







building our impact by creating growth

SBHA

SCOTTISH BORDERS HOUSING ASSOCIATION

ANNUAL REPORT 2025-26

Delivering Excellence Together | Being Responsible | Always Improving | Everybody Matters

Welcome to SBHA's Annual Report

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



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.



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.

contents

18

16

14

12

6

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.



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.



GREAT CUSTOMER SERVICE

Supporting Tenants at home and beyond

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











SCOTTISH BORDERS TENANTS ORGANISATION
giving Tenants a voice

This combined Annual Report and Landlord Report provides information on our performance in 2025-26.

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.

In this report, we show how we are performing against standards and outcomes set out in the **Scottish Social Housing Charter**. We include comparison data on how we performed in 2025-26 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 ↘

SBHA
SCOTTISH BORDERS HOUSING ASSOCIATION











Welcome to SBHA's Annual Report

Welcome to Scottish Borders Housing Association's Annual Report for 2025-26, in which we share the highlights of our achievements, and show how we are building our impact by creating growth.

It has been a privilege to serve my first year as Chair during a year of both progress and transition for SBHA. During the year, we said farewell to former Chair Robin Hill and to Julia Mulloy, who retired as Chief Executive, and thanked them both for their significant contribution to SBHA. Both helped establish strong foundations that give us confidence for the future.

This was also the first year of our 2025-30 Strategic and Business Plan, developed with tenants, the Scottish Borders Tenants Organisation, colleagues, Board members and partners. It sets out our ambitions for the years ahead: better outcomes for tenants, more and better homes, strong communities and an organisation that is resilient and ready for the future.

We are working towards these ambitions in challenging circumstances. The need for affordable homes remains acute, household finances continue to be under pressure, and the sector faces significant choices about investment, climate change and the future of our homes. In the Scottish Borders, distance, transport, digital connectivity, contractor capacity and higher building costs bring additional challenges.

As one of the Scottish Borders' major housing providers, employers and investors, SBHA also has an important role in supporting the strength and sustainability of the regional economy and our communities. Strong governance, careful financial planning and effective partnerships are essential to fulfilling that wider role.

Against this backdrop, SBHA has continued to make good progress. We ended the year in a strong financial position, and the Board approved a revised 30-year Business Plan to support our longer-term ambitions. We invested £15.8m in existing homes, increased the supply of new affordable homes, progressed important regeneration and development projects, and retained Customer Service Excellence accreditation.

As a Board, our responsibility is not simply to oversee this progress, but to ensure it translates into better homes, services and outcomes for tenants and communities. There is much to be proud of this year, and we remain ambitious about what comes next, continuing to learn, improve and build on what we have achieved.

None of this happens without people. On behalf of the Board, I would like to thank our tenants and SBTO, our colleagues and partners, my fellow Board members and everyone who has contributed during the year.

As Chair, I look forward to working with Maria Lyle and the wider team as we move into the next year of our Plan. We have a clear direction and a shared commitment to delivering better homes, services and outcomes for tenants and communities across the Scottish Borders.

Ian McDonald
Chair

5735
homes

171
team members

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 and we drive sustainable growth to ensure a fair, prosperous future for all.

I am honoured to have taken up the role of Chief Executive. Having been part of SBHA for many years, I am proud of the progress we made during 2025-26 and, above all, of the commitment our colleagues bring to supporting tenants and communities across the Scottish Borders.

Housing is about much more than providing homes. A safe, secure and affordable home gives people stability and provides a foundation from which they can build their lives. That is why the quality of the homes and services we provide matters.

During 2025-26, we saw improvements across many of the services that matter most to tenants, including the repairs service. These improvements reflect tenants' everyday experience and the quality of service they receive from us.

We also stepped up investment in our homes and communities, improving existing homes while increasing the supply of much-needed affordable housing. Howdenburn, our wider development programme and Garages to Homes demonstrate the different ways we are responding to housing need across the Borders. This investment also supports jobs, skills, local businesses and community benefits, reflecting SBHA's wider role as a community anchor in the region.

We continued to make better use of technology, data and insight to understand tenants' needs, inform our decisions and improve how we deliver services. For SBHA, innovation is about using the information and tools available to us to make services more responsive, give tenants greater choice and target our resources where they can make the greatest difference.

Listening to tenants is equally important in shaping how we improve. Through SBTO, consultation, scrutiny and everyday feedback, tenants continue to influence our services and decisions. Meaningful engagement means listening, responding and being clear about the choices we make.

I am grateful to colleagues across SBHA, and to our tenants, Board, SBTO and partners, for their contribution, support, challenge and insight throughout the year. What we have achieved reflects a shared commitment to our tenants and communities.

I am proud of what we have achieved together. Our focus now is to build on that momentum, continuing to deliver good homes and services and making the most of opportunities to support tenants and communities across the Scottish Borders.

Maria Lyle
Chief Executive



One of Julia Mulloy's final tasks before retiring as Chief Executive was to cut the ribbon at the official opening of SBHA's biggest-ever development, of 70 new homes at Howdenburn in Jedburgh, in May. She was joined by Carol Hamilton, Scottish Borders Council's Executive Member for Housing and Culture.



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.

ALWAYS IMPROVING

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

EVERYBODY MATTERS

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

GREAT CUSTOMER EXPERIENCE

47%
of lets were made to homeless households

673
people helped through our financial support services

£541k
extra income generated through provision of support services

During 2025-26, we continued to strengthen how we listen and respond to tenants, using feedback and insight to shape improvements to our services. Overall satisfaction remained broadly stable at 78%, and we remain focused on building on the areas tenants value while addressing those where their experience can be better.

Strengthening customer services

In the year, our focus was on developing a clearer understanding of tenants' experiences and using that insight to improve how we communicate and deliver services. Our independent Tenant Satisfaction Survey, transactional surveys and feedback from SBTO helped us understand what tenants value and where their experience could be better. We used this insight to inform decisions, communications and customer information, while our new website provided more ways for customers to access services and report issues online.

This work was independently recognised through our first annual Customer Service Excellence review. We retained our accreditation and moved two areas previously assessed as partially compliant to full compliance.

We will continue our focus on providing a more consistent customer experience, keeping tenants better informed while enquiries or work are ongoing, and showing more clearly how their feedback leads to action. We will use satisfaction data and tenant insight to understand where experiences differ and target improvement where it is needed most.



% tenant satisfaction with SBHA's overall service

2024-25

77.7%
86.9%
Scottish Average

2025-26

78.4%
87.6%
Scottish Average



Digital connection

During 2025-26, we set out to improve digital connectivity for tenants.

Reliable internet access supports everyday life, from accessing services and managing tenancies to education, employment and staying connected.

Working with partners, we completed the second phase of broadband infrastructure upgrades, extending superfast broadband to more homes.

In 2026-27, we will broaden our focus to digital access, affordability and resilience, promoting social broadband tariffs and supporting tenants through the analogue-to-digital telephone switchover.

We will continue working with partners and suppliers to tackle digital exclusion and explore opportunities to improve connectivity across communities.

92.92%
tenancy sustainment increased to its highest-ever level in 2025-26





Playing our part to address the housing emergency

We are committed to playing our part in the housing emergency by increasing affordable housing supply, making best use of existing homes and strengthening homelessness prevention and tenancy support.

During the year, we delivered much-needed new homes, let 47% of available homes to households experiencing homelessness and increased temporary accommodation for Scottish Borders Council. We also reviewed our Allocations Policy with tenants to ensure it continues to respond to changing housing need.

Preventing homelessness is equally important. We worked with tenants experiencing financial or other difficulties to provide support that helps them remain in their homes and sustain their tenancies. Tenancy sustainment reached a record 92.92%, demonstrating the value of early support and intervention.

In 2026-27, we will continue working with tenants, the Council and partners to increase affordable housing supply, make best use of existing homes and strengthen prevention and tenancy support, helping more households secure and sustain a safe, suitable home.

Listening to Customers

What tenants tell us helps us understand what they value and where we can make their experience better. During 2025-26, feedback reinforced the importance of clear communication, regular updates and knowing who is dealing with an enquiry, particularly when issues take longer to resolve.

We used this learning to make practical improvements, including more regular updates during Planned Maintenance, changes to customer letters and policies, a strengthened approach to complex enquiries and frontline training focused on resolving concerns earlier. Compliments also help us recognise what tenants value and share good practice across our teams.

We will build on this learning by strengthening communication and ownership, reducing avoidable delays and using recurring themes to improve services and prevent issues recurring.



Improving access to financial support

During 2025-26, we wanted to make it easier for tenants to find and access financial support at a time when household budgets remained under pressure.

We introduced Lightning Reach, a digital platform bringing information on benefits, grants and other support together in one place.

LIGHTNING REACH KEY STATS

555
TENANTS ACCESSED THE PLATFORM

204
TENANTS ENGAGED WITH SUPPORT

£53,146
ADDITIONAL HOUSHOLD INCOME IDENTIIFIED

More than 500 people accessed the platform, helping tenants identify support they may otherwise have missed. Importantly, the platform complements the advice and personal support available through our teams, giving tenants another way to find help when they need it.

Tackling fuel poverty

Energy costs continued to place pressure on household budgets during 2025-26, making our work to improve the warmth and affordability of homes increasingly important.

As part of the Kight PowerHub battery pilot across the south of Scotland, three SBHA tenants are trialling pioneering energy storage systems, benefiting from additional warmth and savings on their energy costs. Alongside this, our partnership with Changeworks is helping us build a stronger evidence base to inform future approaches to improving energy efficiency and reducing carbon emissions.

The learning from these projects will help shape future investment in ways that work for our homes and tenants, while preparing our homes for the anticipated Social Housing Net Zero Standard. We will continue to explore practical, affordable approaches to improving energy performance, seek further funding and use evidence to inform our longer-term investment plans.

Keeping Tenants warm and well

During 2025-26, our Warm & Well activity brought SBHA teams and partner organisations into local communities, making it easier for tenants to access joined-up advice and support close to home.

The events provided practical help on energy, household finances, health and wellbeing and sustaining a tenancy, with more than 150 people attending. They also gave us valuable opportunities to hear directly from tenants about the pressures they were experiencing.

We will build on what we learned, continuing to work with partners to make support accessible in local communities and to connect tenants with practical help that can make a difference to their household finances, wellbeing and ability to keep their home.

It's unbelievable that my bill has dropped to half of what I was paying two months ago.

I'm saving money but also helping to reduce carbon emissions. It is a win-win scenario.

Jan Davies, one of the first tenants in the South of Scotland to take part in the Kight Powerhub pilot.



Keeping homes warm and healthy

Damp and mould can affect the quality and comfort of a home and, importantly, pose a risk to tenants' health and wellbeing. During the year, we strengthened our approach to resolving damp and mould issues, recruiting a dedicated team for complex cases, prioritising our response where a tenant's circumstances mean they may be at greater risk, and expanding the use of sensors in higher-risk homes.

New Scottish Housing Regulator reporting requirements are also giving us better information about cases and performance, helping us understand where further improvement is needed.

Our next step is to strengthen prevention and earlier intervention. We will make greater use of information from individual cases, our homes and environmental monitoring to identify risks earlier and target action. The introduction of Awaab's Law in Scotland on 6th October 2026 requires landlords to investigate damp and mould and start necessary repairs within set timescales. Our strengthened approach has helped prepare us for these new duties and we will continue to monitor and develop our response.

Average time to resolve Damp and Mould cases (days)

2025-26

30.59

25.7
Scottish Average

% of Damp and Mould cases resolved in the year that were re-opened

2025-26

5.78%

8.3%
Scottish Average



Safer homes

Keeping tenants safe in their homes is paramount and central to our responsibilities as a landlord. During 2025-26, gas servicing achieved 99.98% compliance, with just one property outside the required timescale. 99.53% of homes had a valid electrical safety report, with most exceptions relating to empty homes awaiting refurbishment.

Our wider approach to health and safety was also independently recognised, progressing from a RoSPA Bronze Award in 2025 to Gold in 2026. This provides additional assurance of the robust standards and practices we have in place to manage health and safety.

We will continue to maintain high standards, address exceptions promptly and manage risks effectively, helping tenants feel safe in their homes.

2026 RoSPA Gold Award

Improving the repairs service





% of tenant satisfaction with repairs service

2024-25	2025-26
81.1%	84.2%
86.8% Scottish Average	88.1% Scottish Average

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

2024-25	2025-26
10.50 days	10.39 days
9.1 days Scottish Average	8.7 days Scottish Average

% of repairs completed right first time

2024-25	2025-26
84.20%	97.98%
88.0% Scottish Average	95.3% Scottish Average

Average time (in hours) to complete emergency repairs

2024-25	2025-26
1.85 hrs	1.97 hrs
3.9 hrs Scottish Average	3.5 hrs Scottish Average

Repairs appointment system - appointments kept with tenants

2024-25	2025-26
97.3%	97.9%

15.8k+

number of repairs carried out in 2025-26

Repairs remained a key area of focus during 2025-26 because tenants consistently tell us that the quality and reliability of the repairs service has a significant bearing on their experience of SBHA.

During 2025-26, we completed nearly 16,000 reactive repairs. Satisfaction with the service increased from 81% to more than 84%, while emergency repairs averaged around two hours, compared with 3.5 hours nationally. Our reported right-first-time performance was 98%, also above the Scottish average of 95.3%.

These results are encouraging across a large, rural operating area, where delivering repairs across dispersed communities can be challenging. However, satisfaction remains below the Scottish average of 88.1%, and our non-emergency repair time of around 10.4 days compares with 8.8 days nationally, so we know there is more to do.

In 2026-27, we will build on the improvements made, focusing on the consistency of the repairs experience, reducing non-emergency repair times and keeping tenants well informed throughout their repair.

Listen and Act – Voices Together

Tenants are at the heart of SBHA, and their experience of our homes, services and communities helps us make better decisions and improve outcomes. During 2025-26, we worked with tenants and SBTO to build on our previous engagement approach and develop the next Voices Together strategy, supporting our Strategic Plan commitment to Listen and Act.

Satisfaction with opportunities to participate remained high at 89%, above the Scottish average, although slightly lower than the previous year's 93%. We want to build on this strong position by reaching a wider range of tenants and communities, removing barriers to involvement and ensuring everyone has the opportunity to have their voice heard.

In 2026-27, our focus will be on putting Listen and Act into practice: widening opportunities to participate, strengthening tenant scrutiny and acting on what we hear. We will also make it clearer how tenant involvement has influenced decisions and contributed to better homes, services and communities.











% tenant satisfaction with opportunities to participate

2024-25	2025-26
92.7%	88.6%
86.3% Scottish Average	88.1% Scottish Average

% tenant satisfaction with keeping them informed

2024-25	2025-26
82.2%	82.9%
90.0% Scottish Average	91.4% Scottish Average

SCOTTISH BORDERS TENANTS ORGANISATION

giving Tenants a voice

Working in partnership with SBTO





Our partnership with the Scottish Borders Tenants Organisation (SBTO), the recognised tenant group, continues to be a key part of tenant influence within SBHA. Throughout the year, SBTO members worked alongside staff and tenants on a wide range of engagement, consultation and scrutiny activities, helping to shape service improvements and strategic priorities so that our services reflect tenant priorities and support great homes and vibrant communities.

SBTO members played an important role in developing the new Voices Together Customer Engagement Strategy and continued to support tenant scrutiny, policy and service consultations, events and communications. They contributed to governance and customer assurance through the Customer Board and audit and scrutiny activities, while community engagement included the Tenant Calendar Photographic Competition, the Summer Gardening Competition and development and consultation events across the Scottish Borders.

The organisation's commitment to meaningful tenant involvement was recognised nationally when it was named runner-up in the Tenant Group of the Year category at the TPAS Scotland Good Practice Awards. SBTO members also continued to represent Scottish Borders tenants nationally through tenant participation boards, conferences, training and webinars, sharing local experience, learning from best practice and bringing useful insights back to our communities. As we move forward, SBTO will remain a vital partner in embedding the Voices Together Strategy, strengthening opportunities to participate and ensuring that tenant voice and customer feedback continue to drive improvement across SBHA.

Scottish Borders Tenants Organisation Members at 31 March 2026

GORDON SAUNDERS (Chair)	Fountainhall
DOMINIC BROOKES (Vice Chair)	Kelso
MARGARET GRAHAM (Treasurer)	St Boswells
STEPHANIE NEWINGTON (Secretary)	Peebles
DEREK ALLISON	Peebles
GEORGE GILCHRIST	Walkerburn
LYNDA GILCHRIST	Walkerburn
TRACEY GLOVER	Bowden
LORNA MANSON	Jedburgh
MARGARET McBROOM	St Boswells
JENNIFER SAUNDERS	Fountainhall
GREGORY THEOCHARIS	Hawick
MARLEN JONES (Hon Member)	Innerleithen
RALPH NICHOL (Hon Member)	Newcastleton
ANGELA SULO (Hon Member)	Bowden
ANGELA BARBER (Hon Member)	Innerleithen

Our thanks to Julie Black and Mary Saunders who stepped down during the year.



% of Tenants satisfied with the quality of their home

2024-25

81.12%
84.75%
Scottish Average

2025-26

77.25%
86.64%
Scottish Average

Homes fit for the future

Maintaining the quality of our homes remains a priority because it has a direct impact on tenants' everyday lives. Our aim is to provide warm, affordable, high-quality and low-carbon homes that are fit for the future. During 2025-26 tenants and their families benefited from significant investment in their homes, with £15.8 million in repairs and upgrades – 30% more than the previous year's £12.2 million.

We completed almost 2,000 major improvements, including new kitchens and bathrooms, heating systems, windows and doors, as well as adaptations to help tenants live more safely and independently. These upgrades are making homes warmer, more comfortable and better suited to tenants' needs.

By continuing to improve energy performance and plan for future Net Zero targets, we can help tenants enjoy greater comfort, manage household costs and feel confident that their homes will continue to meet their needs in the years ahead.

£15.8m
invested in homes last year





Upgrades delivered during the year

- **241** heating systems
- **88** adaptations
- **165** bathrooms
- **470** doors
- **266** sets of windows
- **268** kitchens

> **The tradesmen couldn't have been more polite and friendly, and I'm delighted with the work they've done.**

% of homes meeting Scottish Housing Quality Standard (SHQS)

2024-25

90.8%
87.2%
Scottish Average

2025-26

90.5%
89.5%
Scottish Average

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

2024-25

78.86%
84.23%
Scottish Average

2025-26

72.49%
84.94%
Scottish Average

Improving neighbourhoods

We continued to invest in neighbourhoods and shared spaces through our six-year environmental and neighbourhood investment programme. During the year, this included LED stair lighting in 103 blocks, internal redecoration to 26 communal stairwells, 20 new secure entry systems and the continued delivery of annual cyclical gutter cleaning programme.

Larger place-based investment also progressed at Croft Street, Galashiels, supported by £3m of Community Regeneration Partnership funding, with works with works on flat roof replacements and higher priority door entry systems completed and works on landscape improvement commenced together with planning for the replacement of higher priority stair screens. Alongside this, investment at Inchmyre, Kelso, continued to support improvements to homes and shared spaces.

Together, these projects show how targeted investment can address local priorities, improve the quality and safety of shared environments and support long-term asset performance.







Listening locally

Satisfaction with the neighbourhood fell from 78.86% to 72.49%. We know we need to better understand the reasons for this and tailor our response to the needs of individual communities. We are holding local events, inviting tenants and residents to share their views through open and honest conversations about the issues that matter to them.



% of anti-social behaviour cases reported in the year which were resolved

2024-25	2025-26
91.94%	**94.83%**
93.6% Scottish Average	**93.1%** Scottish Average

Anti-social behaviour cases reported for every 100 homes

2024-25	2025-26
3.28	**2.87**

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 165 reports of anti-social behaviour in the year, a reduction from 186 the previous year, and we resolved 95% of these – up from 92% in 2024-25. This has been achieved through the dedicated efforts of the team and strengthened partnership working with local agencies, Police and communities. More than ninety percent of tenants surveyed told us that they feel safe in the neighbourhood – the highest level to date for this indicator.

New affordable homes

We are making smart investment choices to help address the Housing Emergency, in order to ensure more people can access affordable homes in the communities where they live, work and have support networks. During 2025-26, we invested £14.7m in new-build homes, and delivered 74 homes for first let, including two for mid-market rent.

Our development programme is driven by housing need and focused on creating sustainable communities across the Scottish Borders using a range of delivery routes. Every new home we provide helps address unmet housing need, reduces pressure on homelessness services and gives more people the opportunity to live in a safe, secure and affordable home.

74

new affordable homes provided in 2025-26

73

homes are currently on-site





New homes for Howdenburn

A major milestone was the completion of our largest-ever development at Howdenburn in Jedburgh. The 70-home development demonstrates the scale of SBHA's ambition to deliver high-quality affordable homes where they are needed most, helping local people remain within their community and creating opportunities for households who may otherwise have struggled to access suitable housing. The project also delivered significant community benefits, including local employment and training opportunities, support for schools and early years provision, a community defibrillator, and cash and equipment donations to local groups.



this year...

Through our project at Howdenburn, our contractor, Cruden, delivered a STEM session at a local Primary School, as well as creating nine new jobs and supporting three new apprenticeships.



Flexible routes to new homes

Meeting housing need requires more than one delivery model. As land, funding and development opportunities become increasingly challenging, we are expanding the routes through which affordable homes can be delivered. This includes Section 75 planning obligations, purchases, regeneration opportunities and partnerships that allow us to respond flexibly to local needs and maximise opportunities wherever they arise.







Regeneration and reuse

Smart investment is not only about building on new sites – it is also about making better use of existing land and assets. Our project at Whitefield Crescent in Newtown St Boswells, which was completed in early 2025 and transformed eight low-demand bedsits into four modern family homes, was named Regeneration Winner at the 2025 Scottish Borders Design Awards, recognising how existing housing stock can be reimagined through careful design rather than demolition.

Our Garages to Homes project also delivered 13 accessible new homes by regenerating underused garage sites in Hawick and Jedburgh, bringing land back into productive use. The project was shortlisted in the Herald Property Awards for Innovation in Sustainable Construction and Design, and for the Inside Housing Awards in the category 'Best Regeneration Project'. Regeneration projects such these show how existing assets can be repurposed to meet changing housing needs, delivering better homes while making the most effective use of limited resources.

> **The property has given me a fresh start. I'm really pleased with it. It's revolutionary and hopefully more are built in the community as they are an asset to it.**
>
> Ellen Halliday
> New Tenant



Building the future pipeline

Tackling the housing emergency requires a long-term approach. While new homes completed this year will have an immediate impact, we must also ensure that future generations have access to affordable housing.

Looking ahead, construction is underway on 73 homes across Lauder, Selkirk, Melrose and Peebles, helping to increase housing supply in communities where demand remains high. These developments will provide much-needed affordable homes and support thriving, sustainable communities across the Scottish Borders.

We are also planning further ahead by securing land and widening the routes available to deliver new homes. During the year, we secured two additional sites in Galashiels, creating the potential to deliver up to 87 new homes in the future. Alongside our own developments, Section 75 planning obligations will provide another important route to affordable housing, helping ensure future opportunities are not missed and enabling mixed, sustainable communities to grow.

107

work placements since 2012

7

internal moves

7

apprenticeships directly supported this year

Our people are our strength. Across SBHA, colleagues continued to show the commitment, care and flexibility needed to deliver for tenants and communities throughout the Scottish Borders.

We continued to put Fair Work First principles into practice through fair pay, secure work and effective employee voice. Our Employee Strategy Group, Healthy Living Group and Health and Safety Working Group, alongside constructive relationships with recognised trade unions, gave colleagues opportunities to raise issues, influence decisions and help shape our workplace culture.

Investing in skills

We invested in learning and development to help colleagues build the confidence and skills they need now and in the future. Activity included growth mindset workshops, a digital skills audit and coaching for line managers on setting objectives.

We also reviewed our annual performance management cycle and introduced a clearer process linking individual objectives and development to SBHA's wider priorities. Leadership development, including AI-supported coaching, will continue in 2026/27.



Since joining SBHA, I have progressed thanks to the training, support and opportunities available to develop my career. These experiences have allowed me to build my skills, grow confidence and take on new challenges.

Hannah Kemp
Neighbourhood Assistant





Positive culture

Colleague wellbeing remained a priority, supported by occupational health, Working Health Services, our Employee Assistance Programme and regular bite-sized mental wellbeing sessions. Whole-team briefings also raised awareness of preventing sexual harassment in the workplace, while the PeopleSafe personal safety app, introduced during the year, provided additional reassurance for colleagues working across our communities.









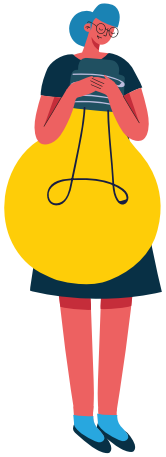


Growing future talent

Building future talent remained an important part of our One Team approach. This year, we continued to develop early careers pathways within SBHA, while using our partnerships and procurement activity to create wider opportunities across the Borders.

Through our links with Developing the Young Workforce, local schools and colleges, colleagues supported employer advisory activity, school engagement and work experience opportunities. These activities help young people better understand the range of careers available in housing, from customer services and tenancy support to property, development and construction.

Our supply chain also played an important role, creating 12 additional learning and employment opportunities in the local economy. By working with partners and contractors, we are helping to build skills beyond SBHA, supporting young people and new entrants while strengthening the future workforce our communities will rely on.



Looking ahead

In 2026/27, we will develop a new People Strategy and plan, continue to invest in learning and leadership development, and introduce competency and behaviour frameworks linked to recruitment, probation and performance. We will also prepare for changes in employment law, using them as an opportunity to strengthen the colleague experience.

this year...

We attended four careers fairs and 11 further events for young people, engaging directly with more than 300 attendees.



SBHA's Board of Management

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

Board Members bring a diverse mix of skills, knowledge and experience, supporting strong and effective governance. The Board has collective responsibility for setting and overseeing SBHA's strategic direction, business and financial plans, and approach to risk management. It must also ensure compliance with statutory and regulatory requirements, including the Scottish Housing Regulator's (SHR) regulatory framework. The Board's leadership and guidance have been vital in helping SBHA navigate recent challenges and embrace new innovations and opportunities.

Each year, the Board is required to submit an Annual Assurance Statement to the SHR, confirming SBHA's compliance with all applicable requirements and standards. The 2026 Statement can be found opposite.

Our thanks to Robin Hill, who stepped down as Chair and from the Board of Management at the 2025 AGM, and thank you to Ray Licence, who stepped down from the Board, for their valuable contributions over many years. A warm welcome to both Melissa Fogwill and Rob Brittain who were elected during the year.

Members of the Audit and Compliance Sub-Committee

Convener Philippa Brosnan
Members Michael Grieve, David Bell, Melissa Fogwill

Members of the Customer Board

Convener Michael Levack
Members Tracey Glover, Matt Foreman, Suzan Brown, Margaret Graham



Ian McDonald
Chair
Appointed Member
Joined 20 October 2017



Philippa Brosnan
Appointed Member
Joined 28 March 2019



Tracey Glover
Elected Tenant Member
Joined 8 September 2021



Michael Grieve
Elected Tenant Member
Joined 23 March 2023



Melissa Fogwill
Elected Tenant Member
(under Rule 40.2)
Joined 29 May 2025



Robyn Dodyk
Vice-Chair
Elected Non-Tenant Member
Joined 12 September 2024



Michael Levack
Appointed Member
Joined 30 May 2019



Matt Foreman
Elected Non-Tenant Member
Joined 1 December 2022



David Bell
Appointed Member
Joined 7 December 2023



Rob Brittain
Elected Non-Tenant Member
Joined 4 December 2025

2026 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 (2025-26).

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 effective to support 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 using this data to take account of equality and human rights issues in our decisions, policy-making and day-to-day service delivery.

We confirm that we have comprehensive, robust, up to date information about the construction, components and condition of our homes. We use this information to ensure the safety of our tenants' and residents' homes and to inform our asset management and financial planning.

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 17 September 2026 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.

Ian McDonald,
Chair of SBHA's Board of Management





£ average rent

2024-25	2025-26
£97.02	£102.32
£103.37 Scottish Average	£108.23 Scottish Average
Over 52 weeks	Over 52 weeks

% rent increase

2024-25	2025-26
5%	4.8%
4.4% Scottish Average	5.2% Scottish Average

% collected of rent due

2024-25	2025-26
99.52%	99.03% ↓
100% Scottish Average	99.8% Scottish Average

% of tenants that feel that their rent is good value for money

2024-25	2025-26
76.33%	73.54% ↓

Keeping rents affordable

SBHA is committed to keeping rents affordable while remaining financially strong and delivering value for money. Each year, we consult tenants on our rent proposals before making a final decision. We consider their feedback alongside benchmarking data, which helps us compare our rents and performance with other housing associations, and the Scottish Federation of Housing Associations' rent affordability tool, which assesses the impact of proposed rents on different household incomes. This evidence helps the Board balance affordability for tenants with the income needed to maintain homes and services.

Rent collection is also important in meeting these aims. It was 99.03%, very slightly lower than last year, while gross arrears reduced from 5.9% to 5.7%. We are now in the third year of the five-year phased rollout of our fair and transparent rent model. This gradually moves tenants towards the new model rent, avoiding a large increase in a single year. Rent collection, preventing arrears and minimising rent loss from empty homes will remain key priorities.



[1] Source: 127 social landlords providing general and mixed needs.

SHR 2024-25 data set

* 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.

£ PER HOUSEHOLD	LOWER QUARTILE	SBHA	HIGHER QUARTILE	MEDIAN*
MANAGEMENT AND MAINTENANCE	£2,038	£1,253↑	£1,516	£1,803
REACTIVE REPAIRS PER UNIT	£1,025	£633→	£644	£838
PLANNED MAINTENANCE PER UNIT	£395	£981↑	£688	£527
PLANNED TO REACTIVE MAINTENANCE RATIO	1.2	3.2↑	2.35	1.8



Benchmarking

Benchmarking shows where SBHA's costs sit relative to other Housing Associations providing general and mixed needs housing 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 running costs. It also demonstrates that SBHA's costs have not increased at the same pace when comparing with the average sector cost change year on year.[1]

Procuring goods, services & works

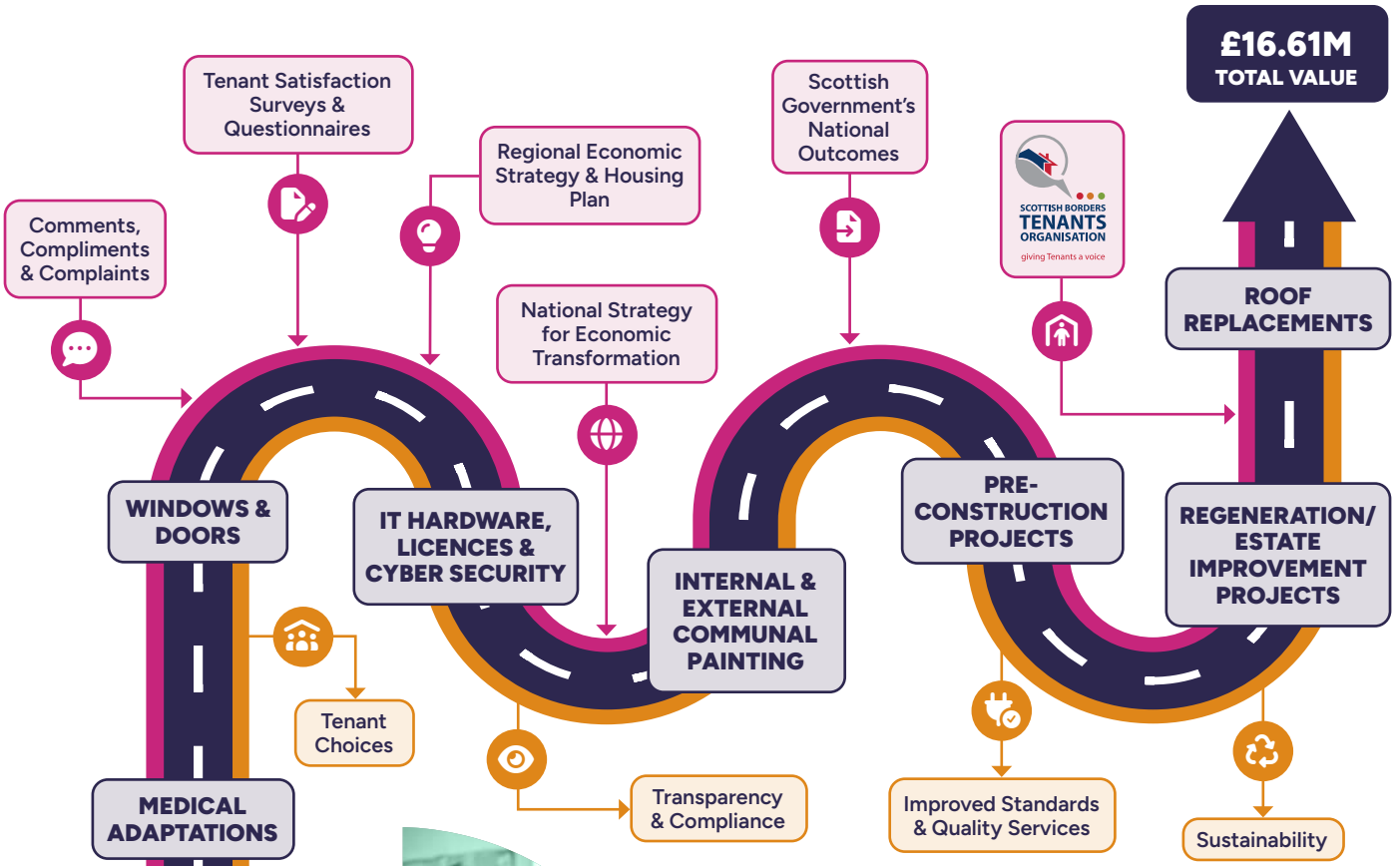
Underpinned by SBHA's values, SBHA procurement strategy can be summarised as delivering outcomes which strategically enhance the lives of tenants, the quality of their homes and the communities in which they live. Roadshows, Tenant Satisfaction Surveys, Compliments and Complaints all support and drive our understanding of tenant requirements. The results support defining quality of products and services as SBHA invests in the quality of homes and increasing housing supply.

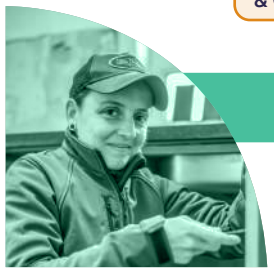
SBHA shares its direction with key stakeholders to support alignment and reflect their input. Regionally, this includes alignment with the South of Scotland Regional Economic Strategy and the Housing Action Plan, as well as the Scottish Borders Community Plan. Nationally, it includes alignment with the National Strategy for Economic Transformation and the Scottish Government's National Outcomes.

Local Impact and Spend

SBHA's larger development projects positively impact the local economy by engaging local contractors in their supply chain, this generated local spend of £4,770,000 in the year. A further £3,598,641 was invested in the Scottish Borders which included the engagement of 38 small local sub-contractors when procuring reactive and some planned maintenance contracts.

Environmental considerations, sustainability and future-proofing are embedded in every relevant procurement decision. Key outcomes from SBHA Contracts include local job creation, skills development and investment in the future through apprenticeships, traineeships, and work experience opportunities.







COMMUNITY BENEFITS DELIVERED

£4.77m
Local sub-contracting spend

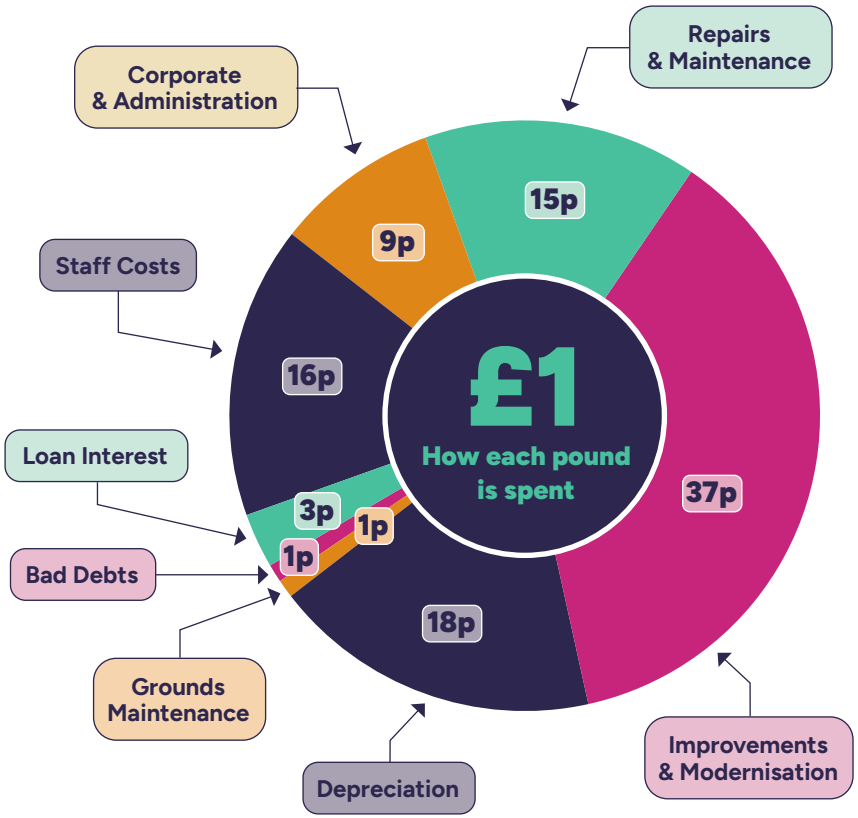
17
Apprenticeships & seasonal jobs created

£12,250
Local project support

33
total number of contracts awarded in 2025-26

this year...

We invested a total of £23.8million in our existing home and creating new homes.



Highlighting the last financial year

Income from rents and service charges, after costs, was 6.0% higher than the previous year. This was mainly because rents increased and less rental income was lost while homes were empty. Operating costs rose by 4.8%, compared with 7.8% the previous year. More than half of this increase was due to higher depreciation costs, reflecting SBHA's investment in its homes through planned maintenance and new developments. SBHA's operating surplus from affordable housing was 17.9% higher than the previous year. The total surplus for the year was £6.4m, an increase of 2.2%.

The £12.4m pension-related loss reported in the previous year's accounts reflected a non-cash accounting adjustment caused by a change in pension rules, which limited how much of the pension asset could be shown on the balance sheet. This year, both the pension asset and this limit increased, resulting in a much smaller non-cash loss of £30k. Although the pension asset is valued at £18.1m, only £1.4m can be shown on the balance sheet.

Overall, SBHA remained in a strong financial position during the year. It invested £23.8m in its homes, including £13.8m for new-build homes that became available to rent during the year. SBHA also continued to meet its lender's financial targets comfortably.



total rent arrears as a % of gross rental income

2024-25	2025-26
5.92%	5.72%
4.0% Scottish Average	3.8% Scottish Average

empty homes rent loss as a % of rental income

2024-25	2025-26
0.94%	0.75%
0.9% Scottish Average	0.8% Scottish Average

average days to re-let empty homes

2024-25	2025-26
43.86	31.61
40.4 Scottish Average	34.4 Scottish Average

Statement of Comprehensive Income as at 31 March 2026

	2026	2025
	£	£
Turnover	**31,709,443**	**29,473,410**
Operating Expenditure	(24,138,196)	(22,935,497)
(Loss) on disposal of property, plant and equipment	(475,967)	(337,707)
Operating Surplus	**7,095,280**	**6,200,206**
Interest receivable	605,734	1,362,836
Interest payable and financing costs	(1,271,484)	(1,271,496)
Surplus/(Deficit) for the Year	**6,429,530**	**6,291,546**
Actuarial gain in respect of Pension Scheme	(30,000)	(12,426,000)
Total Comprehensive Income for the Year	**6,399,530**	**(6,134,454)**

The results relate wholly to continuing activities.

Statement of Financial Position as at 31 March 2026

	2026	2025
	£	£
Fixed Assets	117,211,499	99,719,433
Current Assets		
Stock	100,913	70,431
Trade and Other Debtors	3,643,379	3,589,351
Fixed term deposits	10,458,366	15,420,336
Cash and cash equivalents	19,090,369	14,810,638
	33,293,027	33,890,756
Current Liabilities		
Creditors: Amounts falling due within one year	(9,366,144)	(7,018,326)
Total Assets less Current Liabilities	141,138,382	126,591,863
Creditors: falling due after more than one year	(67,804,571)	(59,973,579)
Defined Benefit Pension Asset	1,370,000	1,686,000
	(66,434,571)	(58,287,579)
Total Net Assets	**74,703,811**	**68,304,284**
Total Reserves	**74,703,811**	**68,304,284**

The figures shown in this report are an extract of SBHA's Report and Financial Statement for the year ending 31st March 2026. 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

SCOTTISH BORDERS HOUSING ASSOCIATION

Head Office
South Bridge House
Whinfield Road Selkirk TD7 5DT

General Enquiries
Tel: 01750 724444
Email: enquiries@sbha.org.uk

Freephone
0800 0193 222

www.sbha.org.uk



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

Internal Auditors
TIAA Ltd
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

SCOTTISH BORDERS HOUSING ASSOCIATION
HousingOnline

See our homes to rent
www.sbhahol.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**

SCOTTISH BORDERS TENANTS ORGANISATION
giving Tenants a voice

Scottish Charity Registered No. Sc 030751. Registered Society No. 2573R(s). The Scottish Housing Regulator Registered No: 313