

BUSINESS PLAN 2025-2028

Date of Approval by Board of Management: 19th August 2025

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SECTION 1 – INTRODUCTION & EXECUTIVE SUMMARY

This Business Plan covers the period 2025/2026 – 2027/2028 and sets out the Association's strategic direction and key business priorities for the next three years. It builds on the previous one-year plan which focused on review, consolidation and improvement and aims to demonstrate how the Association will continue to build on its current success, strengthen its service delivery and ensure compliance with all of its regulatory and statutory requirements.

At the heart of the plan remains the commitment to deliver the best outcomes for our tenants, communities and other service users.

In developing this Business Plan, we have taken into account;

- Our most recent tenant satisfaction survey (carried out January 2023)
- The results of the Owners Satisfaction Survey (carried out May 2024)
- Outcomes from our Strategic Planning days with the Board of Management (January 2025) and staff (February 2025)
- Feedback from tenant consultation exercises (surveys and tenants events carried out November 2024 – February 2025)
- Our performance against the Scottish Social Housing Charter, benchmarked against South Lanarkshire Council, the Scottish average and our peer group
- The results of a comprehensive stock condition survey of 70% of our properties
- The outcomes from reviews on our systems and processes for key activities including governance, procurement, factoring and tenant and resident safety
- The Association's updated 5 and 30 year financial projections

All data comparators for the Scottish and peer averages are 2023/2024 data which is the most recent dataset available at time of writing.

The plan has been prepared with reference to;

- The Scottish Housing Regulator's Advisory Guidance on Business Planning (published June 2024)
- The Regulatory Framework (as reviewed April 2024)
- The requirements of the Scottish Housing Regulator's Recommended Practice for Integrated Asset Management (published February 2023)
- Glasgow & West of Scotland Forum's guidance paper (published January 2024)

A draft business plan was approved by the Board on 2nd July 2025. The final version of the Business Plan 2025/2026 – 2027/2028 was approved by the Board of Management on 19th August 2025.

EXECUTIVE SUMMARY

Rutherglen & Cambuslang Housing Association has prepared this business plan to set out the Association's strategic direction and associated activities for the years 2025-2028.

This business plan is designed to be forward looking and ambitious for the Association following several years of business improvement, consolidation and ensuring our assurance systems are evident. The Board and staff team have been involved in the development of this plan. Tenants have contributed via customer feedback surveys and we have taken account of customer priorities.

The Association has reviewed its strategic framework in early 2025. The new framework is:

Our Vision

Providing a home, not just a house.

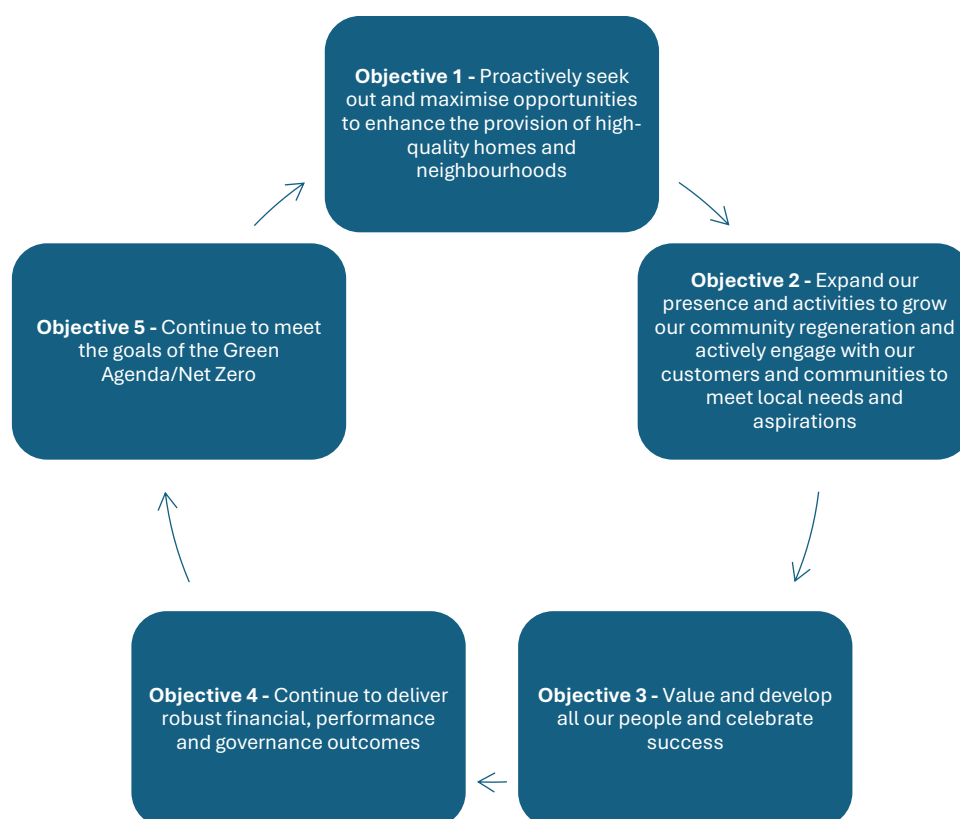
Our Mission Statement

To deliver high quality, affordable housing and services with care and expertise which empowers our customers and meets their needs.

Our Values

- Fairness – We are committed to treating everyone fairly and equally and to respect and celebrate our differences
- Make a difference through excellence – In all our activities we will strive to achieve a positive impact for our service users and our communities
- 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
- Professionalism – Staff and Board will conduct themselves professionally at all times and seek to deliver services to the highest professional standards
- Recognition – We will seek ways to demonstrate appreciation for the contribution and commitment of all our people

Our Strategic Objectives



Each of our strategic actions in the delivery plan at Appendix 1 to the business plan link back to our strategic objectives.

Our Key Strategic Actions

During 2025/26, our key strategic actions are

Strategic Objective 1- Proactively seek out and maximise opportunities to enhance the provision of high-quality homes and neighbourhoods
Develop and implement a comprehensive Asset Management Strategy
Continue to support SLC-focus on prevention of homelessness and management of arrears

Strategic Objective 2- Expand our presence and activities to grow our community regeneration and actively engage with our customers and communities to meet local needs and aspirations
Consider the long-term future use of the Caledonian Centre following options appraisal
Hold a tenants' conference in Aspire Centre and Caledonian Centre to identify what tenants want from RCHA
Undertake Customer Satisfaction Survey
Increase the level of participation in key consultation exercises

Review community benefits process for how to expend funds
Develop mechanisms to better understand the diverse needs of our customers, annually report this to the Board and use the information to shape the Association's services and activities
Develop mechanism for ensuring the data collected gives better insight into our customer profile and influences and shapes services and activities
Map and explore partnership options to expand the range of services and provide more practical support for tenants, for example, energy vouchers
Formalise our arrangements with CAB for our tenants and request an outcomes report for Board. Consider in-house or partnership WR Advisor.

Strategic Objective 3 -Value and Develop all our People and Celebrate Success

Review full staff structure once new business plan agreed -structure follows strategy including impact of planned maintenance programme and supporting tenants
Carry out a Staff 'Wellbeing' Survey
Review staff appraisal policy and processes and conduct appraisals
Continue to review succession plans, especially for senior management posts after appraisal
Explore options for offering hybrid working including reviewing office opening hours to support WFH

Strategic Objective 4 - Continue to Develop Robust Financial, Performance and Governance Outcomes

Develop an updated 5-year planned maintenance programme for the period 2025 – 2030
Conclude the Factoring Review
Develop robust and effective mechanisms for the recovery of outstanding factoring arrears
Review other current systems including Integrator Asset Management system and setting up factoring system
Ensure all staff have working from home capacity
Develop an updated and costed IT and Communications Strategy and action plan
Start review of rent setting methodology
Undertake a full review of the processes which support the Allocations Policy

Strategic Objective 5 - Continue to Meet The Goals of the Green Agenda/Net Zero

Develop strategies for complying with the Net Zero Standard once this is published
Continue our internal wall insulation project

Our Planned investment

The budgeted asset spend for 2025/26 has been set £1,612,304. The breakdown is as follows: -

Budgets	Total Investment	Cost per Unit
Cyclical, Component Replacement & Planned Maintenance	£1,107,777	£1,296
Void Works & Reactive Maintenance	£504,527	£590
TOTAL	£1,612,304	£1,886

This represents an asset budget per unit of 36% increase from 2024/25 and delivers on our commitment to deliver on strategic objective 1 “to enhance the provision of high-quality homes and neighbourhoods.”

Summary Cyclical Maintenance Programme 2025/2026 -Top 5 Expenditure areas

	Number	Investment
Gas servicing and maintenance	881	£105,720
Scheme repainting	TBC	£76,000
Roof inspections and gutter cleaning	558	£67,000
Fire door inspections to common flat doors	91 blocks	£25,000
EICR programme	150	£18,000
Other cyclical programme works		£61,443
Total Cyclical spend		£353,163

Summary Planned Maintenance Programme 2025/2026

	Number	Investment
Kitchens	30	£165,000
Bathrooms	100	£380,000
Central Heating Boilers	15	£30,000
Ad-hoc Roofs/roughcast/bay window replacement	N/A	£110,000
Common tank removal	114 tanks	£38,000
Other-eg door entry and replacement and twin fans	N/A	Included in above line
Other- fees. Etc.	N/A	£32,000
TOTAL		£755,000

The detail of Rutherglen and Cambuslang Housing Association's Business Plan is set out in the following sections. We welcome your comments and feedback on the document.

French (Français)

Les détails du plan d'affaires de la Rutherglen and Cambuslang Housing Association sont présentés dans les sections suivantes. Vos commentaires et retours sur ce document sont les bienvenus.

Spanish (Español)

Los detalles del plan de negocios de la Rutherglen and Cambuslang Housing Association se exponen en las siguientes secciones. Agradecemos sus comentarios y sugerencias sobre el documento.

German (Deutsch):

Die Einzelheiten des Geschäftsplans der Rutherglen and Cambuslang Housing Association sind in den folgenden Abschnitten dargelegt. Wir freuen uns über Ihre Kommentare und Rückmeldungen zu dem Dokument.

Italian (Italiano)

I dettagli del piano aziendale della Rutherglen and Cambuslang Housing Association sono illustrati nelle sezioni seguenti. Accogliamo con piacere i vostri commenti e suggerimenti sul documento.

Polish (Polski)

Szczegóły planu biznesowego Rutherglen and Cambuslang Housing Association przedstawione są w poniższych sekcjach. Zachęcamy do przekazywania uwag i opinii na temat tego dokumentu.

Arabic (العربية)

يتم عرض تفاصيل خطة العمل لجمعية الإسكان في روثرغلين وكامبوسلانغ في الأقسام التالية. نرحب بتعليقاتكم وملاحظاتكم على هذا المستند.*

Simplified Chinese (简体中文)

Rutherglen 和 Cambuslang 住房协会的业务计划详情在以下各节中列出。我们欢迎您对本文件的意见和反馈。

Russian (Русский)

Подробности бизнес-плана жилищной ассоциации Рутерглен и Камбусланг изложены в следующих разделах. Мы будем рады вашим комментариям и отзывам о документе.

Urdu (اردو)

روٹھرگلن اور کمبس لنگ ہاؤسنگ ایسوسی ایشن کے کاروباری منصوبے کی تفصیلات درج ذیل حصوں میں بیان کی گئی ہیں۔ ہم اس دستاویز پر آپ کی آراء اور تجاویز کا خیرمقدم کرتے ہیں۔

Romanian (Română)

Detaliile Planului de Afaceri al Asociației de Locuințe Rutherglen și Cambuslang sunt prezentate în secțiunile următoare. Așteptăm cu interes comentariile și feedbackul dumneavoastră referitoare la acest document.

SECTION 2 - PURPOSE OF THE BUSINESS PLAN

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

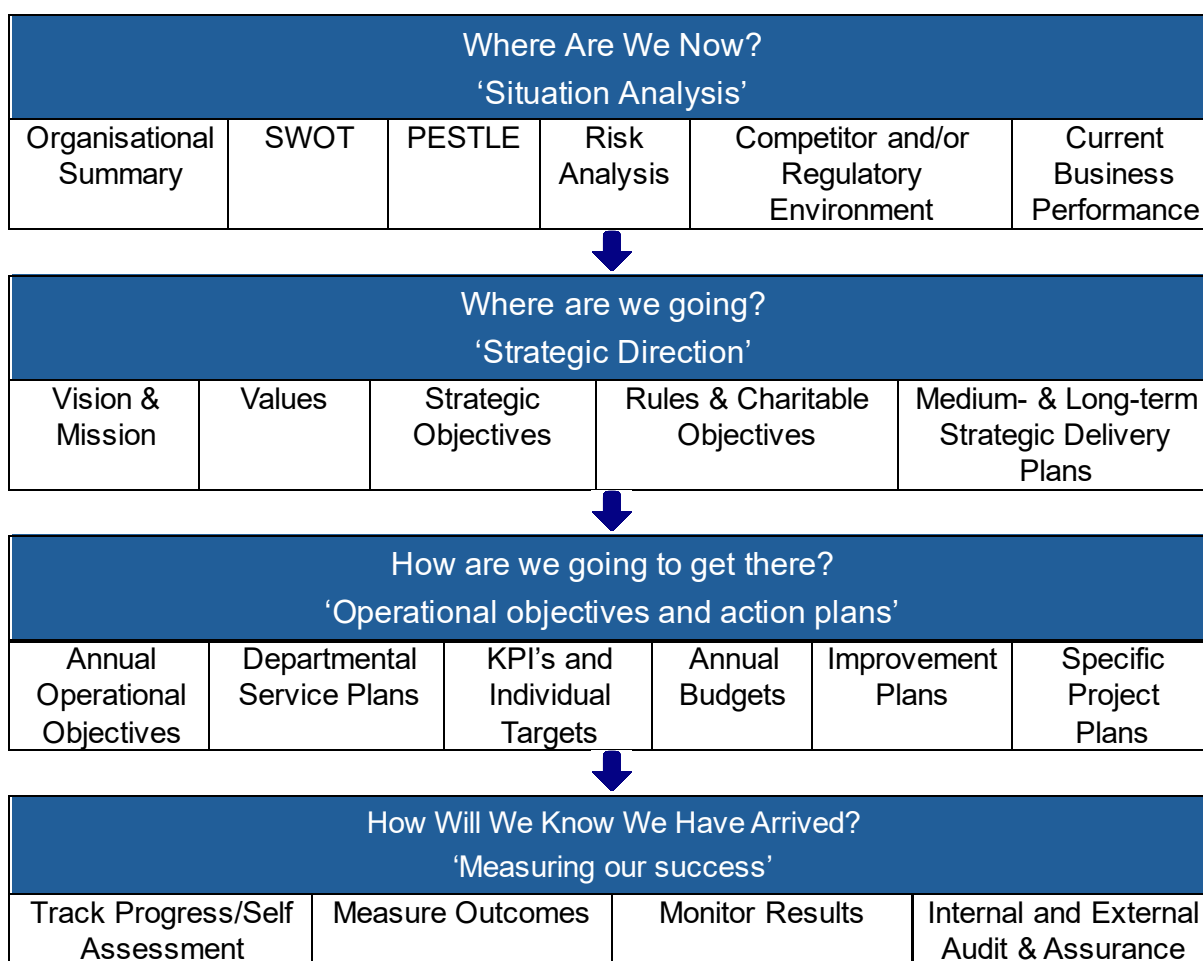
The key purposes of the Business Plan are to;

- Help us understand the internal and external environment we are operating within
- Identify the risks and challenges to the organisation and its ability to deliver its strategic objectives and determine how these risks can be mitigated and challenges met
- Clarify and communicate the Association's vision for its future, its priorities and its strategic objectives and how we will achieve these
- Provide a framework for monitoring our progress and measuring our success
- Show how the Association will make best use of its assets and resources to deliver value for money to our tenants
- Demonstrate that the Association has the resources to meet its commitments and achieve its objectives

Whilst it is primarily an internal document, this Business Plan also provides information to our customers, regulatory bodies, funders, partner organisations 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.

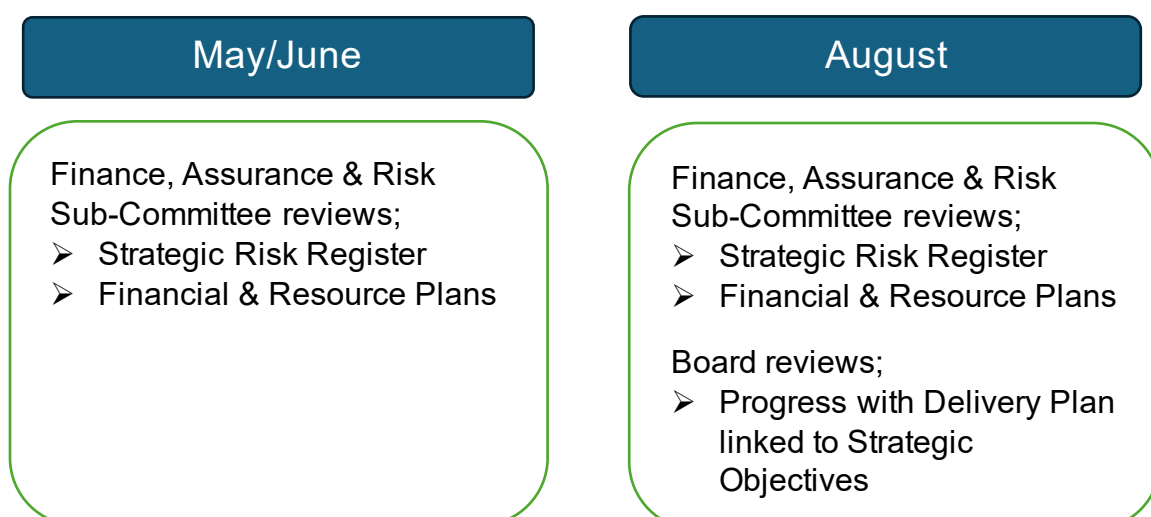
SECTION 3 - BUSINESS PLAN REVIEW PROCESS

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



Whilst this Business Plan covers a three-year period, it shall be monitored to ensure it continues to reflect any changes in the external social, economic and political environment that could potentially impact on the Association's business and/or service users.

Key activities and target dates for ongoing review of the Business Plan include;



November

Finance, Assurance & Risk Sub-Committee reviews;

- Strategic Risk Register
- Financial & Resource Plans

Board reviews;

- Progress with Delivery Plan

January

Strategic Planning Days to review;

- Internal & External operating Environments
- Strategic Objectives
- Risk register
- Strategic actions for Delivery Plan

February

Board;

- Approves final budget & financial projections
- Reviews KPI Targets

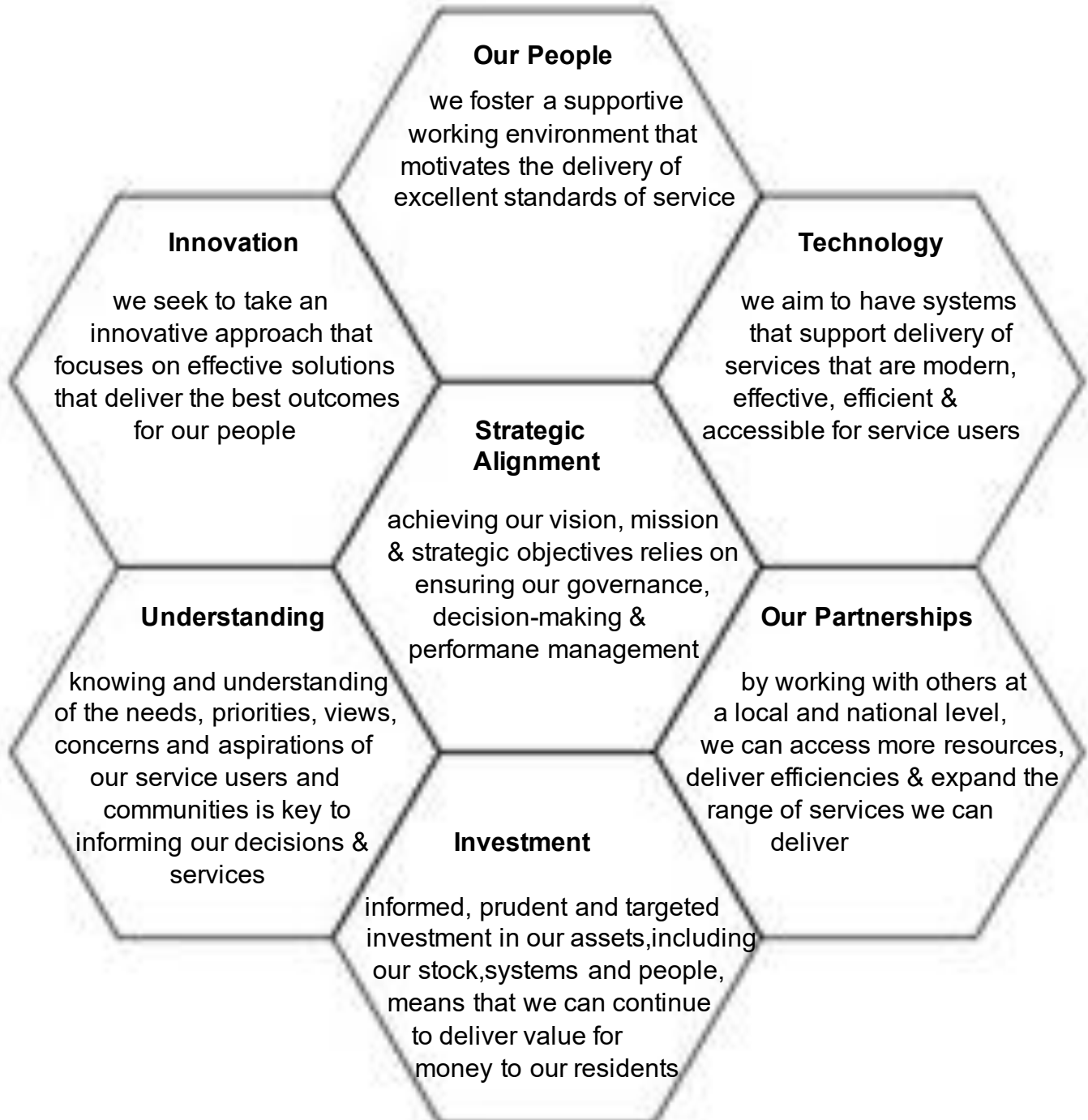
March

Board;

- Approves updated Business Plan/Delivery Plan

SECTION 4 - RESOURCING DELIVERY OF THE BUSINESS PLAN

To deliver the strategic objectives the Association will ensure that it maximises the use of key resources;



SECTION 5 - 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), with the Financial Conduct Authority (Registration Number 2029RS) and on the Property Factor Register (Registration Number PF000345). 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 1st April 2025 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, it implements its wider role and community regeneration projects.

The Board of Management

The Association's Rules allow for a maximum of 14 elected members and 1 appointee on the Board of Management and as at 1st April 2025, there are 12 governing body members.

Staff

The Association currently employs 19 members of staff to deliver the full range of housing, repair and tenancy and community support services. Additional financial services are provided externally.

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.

To date the Association has invested well in excess of £70million in its communities.

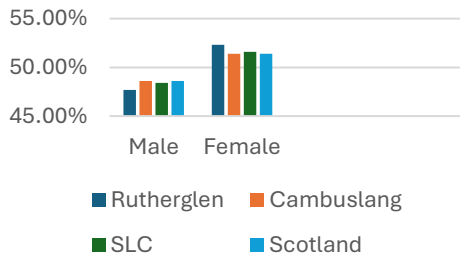
The Association has continued to develop a number of small-scale new build estates in Rutherglen and Cambuslang and this remains a key objective of the Association going forward.

SECTION 6 - RUTHERGLEN & CAMBUSLANG PROFILES

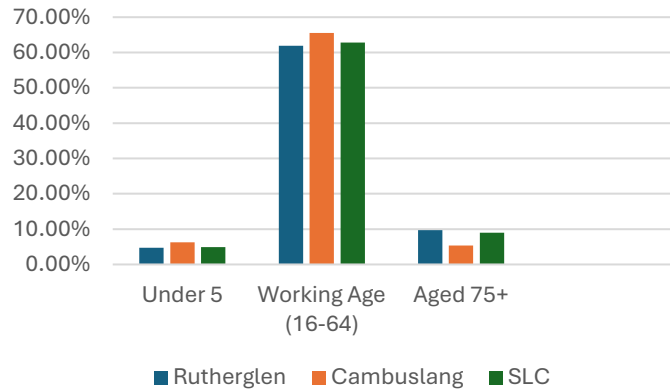


Population: Rutherglen - 32,349 Cambuslang - 30,699

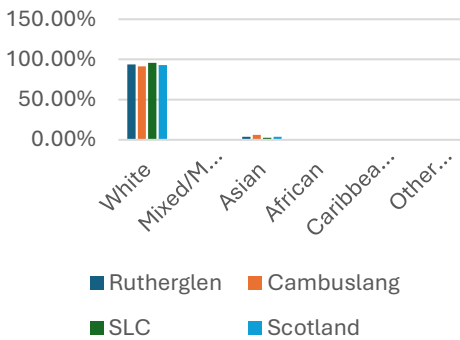
Gender



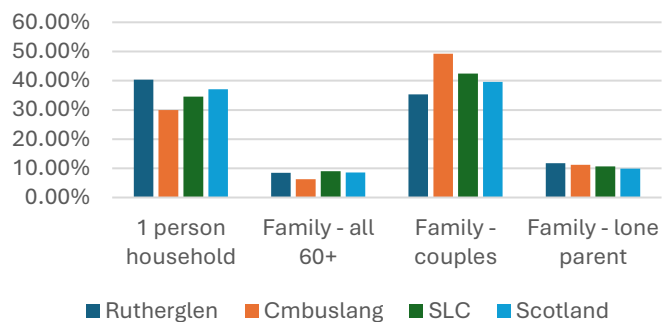
Age Profile



Ethnicity

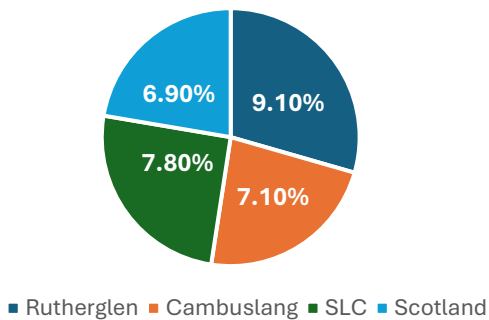


Household Composition

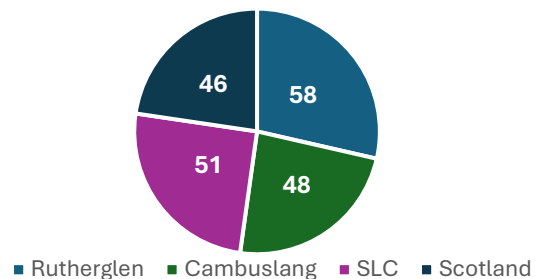


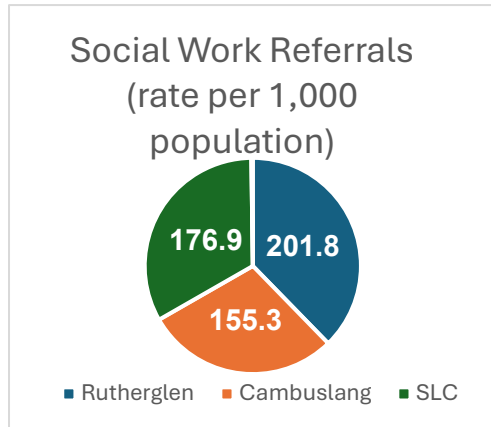
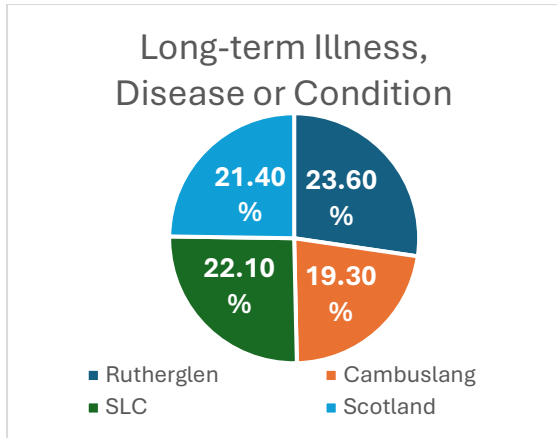
Health & Wellbeing

% with Bad or Very Bad Health

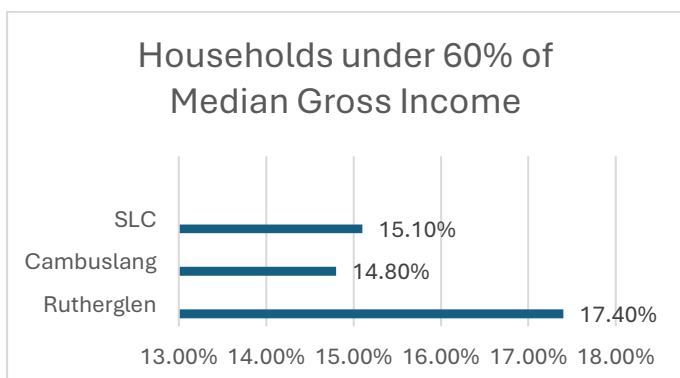
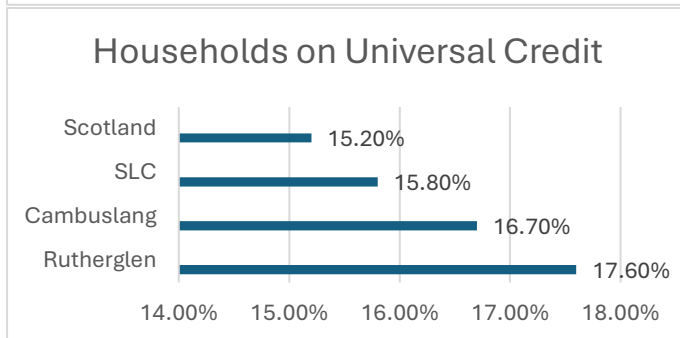
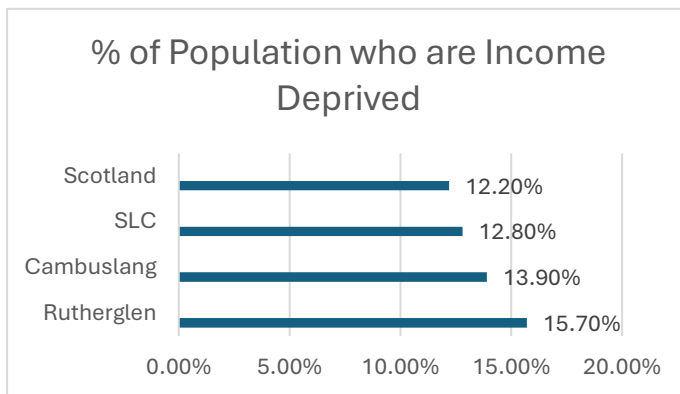


Death Rates - under 75 years (rate per 1,000 population)

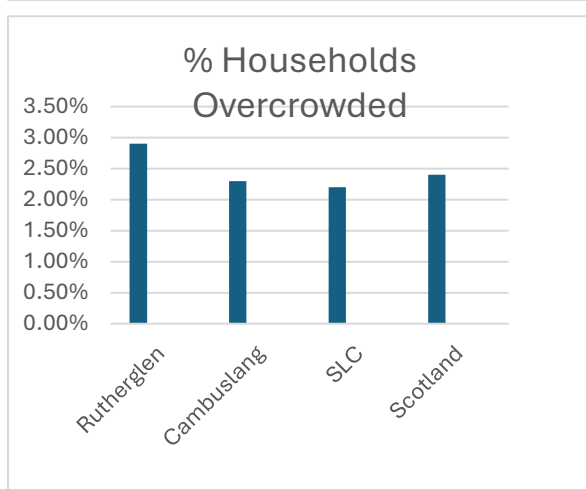
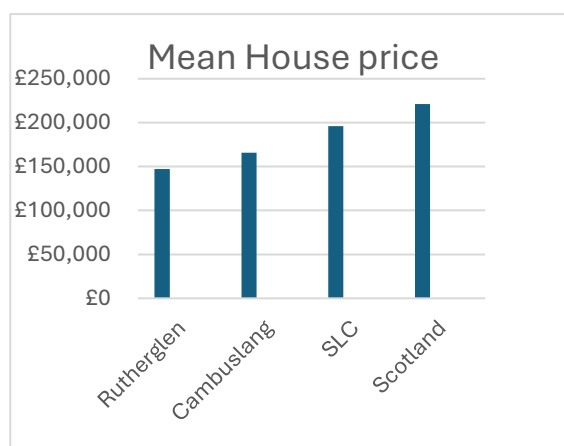
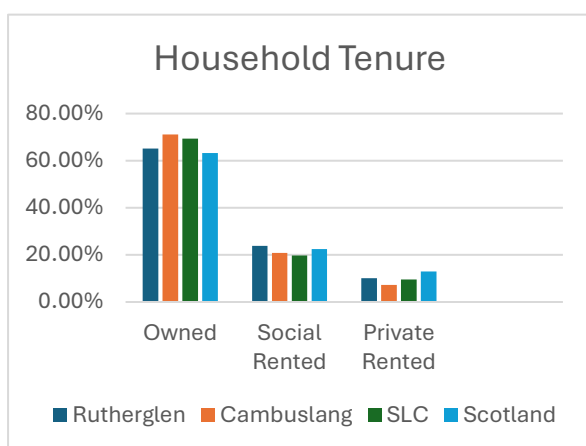




Economies



Housing



Our SIMD Profiles

Rutherglen and Cambuslang Housing Association are keen to expand their wider role offer to customers during the lifetime of this plan. We will work with partner organisations to develop a strategy for this.

We have considered our demographic profile through the Scottish Index of Multiple Deprivation (SIMD) which considers a number of factors in small geographic areas (data zones) across Scotland including

- Employment
- Educational attainment
- Income
- Health and compares this across Scotland.

Our postcode check against the SIMD calculator data zones shows we have stock in the following areas which have some of the most deprived residents in Scotland as follows

Top 5% Most Deprived data zones with RCHA stock	<ul style="list-style-type: none"> • Westburn & Newton • Halfway, Hallside & Drumsgard
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Top 10% Most Deprived data zones with RCHA stock	<ul style="list-style-type: none"> • Shawfield & Clincarthill • Westburn & Newton • Farme Cross & Gallowflat • Fernhill & Cathkin
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Our wider role activity will focus on our stock within these areas to meet our strategic objectives and assist in addressing inequalities.

SECTION 7 - VISION, MISSION AND VALUES

At the Strategy Planning Days in January and February 2025, the Board and staff separately undertook a review of the four aspects of the Association's Strategic Framework. Both groups expressed similar visions and ethos and, consequently, were able to develop new vision and mission statements.

Our Vision

Providing a home, not just a house.

Our Mission Statement

To deliver high quality, affordable housing and services with care and expertise which empowers our customers and meets their needs.

Our 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 Board and staff members.

Board, staff and tenants were consulted on what the Association's core values should be and have been identified as;

- Fairness – We are committed to treating everyone fairly and equally and to respect and celebrate our differences
- Make a difference through excellence – In all our activities we will strive to achieve a positive impact for our service users and our communities
- 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
- Professionalism – Staff and Board will conduct themselves professionally at all times and seek to deliver services to the highest professional standards
- Recognition – We will seek ways to demonstrate appreciation for the contribution and commitment of all our people

SECTION 8 - 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 operating environments the organisation works within
- Regulatory and statutory requirements and obligations
- Future challenges and risks
- The Association's commitment to support our customers and be more than just a landlord
- The acknowledged areas of strength as well as its weakness
- Future financial stability

The Strategic Objectives have been 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 actively engage with our customers and communities to meet local needs and aspirations

Objective 3 - Value and develop all our people and celebrate success

Objective 4 - Continue to deliver robust financial, performance and governance outcomes

Objective 5 - Continue to meet the goals of the Green Agenda/Net Zero

The delivery of these objectives is detailed in the Association's Strategic Delivery Plan (Appendix 1). The Strategic Delivery Plan is primarily designed as a tool for our Board to assess strategic performance and is focused on our strategic actions and desired outcomes.

SECTION 9 – OUR 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. The SWOT analysis from our strategic planning events is set out below.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Strong Board - knowledgeable, diverse, committed & forward thinking • Experienced and knowledgeable staff • Board & staff that are willing to face challenges, learn and adapt • Financially sound • Provides high quality homes that are in demand • High standard of service delivery and performance (low arrears, repairs response times, quick re-let times) • High levels of tenant satisfaction • Good understanding of risk • Helpful, caring & supportive culture • Tenant focused • Good staff & Board relationship • Accessibility to staff and services • Strengthened & improved governance 	<ul style="list-style-type: none"> • Levels of tenant engagement & participation • Internal communications • Understanding of customers' needs & priorities • Use of social media • Take up of training & development opportunities • Factoring service & owner satisfaction levels • Wider action activities • IT systems not being fully utilised • Accessing external funding • Promoting RCHA successes • Number of policies & procedures require to be developed/updated
Opportunities	Threats
<ul style="list-style-type: none"> • Improving wider role activities (tenancy sustainment, money & benefits advice, community engagement, apprenticeships) • Partnership working (other RSLs, health & social services, politicians, local authority, local businesses, charities etc) • Accessing external funding, • Tenant engagement incentives to support identifying needs & priorities • Expanding use of Caledonian Centre & Aspire Building for community/tenant engagement activities • Use of IT systems, social media platforms, online survey tools 	<ul style="list-style-type: none"> • Housing/Homelessness crisis • Cost of living & rising costs for RCHA, tenants & factored owners • Staff retention & recruitment/skills shortages • Government policies (ESSH, Net Zero, Brexit) • Changes in legislation • Welfare Benefit changes • Lack of available funding • Cost of development • Economic pressures • Reducing support services for vulnerable households • The new Housing (Scotland) Bill • Potential service reduction from SLC

<ul style="list-style-type: none"> • Recruitment of new CEO/Staff Structure Review/Board Recruitment • Provision of new/additional affordable rented properties and/or low cost home ownership • Growth via Market Purchase Scheme via SLC 	
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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. The PESTLE analysis from our strategic planning events is set out below.

Political	Economic
<ul style="list-style-type: none"> • 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 • Scotland's housing emergency and rapid rehousing approach 	<ul style="list-style-type: none"> • 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 and managed migration
Social	Technological
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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 Board, staff and tenants

Legal	Environmental
<ul style="list-style-type: none"> • Data Protection & Freedom of Information legislation • Procurement Regulations • Consequences of non-compliance/breach of regulations • Changing legislation regarding tenant and resident health and safety 	<ul style="list-style-type: none"> • Climate change • Focus on sustainability • Lack of land availability/development opportunities • Net Zero delivery and funding challenges

SECTION 10 - 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
High Interest/High Influence	High Interest/Low Influence
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"> • Tenants, Residents, Applicants & Service Users • Regulatory Bodies • South Lanarkshire Council • South Lanarkshire Health and Social Care Partnership • Lenders • Scottish Government • Auditors • Insurers 	<ul style="list-style-type: none"> • Citizens Advice Bureau • Money Advice Services • Women's Aid • Richmond Fellowship • Living Ambitions • Property Developers • Local Housing Associations • Healthy and Happy
3	4
Low Interest/High Influence	Low Interest/Low Influence
Relationship: maintain moderate engagement and consultation	Relationship: keep informed as appropriate
<ul style="list-style-type: none"> • Employers in Voluntary Housing (EVH) • Scottish Federation of Housing Associations (SFHA) • Glasgow & West of Scotland Forum (GWSF) • Department of Work & Pensions (DWP) • The Pensions Trust • Chartered Institute of Housing (CiH) • Contractors • UK Government 	<ul style="list-style-type: none"> • Scottish Housing Associations • Resources for Educations (SHARE) • Information Law Solutions • Consultants • Suppliers

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 including the Health and Safety Executive and Information Commissioner's Office.

South Lanarkshire Council (SLC) and South Lanarkshire Health and Social Care Partnership (SLHSCP) – 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, 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 fill the gaps, for example, for bulk uplifts.

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

It is therefore essential that the Association fosters sound working relationship with the appropriate departments and officers within SLC and the Health and Social Care Partnership.

Lenders – At the end of March 2025 the Association had outstanding loans totalling just over £7m 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 it remains compliant with its covenants.

Accordingly, it is important that the Association maintains 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. In addition, the Association will ensure it responds to changes at UK and national level to the welfare benefits system and economic influences.

Auditors – It is a regulatory requirement that the Association has a programme for both independent internal and external audits in order to provide the Board, 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, CT (formerly Chiene and Tait LLP) was appointed as the Association's external auditor. A joint procurement exercise with Clydesdale Housing Association resulted in Wbg (formerly 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, cyber attacks 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 social 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. The Association renewed its insurance cover with AVID Insurance Services for the period 2025/2026.

Banks – The Association currently has accounts with;

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

Section 11 - GOVERNANCE & ORGANISATIONAL MANAGEMENT

Good governance underpins 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;

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

THE BOARD OF MANAGEMENT (the Board)

The responsibility for ensuring sound governance lies with the Board which;

- Sets the Association's strategic direction & objectives and monitors its progress in meeting these
- 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 Board are all volunteers and a number of the current members are tenants or factored owners of the Association.

Under the Association's Rules, the Board can have up to 14 elected members but no fewer than 7. It can also have 1 appointee at any one time with specific skills to support the Board with an identified activity.

Recruitment

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

Although we currently have a relatively healthy number of Board members that, collectively, have a diverse range of knowledge, skills and experience of either working within the housing sector or sitting on voluntary boards, we recognise that there remains a need to have robust, proactive processes for promoting and encouraging interest in joining the Board.

A full recruitment exercise was carried out prior to the 2024 AGM which focused on filling identified skills gaps which had been identified as;

- Experience of working with the Scottish Housing Regulator

- Asset Management and landlord Health & Safety
- Role as an Employer (pending recruitment of a Senior Officer)
- IT (pending consideration of a new housing management system)
- Customer engagement and tenant participation
- Audit and Risk

As a result of the recruitment exercise, five new members were elected on to the Board at the AGM of whom;

- 1 is currently a CEO of an RSL
- 1 is a retired CEO of an RSL
- 2 currently work in an RSL
- 1 has experience in youth work

Additionally, current members of the Board are either employed in, or have experience of;

- Governance (employment)
- Community engagement (qualifications, employment)
- HR (employment)

The 2025 appraisals highlighted additional skills gaps as follows;

- Factoring and management of complex debt cases
- Legal background knowledge
- Integrated asset management strategy development to meet latest regulatory guidance
- Strategic financial planning with robust stock condition data
- Management and supervision of the senior officer including objective setting and performance management
- Regulated procurement knowledge
- Management of a community facility and value for money

Board members are satisfied that many of the previously identified skills gaps have been filled and a recruitment drive will be undertaken for new members during 2025 to fill the additional skills gaps identified to ensure the Board, collectively, has the experience, skills and knowledge required to effectively fulfil its responsibilities and deliver the best outcomes for tenants.

Succession Planning

Regulatory Standard 6.1 requires that the Association “**formally and actively plans to ensure orderly succession to governing body places**”

Additionally, the Association recognises that robust succession planning is key to;

- Encouraging a strategic approach to the way in which the Association’s Board membership planning is linked to the business plan and strategic objectives
- Ensuring that the Association continues to have a thriving Board and that it does not fall foul of any constitutional requirements related to minimum numbers of members or skilled office bearers

- Identifying individuals with the potential for further development within the Board
- Ensuring the Association has sustainable governance at all times

Part of the Board appraisal exercise carried out in December 2024/January 2025 sought to clarify the intentions of members with regards their future membership on the Board as well as any interest in taking on an office bearer's role. The key issues for the Board to consider were identified as:

- The resignation of 2 long standing, highly experienced and well-respected members of the Board, one of whom was the Association's Secretary.
- One other long-standing member indicated their intention to resign from the Board at the 2025 AGM.
- The current Chair may step down from the role following the 2025 AGM, with the current Vice-Chair taking over.
- In addition to the current Chair, 5 members have expressed an interest in becoming Chair in the future.
- 3 members were willing to take on the role of Chair of a sub-committee

The loss of 3 long-standing members reduces the number on the Committee to a level that represent a potential risk. The Association's Strategic Delivery Plan includes carrying out a recruitment exercise prior to the 2025 AGM.

The Association has engaged with SHARE to develop an appropriate programme of training for those members interested in becoming Chair in the future to ensure smooth succession.

Board Appraisals

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.”**

The Association carries out annual appraisals for Board members. The last appraisal exercise was carried out by an independent consultant to achieve five key outcomes;

- An Appraisal Report on the overall effectiveness of the Board with suggestions for improvements where required
- An updated Board Learning and Development Plan
- Individual action plans
- Succession planning to identify future intentions regarding membership of the Board and office bearers
- Individual interest in membership of Sub-Committees

The appraisal process identified a number of key strengths of the current Board;

- A motivation across all members to give something back to their communities

- The range of skills and knowledge enhanced by new members
- Good mix of residents and community/professional members
- Greater understanding of key business activities and the high risks
- Pride in the outcome of the Regulator's visit regarding the Annual Assurance Statement that also gave a better understanding of the process
- Willingness to undertake training although it was recognised that attending training events can be challenging
- Membership and attendance at specific events for office bearers are facilitated and used effectively
- Recruitment of 5 new members at the 2024 AGM
- Focus of Sub-Committees on strategic matters and performance against targets

Governance Improvements

During the appraisal process members also made suggestions for improvements that could be made in terms of developing the Board and making it more effective;

Issue/Suggestion	Response/Action Taken
Induction of new members to be more systematic	A full review of the induction process will be undertaken prior to the recruitment of new members
Make background information on previous Board decisions more readily available	Previous Board and Sub-Committee papers and minutes are available via the Board portal
Make training events/material accessible	Training events are held prior to Board meeting or on Saturdays. SHARE's E-learning is available for members to access at times that suits them Training material is available on the Board portal for members that could not attend a training event
Make more use of hybrid attendance at Board & Sub-Committee meeting	Remote access to meeting is available for members that wish it Review IT skills to support remote attendance
The lack of easy access to the evidence bank that supports the Annual Assurance Statement	The evidence bank is now fully populated and accessible via the Board portal
Provision of a 'buddy'/mentor for new Board members	One arrangement has been set up and will be offered as standard as part of the induction process
Need for basic training on management accounts and budget setting	External training on financial planning etc carried out in March 2025
Training on the role and powers of the Scottish Housing Regulator	This is included on the Board's 2025/2026 Learning & Development Plan
Use of terminology, jargon and acronyms	A 'jargon buster' was developed for inclusion in the Board Handbook

More involvement of identifying risks for those members not on the Finance, Assurance & Risk Sub-Committee	The Risk Register is scheduled to be reviewed annually by the full Board at its strategic planning event
The Association's values are not promoted	The new Vision, Mission and Values will be incorporated in all suitable publications, policies, on the website and within the office

Committee Learning & Development

The Association recognises that ongoing learning and development for Board members is essential to ensure that the Association complies with the requirements of Regulatory Standard 6.3 and that all Board members;

- Can develop in a way that allows them to fulfil their current roles and responsibilities effectively
- Maintain a sound knowledge of new topics, changes in legislation and/or regulatory requirements that impact on the Association
- Have the appropriate skills and knowledge needed to make informed decisions and/or undertake new initiatives or projects
- Drive innovation and improvements
- Develop their individual and collective capabilities

One of the key outcomes of the appraisal process was to produce learning and development plans for individual members as well as the Board collectively captured in the 2025/26 Board Learning and Development Plan.

It is noted that some members have undertaken relevant and applicable training within other organisations that would be sufficient to meet a particular development need. The Register of Board Training will reflect where this is appropriate.

The Association is fortunate to have 2 board members that, given their professional background, are able to provide support and training to members on specific topics (e.g. role of the SHR) and this will be fully utilised to assist successful delivery of both the Board Learning & Development Plan and the Individual Action Plans.

Examples of recent training undertaken by the Board from their 2025/26 Plan include

- Roles and Responsibilities of the Board
- Risk Management
- Complaints Management and Monitoring
- Effective Financial Management and Monitoring including budget setting

Several members attended the 4-part Governance Masterclass run by SHARE and the Chair and Vice Chair attend Chair specific networking and training events. RCHA governing body representatives attended the SFHA finance, TIS and SHARE Governing Body conferences.

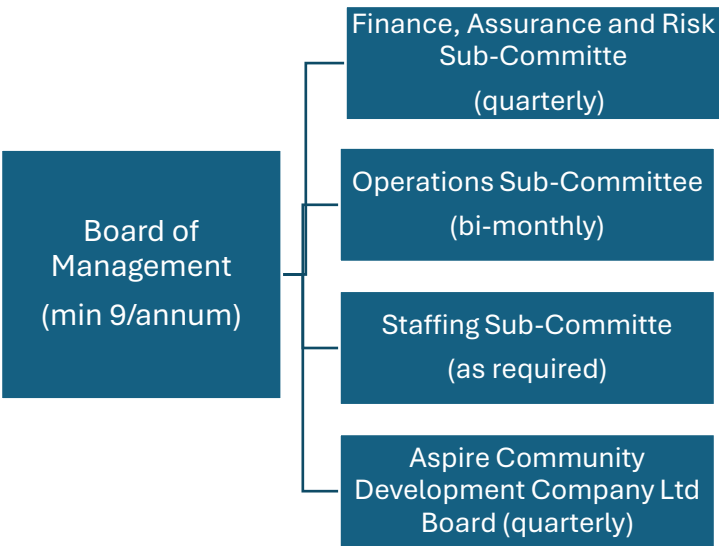
GOVERNANCE STRUCTURE

At the Strategic Planning Day 2024, 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.

The new standing orders, governance structure and remits were agreed at the Board’s August 2024 meeting.

In February 2025 it was agreed that the governing body’s name would be changed from Management Committee to Board of Management.

Accordingly, the current governance structure is:



A Development Sub-Committee will be formed as and when the Association undertakes any development work.

STAFFING

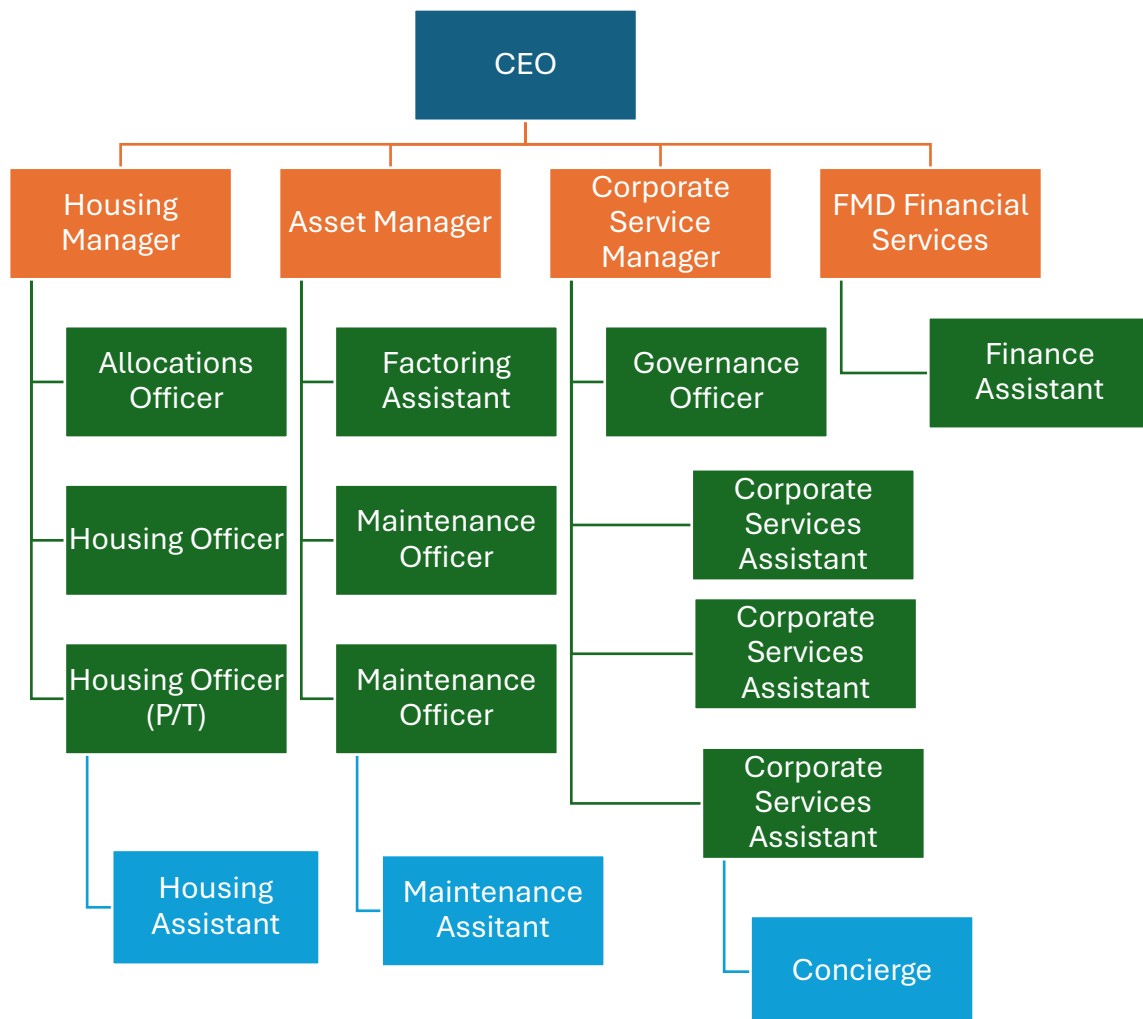
The Association wishes to create a positive and supportive working environment for its staff team and is committed to encouraging professional development and supporting individuals to fulfil their full potential and meet their career goals. As part of this commitment the Strategic Delivery Plan includes carrying out a Staff ‘Wellbeing’ Survey.

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, and development, shadowing, networking 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 cost savings and efficiencies.

As at the start of the 2025/2026 financial year the staff structure is;



A review of the staff structure has been identified in the Strategic Delivery Plan as a task for the new CEO to ensure the Association has the resources, skills and experience to deliver its strategic objectives. This will include the response to the factoring review which highlighted the need for a Factoring Lead Officer to be in place.

Succession Planning

The Association recognises that a number of its staff are at a 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. Where appropriate consideration will be given to providing staff with

opportunities to expand their skills and experience by filling vacant positions 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

In May 2025, the Association recruited a new Chief Executive Officer pending the retirement of the Director. The decision to recruit followed a Strategic Options Appraisal that identified that the Association was to remain an independent community controlled social landlord. Given the seniority of the post, the Board was supported through the recruitment exercise by an external agency to ensure the process was open and transparent and met all legal and equality requirements.

SECTION 12 - 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 needed to prevent or mitigate the consequences of a risk crystalising

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)



The Association's risk appetite will be reviewed by the Board at its 2026 strategic planning event.

Risk Register

The Association has a Strategic Risk Register in place for our key risks that details;

- The identified risks to the delivery of the Association's strategic objectives and targets
- An analysis on the likelihood and impact of the risk being realised before and after risk measures are put in place with scoring a maximum of 25 for our highest scoring risk mapping
- 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
- Identified risk owner(s) for each risk

The top risks are discussed by the Board at least annually and 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.

A risk register is also in place for our subsidiary.

SECTION 13 - ASSURANCES

As part of its responsibilities as the Association's governing body, the Board of Management 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 Board must also guarantee that the organisation is complying with its regulatory and statutory obligations.

The Association has a number of activities, systems and processes that contribute to ensuring that members of the Board, 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 and delivering the best outcomes for tenants.

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

Continue to deliver robust financial performance 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 Board 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 Board.

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 3-year contract was awarded to Wbg.

The Internal Audit programme for 2024/2025 – 2026/2027 is based on;

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

Audit Area	24/25	25/26	26/27	Overall Conclusion of Audit carried out to date
Procurement		✓		
Subsidiary Review	✓			Weak – delivery of recommendations underway
Factoring			✓	
Maintenance			✓	
Tenant Safety		✓		
Governance	✓			Strong

ACS AUDIT

An audit of the Association's Landlord Facilities Health, Safety & Welfare Management Systems is carried out by ACS at least every 2 years. The last Audit was carried out in June 2023 and identified that there were no non-compliance issues. The tenant safety audit will supplement this in 2025/26.

ASSURANCE STATEMENT

The Association is required to submit an Annual Assurance Statement to the Scottish Housing Regulator no later than 31st October each year.

The statement is a declaration by the Board 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 2024 stated that the Association was compliant but with a number of caveats referring to;

- Tenant Engagement
- Performance Reporting
- Equalities Data Collection

Prior to the submission, the Association 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 which is regularly updated and made available to the Board
- An Annual Assurance Action Plan

➤ A programme of Evidence Bank Reviews

In May 2024, the Association was part of the Scottish Housing Regulator's thematic study on self-assurance. Feedback from the visit was used to support the ongoing improvements to the Association's approach and the completion of its Annual Assurance Action Plan.

REPORT ON THE ANNUAL RETURN ON THE CHARTER (ARC)

The Association is required to submit an Annual Return on the Charter which has been approved by the Board no later than 31st May.

A report is presented to the Board 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 Board 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 carried out an external validation of the statistical data and has implemented more targeted reporting to support and evidence the statistical data submitted going forward, thereby providing additional assurance to the Board on the Association's performance.

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 CT who, at the Association's AGM in September 2024, 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.

SECTION 14 - STRATEGIC DIRECTION

As part of the 2025 – 2028 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 the Association's future financial viability but more by;

- The risks and challenges which the Association has 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 pending retirement of the Director

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 considered by the Association were;

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

Summary Comparison of Options

Option 1 – Remain as an independent RSL

Potential advantages

The Association;

- Keeps its local identity
- Retains independent control over all aspects of decision-making

<ul style="list-style-type: none"> • Is able to decide its own strategic agenda and objectives • Can deliver services that meet local needs • Remains fully accountable to its own tenants, customers and stakeholders • Ensures income generated from rents is invested back into its own stock • Is cost neutral
Potential disadvantages/challenges
<ul style="list-style-type: none"> • As part of a larger organisation may have access to more funding • Smaller 'pool' from which to attract new board members with the appropriate skills and knowledge • Smaller staff team which could potentially increase need for additional specialist support with associated costs • Potentially limited capacity to manage external risks and challenges

Option 2 - Share services with one or more other RSL
Potential advantages
<p>The Association;</p> <ul style="list-style-type: none"> • Remains independent • Potentially has access to additional resources, skills and knowledge • Can achieve added efficiencies, economies of scale and cost savings
Potential disadvantages/challenges
<ul style="list-style-type: none"> • Potentially competing and/or conflicting objectives and priorities • Additional costs and resources in managing the partnership arrangements

Option 3 - Join a group structure with a parent RSL
Potential advantages
<p>The Association;</p> <ul style="list-style-type: none"> • Continues to deliver services to its own tenants and customers • Retains its name, identity and some operational autonomy at a local level • Potentially has access to additional resources, skills and knowledge • Can achieve added efficiencies and cost savings
Potential disadvantages/challenges
<ul style="list-style-type: none"> • The parent company could, potentially, be an organisation based a distance from the Association • Loss of total autonomy – major decisions made by the parent company or need its approval • Reduced level of community control and diluted focus on local issues • Likely loss of Association staff, especially in 'backroom' 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, additional 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

At the Strategic Planning Day in January 2025, members of the Board considered 5 key business areas that would influence the future strategic direction of the Association. These were;

- Financial Viability
- Governance
- Service delivery to customers
- Asset Management
- Subsidiary activity

Financial Viability

Members considered a report from the Association's financial support providers, FMD who specialise in the financial management of RSLs.

Current Position

- Strong financial position with a healthy cashflow
- Financial covenant compliance with sufficient headroom
- Prudent approach taken to account for additional costs associated with key risks

Long-term Financial Projections

- 4.5% rent increase for 2020/21, CPI+1% in years 2 – 5, inflation only thereafter
- Strong financial position with healthy cashflow projected
- Continuing compliance with financial covenants
- No requirement for further borrowing at this time

Risks to Financial Viability

risk	mitigation actions
Rent increase controls applied by Scottish Government	<ul style="list-style-type: none">• Lobbying with RSL groups in the sector (e.g. GWS, SFHA)
Substantial cost increases outstripping achievable increases in income	<ul style="list-style-type: none">• Adequate cashflow and financial covenant headroom• Fully costed long-term financial projections for 30 years• Spreading planned maintenance costs if required
Loan bullet repayments in years 3, 4 and 6 totalling £3m	<ul style="list-style-type: none">• Refinancing these loans to spread the impact on the cashflow
Developing when not financially viable	<ul style="list-style-type: none">• Current moratorium on development pending change in grants, costs etc• Detailed project appraisals undertaken on potential sites
New energy standards/net zero	<ul style="list-style-type: none">• Maintain sufficient cash and covenants headroom• Focused maintenance decisions and spend to avoid duplicating spend in the future• Build costs into budget once costs, standards, timeframe, funding etc are clearer
Pension scheme past deficit contributions may restart from 2026	<ul style="list-style-type: none">• Update long-term financial projections and take necessary decisions to maintain cashflow and covenant compliance

Governance

Current Position

- Compliant assurance statement including validation visit
- Annual assurance action plan nearing completion
- Evidence bank fully populated and available via the Board Members' portal
- Strong Board with diverse range of skills, knowledge and experience

- 5 new members recruited at 2024 AGM
- 12 active members on the Board
- Robust appraisal exercise completed
- Internal audit of Governance concluded that governance arrangements were “strong” and that “controls satisfactory, no major weaknesses found, no or only minor recommendations made”
- External ARC validation exercise completed
- Governance structure and remits for Board and Sub-Committees reviewed in 2024 to meet business requirements

Potential Challenges/Risks

- Keeping up the momentum for embedding and maintaining good governance
- Achieving delivery of ongoing learning and development
- Loss of experienced Board members
- Effective succession planning, especially for Office Bearers

Service Delivery to Customers

Current Position

- Performance levels high – majority exceed Scottish and peer group averages
- Customer satisfaction levels high – majority exceed Scottish and peer group averages
- Compliance with landlord health and safety requirements
- Savings in staff costs and procurement supporting provision of value for money
- Review of factoring systems and processes to support providing value for money to factored owners
- Rents maintained at an affordable level
- Stock well maintained

Potential Challenges/Risks

- Ensuring rents remain affordable – especially for the larger, family homes
- Need to deliver services previously provided by other agencies (e.g bulk uplifts)
- Level of factoring arrears (systems now in place to manage this)
- Loss of long-term members of staff and their skills and local knowledge
- Delivering value for money in light of rising costs
- Reduction in statutory support services for vulnerable tenants, creating ‘mission creep’ for RSLs
- Ongoing poor levels of customer engagement
- Dependency on single person to deliver a particular service (e.g. factoring. allocations) requires proactive succession planning
- Ongoing migration to Universal Credit
- Limited wider action activities

Asset Management

Current Position

- Stock condition survey of 70% of stock concluded June 2025
- Updated, fully costed 5 and 30 year planned maintenance programme
- Moratorium on undertaking development projects due to costs, funding levels and uncertain economic position
- Significant improvements in asset management systems and processes
- Exercise of data cleansing ongoing
- Comprehensive integrated Asset Management Strategy being developed
- Procurement review undertaken and compliance now evident
- High demand stock so no 'red' category properties

Potential Challenges/Risks

- Social Housing Net Zero Standard requirements if no grant availability especially in pre-1919 tenements
- Significant number of owner occupiers in factored block, delaying planned maintenance investment works or puts them into abeyance
- Cost of materials and labour increasing
- Ensuring value for money via procurement for planned investment programme
- Ensuring 5 year investment plans remain deliverable, taking into account staff resources

Subsidiary Activity

Current Position

- Subsidiary only has one asset/activity – the Caledonian Centre in the Circuit Estate, Cambuslang
- Building owned by Rutherglen and Cambuslang HA (RCHA) but land leased from South Lanarkshire Council (SLC) for 60 years at a nominal amount
- Approximately 60% of the centre has been leased to SLC since its opening for use as a pre-school nursery, with an additional 22% of the floor space leased from 2014 although this extended arrangement is ending in November 2025
- Weak financial position with limited cashflow
- RPI + 1% increase to the rent and service charges for 2025/2026
- Financial covenants compliance with sufficient headroom
- SLC have previously noted interest in purchasing the building for exclusive use of the nursery and this is still under discussion

Risks to Financial Viability of Subsidiary

risk	mitigation actions
RBS's general undertaking restricts support available from the Association to £350K intercompany loan balance outstanding at any given time (current balance is £344K).	<ul style="list-style-type: none"> • Ensure balance remains below the covenant sum allowed • Review as part of refinancing • Discuss potential waiver with RBS if necessary
Subsidiary only able to pay down balance around £3k per annum.	<ul style="list-style-type: none"> • Write off some of the intercompany debt – requires justification to RBS as well as legal advice
RCHA tenants are currently supporting the centre and, in effect, a council run facility	<ul style="list-style-type: none"> • Carry out an options appraisal for the future use of the building, including the sale of the centre
Insufficient profit realised from sale of centre to fully cover debts	<ul style="list-style-type: none"> • Valuation of centre updated January 2025 • Pursue sale at a price sufficient to cover costs and outstanding debt
Previous lack of planned maintenance programme for centre resulting in deterioration of property	<ul style="list-style-type: none"> • Full stock condition survey carried out 2025 • Essential works only carried out pending development of costed planned programme
Historically excessively high electricity estimated charges for centre	<ul style="list-style-type: none"> • New meter installed for the centre • Billing was for actual rather than estimated usage but credits now applied for excessive historical charges

Strategic Direction

The Association discussed its assurance levels across each business area and determined that it is;

- Meeting high standards of governance and meeting its regulatory and statutory requirements
- Financially secure, meeting regulatory standards of financial management and can demonstrate long term viability
- Performing well in virtually all of the key performance indicators
- Maintaining high levels of tenant satisfaction
- Delivering high standards of services to customers
- Meeting its obligations with regards tenant and resident health and safety
- 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 operates in

Based on the information on the above points and discussions to date, the Board of Management is confident that its constitutional structure preference is to remain as an independent, community controlled housing association.

This position will be reviewed at the 2026 strategic planning day pending further information and analysis of the two high risk areas which are;

1. The stock condition survey outcomes, including the implications on the business plan and long term financial viability
2. The options appraisal and the recommendations for the Caledonian Centre and the Board's decision on the strategic direction for the subsidiary

Section 15 – EQUALITY & HUMAN RIGHTS

The Equalities Act 2010 legally protects people from discrimination in the workplace and in wider society.

In the UK, human rights are protected by the Human Rights Act 1998 which entitles everyone in the UK to basic rights and freedoms. Human rights apply regardless of who you are, where you're from or how you choose to live your life and are based on principles like dignity, fairness, respect and equality,

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 Policy in place that is intended to strengthen its approach to ensuring equalities across the organisation and its activities.

Underpinning all of our activities is our value;

"Fairness – We are committed to treating everyone fairly and equally and to respect and celebrate our differences"

EQUALITIES DATA COLLECTION

Section 3 of the regulatory framework, revised in 2024, 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 collects equalities data for;

- Applicants and nominees to the Board of Management
- Elected members, co-optees and appointees serving on the Board
- Job applicants and those selected for interview
- New and existing employees
- New and existing tenants
- Applicants on the waiting list
- Shareholders

The information collected is used to;

- Inform the Association's understanding of the individual needs of its service users, Board members and staff

- Tailor and target the Association's approach to communicating with tenants and other 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

However, it is recognised that there is a need to better understand the diverse needs of our customers and to have robust mechanisms in place to ensure that these are reflected in the delivery of the Association's policies and services. These objectives are reflected in the Strategic Delivery Plan.

SECTION 16 - CUSTOMER ENGAGEMENT

This business area has been given additional focus by the Scottish Housing Regulator in the review of the Regulatory Framework in 2024.

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

- Lack of experience, understanding and skills within the Association
- Limited 'buy-in' from customers
- Separate and distinct communities with differing needs
- No history or culture of engagement or 'wider action' activities

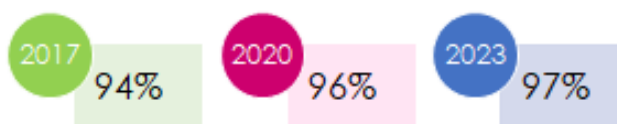
However, achieving this remains a key Strategic Objective of the Association:

Expand our presence and activities to grow our community regeneration and actively engage with our customers and communities to meet local needs and aspirations (Objective 2)

Accordingly, the Strategic Delivery Plan includes a number of actions designed to expand the level of active and meaningful engagement with a range of service users.

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:



The Association offers some successful community participation events including;

- Pensioners Away Day
- Children's Pantomime tickets
- Stall at Landemer Day












We will consider ways to capitalise on these events to seek feedback and listen to our customers.

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

At the end of 2024 the Association commissioned the Tenant Participation Advisory Service (TPAS) to;

- Provide support to increase the number of tenants actively engaging with the Association
- Develop new and innovative ways for the Association to encourage and sustain engagement with its customers
- Develop ways for tenants to be involved in designing forms of communication such as newsletters, the annual report and the website
- Develop effective methods for customers feedback and for ensuring this is taken into account in policy and decision making
- Establish tenant and customer appetite for establishing scrutiny, consultation and/or residents' groups
- Establishing customer priorities with regards services and community development

Part of the work carried out by TPAS identified that the preferred methods of participation/engagement were;

Method of Participation/Engagement			
Preference		Response Percent	Response Total
Surveys		84.21%	48
Fun days		33.33%	19
Community events		31.58%	18
Informal events with staff		29.82%	17
Meetings on-line		26.32%	15
Meetings in office		17.54%	10
Performance reporting		15.79%	9
Policy review		14.04%	8
Editorial panel for newsletter		8.77%	5
Scrutiny group		8.77%	5
Other (please specify):		1.75%	1

Despite the overwhelming preference for surveys as a means of engagement, response to surveys carried out in the past has been consistently poor.

However, the Association's commitment to delivering its objectives with regards engaging with its customers remains a key focus 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

The Association has procured an online/texting customer communication platform, CX Feedback, in direct response to tenants' preferences for surveys. We will use this to engage more frequently and effectively with our tenants, factored owners and staff to seek feedback to strategies, policy changes and to shape and inform the services which we provide. We will also use this for targeted communications to specific customer profiles, for example, for a benefit take -up campaign directed towards pension aged tenants for pension credits.

Customer Engagement Mechanisms

Providing Information

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%).

Publications

The Association produces at least 3 newsletters per year and an 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. An attempt by TPAS to establish a 'Media Working Group' with tenants that would continue to develop the format and content of these publications initially received some limited interest but no actual participation in the first meeting.

Website

It is recognised that the Association's website, whilst providing a range of information on the Association's services and performance, can be difficult to navigate and requires a refresh.

Although 42% of tenants are registered as users of the tenants portal, active use is actually low and we are actively working to increase the level of tenant use of the portal.

Online Platforms

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 etc when issued via text/SMS. The Association introduced the text/SMS system in 2022 and implemented CX Feedback in April 2025. The first use

of the platform as a means of gathering customer feedback will be targeted at satisfaction with the repairs service.

Partnership Working

The Association is actively working with partner RSLs and local third sector organisations to ascertain how we can improve our customer engagement and feedback.

SECTION 17 - IT & CUSTOMER 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 Objectives to:

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

Continue to deliver robust financial, performance 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

Although SDM is used to manage most of the Association's core functions, the systems have not, in the past, been fully integrated which means some activities need to be duplicated, making the processes cumbersome and inefficient. All of the Association's core functions are, therefore, to be fully integrated to streamline process, reduce the level of resources required and provide more effective and efficient services. By doing so it is likely that systems such as Integrator will no longer be required and, as such, will be an annual cost saving for the Association.

In the past couple of years, 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 attuned and intuitive to the particular needs of social landlords and consequently the current system needs ongoing upgrading which is, again, proving costly.

In the Strategic Delivery Plan the Association has recognised the need to undertake a full review of the current systems and consider options for alternative housing and property management systems that, going forward, will be more cost effective, efficient and meet the needs of the organisation. This exercise is due to take place in Years 2 – 3 of this Business Plan.

The Association also recognises that, in order to keep pace with the developments in technology and to ensure that the Association can continue to deliver the most effective and value for money services to customers, it needs to invest in its IT systems. The Strategic Delivery Plan therefore includes the development of a costed 5-year IT Investment Strategy that will allow the Association to be forward planning

to ensure that provides its people with the resources they need to deliver modern services.

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 could potentially 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, as well as the skills of would-be hackers, continue at an unprecedented pace. The Association has introduced multi-factor authentication for its Microsoft accounts and has trained staff in recognising and preventing cyber-attacks and phishing and will continue to explore new security innovations and to invest in the highest level of firewall, internet and email protection.

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.

Additionally, the impact of the COVID pandemic along with the growth in hybrid working, has highlighted the need for the Association to have the equipment and internal process to support the staff team to quickly and effectively move to home working and for Board members to access information and participate in meetings remotely. This is recognised in the strategic delivery plan which includes a full refresh of the Association's IT hardware assets in 2025.

Customer Communications

RCHA has a variety of methods to communicate with customers including

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. It also provides 24 hour online access for;

- Completing an application for housing
- Submitting a complaint/comment/compliment
- Making a Freedom of Information or Subject Access Request

The website also hosts the tenant and Board portals;

- **Tenant Portal**

- Updating household information
- Making rent payments
- Reporting repairs
- **Board Portal**
 - Board Papers
 - Annual Assurance Evidence Bank
 - Training Information & Presentations
 - Forum Updates

Unfortunately, experience has shown navigation of the website could be improved.

The satisfaction surveys of tenants and factored owners carried out in 2023 and 2024 show that;

- Although 42% of tenants are registered on the portal, the number of active users remains low
- Only around 6.4% of tenants would use the website as a means of accessing general services
- Less than 1% of tenants would use the website for getting in touch with the Association
- 76.7% of factored owners have never accessed the website

It is recognised that the website can be a potential asset for the organisation by providing a means to disseminate information to a wide audience, promote the work and successes of the Association and provide a quicker, easier and 24hour access to many of our services. The strategic delivery plan therefore includes a full review of the look, format and content of website.

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 Preferences

It is acknowledged 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	© 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 and in a way that accommodates the needs of our customers.

IT & Communications Strategy

Given the importance of the use of technology in delivering our services, the speed of change and improvements in IT and the growing reliance on IT as a means to communicate and engage with customers, the Association's strategic delivery plan includes the development of an IT and Communications Strategy, delivery plan and 5-year programme for upgrades and replacements. This will take into account the Association's ambitions in relation to mobile working, flexibility of working and innovative approaches to service delivery and utilising the newly procured CX Feedback tool to broaden our customer communication and feedback processes.

SECTION 18 - 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 the rent they pay
- 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, performance 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 the quality of 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	Performance 2024/2025	Scottish Average 2023/24
Value	1	% tenants satisfied with the overall service provided by the Association	90.6%	86.5%
Value	7	% tenants satisfied with quality of their home	87.3%	90.5%
Efficiency Value	8	Average hours taken to complete emergency repairs	3.4 hrs	4 hrs
Efficiency Value	9	Average working days taken to complete non-emergency repairs	4.96 days	9 days
Efficiency Value	10	% reactive repairs completed 'right first time'	94%	88.4%
Value	12	% tenants satisfied with repairs service	90.3%	87.3%
Value	13	% tenants satisfied with the Association's contribution to the management of their neighbourhood	93.6%	84.7%
Efficiency Financial	14	% tenancy offers refused	21.6%	22.7%
Value Financial	16	% new tenancies sustained for more than one year	100%	92%
Efficiency Financial	18	% of rent lost through properties being empty	0.13%	1.4%
Value	25	% tenants who feel the rent for their property represents good value for money	81.7%	81.58%

Financial	26	% rent due collected	99.47%	99.4%
Financial	27	% gross rent arrears of rent due	1.74%	4.6%
Value	29	% factored owners satisfied with factoring service	51.43%	59.46%
Efficiency Financial	30	Average number of calendar days to re-let properties	12 days	56.7%
Financial	C1.3.3	% days lost through staff sickness absence	8.44%	4.87%
Value Financial	6	% properties meeting SHQS standards at the year end	92.9%	84.4%

From the table above, it should be noted that Scottish average figures are for the year previous to those in the table. The Association performs well in the following areas

- Overall satisfaction
- Efficiency with repairs, arrears management and voids management
- Overall satisfaction with the contribution to managing the neighbourhood
- Tenancy sustainment
- Meeting Scottish Housing Quality Standard

The Association will have an improvement focus on areas where performance has reduced including

- Satisfaction with the quality of the home
- Owner's satisfaction with services they receive
- Days lost through staff sickness

Evidencing value for money to our customers will support our improvement focus.

Where appropriate, the Association will also use feedback on activities and service delivery to measure value from money including;

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

BUDGETTING

The Association will undertake a Value for Money review each year as part of the annual budget setting process to ascertain what potential efficiencies could be delivered.

The Board will be provided with an annual report which summarises examples where value for money has been achieved and/or improved (e.g. through procurement). This will also be shared with customers via the website and newsletters.

SECTION 19A - ASPIRE BUSINESS CENTRE

Aspire Business Centre

The development of the Aspire Business Centre 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 development company's future role.

The office units not occupied by the Association are let to a variety of business, social and charitable organisations, bringing in approximately £130,000 per annum with each tenant paying a proportionate share of the service costs.

Despite there being a number of rental office space available within the Rutherglen area, the centre has benefited from a number of long-term lets and periods where all the units have been occupied. The use of the centre is regularly reviewed to ensure the floorspace is fully utilised, income is maximised as far as possible and the centre provides opportunities for the local community. This includes the effectiveness and fit of the units occupied by the Association which will be reviewed in 2025/26.

SECTION 19B - ASPIRE COMMUNITY DEVELOPMENT COMPANY

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

The Caledonian Centre

In May 2009 the subsidiary completed the building of the Caledonian Centre, 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 on for a token annual rent. The build was funded from a variety of funders including;

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

Originally, the centre leased approximately 60% of the building to South Lanarkshire Council to accommodate a 100-place bespoke childcare nursery, with the remaining areas providing facilities for a community café and halls for community use for clubs, groups and events. This lease was for 20 years but with the option to renew on the same terms and conditions.

The remaining space provided for a community café and large hall for rent and use by clubs, groups and community events.

In November 2014, South Lanarkshire took out an additional lease on the large hall and a block of toilets to allow more childcare places to be provided. This additional lease is ending in November 2025.

This additional lease ending means that SLC's current occupation of some 80% of the building will end. Currently, due to the layout of the building, the nursery operating hours, access to toilets and child protection requirements, the remaining public areas are, effectively, inaccessible for community use during the day Monday-Friday. This may present opportunities for additional community use of the building.

At present, the rental income paid by South Lanarkshire Council for the spaces it rents plus the limited income for individual lets for groups and events is not sufficient to sustain the long term future of the centre. There is an intercompany loan balance currently at £344,000 which is only getting repaid at £3,000 per annum. Additionally, planned maintenance costs are projected to be around £2m over the next 30 years.

An internal audit undertaken in August 2024 showed that the Association had to improve its processes in terms of compliance with the regulatory standards for subsidiary company.

It was recognised that the combination of the financial position, repair and maintenance requirements and the regulatory requirements represented a risk to the subsidiary. The Risk Register for the Aspire Community Development Company Ltd is reviewed quarterly by the Finance, Assurance and Risk Sub-Committee.

Additionally, the Association commissioned an independent options appraisal for the long-term use of the Caledonian Centre, in May 2025. Consideration of the review's findings by the Board, including potential for additional community use when SLC reduces its leased area in the building, is an aim for Year 1 in the strategic delivery plan.

SECTION 20 - SERVICE DELIVERY

Services

Both staff and Board members recognise that the raison d'être of the Association is to meet the housing services related needs, wants and aspirations of its customers who are at the heart of the organisation.

The last comprehensive survey of tenants showed that satisfaction levels with the services the Association provides to tenants remains high and compares well with both our peer group and the Scottish Average (using data from 2023/24 for comparison purposes):

Percentage of Tenants Satisfied with the Overall Service	
Rutherglen & Cambuslang HA	90.1%
South Lanarkshire Council	91.9%
Peer Group Average	91.3%
Scottish Average	86.5%

Percentage of Tenants Satisfied with the Management of their Neighbourhood	
Rutherglen & Cambuslang HA	93.6%
South Lanarkshire Council	89.5%
Peer Group Average	90.0%
Scottish Average	84.7%

Percentage of Tenants Satisfied with the Quality of their Home	
Rutherglen & Cambuslang HA	87.3%
South Lanarkshire Council	90.6%
Peer Group Average	83.2%
Scottish Average	84.0%

Percentage of Tenants Satisfied with the Repairs Service	
Rutherglen & Cambuslang HA	90.31%
South Lanarkshire Council	89.11%
Peer Group Average	89.03%
Scottish Average	87.3%

Q16 Thinking about when you last contacted the Association, how satisfied were you overall with the customer care provided?



The survey also showed that 89% of tenants were satisfied with the overall customer care provided by the Association.

Although satisfaction levels remained high the survey identified aspects of the service that the Association would wish to improve and therefore developed an improvement action plan;

Area for Improvement	Actions Completed	Actions Scheduled
Rent as Value for Money	Value for Money policy and statement approved by Board SFHA rent affordability assessment was undertaken for 2025/26 rent increase	Rent Setting Methodology Review/Rent Harmonisation (2025/26 Delivery Plan)
Quality of the home	70% stock condition survey undertaken 2024/25 which included looking at the elements identified by tenants as issues. Updated planned investment programme based on survey outcomes & priorities of tenants undertaken for this business plan.	
Repairs Service Delivery	New suite of reactive repairs contractors procured. Improved reporting & contract management systems introduced.	Review format & content of reports to Operations Sub-Committee to further enhance contractor performance reporting.
Management of the Neighbourhood		Identify gardens with flooding and consider remedial options Landscape maintenance and common close cleaning contracts will be tendered in 2025/2026 to included new KPIs for contractors
Heating Affordability	External funding gained for fuel vouchers to directly support tenants Referral pathway for welfare rights & fuel poverty support. Internal wall insulation scheme	Energy efficiency measures to meet net zero will form part of budget considerations going forward once Social Housing Net Zero Standard is finalised by the Scottish Government.

Unfortunately, a survey of factored owners carried out in 2024 showed that the satisfaction levels of the factoring services provided was low.

% Owners Satisfied with the Factoring Service	
Rutherglen & Cambuslang HA	51.4%
Peer Group Average	59.5%
Scottish Average	59.5%

As part of the review of the factoring service, the Association is considering the options for the delivery of the factoring activities going forward and, if appropriate, will develop a measurable action plan for improvements aimed at increasing satisfaction levels.

The strategic delivery plan has identified a number of actions aimed at improving the delivery of the factoring service;

- A complete review of the factoring processes and systems is already underway
- Consideration of options for the Association's provision of the factoring service
- Recruitment of a Factoring Lead Officer initially for one year to support the review outcomes
- Develop a clear and transparent approach to setting and increasing the management fee to ensure that costs of delivering the service are fully covered which will be implemented on 1/10/25 following the recruitment of the Lead Officer.
- Develop robust and effective mechanisms for the recovery of outstanding factoring arrears

Tenants' Priorities









The tenant satisfaction survey carried out in 2023 asked respondents to identify what they saw as their top 2 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. These were also reflected in a survey carried out by the Association in 2024 which asked respondents to identify their top 3 priorities for the Association over the next 3 years;

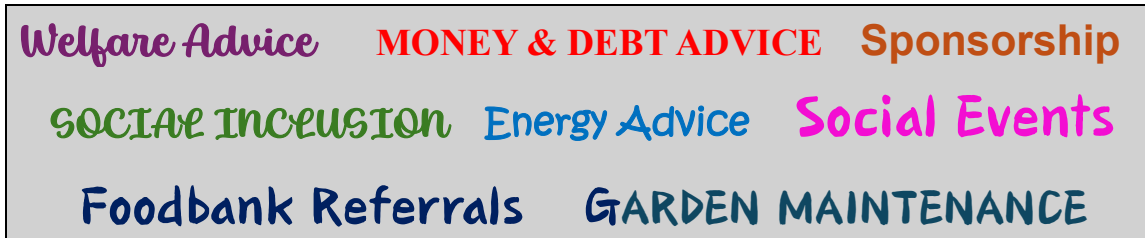
Answer Choices	Response Percent
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Repairs		80.36%
Improvement works		71.43%
Rents		64.29%
Safety		28.57%
Estate Management		25.00%
Tenant Participation		12.50%
Finances of the Association		3.57%
Digital Initiatives		1.79%

Support/Tenancy Sustainment /Wider Action

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;



The Association sees being a 'community anchor' as an underlying ethos and it has ambitions to develop the support services it can offer its customers in order to transform people lives and regenerate the communities they live in. Accordingly the strategic delivery plan includes exploring options for developing partnerships that will allow the association to expand the range of services and support services it can offer to its tenants and communities.

SECTION 21 - 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 actively engage with our customers and communities 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 a 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.

As at the end of March 2024, 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 lower than its peer group and the Scottish average
- Rents for our 4 and 5+ apartments were higher than any of the comparison groups
- The Association’s average rents for all sizes of properties were higher than those for South Lanarkshire Council by, on average, 13.6%

	average weekly rent 2023/24			
	2 apt	3 apt	4 apt	5+ apt
Rutherglen & Cambuslang HA	£72.93	£91.67	£107.76	£135.15
South Lanarkshire Council	£70.97	£78.61	£88.78	£93.75
Peer Group	£76.86	£90.82	£102.05	£115.60
Scottish Average	£87.87	£90.29	£98.30	£108.29

N.B – the average rents for the Association include integrated service charges for services such as close cleaning, landscape maintenance etc.

In previous years the Association has applied a lower than inflation rent increase with the understanding this was unsustainable in the long term. In January/February 2025, the Association consulted with tenants on a proposed rent increase for 2025/2026 of 4.5% or 4.75%;

Proposed Rent Increase	% of Respondents
4.5%	65.34%
4.75%	30.8%

Accordingly, an increase of 4.5% was applied for 2025/2026 resulting in average rents for 2025/2026 of;

Apartment Size	Average Rent	SLC Housing Allowance
2	£80.03	£103.56
3	£100.58	£132.33
4	£118.24	£164.74
5	£148.30	£254.76

It has been recognised that there is a growing disparity 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% in 2017 to 82% in 2023, although it should be noted that many social landlords recorded similar trends over the same period.

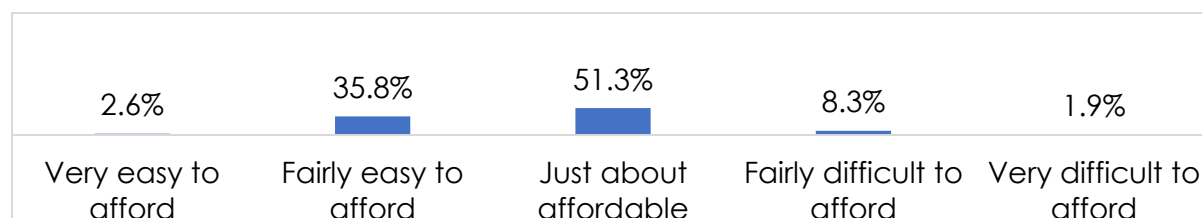
As part of the Satisfaction Survey the Association carried out in 2023, tenants were asked what, in their view, the Association could do to improve their view of their rent representing good value for money. Although the majority (62%) responded nothing/all good/don't know/no comment, the Association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

A full review of the rent setting mechanism alongside a rent harmonisation and affordability exercise is included in the strategic delivery plan in 2025/26 in order to;

- Have a clear and transparent mechanism for setting rents
- Close the gap between the rents for the smaller and larger properties
- Make the Association's competitive and comparable with its peer group and the Scottish average
- Further test the affordability and comparability of our base rents with service charges stripped out

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 COLLECTION & ARREARS MANAGEMENT

Despite the economic challenges including the 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		
	21/22	22/23	23/24	21/22	22/23	23/24
Rutherglen & Cambuslang HA	100.2%	100.2%	100.1%	2.67%	1.94%	1.91%
Peer Group Average	100.1%	100.1%	100.7%	3.59%	3.18%	3.72%
Scottish Average	99.3%	99.0%	99.4%	6.3%	6.9%	6.7%

The Association continued to perform well in rent collection in 2024/2025:

Rent Collected (includes monthly rent plus arrears)	Rent Arrears as a % of the rent due
99.5%	1.74%

The value of former tenant arrears, as at 31st March 2025 was £13,689. 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 77% of former tenant arrears in 2024/2025.

INCOME MAXIMISATION AND WELFARE RIGHTS ADVICE

Approximately 58% of the Association's tenants receive some or all of their household income via welfare benefits and approximately 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 has started the process of moving people on legacy benefits onto Universal Credit with the rollout due to be completed by 2026.

In March 2025 the UK Government announced what has been described as the "Largest welfare reforms for a generation" that are anticipated to have a serious detrimental impact on around 350,000 ill and disabled households (New Economics Foundation, 31st March 2025)

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.

Financial projections, however, indicate that the Association is sufficiently financially secure to absorb these potential impacts for the foreseeable future primarily due to prudent decisions by the Board, effective financial management and a high level of performance in both rent collection and arrears management.

TENANCY MANAGEMENT AND SUSTAINMENT

One of the primary functions of the Association is ensuring tenants comply with the terms of the tenancy agreement and, where these are not being adhered to, to support tenants to moderate their behaviour and 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

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 has been a noticeable 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, the Association has a strong focus on supporting our tenants experiencing difficulties, particularly with debt and money management, by working in close partnership with;

- 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

This focus has meant that we have consistently had 90% to 100% of new tenancies sustained for more than a year.

However, the Association is keen to expand the range of support services it can offer households experiencing difficulties and has actions in the strategic delivery plan to;

- Explore partnership options to expand the range of services
- Identify opportunities to provide more practical support for tenants
- Consider options for providing more formal welfare rights and money advice services

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 in 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 31st March 2025 there were 1,216 applicants across a range of needs categories.

As well as meeting unmet housing need from applicants seeking to obtain housing from the Association, we also offer 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 2025, 124 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 40 relets per year;

Year	2021/2022	2022/2023	2023/2024	2024/2025
No. of Re-Lets	44	26	33	40

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	Number of Re-lets 24/25
Section 5 Referrals from South Lanarkshire Council	40%	14
Association's General Waiting List	40%	14
RCHA Existing Tenants with an Element of Housing Need	10%	3
RCHA Existing Tenants on Aspirational Grounds	5%	3
Referrals from Other Agencies (e.g. Social Work Department)	5%	4

Section 5 Referrals	2021/2022	2022/2023	2023/2024	2024/2025
No. Individual Households Referred Under Section 5	17	8	19	16
No. Section 5 Referrals that Resulted in an Offer of Permanent Housing	12	7	10	14

In June 2024, South Lanarkshire Council declared a housing emergency, citing a 28% increase in homelessness applications, a 38% increase in the number of people recorded as homeless and a 101% increase in the backlog of urgent need cases. In May 2025, the Council wrote to the Association asking if it;

- Had any scope to further increase the percentage of its lets allocated to homeless households
- Could provide additional properties that the Council could use for temporary accommodation

The Board considered the request from SLC, taking into account;

- The pressures on the Association's own waiting list which currently has over 1200 applicants
- The Association's low turnover of properties
- The Association currently providing one temporary homeless property
- The potential management issues that are frequently connected to temporary accommodation

Reflecting the Association's commitment to supporting the Council meet its statutory duties as well as recognising the 'reasonable preference groups' in the Scottish Government's guidance the Board agreed to increasing the focus on housing homeless households both through the Section 5 process (where there is appropriate properties available) and via its own waiting list applications.

Early discussions with SLC have commenced for potential support to purchase homes on the open market with financial support under the Council's Market Purchase Scheme. This activity has been captured in the delivery plan.

Re-Let Times & Void Rent Loss

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 2024 had cut the relet time by 72% over a 3 year period.

Although the average re-let period increased over 2024/2025 to 12 days we are confident that the Association will continue to compare favourably against our peer group and the Scottish average when these figures are published.

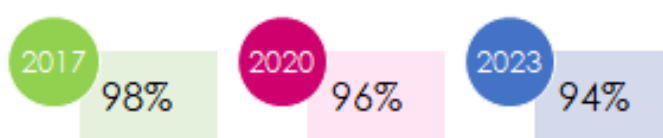
	2021/2022		2022/2023		2023/2024	
	Average time to re-let	% rent loss	Average time to re-let	% rent loss	Average time to re-let	% rent loss
Rutherglen & Cambuslang HA	21.7 days	0.3%	13.7 days	0.1%	7.4%	0.06%
Peer Group Average	23.1 days	0.6%	19.9 days	0.4%	15.3%	0.2%
Scottish Average	51.6 days	1.4%	55.6 days	1.4%	56.7%	1.4%

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 an individual garden maintenance service to 47 vulnerable, elderly, disabled and infirm tenants

Like many other social landlords, as 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 service 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;



SECTION 22 - ASSET MANAGEMENT

In purely financial terms the housing stock is the Association's greatest asset, valued at approximately £40 million existing use value (@ 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 stock
- Developing the Association's strategies to meet the requirements of the Scottish Government's standards for energy efficiency and net zero, once this is established
- Maintaining the properties to ensure the health and safety of our tenants and residents
- The potential 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 Objectives to:

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

Continue to meet the goals of the Green Agenda/Net Zero (Objective 5)

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 as laid out in the Scottish Housing Regulator's guidance on Integrated Asset Management (published February 2023);

- **Principle 1** – Governing bodies and committees lead the strategic response to asset management and should be assured that assets are managed effectively
- **Principle 2** – Social landlords should have a comprehensive understanding of their assets
- **Principle 3** – Social landlords should develop an approach to understanding the value of their assets
- **Principle 4** – Integrated asset management outcomes should be understood and used as evidence to inform future investment decisions
- **Principle 5** – Social landlords should use the integrated asset management outcomes to inform their asset management strategies

In line with the Association's Strategic Delivery Plan, our new Integrated Asset Management Strategy will be completed in 2025 to ensure;

- The health and safety of our tenants and other residents remains a priority
- The stock is maintained to the highest standards possible
- The needs, priorities and aspirations of our tenants and communities are met
- Value for Money is achieved through effective procurement
- Sound short term and long term financial planning and budgeting
- The Association demonstrates an ongoing commitment to providing more affordable rented housing
- Effective performance management and improvement

By having an effective asset management strategy in place, the Association will;

- Improve the overall sustainability of its stock
- Have a framework to allow us to monitor and evaluate the impact of the investment in the stock
- Embed asset management as an integral part of the Association's business planning process

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 scheduling of works to obtain value for money and ensure deliverability

To support the development of the asset management strategy and inform the Association's approach to managing its assets and its long-term investment plans a comprehensive stock condition survey of 70% of the stock was carried out October 2024 – June 2025 plus 100% of common areas.

MAINTENANCE COSTS/SPEND

On average over the last three years, maintaining and investing in our properties accounts for 27% 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 pressures due to its cash position, prudent decision-making and robust rent collection and arrears management processes

In 2024/25 the Association invested a total of £1,180,726 in the stock. The breakdown is as follows: -

Budgets	Total Investment	Cost per Unit
Cyclical, Component Replacement & Planned Maintenance	£439,382	£514
Void Works & Reactive Maintenance	£741,344	£867
TOTAL	£1,180,726	£1,381

The budgeted asset spend for 2025/26 has been set at £1,612,304. The breakdown is as follows: -

Budgets	Total Investment	Cost per Unit
Cyclical, Component Replacement & Planned Maintenance	£1,107,777	£1,296
Void Works & Reactive Maintenance	£504,527	£590
TOTAL	£1,612,304	£1,886

This represents an asset budget per unit of 36% increase from 2024/25 and delivers on our commitment to deliver on strategic objective 1 “to enhance the provision of high-quality homes and neighbourhoods.”

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 by 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	
	23/24	24/25	23/24	24/25	23/24	24/25	23/24	24/25
% reactive repairs completed right first time	97.3	94.02	99.7	99.5	90.2	88.2	88.3	87.8

Average hours to complete emergency repairs	1.97	3.4	3.7	4.2	3.0	2.4	4.2	4.2
Average working days to complete non-emergency repairs	4.93	4.7	11.7	11.6	5.8	5.0	8.9	8.7

	RCHA	SLC	Peer Group Average	Scottish Average
% tenants satisfied with repairs service (23/24)	90.31	88.97	89.5	88.0

A full review of how the Association procures its repairs and maintenance services was carried out in 2024 with the support of an external consultant. This resulted in the Association entering into a repairs and voids framework with our partner RSLs West Whitelawburn and East Kilbride HAs that has been designed to;

- Deliver better value for money by tendering works and obtaining economies of scale
- Provide a better level of service for tenants by including KPIs in our contracts
- Offer more flexibility for the Association and tenants by increasing our pool of qualified contractors
- Compliance with procurement legislation
- Be more efficient and effective for the business

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 Inspection and regular cleaning	Pending replacement of shared tanks 2025/26 Required in commercial & supported properties
Fire Safety Inspections – shared properties	6-Monthly Annual	Fire doors & emergency lighting Fire equipment
Smoke & Heat Detectors	Annual	Full replacement on 10 year cycle
Roof Inspections & Gutter Cleaning	6-monthly/ annually/	Dependent on location/property type

	2 yearly	
Common Painter Works	5-7 year cycle	New programme based on stock condition survey commencing 2025/26
Asbestos	Annual	In-house Inspections Any testing, sampling or removal undertaken by specialist contractors
Lifts- inspections	6-Monthly	
Lifts - servicing	Annually	
Door Entry Time Clock Re-set	2 per year	Reviewing option of digital timers which adjust for BST/GMT
Open Space Maintenance	Annual	Includes landscape, back court etc maintenance,

TENANT HEALTH & SAFETY

The safety of our tenants, residents and visitors to our properties is an absolute priority for the Association and we endeavour to ensure that any elements of health and safety which are required to manage our stock and non-housing assets are managed and maintained to the highest standards and to ensure that we comply with, and exceed where possible and appropriate, the statutory and regulatory requirements.

In 2024 we reviewed our compliance with these and updated our policies and processes, in particular for the 'Big 7'. These are;

area	period	programme
Gas Servicing & Inspections	Annually	Cyclical Maintenance
Fixed Electrical Installations Inspections	5-yearly	Cyclical Maintenance
Legionella	Annual Inspection and regular cleaning	Cyclical Maintenance
Fire Safety	Annually	Cyclical Maintenance
Damp & Mould	As Required- response timescales in place	Reactive Maintenance
Asbestos	Annually	In-house Programme

Lifts	6-Monthly	Cyclical Maintenance
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Gas Servicing

The Association procured a new gas contractor in 2024 and implemented new systems and processes for monitoring compliance and recording CP12s.

In 2024/2025 one gas safety service was completed one working day late due to access issues and the new monitoring systems being introduced.

Electrical Safety

All of the Association's properties have a valid, compliant EICR certificate. The EICR works are undertaken by one of the electrical contractors procured under the repairs and maintenance framework from 2024 in a five year cycle. Procurement through the framework has ensured that the Association obtained value for money savings of circa £65 per unit.

Legionella

As at 31/3/25, the Association had 114 cold water storage tanks within our common properties. The Association is looking at a programme of converting these properties to mains water supplies in 2025/26 in order to negate the need for legionella testing in the future other than in commercial and supported properties.

Fire Safety

As at 31/3/25, 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. A programme of annual servicing is in place along with systems for monitoring and recording.

Damp & Mould

The Association has undertaken significant process improvement in this area. We have a policy, damp and mould register to record cases or reported damp and mould and specialist contractors and environmental sensors to determine the root cause of reports. We have also developed information leaflets for our tenants.

Asbestos Management

We have a policy, asbestos register and comprehensive asbestos management plan in place alongside specialist sampling and testing and removal contractors as required.

Lifts

We have two lifts. We inspect these on a six monthly basis and service annually.

Summary Cyclical Maintenance Programme 2025/2026 -Top 5 Expenditure areas

	Number	Investment
Gas servicing and maintenance	881	£105,720
Scheme repainting	TBC	£76,000
Roof inspections and gutter cleaning	558	£67,000

Fire door inspections to common flat doors	91 blocks	£25,000
EICR programme	150	£18,000
Other cyclical programme works		£61,443
Total Cyclical spend		£353,163

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 elements of major components of the buildings.

The 5 and 30 year planned maintenance programme is based on the condition survey of 70% of internals of the stock and 100% of common areas, with the remaining stock data cloned for similar types and sizes of properties. The data from the survey informs the Association's 2025/2026 long-term cyclical and planned maintenance programme and financial projections to ensure;

- Programme based on robust, up-to-date information
- financial assumptions are realistic
- resources are targeted to maximise costs effectiveness and value for money

An updated 30-year financial projections taking account of our updated stock condition survey outcomes is now in place. This is detailed in full in Appendix 3.

Summary Planned Maintenance Programme 2025/2026

	Number	Investment
Kitchens	30	£165,000
Bathrooms	100	£380,000
Central Heating Boilers	15	£30,000
Ad-hoc Roofs/roughcast/bay window replacement	N/A	£110,000
Common tank removal	114 tanks	£38,000
Other-eg door entry and replacement and twin fans	N/A	Included in above line
TOTAL		£723,000

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 an ongoing programme of stock conditions surveys of the remaining 30% of the stock

The Association are working through the stock condition survey data to inform our year 2 and year 3 programmes for the period of this business plan.

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 (ESSH1) by December 2020, it is now working towards compliance with the most recent standards published by the Scottish Government:

Standard/Strategy	Requirements
Energy Efficiency Standards for Social Housing (ESSH2) Published : 2020 Target : 2032	<ul style="list-style-type: none"> All dwellings to have EPC Band B rating/SAP rating of 81 Compliance should be "within the limits of cost, technology and necessary consent"
Heat in Buildings Strategy Published : 2021 Target : 2045	<ul style="list-style-type: none"> From 2024 new housing will have to use zero direct emissions heating and cooling and feature high levels of fabric energy efficiency

Current Compliance

Standard	No. Properties (24/25)					
	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%

Social Housing Net Zero Standard Future Compliance

To date the Association has been prudent in its approach to contributing toward meeting the objectives of Net Zero. In 2024/2025, all residents (tenants and owners) in our pre-1919 tenements were offered internal wall insulation (IWI) to support energy efficiency and carbon reduction. Although the installation was 100% funded by ECO4 to tenants and means tested for owners (with up to 100% available to

them), take-up amongst our factored owners was low with only 11 participating-which represents only 5% take up from the 220 owners offered the works.

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. We have recognised this by adding a new strategic objective no. 5 to meet the goals of the green agenda/net zero. However, along with many other registered social landlords, 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 – The consultation for the Scottish Social Housing Net Zero Standard closed in March 2024 and, as at the end of July 2025 no update on the final standard has been published.
- The impact on our investment plans to account for new EPC requirements introduced on 15th June 2025
- Indications that target dates for decarbonisation may be pushed back or reviewed at a national level
- The availability of affordable and effective technological solutions and trained installers
- The availability of grant funding
- Lack of co-operation of owners for carrying out common works as evidenced by our recent IWI programme
- Educating tenants on the use of new technologies to optimise output and comfort

MEDICAL AIDS & ADAPTATIONS

The Association is committed to the principles of independent living and utilises the available funding from the Scottish Government to provide adaptations that will assist tenants to remain living in their own home for as long as they wish to do so.

The funding for adaptations is allocated annually and is limited meaning that the Association has to prioritise the referrals based on the level of priority given by Social Work Occupational Therapists. Given the funding constraints, the Association has, for a number of years, not been able to carry out all the works required although it has successfully used the budget to meet all referrals for low level access and wet floor showers.

Financial Year	Funding Awarded	No. Adaptations Carried Out	No. on Waiting List at Year End
2022/2023	£34,178	16	22
2023/2024	£33,432	8	17
2024/2025	£20,000	7	21
2025/25	£20,000	TBC	

The Association's ability to undertake stage 3 adaptations is challenging as evidenced by the trend for a reducing budget being available from the Scottish Government and an increasing demand which is adding to our waiting list.

PROVISION OF NEW AND/OR ADDITIONAL HOUSING

The Board has ambitions to build 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.

Both of these objectives are reflected in the Strategic Delivery Plan.

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 using South Lanarkshire's Market Purchase Scheme 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
- Purchasing the property would enable the Association to meet unmet housing need for a particular applicant (e.g. an adapted bungalow) where the Association does not currently have any properties which could address that need
- 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

The Association has liaised with South Lanarkshire Council to assess potential opportunities for new build and utilising their Market Purchase Scheme for acquiring properties on the open market to meet the aforementioned criteria in line with the Local Housing Strategy and SLC's Strategic Housing Investment Plan (SHIP).

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.

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 were, 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	73.4%	33.3%	51.4%
Dissatisfied/Very Dissatisfied	15.2%	43.8%	30.9%

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	66.7%	30.5%	48.6%
Fairly/Very Poor	12.8%	36.8%	24.8%

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	88.6%	37.2%	62.9%
Fairly/Very Poor	3.8%	40.4%	22.1%

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

The Association acknowledges that it has work to do to engage positively with our 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.

The Association's Strategic Delivery Plan therefore includes a number of activities related to the factoring service including;

- Complete full review of the factoring processes and systems (this commenced in 2024 with an independent specialist commissioned to undertake this work and a final report is scheduled for August 2025)
- Consider options for the Association's future provision of the factoring service

- Recruit a one year lead factoring officer to progress the factoring review outcomes and enhance service delivery
- Developed a clear and transparent approach to setting and increasing the management fee to ensure that costs of delivering the service are fully covered. This was not the case previously. Owners are being contacted over summer 2025 to explain the new factoring fee and what the fee covers.
- Develop robust and effective mechanisms for the recovery of outstanding factoring arrears

SECTION 23 - PROCUREMENT

The Procurement (Scotland) Regulations are based on the Procurement Reform (Scotland) Act 2014 and provide the main set of rules governing how public bodies such as Registered Social Landlords acquire goods, works and services.

Key principles of the regulations as they apply to the Association include:

Application: Housing associations are "contracting authorities" and must adhere to public procurement regulations, including advertising contracts and following tendering procedures.

Transparency and Fairness: Procurement processes should be transparent and fair, offering all interested parties an equal opportunity to participate.

Value for Money: The focus is on obtaining the best value for the money spent, ensuring efficient resource allocation. This includes use of national frameworks including procurement for housing and Scotland Excel.

Social Value: Prioritise social value, encouraging local SME (Small and Medium-sized Enterprise) suppliers and delivering community benefits.

Market Engagement: Pre-market engagement is crucial to ensure a good response from suppliers and identify potential opportunities.

Compliance:

Adherence to relevant legislation, including the Procurement Act 2023, is essential.

Digital Platforms: Utilising digital platforms like Public Contracts Scotland and Find a Tender Service (FTS) to advertise opportunities.

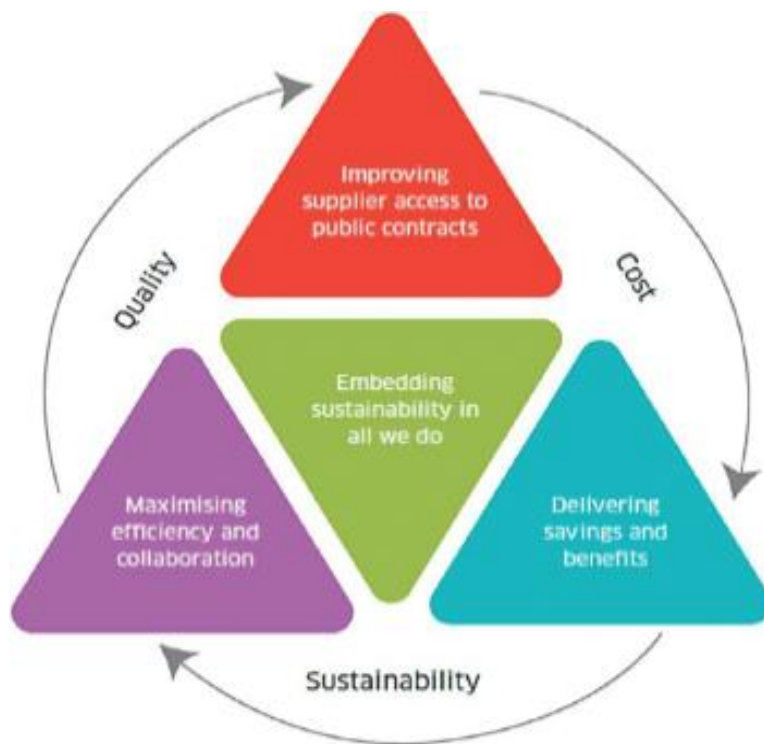
Supplier Relationships: Building strong relationships with reliable suppliers is vital for delivering consistent quality.

Fair Work First: Incorporating Fair Work First principles into procurement strategies.

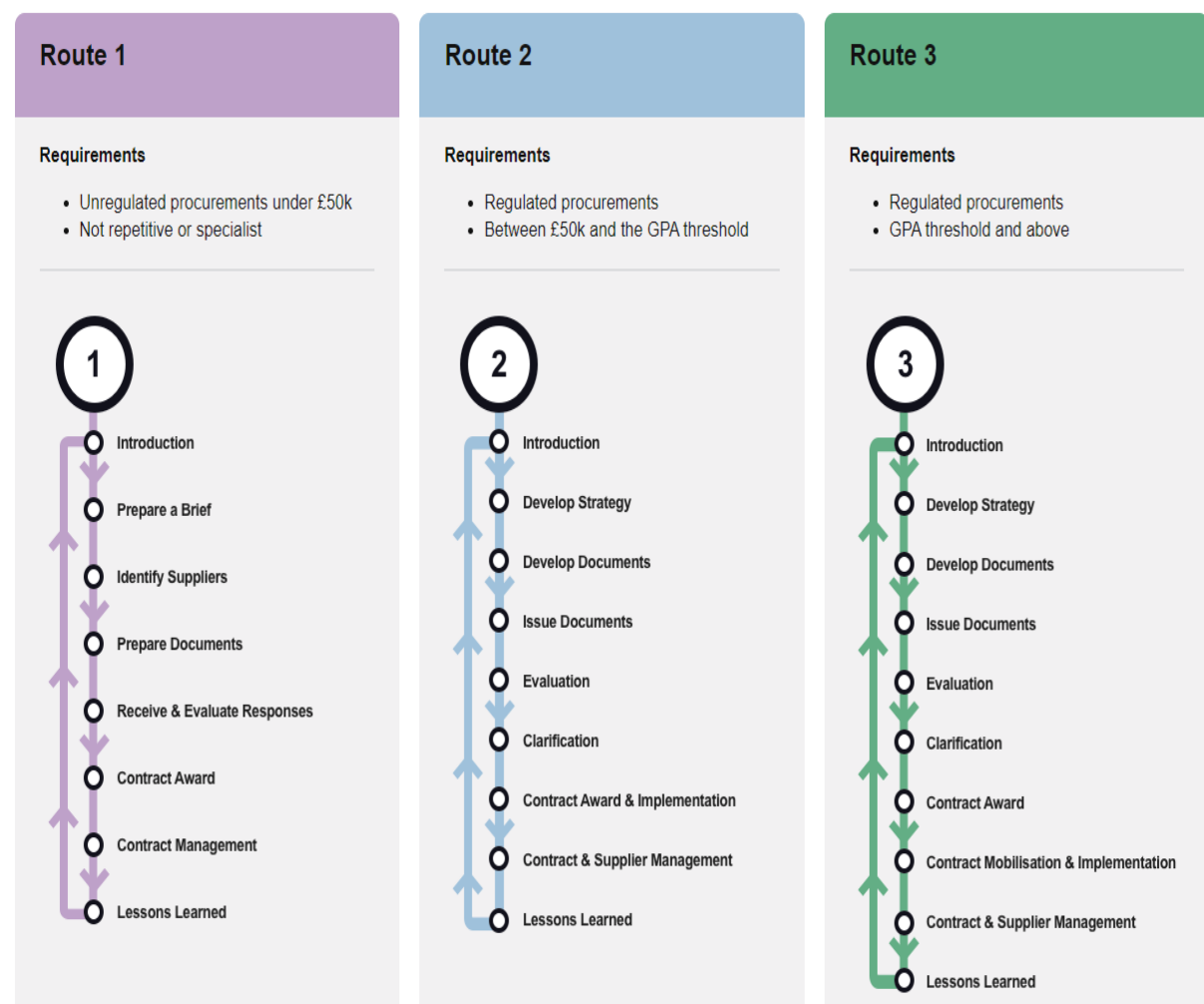
During 2024/2025, the Association reviewed its procurement processes to ensure they;

- Comply with the requirements and principles of the regulations
- Provide SMEs with greater access to contract opportunities
- Apply a consistent approach to all procurement activities
- Promote fair work practices
- Achieve value for money and/or savings in costs and resources
- Encourage collaborative/partnership working where appropriate
- Allow for separation of duties
- Put in place rigorous internal controls and accountability
- Support good governance

The reviewed processes also reflect the Scottish Government's Model of Procurement;



Procurement Routes



Procurement Activities 2024/2025

Contract Title	Supplier Name	Contract Value	Contract Start Date	Contract End Date
R&M and Voids (inc Medical Adaptations) Framework 2024 – 2028*	Lot 1 Multi-trade – 6 Suppliers Lot 2 Joiner – 10 Suppliers Lot 3 Plumber – 7 Suppliers Lot 4 Electrical – 13 Suppliers Lot 4a – 3 Suppliers**	R&M £440,000 per annum Voids £85,000 per annum	10 June 2024	9 June 2026 2 calendar years with option to extend by two single years at RCHA discretion.
Gas Services with follow on Repair Works & Replacements, Voids, Reactive Repairs and Ad Hoc boiler and full system Renewal Contract 2025 – 2028	City Technical Services UK Ltd Unit 1 Block 16 Clydesmill Place G32 8RF	Service £31,000 per annum Reactive £57,000 per annum Boiler Changes	8:00am, 3 March 25	7:59am, 3 March 28 3 calendar years with option to extend by two single years at RCHA discretion.
Bathroom Replacement Contract 2024/25	MCN (Scotland) Ltd 13 Lady Jane Gate Bothwell G71 8BW	£241,634.70	17 February 2025	31 April 25 1 calendar year with option to extend by four single years at RCHA discretion.
Internal Audit Services Joint Procurement with Clydesdale HA	Wylie & Bisset LLP 168 Bath Street Glasgow G24TP	£4,100 + VAT per year	May 2024	1 April 2027 with option to extend for a further 2 years
Recruitment of new CEO	Eden Scott	£12,500 incl. VAT	May 2025	June 2025

*R&M Framework allows RCHA the option to use any appointed supplier on each lot.

** Lot 4 - Electrical Sub-Lot (TV & Satellite only)

Planned Procurement Activities 2025/2026 – 2026/2027

- Legal Services
- Financial Services
- External Audit
- Open Space Maintenance 2025/26
- Window Replacement 2025/26

- Kitchen Replacement 2025/26
- Common Close Cleaning
- Common Tank Removal
- Gutter Cleaning
- External & Common Close Painterwork

SECTION 24 - FINANCIAL MANAGEMENT

The Association's ability to deliver its services and achieve its vision and strategic objectives is reliant on its long-term financial stability and viability.

The Scottish Housing Regulator Regulatory Standard 3 requires that the Association **“manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay”**.

Good financial management also plays a critical role in the Association's ability to successfully achieve its Strategic Objectives to:

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

In order to comply with the regulatory requirements, deliver our strategic objectives as well implementing good business practice, the Association's financial position and performance are monitored in detail quarterly at the Finance, Assurance and Risk (FAR) Sub-Committee and regularly reviewed by the full Board of Management.

The Association buys in expert, professional financial services from FMD Financial Services Ltd who specialise in the finances of registered social landlords.

Drivers

The drivers for the Association's approach to its financial management are;

- Maintaining rents at levels that are affordable to current and future tenants
- Ensuring we have more than adequate provision to deliver the Association's planned, cyclical maintenance programmes and responsive repairs costs
- Ensuring that we do not breach any of the financial covenants of our lenders
- Being financially able to secure private finance to support the development of new homes if/when there are opportunities to do so
- Having effective short-, medium – and long-term financial planning and forecasting and sensitivity testing
- Identifying and managing financial risks
- Basing financial projections and budgets on sound assumptions
- Ensuring we have adequate resources to support growth and improvement

Summary Draft Annual Accounts 2024/2025

Stock Value £40m £	Rental Income £4.6m	Turnover £4.9m	Loan Debt £7.3m
Interest Payable £331k	Operating Expenditure £3.9m	Surplus £390k	Cash Balance £3.19m

TREASURY MANAGEMENT

Cash Balances

As at the end of March 2025, the Association's cash balances totalled £3.19m held in a mix of instant access accounts and notice accounts;

Account Details	Access Type	Interest Type	Interest Tate	Proportion
Allpay				
SCH Scheme	Instant	-	0.00%	0.0%
Bank of Scotland				
Current Account	Instant	-	0.00%	4.2%
Commercial Call	Instant	Variable	1.45%	51.9%
Rent Account	Instant	-	0.00%	7.4%
Factoring Account	Instant	-	0.00%	0.2%
Nationwide Building Society				
95 Day Saver	Noice	Variable	3.90%	18.3%
95 Day Saver	Notice	Variable	4.25%	0.0%
95 Day Saver	Notice	Variable	4.25%	0.0%
Royal Bank of Scotland				
RTB Account	Instant	-	0.00%	0.0%
Loan Servicing Account	Instant	-	0.00%	1.3%
Santander				
Post Office Account	Instant	-	0.00%	0.3%
Time Deposit	Fixed Term	Fixed	4.10%	15.7%
Vigin Money				
Loan Servicing Account	Instant	-	0.00%	0.8%
Petty cash	Instant	-	0.00%	0.0%

Access Summary

INSTANT
66.0%

NOTICE
18.3%

FIXED TERM
15.7%

LOAN PORTFOLIO

The Association's outstanding loan balances as at the end of March 2025 totalled £7.27m.

Lender	Interest Type	Proportion	Interest rate	Loan Matures
Bank of Scotland	Variable	2.9%	Base +0.75%	03/06/27
Bank of Scotland	Variable	1.2%	Base +0.75%	03/06/27
Bank of Scotland	Variable	1.0%	Base +0.75%	08/01/29
Bank of Scotland	Variable	12.1%	Base +1.93%	22/11/28
Energy Savings Trust	Interest Free	0.0%	0.0%	15/02/27

Nationwide Building Society	Variable	1.2%	Base +0.5%	01/06/28
Nationwide Building Society	Variable	5.8%	Base +0.7%	01/11/34
Nationwide Building Society	Variable	10.3%	Base +0.7%	01/11/34
Royal Bank of Scotland	Fixed	15.3%	2.3832%	14/06/40
Royal Bank of Scotland	Variable	4.3%	Base +1.571%	14/08/27
Royal Bank of Scotland	Fixed	21.2%	2.557%	17/08/27
Royal Bank of Scotland	Fixed	14.3%	2.61%	01/11/30
Scottish Government	Interest Free	0.0%	0.0%	01/01/25
Virgin Money	Variable	1.2%	Base +0.45%	18/08/27
Virgin Money	Variable	9.2%	Base +0.45%	31/03/34

The Treasury Management Policy states that no more than 60% of the loan portfolio should be comprised of variable rate loans at any one time. The interest rate mix of the loan portfolio at the end of the 2024/2025 financial year was;



This mix is considered appropriate for the Association due to the currently high level of interest rates and gives more certainty of the level of interest to be paid as well insulating the Association from significant financial implications arising from increases to interest rates.

We do not forecast any non-compliance with the policy requirements over the 2025/2026 financial year.

Covenant Compliance

A key aspect of managing the loan portfolio is meeting certain financial and non-financial covenants imposed by the Association's lenders. Covenant compliance is monitored quarterly by the FAR Sub-Committee.

Three of the current lenders (Bank of Scotland, Royal Bank of Scotland and Virgin Money) have both financial and non-financial covenants while the Nationwide Building Society has only non-financial covenants.

All of the covenants have been met for the period from 1 April 2024 to 31 March 2025 and there is good headroom anticipated across the next financial year and over the term of each loan.

FINANCIAL PERFORMANCE & BENCHMARKING 2024/2025

Indicator	RCHA 2024/ 2025	Actual 2023/2024			National Actual 2023/2024	
		RCHA	Peer Grp Average	Variance	National Average	Variance
Financial Capacity						
Interest Cover	658.4%	403.0%	1,438.1%	(818.9%)	1,295.7%	(676.5%)
Gearing	19.2%	26.7%	7.4%	11.8%	94.1%	(74.9%)
Efficiency						
Voids	0.2%	0.2%	0.3%	(0.1%)	1.1%	(0.9%)
Gross Arrears	1.7%	1.7%	3.9%	(2.2%)	46%	(2.9%)
Net Arrears	1.2%	1.2%	1.5%	(0.2%)	2.3%	(1.1%)
Bad Debts	0.3%	0.3%	0.6%	(0.4%)	0.6%	(0.4%)
Staff Costs/Turnover	19.7%	19.6%	20.9%	(1.2%)	22.6%	(2.9%)
Key Management Personnel/Staff Costs	32.7%	40.1%	28.0%	4.8%	18.1%	14.7%
Turnover per Unit	£5,565	£5,311	£5,472	£80	£7,946	(£2,393)
Responsive Repairs to Planned Maintenance	0.61	0.8	1.9	(1.2)	1.8	(1.2)
Liquidity						
Current Ratio	2.0	1.8	2.5	(0.5)	2.1	(0.2)
Profitability						
Gross Surplus/(Deficit)	20.1%	18.7%	18.6%	(6.4%)	16.2%	(4.0%)
Net Surplus/(Deficit)	0.7%	11.7%	15.4%	(8.9%)	10.7%	(4.2%)
EBITDA/Revenue	40.9%	35.6%	25.9%	(1.5%)	23.3%	1.1%
Financing						
Debt Burden	1.5	1.7	0.9	0.5	1.9	(0.4)
Net Debt per Unit	£4,620	£6,308	£1,466	£3,144	£7,798	(£3,189)
Debt per Unit	£8,234	£9,095	£5,127	£3,089	£11,619	(£3,403)
Costs per Unit						
Management & Maintenance Admin	£2,017	£1,636	£1,786	£227	£1,850	£163
Planned Maintenance	£167	£530	£357	(£190)	£570	(£403)
Reactive Maintenance	£840	£787	£715	£122	£852	(£14)
Total Direct Maintenance	£1,007	£1,316	£1,072	(£68)	£1,421	(£417)
Total Management & Maintenance	£3,024	£2,952	£2,858	£519	£3,271	(£254)

The financial ratios for 24/25 in overall terms compare favourably to most recently published RSL data (which is 23/24 annual accounts information). The 24/25 results for RCHA show mainly an improvement on the 23/24 results. The net surplus ratio excluding the non-cash loss on revaluation of investment property is 14.5% which is higher than 23/24 RCHA and national average results and only marginally below local peer RSL results.

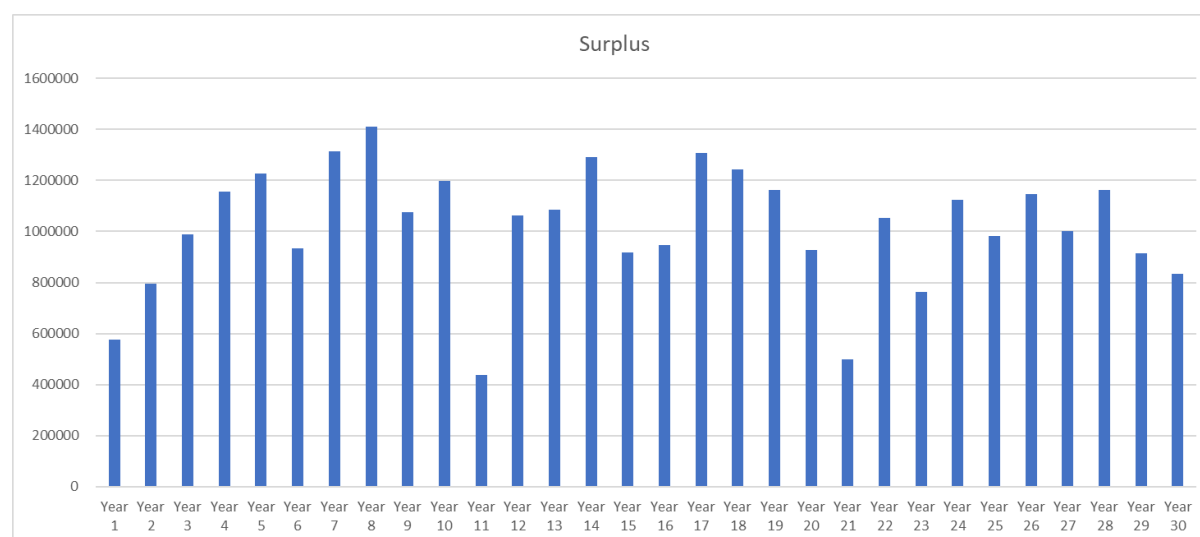
2025/2026 Budget Projections

Overview

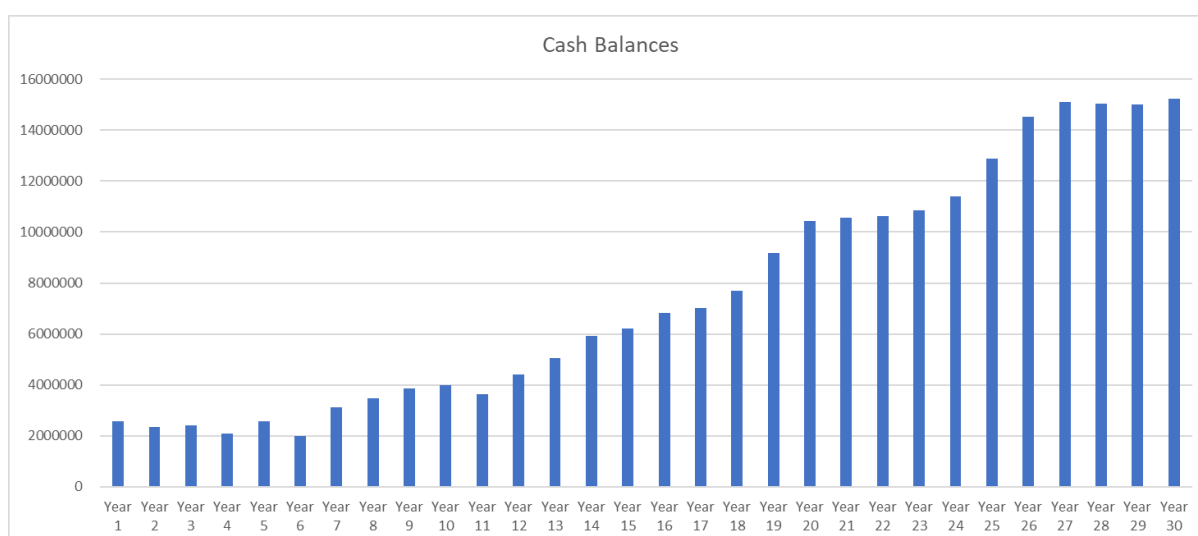
Whilst we cannot expect to be precise over 30 years it is sensible to project forward based on realistic assumptions and expectations. The bottom-line cash position of the Association indicates the level of comfort available to manage risk and changes in circumstances

The Association commences the plan period with total reserves of around £21m based on the 25/26 long-term projections. These projections were prepared prior to finalising the annual accounts for 24/25 and do not include the TPT year end pension adjustment and commercial property impairment (both non cash items) included in the draft accounts. Excluding these 2 items the annual surplus for the year was around £107k higher than projected.

Surpluses are projected on an annual basis and average £948k pa in the first 5-year period.



Positive cash flow projections with cash balances averaging £2.4m over the first 5-year period. At the end of year 5 cash balances total £2.6m. By year 10 balances increase to £3.98m and continue to increase. At the end of year 30 cash balances total £15.2m.



No issues are expected with loan covenant compliance and adequate headroom exists.

Key Assumptions

No new build activity

CPI inflation at 2.3% in year 1 and 2% thereafter

Real Increase: 4.5% in Year 1, real increases at 1.5% across years 2-5 only, in line with inflation thereafter

Voids: 0.5% in Year 1 falling to 0.2% per annum by Year 4

Cost Inflation: 2.5% in Year 1, 2% per annum from Year 2

Maintenance Costs: Real cost increases from Years 2 – 30 at 0.5% per annum

Salaries: Gross salary rise of 4% in Year 1, inflation +1.5% in Years 2 and 3 with an inflation rise every year thereafter

Bad Debt Write-offs: 1% throughout the full 30 years projection period

Insurances: increased by 7% in Year 1 with above inflation rises continuing across years 2 – 30

Energy Costs: increase of 3.5% in Year 1 where contracts lapse with above inflation rises continuing for years 2 – 30

Bank of England Base rate: 4.75% at start of Year 1 before gradually reducing to 2.5% for Year 5 onwards

Gross Arrears: 2.2% at the end of Year 1, 2.1% in Year 5 and 1.2% in Year 30

Sensitivity Analysis

Sensitivities are largely modelled on varying rent increases, rent losses, management and maintenance costs, inflation and interest rates.

Increased costs (without compensatory savings or rent changes) would have the most serious adverse effects of the sensitivities modelled.

Extended real rent rises or the achievement of the maintenance plans at inflation only cost increases would result in material improvements to the projections.

The sensitivities have been modelled largely on an individual basis. It is recognised that a combination of changes in assumptions is a clear possibility. One of the purposes of regular budgeting and the monitoring of financial results is to ensure that the financial position remains on target. In the event of material adverse variances, this allows corrective action to be put in place.

Scenario	Year 1 2025-26	Year 5 2029-30	Year 10 2034-35	Year 15 2039-40	Year 20 2044-45	Year 25 2049-50	Year 30 2054-55
Base Model							
Cash Balance	£2,557,207	£2,560,369	£3,984,313	£6,216,511	£10,445,597	£12,882,301	£15,223,174
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
Expected Cash Balance	£2,557,207	£2,560,369	£3,984,313	£6,216,511	£10,445,597	£12,882,301	£15,223,174
Check	-	-	-	-	-	-	-
Positive Scenarios							
1 - Rent increases at 1% above inflation for years 6 to 30							
Cash Balance	£2,557,207	£2,560,369	£4,890,475	£9,851,223	£19,165,120	£29,690,582	£43,906,346
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
2 - Reduction in bad debts of 0.5% per annum from year 2							
Cash Balance	£2,557,207	£2,629,500	£4,152,759	£6,499,151	£10,859,168	£13,445,628	£15,957,433
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
3 - No real maintenance cost increases from year 2							
Cash Balance	£2,557,207	£2,674,625	£4,547,005	£7,742,193	£13,386,329	£18,064,543	£23,473,659
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
4 - Bank of England base rate reduced by 0.5% per annum from year 2							
Cash Balance	£2,557,207	£2,613,391	£4,073,348	£6,317,068	£10,550,728	£12,992,026	£15,337,693
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
5 - Year 1 rent rise at 5.5%							
Cash Balance	£2,604,745	£2,812,674	£4,526,617	£7,090,591	£11,697,900	£14,564,681	£17,393,484
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
Negative Scenarios							
6 - Increase in cost inflation of 1% per annum from year 2							
Cash Balance	£2,557,207	£2,113,553	£1,724,314	£124,862	(£1,681,271)	(£8,643,173)	(£19,565,326)
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
7 - Increase in bad debts of 0.5% per annum from year 2							
Cash Balance	£2,557,207	£2,491,238	£3,815,867	£5,933,871	£10,032,027	£12,318,975	£14,488,915
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
8 - Real maintenance cost increases of 1% per annum from year 2							
Cash Balance	£2,557,207	£2,445,043	£3,406,468	£4,622,724	£7,324,631	£7,284,856	£6,151,854
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
9 - Bank of England base rate increased by 1% per annum from year 2							
Cash Balance	£2,557,207	£2,454,325	£3,806,245	£6,015,398	£10,235,336	£12,662,853	£14,994,137
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
10 - Year 1 rent freeze							
Cash Balance	£2,343,324	£1,424,930	£1,543,784	£2,283,202	£4,809,957	£5,310,625	£5,454,944
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
11 - Year 1 rent rise per business plan at 3.3%							
Cash Balance	£2,500,176	£2,257,550	£3,333,401	£5,167,423	£8,942,390	£10,862,516	£12,617,355
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
12 - Year 1 rent rise at 3.5%							
Cash Balance	£2,509,682	£2,308,016	£3,441,874	£5,342,307	£9,192,955	£11,199,149	£13,051,513
Covenant Compliance	Y	Y	Y	Y	Y	Y	Y
13 - Combination of scenarios 6, 7 and 8							
Cash Balance	£2,557,207	£1,926,733	£945,741	(£1,879,498)	(£5,477,794)	(£15,389,114)	(£30,560,540)
Covenant Compliance	Y	Y	N	Y	Y	Y	Y

Strategic Objective 1- Proactively seek out and maximise opportunities to enhance the provision of high-quality homes and neighbourhoods					
Strategic Action from Business Plan	Responsible Officer	Update at July 2025	Timescale for Completion	% Complete	RAG Progress
Asset Management Strategy and Maintenance Services					
Develop and implement a comprehensive Asset Management Strategy	MM/ Asset Consultant	Will be prepared after SCS information fully reviewed.	Sep-25	10%	
Carry out a stock condition survey (SCS) of minimum 70% of the stock-to here	AM/ Asset Consultant	Complete.	Jun-25	100%	
Define our homeless quota for approval at Board and continue to support SLC-focus on prevention and management of arrears	DD/HM	Board report prepared for recommended new homeless quota on KPI report once discussions are concluded with SLC. Currently at 40%. SLC have confirmed looking for more temporary accommodation rather than additional permanent accommodation. Quota to remain at 40%.	Aug-25	100%	
Stock Growth					
Investigate if rental off the shelf (ROTS) funding is available from SLC to expand our stock portfolio	CEO/HM	SLC call this the Market Purchase Scheme. Initial discussions are positive with SLC. Information being submitted to Board August 2025 to inform decisions going forward re funding available. Will also have to discuss with More Homes at Scottish Government.	Year 2	40%	
Growth through development of new homes	CEO	Reconsider moratorium of development of new homes	Year 2		
Strategic Objective 2- Expand our presence and activities to grow our community regeneration and actively engage with our customers and communities to meet local needs and aspirations					
Strategic Action from Business Plan	Responsible Officer	Update at July 2025	Timescale for Completion	% Complete	RAG Progress
Caledonia Centre					
Consider the long-term future use of the Caledonian Centre	CEO	South Lanarkshire Council interested in principle in taking over full lease of Centre for nursery extension. Initial negotiations commenced with SLC. To meet SLC to discuss valuation once options appraisal concludes and is considered. No contact from SLC re future intentions at 29/7/25.	Jun-26	5%	

Undertake options appraisal of Caledonian Centre including potential for community use	SMT	Options appraisal commissioned with MAST Architects February 2025-first draft received and presented 16/6/25-final draft being prepared. Being presented to August Board.	Aug 25	100%	
Customer Engagement					
Investigate potential for shared services for customer engagement	CEO/HRM	Shared services investigated but no RSL able to share presently. Temporary HO covering sick leave has broad customer engagement experience so slotting into role at 3 days per week from 4/8/25 (when permanent HO returns) plus two days as HO until Dec 25.	Aug-25	100%	
Hold a tenants conference in Aspire Centre and Caledonian Centre to identify what tenants want from RCHA	Cust Eng Officer	See above			
Develop a Customer Engagement Strategy action plan	DD/HM	Year 2 activity using customer feedback from CSS and tenants conference	Year 2	10%	
Undertake Customer Satisfaction Survey	DD/HM/EO	Start Q3 tender and fieldwork Q3/4	Board report Q4 2025/26		
Increase the level of participation in key consultation exercises	DD/HM and potential shared service	Rent consultation improved on previous year. CX Feedback purchased to support this and operational now. First exercise to be repairs satisfaction at point of service. Target is 10% feedback and should be reported as a KPI. Maint Staff have received training re: repairs satisfaction survey. Further training to be arranged after holiday period.	Aug/Sept 25	25%	
Review community benefits process for how to expend funds	SMT	2% of contract expenditure held for community benefits to be directed to community engagement and wider role. To ascertain how this will be expended. SIMD data analysis undertaken by Healthy and Happy for business plan and to assist in targeting areas for community benefits. Report to Sept Board	Sep-25	10%	
Equalities and Data Capture					
Develop mechanisms to better understand the diverse needs of our customers, annually report this to the Board and use the information to shape the Association's services and activities	DD/HM and GO	Tenant (circa 10%), Board and staff data collection complete. Applicant data being reviewed. Report to be taken to Board. Note this is being looked at by SHR and will use CSS to collect additional equalities data from tenants. Met DPO to discuss the Applicant Data collection to improve this.	Nov 25 for report and CSS later in year	60%	

Develop mechanism for ensuring the data collected gives better insight into our customer profile and influences and shapes services and activities	DD/HM	Use CSS to ask questions on customer profiling, equalities and tenant vulnerabilities. Also utilise CX Feedback for targeted communications with vulnerable groups.	Report CSS to Board Q4 2025/26		
Tenancy Management, Support and Sustainment					
Map and explore partnership options to expand the range of services and provide more practical support for tenants, for example, energy vouchers	DD/HM and potential shared service	In discussions with HealthynHappy re: shared services, fuel poverty, vulnerable tenants assistance etc.	Year 1 Q4	10%	
Formalise our arrangements with welfare benefits advice service for our tenants and request an outcomes report for Board. Consider in-house or partnership WR Advisor.	DD/HM		Year 1 Q3/Q4		

Strategic Objective 3 -Value and Develop all our People and Celebrate Success					
Strategic Action from Business Plan	Responsible Officer	Update at July 2025	Timescale for Completion	% Complete	RAG Progress
MC Recruitment and Succession Planning					
Carry out a recruitment exercise for governing body members	CEO/GO	6 potential new members identified - application forms etc issued	Aug-25	75%	
Put in place a succession plan for the positions of Office Bearers	CEO/GO	Complete and update reported to February 2025 MC Meeting as part of appraisal report	Complete	100%	
MC Learning and Development Plan					
Carry out the annual appraisals of Committee members	CEO	Complete and outcomes reported to February MC meeting	Complete	100%	
Staff Structure					
Ongoing interim review of structure to streamline and deliver efficiencies	CEO	Ongoing- new governance officer, temporary factoring assistant, interim factoring support, Maintenance Manager and Director positions were updated at staffing sub committee on 5th Nov.	Complete	100%	
Recruit new CEO	Staffing Sub	Advert opened and closing date 2/5/25	Aug-25	100%	
Review full staff structure once new business plan agreed -structure follows strategy including impact of planned maintenance programme and supporting tenants	CEO	Include SMT, factoring, community development and tenancy sustainment. Staff questionnaire drafted by new CEO for circulation. Staff to be appraised of process at team meeting on 6/8/25.	By end Q4 2025/26	5%	
Other Staffing Matters					
Carry out a Staff 'Wellbeing' Survey	CEO/HRM	Start after new CEO in position. Prices and support presented to May Board from SHARE. Staff questionnaire re structure will inform this process.	Aug-Sept 25	25%	

Review staff appraisal policy and processes	HRM	Draft appraisal form being piloted by HRM. Policy will follow.	Sep-25	25%	
Continue to review succession plans, especially for senior management posts after appraisal	HRM	No succession plans in place currently- will be outcome from staff appraisal.			
Explore options for offering hybrid working including reviewing office opening hours to support WFH	CEO/HRM	Agreement on principle to be considered by staffing sub. This is a staffing priority. Policies of other RSLs being reviewed and dependant on IT for homeworking being available-will be considered as part of structure review and will also consider office opening hours.	Q4	15%	

Strategic Objective 4 - Continue to Develop Robust Financial, Performance and Governance Outcomes					
Strategic Action from Business Plan	Responsible Officer	Update at July 2025	Timescale for Completion	% Complete	RAG Progress
Business Planning					
Develop a three year business plan and delivery plan	CEO	Business Plan and delivery plan being finalised. Special Board meeting held 1/7/25 to review draft sections. Asset mgt and financial mgt sections cannot be completed due to SS considerations. Will be finalised at Board meeting on 19/8/25 and then issued to the Regulator who have been kept abreast of activity re this.	Aug-25	80%	
Planned Maintenance Programme					
Develop an updated 5-year planned maintenance programme for the period 2025 – 2030 based on;	MM/ Asset Consultant	Budget setting for 2025/26 complete. Old SCS survey information informed 5YFP return to the Regulator for May return.	end May 25	100%	
· consultation with tenants on their priorities for use of resources for investment planning	MM/ Asset Consultant	Will be undertaken to inform investment plans for 2026/27 onwards . Initially to establish a user group to review kitchen specification.	Q3 2025		
· Realistic costs and assumptions from updated SCS		Revised year 1 budget for investment and 5YFP and 30 year plans being prepared by FMD using new SCS information	Aug-25	80%	
· Financial projections		Revised year 1 budget for investment and 5YFP and 30 year plans being prepared by FMD using new SCS information	Aug-25	80%	
Treasury Management					
Undertake loan review for refinancing before bullet payments due in 27/28 and 28/29	FMD		Years 2 and 3		
Factoring					

Complete the implementation of the recommendation made in the 2022 Internal Audit	CEO/Factoring Consultant	Been considered a part of factoring review reported to FAR October 2024. Includes policy development and full cost recovery recommendation for management fee. Further internal audit being done in 2026 in this business area.	Part of factoring review	70%	
Conclude the Factoring Review	CEO/Factoring Consultant	Working group meetings ongoing and meeting with legal 2/4/25 re potential options. Report to June Board with recommendations on charging policy. Also to consider set up for future provision /staffing/services to August Board.	Aug-25	100%	
Develop a clear and transparent approach to setting and increasing the management fee that demonstrates the costs are accurately identified and apportioned	CEO/Factoring Consultant	Analysis complete for full cost recovery. Suggesting stepped increase commencing with 25% increase initially until costs correctly apportioned. Paper to Board Jun 25 with implementation in Q3. Board approved increases to management fee based on costs of delivering the service. Letters being issued Aug 25 re increase	Jun-25	100%	
Develop robust and effective mechanisms for the recovery of outstanding factoring arrears	CEO/Factoring Consultant	Progress underway including significant legal advice re same. Will be write offs of irrecoverable factoring debt. Payment plans in place with circa 40 no. owners and more to follow. Policy and procedures being developed.	Sep-25	75%	
Governance- Assurance Statement					
Continue to develop the Evidence Bank	GO	Complete and Board can access evidence bank. Demonstration to be done by GO.	Complete	100%	
Complete the Annual Assurance Action Plan	All	all remaining action from the Annual Assurance Action Plan have been captured into the delivery plan	Complete	100%	
Annual Return on the Charter					
Carry out an external validation on the 2023/2024 ARC submission	DD/HM	Complete. No significant amendments require to be notified to SHR. New dashboard being developed for 2024/25 ARC return.	Complete	100%	
IT System					
Start investigating other housing and property management systems available	SMT	Intention to continue with SDM for 2025/26.	Year 3	0%	
Review other current systems inc Integrator Asset Mgt system and setting up factoring system	SMT		by Oct 25		
Ensure all staff have working from home capacity	DD/HM	Costs allocated for hardware for this in budget. Report to Board on this June 25. Order issued to IT provider w/c 21/7/25.	Aug-25	80%	

Apply for Cyber Essential Accreditation	HM		Year 2		
IT and Communications					
Develop an updated and costed IT and Communications Strategy and action plan	DD/HM		Years 1 & 2	0%	
Rent Affordability					
Start review of rent setting methodology	DD/HM	GWSF member query submitted and discussions taking place with 3 RSL's that have gone through this process to identify methodology and consultant information. Specification under development. Intention is to implement new rent setting methodology and rent harmonisation in 2027/28.	Procure Q 3/4	5%	
Begin consultation on a rent harmonisation exercise to;	DD/HM	Scheduled for Q3/4 2025. Intention is to implement new rent setting methodology and rent harmonisation in 2027/28	Procure Q 3/4		
- close the gap between the rents					
- make the Association's rents compare more favourably with it's peer group and the Scottish average					
- explore tenants views on what would make rents better value for money, especially those tenants paying full rent					
Allocations					
Undertake a full review of the processes which support the Allocations Policy	DD/HM	Include more user friendly sign up process	Q4 2025/26		

Strategic Objective 5 - Continue to Meet The Goals of the Green Agenda/Net Zero					
Strategic Action from Business Plan	Responsible Officer	Update at July 2025	Timescale for Completion	% Complete	RAG Progress
Develop strategies for complying with the Net Zero Standard	AM	Awaiting Social Housing Net Zero Standard being published by Scottish Government. SCS considering net zero standard implications for our stock based on the consultation document.			
Train Board and staff on SHNZS and implications for green agenda	GO				

Consider partnership to improve energy outcomes for tenants, fund finding and identifying opportunities, eg new technologies	AM	Have part completed IWI on all pre-1919 tenemental stock and for agreeing owners.Finl push to be done to get others to agree.Asset Manager will prepare ad-hoc reports to Board on activity in this business area.			
Continue with our Internal Wall Insulation Project	AM	Currently 141 tenants benefitted and 80 tenants remain. Only 11 owners have taken up the work.	Q4 2025/26	50%	

KEY PERFORMANCE INDICATORS AND TARGETS 2025/26 – FULL LIST

Appendix 2

The targets for 2025-2026 are;

Key	New Target	Target not appropriate
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GOVERNANCE & ACCOUNTABILITY				
Performance Measure	Indicator	Performance 24/25	Target 25/26	Responsible Officer
Number of Elected Board Members		12	>11	GO
Attendance of individual members at Board Meetings (excluding special leave)		67%	>75%	GO
Attendance of individual members at Board training events (excluding special leave)		N/A	>75%	GO
No. Management Committee Meetings		12	10	GO
Average time to respond in full to Stage 1 Complaints	ARC 3	2.07 days	5	GO
Average time to respond in full to Stage 2 Complaints	ARC 3	12.5 day	20	GO
% Stage 1 Complaints resolved within 5 working days		100%	100%	GO
% Stage 2 Complaints resolved within 20 working days		100%	100%	GO
CUSTOMER ENGAGEMENT				
Performance Measure	Indicator	Performance 24/25	Target 25/26	Responsible Officer
No. Newsletters issued including annual report		4	4	CEO/GO
No. tenants registered on portal		368	420	HRM
% tenants registered on portal		42.2%	48%	HRM
No. active users on portal on average daily		14	42	HRM
% registered tenants that are active on portal		3.8%	10%	HRM
INVOICING				
Performance Measure	Indicator	Performance 24/25	Target 25/26	Responsible Officer
No. invoices processed for payment within 21 days of receipt		64.5%	65%	FINO

OPERATIONS				
Performance Measure - asset management	Indicator	Performance 24/25	Target 25/26	Responsible Officer
repairs				
Average time to complete emergency repairs (hours)	ARC 8	3.44hrs	4 hrs	AM
Time to complete urgent repairs (working days)			3 days	AM
Time to complete routine repairs			10 days	AM
Average time to complete non-emergency repairs (working days)	ARC 9	4.96	7 days	AM
% reactive repairs completed 'right first time'	ARC 10	94.02%	90%	AM
% reactive repairs pre-inspected			10%	AM
% reactive repairs post-inspected			10%	AM
tenant & resident safety				
No. Gas safety checks not carried out by anniversary	ARC 11	1	0	AM
% Gas Safety inspection carried out by anniversary	ARC 11	100%	100%	AM
% Validation checks carried out on Gas Safety inspections	ARC 11	10%	10%	AM
No. of EICRs due in year	ARC 29	113	106	AM
% EICRs completed on time	ARC 29	100%	100%	AM
% EICRs validation checks undertaken			10%	AM
No. of damp and mould reports	ARC 31		N/A	MO
No. of damp and mould reports identified as potential emergency hazards	Awaab's Law		N/A	MO
No. of damp and mould reports identified as potential significant hazards	Awaab's Law		N/A	MO
Average length of time taken to resolve cases of damp and/or mould by caused by condensation	ARC 31		30 Days	MO
Average length of time taken to resolve cases of damp and/or mould by caused by structural issues			30 Days	MO
Average length of time taken to resolve cases of damp and/or mould by caused by other issues			30 Days	MO
% of cases of damp/or mould resolved during the reporting year that were reopened by condensation	ARC 32		10%	MO
% of cases of damp/or mould resolved during the reporting year that were reopened by structural issues			10%	MO

% of cases of damp/or mould resolved during the reporting year that were reopened by other issues			10%	MO
No of days to resolve damp and mould cases	ARC 31		30	MO
No of repeat cases in year for damp and mould	ARC 32			
Legionella checks completed as % due	ARC 32		100%	AM
% validation of legionella checks			10%	AM
housing standards				
No. stock exempt from SHQS	ARC C9.2	60	60	AM
No. stock in abeyance from SHQS	ARC C9.3	1	1	AM
No. properties meeting SHQS standards at the year end	ARC 6	811	811	AM
% properties meeting SHQS standards at the year end	ARC C8 ARC C9	92.9%	92.9%	AM
medical adaptations				
No. households awaiting adaptations	ARC 19.1	21		AM
No. medical adaptations completed in year	ARC 19.2	8		AM
Total cost of adaptations completed in the year by source of funding	ARC 20	£33,473	£35,000	AM
Average time to complete medical adaptations (working days)	ARC 21	399.2	150	AM
rechargeable repairs				
Value of rechargeable repairs issued in year (not target-sum only)		TBC	Value	MA
Value of rechargeable repairs collected in year (cumulative for previous year recharges)	Includes RCR	£3,020	Value	MA
% of rechargeable repairs collected in year		TBC	60%	
Value of rechargeable repairs outstanding at year end (cumulative all years) (target is to reduce outstanding balance year on year)		£11,421	Reducing	MA
Performance Measure – housing management	Indicator	Performance 24/25	Target 25/26	Responsible Officer
Income				
% of rent lost through properties being empty	ARC 18	0.13%	0.15%	JK
% rent due collected	ARC 26	99.47%	100%	JK
% gross rent arrears of rent due	ARC 27	1.74%	2.0%	JK
Number of tenants in arrears		222	200	JK
% former tenants arrears written off at year end	ARC C7	77.13%	50%	JK

% households that RCHA receives direct housing costs for	C6	58.2%	58.2%	JK
Anto-Social Behaviour response Timescales				
% anti-social cases resolved within timescales		100%	100%	JK
% anti-social cases resolved in the year	ARC 15	100%	100%	JK
relets/void management				
No. properties that became available for let	ARC 17	40		JK
% of properties that became available for let	ARC 17	4.58%		JK
Average number of calendar days to re-let properties	ARC 30	12.28 days	11.5 days	JK
% Void properties let within target		47.5%	75%	JK
No. Section 5 Referrals received	ARC 23	14		JK
No. Section 5 Referrals that resulted in offer of a tenancy	ARC 23	14		JK
% Section 5 Referrals that resulted in offer of a tenancy	ARC 23	100%	75%	JK
% Lets to Section 5 Referrals		35%	40%	JK
% Lets to waiting list applicants	C2.2	35%	40%	JK
% Lets to internal transfers with housing need	C2.1	12.5%	10%	JK
% Lets to internal transfers with no housing need		7.5%	5%	JK
% Lets to referrals		10%	5%	JK
% tenancy offers refused	ARC 14	21.57%		JK
Average no. working days to process new housing applications		3.6	5	JK
No. working days from start of tenancy to contact new tenant (6 weeks)		32.5	30 days	JK
% new tenant contacted within target		99%	75%	JK
No. tenancies abandoned	ARC C4	0		JK
% new tenancies sustained for more than 1 year	ARC 16	100%	98%	JK

FACTORING		Performance 24/25	Target 25/26	Responsible Officer
Value of invoices issued in year		£248,315.80	£275,500	LFO
Value payments collected in year		£236,366.18	£269.990	LFO
Value outstanding at year end (cumulative from previous year)		£215,544.17	£167,600	LFO
No. referrals to debt collection agency		4	8	LFO
No. of owners in arrears		30%	25%	LFO

No. cases referred for legal action	31	24	LFO
Amount Targeted for Recovery via Agreed Payment Plans as a % of Total Arrears	-	60%	LFO
Number of Attendees at Meetings held with Fully Factored Owners (310 total)	-	150	LFO
% of Complaints successfully resolved as agreed by Customer	-	90%	LFO
Attendance at Networking Sessions (SFHA Factoring Conference etc)	-	4	LFO
Profit generated by Factoring as a % of total income from fees/charges V Running Costs, including inter-business transfers.	-	5%	LFO
Number of General Letters or Newsletters sent to Owners	-	4	LFO

CUSTOMER SATISFACTION					
		2017	2020	2023	2026 target
% tenants satisfied with overall service	ARC 1	97%	94.2%	90.6%	92.5%
% tenants that feel RCHA is good at keeping them informed	ARC 2	98%	98.5%	97.9%	98%
% tenants satisfied with opportunities to participate	ARC 5	94%	95.7%	96.7%	96%
% tenants satisfied with the quality of their home	ARC 7	98%	92.0%	87.3%	90%
% tenants satisfied with RCHA's contribution to the management of neighbourhood	ARC 13	98%	96.3%	93.6%	94%
% tenants who feel their rent represents good value for money	ARC 25	87%	87.3%	81.7%	85%
% factored owners satisfied with factoring service	ARC 29			51.4%	55%
% tenants satisfied with the repairs service	ARC 12	94%	93.6%	90.3%	93%

Performance Measure – Staffing	Indicator	Performance 24/25	Target 25/26	Responsible Officer
% staff absence	ARC C1	8.4%	5.5%	HRM

RUTHERGLEN AND CAMBUSLANG HOUSING ASSOCIATION LTD
FINAL BUDGETED STATEMENT OF CASHFLOWS

Appendix 3

	Long-term Financial Projections				
	Years 1-5 End 2029-30	Years 6-10 End 2034-35	Years 11-20 End 2044-45	Years 21-30 End 2054-55	Total
Net Cashflows from Operating Activities					
Operating Surplus / (Deficit)	£5,420,135	£6,120,403	£9,851,090	£8,268,015	£29,659,644
Adjustments for Non-cash Items					
Release of Deferred Government Capital Grants	(£447,181)	(£447,181)	(£894,362)	(£894,362)	(£2,683,086)
Depreciation of Housing Properties including Loss on Disposal of Components	£4,627,581	£5,370,327	£13,561,691	£18,380,169	£41,939,768
Depreciation Charge - Other Fixed Assets	£167,635	£124,108	£275,895	£284,495	£852,133
(Increase) / Decrease in Debtors	(£4,150)	(£12,386)	(£62,350)	(£141,246)	(£220,132)
Increase / (Decrease) in Creditors	£47,659	£29,302	£68,073	£82,980	£228,013
Shares Cancelled	-	-	-	-	-
	£9,811,678	£11,184,574	£22,800,038	£25,980,051	£69,776,340
Net Cashflows from Investing Activities					
Interest Receivable and Other Income	£299,881	£173,270	£612,477	£1,208,612	£2,294,240
Purchase of Property, Plant and Equipment - Housing Properties	(£5,358,333)	(£6,050,404)	(£15,235,058)	(£22,190,183)	(£48,833,977)
Purchase of Property, Plant and Equipment - Other Fixed Assets	(£335,054)	(£428,506)	(£897,236)	(£220,903)	(£1,881,699)
Proceeds on Disposal of Property, Plant and Equipment	-	-	-	-	-
	(£5,393,506)	(£6,305,640)	(£15,519,817)	(£21,202,474)	(£48,421,436)
Net Cashflows from Financing Activities					
Interest Payable and Similar Charges	(£977,674)	(£359,927)	(£79,348)	-	(£1,416,949)
Loan Finance Drawn Down	-	-	-	-	-
Loan Capital Repayments	(£3,495,732)	(£3,095,063)	(£739,589)	-	(£7,330,384)

SHAPS Past Service Deficit Contribution Paid	-	-	-	-	-
Shares Issued	-	-	-	-	-
	(£4,473,406)	(£3,454,990)	(£818,937)	-	(£8,747,333)
Net Changes in Cash and Cash Equivalents	(£55,234)	£1,423,944	£6,461,284	£4,777,577	£12,607,571
Cash and Cash Equivalents - Opening	£2,615,603	£2,560,369	£3,984,313	£10,445,597	£2,615,603
Cash and Cash Equivalents - Closing	£2,560,369	£3,984,313	£10,445,597	£15,223,174	£15,223,174