

## 1. INTRODUCTION

This Business Plan covers the financial year 2024/2025 and will be comprehensively reviewed, further developed and expanded to cover the next 3-year period 2025/2026 – 2027-2028.

Although we are justifiably proud of what we have achieved to date the plan focuses on reviewing where we are, consolidating the processes and systems that are working well for us, identifying where improvements are required and developing and strengthening our approach to critical activities including compliance and assurance, tenant and resident safety and ensuring good governance and financial management.

At the heart of the plan is the commitment to deliver the best outcomes for the Association's tenants and other service users.

## 2. THE BUSINESS PLAN

The Business Plan is one of the Association's principal strategic and planning documents along with the Association's 5-year and 30-year financial projections..

The key purposes of the Business Plan are to;

- help us understand the internal and external environment we are operating within
- identify the risks and challenges to the organisation and how these can be managed
- clarify and communicate the Association's vision for the future, its priorities and its strategic objectives for the year as well as the action plans for achieving these
- provide a framework and monitoring tool to measure progress against our objectives
- demonstrate that the Association has the resources to meet its commitments and achieve its objectives

It has been prepared with reference to;

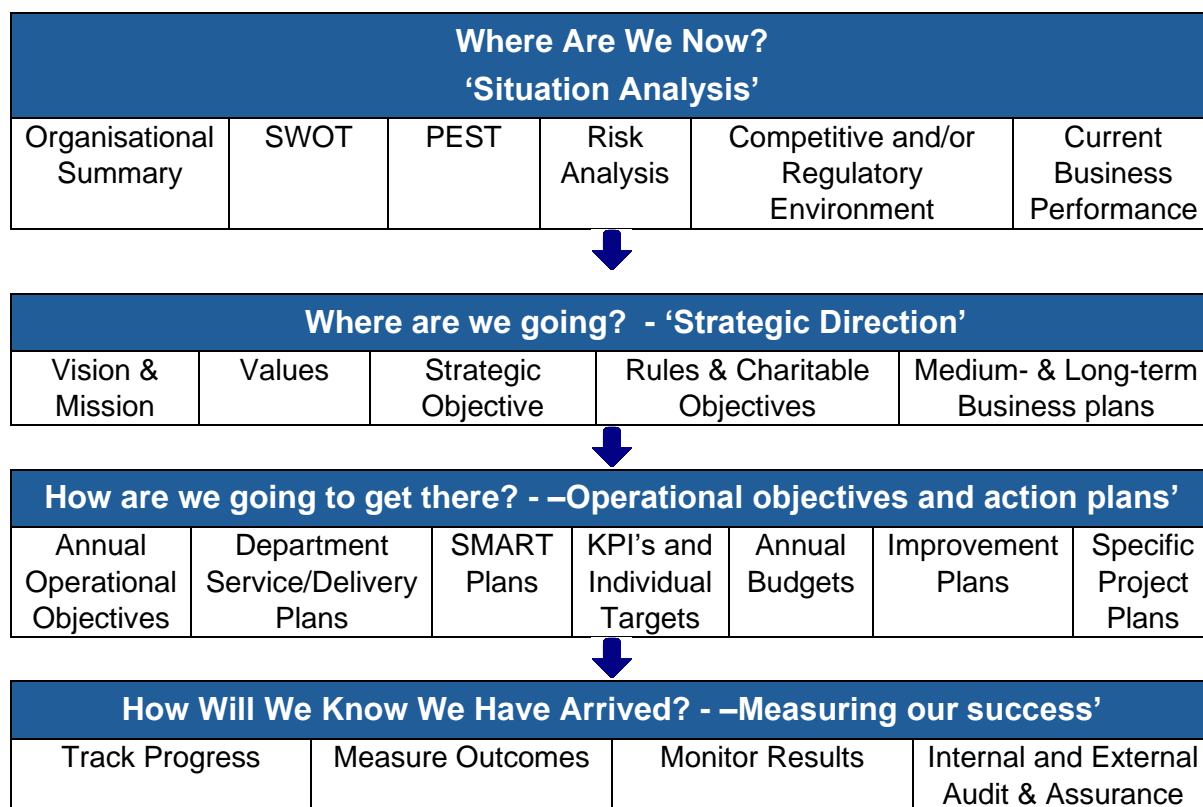
- The Scottish Housing Regulator's Recommended Practice on Business Planning
- The Regulatory Framework (as reviewed April 2024)
- GWSF Guidance "Making your Business Plan the focal point of strategy and decision-making" (January 2024)

Whilst it is primarily an internal document, it also provides information to our service users, regulatory bodies and other stakeholders on the Association's priorities, purpose and goals as a provider of social housing and related services and as part of the communities it serves.

The Management Committee and members of the Senior Management Team have collaborated on the strategic planning aspects of the document and the final draft will be made available to tenants and other stakeholders for consultation and comment.

## Review Process

In general terms, the process will cover 4 key questions:



During 2024/2025 the Association will continue to review and strengthen its business planning processes with the objective of developing an ongoing cycle of review. The key steps to developing the Business Plan for the next 3-year period (2025/2026 - 2027/2028) will be;



## 3. ABOUT RUTHERGLEN & CAMBUSLANG HOUSING ASSOCIATION

### Legal Status

Rutherglen and Cambuslang Housing Association is a Registered Social Landlord with the Scottish Housing Regulator (Registration Number 176).

It is also registered under the Co-operative and Community Benefits Act and as a not-for-profit charity with the Office of the Scottish Charity Regulator (OSCR) (Registration Number SC041992) and with the Financial Services Authority (Registration Number 2029RS). It operates under the 2020 Charitable Model Rules.

### Profile

The Association is proud to be an independent, community controlled business operating in Rutherglen and Cambuslang and the immediate surrounding areas.

As of 1<sup>st</sup> April 2023 it;

- owns and manages 872 rented properties
- leases 3 properties to Richmond Fellowship, Living Ambitions and South Lanarkshire Council
- rents 1 commercial unit
- provides a range of factoring services to 936 owner occupiers

Through its non-registered subsidiary, the Aspire Community Development Company, implements its wider role and community regeneration projects.

### The Management Committee

The Association's Rules allow for a maximum of 15 members on the Management Committee and as at 1<sup>st</sup> April 2024, there are 7 elected members, 1 co-optee and 1 appointee.

### Staff

The Association currently employs 15 members of staff to deliver the full range of housing, repair and tenancy and community support services.

### History

The Association was first registered with the Housing Corporation as Rutherglen Housing Association in October 1980 and started its first rehabilitation project of the tenemental stock in 1982. Over the following 15 years, it carried out works to almost 700 properties in Rutherglen, Central Cambuslang and Hallside Village deemed to be below tolerable standards.

In 1996 the Association took ownership of a further 254 houses in the Circuit Estate in Cambuslang via a stock transfer from Glasgow City Council. Between 1998 and

2006 the Association made an overall investment of £25 million in modernising existing properties, developing 145 new houses, building 60 houses for sale and 15 for shared equity.

A further 265 properties located in five estates in Rutherglen and Cambuslang were transferred to the Association from Scottish Homes in 1997.

The following years saw the Association joining with South Lanarkshire Council in the New Housing Partnership that produced 85 new homes for rent over six sites and 95 homes for low-cost home ownership, with funding from the Scottish Executive, private loans and cross subsidy from sales.

The Association has continued to develop a number of small-scale new build estates in Rutherglen and Cambuslang and this remains a key objective of the Association going forward.

## 4. ASPIRE COMMUNITY DEVELOPMENT COMPANY

The Association set up its subsidiary, the Community Development Company, in October 2000 as a mechanism for implementing its wider role projects.

### Aspire Business Centre

The first of those was the development of the Aspire Business Centre which was completed in 2003, creating 12,000 square feet of office space through the redevelopment of the old East Parish Church at the end of Rutherglen's Main Street. The ownership of the building was transferred to the Association in 2014 as part of the review of the subsidiary's future role.

As at the end of March 2024 all office units not occupied by the Association were let to a variety of business, social and charitable organisations.

The lets bring in approximately £110,468 per annum and each tenant pays a share of the service costs.

### The Caledonian Centre

The Caledonian Centre was completed in May 2009, providing a community facility in the Circuit Estate in Cambuslang. The centre was built on land owned by South Lanarkshire Council which the Association has a 60 year lease of from April 2008 on for a token annual rent. The build was funded sourced from a variety of funders including;

- European Grant
- The Big Lottery
- South Lanarkshire Council
- Scottish Enterprise
- The Clydesdale Bank

Originally, the centre accommodated a 100-place childcare nursery which is leased to South Lanarkshire Council, a community café and halls for community use for clubs, groups and events. However, due to the demand for the nursery places, the Council took out a further lease on the large hall in November 2014.

Unfortunately, this has impacted on the access the community has to the facility during the week due to child protection issues and, consequently, the centre is not bringing in sufficient additional income to cover its costs.

### Aspire Community Development Company Priorities 2024/2025

- Review the leases and rents of existing tenants of the Aspire Business Centre
- Consider procuring Customer Engagement Specialist to support the development of more community use of the Caledonian Centre
- Consider the long-term future use of the Caledonian Centre

## 5. VISION, MISSION AND VALUES

### The Vision

To make a real difference to our tenants and transform our communities through exceptional teamwork that delivers vibrant, modern and innovative services.

### Mission Statement

To deliver desirable and affordable housing and services that empower our customers, meet their needs, and encourage meaningful engagement.

### Values

Our values are the fundamental principles which will guide how the Association operates and will shape and influence the organisation's culture and the required behaviours of staff and committee members.

Accordingly, our values are:

- Make a difference – In all our activities we will strive to achieve a positive impact for our service users and our communities
- Compassion and empathy – We will treat everyone with consideration, dignity and compassion and will be empathetic and non-judgemental
- Fairness – We are committed to treating everyone fairly and equally and to respect and celebrate our differences
- Teamwork – We aim to work as one team that includes staff, committee, service users and stakeholders to achieve the best possible outcomes
- Putting customers first – We will endeavour to always put our customers first by delivering responsive high-quality services that focus on individual and collective needs

## 6. STRATEGIC OBJECTIVES

The Association's strategic objectives underpin the Business Plan and takes into account the Association's;

- Reviewed Vision, Mission and Values
- Internal and external environments it works within
- Regulatory and statutory requirements and obligations
- Future challenges and risks
- Commitment to be more than just a landlord
- Areas of strength as well as its weakness
- Future financial stability

The Strategic Objectives approved by the Management Committee and Senior Management team were identified as;

**Objective 1** - Proactively seek out and maximise opportunities to enhance the provision of high quality homes and neighbourhoods

**Objective 2** - Expand our presence and activities to grow our community regeneration and engagement to meet local needs and aspirations

**Objective 3** - Value and develop all our people by celebrating our achievements and effective succession planning

**Objective 4** - Continue to deliver robust financial and governance outcomes

### Strategic Objectives Priorities 2024/2025

**Objective 1** - Proactively seek out and maximise opportunities to enhance the provision of high quality homes and neighbourhoods

Develop a strategy for ensuring compliance with all landlord standards and requirements

Review and update the planned maintenance programme to ensure value for money

Identify potential sites for development both within and outwith the Association's normal boundaries of operation



**Objective 2 - Expand our presence and activities to grow our community regeneration and engagement to meet local needs and aspirations**

Develop a Customer Engagement Strategy and Delivery Plan

Identify information required and collate tenant profiling data including equalities data linked to service delivery

Complete one successful community engagement project

**Objective 3 - Value and develop all our people by celebrating our achievements and effective succession planning**

Forward plan for Committee and Staff succession

Develop meaningful and supportive Staff and Committee appraisal processes that are focussed on positive outcomes

Explore options for offering hybrid working

**Objective 4 - Continue to deliver robust financial and governance outcomes**

Update stock condition information to inform the Business Plan for 3-year period 2025/2026 – 2027/2028

Have the ARC data externally validated

Continue reviewing self-assessment against the Regulatory standards for the Annual Assurance Statement

Review effectiveness of current format and content of performance reports to the Management Committee

## 7. OPERATING ENVIRONMENT

### The Internal Context

An essential part of planning for the future is recognising our own strengths and weakness as an organisation, identifying the opportunities we have to improve and enhance our business and determine what are the potential threats to our ongoing success and viability.

Strengths	Challenges
A committed & experienced staff team	Low levels of meaningful customer engagement & feedback
Strong governance lead by a committed & experienced committee	Inadequate understanding of tenant needs, priorities, aspirations etc
Good working relationships between staff & committee	High void periods/re-let times
Recognition of the needs & benefits of new members on the Committee	Low levels of communications & engagement with factored owners
High levels of tenant satisfaction	Lack of robust succession planning
Good performance in all key indicators	Lack of a sound understanding and approach to equality & diversity
Long term financial stability	Little collaboration or partnership working with other external organisations
Good quality, well maintained stock	Limited availability of affordable land within area of operations
High demand for our properties	Number of policies & procedures required to be developed/updated
All rents meet the afford ability criteria	
Strong ethic of teamworking	
Forward thinking approach	
Willingness to be innovative in resolving problems	
Strong awareness of risk	
Well respected with a good reputation	
Resilient & adaptable to new challenges	

Opportunities	Threats
<p>Provision of new housing</p> <p>Building partnerships &amp; constructive networking</p> <p>Accessing external funding</p> <p>Developing meaningful tenant/ community engagement</p> <p>Better understanding of our tenants' needs, priorities etc via sound profiling</p> <p>Expanding our area of operations</p> <p>Proactive promotion of Rutherglen &amp; Cambuslang HA</p> <p>Acquisition of stock from the private rented sector, previous RTB, Mortgage to Rent etc</p> <p>Exploring the options of providing mid-market rents</p> <p>Acquisition of funding via South Lanarkshire Council's SHIP</p> <p>Investment in mixed tenure blocks/ estates via closer working with owners</p>	<p>Regulatory changes &amp; more demanding &amp; onerous requirements</p> <p>Cost of living impacting on our ability to keep rents 'affordable'</p> <p>Cost and/or availability of building materials and/or labour</p> <p>Changing national and/or Scottish Government policies, agendas &amp; priorities</p> <p>Increasing competition for development sites &amp; funding from the private sector and other RSLs</p> <p>Ongoing changes to the welfare benefits system impacting negatively on tenants</p> <p>Risk of being 'swallowed up' by larger RSLs</p> <p>Increasing costs due to 'Service creep' as a result of cut backs in services from other agencies</p> <p>Impact of 'housing first' on our ability to house applicants from the waiting list</p> <p>Growth of the private rented sector</p>

## The External Context

The Association operates within a wider local and national context that impacts on its business, tenants and communities. Often these can present challenges in reconciling a number of competing priorities and objectives and it is therefore vital that, as far as possible, the Association recognises these and ensures it is best placed to meet these challenges and mitigate any negative impact on the business.

<b>Political</b>	<b>Economic</b>
Scottish Government's net zero agenda Scottish Government's housing targets by 2040 EESSH 2 Independence Referendum 2 Wars & conflicts Increased regulation & regulatory burden Increased need for transparency and accountability in delivery of public & social services Introduction of rapid rehousing approach General Election July 24	Increasing cost of living Rising costs of materials and labour Reduction in grant funding levels Pension deficit contributions Reduced availability/more restrictive private finances Uncertain trends in inflation Difficulty in maintaining 'affordable' rents Changes to the Welfare Benefit system
<b>Social</b>	<b>Technological</b>
Increasing levels of poverty Increasing levels of social isolation Unemployment, reduced hours and zero-hour contracts Demographic changes Increasing health & mental wellbeing issues Financial, digital etc exclusion Changing needs, expectations and demands of our service users and communities Ongoing impact of COVID pandemic	Adapting to home & mobile working Increase use of social media Provision of 24/7 access to information Use of digital communication methods Improving efficiency Cyber-attacks and systems hacking Levels of technological skills within committee, staff and tenants
<b>Legal</b>	<b>Environmental</b>
Data Protection & Freedom of Information legislation Procurement Regulations Consequences of non-compliance/breached of regulations	Climate change Ongoing impact of COVID Focus on sustainability Lack of land availability/development opportunities

## 8. STAKEHOLDER RELATIONSHIPS

The Association has a wide and diverse range of stakeholders that have a varying degree of both interest in, and influence on, the Associations activities.

1	2
<b>High Interest/High Influence</b>	<b>High Interest/Low Influence</b>
Relationship: high level of engagement, consult & involve in governance and decision-making	Relationship: involve in low risk areas and activities
<ul style="list-style-type: none"> <li>• Tenants, Residents &amp; Service Users</li> <li>• Regulatory Bodies</li> <li>• South Lanarkshire Council</li> <li>• Lenders</li> <li>• Scottish Government</li> <li>• Auditors</li> <li>• Insurers</li> </ul>	<ul style="list-style-type: none"> <li>• Citizens Advice Bureau</li> <li>• Money Advice Services</li> <li>• Women's Aid</li> <li>• Richmond Fellowship</li> <li>• Living Ambitions</li> <li>• Property Developers</li> <li>• Local Housing Associations</li> </ul>
3	4
<b>Low Interest/High Influence</b>	<b>Low Interest/Low Influence</b>
Relationship: maintain moderate engagement and consultation	Relationship: keep informed as appropriate
<ul style="list-style-type: none"> <li>• Employers in Voluntary Housing (EVH)</li> <li>• Scottish Federation of Housing Associations (SFHA)</li> <li>• Glasgow &amp; West of Scotland Forum (GWSF)</li> <li>• Department of Work &amp; Pensions (DWP)</li> <li>• The Pensions Trust</li> <li>• Chartered Institute of Housing (CiH)</li> </ul>	<ul style="list-style-type: none"> <li>• Scottish Housing Associations Resources for Educations (SHARE)</li> <li>• Information Law Solutions</li> <li>• Consultants</li> <li>• Suppliers</li> </ul>

### Stakeholder Level 1

Due to the level of interest and influence these stakeholders have, this is the key group that the Association seeks to engage and consult with. Maintaining positive and meaningful relationships with these stakeholders is important as they potentially play a key role in supporting the Association achieve its vision and strategic objectives.

**Tenants, Residents & Service Users** – Our principal stakeholders include tenants, factored owners, other residents in our communities and housing applicants. They are at the heart of the Association and maintaining a positive and meaningful relationship with these stakeholders is critical to the success of the Association.

**Regulatory Bodies** – As a registered social landlord and charity, the Association comes within the remit of the Scottish Charity Regulator (OSCR), the Financial Conduct Authority (FCA) and, principally, the Scottish Housing Regulator (SHR). The Association recognises the value of scrutiny to ensure the highest standards, ethics and probity and therefore seeks to ensure it has an open and transparent relationship with all of its regulatory bodies.

**South Lanarkshire Council (SLC)** – Our tenants and service users are also customers of the local authority and the activities and services of SLC often have a direct impact on the Association. In particular, recent budget cuts and the reduction of services provided by the Council has, in recent years, lead to an element of ‘service creep’ with the Association having to plug the gaps.

Additionally, the Association has a role is assisting SLC achieve its objectives, particularly with regard eliminating homelessness.

It is therefore essential that the Association fosters sound working relationship with the appropriate departments within SLC.

**Lenders** – The Association currently has loans totalling £8m with;

- Bank of Scotland
- Energy Savings Trust
- Nationwide Building Society
- Royal Bank of Scotland
- Scottish Government
- Virgin Money

Whilst our cash projections do not forecast the need for additional borrowing for the purposes of investing in our existing stock, the Association has ambitions to develop new housing and this might therefore be a possibility in the future.

It is also essential that the Association engages with its current lenders to ensure that remains compliant with its covenants.

Accordingly, it is important that the Association maintain good communications with our lenders by submitting relevant returns and information as well as having regular meetings with our accounts managers.

**Scottish Government** – The strategies and housing related targets of the Scottish Government can have a significant impact on the Association, in particular Housing 2040, Net Zero & Climate Control, Scottish Housing Quality Standards (SHQS) and Energy Efficiency Standards for Social Housing (EESH).

The Association needs to ensure it aligns its services, investment and financial planning to meet the priorities of the Scottish Government. It also has an obvious interest in influencing any future strategies and lobbying for funding.

**Auditors** – It is a regulatory requirement that the Association has programme for both independent internal and external audits in order to provide the Management Committee, regulators and lenders with the assurance that the internal controls and processes are effective and meeting legislative and regulatory requirements as well as best practice.

After a tendering exercise in 2023, Chiene and Tait was appointed as the Association's external auditor. A joint procurement exercise with Clydesdale Housing Association resulted in Wylie Bisset being appointed as the Association's internal auditor for 2024-2027.

**Insurers** – The Association operates in an inherently risky environment and, potentially, could experience significant loss through fire, malicious damage, flood etc. It is therefore vital that it has sufficient insurance cover to protect it against claims, loss of rent, re-instatement costs, legal costs and damage to the Association's properties.

The insurance market for social housing has become increasingly difficult and expensive over the past few years with insurance providers withdrawing from the market or putting more demanding and onerous conditions on landlords.

To manage the process and ensure that the Association has adequate cover in place to protect its future, the Association has a broker to negotiate the terms and costs of the insurance cover on its behalf.

In April 2024 the Association entered into a contract with AVID Insurance Services for insurance cover for 2024/2025 with the option of cover for an additional 2-year with annual uplifts based on the Association's claims history.

**Banks** – The Association currently has accounts with;

- Bank of Scotland
- Nationwide Building Society
- Royal Bank of Scotland
- Santander
- Virgin Money

## 9. GOVERNANCE & ORGANISATIONAL MANAGEMENT

Good governance underpins almost all of the Association's activities and is the basis for managing these in a way that is;

- Transparent
- Ethical
- Effective
- Financially Sustainable
- Accountable

Its importance is recognised in the Association's Strategic Objectives to;

**Value and develop all our people by celebrating our achievements and effective succession planning** (Objective 3)

**Continue to deliver robust financial and governance outcomes** (Objective 4)

### THE MANAGEMENT COMMITTEE

The responsibility for ensuring sound governance lies with the Management Committee. The Committee;

- Sets the Association's strategic direction & objectives
- Approves policies and strategies
- Identifies, monitors and manages the risks to the Association
- Monitors performance against policy objectives and targets
- Ensures the Association is complying with legislation and regulatory requirements

Members of the Management Committee are all volunteers and a number of the current committee members are tenants of the Association.

Under the Association's Rules, the Committee can have up to 15 members but no fewer than 7. In 2022, the Association reviewed its rules in line with the SFHA model. As part of that review, up to 5 'appointees' with specific skills were allowed where appropriate to support the Management Committee with an identified activity.

There is currently one appointee on the Committee that has experience in community development to support the Association meet its objective with regards Customer Engagement.

However, an unintended consequence of that is that the number of elected members and co-optees allowed is restricted to 10. The Association therefore intends to seek approval from the membership at a Special General Meeting in September to amend the Rules to allow a maximum of 1 appointee on the Committee at any one time, thereby allowing up to 14 elected members.



## Recruitment & Succession Planning

The Association has enjoyed the benefits of retaining a number of long-standing Committee members that have brought an understanding of local issues, tenant needs and priorities as well a wealth of experience and knowledge of the sector.

However, it recognises that robust succession planning is key to;

- Encouraging a strategic approach to the way in which the Association's Committee membership planning is linked to the business plan and strategic objectives
- Ensuring that the Association continues to have a thriving Management Committee and that it does not fall foul of any constitutional requirements related to minimum numbers
- Identifying individuals with the potential for further development within the Management Committee
- Ensuring that all Management Committee members can develop in a way that allows them to understand and fulfil their current roles and responsibilities effectively.
- Allowing existing and any potential office bearers understand and carry out their role
- Identifying learning and development needs for each individual and addressing these effectively
- Ensuring the Association has sustainable governance at all times

Although we have, over the past 3 years attracted 4 new members, like many other associations, the recruitment of new members onto the management committee has proved problematic over the years.

At the Strategic Planning Day on April 2024, it was acknowledged that there remained the need to recruit more new members on to the Committee to minimise the risk of falling below the minimum number of 7 and meetings being inquorate. Members also identified skills gaps or weaknesses within the current Committee composition that a recruitment exercise should focus on filling. These mirrored the key risks and priorities for the Association and were;

- Asset Management
- Business Finance
- Governance within an RSL
- Community Engagement

## Recruitment & Succession Planning Priorities 2024/2025

- Conduct a comprehensive recruitment exercise for new members, focusing on filling identified skills gaps
- Carry out a survey on members' intention with regards aspiring to office bearer roles
- Amend Rules to limit the number of appointees allowed at any one time
- Put in place a succession plan for the positions of Office Bearers
- Review Roles & Responsibilities for Committee members and Office Bearers

## Committee Learning & Development

The Regulatory Framework requires that **“The RSL ensures that all governing body members are subject to annual performance reviews to assess their contribution and effectiveness. The governing body takes account of these annual performance reviews and its skills needs in its succession planning and learning and development plans. The governing body ensures that any non-executive member seeking re-election after nine years’ continuous service demonstrates continued effectiveness.”**

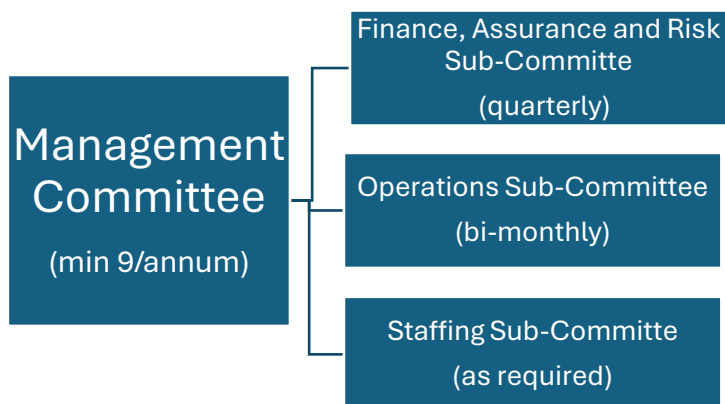
In 2023, Employers in Voluntary Housing (EVH) conducted the annual performance reviews of Committee members. As the report from EVH was limited in its identification of areas for learning and development, the training needs were considered at the Planning Day in April 2024. The identified areas for training along with the actions highlighted in the Annual Assurance Action Plan provided the basis for learning and development plans for individual members and the Committee collectively. The plan for 2024 is detailed in Appendix X

## Committee Learning & Development Priorities 2024/2025

- Implement a programme of training in line with the learning and development plans
- Carry out the annual appraisals of Committee members
- Ensure members with more than 9 years service that are seeking re-election can demonstrate continued effectiveness

## GOVERNANCE STRUCTURE

At the Planning Day, members reviewed the structure of governance and how it could be streamlined to encourage attendance and avoid overwhelming members. It was agreed that the current Maintenance and Housing Management Sub-Committees would be combined to become an Operations Sub-Committee. Accordingly, the new structure from 1<sup>st</sup> May 2024 is:



## Governance Structure Priorities 2024/2025

- Review remits of Management Committee and Sub-Committees to reflect new structure
- Review schedule of delegated authority to reflect new structure
- Review format and content of Committee reports

## STAFFING

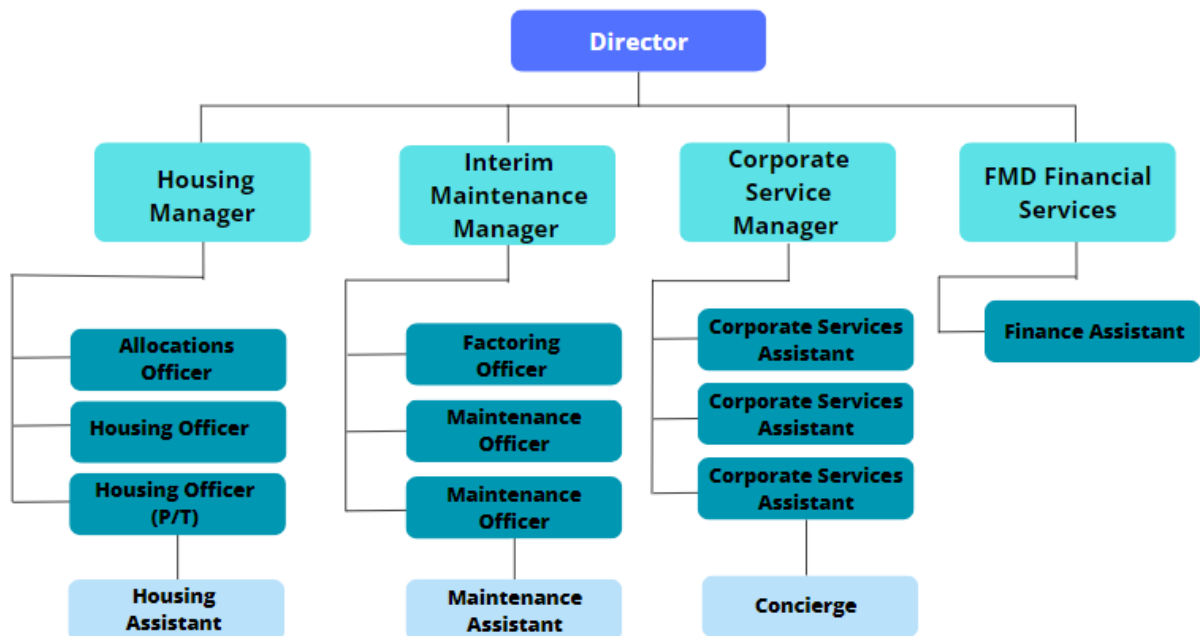
The Association wishes to create a positive and supportive working environment for its staff team. In particular, it is committed to encouraging professional development and supporting individuals to fulfil their full potential and meet their career goals.

Wherever possible and appropriate, staff will be offered the opportunity to expand their skills and experience through temporarily covering positions (e.g. as a result of maternity leave, long term absence), training, shadowing and mentoring.

### Staff Structure

The structure of the staff team has undergone a number of 'light touch' reviews since 2021 following events including updating job descriptions, retirement of long-standing staff members, new strategic priorities, staff leaving etc. The Association has taken the opportunity to rationalise the structure and, in doing so, deliver costs saving and efficiencies.

As at the start of the financial year 2024/2025 the staff structure is;



## **Succession Planning**

The Association recognises that a number of its staff are at point in their working life when they are considering career progression or retirement.

As far as possible the Association seeks to anticipate these and plan for seamless transitions. In the first instance, when vacant positions arise (other than the position of Director) consideration will be given to filling the post internally in order to;

- Support the succession planning process
- Make best use of the available resources
- Retain staff
- Provide stability within the organisation
- Demonstrate the Association's commitment to its people

## **Staff Structure Priorities 2024/2025**

- Ongoing review of structure to streamline and deliver efficiencies
- Recruit Governance Services Assistant
- Carry out a Staff 'Wellbeing' Survey
- Continue to review succession plans, especially for senior management posts
- Review staff appraisal policy and processes

## 10. STRATEGIC DIRECTION

As part of the business planning process, the Association considered its current constitutional and operational structure to ensure they were still the best for;

- Delivering quality, affordable homes and services for tenants
- Supporting improving residents' lives and strengthening their communities
- Maintaining viable and sustainable financial planning
- Supporting local control and accountability to tenants and communities
- Delivering effective and sustainable governance and organisational management

The review was not triggered by any failures in the current structure, governance, management or concerns about its future financial viability but more by;

- The risks and challenges to the Association identified
- The desire to ensure the Association is in the strongest position to protect the organisation's future security, manage the business risks identified and, perhaps most importantly, deliver the best possible outcomes for its customers and stakeholders.
- The need for effective, ongoing succession planning for the senior management team

The review considered 2 key questions;

Does the Association's current performance and future capacity indicate that it can continue to meet its strategic objectives, the needs of tenants, its legal obligations and the requirements of its funders and regulators?

What are the possible alternatives to the Association's current constitutional and organisational form and could one or more of these alternatives achieve better outcomes for its tenants, stakeholders and communities?

### **Structural & Operational Alternatives**

The strategic options review considered by the Association were;

- Remaining as a fully independent and autonomous registered social landlord
- Sharing services with one or more other RSLs
- Joining a group structure with a parent RSL
- Merging with another RSL via a transfer of engagement

## Summary Comparison of Options

<b>Option 1 – Remain as an independent RSL</b>
<b>Potential advantages</b>
The Association; <ul style="list-style-type: none"><li>• Keeps its local identity</li><li>• Retains independent control over all aspects of decision-making</li><li>• Is able to decide its own strategic agenda and objectives</li><li>• Can deliver services that meet local needs</li><li>• Remains fully accountable to its own tenants, customers and stakeholders</li><li>• Ensures income generated from rents is invested back into its own stock</li><li>• Is cost neutral</li></ul>
<b>Potential disadvantages/challenges</b>
<ul style="list-style-type: none"><li>• As part of a larger organisation may have access to more funding</li><li>• Smaller ‘pool’ from which to attract new committee members with the appropriate skills and knowledge</li><li>• Potentially limited capacity to manage external risks and challenges</li></ul>
<b>Option 2 - Share services with one or more other RSL</b>
<b>Potential advantages</b>
The Association; <ul style="list-style-type: none"><li>• Remains independent</li><li>• Potentially has access to additional resources, skills and knowledge</li><li>• Can achieve added efficiencies and cost savings</li></ul>
<b>Potential disadvantages/challenges</b>
<ul style="list-style-type: none"><li>• Potentially competing and/or conflicting objectives and priorities</li><li>• Additional costs in managing the partnership arrangements</li></ul>
<b>Option 3 - Join a group structure with a parent RSL</b>
<b>Potential advantages</b>
The Association; <ul style="list-style-type: none"><li>• Continues to deliver services to its own tenants and customers</li><li>• Retains its name, identity and some operational autonomy at a local level</li><li>• Potentially has access to additional resources, skills and knowledge</li><li>• Can achieve added efficiencies and cost savings</li></ul>
<b>Potential disadvantages/challenges</b>
<ul style="list-style-type: none"><li>• The parent company could, potentially, be an organisation based a distance from the Association</li><li>• Loss of total autonomy – major decisions made by the parent company or need its approval</li><li>• Reduced level of community control and diluted focus on local issues</li></ul>

- Likely loss of Association staff, especially in areas such as finance, senior management etc
- Future strategic objectives driven by the parent RSL
- Payment to the parent RSL as set out in service agreements
- Requires lenders consent

#### Options 4 - Merge with another RSL via a transfer of engagement

##### Potential advantages

The Association;

- Could negotiate beneficial 'deals' for tenants (e.g. lower rent increases, component replacements)
- Realise a higher level of savings, value for money and cost efficiencies
- Can access additional resources, skills and knowledge
- Can offer tenants access to more services

##### Potential disadvantages/challenges

- The Association ceases to exist
- The RSL taking over could, potentially be a national organisation, based a distance from the Association and providing services remotely, leading to less personal and responsive services
- Any negotiated deals will likely be for a fixed period only (e.g. three years) with no longer-term guarantees on delivery of ongoing beneficial terms
- No guarantee that income generated from local rents or loans taken out on unencumbered stock will be invested in the local stock and communities
- Competing or conflicting objectives and priorities
- Reduced level of community control and diluted focus on local issues
- Likely loss of Association staff, especially in areas such as finance, senior management etc
- Tenant and lenders consent would be required
- Costly exercise

In identifying the preferred operating structure, the Association took into account the information gathered and considered during the business planning process, in particular the assessment of the;

- Current and future risks to the Association (section 12 – Strategic Risk Management & Appendix X)
- Association's strengths and weaknesses (Section X)
- Operating environment ( )
- Association's performance and customers' levels of satisfaction ( )
- Financial assumptions and projections ( )
- Association's strategic and operational objectives ( )

It was also recognised that, since 2020, the Association had experienced a number of challenges and changes that Committee and staff members had to respond, and then adjust and adapt, to. These have included;

- Home working due to the COVID-19 lockdown (March 2020)
- Retirement of the long-standing Director (October 2020)
- Return to office work working (full return c. April/May 2021)
- New Chair (February 2022 & February 2024)
- Long-term absence of Director (September 2022 – February 2023)
- Retirement of long-standing Maintenance Manager (April 2023)
- Retirement of long-standing Housing Manager (April 2024)

Additionally, there have been a number of shifts in priorities and focus of many of the Association's key stakeholders that have impacted on the Association's operating environment.

Consequently, the Association has been going through a phase of internal review and strengthening.

### **Strategic Direction**

The Association determined that it is;

- Financially secure and viable in the long term
- Performing well in virtually all of the key indicators
- Maintaining high levels of tenant satisfaction
- Delivering high standards of services to customers
- Maintaining rents that are affordable to our tenants
- Providing homes that are in good condition and in high demand
- Strengthening its role within the communities it operate in

It was also recognised that there was a need to provide some stability for members of both the Management Committee and staff team and a desire to have a period of consolidation, focusing on core activities as a social landlord and property manager and ensuring that the Association has solid foundations on which to further develop and improve the services it provides to its customers.

Additionally, the Committee was confident that it and the staff team;

- Have a sound understanding of the current and future challenges
- Are able to acknowledge areas requiring improvement and/or strengthening
- Share a desire to, and have the enthusiasm to, improve performance and provide the best outcomes for customers
- Have the capacity to build on previous successes and learn from failures

Taking all factors into account, the Committee concluded that the best option for the business and its customers was to remain as an independent Registered Social Landlord and to continue to explore opportunities to develop and grow for the benefit of its customers, communities and the wider social housing sector.

### **Strategic Direction Priorities 2024/2025**

- Complete the planned maintenance internal reviews
- Identify areas for improvement
- Consolidate and build on existing policies, processes, systems and strategies
- 'Bed in' new policies, process, systems and strategies



## 11. STRATEGIC RISK MANAGEMENT

The Association recognises that it operates within an environment that is always changing and can, at times be extremely uncertain and risky. Recognising, controlling and managing risk has, therefore, always been vital to the ongoing success of the business.

It is also a key element in the Association's approach to good governance as it demonstrates that it has;

- Considered what external and/or internal factors may threaten the Association's ability to achieve its strategic objectives
- Assessed the potential consequences in the event that a risk materialises
- Identified the actions and control need to prevent or mitigate the consequences of a risk crystallising

Although not totally risk adverse the Association has taken a prudent and balanced approach to risk and has a 'cautious' risk appetite, taking into account;

- The uncertain political future
- Rising costs
- New Regulatory Framework
- Cost of borrowing & limited funding
- Ambitions to continue to develop new housing
- Strategic objectives
- Future challenges
- Housing standards (EESSH, Net Zero etc)



### Risk Register

The Association has a Strategic Risk Register in place that details;

- The identified risks to the Association's strategic objectives and targets
- The controls currently in place to mitigate the risk
- An assessment of the probability of it arising with the controls in place and the impact on the Association should the risk crystallise
- Any additional controls that can be put in place to further mitigate the risk

The top risks are reviewed quarterly by the Finance, Assurance & Risk Sub-Committee to ensure they are still relevant and/or the assessment of the level of risk is still appropriate.

The current top 5 risks identified are;

Ref	Strategic Objective	Risk	Risk Level
1	SO4	Failure to comply with landlord health and safety requirements	20
2	SO1	Lack of robust stock condition information to inform business planning	16
3	SO4	Failure to comply with relevant legislation/regulatory standards/guidance	16
4	SO4	Increased engagement with Scottish Housing Regulator/Failure to comply with Regulatory Standards	15
5	SO3	Failure to recruit new Management Committee members	15

The current Strategic Risk Register is attached at Appendix **X**

#### **Strategic Risk Management Priorities 2024/2025**

- Continue to review the strategic Risk Register quarterly at the Finance, Assurance & Risk Sub-Committee
- Senior Management Team review of the full Strategic Risk Register
- Update the Operational Risk Registers

## 12. ASSURANCES

As part of its responsibilities as the Association's governing body, the Management Committee must ensure that the Association's operations and delivery of its services are effective and efficient and meet legislation and best practice. Members of the Management Committee must also guarantee that the organisation is complying with its regulatory and statutory obligations.

The Association has a number of activities that contribute to ensuring that members of the Management Committee, tenants, the Scottish Housing Regulator and other stakeholders get the level of assurance they require that the Association is meeting all of its regulatory and legislative requirements.

These activities directly contribute to the Association's Strategic Objective to:

**Continue to deliver robust financial and governance outcomes (Objective 4)**

### INTERNAL AUDITS

As part of its Regulatory requirements, the Association has a programme of internal audits that are carried out by an external consultant. These themed audits are intended to provide the Management Committee with assurance that there are sufficient controls and processes in place to ensure;

- Regulatory and legislative standards are met
- The Association is meeting its objectives
- Policies and processes are being followed
- Policies and process are up-to-date and comply with legislation and good practice

Overseeing the Internal Audit function falls within the remit of the Association's Finance, Assurance & Risk Sub-Committee which reviews the reports, responds to the recommendations made and approves the final report on behalf of the Management Committee.

In April 2024 the Association carried out a joint tendering exercise with Clydesdale Housing Association for internal audit services. Following a fully compliant procurement process, the contract was awarded to Wylie Bisset.

The Internal Audit programme for 2024/2025 is based on;

- The key areas of risks identified in the Risk Register
- The findings of previous audit exercises
- Any new statutory or regulatory requirements or good practice guidance

Accordingly the programme of internal audits for 2024/2025 is;

<b>Systems</b>	<b>Audit area</b>	<b>Operating Plan (No. of days)</b>
Central Functions	Subsidiary Review	4
	Factoring	4
Required	Follow Up	1
	Audit Management	1
	<b>Total Days</b>	<b>10</b>

### **ACS AUDIT**

An audit of the Association's Landlord Facilities Health, Safety & Welfare Management Systems was carried out by ACS in November 2022. Overall, the audit was "very good", with only a few recommendations for improvement.

### **ASSURANCE STATEMENT**

The Association is required to submit an Annual Assurance Statement to the Scottish Housing Regulator no later than October each year

The statement is a declaration by the Management Committee that it has received sufficient assurance to satisfy members that the Association is complying with its regulatory requirements and standards. Where these are not being met, the statement will declare those areas of non-compliance and proposals to make improvements.

The statement is made publicly available via the Association's website and newsletters. It is also available on the Scottish Housing Regulator's website at <https://www.housingregulator.gov.scot/landlord-performance/landlords/rutherglen-and-cambuslang-housing-association-ltd>

The statement submitted in October 2023 stated that the Association was compliant but with a number of caveats referring to;

- Equalities Data Collection
- Tenant & Resident Safety
- Tenant Engagement

It was also recognised that the process of gaining assurance, reporting on changes to the Association's compliance with any of the regulatory standards and for approving a robust statement required strengthening. The Association therefore undertook a review of its self-assessment approach which included developing;

- A more detailed Annual Evidence Bank
- An Annual Assurance Action Plan
- A programme of Evidence Bank Reviews

### **Assurance Statement Priorities 2024/2025**

- Continue to develop the Evidence Bank
- Complete the Annual Assurance Action Plan
- Continue to develop methods for strengthening assurances

## REPORT ON THE ANNUAL RETURN ON THE CHARTER (ARC)

The Association is required to submit an Annual Return on the Charter no later than 31<sup>st</sup> May which has been approved by the Management Committee.

A report is presented to the Management Committee and issued to tenants by October each year detailing the Association's performance;

- In key indicators
- Compared to the performance of its peer group
- Compared to the national average

Where appropriate, the report will highlight areas of poor or reduced performance and the actions to be taken to address the issue and improve performance.

In approving the ARC prior to submission, members of the Management Committee need to have the assurance that the data is correct and is measured correctly against the Scottish Housing Regulator's guidance. As part of its commitment to strengthening the assurance the Association will be commissioning an external validation of the ARC data.

### ARC Priorities 2024/2025

- Carry out an external validation on the 2023/2024 ARC submission

## ENGAGEMENT PLAN

As part of its annual risk assessment of registered social landlords, the Scottish Housing Regulator issues an Engagement Plan for each Association.

The Association is currently assessed as:

### **Compliant**

The RSL meets regulatory requirements, including the Standards of Governance and Financial Management.

The Engagement Plan is made publicly available via the Association's website and newsletters. It is also available on the Scottish Housing Regulator's website at <https://www.housingregulator.gov.scot/landlord-performance/landlords/rutherglen-and-cambuslang-housing-association-ltd>

## EXTERNAL AUDITS

Under the Housing (Scotland) Act 2010, the Association is required to;

- Annually appointment an external auditor
- Conduct an external audit within 6 months of the financial year end
- Receive and respond to the Audit Management Report

Annual External Audits ensure that;

- The Association's internal financial controls are sufficient to safeguard its assets
- The Association maintains proper accounting records
- The Association's financial information is accurate and reliable
- There are effective controls to prevent and detect fraud

The Association's current External Auditor is Chiene and Tait who were appointed at the 2023 Annual General Meeting (AGM) after a competitive tendering process.

At the Association's AGM in September 2023, the external auditor reported that the audit had not identified any concerns for the Association's financial future viability and its ability to meet all of its financial obligations.

## 13. CUSTOMER PRIORITIES

### Services

At the heart of the Association is its tenants and both staff and Committee Members recognises that its raison d'être is to meet the housing services related needs, wants and aspirations of its customers.

The tenant satisfaction survey carried out in 2023 asked respondents to identify what they saw as their top 3 priorities with regards the services provided by the Association.

From the results it is evident that investment in their homes is the top priority for our tenants;

	Top priority	2nd priority	3rd priority	Overall priority
The overall quality of your home	52.2%	11.9%	11.9%	89%
Repairs and maintenance	27.9%	17.7%	17.7%	86%

These priorities were also the top two identified in the previous survey conducted in 2020.

### Services Priorities 2024/2025

- Carry out condition surveys of at least 60% of the stock
- Complete a fully costed planned maintenance programme
- Consult with tenants on priorities for use of resources

### Support

The COVID-19 pandemic in particular, highlighted that housing associations, due to them being embedded in their communities, were in a prime position to take on the role of 'community anchor'. During the pandemic many associations took on this role by acting as food hubs, offering financial help with fuel cards, delivering food parcels, providing IT equipment to support home schooling etc.

Rutherglen and Cambuslang Housing Association has no history of delivering these direct 'wider role' activities but it has for a number of years, during the course of its day-to-day operations, provided a range of support services including;

*Welfare Advice*    **MONEY & DEBT ADVICE**  
**SOCIAL INCLUSION**    Energy Advice    Social Events  
**Foodbank Referrals**    GARDEN MAINTENANCE  
**Sponsorship**    *IT Literacy*    *Health*

Although the Association sees being a 'community anchor' as being more of an ethos, it does have ambitions to develop the support services it can offer its customers in order to transform people lives and regenerate the communities they live in.

### **Support Priorities 2024/2025**

- Gain a better insight into the support priorities of tenants
- Explore partnership options to expand the range of services



## 14. ASSET MANAGEMENT

In purely financial terms the housing stock is the Association's greatest asset, valued at approximately £48million (last valued February 2022, next valuation due December 2024). Protecting and managing that asset is a priority to the future viability and success of the Association.

Asset Management encompasses many of the Association's services and activities including;

- Reactive and cyclical maintenance
- Bringing void properties to lettable standards
- Planning, procuring and overseeing a programme of investment in the housing
- Developing the Association's strategies to meeting the requirements the Scottish Government's standards for energy efficiency and net zero
- Maintaining the properties to ensure the health and safety of our tenants and residents
- The development and/or acquisition of more affordable housing for rent
- Providing property management services to owners in mixed tenure blocks and estates

It directly contributes to the Association's Strategic Objective to:

**Proactively seek out and maximise opportunities to enhance the provision of high-quality homes and neighbourhoods (Objective 1)**

### ASSET MANAGEMENT STRATEGY

Over the years, the Association has successfully delivered the range of activities that are encompassed under the banner of asset management. To ensure all these activities are co-ordinated and mutually supportive, the Association is currently developing a new Asset Management Strategy based on the following principles:

- Ensuring the health and safety of our tenants and residents as a priority
- Maintaining the stock to the highest standards possible
- Meeting the needs, priorities and aspirations of our tenants and communities
- Investment in our stock is based on up-to-date stock condition information
- Achieving value for money through effective procurement
- Sound financial planning and budgeting
- A commitment to providing more affordable rented housing where possible
- Meeting the Scottish Government's standard for housing and energy efficiency

## Asset Management Strategy Priorities 2024/2025

- Develop and implement a comprehensive Asset Management Strategy
- Develop a robust approach to implementation, monitoring and committee reporting on the strategy

### MAINTENANCE COSTS/SPEND

On average, maintaining and investing in its properties accounts for 36% of the Association's annual expenditure.

Following the pandemic, the building and maintenance sector saw an unprecedented increase in the costs of labour and materials including;

- Around 8% rise in labour costs
- An average 10% increase in component replacement contracts
- Between 8% and 15% in maintenance costs

As a result, the cost of providing our asset management activities put pressure on our income and budgets.

However, the Association is well placed to withstand these pressure due to its cash position, prudent decision-making and robust rent collection and arrears management.

In 2023/2024 the Association invested a total of £825,069 in the stock;

	Total Investment	Cost per Unit
Cyclical & Planned Maintenance	£324,770	£367
Void Works & Reactive Maintenance	£500,299	£565
TOTAL	£825,069	£932

The budgeted maintenance spend for 2024/2025 has been set at;

	Total Investment	Cost per Unit
Planned Maintenance	£512,609	£579
Reactive Maintenance	£534,914	£604
TOTAL	£1,047,523	£1,183

### STOCK CONDITION

The Association's approach to investing in its stock is influenced by a number of key factors;

- The age, condition and performance of the properties
- Meeting the Scottish Housing Quality Standards and energy efficiency standards
- Tenant priorities, expectations and aspirations
- What the Association can afford to spend and the pace of spend

Although the Association has carried out a number of stock conditions surveys over the years, due to factors such as the COVID pandemic and postponement of much of the planned maintenance programme in 2021/2022 and 2022/2023, the stock condition data requires to be updated to ensure that;

- the long-term planned maintenance programme is based on robust information
- financial planning and assumptions are realistic
- resources are targeted to maximise costs effectiveness

### Stock Condition Priorities 2024/2025

- Carry out a condition survey of minimum 60% of the stock

### REACTIVE MAINTENANCE

The Association recognises that an effective reactive repairs service is a key component of maintaining and managing the stock, protecting the Association's assets and investment and providing safe and comfortable homes for our tenants.

Historically, the reactive repairs service has been delivered through an approved list of, mainly, smaller, local contractors that have worked with the Association for a number of years. These contractors have consistently provided a reliable and responsive service and, as a result our performance in delivering the repairs services has consistently remained high and favourably comparable with our peer group and the Scottish average:

	RCHA		SLC		Peer Group Average		Scottish Average	
	21/22	22/23	21/22	22/23	21/22	22/23	21/22	22/23
% reactive repairs completed right first time	91.7	89.3	99.7	99.5	90.2	88.2	88.3	87.8
Average hours to complete emergency repairs	2.4	2.6	3.7	4.2	3.0	2.4	4.2	4.2
Average working days to complete non-emergency repairs	5.0	4.5	11.7	11.6	5.8	5.0	8.9	8.7

	RCHA	SLC	Peer Group Average	Scottish Average
% tenants satisfied with repairs service (22/23)	90.31	88.97	89.5	88.0

## Reactive Repairs Priorities 2024/2025

- Improve the level of satisfaction with the reactive repairs service
- Provide an effective repairs service within budget
- Meeting and, where possible exceeding, targets in key performance indicators

## CYCLICAL MAINTENANCE

The Association has a programme of works it carries out on a regular basis in order to maintain and preserve critical components in the properties and parts of the buildings and ensure the safety of our tenants.

Works carried out on a cyclical basis include:

Works	Programme	Notes
Gas Servicing & Maintenance Inspections	Annual	
Electrical Inspections	5-year	% of properties covered on a rotational basis
Legionella Testing	Annual	
Fire Safety Inspections – shared properties	6-Monthly Annual	Fire doors & emergency lighting Fire equipment
Smoke & Heat Detectors	Annual	
Roof Inspections & Gutter Cleaning	Annual	
Common Painter Works	5-7 year cycle	
Asbestos	Annual	In-house Inspections
Lift s- inspections	6-Monthly	
Lifts - servicing	Annually	
Door Entry Time Clock Re-set	2 per year	
Open Space Maintenance	Annual	Includes landscape, back court etc maintenance,

### Gas Servicing

In 2023/2024 100% of gas safety services were completed within one year of the previous inspection.

### Legionella

As at 31/3/24, the Association had 114 properties with water tanks. The Association is looking at a programme of converting these properties to mains water supplies in order to negate the need for legionella testing in the future.

## Fire Safety

As at 31/3/24, 100% of the Association's properties have been fitted with integrated, mains powered fire and smoke detectors that comply with the Scottish Government's LD2 requirements.

## Cyclical Maintenance Priorities

- Achieve 100% compliance with gas safety, electrical, legionella and fire safety inspections
- Start a programme of replacing water tanks with mains systems

## PLANNED MAINTENANCE

To ensure its properties provide well maintained, modern and safe homes for our tenants as well as protect the Association's investment, the Association has a programme for the replacement of both the internal and external of components of the buildings.

During the COVID-19 pandemic, the planned maintenance programme for 2020/2021 was postponed due to the restrictions of lockdown and accessing properties. As noted previously, the building and maintenance sector saw increases in the costs of labour and materials post pandemic resulting in returned tenders for works far exceeding those budgeted.

For this reason, the Association took the prudent decision to delay parts of the programme that did not represent value for money in anticipation of costs coming down.

As a result, the 5 and 30 year planned maintenance programme requires comprehensive review based on updated stock conditions surveys and, realistic cost assumptions and long-term financial projections.

Pending the completion of the review, the Association will carry out a limited programme of works in 2024/2025.

### Planned Maintenance Programme 2024/2025

	Number	Investment
Kitchens	<b>10</b>	<b>£48,600</b>
Bathrooms	<b>50</b>	<b>£270,000</b>
Central Heating Boilers	<b>15</b>	<b>£48,600</b>
Roofs		<b>£64,800</b>
	<b>TOTAL</b>	<b>£432,00</b>

The programme for investing in the stock is fluid as the Association will;

- Take opportunities to carry out planned works in void properties prior to re-let
- Consider one-off replacement where the cost of ongoing reactive repairs would not be cost effective
- Seek to 'smooth out' the costs across the lifetime of the programme
- Carry out a programme of stock conditions surveys to prioritise works and target resources

### **Planned Maintenance Priorities 2024/2025**

- Carry out a one-year planned maintenance programme
- Develop an updated 5-year planned maintenance programme for the period 2025 – 2030 based on;
  - Updated stock condition surveys
  - Realistic costs and assumptions
  - Financial projections

### **TENANT & RESIDENT SAFETY**

The safety of our tenants, residents and visitors to our properties is an absolute priority for the Association and it therefore seeks to ensure that it complies with, and exceeds where possible and appropriate, the statutory and regulatory requirements.

In particular, priority will be given to ensuring compliance with;

<b>area</b>	<b>period</b>	<b>programme</b>
Gas Servicing & Inspections	Annually	Cyclical Maintenance
Fixed Electrical Installations Inspections	5-yearly	Cyclical Maintenance
Legionella	Annually	Cyclical Maintenance
Fire Safety	Annually	Cyclical Maintenance
Damp & Mould	As Required	Reactive Maintenance
Asbestos	Annually	In-house Programme
Lifts	6-Monthly	Cyclical Maintenance

### **Tenant & Resident Safety Priorities 2024/2025**

- Carry out minimum 10% validation checks
- Achieve 100% compliance with gas safety, electrical, legionella and fire safety inspections
- Embed appropriate processes and systems for the control and management of mould and damp
- Embed systems based processes for compliance monitoring and reporting

## SCOTTISH HOUSING QUALITY STANDARDS

As a provider of social housing, the Association is obliged to meet a number of quality and energy efficiency standards set by the Scottish Government. In addition to complying with the Scottish Housing Quality Standards (SHQS) by 2015 and the Energy Efficiency Standards for Social Housing (EESH1) by December 2020, it is now working towards compliance with the most recent standards published by the Scottish Government:

Standard/Strategy	Requirements
<b>Energy Efficiency Standards for Social Housing (EESH2)</b> Published : 2020 Target : 2032	<ul style="list-style-type: none"> <li>All dwellings to have EPC Band B rating/SAP rating of 81</li> <li>Compliance should be “within the limits of cost, technology and necessary consent</li> </ul>
<b>Heat in Buildings Strategy</b> Published : 2021 Target : 2045	<ul style="list-style-type: none"> <li>From 2024 new housing will have to use zero direct emissions heating and cooling and feature high levels of fabric energy efficiency</li> </ul>

### Current Compliance

Standard	No. Properties					
	Compliant		Non Compliant		Exempt/In Abeyance	
Scottish Housing Quality Standards	811	92.9%	1	0.1%	61	7%
Energy Efficiency Standards for Social Housing 1	870	99.6%	1	0.1%	2	0.3%

### Future Compliance

The Association recognises that achieving the Scottish Government’s energy efficiency and net zero targets will be a key priority for the foreseeable future and will require considerable investment in our properties. However, along with many other associations, it has a number of concerns about its ability to effectively plan and develop strategies for full compliance by the target dates. These concerns include;

- Lack of clarity on the standards to be met – in July 2023 the Government published a consultation document on changes to the EPC ratings which is likely to result in the rating being raised. The outcome of that consultation exercise is still pending
- Indications that target dates for decarbonisation may be accelerated
- The availability of affordable and effective technological solutions
- The availability of funding
- Lack of co-operation of owners for carrying out common works

## Scottish Housing Quality Standards Priorities 2024/2025

- Monitor and analyse the Scottish Government's review of the EESSH2 standard
- Develop strategies for complying with EESSH2 and Net Zero
- Be proactive in identifying innovative and effective ways to meet the standards

### PROVISION OF NEW AND/OR ADDITIONAL HOUSING

The Management Committee has ambitions to continue building new, affordable housing for rent as well as exploring the provision of properties for other forms of tenure including mid-market rent and low-cost home ownership. It is committed to exploring any new opportunities that fit with the Association's strategic objectives and risk appetite. It will however take a prudent approach to embarking on new projects and decisions on will be based on robust development and financial appraisals, demand and available funding.

It is foreseen that any future development programme will involve relatively small sites and a modest number of new build units due to lack of vacant sites and increasing competition for land.

To support meeting the demand for affordable housing in its areas of operations, the Association is also open to opportunities for purchasing properties on the open market that;

- Are within the Association's stated boundaries of operation
- Are within buildings where the Association already has an interest and purchase would support the Association's ability to carry out common repairs
- Are assessed as being in good condition and can be brought to the Association's lettable standards at a minimal cost
- Represent value for money

### FACTORING

The Association is registered as a Property Factor on the Scottish Property Factor Register and complies with the Property Factors Code of Conduct

Of the 936 properties that the Association provides a factoring service to, 309 receive a full repairs and maintenance service and 627 receive grounds maintenance services only.

In April 2022 an internal audit of the factoring systems and process was carried out and determined only limited assurance could be given and, accordingly, made a number of recommendations:



Design				Operational Effectiveness			
Assurance	Essential	Important	Routine	Assurance	Essential	Important	Routine
Limited		3		Limited		3	1

At the start of 2024 the Association conducted an independent comprehensive satisfaction and opinion survey on the factoring service. Although the responses from the fully factored owners was, generally, more favourable, overall the levels of satisfaction were disappointing.

Taking everything into account, how satisfied or dissatisfied are you with the factoring service provided by RCHA?			
	Fully Factored	Grounds Maintenance	Total
Satisfied/Very Satisfied	<b>73.4%</b>	<b>33.3%</b>	<b>51.4%</b>
Dissatisfied/Very Dissatisfied	<b>15.2%</b>	<b>43.8%</b>	<b>30.9%</b>

Thinking about the factoring service the Association provides, do you think that the Management Fee you pay represents good or poor value for money?			
	Fully Factored	Grounds Maintenance	Total
Very/Fairly Good	<b>66.7%</b>	<b>30.5%</b>	<b>48.6%</b>
Fairly/Very Poor	<b>12.8%</b>	<b>36.8%</b>	<b>24.8%</b>

How good or poor do you think the Association is at keeping you informed of its activities and factoring services?			
	Fully Factored	Grounds Maintenance	Total
Very/Fairly Good	<b>88.6%</b>	<b>37.2%</b>	<b>62.9%</b>
Fairly/Very Poor	<b>3.8%</b>	<b>40.4%</b>	<b>22.1%</b>

Do you feel you have sufficient information on what the Factoring Management Fee covers?			
	Fully Factored	Grounds Maintenance	Total
Yes	<b>72.4%</b>	<b>40.0%</b>	<b>56.2%</b>
No	<b>11.8%</b>	<b>51.6%</b>	<b>31.7%</b>

The Association acknowledges that it has work to do to engage positively with the factored owners to determine what needs to be done to improve the services and, correspondingly, the levels of satisfaction.

Additionally, the level of arrears and the length of time some accounts have been in substantial arrears has reached an unacceptable level and the Association recognises that it has a considerable amount of work to control and manage the factoring arrears.

## Factoring Priorities for 2024/2025

- Complete the implementation of the recommendation made in the 2022 Internal Audit
- Develop a clear and transparent approach to setting and increasing the management fee that demonstrates that the costs are accurately identified and apportioned
- Issue an informative newsletter to owners that addresses some of the negative responses made in the satisfaction survey
- Develop robust and effective mechanisms for the recovery of outstanding factoring arrears

## 15. TENANCY & NEIGHBOURHOOD MANAGEMENT

The Association's tenancy and neighbourhood management involves a range of activities and service provision including;

- Rent setting and collection and arrears management
- Income maximisation and welfare rights advice
- Tenancy management and sustainment
- Processing housing applications and the maintenance of the waiting lists
- Allocation of empty homes and supporting South Lanarkshire Council to meet its obligations towards addressing homelessness
- Estate and neighbourhood management

Effective delivery of these activities and services plays a critical role in the Association's ability to successfully achieve its Strategic Objectives to:

**Proactively seek out and maximise opportunities to enhance the provision of high quality homes and neighbourhoods** (Objective 1)

**Expand our presence and activities to grow our community regeneration and engagement to meet local needs and aspirations** (Objective 2)

The Association's tenancy and neighbourhood management is customer centred and the associated services focus on;

- Delivering the best outcomes for customers, including our tenants, residents and applicants
- Supporting tenants manage their rent accounts and successfully sustain their tenancy
- Identifying and meeting housing need
- Maintaining high demand for our housing
- Supporting community development
- Providing safe neighbourhoods that people desire to live in
- Achieving high levels of customer satisfaction
- Assisting customers to access external support services through signposting and referrals

### RENT SETTING & AFFORDABILITY

The Association is committed to providing safe, warm, desirable homes at rents that are affordable. Although it is recognised that the concept of 'affordability' is subjective and dependent on household size and income as well as an individual's lifestyle priorities, the Association seeks to determine affordability by 3 measures;

- The affordability criteria set by the Scottish Federation of Housing Associations (SFHA) which states that, to be affordable, a rent has to be less than 25% of a tenants “moderate income”
- Comparability with the Association’s peer group and the Scottish average for social landlords
- Tenants’ own assessment of how affordable they found their rent

Whilst all of our rents currently meet the SFHA criteria, there has been a noticeable growth in the differential between our comparability of the average rent for our smaller flats and those for the larger, family sized properties.

At the end of March 2023, the comparison with our peer group, South Lanarkshire Council and the Scottish average showed;

- The Association’s rents for the 1 and 2 apartments were the lowest
- Rent for our 4 and 5+ apartments were higher than any of the comparison groups

	average weekly rent				
	1 apt	2 apt	3 apt	4 apt	5+ apt
<b>Rutherglen &amp; Cambuslang HA</b>	£47.30	£69.51	£87.32	£102.69	£128.71
<b>South Lanarkshire Council</b>	£64.58	£68.49	£75.83	£85.45	£90.61
<b>Peer Group</b>	£59.40	£77.37	£88.77	£98.11	£107.58
<b>Scottish Average</b>	£78.26	£83.46	£86.28	£93.96	£103.72

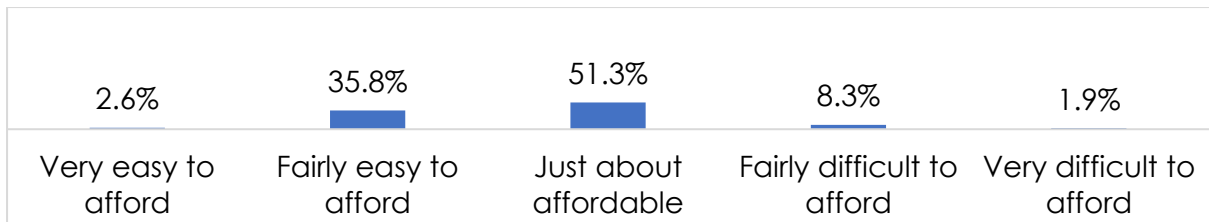
It is also recognised that there is a growing gulf between the rents charged for the smallest properties and those charged for the largest.

This disconnect was, potentially, a contributing factor to the drop in the percentage of tenants that felt that their rent represented good value for money, from 87.3% in 2022/2023 to 81.7%, although it should be noted that many social landlords recorded similar trends over the last year or so.

As part of the Satisfaction Survey the Association carried out in 2023, tenants were asked what, in their view, the Association could do to improve their view of their rent representing good value for money. Although the majority (62%) responded nothing/all good/don’t know/no comment, the Association is committed to improving tenants perception of rents being value for money.

### **Tenant Perception on Affordability**

In the 2023 survey, just under 40% responded that they found it very or fairly easy to afford the rent payments for their home, compared to 51% who said it was just about affordable and 10% who said the rent was very or fairly difficult to afford.



Unsurprisingly, those tenants that paid full rent were less likely to indicate that they found their rent easy to afford (31%) than those who were in receipt of partial Housing Benefit (42%) or Universal Credit (57%).

### Rent Affordability Priorities 2024/2045

- Start a review of the rent setting methodology
- Begin exercise on a rent harmonisation exercise to;
  - close the gap between the rents
  - make the Association’s rents compare more favourably with its peer group and the Scottish average
  - explore tenants views on what would make rents better value for money, especially those tenants not in receipt of support towards housing cost such as Housing Benefit
- Explore other opportunities for supporting tenants to maximise and manage their rent accounts

### RENT COLLECTION & ARREARS MANAGEMENT

Despite the challenges of the pandemic, cost of living crisis and welfare reforms the Association has continued to perform well in all indicators relating to rent collection and arrears management;

	Rent Collected (includes monthly rent plus arrears)			Rent Arrears as a % of the rent due		
	20/21	21/22	22/23	20/21	21/22	22/23
Rutherglen & Cambuslang HA	100.5%	100.2%	100.2%	2.68%	2.67%	1.94%
Peer Group Average	100.0%	100.1%	100.1%	5.14%	3.59%	3.18%
Scottish Average	99.1%	99.3%	99.0%	6.1%	6.3%	6.9%

The Association continued to improve its performance in rent collection in 2023/2024:

Rent Collected (includes monthly rent plus arrears)	Rent Arrears as a % of the rent due
100.9%	1.91%

The value of former tenant arrears, as at 31<sup>st</sup> March 2024 was £22,898. The Association has procedures for pursuing these debts but in most cases the arrear has accrued as a result of either the tenant dying or ending their tenancy without leaving a forwarding address. As a result, the Association had to write off almost 69% of former tenant arrears in 2023/2024.

### **Rent Collection & Arrears Management Priorities 2024/2025**

- Continue to implement stringent processes to maintain high levels of rent collection and arrears management
- Review former tenant arrears collection processes to maximise collection and minimise write offs

### **INCOME MAXIMISATION AND WELFARE RIGHTS ADVICE**

Approximately 68% of the Association's tenants receive some or all of their household income via welfare benefits and over 50% of the Association's rental income is from either Housing Benefit or the housing element of Universal Credit.

The Department of Works and Pensions intends to begin the process of moving people on legacy benefits onto Universal Credit during 2024/2025 with the rollout being completed by 2026.

Additionally, the UK Government has announced a comprehensive review and reform of the disability benefits system to include, amongst other proposals, alternatives to cash payments, such as treatment or access to services and removing benefits after 12 months for those deemed fit for work but who do not comply with conditions set by their work coach (e.g. accepting a offer of work).

The impact of these reforms on the Association's tenants and, consequently, the Association resources, is obviously, as yet unknown. However, what is clear is that these reforms, individually and collectively and coupled with the ongoing cost of living crisis, potentially pose a significant financial risk to the Association's rental income.

As noted above, the Association has maintained a high level of performance in both rent collection and arrears management. A key factor to achieving this was the support and assistance given to tenants experiencing financial difficulties, not only with meeting their rent payment but with debt and budget management, including referrals to;

- Citizens Advice Bureau surgeries held within the Association's offices 2 days per week
- The Wise Group which offers energy advice, skills and training and assistance to find employment
- Trussel Trust Food bank

The Association has also been successful in securing financial assistance with fuel payments for a number of tenants.

## **Income Maximisation & Welfare Rights Advice Priorities 2024/2025**

- Explore other opportunities for supporting tenants to maximise and manage their income
- Monitor impact of the roll out of Universal Credit on the Association's rental income

## **TENANCY MANAGEMENT AND SUSTAINMENT**

One of the primary functions of the Association is enforcing the terms of the tenancy agreement and, where these are not being adhered to, to support the tenants to moderate their behaviour to comply and, thereby, successfully sustain their tenancy.

Part of that is ensuring their rent is paid but it also covers other terms of the contractual tenancy agreement such as;

- Use of the house and common parts
- Conduct and behaviour within the property (e.g. anti-social behaviour)
- Household changes
- Condition of the property
- Household changes

The Association has noticed an increase in the number of vulnerable households, those with chaotic lifestyles, tenants with addiction issues and tenants with physical and mental health issues. At the same time there appears to be a decrease in the availability of support and care services that are available. The Association is therefore finding it more difficult to access the appropriate professional advice services to offer the best support to households experiencing difficulties in sustaining their tenancy.

Despite these challenges, we have consistently maintained between 90% to 100% of new tenancies for more than a year.

Although the Association is committed to supporting tenants to successfully sustain their tenancy, the Association has instigated legal action against one tenant during the year for the condition of the property and sought recovery of one property due to anti-social behaviour.

## **Tenancy Management & Sustainment Priorities 2024/2025**

- Explore opportunities for supporting tenants to maximise and manage their income
- Increase levels of tenant contact to identify issues and support early intervention

## PROCESSING HOUSING APPLICATIONS AND THE MAINTENANCE OF THE WAITING LISTS

The Association operates its own needs-based allocation's policy which reflects the Scottish Government's guidance and the three reasonable preference groups of;

- Homeless persons and persons threatened with homelessness and who have unmet housing needs
- Households living in unsatisfactory housing conditions and who have unmet housing needs;
- Tenants of houses who the social landlord considers to be under-occupying their property

'Unmet housing needs' are defined as being **'where the social landlord considers that they have housing needs which are not capable of being met by housing options which are available'**. However, there are currently no statutory definitions for 'unsatisfactory housing conditions'.

Anyone over the age of 16 with the right to reside in the UK can apply for housing with the Association and we have always had a high demand for all sizes and types of our housing. As at 31<sup>st</sup> March 2024 there were;

Waiting List	Number
General Needs Waiting List	909
Homeless	141
Special Needs/Referrals	35
Wheelchair Adapted	17
Medical	343
Total	1,445

The Association also offers the option to existing tenants whose current housing is not suitable for their needs the opportunity to apply for a transfer to another of the Association's properties. In addition, a small percentage of the annual lets are allowed for existing tenants who wish to move solely on aspirational grounds. As at the end of March 2024, 115 households were on the internal transfer waiting list.

To ensure that the waiting lists are fully maintained to support an efficient allocations process, the Association carries out an annual review of the waiting lists. Applicants who do not respond will be removed from the waiting list but can re-apply at any time.



## ALLOCATION OF EMPTY HOMES AND SUPPORTING SOUTH LANARKSHIRE COUNCIL TO MEET ITS OBLIGATIONS TOWARDS ADDRESSING HOMELESSNESS

The Association has always had a low turnover of properties and, since 2021 has not developed any new housing. It's ability to offer housing to applicants on its waiting list is therefore limited with an average of only 34 relets per year;

Year	2021/2022	2022/2023	2023/2024
No. of Re-Lets	44	26	33

When allocating vacant properties, the Association takes cognisance of the reasonable preference groups and the provisions of Section 5 of the Housing (Scotland) Act 2001 with regards referrals of homeless households. To meet all of its statutory and regulatory requirements as well the needs and expectations of its tenants, the Association allocates its properties in accordance with the following quotas;

Source of allocation	% of Annual Re-lets	Average number of Re-lets
Section 5 Referrals from South Lanarkshire Council	40%	13
Association's General Waiting List	40%	13
RCHA Existing Tenants with an Element of Housing Need	10%	3
RCHA Existing Tenants on Aspirational Grounds	5%	2
Referrals from Other Agencies (e.g. Social Work Department)	5%	2

Section 5 Referrals	2021/2022	2022/2023	2023/2024
No. Individual Households Referred Under Section 5	17	8	19
No. Section 5 Referrals that Resulted in an Offer of Permanent Housing	12	7	10

As rental income is the main source of income for the Association a key priority in the allocations process is to minimise the loss of rent due to properties being vacant. Over the past number of years the Association has successfully reduced the average time it takes to allocate empty homes and, by the end of March 2023 had cut the relet time by 72% over a 3 year period. Although the comparative figures for, our peer group and the Scottish average for 2023/2024 is not as yet known we are confident that the Association's re-let period of 7.4 days for the year will continue to compare favourably.

	2020/2021		2021/2022		2022/2023	
	Average time to re-let	% rent loss	Average time to re-let	% rent loss	Average time to re-let	% rent loss
Rutherglen & Cambuslang HA	49.1 days	0.4%	21.7 days	0.3%	13.7 days	0.1%
Peer Group Average	29.9 days	0.8%	23.1 days	0.6%	19.9 days	0.4%
Scottish Average	56.3 days	1.4%	51.6 days	1.4%	55.6 days	1.4%

### Allocations Priorities 2024/2025

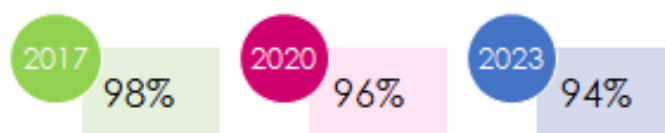
- Continue to work towards minimising the re-let period and the corresponding loss of rental income
- Continue to support South Lanarkshire Council's Homelessness Strategy

### ESTATE AND NEIGHBOURHOOD MANAGEMENT

The Association provides a range of services to maintain common areas and environments within the neighbourhoods where it has stock including;

- Grass cutting and landscape maintenance
- Close stair and window cleaning
- Back court and bin store cleaning
- Provision of a garden maintenance service for vulnerable, elderly, disabled and infirm tenants

Like many other social landlords, a result of the reduction in the bulk uplift services provided by councils, the Association has been experiencing an increase in the number of ad hoc removals of bulk uplift for items that have been fly tipped on its land. Although it is anticipated that this 'service creep' will continue to place further demands on the Association's resources, it believes it is a necessary evil to mitigate the negative impact on the appearance, safety and desirability of neighbourhoods and the level of satisfaction with the Association's management of neighbourhoods which, although still high, has reduced slightly over the last three satisfaction surveys;



Respondents in the 2023 satisfaction survey that said they were not satisfied with the Association's contribution to the management of their neighbourhood gave areas of potential improvement as;

- Addressing garden flooding
- Improving the landscape maintenance
- Managing anti-social behaviour issues
- Improving the cleaning of communal areas

### **Estate & Neighbourhood Management Priorities 2024/2025**

- Identify gardens experiencing flooding and explore remedial options
- Monitor standards of landscape and communal cleaning services and ensure they meet those expected by residents and the Association

## 16. CUSTOMER ENGAGEMENT & COMMUNICATION

It has been a long-standing goal of the Association to develop meaningful and sustainable engagement with its communities and customers but there has been little progress made in achieving this objective for a number of reasons;

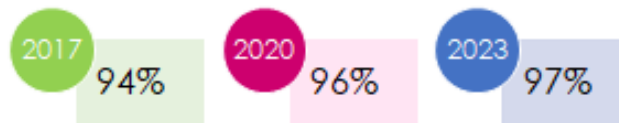
- Lack of experience, understanding and skills within the Association
- No 'buy-in' from customers
- The COVID-19 pandemic
- Long-term absence of the Director

However, achieving this remains a key Strategic Objective of the Association:

**Expand our presence and activities to grow our community regeneration and engagement to meet local needs and aspirations (Objective 2)**

### Customer Engagement

Our tenants have consistently told us that they are satisfied with the opportunities they have to engage with the Association and participate in its decision making processes:



Unfortunately, there appears to be virtually no interest from our customers in taking advantage of these opportunities and proactively engaging with the Association. To date, the Association has no Registered Tenants Organisations (RTOs), Scrutiny Panel, Focus Groups or Consultation Register.

The Association's commitment to delivering its objectives with regards engaging with its customers needs to become a key focus over the next year in recognition of the new Regulatory Framework published in February 2024 that;

- Strengthens the emphasis on landlords "listening to tenants and service users"
- Introduced a requirement on landlords to provide tenants, resident and service users with appropriate ways to feedback and raise concerns
- Introduced a requirement on landlords to consider feedback and concerns raised and provide quick and effective responses

### Customer Engagement Priorities 2024/2025

- Procure the service of customer participation/engagement specialist to support the development of a robust strategy
- Procure an established consultation platform
- Increase the level of participation in key consultation exercises

## Customer Communication

Our tenants have also consistently reported that they feel the Association is good at keeping them informed about our services and decisions:



The survey carried out in 2023 highlighted that the main sources of information for tenants are letters (78%) and newsletters (66%) while use of the Association's website remained low (6%).

The Association produces at least 3 newsletters per year and annual report on its performance on the key indicators reported in the Annual Return on the Charter (ARC). Over the past couple of years, the format, content and look of the newsletters and the annual report have been developed to make it more appealing and informative.

It is recognised that the Association's website is not the most accessible or user friendly and, whilst there is a range of information on the Association's services and performance, it can be difficult to navigate.

There is also a low take up and use of the tenants portal for both accessing information and getting in touch with the Association with 42.2% of tenants registered but only 14 tenants actively using the portal.

Although there was a low preference for text/SMS as a means of communication, empirical evidence within the sector indicates higher response rates to surveys, messages to tenants when issued via text/SMS. The Association introduced the text/SMS system in 2022 but use of this as a means of communication and consulting with our customers has, to date, been limited.

### Customer Communication Priorities 2024/2025

- Continue to issue a minimum of 3 newsletters per year
- Start a full review of the format and content of the website to make it more informative and user friendly
- Continue to develop and extend the use of text/SMS as a means to communicate and consult with customers
- Promote the tenants portal as a way to contact and engage with the Association

## 17. EQUALITIES

The Scottish Housing Regulator's standards and guidance requires that a landlord **“pays due regard to the need to eliminate discrimination, advance equality and foster good relations across the range of protected characteristics in all areas of its work, including its governance arrangements”**.

Aside from it being a regulatory requirement, the Association is committed to practicing and promoting the principles and ethos of equalities and the elimination of discrimination or harassment in the delivery of its services.

The Association has an Equalities and Human Rights Action Plan in place that is intended to strengthen its approach to ensuring equalities across the organisation and its activities.

### Equalities Priorities 2024/2025

- Develop mechanisms to better understand the diverse needs of our customers and use the information to shape the Association's services and activities
- Provide staff and Committee members appropriate training to ensure they fully understand their obligations with regards equalities

### EQUALITIES DATA COLLECTION

Section 3 of the regulatory framework, revised in 2019, requires that a landlord has **“assurance and evidence that it considers equality and human rights issues properly when making all of its decisions, in the design and review of internal and external policies, and in its day-to-day service delivery. To comply with these duties, landlords must collect data relating to each of the protected characteristics for their existing tenants, new tenants, people on waiting lists, governing body members and staff”**.

Accordingly the Association will collect equalities data for;

- Applicants and nominees to the Management Committee
- Elected members and Co-optees serving on the Management Committee
- Job applicants and those selected for interview
- New and existing employees
- New and existing tenants
- Applicants on the waiting list
- Shareholders

The information collected will be used to;

- Inform the Association's understanding of the individual needs of its service users, Management Committee members and staff
- Tailor and target the Association's approach to communicating with service users
- Improve existing practices and/or develop new services
- Identify any aspect of the Association's policies or service delivery that is having a detrimental impact on any protected characteristic group or individual
- Identify underrepresented groups

## **Equalities Data Collection Priorities 2024/2025**

- Develop systems for the collection and recording of equalities data that meet Regulatory requirements and GDPR
- Develop mechanism for ensuring the data collected influences and shapes services and activities

## 18. IT & COMMUNICATIONS

The Association recognises that, in order to deliver modern, efficient and effective services, it needs modern efficient and effective IT and communications systems that can support the Association's Strategic Objective to:

**Continue to deliver robust financial and governance outcomes (Objective 4)**

### IT Systems

The IT systems the Association currently uses are;

- SDM – housing, factoring, maintenance and finance management
- Integrator – planned maintenance programming
- Office 365 – suite of administration applications and document storage
- Sage – payroll

The SDM system also supports the tenant's portal provided by Housing Online.

Although SDM is used to manage most of the Association's core functions, the systems are not fully integrated which means some activities need to be duplicated, making the processes cumbersome and inefficient.

In the past year, the costs related to SDM have increased substantially and it is likely that continuing with it as our main management system will incur further expense. Additionally, technology for housing and property management has changed and has become more attune to the particular needs of social landlords and consequently the current system needs ongoing upgrading which is, again, proving costly.

The Association therefore recognises that, to keep pace with the developments in technology and to ensure that it can continue to deliver the most effective and value for money services to customers, it needs to invest in its IT systems.

### IT Systems Priorities 2024/2025

- Start investigating other housing and property management systems available

### IT Security

By relying on technology, the Association is very aware that it is opening itself to risks from cyber-attacks, hacking and technical failures that impact on business continuity. It therefore places the greatest priority on the security of the systems and data.

Protecting the Association and the data it holds has become even more important with the increase in the level of mobile and home working.

However, as with many aspects of information technology, changes and advancements in security systems continue at an unprecedented pace. The Association will, therefore, continue to explore new security innovations and to invest in the highest level of firewall, internet and email protection.



## IT Security Systems Priorities 2024/2025

- Maintain effective security systems and protocols
- Introduce multi-factor authentication for Microsoft accounts

## IT Hardware

The ability of staff to make full use of technology to provide the highest standards of service relies on them having access to high quality equipment that is fit for purpose, utilises the latest platforms and is responsive and efficient.

A full audit of the current hardware in the office is due to be carried out that will inform a properly costed programme for upgrades and replacement equipment that takes into account the Association's ambitions in relation to mobile working, flexibility of working and innovative approaches to service delivery.

## IT Hardware Priorities for 2024/2025

- Complete a full audit of the current equipment
- Develop a costed IT Hardware & Systems Upgrade 5-Year Programme

## Website

The Association's current website was designed and developed by Kiswebs in 2018 to provide a range of information on the Association's activities and performance. The website also hosts the tenant portal and provides online applications for housing.

Unfortunately, experience has shown it to be difficult to navigate and find the information required.

Additionally, the satisfaction surveys of tenants and factored owners carried out in 2023 and 2024 respectively showed that;

- Although 42.2% of tenants are registered on the portal, only 14 are active users
- Only around 6.4% of tenants would use the website as a means of accessing general services
- 0.8% would use it for getting in touch with the Association
- 76.7% of factored owners have never accessed the website

## Website Priorities

- Start a full review of the format and content of the website to make it more informative and user friendly
- Develop processes for updating information

## Social Media

The Association has, in the last year, sought to expand its use of social media platforms such as Facebook as a means to promote the Association and disseminate information and news about its activities but has achieved only limited success. However, it recognises that younger customers are more likely to use social media as a means of getting information and engaging with the Association. Expanding the use of platforms to support our engagement and communications ambitions therefore remains an objective going forward.

## Communications

It is recognised that more and more organisations and businesses are moving toward paperless forms of communicating with customers. Recent surveys, however, indicate that tenants and factored owners prefer the Association to communicate with them via letter or phone.

Which methods would you prefer Rutherglen and Cambuslang Housing Association to use to keep you informed about their general services? And how would you prefer them to get in touch to discuss your tenancy with you? Finally, how would you prefer to get in touch with the Association if you need to?

	(a) general services	(b) to discuss your tenancy	(c) Getting in touch with the Association
Letter	78.4%	77.8%	2.7%
Telephone	25.1%	37.2%	96.7%
Email	9.0%	9.0%	8.6%
Text / SMS	6.4%	2.3%	1.9%

To deliver a more efficient service, the Association is moving towards issuing invoices, letters, newsletters etc via email and/or text messages. Given the choice, which method of communication would you prefer (please select one only)

	Email	Text	Post
Fully Factored Owners	37.5%	4.2%	58.3%
Receive Ground Maintenance Only	60.8%	3.8%	35.4%

Whilst the Association seeks, as far as possible, to adhere to the preferences and wishes of customers, it has to balance these with the need to modernise services, make cost savings and provide value for money. The Association will, therefore, continue to explore options for utilising new technology and digital platforms to move towards paperless communication at a pace that accommodates the needs of our customers.

### IT & Communications Priorities 2024/2025

- Develop an IT and Communications Strategy and action plan

## 19. VALUE FOR MONEY

The need to provide Value for Money for our customers has always been important to the Association as it recognises that;

- Our tenants have a right to expect the best service for their rents
- We need to obtain the maximum return from the resources we have available
- It is what contributes to effective and successful businesses

Achieving Value for Money directly contributes to the Association's Strategic Objective to:

**Continue to delivery robust financial and governance outcomes** (Objective 4)

However, with rising costs in materials and labour alongside the importance of ensuring our rents remain affordable, it has become even more critical that the Association can demonstrate that, in all out activities, we are achieving;

**Economy:** by the careful use of the resources available to save expense, time and/or effort

**Efficiency:** by delivering the same or better level of service for less cost, time and/or effort

**Effectiveness:** by achieving the desired outcomes for the same or less expense, time and/or effort

The Scottish Housing Regulator's report from its National Panel of Tenants and Service Users suggests that tenants and service users judge value for money based on;

- Rent Levels & Affordability
- Comparability of Rents
- Quality of Services, particularly with regards repairs and maintenance
- Capital Investment in their homes
- The Annual Rent Increase

### **Achieving Value for Money**

To achieve Value for Money the Association seeks to;

- Deliver the highest standards and quality for the best price
- Meet the needs and expectations of our customers as efficiently and cost effectively as possible
- Make the best use of the resources available
- Identify opportunities to save money whilst not compromising on service delivery
- Ensure its rents remain affordable by keeping annual increases as low as financially viable
- Where appropriate, use the procurement process to achieve the best price and quality when contracting works and services

## Measuring & Demonstrating Value for Money

The Association uses its performance against a number of the Charter indicators as a means to measure and demonstrate that it is achieving Value for Money. The charter indicators used are those that contribute to one or more of the following Value for Money principles:

**Value:** Demonstrates direct value or benefit to service users

**Efficiency:** Shows how well services are managed with a corresponding benefit to the Association or its customers

**Financial:** Provides evidence of a positive financial impact such as a monetary gain or contribution to the Association's financial wellbeing

The Charter indicators used are:

Principle	Indicator No	Charter Indicator
Value	1	% tenants satisfied with the overall service provided by the Association
Value	7	% tenants satisfied with quality of their home
Efficiency Value	8	Average hours taken to complete emergency repairs
Efficiency Value	9	Average working days taken to complete non-emergency repairs
Efficiency Value	10	% reactive repairs completed 'right first time'
Value	12	% tenants satisfied with repairs service
Value	13	% tenants satisfied with the Association's contribution to the management of their neighbourhood
Efficiency Financial	14	% tenancy offers refused
Value Financial	16	% new tenancies sustained for more than one year
Efficiency Financial	18	% of rent lost through properties being empty
Value	25	% tenants who feel the rent for their property represents good value for money
Financial	26	% rent due collected
Financial	27	% gross rent arrears of rent due
Value	29	% factored owners satisfied with factoring service
Efficiency Financial	30	Average number of calendar days to re-let properties
Financial	C1.3.3	% days lost through staff sickness absence
Value Financial	6	% properties meeting SHQS standards at the year end

The Association's performance against the Charter Indicators as at 31<sup>st</sup> March 2024 is detailed in Appendix X.

Where appropriate, the Association will also use feedback from complaints and satisfaction surveys on activities including;

- Housing application process
- Allocations process
- Planned maintenance works
- Care of Garden Scheme
- Close Cleaning
- Landscape Maintenance

### **Value for Money Priorities 2024/2025**

- Develop a Value for Money Strategy
- Fully implement a new Procurement Policy and Strategy
- Develop a suite of Customer Satisfaction/Opinion Surveys
- Continue to identify opportunities for cost savings and/or efficiencies

## 20. PERFORMANCE MANAGEMENT

The Association's performance management framework includes;

- Setting performance targets for key indicators
- Benchmarking of key performance indicators against the Scottish average for Registered Social Landlords (RSLs) and the Association's peer group

Sound performance management directly contributes to the Association's strategic objectives:

**Continue to deliver robust financial and governance outcomes (Objective 4)**

### Peer Group

The peer group used for benchmarking consists of housing associations that have a similar profile to Rutherglen and Cambuslang Housing Association based on stock number and stock portfolio.

	Type	Stock Number
Rutherglen & Cambuslang	Urban	873
Ardenglen	Urban	982
Barrhead	Urban	958
Cernach	Urban	877
Lanarkshire	Urban	927

### Targets

The Association has revised its performance targets for key indicators for 2024/2025 based on an analysis of previous performance and benchmarking exercises.

Performance against the targets will be reported quarterly to the Management Committee via the Operations Sub-Committee and annually as part of the Annual Return on the Charter (ARC).

The targets will be reviewed annually to ensure they are still appropriate, realistic and driving performance improvement.

The targets for 2024/2025 are detailed in Appendix X