting process to the Boards. Options will continue to be presented to the Boards and sensitivity analysis
done to demonstrate the viability of projects and demonstrate the rent levels required to meet the financial obligations of the Group.

The level of scrutiny of all options placed in front of the Boards will continue to ensure that bank covenants are being met and that the Boards can give confidence to our funders and our Regulators.

It is also so important to take a long term view. Scenario planning allows us to protect the investment we have made in the housing stock and ensure that the affordable housing and the services we supply remain with the tenants now and in the future.

**Summary**

In conclusion, the Dunedin Canmore Group has considered and clearly covered the seven critical areas that are fundamental and necessary components of a good business planning process.

- The Group has clear strategic objectives.
- Risk assessments are fully embraced in considering all Group activities.
- Operational targets are reviewed annually and incorporated in the annual Internal Management Plan.
- The environment we work in is clearly understood and is detailed in all relevant sections of the Business Plan and analysed via the risk assessment process that we follow.
- The protection of our investments through our planning and implementation of the requirements needed to meet the Scottish Housing Quality Standard and the varying needs of customers contained in the Strategy and Development Funding Plan are well articulated.
- Financial forecasts are set out in our Five Year Financial Plans. These are monitored and reviewed through our annual budget process.
- Finally, scenario planning is a discipline adopted by the Boards and Senior Staff team that helps drive the business forward.
The paper used for this publication is Advocate Smooth Xtreme white which contains wood pulps which are ECF and sourced from carefully managed and renewed forests. Includes minimum 70% FSC material. ISO 14001 certified manufacturer.