



SBiA

SCOTTISH BORDERS
HOUSING ASSOCIATION

annual report

2022-23

ENHANCING LIVES &
COMMUNITIES FOR 20 YEARS

2003

- SBHA becomes fully operational, with the transfer of stock from Scottish Borders Council.

2003-2006

- Our new Freephone Repairs line enables all Tenants to report repairs conveniently and economically.
- SBHA's subsidiary maintenance company, Scottish Borders Building Services, is integrated within SBHA, providing stability and investment to drive forward improvement.
- Repairs by appointment system introduced, fulfilling a key stock transfer promise.
- SBHA's new Head Office in Selkirk is officially opened by Michael Moore MP.

2007-2010

- SBHA HomeChoice, SBHA's choice-based lettings service, is launched.
- A £31 million investment programme to meet SHQS by 2015 is launched, setting out a clear picture of actions to be taken in every SBHA home that fails SHQS.
- Transitions, a groundbreaking project to support young people leaving care based at Albert Place in Galashiels, is launched in partnership with Scottish Borders Council.

2011-2014

- Concordat agreement with Scottish Borders Council places SBHA and SBC on a new, positive partnership footing which has endured to the present.
- SBHA's Welfare Benefits advice service is expanded to include Financial Inclusion, offering people help to maximise income through budgeting etc.
- SBHA's first new-build homes, Jessamine Cottages in Earlston, are built. Meanwhile, hard-to-let properties at Myerslaw Court in Hawick are refurbished to provide 9 new family homes.

2015-2018

- Following a successful pilot in Kelso, the Community Team model is rolled out to all areas, moving away from an office-based approach to deliver services locally - working closely with Tenants to enhance ownership and help foster pride in the community.
- We begin a 6-year, area based Planned Maintenance Programme, delivering concentrated investment to two of our 12 patches each year, covering all of our housing stock in each 6-year period.
- Stonefield, one of the largest housing regeneration projects in the Scottish Borders in many years, comes out on top of the Placemaking and Regeneration Category at the Borders Building Design Awards.

2019-2022

- During Covid, SBHA team members make thousands of welfare calls to Tenants and continue to carry out emergency repairs, emerging as a key community anchor during a time of crisis.
- A new £58 million facility from Royal Bank of Scotland is secured, which will support investment in current housing and the delivery of 300 new homes.

2023

- SBHA celebrates 20 years, with a series of team and Tenant celebrations.





Our Values

DELIVERING EXCELLENCE TOGETHER

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

BEING RESPONSIBLE

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

EVERYBODY MATTERS

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

ALWAYS IMPROVING

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



Julia Mulloy, Chief Executive



Robin Hill, Chair of SBHA's Board of Management



ANNIVERSARY

Welcome to SBHA's Annual Report

Celebrating two decades of progress

We are delighted to welcome you to the Scottish Borders Housing Association's Annual Report, a testament to our shared achievements during the year 2022-23. This year is a momentous one for us as we celebrate the 20th anniversary of SBHA, born from the successful transfer of housing stock from Scottish Borders Council in 2003. It's a perfect occasion to reflect on the significant milestones we've reached over the past two decades.

Our journey over the last two decades has been a remarkable story of business growth and social impact. Two decades ago Tenants voted to create SBHA to ensure transformative investment in their homes and services, and we have faithfully honoured that stock transfer promise. This commitment has not only enriched the lives of Tenants through expanding our housing offer and services – it has also increased the financial value of our assets.

In addition to elevating the quality of existing homes, we've emerged as a significant provider of new homes, contributing to the growing demand for affordable housing in the Scottish Borders. We proudly serve as a major employer, investor, and service provider in the region

and we are determined to strengthen this role further. Our vision encompasses both prudent business planning and a deep commitment to creating communities that flourish. Our thanks to Scottish Borders Council, the Scottish Government and the Royal Bank of Scotland who have been fundamental to our progress this year.

Throughout our journey, we have consistently demonstrated our commitment to ensuring that our homes remain both high in quality and affordable. Achieving this balance is a result of careful financial planning and, most importantly, open consultation with Tenants. Their voices hold a pivotal role in shaping our decisions and future direction.



Over the last 20 years we have faced a multitude of challenges and it's clear that more lie ahead. Like opportunities, challenges serve to strengthen our sense of purpose and reinforce our determination to do everything within our means to create thriving communities and enrich the lives of those who live in SBHA homes.

We are delighted to share with you our new logo in this report. This fresh look represents our focus on people being at the heart of all we do – our customers, our team and our partners. It reflects the SBHA team ethos of delivering excellence together and their embodiment of our values, our vision and passion for making a positive impact. Their diverse skills and experiences come together to create a better future for all.

As we venture into the future, we do so with immense gratitude for the support and collaboration of our customers, partners, and investors. It's your unwavering faith in our mission that propels us forward. We invite you to explore this annual report to gain a

deeper insight into the incredible journey and impact of Scottish Borders Housing Association.

A special thanks to Scottish Borders Tenants Organisation. Our partnership with SBTO has over the years helped to ensure that 'Created by Tenants, for Tenants' remains the ethos that underpins all that we do.

Looking to the future, we have now launched our Sustainability Strategy, More Sustainable Steps, which sets out how we will meet the challenges presented by the Scottish Government's Net Zero targets, and in so doing, create great opportunities for Tenants and communities. We look forward to bringing you more news of this in the coming years.

Thank you for your contribution to our ongoing success. Here's to another two decades of remarkable progress, growth, and our steadfast commitment to our community's well-being.

Robin and Julia



This combined Annual Report and Landlord Report provides information on our performance in 2022-23.

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

In this report, we show how we are performing in progressing towards achieving standards and outcomes set out in the **Scottish Social Housing Charter**. We include comparison data on how we performed in 2021-22 and Scottish averages (where available) to see how well we are performing compared to other Scottish social housing landlords.



5618
homes



40+
settlements



151
Team members



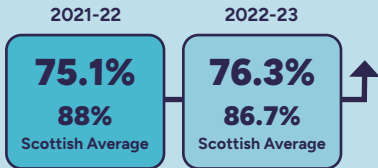
GREAT CUSTOMER SERVICE {supporting Tenants & communities}

Delivering customer services

Phone calls continue to be the primary source of customer contact. Throughout the year, we received just under 50,000 calls from customers and 87% of these calls were successfully addressed right away. Team members received extensive refresher training this year on Customer Service skills, alongside Phone Coaching and Complaint handling.

As of March 2023, we had 6,000 people registered for our homes and managed to find homes for 462 Tenants. With, on average, around 50 people showing interest in each available home, demand is escalating. This is why our commitment to building new homes, discussed later in this report, is so important for our future service offer.

% tenant satisfaction with SBHA's overall service



869

people helped through our financial support services



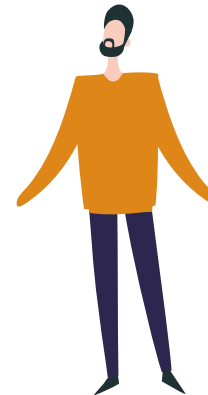
£408k

extra income generated through provision of support services

Creating positive change

Domestic abuse – making a stand

We make a stand because we believe everyone has a right to live safely in their home. On average, we provide support to about 50 people each year who experience domestic abuse. Following feedback from Tenants, we now give top priority to housing applicants experiencing domestic abuse. This is why we join other members of the Borders Housing Network (BHN) in reaffirming our commitment to the Chartered Institute of Housing's Make a Stand Campaign. The Chief Executives of the BHN are pictured with Callum Chomczuk, National Director of CIH Scotland.



Addressing homelessness

Homelessness remains an increasing concern in the Scottish Borders, and we remain committed to our significant role in providing homes for those who need them most. Over the year, 45% of our empty homes were allocated to people experiencing homelessness, showing an increase from the previous year's 41%. This includes 9 people housed through the Housing First Pilot, a partnership between Scottish Borders Council and Cyrenians.

Making a difference – addressing inequality

Expanding financial support services

Our range of financial support services has seen significant growth and demand this year. We've transitioned from providing advice on heating through our Warm and Well Team to offering a customised approach to all our Tenants in response to the cost of living crisis. We've taken proactive steps to assist those most vulnerable to utility disconnections and facing multiple debt challenges.

Collaborating with our partners in the Borders Housing Network, we've successfully secured £250,000 in funding over the last two years to reduce fuel debt. We've also tapped into the Scottish Borders Council Cost of Living Fund to

extend this service to other housing association Tenants until April 2024. Furthermore, we've aided Tenants in accessing £408,000 in welfare benefits and supported 869 Tenants in managing their finances.

We are dedicated to supporting people to maintain their tenancies and to providing valuable advice and services to new Tenants. Last year 88% of new Tenants lived in their home over a year. This marks a notable improvement compared to the 82% rate five years ago and demonstrates the successful impact of our service offer.



Investing in life skills

As we emerged from the pandemic we recognised the challenges of isolation and low confidence many Tenants faced. In response, we have worked with partners to offer greater opportunities to grow new skills and confidence.



Borders Employment Support and Mentoring (BEAM) project – this groundbreaking partnership with the Wise Group and the Borders Housing Network aimed at helping those seeking employment by removing barriers to job searching. It engaged with 50 people from across the Scottish Borders and 50% of them successfully secured jobs. We're actively exploring ways to further develop this model in the coming year.



You Can Cook – an exciting Lottery Funded project delivered through a great social enterprise that has offered Tenants the opportunity to learn more about preparing healthy food on a low budget. This is a 3 year programme and so far has been offered in Peebles, Galashiels and Hawick.



16+Transitions Team – our partnership with Scottish Borders Council has supported 14 looked after young people to develop the skills needed for independent living. Since this project began in 2009, 64 young people have received this support.





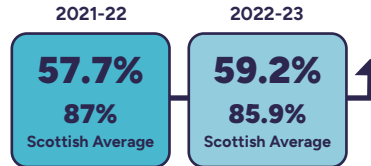
GREAT CUSTOMER SERVICE {commitment to community engagement}



since
2003

While ensuring that no-one is left behind, we have introduced a wide range of options for digital engagement, including SBHA and SBTO websites, digital surveys, Facebook, X, Instagram and LinkedIn.

% tenant satisfaction with opportunities to participate



Engaging customers and communities

Throughout 2022-23, we placed significant emphasis on re-establishing our presence within the community after an extended period where in-person events were restricted.

We hosted 117 estate walkabouts, including a pilot of evening walkabouts in two of our neighbourhood areas, accommodating those who couldn't attend daytime events.

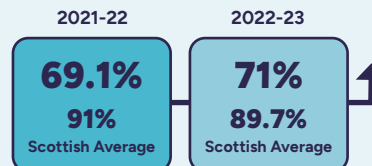
Our Summer 2022 scrutiny project zeroed in on Neighbourhood Standards, affording Tenants the opportunity to voice their insights on how we can enhance their living experience within their communities, with the aim of improving their satisfaction with SBHA's management of neighbourhoods.

We provided further opportunities through community consultations and events, festivals and careers fairs, raising SBHA's visibility and making participation easier and more convenient in order to maximise engagement. We have seen a slight improvement in satisfaction with opportunities to participate, and we remain committed to exploring novel avenues for Tenant and community involvement.

Keeping in touch

We expanded the accessibility of our Freephone number, which was previously designated for repair calls, to address a wider range of enquiries directed to SBHA. We've noted a slight improvement in Tenants' satisfaction with how we keep them informed. Looking ahead, the findings from our Summer 2023 scrutiny project on Customer Contact will serve as valuable input for further enhancing how we keep our Tenants informed and up-to-date.

% tenant satisfaction with keeping them informed





Scottish Borders Tenants Organisation

Our engagement activities are carried out in partnership with Scottish Borders Tenants Organisation (SBTO). SBTO's role is to represent the perspective of the wider Tenant population. Their input into policies, strategies and communications is essential to ensuring that we deliver the highest quality services to all Tenants.

In 2022-23, with assistance from the Tenants Participation Advisory Service (Scotland), SBTO updated its constitution, reinforcing the group's dedication to removing barriers and promoting diverse representation by offering a wide range of involvement opportunities.

Over the year members supported many projects and events, including the Summer scrutiny project, walkabouts and major consultations on proposals for new homes in Hawick and Jedburgh.

Remembering friends

We have been saddened by the recent deaths of two long-standing SBTO members, Doris Charlton and Ella Elliot. Both have been involved in Tenant participation for many years and they will be greatly missed. Our condolences go to their families and their fellow members of SBTO who have lost two valued colleagues and dear friends.



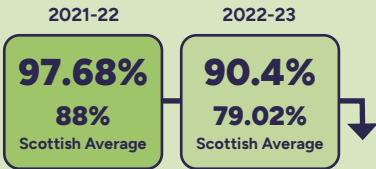
Scottish Borders Tenants Organisation Members at 31 March 2023

GORDON SAUNDERS (Chair)	Fountainhall
DOMINIC BROOKES (Joint Vice Chair)	Kelso
RALPH NICHOL (Joint Vice Chair)	Newcastleton
DORIS CHARLTON (Treasurer)	Newcastleton
TIFFANY WARD (Secretary)	Selkirk
ELLA ELLIOT	Selkirk
ALAN FRANK	St Boswells
GEORGE GILCHRIST	Walkerburn
LYNDA GILCHRIST	Walkerburn
LAURA GLOVER	St Boswells
TRACEY GLOVER	Bowden
MARGARET GRAHAM	St Boswells
MARY SAUNDERS	Melrose
GREGORY THEOCHARIS	Hawick
MARLEN JONES (Hon Member)	Innerleithen
ALLEN TILLS (Hon Member) stood down 22-23	Kelso
ANGELA SULO (Hon Member)	Bowden
ANGELA BARBER (Hon Member)	Innerleithen



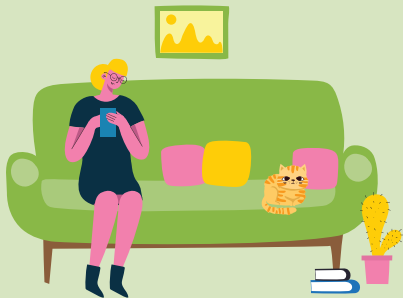
GREAT PLACES {investing in homes}

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



£133m

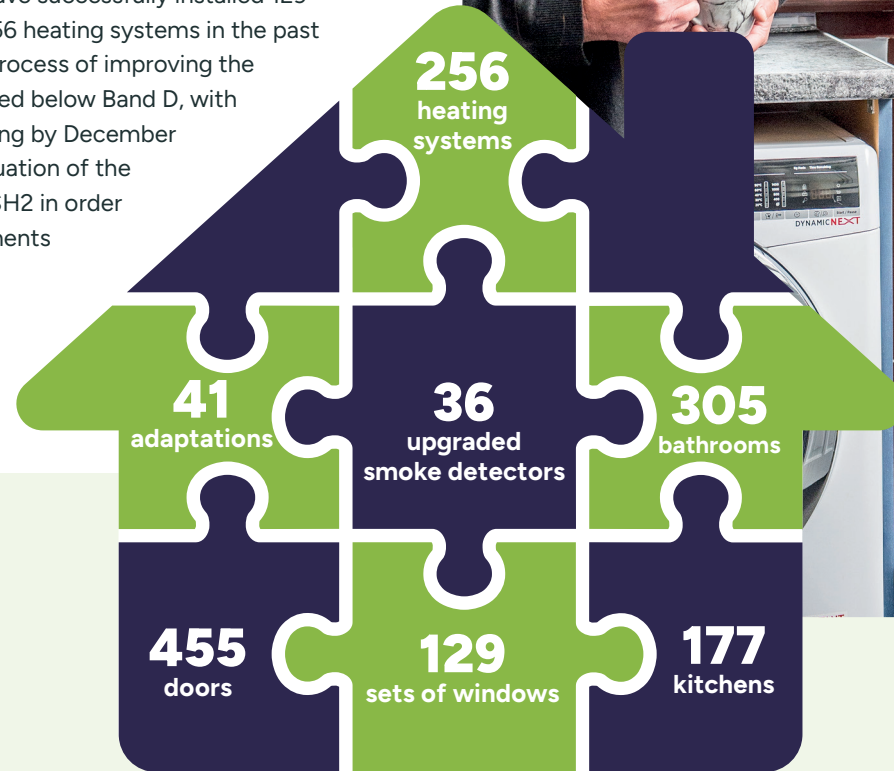
invested in existing homes in the last two decades



Quality, warm homes

Our Asset Management Strategy places a central focus on providing safe, affordable, and energy-efficient homes. Over 90% of SBHA homes now meet the Scottish Government’s Energy Efficiency Standard for Social Housing. The slight reduction from the previous year is primarily due to a timing issue in lodging new Energy Performance Certificates (EPCs) after completing renovation work.

With a ‘fabric first’ approach, we have successfully installed 129 sets of windows, 455 doors and 256 heating systems in the past year. We are also currently in the process of improving the energy efficiency of properties rated below Band D, with the goal of raising their energy rating by December 2025. We have completed an evaluation of the investment requirements for EESH2 in order to assess future resource requirements to deliver the target by 2032.

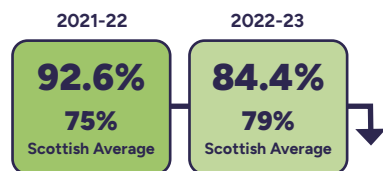


Upgrades to homes in 2022-23

since 2003

Since 2003 we have carried out more than 14,750 internal upgrades to Tenants’ homes including, in the last 10 years, 2,960 bathrooms, 1,769 kitchens and 3,358 heating systems.

% of homes meeting Scottish Housing Quality Standard (SHQS)



Keeping Tenants safe

At SBHA, Tenant safety is our top priority. Our continuous efforts to engage with Tenants and emphasise the significance of essential safety checks throughout the year have allowed us to maintain an exceptionally high level of safety compliance. During the year, we successfully conducted all Gas Safety checks by their respective anniversary dates. Every home in our care had a valid Electrical Installation Condition Report (EICR) and by the end of March 2023, they were all equipped with interlinking LD2 fire detection systems (excluding cases where exemptions applied).

We are committed to ensuring the safety and well-being of our Tenants and will continue to prioritise these essential safety measures.

Damp and mould

Addressing damp and mould promptly and effectively has been a central part of our commitment to keeping Tenants safe this year. To build on existing practice, we've introduced a new Tenant form on our website for reporting damp and mould issues. We've also improved our Tenant information resources, providing guidance on reducing indoor humidity and explaining our process for diagnosing and resolving damp and mould problems.

Our Property Officers are using a new comprehensive survey form to accurately diagnose the root cause of the issue, ensuring that the correct repairs are carried out.



6,958

no. of safety checks
carried out
in past year

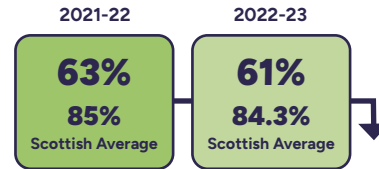
When necessary, we engage damp and mould specialists to provide expert solutions. We've conducted training sessions across our organisation, equipping our frontline teams and contractors to identify and report instances of damp and mould. This proactive approach is designed to swiftly address issues and prevent them from escalating. During the year we began piloting different damp sensor technologies including a system which comes with a Tenant app exploring innovative ways to enhance our response to these concerns.



GREAT PLACES {your neighbourhood}

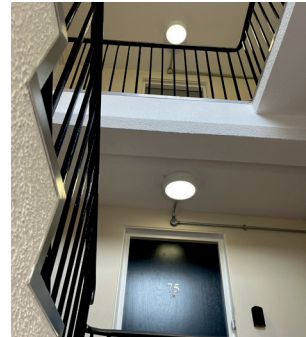


% tenant satisfaction with SBHA's contribution to the management of the neighbourhood they live in



Managing neighbourhoods

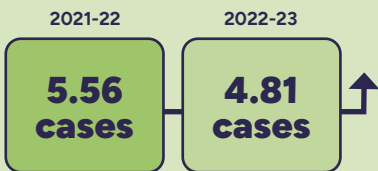
Tenant satisfaction with the management of neighbourhoods reduced compared to last year, however the number of Tenants reporting they are satisfied with the neighbourhood as a place to live is significantly higher at 79%. We continued our programmes to improve security and appearance in communal stairwells in 2022-23, installing high specification communal security doors, improving stair lighting and flooring and continuing our stair painting programme. During the year a Tenant Scrutiny of our Neighbourhood Standard was carried out with actions underway to strengthen our approach.



Feeling safe

This can be impacted by both the physical environment and how people behave – our Community Teams and specialist roles work together to ensure we play our part in increasing the safety of Tenants. In our annual survey, 85% of Tenants who responded told us they feel safe in their neighbourhoods this year - we use this feedback to identify what we can do to make Tenants feel safer with physical improvement and encourage attendance at walkabouts or making contact with us to report concerns.

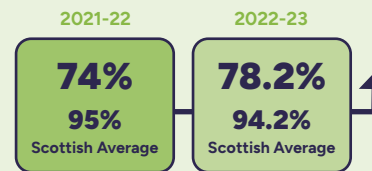
Anti-social behaviour cases reported for every 100 homes



Addressing anti-social behaviour

During the year 270 Tenants expressed concerns about the behaviour of their neighbours. We managed to resolve 4 out of 5 cases within the locally agreed timeframes. These cases are often complex and we continue to work closely with the police, Scottish Borders Council and voluntary agencies to address the behaviour and support victims.

% of cases resolved within locally agreed target times





{your repairs service} GREAT PLACES



16k+
no. of repairs
carried out in 2022-23

Repairs performance

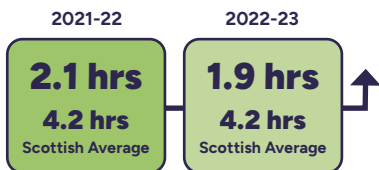
In the past year, we successfully completed 16,034 repairs, an increase of 1,490 compared to the previous year, partly due to severe Winter weather. Challenges in the construction sector, including the availability of skilled tradespeople and contractor capacity, led to a slight increase in the time taken for non-emergency repairs. However, our performance in emergency repairs remains high, surpassing Scottish averages.

The increased number of repairs in the year together with the challenges in labour availability has also impacted on our ability to complete repairs right first time. As these challenges begin to ease, we expect to improve on this position in the coming year.

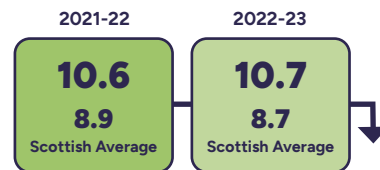
Although no longer monitored nationally by the Scottish Housing Regulator, we recognise that keeping repairs appointments is important to Tenants. Performance in keeping appointments has increased during the year, again we expect performance to continue improving in the coming year.



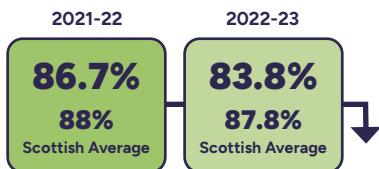
Average time (in hours) to complete emergency repairs



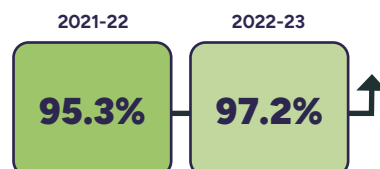
Average time (in days) to complete non-emergency repairs



% of repairs completed right first time



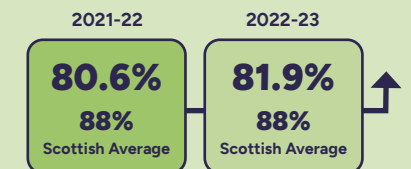
Repairs appointment system - appointments kept with tenants



Tenant satisfaction with the repairs service

Despite the pressures on the repairs service described above, levels of satisfaction increased slightly with over four in five Tenants advising they were satisfied with the service received and over half advising they were very satisfied. Unsurprisingly, given the challenges in the construction sector, Tenants were least happy with repairs not being completed right first time and the length of time taken before works started. Increasing satisfaction on repairs is a key focus in the coming year with a joint Tenant/SBHA working group established to consider the customer experience and take forward improvement actions.

% of tenant satisfaction with repairs service





SMART INVESTMENT CHOICES {new homes}



73

no. of homes built since 2003



64

no. of homes refurbished



Building for a brighter future

Building new homes is fundamental to regional economic growth and we continue to grow our role in ensuring that we attract the partners, resources and investment to deliver more homes. We've had a year marked by significant steps in meeting the ever-growing demand for affordable housing and are making substantial progress in our commitment to delivering 300 new homes by 2028.

More homes across communities

We have set ambitious goals and our investment plans reflect this with a Development Programme worth over £65 million for the next five years. We are delighted to report that we have already secured planning permission for 16 new homes across two sites at Burnfoot in Hawick, for 13 single storey accessible homes through the innovative garages to homes project at Ramsay Road in Hawick and Lothian Road in Jedburgh and, in partnership with a private developer, we will deliver 27 homes in Lauder.

We concluded the year with 12 homes at Tweed Court in Kelso near completion. When they were advertised for rent, they drew an astounding 445 bids, underscoring the pressing need for affordable housing in our community. Additionally, we are on the verge of completing six cottage flats at Glensax Road in Peebles, eagerly awaiting new Tenants.

in 2013

SBHA's new-build journey began in 2013, when our first new-build homes, Jessamine Cottages in Earlston, were built. The three new 3-bed homes were built for mid-market rent.





New tenures

To meet escalating demand, we have expanded our housing offer through the acquisition of 13 homes, with five designated for mid-market rent and the rest allocated for social rent. Open Market Purchases rapidly enhance the supply of affordable homes, bypassing the waiting period associated with new builds and will continue to be part of our Development Programme. Notably, in allocating the mid-market rent homes, we've prioritised housing opportunities for key workers, who play a vital role in our communities and often face challenges in the private rented sector.

Regeneration

For homes no longer fit for purpose we are actively seeking ways to renovate and improve them. During the year we secured planning permission for the reconfiguration of a block of eight low-demand bedsits in Whitefield Crescent, Newtown St Boswells into four desirable two-bed family homes. We expect this project to be on site will begin during 2023/24.

More Sustainable Steps

We are committed to producing Net Zero homes and are building new technology and standards into our programme. All new homes will be powered through electricity and where possible renewable technology will be used to reduce reliance on grid-based power, minimising energy consumption by Tenants. We will also develop the use of modern methods of construction and technology to minimise the carbon impact of construction waste and activities.





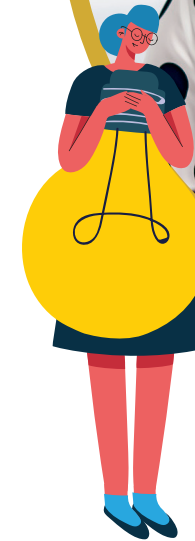
ONE TEAM {a supportive working environment}

The SBHA team of 151 people are central to our success. We invest in our current and future team in order to ensure that their collective skills, values and achievements connect with our business needs. We prepare the team for change and opportunities and ensure that we create a supportive working environment that nurtures personal growth whilst meeting the needs of our customers.

Fair work

As a certified Living Wage Employer, we demonstrate our contribution to a fair by paying the living wage. We are also actively working to obtain accreditation for Living Hours, which will acknowledge our employment practices and strengthen our dedication to fairness and equality in employment.

These accreditations demonstrate our commitment to equal opportunities, fair wages, work-life balance, and well-being.



90

work placements
since 2012



9

number of internships



37

apprenticeships
supported

since 2003

We are delighted that 20 of our team members have been with SBHA since we were formed. They represent a great mix from across the organisation and their wealth of experience and knowledge is invaluable.



Developing our people

We remain committed to invest in our people to equip them to develop and grow their skills and our People Strategy, revised in the year, reaffirms this.

We provided over 800 learning experiences over the year, investing in a wide range of learning opportunities for our team with a strong focus on Tenant and resident safety, as well as that of the team; enhancing skills in customer service; and understanding the diverse needs of Tenants.

Future skills

Since 2006 we have supported 37 people into apprenticeships. This reflects an established partnership with Borders College to develop the workforce of the future, particularly in construction, housing careers and business support. We continued our apprenticeship programme this year, recruiting and supporting four new apprentices in the year, with three successfully completing their apprenticeships and securing permanent employment as qualified team members.

This year, four of our apprentices participated in the 16-week South of Scotland Fuel Change Challenge programme – a partnership between local businesses, the academic community and South of Scotland Enterprise to engage the next generation in a sustainability project. Our apprentices worked as part of two groups focusing on housing as a theme – how we cost-effectively decarbonise and innovate in housing, tackling fuel poverty and rising energy prices. As well as building their knowledge and practical understanding of sustainability, they developed skills in innovation, problem solving, teamwork, critical thinking and resilience.

We remain committed to ensure we have a dynamic and diverse team for the future. We will continue to enhance our people's skills in new digital, zero carbon and nurture positive skills to help us move forward in a changing world.



Wellbeing

During the year, we continued to support initiatives to promote the physical health, mental resilience, and overall welfare of our people. We commenced our programme of mental health awareness and resilience over the year and our proactive Healthy Living Group continued to promote active engagement in a number of wellbeing events and activities – many of these raising monies for local charities such as DoddieAid.

Equality, diversity and inclusion

We continue to augment our commitment to equality, diversity and inclusion. We have recently revised our policy to reaffirm our pledge to eradicate discrimination, promote positive relationships and continue to build inclusive environments. We improved our systems and processes for data collection and are using this insight to inform our decisions. We will strengthen this further in the coming year with a focus on addressing data gaps and using this insight to tailor our services.



RESILIENT BUSINESS {good governance}



Robin Hill
Chair

Appointed Member
Joined 24 February 2016



David Cressey

Elected Non-Tenant Member
Joined 8 September 2021



Eric Glass

Appointed Member
Joined 3 December 2021



Michael Grieve

Casual Tenant Vacancy
Joined 23 March 2023



Ian McDonald

Appointed Member
Joined 20 October 2017



Philippa Brosnan
Vice Chair

Elected Non-Tenant Member
Joined 28 March 2019



Matt Foreman

Co-opted Member
Joined 1 December 2022



Tracey Glover

Elected Tenant Member
Joined 8 September 2021



Michael Levack

Appointed Member
Joined 30 May 2019



John Paton-Day

Elected Non-Tenant Member
Joined 12 September 2019

SBHA's Board of Management

SBHA is governed by its Board of Management, consisting of 12 members – elected (of which four are SBHA Tenants) and four appointed. Governance is supported by three Sub-Committees (Audit and Compliance, the Customer Board and Remuneration and Nominations). The Customer Board comprises four Board Members and three independent Members.

The Board of Management has collective responsibility for setting and overseeing the strategic direction, business and financial plans of SBHA and managing risk. The Board is responsible for ensuring compliance with statutory and regulatory requirements, including the Scottish Housing Regulator's (SHR) regulatory framework and its leadership and guidance have been instrumental to SBHA's ability to meet the challenges of recent times. The Board is required to submit an Annual Assurance Statement to the SHR on SBHA's compliance with requirements and standards: the 2023 Assurance Statement is available in this report on page 19.

This year Allen Tills stood down from his position as an Elected Tenant Board Member. We are grateful for his contribution over the years both as a Board Member and SBTO member.

Members of the Customer Board (excluding Board nominees)

Convener Michael Levack

Members Ian Macdonald, Julie Black, Ray Licence

Members of the Audit and Compliance Sub-Committee

Convener Ian McDonald

Members Eric Glass, Philippa Brosnan, John Paton-Day



2023 Annual Assurance Statement

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

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

The Board of Management is satisfied that, to the best of our knowledge, SBHA is compliant with the requirements of Chapter Three of the Regulatory Framework and the Regulatory Standards of Governance and Financial Management. We have gained this assurance from a review of a comprehensive bank of evidence and from our ongoing oversight and scrutiny of SBHA's affairs throughout the year (2022-23).

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

In reviewing our compliance with the Regulatory Framework, we are assured that we have established appropriate systems in place for the collection of equalities data. We are assured that we are working

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

We are satisfied that we meet all of our duties in relation to Tenant and resident safety. In particular, we have gained the necessary evidence-based assurance of our compliance in respect of duties relating to gas, electrical, fire, water and lift safety and our obligations relating to asbestos, damp and mould. We have sought specialist external advice to monitor our compliance in some of these areas and to support our assurance.

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

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

As Chair, I was authorised by the Board at a meeting held on 27th October 2023 to sign and submit this Assurance Statement to the Scottish Housing Regulator. This Assurance Statement is being published on our website on the same date that it is submitted to the SHR.

Robin Hill
Chair of SBHA's Board of Management



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



RESILIENT BUSINESS {value for money}

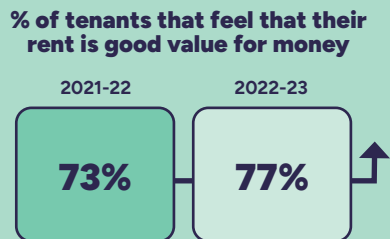
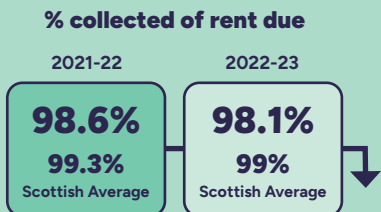
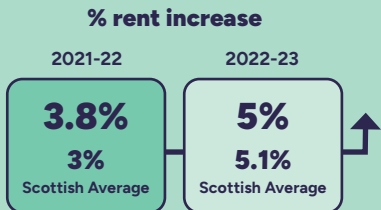
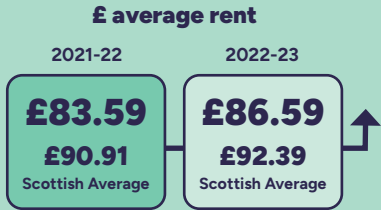
Keeping rents affordable

Each year, we consult with Tenants on proposed rent levels for the following financial year. This year, mindful of the continuing cost of living crisis, we widened our annual rent consultation to reintroduce in-person events, alongside our paper survey and a QR code for those who preferred to take part online. A total of 383 people gave us their views on their rent.

Our business plan had assumed a rent increase of consumer price index (cpi) plus 1%, but as cpi was 11%, this would have meant an

increase of 12%. Listening to Tenant feedback alongside our use of the SFHA's rent affordability tool, we ensured the smallest rent increase possible, of 5.0% (CPI minus 6.1%) was agreed for rents for the year 2023-24, allowing us to balance affordability with the quality services that Tenants expect.

In the latter half of 2023 we embarked on a major project to review the way in which we charge rents, to ensure that our charging system is simple, fair and consistent for all Tenants.



Benchmarking

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



£ PER HOUSEHOLD	LOWEST	SBHA	HIGHEST	MEDIAN*
HOUSING MANAGEMENT	£332	£408↑	£789	£595
RESPONSE & EMPTY HOMES	£640	£763↓	£1551	£1004
MAJOR WORKS & CYCLICAL MAINTENANCE	£811	£2658↓	£2658	£1500

% OF ADJUSTED TURNOVER	LOWEST	SBHA	HIGHEST	MEDIAN
OVERHEADS	12.44%	12.71%↑	19.95%	15.02%

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



Procuring goods, services & works

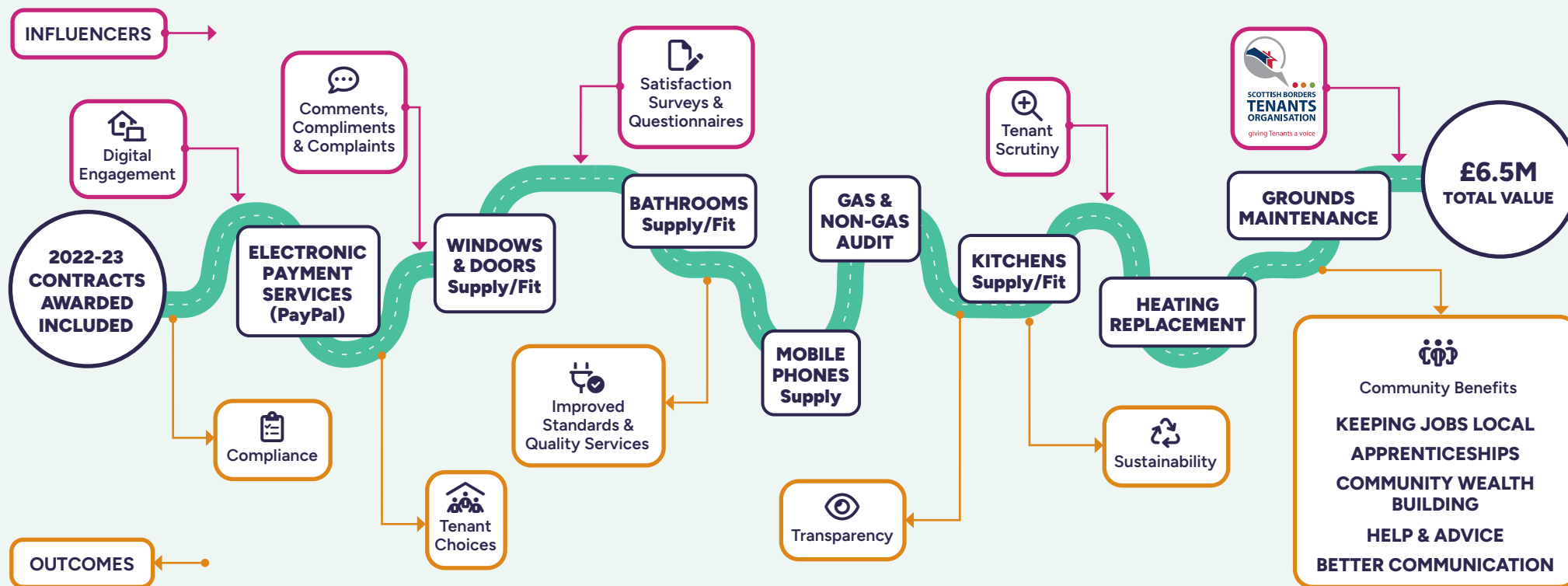
DELIVERING VALUE FOR MONEY & SUPPORTING LOCAL BUSINESSES

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



13

total number of contracts awarded in 2022-23

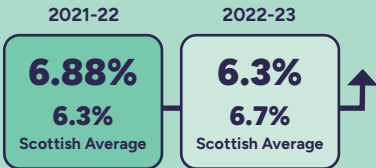




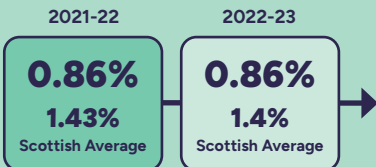
RESILIENT BUSINESS {financial highlights}

Highlighting the last financial year

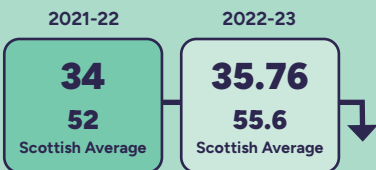
total rent arrears as a % of gross rental income



empty homes rent loss as a % of rental income



average days to re-let empty homes

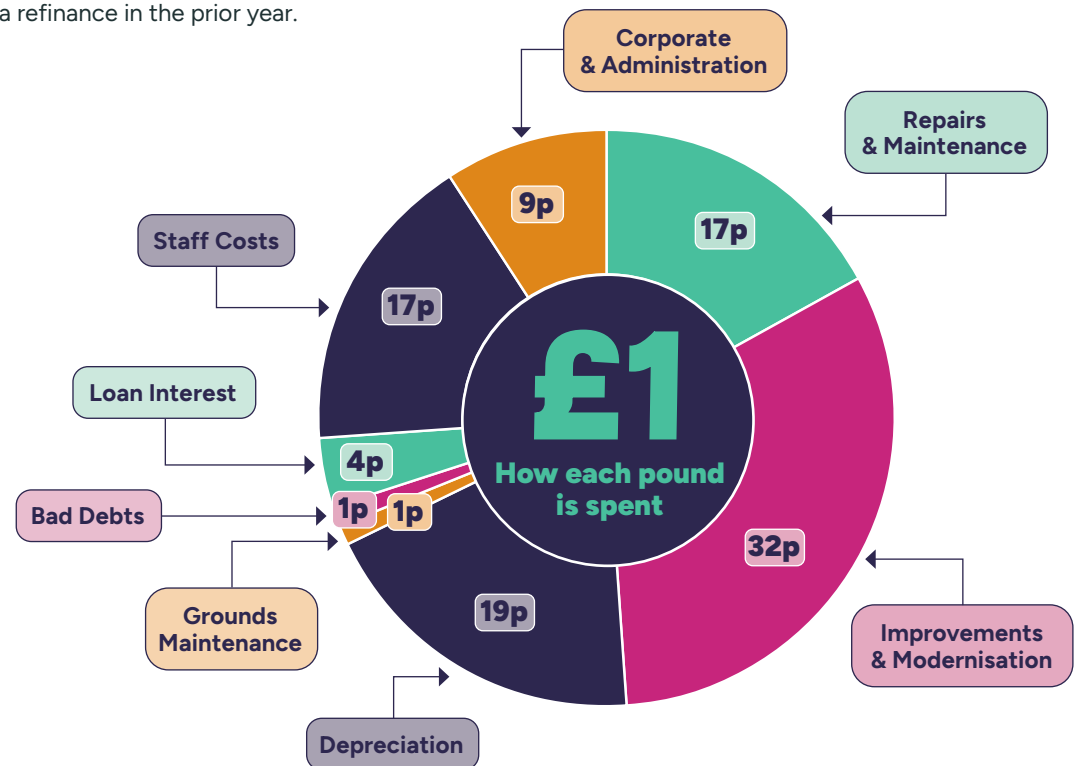


SBHA's Operating Surplus remained at a similar level to the previous year. Keeping rents affordable and maximising rental income through minimising empty homes rent loss has been fundamental within the backdrop of the economic climate and cost of living crisis. However, rent collection performance decreased and we aim to strengthen existing operating frameworks whilst continuing to support Tenants through all SBHA financial inclusion services. The total comprehensive income for the year was materially higher due to the significant actuarial (non-cash) gain on the defined benefit pension scheme. This was offset by a reduction in interest costs due to a refinance in the prior year.

A strong financial position was sustained, with fixed assets increasing through the planned maintenance programme, and drawdown of the remaining term loan facility in long term liabilities, providing an increased cash balance to fund future planned investment and new development plans. Again, the impact of the actuarial gain on the defined benefit pension scheme is shown with a significant increase in the pension asset, mainly due to the increase of gilts which determines the valuation of scheme liabilities.

since 2003

We started out in 2003 with 6,728 homes valued at £24.3 million, averaging £3,601 per home. Today, despite the challenges we've faced, we proudly own 5,640 homes worth over £121 million, averaging £21,000 per home.



Statement of Comprehensive Income as at 31 March 2023

	Note	2023 £	2022 £
Turnover	2	26,084,598	25,246,054
Operating Expenditure	2	(20,389,826)	(19,133,636)
(Loss) on disposal of property, plant and equipment	2,9	(478,825)	(513,620)
Operating Surplus	2,8	5,215,947	5,598,798
Interest receivable	6	88,936	12,143
Interest payable and financing costs	7	(1,244,991)	(6,584,040)
Surplus/(Deficit) for the Year	20	4,059,892	(973,099)
Actuarial gain in respect of Pension Scheme	24	13,276,000	3,562,000
Total Comprehensive Income for the Year		17,335,892	2,588,901

The results relate wholly to continuing activities.

Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Fixed Assets		81,436,746	78,715,490
Current Assets			
Stock	13	86,491	183,464
Trade and Other Debtors	14	2,721,379	2,352,824
Cash and Cash Equivalents		24,456,647	16,888,773
		27,264,517	19,425,061
Current Liabilities			
Creditors: Amounts falling due within one year	15	(6,082,212)	(5,581,268)
Total Assets less Current Liabilities		102,619,051	92,559,283
Creditors: falling due after more than one year	16	(47,759,555)	(42,244,667)
Defined Benefit Pension Asset	24	12,791,000	-
		(34,968,555)	(42,244,667)
Total Net Assets		67,650,496	50,314,616
Total Reserves		67,650,496	50,314,616

The figures shown in this report are an extract of SBHA's Report and Financial Statement for the year ending 31st March 2023. This statement reflects Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice for registered social landlords. Copies of the full accounts are available on our website at www.sbha.org.uk



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Solicitors

Harper Macleod LLP
The Ca'd'oro
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Bank/Funder

Royal Bank of Scotland
36 St Andrew Square
Edinburgh
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See our homes to rent

www.sbhahomechoice.org.uk



SCOTTISH BORDERS
TENANTS ORGANISATION

giving Tenants a voice

Talk to Scottish Borders Tenants Organisation about the range of opportunities to get involved - get in touch via the Tenant Engagement and Communication Team at **01750 724444** or email communications@sbha.org.uk

