

# SbHA

SCOTTISH BORDERS  
HOUSING ASSOCIATION

## ANNUAL REPORT 2023-24



# Welcome to SBHA's Annual Report

Highlighting our achievements towards our Strategic Objectives, and our performance against the Scottish Social Housing Charter.

## GREAT CUSTOMER SERVICE



### Supporting Tenants at home and beyond

Our work to deliver customer services and tackle inequalities, ensuring support for those who need it.



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## GREAT PLACES



### Creating safe, warm homes in thriving communities

How we invest to create quality, energy efficient homes and to ensure that the communities we serve are great places to live in.



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## SMART INVESTMENT CHOICES



### Our commitment to help meet housing need

How we're helping to address the housing crisis by increasing the supply of high-quality affordable homes.



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## ONE TEAM



### Developing and valuing our people

We are empowering the SBHA Team, equipping them with the skills to deliver for Tenants and communities, now and into the future.



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## RESILIENT BUSINESS



### Our key financial information

How we provide assurance as we grow the business, and ensure value for money through consultation and our procurement practices.



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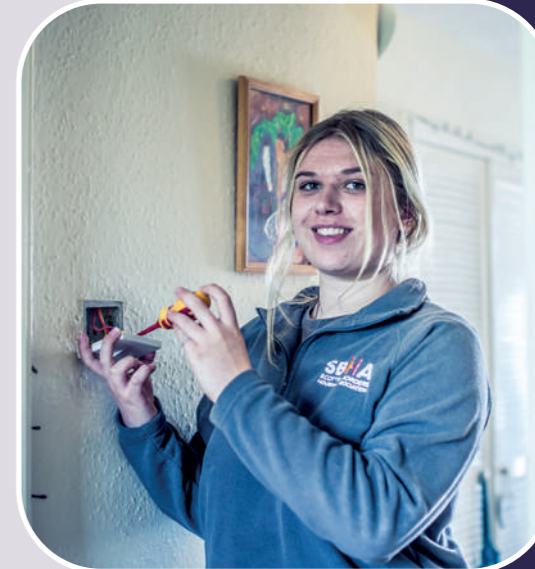
**SBHA**  
SCOTTISH BORDERS  
HOUSING ASSOCIATION

**SCOTTISH BORDERS  
TENANTS  
ORGANISATION**  
giving Tenants a voice

This combined Annual Report and Landlord Report provides information on our performance in 2023-24.

This report has been developed in consultation with Scottish Borders Tenants Organisation (SBTO), and we are keen to seek your views on the style, content and performance outcomes. Please send your feedback to our Tenant Engagement and Communications Team at [communications@sbha.org.uk](mailto:communications@sbha.org.uk).

In this report, we show how we are performing in progressing towards achieving standards and outcomes set out in the **Scottish Social Housing Charter**. We include comparison data on how we performed in 2022-23 and Scottish averages (where available) to see how well we are performing compared to other Scottish social housing landlords.



Indicates improved performance

Indicates drop in performance



Julia Mulloy, Chief Executive



Robin Hill, Chair  
SBHA's Board of Management

## Our mission

Created by Tenants for Tenants, we enhance lives and communities across the Scottish Borders. We shape our homes and services to meet changing needs and expectations.

# Welcome to SBHA's Annual Report

Welcome to Scottish Borders Housing Association's Annual Report for 2023-24, in which we share the highlights of our achievements, as well as looking to the challenges and opportunities of the future.

It has been a significant year, marked at the start with the milestone conclusion of our Rent Review, leading to the implementation of a modernized, fair, and easy-to-understand rent system in April. This transition, though appearing straightforward, required extensive consultation and effort. Amid the ongoing cost of living crisis, we ensured the process remained fair for all involved.

Our service offering to customers remains strong and responsive, with a constant focus on improving where needed and building on our strengths. Ensuring customer satisfaction is central to our objectives, and we are on track to achieve Customer Service Excellence accreditation.

We continue to enhance our impact on reducing poverty. Through our partnership with the Borders Housing Network, our Warm and Well Service has expanded to other registered social landlords in the area. Additionally, increased investment in Tenancy Support.

As a result, tenancy sustainment has reached its highest-ever level, a testament to the effectiveness of our approach.

Sustainability remains a key focus, and our More Sustainable Steps strategy is now integral to our operations. We are making significant progress in retrofitting homes and preparing for the Scottish Government's proposed Social Housing Net Zero Standard. By working collaboratively, we aim to find sustainable solutions that benefit our tenants, residents, and the wider community.

We remain committed to increasing the supply of new homes to help tackle the local housing emergency, despite a challenging funding environment. New housing not only helps to address shortages of affordable homes, it promotes health and well-being, while bolstering the local economy. Earlier this summer, we welcomed the Housing Minister to our new build sites in Burnfoot, coinciding with the launch of the South of Scotland Housing Action Plan under the Regional Economic Partnership.

Last year, we completed 33 new homes, with even more progress ahead. We plan to deliver a further 43 new homes in 2024-25 progressing towards achieving our target of 300 new homes by 2028. Whether through converting low demand properties into energy-efficient family homes or using modern methods of construction to transform garages into bungalows, we are continuously innovating to address housing needs.

We take pride in being a fair employer, having achieved Living Hours accreditation, the first housing association in Scotland to do so. This demonstrates our commitment to fairness and equality, and our determination to retain and attract the best talent.

In line with our dedication to inclusivity, our More Inclusive Steps strategy sets

out how we will deliver on our equalities, diversity and inclusion goals, ensuring that our services are fair and accessible to all. Technology also plays an increasingly important role in our operations. Our achievement of Cyber Essential Plus accreditation emphasises our commitment to cyber security, and we are exploring innovative ways to leverage technology in areas such as energy efficiency and asset management.

Looking forward, we will continue to build on this momentum, embracing opportunities and addressing challenges with resilience and innovation as we develop our new Strategic Plan to guide us in the coming years.

We would like to thank all Tenants, shareholders, partners and the SBHA team for their continued support.

*Robin and Julia*



## DELIVERING EXCELLENCE TOGETHER

Working together to deliver excellence and quality through teamwork; teams and individuals working within SBHA and externally with Tenants and stakeholders.

## BEING RESPONSIBLE

Taking responsibility for our actions and looking after SBHA's responsibilities in an accountable way; behaviours include honesty, transparency, truthfulness, trust, and professionalism.

## EVERYBODY MATTERS

Caring and respecting people in all our dealings, being inclusive, sensitive and responding to diverse needs.

## ALWAYS IMPROVING

Achieving better outcomes and performance, exceeding customer expectations and being pioneering, modern, dynamic, forward looking and innovative.

  
**5644**  
homes

  
**152**  
members of staff



## GREAT CUSTOMER SERVICE {supporting tenants & communities}



# 56%

of lets were made to homeless households



# 731

people helped through our financial support services



# £412k

extra income generated through provision of support services

## Delivering excellent customer services

We are committed to delivering excellent customer services, focused on customer needs and meeting expected standards.

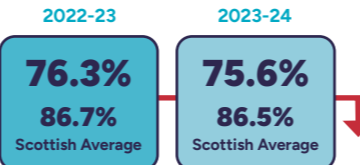
Telephone contact remains a significant preferred method of contact for our customers and our dedicated Solutions Team handled nearly 51,700 calls in the year, resolving 83% at first contact. To enhance our digital presence, we have grown our social media engagement and, acting on Tenant feedback, we are re-designing our website to be accessible and easier to navigate.



The majority of Tenants (3 out of 4) advise that they are satisfied with the overall service we provide, however, we are determined to improve the customer experience.

We will use our customer insight to tailor our services to meet diverse needs and support Tenants through digital and social change. We will use Customer Service Excellence accreditation as a framework for continuous improvement.

% tenant satisfaction with SBHA's overall service



## Addressing homelessness

In the year when the Scottish Government declared a national housing emergency, our commitment to tackling homelessness remained as strong as ever. Of 492 lets made in the year, 277 were provided to homeless households, representing 56% of lets, an increase from 45% the previous year and exceeding the regional target.

We also strive to prevent homelessness though offering support to Tenants to continue living in their homes. Our Financial Inclusion Team worked with over 730 households in the year, providing a range of financial support and advice to maximise their household incomes. This included providing budget management advice and support to access £412,000 in welfare benefits.

We continued to work with our partners at Scottish Borders Council and the Borders Housing Network to provide settled and secure homes to those in greatest need through re-settlement programmes and the regional Housing First pilot. We also revised our Housing Options Protocol and continue to offer transitional housing for young people leaving care to protect them from becoming homeless.

With increasing demand and shortage of available affordable homes, it is vital that we continue to work with partners to increase the supply of affordable housing and support those who need it.

## Supporting Tenants – tackling inequality

We have continued to provide services to meet the needs of vulnerable people and support them to improve their quality of life. In the year, we expanded our support services in response to increasing demand and the continued Cost of Living crisis.

Through funding from SBC's Cost of Living Fund, we extended our Warm and Well Service to provide energy advice and support to Tenants of the Borders Housing Network partners. By working together, Borders Housing Network attracted almost £560,000 funding from the Scottish Government's Social Housing Fuel Support Fund and helped nearly 3,000 households in fuel poverty and facing significant hardship.

Throughout the year, 875 SBHA Tenants benefited from this service, receiving energy saving advice, fuel debt

payments and vouchers and including direct payments to energy suppliers and fuel vouchers, and receiving energy efficient items such as heated throws, draught excluders, air friers, radiator panels and LED light bulbs.

Our Neighbourhood Services Team continued to work closely with Tenants to provide them with support to manage their tenancies and, in the year, our Tenancy Support Officer joined the team, enhancing the support we offer to provide dedicated, personalised tenancy management support to Tenants most at risk of losing their home.

As a result of these enhancements to our support services, we have supported more Tenants and tenancy sustainment is at its highest level at 91%, up from 88% in 2022-23.



“The support that I've received has been great. I really can't express what a difference it's made to me. Thank you and keep doing what you do because it is appreciated”



## Working with partners to enhance our service offer



We work with the Wise Group, who offer Relational Mentoring to help vulnerable households overcome poverty. Mentors provide one-to-one support to address the household's broader needs, such as skills development, employability, community justice, and home energy management, to help break down barriers and promote positive change.



SBHA continues to jointly fund, with SBC, the 16+ Transitions Project for Care Leavers in the Scottish Borders, providing supported accommodation at Albert Place in Galashiels to promote tenancy sustainment and independent living. Do date, 64 young people have received support with the transition from care to independent living.



This exciting Lottery-funded project to offer Tenants and the wider community the opportunity to learn to cook healthy meals on a budget has continued to expand, with over 100 now having benefitted. Classes are often attended by a Warm and Well Advisor, allowing people to access this additional service in a convenient setting.



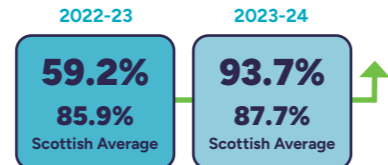
**GREAT CUSTOMER SERVICE** {commitment to community engagement}



**this year...**

We were delighted to win the 'Communicating with Tenants and Residents' category and were runners-up in the 'Involving Tenants in Scrutinising Services' category at the TPAS awards.

**% tenant satisfaction with opportunities to participate**



**Engaging customers and communities**

Tenants remain at the heart of what we do and we value their feedback to inform decision-making and help shape our services.

Our Community Teams have retained an active presence in neighbourhoods with regular estate walkabouts, and hosted and attended a variety of community events to hear from Tenants and residents and address local issues that affect them.

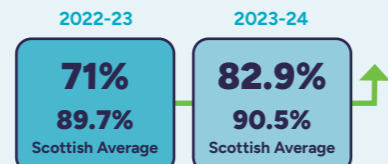
In the year, we consulted widely with Tenants on our proposals for our new Rent model, offering a range of ways for them to share their feedback and views on how we set rent levels. We also commissioned our 6-monthly Tenant Satisfaction Survey for the next 3 years and, through Scottish Borders Tenants Organisation (SBTO), Tenants took an active role in this procurement.

Tenant satisfaction with opportunities to participate in decision making increased significantly in the year to the highest levels at 94%, up 35% on the previous year and above the sector average. This reflects the efforts to ensure we continue to offer Tenants a wide range of ways to get involved and have their voices heard.

**Keeping in touch**

We recognise the importance of keeping Tenants informed and significant efforts have been made in the year to ensure our communication is clear and consistent, with recommended actions for improvement from the Tenant Scrutiny exercise on our Customer Service Standards being progressed. As a result, Tenant satisfaction with being kept informed has improved by 12% in the year. We will continue to drive forward improvements in our communications with Tenants in the coming year, including exploring new channels for engagement.

**% tenant satisfaction with keeping them informed**



**Scottish Borders Tenants Organisation**

We value our partnership with Scottish Borders Tenants Organisation (SBTO), the umbrella Tenant group who represent the perspective of the wider Tenant population. Their input into policies, strategies and communications is essential to ensuring that we deliver high quality services that meet the needs and expectations of Tenants.

In the year SBTO considered several key policies, including the Allocations Policy, Asbestos Policy and Damp and Mould Policy, as well as helping to shape our new Sustainability Strategy and Equalities, Diversity and Inclusion Strategy. During the year members of SBTO took an active role in national consultations as well as local events and supported many community projects, including the Summer scrutiny project, a new community garden in Kelso, estate walkabouts and development consultations on proposals for new homes. Tenant members also engaged with the Tenant Participation Advisory Service (TPAS) and the Tenants Information Service (TIS).

**Remembering Allen**

We are deeply saddened by the recent death of Allen Tills, a valued long-standing member of SBTO, SBHA Board Member and dear friend. Allen's sense of humour was much in evidence at meetings and he is greatly missed.



**Scottish Borders Tenants Organisation Members at 31 March 2024**

GORDON SAUNDERS (Chair)	Fountainhall
DOMINIC BROOKES (Joint Vice Chair)	Kelso
RALPH NICHOL (Joint Vice Chair)	Newcastleton
MARGARET GRAHAM (Treasurer)	Newcastleton
DEREK ALLISON	Peebles
ALAN FRANK	St Boswells
GEORGE GILCHRIST	Walkerburn
LYNDA GILCHRIST	Walkerburn
TRACEY GLOVER	Bowden
LORNA MANSON	Jedburgh
MARY SAUNDERS	Melrose
GREGORY THEOCHARIS	Hawick
TIFFANY WARD	Selkirk
MARLEN JONES (Hon Member)	Innerleithen
ANGELA SULO (Hon Member)	Bowden
ANGELA BARBER (Hon Member)	Innerleithen



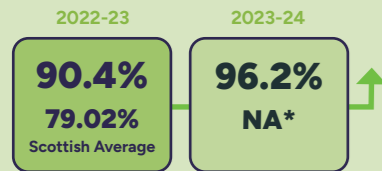
## GREAT PLACES {investing in homes}

### Quality, warm homes

We remain committed to providing safe, quality and energy efficient affordable homes. In the year, we invested over £7.4m in existing homes through our planned maintenance programme, carrying out more than 1,228 upgrades to homes, including new kitchens and bathrooms as well as heating systems, windows and doors. At the end of the year 90.2% of homes met the Scottish Housing Quality Standards (SHQS), significantly higher than the sector average.

We also improved the energy performance of homes with 98.7% now with an EPC rating of Band D or above and plans are in place to increase the efficiency of the remaining 71 homes below Band D. With over 96% of homes now meeting the Scottish Government's Energy Efficiency Standard for Social Housing (ESSH), we are preparing for the introduction of the new Social Housing Net Zero Standard (SHNZS), the main elements of which are a fabric efficiency rating; minimum fabric standard and the installation of clean heating systems by 2045.

#### % of homes meeting the Energy Efficiency Standard for Social Housing (ESSH)

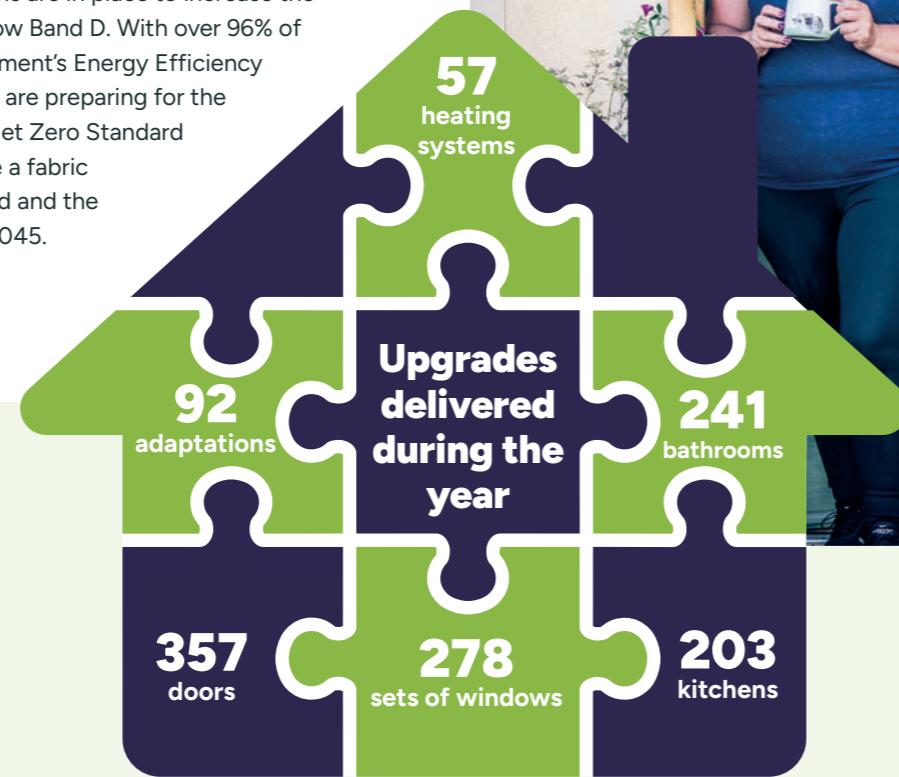
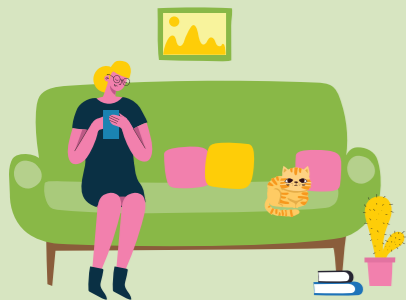


\*The Scottish Housing Regulator no longer collects this data separately.



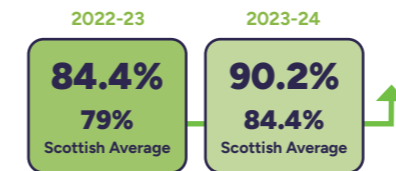
# £7.4m

invested in homes last year



Our new fleet has enhanced safety features, reduced emissions and superior tracking information

#### % of homes meeting Scottish Housing Quality Standard (SHQS)



### Keeping Tenants safe

Tenant safety is of paramount importance to us. We continue to engage with Tenants, emphasising the importance of statutory safety checks, to ensure a high level of health and safety compliance. We aim to achieve Health and Safety Accreditation in the coming year.

In the year, 6 properties did not meet their Gas Safety checks by the anniversary date, these were new build homes not yet let. All homes had a valid EICR and all had been fitted with interlinking LD2 fire detection systems at the end of March 2023 (excluding exemptions).

### Damp and mould

Over the year we have continued our focus on dealing with reports of damp and mould. We worked with SBTO to develop our Damp & Mould Policy introduced in the year and expanded the information we make available to Tenants. We aim to inspect reports of damp and mould within five working days and to complete any necessary repairs within our Repairing Standard time scales.



To address damp and mould, we have focused on identifying and treating root causes taking actions such as installing humidistat fans, positive input ventilation systems, upgrading insulation, and repairing building structures as needed. Our team members have received specialised training to respond effectively, utilising advanced tools such as environmental sensors, damp meters, and thermal imaging cameras, with external damp specialists engaged for complex cases.

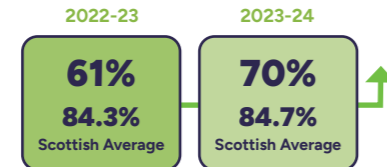




**GREAT PLACES** {your neighbourhood}



**% tenant satisfaction with SBHA's contribution to the management of the neighbourhood they live in**



**Improving neighbourhoods**

We invested over £1.3million in programmes of work to enhance the safety, upkeep and appearance within neighbourhoods. This included installing LED stair lighting in 21 blocks, re-painting 20 communal stairwells, replacing communal flooring, grounds maintenance, as well as commencing our cyclical gutter cleaning programme introduced in the year. We plan to continue our 6-year environmental programme, investing in neighbourhoods to ensure these remain safe places to live.

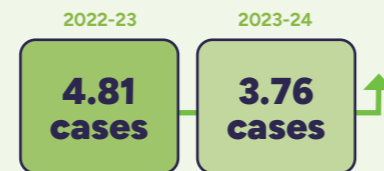
Tenant satisfaction with our contribution towards the management of neighbourhoods increased significantly in the year to 70%, up from 61% in 2022-23. We will continue to work with Tenants and communities to identify priority projects to enhance the neighbourhood.



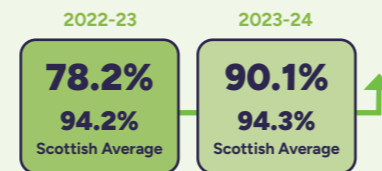
**Managing anti-social behaviour**

We believe everyone has the right to live in a safe and peaceful environment and take reports of anti-social behaviour seriously. We received 212 reports of anti-social behaviour in the year, a reduction from 270 the previous year, and we resolved 90% of these – up from 78% in 2022-23. This has been achieved through the dedicated efforts of the team and strengthened partnership working with local agencies, Police and communities. More Tenants advise that they feel safe in the neighbourhood as a place to live (87%).

**Anti-social behaviour cases reported for every 100 homes**



**% of cases resolved within locally agreed target times**



{your repairs service} **GREAT PLACES**



**Repairs performance**

We understand how crucial it is to our Tenants that their homes are well-maintained and that repairs are handled promptly and to a high standard. In the past year, we completed over 16,010 repairs, including 3,103 emergency repairs, achieving an 81% 'right first time' completion rate. Our emergency repair performance remains strong, surpassing the Scottish average and meeting our internal targets, however, we acknowledge that the average completion time for non-emergency repairs has increased, and we know we need to improve.

In the year, we established a joint working group with Tenants to understand the customer journey and identify key areas to improve this service, helping to inform our Service Improvement Plan. A primary focus of this plan is to improve communication with Tenants regarding repairs and speed of service, as well as keeping Tenants informed of the progress of their repair.

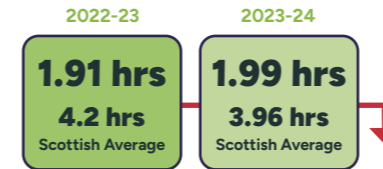
Through these efforts, we are committed to delivering a faster, higher-quality repairs service, ensuring that Tenants' experiences with this essential service continue to improve.



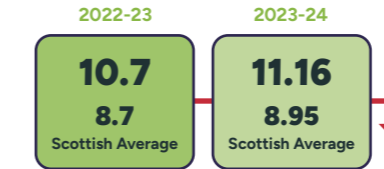
**16k+**  
number of repairs carried out in 2023-24



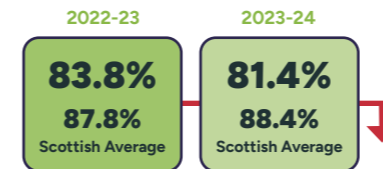
**Average time (in hours) to complete emergency repairs**



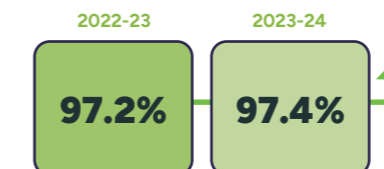
**Average time (in days) to complete non-emergency repairs**



**% of repairs completed right first time**



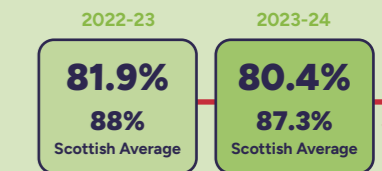
**Repairs appointment system - appointments kept with tenants**



**Tenant satisfaction with the repairs service**

Tenant satisfaction with our repairs service has shown a slight reduction over the year. Recognising that the repairs service is central to overall Tenant satisfaction, we have prioritised improvements in this area as a key objective for the coming year. We have also introduced transactional surveys to capture real-time feedback from Tenants after repairs are completed, allowing us to address concerns and enhance service quality closer to the time of the repair being carried out.

**% of tenant satisfaction with repairs service**





### SMART INVESTMENT CHOICES {new homes}



# 49

new affordable homes provided in 2022-23 and 2023-24



# 43

more affordable homes to be delivered in 2024-25



## this year...

We were delighted to welcome Tenants into their new homes in time for Christmas 2023, following completion of six new cottage flats at Glensax Place in Peebles.



## Meeting housing need

We play a pivotal role in meeting the growing demand for affordable, safe and quality homes in the Scottish Borders. We continued to progress our new-build development programme over the year, investing over £4m in new build activities, including the completion of 33 new homes supported by grant funding from Scottish Government and Scottish Borders Council, as well as our own private finance.

By the end of 2023-24, we held land to support the future development of up to 90 new homes locally with a commitment to continue to expand this in the future to continue to increase the supply of much needed new homes.

## Building community benefits

We are currently on site at Burnfoot (above left), where we will deliver 16 homes across two sites. Our contractor has delivered wider community benefits, with donations to the local community hub, and children's activity group at the local primary school as well as providing work for a range of local trades contractors and suppliers.



## New ways to meet housing demand

In order to increase the supply of homes across the Borders, we have explored a range of different routes. As well as widening options for key workers through increasing our portfolio of mid-market homes from 3 to 13, during the year we agreed an 'off-the-shelf' purchase from a locally-based developer at Crawford Street in Kelso, for five new homes. While some challenges remain within the construction sector, broadening the range of approaches that we take allows us to continue to make more homes available to those who need them.



## Sustainable building

As part of our commitment to sustainability, we are actively looking for ways to regenerate homes that are no longer fit for purpose. We are delighted to report excellent progress on our innovative development at Whitefield Crescent in Newtown St Boswells, where we are reconfiguring eight bedsit flats into four 2-bedroom homes. The new design reuses much of the existing structure rather than demolishing and building new, thereby minimising environmental impact. This project also contributes to the local economy with a range of local jobs supported and new apprenticeships created.

We are also now on-site in Jedburgh and Hawick with an innovative project to turn underused garages into one and two-bedroom homes, allowing us to make use of land we already own to offer accessible housing options to those who need them, in the heart of the community. The use of existing structures again minimises waste.

All of our new build homes are designed to be Net Zero at point of use. Our homes at Glensax Place in Peebles, completed in Winter 2023, were the last to feature gas boilers. We want to make sure that Tenants are able to heat their homes affordably, and we are making use, wherever possible, of renewable technologies to reduce energy costs.







### ONE TEAM {a supportive working environment}

We invest in our people, recognising that they are key to our success. Equipping our people, supporting their wellbeing, and empowering them to deliver is essential for developing the agile and diverse workforce required for the future.

#### Fair work

As an accredited Living Wage Employer since 2020, we achieved Living Hours accreditation in November 2023, becoming the first Housing Association in Scotland to do so. This achievement underlines our commitment as a Fair Work employer to fairness and equality in employment, our contribution to a fairer economy and our determination to attract and retain the best people.

We also promote Fair Work principles through our procurement practices, ensuring suppliers' and contractors' commitment to these values.

We will continue to enhance employee engagement through our established team forums including the Employee Strategy Group, Healthy Living Group, and Communities of Excellence focus groups.



### this year...

83 people attended bespoke Customer Services training provided in partnership with Borders College.



96

work placements since 2012



26

Bitesize mental health sessions last year



13

apprentices supported in the year, directly and through supply chain commitments



#### Customer service skills

In the past year we have invested in the development of our Teams through a range of individual, team and organisational activities. A strong focus has been on Customer Service Excellence and a partnership with Borders College has delivered bespoke Customer Services training across our frontline teams. In addition, awareness raising around domestic abuse and health and safety training took place to ensure our Tenants and our Team are kept safe.



#### Investing in green skills

Aligned with our More Sustainable Steps Strategy, we are committed to building the necessary skills within the Borders region to meet the demands of a Net Zero future. To support this, we, alongside local contractors, are upskilling our teams through Green Skills courses at Borders College, covering sustainable construction, renewable energy, and advanced ventilation. This collective effort ensures we are well-prepared to address the challenges ahead.



#### Supporting the future workforce

As well as hosting apprenticeships within the Association, we are committed to developing the future workforce more widely – working with partners such as Developing the Young Workforce (Borders), Skills Development Scotland, Borders College, Scottish Borders Council and local schools to support young people to develop the skills they will need in their future working lives. Our Team members participate in school careers fairs and workshops as well as sharing best practice in engaging the young workforce.

#### Equality, diversity and inclusion

This year we launched our More Inclusive Steps strategy and action plan reflecting our value of Everybody Matters to care and respect people in all our dealings, being inclusive, sensitive and responding to diverse needs. Equalities Ambassadors will take forward work to continue to foster and embrace equality, diversity and inclusion.



## RESILIENT BUSINESS {good governance}



**Robin Hill**  
Chair

Appointed Member  
Joined 24 February 2016



**David Bell**

Appointed Member  
Joined 7 December 2023



**Matt Foreman**

Elected Member  
Joined 1 December 2022



**Michael Grieve**

Elected Tenant Member  
Joined 23 March 2023



**Ian McDonald**

Appointed Member  
Joined 20 October 2017



**Philippa Brosnan**  
Vice Chair

Elected Non-Tenant Member  
Joined 28 March 2019



**Anthony Burnette\***

Elected Tenant Member  
Joined 14 September 2023



**Tracey Glover**

Elected Tenant Member  
Joined 8 September 2021



**Michael Levack**

Appointed Member  
Joined 30 May 2019



**Kenny Simpson\***

Casual vacancy  
Joined 14 September 2023

\*Stood down at the 2024 AGM

## SBHA's Board of Management

SBHA is overseen by a Board of Management made up of 12 members, including eight elected members (four of whom are SBHA Tenants) and four appointed members. The governance structure is further supported by three Sub-Committees: Audit and Compliance, the Customer Board, and Remuneration and Nominations. The Customer Board is composed of four Board Members and three independent members.

The Board of Management holds collective responsibility for setting and overseeing SBHA's strategic direction, business and financial plans, and managing risk. It also ensures compliance with statutory and regulatory requirements, including the Scottish Housing Regulator's (SHR) regulatory framework. The Board's leadership and guidance have been crucial in helping SBHA navigate recent challenges. Additionally, the Board is required to submit an Annual Assurance Statement to the SHR to confirm SBHA's compliance with all applicable requirements and standards. The 2023 Statement can be found opposite.

Our thanks to John Paton-Day and David Cressey, who stood down during the year, and to Eric Glass who stepped down from the Board of Management but continues to serve on the Audit and Compliance Sub-committee.

We were saddened to learn of the passing of Allen Tills earlier this year. Allen gave generously of his time to both SBHA Board and SBTO over the years, and he is much missed.

### Members of the Customer Board

**Convener** Michael Levack

**Members** Matt Foreman, Tracey Glover, Ray Licence, Ian Macdonald

### Members of the Audit and Compliance Sub-Committee

**Convener** Ian McDonald

**Members** David Bell, Philippa Brosnan, Eric Glass, Michael Grieve



## {assurance statement} RESILIENT BUSINESS

## 2024 Annual Assurance Statement

On behalf of SBHA's Board of Management, I confirm that we have appropriate assurance that SBHA complies with:

- all relevant regulatory requirements set out in Chapter 3 of the Regulatory Framework
- all relevant legislative duties
- the Standards of Governance and Financial Management
- all relevant standards and outcomes in the Scottish Social Housing Charter

The Board of Management is satisfied that, to the best of our knowledge, SBHA is compliant with the requirements of Chapter Three of the Regulatory Framework and the Regulatory Standards of Governance and Financial Management. We have gained this assurance from a review of a comprehensive bank of evidence and from our ongoing oversight and scrutiny of SBHA's affairs throughout the year (2023-24).

The evidence bank combines reports, policies, advice and information which the Board monitors and oversees on an ongoing basis throughout the year to provide continuous assurance that SBHA is compliant. Additionally, the evidence bank incorporates relevant documents and information that contribute to our assurance and which form the structure of SBHA's business and governance activities. For additional assurance, we have obtained external support from our Internal Auditors that our evidence bank is robust and supports compliance with the Regulatory Standards.

In reviewing our compliance with the Regulatory Framework, we are assured that we have established appropriate systems in place for the collection of equalities data. We are assured that we are working towards using this data to take account of equality and human

rights issues in our decisions, policy-making and day-to-day service delivery.

We are satisfied that we meet all of our duties in relation to tenant and resident safety. In particular, we have gained the necessary evidence-based assurance of our compliance in respect of duties relating to gas, electrical, fire, water and lift safety and our obligations relating to asbestos, damp and mould. We have sought specialist external advice to monitor our compliance in some of these areas and to support our assurance. We have completed an assessment into the potential presence of RAAC in our stock and confirm that none has been identified.

In reviewing compliance, we have adopted an improvement focus and have also identified a number of improvement actions which we will progress during the course of the year. To support effective implementation, these actions form an Improvement Action Plan which will be monitored by the Board at agreed intervals to ensure successful achievement. We have reviewed the identified actions in the Improvement Action Plan and are satisfied that all are intended to deliver effective improvement and that none are material to our current compliance with the Framework.

We recognise that we are required to notify the SHR of any changes in our compliance during the course of the year and are assured that we have effective arrangements in place to do so.

As Chair, I was authorised by the Board of Management on 29th October 2024 to sign and submit this Assurance Statement to the Scottish Housing Regulator. This Assurance Statement is being published on our website on the same date that it is submitted to the SHR.

**Robin Hill, Chair of SBHA's Board of Management**



The annual stock tour is an opportunity for Board members to meet Tenants and Team members, and hear about challenges and successes on-site.

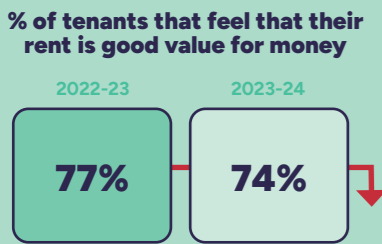
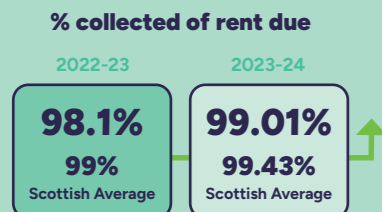
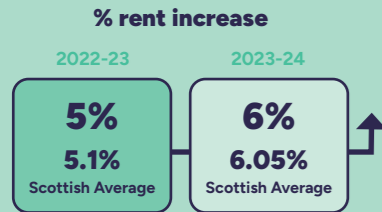
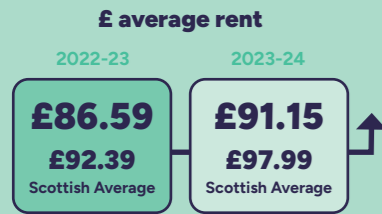


## RESILIENT BUSINESS {value for money}

### Keeping rents affordable

During 2023 we consulted widely with Tenants, using a range of survey methods as well as in-person events, on a major review of the way in which our rents and services charges are applied. Following on from Tenant feedback, we created a new charging system that is modernised, fairer and easier to understand. The transition to the new policy will take around 5 years to fully implement in order to protect those who are most adversely affected – a vital consideration during a cost of living crisis.

This review was in addition to our yearly consultation with Tenants on rent levels for the following year. Listening to Tenant feedback alongside our use of the SFHA's rent affordability tool, and mindful of the impact of the rent and service charge review, we ensured the smallest increase possible for the year 2024-25 – 6% – to allow us to continue to maintain the balance of affordability with high-quality services.



### Benchmarking

Benchmarking shows where SBHA's costs sit relative to other Housing Associations in a selected peer group and allows for effective decision making on how to allocate resources to get the right balance between performance, quality and cost. This highlights SBHA's continued high investment in its homes, whilst maintaining lower than average overhead costs.



£ PER HOUSEHOLD	LOWEST	SBHA	HIGHEST	MEDIAN*
HOUSING MANAGEMENT	£332	£413↑	£823	£546
RESPONSE & EMPTY HOMES	£659	£898↑	£1,435	£1,162
MAJOR WORKS & CYCLICAL MAINTENANCE	£811	£1,993↓	£2,668	£1,587
% OF ADJUSTED TURNOVER	LOWEST	SBHA	HIGHEST	MEDIAN
OVERHEADS	12.12%	12.64%↓	20.28%	14.56%

\* Median – the median is the middle figure rather than an average, this ensures that landlords with either very high, or very low costs do not skew the figures in one direction.



### Procuring goods, services & works

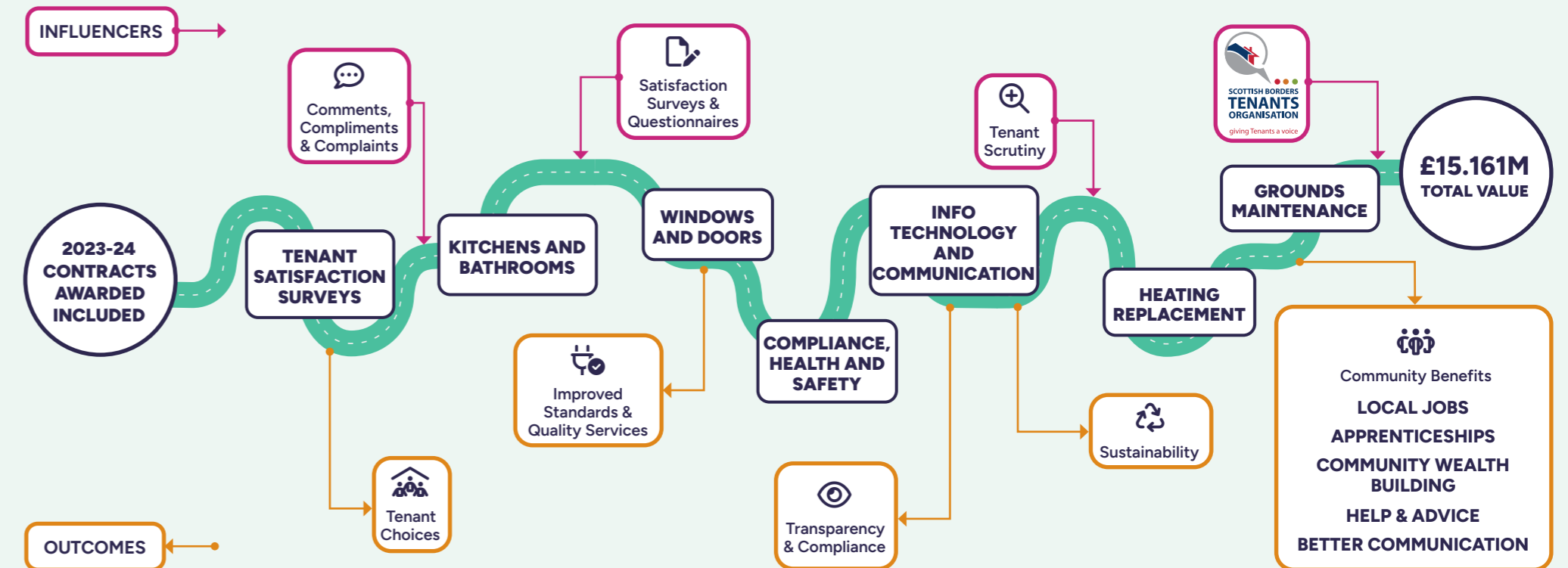
#### DELIVERING VALUE FOR MONEY & SUPPORTING LOCAL BUSINESSES

Effective procurement ensures that we're able to deliver the best goods and services at the best price, positively impacting the environment, carbon footprint, biodiversity, local economy and local supply chain capability, capacity and skills. Our roadmap below illustrates the factors which influence our procurement journey, as well its outcomes. The end result is a range of benefits including support for the local economy and for community projects.



54

total number of contracts awarded in 2023-24





## RESILIENT BUSINESS {financial highlights}

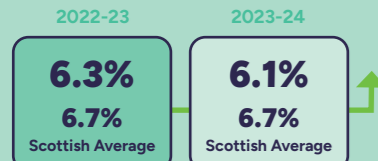
### Highlighting the last financial year

SBHA's net income from rents and service charges increased by 4.8% on the previous year. This reflected the objective of keeping rents affordable and maximising rental income through minimising empty homes rent loss and non-payment of rent. Operating costs increased by less than 1%, reflecting the budgeted real reduction in overheads, lower bad debt expense and planned maintenance slippage. As a result, SBHA's operating surplus was 25% higher than the prior year. The total comprehensive income for the year was significantly less than the previous year, because of the actuarial

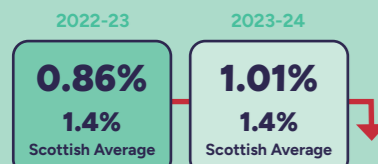
(non-cash) gain on the defined benefit pension scheme included in the prior year accounts. Surplus for the year before actuarial gains was higher, due to the significant increase in interest receivable in the year.

A strong financial position was maintained, with fixed assets increasing through the planned maintenance programme as well as £4m investment in new properties, including those in progress through the development programme, in the year.

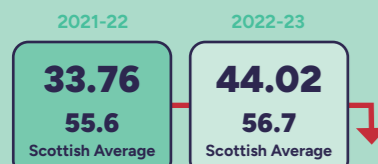
#### total rent arrears as a % of gross rental income



#### empty homes rent loss as a % of rental income

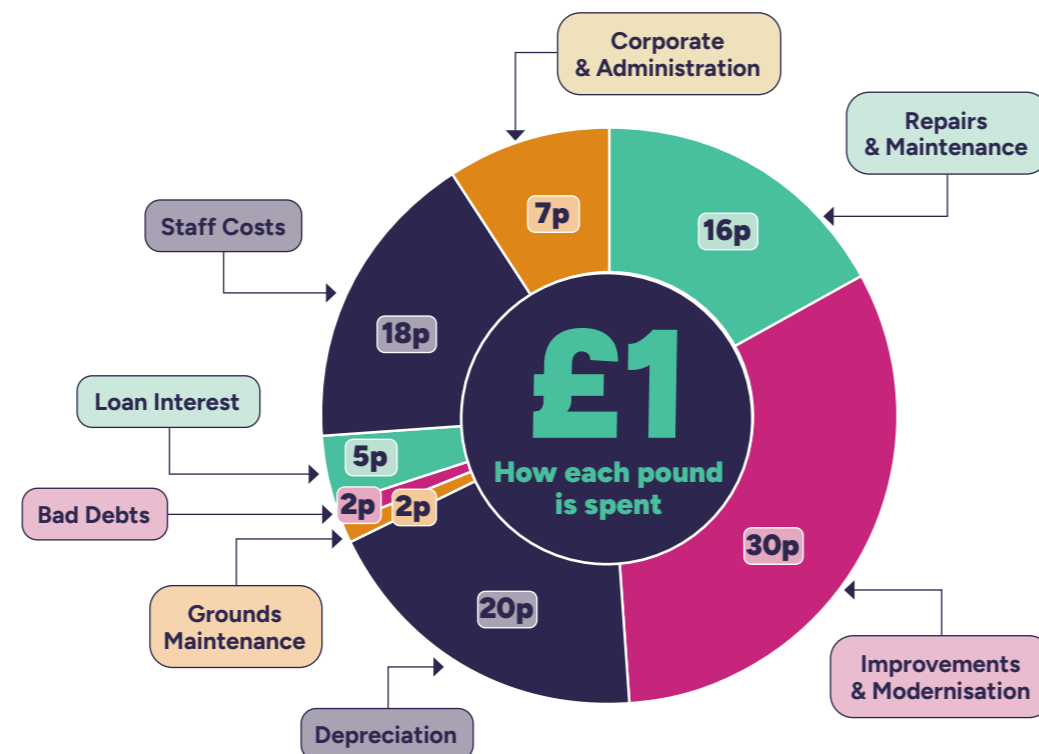


#### average days to re-let empty homes



## this year...

We achieved Cyber Essentials Plus accreditation, becoming one of the first Housing Associations in Scotland to do so and underlining our commitment to digital security.



### Statement of Comprehensive Income as at 31 March 2024

	2024	2023
	£	£
<b>Turnover</b>	<b>27,543,198</b>	<b>26,084,598</b>
Operating Expenditure	(20,496,195)	(20,389,826)
(Loss) on disposal of property, plant and equipment	(540,130)	(478,825)
<b>Operating Surplus</b>	<b>6,506,873</b>	<b>5,215,947</b>
Interest receivable	1,095,274	88,936
Interest payable and financing costs	(1,274,886)	(1,244,991)
<b>Surplus/(Deficit) for the Year</b>	<b>6,327,261</b>	<b>(4,059,892)</b>
Actuarial gain in respect of Pension Scheme	461,000	13,276,000
<b>Total Comprehensive Income for the Year</b>	<b>6,788,261</b>	<b>17,335,892</b>

The results relate wholly to continuing activities.

### Statement of Financial Position as at 31 March 2024

	Note	2023	2022
		£	£
<b>Fixed Assets</b>		85,823,281	81,436,746
<b>Current Assets</b>			
Stock	13	83,810	86,491
Trade and Other Debtors	14	2,765,280	2,721,379
Cash at bank and in-hand		12,962,765	24,456,647
		30,935,171	27,264,517
<b>Current Liabilities</b>			
Creditors: Amounts falling due within one year	15	(6,088,332)	(6,082,212)
Total Assets less Current Liabilities		110,670,120	102,619,051
Creditors: falling due after more than one year	16	(50,075,380)	(47,759,555)
Defined Benefit Pension Asset	24	13,844,000	12,791,000
		(36,231,380)	(34,968,555)
<b>Total Net Assets</b>		<b>74,438,740</b>	<b>67,650,496</b>
<b>Total Reserves</b>		<b>74,438,740</b>	<b>67,650,496</b>

The figures shown in this report are an extract of SBHA's Report and Financial Statement for the year ending 31st March 2024. This statement reflects Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for registered social landlords. Copies of the full accounts are available on our website at [www.sbha.org.uk](http://www.sbha.org.uk)

#### External Auditors

RSM UK Audit LLP  
Chartered Accountants  
First Floor Quay 2  
139 Fountainbridge  
Edinburgh  
EH3 9QG

#### Internal Auditors

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Artillery House  
Fort Fareham  
Newgate Lane  
Fareham  
Hants  
PO14 1AH

#### Solicitors

Harper Macleod LLP  
The Ca'd'oro  
45 Gordon Street  
Glasgow G1 3PE

#### Bank/Funder

Royal Bank of Scotland  
36 St Andrew Square  
Edinburgh  
EH2 2YB



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HOUSING ASSOCIATION

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#### Freephone

0800 0193 222

[www.sbha.org.uk](http://www.sbha.org.uk)



See our homes to rent  
[www.sbhahomechoice.org.uk](http://www.sbhahomechoice.org.uk)



Talk to Scottish Borders Tenants Organisation about the range of opportunities to get involved - get in touch via the Tenant Engagement and Communication Team at **0800 0193 222** or email [communications@sbha.org.uk](mailto:communications@sbha.org.uk)

