

CLYDEBANK HOUSING ASSOCIATION LTD.

TO: MANAGEMENT COMMITTEE **REF:** /LL

FROM: HEAD OF FINANCE & CORPORATE SERVICES **DATE:** 19.06.20

SUBJECT: SHR LOAN PORTFOLIO SYSTEM RETURN 2019/20

Purpose of Report

The purpose of the report is for the Management Committee to review and consider information in order to approve the required annual 2019/20 Loan Portfolio System Return (LPS) which is required to be submitted to the Scottish Housing Regulator portal.

Potential impact on tenants and service users/Tenant Consultation requirements

There is no adverse impact on tenants and other service users as a result of information and decisions required in this report. Tenant/community consultation is not required.

Value for Money

CHA considers Value for Money in all aspect of its business including: -

- Managing our resources to provide quality services and homes to meet the needs of customers and the local community.
- Delivering the right service at the right time at the right cost.
- Planning for and delivering year on year improvements on our services based on customer priorities.
- Getting the most out of our assets and staff by operating efficiently and effectively.

Risk

There is no risk, financial or otherwise associated with any of the recommendations contained within this report in relation to changes within our loan facilities that cannot be facilitated within the short, medium and long term budgets and financial plans or that have not already been assessed within our risk register.

Legal/constitutional Implications (Reference to Model Rules)

There are no adverse legal or constitutional implications as a result of this report and/or any decision required.

Relevant CHA Objectives:

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To manage the houses provided, in a professional and cost effective manner, for the benefit of our local community and the environment.

- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.

Relevant SHR Regulatory Standards of Governance and Financial Management

- The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
- The governing body and senior officers have the skills and knowledge they need to be effective.
- The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

The Management Committee will require confirming that the contents of this report and decisions required do not constitute a breach, material or otherwise, of the above Standards.

Equalities

- No protected group is adversely affected by the proposals, recommendations or updates within this report. Our commitment to equal opportunities and fairness applies irrespective of factors such as race, sex, disability, age, gender reassignment, marriage & civil partnership, pregnancy & maternity, religion or belief and sexual orientation.

Please find attached the 2019/20 Loan Portfolio System Return (LPS), which will be submitted online to the Scottish Housing Regulator before the deadline of 31st July 2020 (normally 30th June). The Loan Portfolio System is used to collect information from RSLs about their borrowings and other funding arrangements they have in place.

Similar to last year, the Return shows information on the Association's borrowings including the purpose of the loans, covenant details and details of security over the loans.



New for this year are the additions of two interest free loans. In August 2019, [REDACTED] was received from [REDACTED] for the purchase of the electric vehicles repayable over 6 years and in March 2020, [REDACTED] was received from [REDACTED] for the Fire and Carbon Monoxide Scheme which is repayable over 5 years.

As at the 31 March 2020, the Association has a mixture of 5% of fixed rate loans, 23% of interest-free loans and 72% of variable rate loans with our approved lenders [REDACTED]. Please note that when looking for new finance for the Linnvale Development, this will likely be a fixed rate loan that is required to balance the portfolio more evenly.


RSL: 86 - Clydebank Housing Association Ltd (CBK)

Return	Annual Return 2020	31/03/2020
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Approval

Date Approved	19/06/2020
Approver	[REDACTED]
Approver Job Title	Chairperson

Submission Comments

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Further Return Details

Accounting Year End	Do you have any ISDAs?	Does Lender have a floating charge over the company's assets	Intragroup Lending / Borrowing
March	No	Yes	No

Social Housing Units

Owned by RSL	Used for Security	Unencumbered	% of Unencumbered with positive value
1168	392	776	49.6
Comment			

Total for Live Facilities

Total Facility (£'000s)	Facility Outstanding (£'000s)	Facility Undrawn (£'000s)
██████████	██████████	0.0

1 Facility Detail 1

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
CBKC ██████████	██████████ ██████████ ██████████	Live	██████████	25/04/2017	25/04/2042	0.0	██████████					No

Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details	Additional Lenders
Arrangement Fees	Y		
Non-Utilisation Fees	Y		

Other Fees	N	
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1.1.1 Loan Details 1

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
██████████	Live	25/04/2017	Variable Rate Loan	██████████	██████████	Interest only then capital and interest	Yes	Affordable Housing Development		Base	1.75

1.1.2 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
██████████	19/06/2019	13/05/2042	Paid	19/06/2017			100	██████████	EUV-SH without sales	22/11/2016	Yes

Loan Comments

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Loan Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	Y	
Other Fees	N	

1.1.2.1.1 Covenant Detail 1

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	18011	Gearing (%)	Less than 75%	Annually	31/03/2020	12.7%
How is it calculated?		Current liabilities plus long term liabilities divided by current assets plus fixed assets				

1.1.2.1.2 Covenant Detail 2

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	24442	Interest Cover	Greater than 110%	Annually	31/03/2020	10182.9%
How is it calculated?		Net interest divided by Operating Surplus plus depreciation				

1.1.2.1.3 Covenant Detail 3

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	24443	Asset Cover	Equal to or more than 110%	Annually	31/03/2020	113%

How is it calculated?	Amount outstanding on loan divided by asset valuation amount
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2 Facility Detail 2

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
██████████	██████████ ██████████	Live	██████████	07/03/2002	18/11/2022	0.0	██████████					No

Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	

Additional Lenders

Other Fees	Y	Security fees
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2.1.1 Loan Details 1

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
C [REDACTED] 3	Live	07/06/2012	Fixed Rate Loan	[REDACTED]	[REDACTED]	Fully Amortising	Yes	Refinancing		Fixed Rate Percentage	2.3100

2.1.2 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
[REDACTED]	16/07/2012	16/05/2022	Paid	16/07/2012			[REDACTED]	[REDACTED]	EUV-SH without sales	01/02/2017	Yes

Loan Comments

Loan Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	
Other Fees	Y	Securities fee

2.1.2.1.1 Covenant Detail 1

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	1	Loan to Value	Less than 70%	Annually	31/03/2020	13.2%
How is it calculated?		Amount outstanding on total ██████████ divided by total valuation amount				

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2.1.3 Loan Details 2

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
██████████	Live	07/03/2002	Variable Rate Loan	██████████	██████████	Fully Amortising	Yes	Refinancing		LIBOR 3 month	0.3700

2.1.4 Additional Loan and Security Detail

Loan Ref No	First Capital	Final Capital	Int is being	First	Deal	Forward	Security from	Social Housing	Basis	Date of	Coven
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	Repayment	Payment		Interest Payment	Expires	Fixes	Social Housing %	Security Value £'000s		Valuation	ants
██████████	15/04/2002	18/11/2022	Paid	15/04/2002			██████████	██████████	EUV-SH without sales	01/02/2017	Yes

Loan Comments

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Loan Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	
Other Fees	Y	Security valuation fees

2.1.4.1.1 Covenant Detail 1

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	1	Loan to Value	<70%	Annually	31/03/2020	13.2%
How is it calculated?		Amount outstanding on total ██████████ divided by total valuation amount				

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3 Facility Detail 3

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
████████	████████ ████████	Live	██████	13/11/2009	04/12/2034	0.0	██████					No

Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	
Other Fees	N	

Additional Lenders

3.1.1 Loan Details 1

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
██████████	Live	05/12/2012	Variable Rate Loan	██████	██████	Fully Amortising	No	Affordable Housing Development		LIBOR 3 month	1.7500

3.1.2 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
██████████	05/03/2013	07/12/2034	Paid	05/03/2013	07/09/2020	No	100.00	██████	EUV-SH without sales	01/02/2017	Yes

Loan Comments

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Loan Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	
Other Fees	N	

3.1.2.1.1 Covenant Detail 1

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
C [REDACTED]	1	Loan to Value	<110%	Annually	31/03/2020	30.2%
How is it calculated?		Amount outstanding on facility cannot exceed 110% of value of properties				

3.1.2.1.2 Covenant Detail 2

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
[REDACTED]	2	Net Operating Cash Flow	>1.4 times	Annually	31/03/2020	19.79
How is it calculated?		Net operating cash flow divided by total loan interest payable				

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3.1.3 Loan Details 2

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
[REDACTED]	Live	13/11/2009	Variable Rate Loan	[REDACTED]	[REDACTED]	Fully Amortising	Yes	Affordable Housing Development		LIBOR 3 month	1.7500

3.1.4 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
██████████	04/03/2010	04/12/2034	Paid	04/03/2010			100.0	██████████	EUV-SH without sales	01/02/2017	Yes

Loan Comments

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Loan Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	
Other Fees	N	

3.1.4.1.1 Covenant Detail 1

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	1	Loan to Value	<110%	Annually	31/03/2020	30.2%
How is it calculated?		Amount outstanding on facility cannot exceed 110% of value of properties				

3.1.4.1.2 Covenant Detail 2

Loan Ref No	Seq. No.	Type of Covenant	Required Level	Reporting frequency	Date of last report	Level Achieved
██████████	2	Net Operating Cash Flow	>1.4 times	Annually	31/03/2020	19.79
How is it calculated?		Net operating cash flow divided by total loan interest payable				

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4 Facility Detail 4

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
██████████	██████████ ██████████ ██████████	Live	██████████	15/11/2009	18/11/2019	██████████	██████████					No

Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details	Additional Lenders
Arrangement Fees	Y		
Non-Utilisation Fees	N		
Other Fees	Y	Security fees	

5 Facility Detail 5

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
██████████	██████████ ██████████	Live	██████████	28/03/2019	15/04/2029	0.0	██████████					No

Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details	Additional Lenders
Arrangement Fees	Y		
Non-Utilisation Fees	N		
Other Fees	N		

5.1.1 Loan Details 1

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
██████████	Live	28/03/2019	Fixed Interest Free	██████	██████	Fully Amortising	Yes	SHQS Delivery		Interest Free	0.0

5.1.2 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
██████████	15/05/2019	15/04/2029	Waived				0.0				No

Loan Comments

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Loan Fees

		Details
Arrangement Fees	Y	
Non-Utilisation Fees	N	
Other Fees	N	

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6 Facility Detail 6

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
██████████	██████████ ██████████	Live	████	12/08/2019	15/08/2025	████	████					No

Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details	Additional Lenders
Arrangement Fees	N		
Non-Utilisation Fees	N		
Other Fees	N		

6.1.1 Loan Details 1

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
██████████	Live	12/08/2019	Fixed Interest Free	██████	██████	Fully Amortising	Yes	Other (give details)	Purchase of electric vehicles, Carbon Management Plan	Interest Free	0.0

6.1.2 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
██████████	16/09/2019	15/08/2025	Waived				0				No

Loan Comments

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Loan Fees

		Details
Arrangement Fees	N	
Non-Utilisation Fees	N	
Other Fees	N	

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7 Facility Detail 7

Facility Number	Lender	Status	Facility Total £'000s	Start Date	End Date	Amount Undrawn	Amount Outstanding	Undrawn Facility For	Details	Committed?	Next 5 Yrs?	Multi Lender
██████████	██████████	Live	██████████	11/03/2020	11/03/2025	0.0	██████████					No

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Facility Comments

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Chargeholder	
Security Trustee	No

Facility Fees

		Details
Arrangement Fees	N	
Non-Utilisation Fees	N	
Other Fees	N	

Additional Lenders

7.1.1 Loan Details 1

Ref No	Status	Start Date	Type	Amount	O/standing	Repayment Terms	Terms of Loan	Purpose	Details	Ref Rate	Margin / All-in Rate
	Live	11/03/2020	Fixed			Fully Amortising	Yes	SHQS Delivery		Interest	0.0

			Interest Free								Free	
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7.1.2 Additional Loan and Security Detail

Loan Ref No	First Capital Repayment	Final Capital Payment	Int is being	First Interest Payment	Deal Expires	Forward Fixes	Security from Social Housing %	Social Housing Security Value £'000s	Basis	Date of Valuation	Covenants
██████████	11/03/2021	11/03/2025	Waived				0.0				No

Loan Comments

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Loan Fees

		Details
Arrangement Fees	N	
Non-Utilisation Fees	N	
Other Fees	N	

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