



**bha**  
Berwickshire Housing

# CUSTOMER ANNUAL REPORT

2023/24

To Realise the Power of Home



# CONTENTS



Welcome by  
Chair 4

Chief Executive's  
Report 9

Year in Numbers 13

Assets & Repairs 17

Neighbourhood  
Services 21

Customer  
Experience 23

Social  
Innovation 24

Finance 30





# CONTENTS

|                                       |    |
|---------------------------------------|----|
| Value for Money                       | 34 |
| Development                           | 36 |
| New Faces                             | 37 |
| Customer Voice Group & Scrutiny Panel | 38 |
| Year in Pictures                      | 40 |



# WELCOME BY CHAIR

Striving to deliver an outstanding experience  
for customers

---



I am delighted to share with you BHA's Customer Annual Report for 2023/24 which will highlight some of the challenges and achievements we've experienced during the year. We work in a challenging operating environment and therefore I am proud of the progress we have made on our commitments set out within our 5-year plan (2023-28) as we strive to improve the homes and services we provide to our customers and wider community.

In January 2023, BHA's Board approved the organisation's strategic framework which includes our vision, values and strategic aims.

BHA's vision, "To Realise the Power of Home", places our focus very much on the importance of home which goes beyond bricks and mortar. Everyone has the right to a high quality, safe and affordable home, and a good quality of life. BHA has a role to play in enabling both outcomes for our customers.

Our values (below) very much underpin the organisational culture and work has progressed during the year to bring the values to life and make sure there is a shared understanding of them across BHA.

**Jim McDevitt**

---



**Brilliant Basics** – Doing what we say we'll do, communicating well, taking a person-centred approach in our dealings with customers and colleagues, taking ownership and accountability.

**Embrace Change** – Actively supporting and embedding change, being flexible and adaptable, a commitment to continuous improvement and actively seeking best practice.

**Learn & Grow** – A willingness to participate and learn, support the learning and wellbeing of others, providing learning and development opportunities.

**Inspire Change** – Collaborate internally and externally, being approachable, helpful, and kind, being non-judgemental, displaying emotional intelligence.

Our strategic aims set the ambition for four key areas of the business:

**Customer** – to deliver an outstanding experience to our customers.

**Asset** – to provide safe, affordable and energy efficient homes in places people want to live.

**People** – to create an enabling, high-performance culture where people can thrive.

**Strength** – to ensure organisational strength, value for money and good governance.

The strategic framework has very much driven the development of our Five-Year Business Plan 2023-28 and is available for review on BHA's website alongside a Progress Report for Year 1, reviewing the past year's achievements and highlighting the priorities for Year 2 (2024/25). A summary of the progress made during the Yr 2023/24 is included within this annual report.

### Highlights from 2023/24

We continue to work with customers to get the basics right in the core business as we strive to deliver an outstanding experience to customers.

In the second half of 2023/24, we completed the final phase of the Springfield new build development in Duns with 21 new homes being added to the scheme. Due to the current cost of development and the recognised need to invest in our existing homes, we are reviewing our capacity to develop new homes over the coming years.

During the year, BHA's Neighbourhood Managers commenced their "Customer Connect" visits where they visit customers in their homes to better understand their circumstances and priorities and to review the condition of the homes. Each of our Neighbourhood Managers is responsible for around 280 homes which enables them to carry out these visits and build a positive relationship with customers.

The Neighbourhood team working alongside the Tenancy Sustainability team continued to actively support customers throughout the year to maximise their income ensuring they had access to all benefits they are entitled to. Total benefit gains generated for our customers across the year amounted to £785,208.

Tenancy and resident safety is of paramount importance to us here at BHA and the team works hard to ensure all critical checks and services are delivered in line with statutory and regulatory expectations.

These checks include gas servicing, electrical checks, and fire safety checks, amongst others. During the year, we reviewed the compliance function with assistance from an external organisation to strengthen our approach even further.

An improvement plan is in place and progress against the plan is monitored by BHA's Operations Committee.

As part of our ongoing approach relating to actively listening to customer views, we have developed a new Customer Voice Framework which provides a range of opportunities for customers to get involved and have their say. In addition, the framework seeks to analyse and report on the customer voice from a range of feedback methods, so we better understand what customers are telling us. As part of this work, a new customer scrutiny group has been established.

During the year, Savills (independent property experts) completed a stock condition validation exercise to provide independent assurance on BHA's stock condition database and its effectiveness in supporting the Business Plan.



Their findings confirmed that the increased costs experienced over the previous year were likely to remain. This clearly impacts on future cost assumptions but ensures we have current and accurate information built into the business plan.

This exercise also included on-site surveys of 400 homes which represents around 20% of all of BHA's homes. This complements the work carried out between 2021-2023 where over 70% of homes were surveyed internally and just under 100% were surveyed externally. The outcome of the Savills work feeds into BHA's asset investment programme and helps to determine key priorities for the short, medium and longer term.

In February 2024, we received confirmation that the National Lottery Communities Fund would continue to fund BHA BeFriend for another three years. This is fantastic news and will enable the project to continue their great work to reduce loneliness and isolation across Berwickshire and Kelso.

Continuous personal development for our people is a key priority and during the year colleagues have accessed a range of training and

development opportunities. This includes our Leadership Team working alongside an external expert to help further their development individually and collectively as a team.

BHA worked alongside other Borders Housing Network (BHN) colleagues (Eildon, SBHA and Waverley) to further develop our work on domestic abuse. We now have in place a unified policy for staff and we have refreshed the unified customer policy. We are currently working to strengthen and align operational procedures. This work is so important and can make a significant difference to colleagues and/or customers experiencing domestic abuse.

In October 2023, BHA welcomed four new Board Members to further strengthen the skill set, experience and diversity of BHA's Board. These new Members are a real asset and have brought a different dynamic to the discussions.

My review summarises some of the progress we have made here at BHA over the Yr 2023/24. More detail is provided throughout the report.

This marks my final year as Chair of the Board as, by the time of the AGM, I will have served the maximum term of 5 years allowed under current regulations. During my time in office, I have enjoyed working with the Board and Team BHA, as we continue our journey to improve our homes and services to customers.

As Chair, I have had the pleasure of meeting and working with many people from all walks of life - far too many to mention here. If you attend the AGM, I will give thanks to some of the wonderful people who have assisted me during my term in office.

Whether you are a BHA customer, a BHA member, a BHA colleague or a Board Member, I would like to thank all of you for the support and kindness you have shown me. I will stay on the Board for another year to support my successor as Chair.

Finally, I hope BHA and its customers continue to prosper in the years ahead.



# CHIEF EXECUTIVE'S REPORT

Listening and responding to customer feedback continues to be a key part of our learning experience

---

BHA launched our new 5-year plan in April 2023 and we have made good progress during year one of the plan (2023/24) which has been summarised in the Chair's introduction and throughout this report. However, we do recognise that we still have lots to do to continue our efforts to improve the quality of the homes and services we provide.

Listening and responding to customer feedback continues to be a key part of our learning experience and during the year, we have strengthened the opportunities we provide for customers to get involved with us, including relaunching BHA's scrutiny panel. Customer feedback confirms we need to continue to focus on getting the basics right, including more effective communication with customers to keep them updated on their customer journey.

This section will focus on sharing some of the key priorities for year two of the 5-year plan (2024/25) which have been shaped by insights from customers, colleagues, Board Members and other key stakeholders.

**Michelle Meldrum**

---



As a result of this feedback, we have two priority themes this year which are common to all colleagues at BHA:

**Brilliant Basics** – Getting the basics right in everything we do, including an emphasis on improving communication.

**Psychological Safety** – Linked to our overall culture programme, we will further develop a psychologically safe workplace where people are increasingly comfortable expressing and being themselves.

A summary of other key priorities for the Year 2024/25 are set out below:

## CUSTOMER

◇ We aim to conclude our initial programme of Customer Connect Visits where our Neighbourhood Managers proactively visit customers in their homes to build relationships and better understand their circumstances and aspirations and to check in from a wellbeing perspective. We will use the information we gather to help us improve the personalisation of our service offer.

◇ We will consolidate new arrangements for delivering the repairs and maintenance service by working alongside a different set of contractors. We acknowledge the importance of this service and that we need to further improve the current position.

◇ We will implement a set of service standards which will reflect customer feedback and priorities. These standards will clarify what customers can expect from BHA's services.

◇ Last year, we were pleased to secure three more years of funding for BHA's BeFriend service which seeks to prevent people aged 65 and over from experiencing loneliness and isolation and we will continue to evolve and improve this offer.

◇ We will seek additional funding to continue with BHA's BeWell programme which is delivered in partnership with Penumbra. This service aims to support the mental health and wellbeing of our customers. We recognise the importance of this intervention and sustaining this service is a key priority.

## ASSET

◇ We will finalise BHA's Asset Management strategy as we build on the rich dataset we now have on the condition of our homes. This information helps us to prioritise what we spend, how we spend it, where we spend it and when we spend it.

◇ We will carry out a condition survey and options appraisal of all garage sites and lock ups.

◇ We will further strengthen our approach to all areas which impact on tenant and resident safety, including reviewing the effectiveness of our approach to damp and mould and make improvements, where necessary.

◇ We will further develop our plans for increasing future housing supply, including new build, open market purchase and other methods, for example HUSK (garages to homes).

## PEOPLE

◇ We will continue to develop our people and strengthen BHA's succession plan arrangements.

◇ We will further embed BHA's values and nurture a positive organisational culture.

◇ We will develop a volunteering menu and opportunities for colleagues to participate which further enhances BHA's colleague wellbeing offer.

◇ We will continue to proactively engage with colleagues and provide feedback opportunities for them to influence BHA's wellbeing offer and organisational priorities.

## STRENGTH

◇ We will ensure value for money and continuous improvement is embraced across BHA.

◇ We will continue to develop our approach and options relating to treasury management and re-financing.

◇ We will continue to appraise potential future partnerships and keep an open mind on options which will improve investment capacity and customer experience.

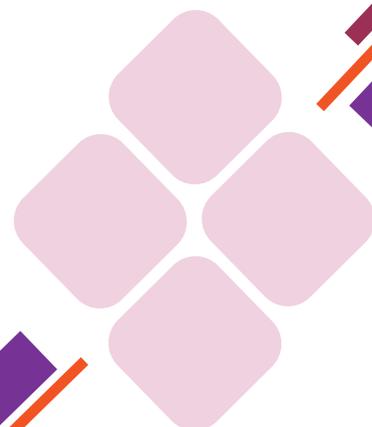
◇ We will strengthen business processes, data and information relating to risk management, business continuity planning and regulatory submissions.

The list above is not exhaustive but provides a flavour as to the key areas of focus for the Year 2024/25. A comprehensive list of all objectives and supporting actions can be found on BHA's website under Year 1 Progress Update and Year 2 Priorities.

As you can see from the list of Year 2 priorities, we still have lots to do but I am proud of the progress we have made during the Year 2023/24 and of the achievements outlined in this report.

I'd like to thank everyone who has contributed to these achievements, including my colleagues, actively engaged customers and BHA's Board. In addition, I'd like to thank them and key local partners for their continued support as we strive to improve our homes and services.

I hope you enjoy reading the report.



# YEAR IN NUMBERS

2023/24

All figures relating to customer satisfaction have been rounded to the nearest whole number



Feel your rent is good value for money

71%



61%

Satisfied with the quality of your home

Feel you're kept informed of services and decisions

77%



82%

Satisfied with These Homes experience



Satisfied with standard of home when moving in

92%

Satisfied with Repair Services

69%



72%

Satisfied with management of your neighbourhood

Satisfied with opportunities to participate in decision-making

69%



# Repairs Right 83.5% FIRST Time



6844

Repairs completed



Emergency repairs completed

1172

5672

Non-emergency repairs completed

3.2

hours to complete emergency repairs



9.3

days to complete non-emergency repairs

556

Pre-work inspections

Post-work inspections

527



# 165

## New Tenancies



### 86.2

Average applications per home

### Accepted

Days to re-let homes



Tenancy offers refused

### 24.6%

### 154

Letable homes became vacant



### 28.8

### 9

Abandoned homes



Court actions

### 6

### 31.5%

Allocation to homelessness



### 4.4%

Gross rent arrears

Rent lost through empty homes

### 0.6%



Rent collected as a % of rent due

### 97.9%

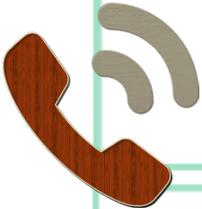


79.4% of our housing stock

Meets the Scottish Housing Quality

14,335

Calls received



Customer calls answered

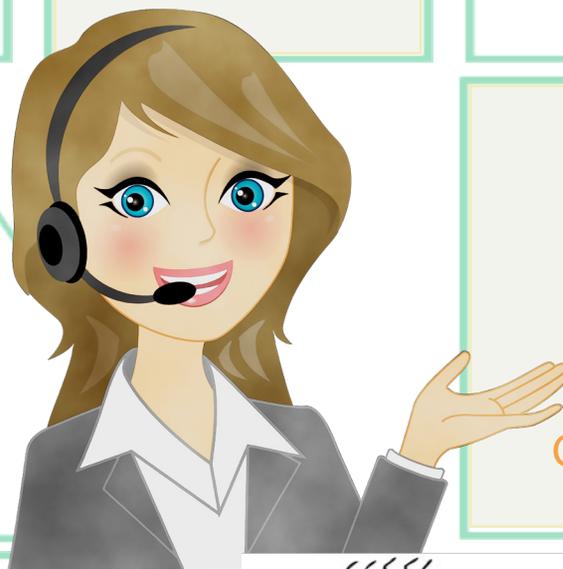
95.5%

90%

Customer calls answered within 30 seconds

52

Compliments



162

Complaints

75%

of anti-social behaviour cases resolved



# ASSETS & REPAIRS

The year 2023/24 marked a critical change in the way we delivered services, combining the strengths of the Asset and Repairs teams to create a unified team dedicated to improving services and providing seamless customer experience.

This integration ensures that BHA's planned maintenance programme covering areas such as kitchens, bathrooms, windows, doors and heating upgrades is informed by both repair data and the stock condition survey conducted last year. This holistic approach aims to deliver a planned maintenance program that offers the best value for money, which is reflected in customers' rent.

The rising costs of maintenance presents an ongoing challenge for the sector but we are committed to maximising value in our home upgrades and continuous investment. Despite material costs rising by up to 30%, we remain dedicated to maintaining high-quality standards.

This commitment is exemplified by the windows, kitchen and bathroom upgrade contracts which were delivered during the year which all included high specifications and

standards.. We believe that investing in high-quality upgrades will reduce the frequency of repairs required in the future.

After our primary repairs and maintenance contractor withdrew from services to BHA, we faced a challenging period implementing contingency arrangements to ensure continued delivery of repairs services for our customers.

As a result, we acknowledge that our repairs service delivery has not always met customer expectations.

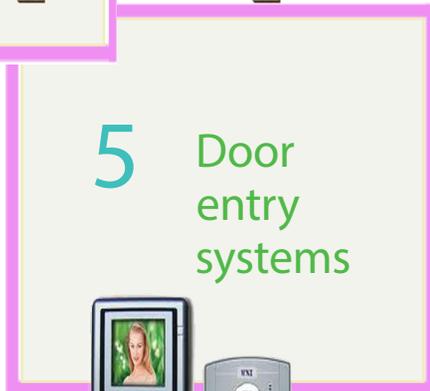
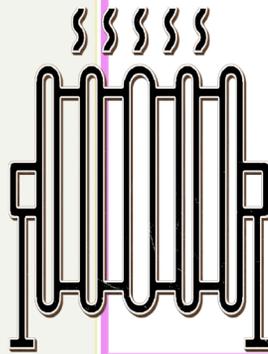
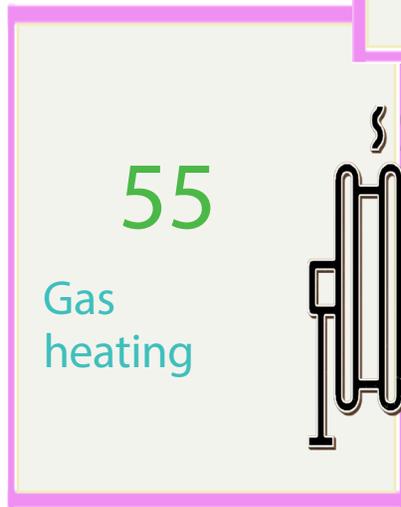
In the latter half of the year, we implemented several measures to address these issues, and we extend our gratitude to the local contractors who have supported us during this period.

Early feedback indicates that customer satisfaction is improving, evidenced by the feedback from our customer surveys. These surveys have provided valuable insights, confirming that our recent changes are positively impacting our service and are making a difference.

## Planned Programme 2023/2024



Communal  
TV aerial  
for  
Gowanlea  
Court



9  
Kitchens



As part of our commitment to continuous improvement, we are currently re-procuring our repairs contract, drawing on insights from our interim measures and experiences. An options appraisal has led us to adopt a broader approach involving multiple contractors. This strategy enables greater flexibility and quicker responses to service issues. We are confident in our ability to deliver an effective service and are excited about the opportunities this approach offers for further improvement. The recent work of the Customer Scrutiny Panel has validated many of our ideas, and we are actively working on implementing these improvements.

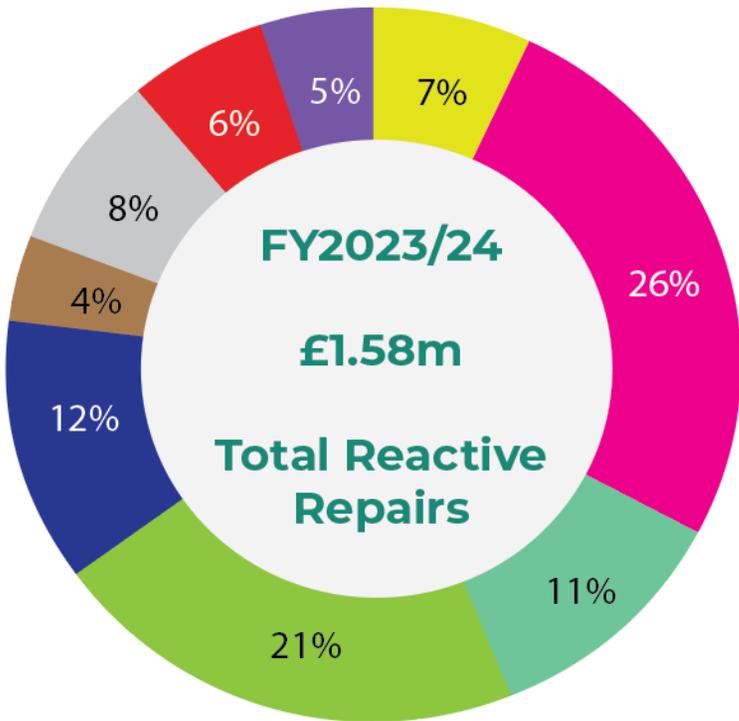
This past year has also seen a significant focus on our Tenant Safety and Compliance function. We have been reviewing our internal processes to ensure they are robust and flexible enough to meet new and emerging challenges. Notably, we have developed a clear process for diagnosing and treating damp and mould, with emphasis on adopting a strong partnership approach with our customers. Damp and mould can be a complex issue stemming from both property and non-property related factors. We aim to carry out the necessary works and provide appropriate advice in a timely manner. In 2024/25, we will review this new approach to identify areas of further improvement.

## Repairs Performance

In 2023/24, we had successfully completed 6,844 repairs. Our non-emergency or routine repairs took an average of 9.3 days to complete, a significant improvement from the previous year's average of 20.6 days.

Throughout the year, we had invested time and resources in pre-work and post-work inspections. We completed 556 pre-work inspections, which provided valuable insights into necessary repairs, and 527 post-work inspections to ensure that completed repairs met our quality standards.

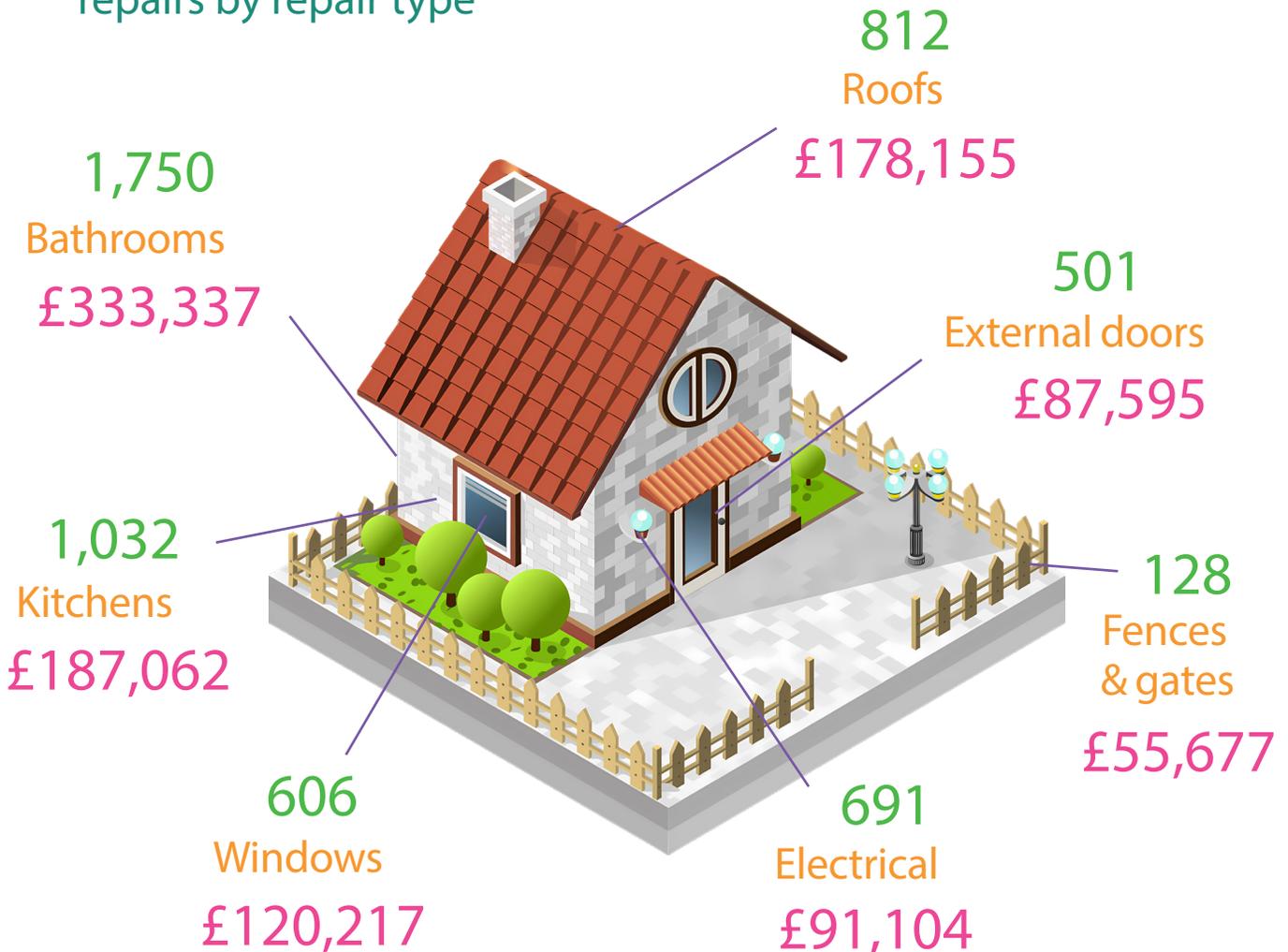
We are proud of these achievements and remain committed to further improving our services to ensure that our customers receive the best possible support and care for their homes.



- Roofs
- Bathrooms
- Kitchens
- Fences & gates
- Windows
- Electrical
- External doors
- Other works
- Empty homes

Empty homes spend is to bring homes to a defined minimum standard before a new customer moves in

Spend on reactive repairs by repair type



# NEIGHBOURHOOD SERVICES

The demand for homes in Berwickshire remains high, in the past year, we received an average of **86 applications** for each home. We commenced **165 new tenancies**, comprising of **19 transfers** to existing customers, **52 homeless referrals**, **94 general housing applications** and carried out **21 mutual exchanges**.

Our Neighbourhood Managers (NMs) are at the heart of BHA's work in communities across Berwickshire. Across seven 'patches', our NMs look after around 280 homes, supporting customers with their tenancy, housing options, income, wellbeing and much more.

## These Homes

Our digital lettings platform, These Homes, continues to demonstrate the high demand for our homes with 2,154 live registrations at the end of March 2024.

For our **135 adverts** for empty homes in 2023/24, we received more than **11,600 applications**.



Susan Dalglish, Coldstream  
1st prize  
Garden Competition 2023

## New Homes

21 new homes were completed and handed over to new customers at Springfield in Duns. This phase brought a mix of 1 and 2 -bedroom houses and bungalows as well as 3 and 4 -bedroom houses. This provided high quality homes for both new and existing BHA customers, reflecting our policy to allocate 50% of new build homes to existing customers.

## Customer Connect Visits

2023/24 has marked the introduction of our customer connect visits from our NMs – these critical visits are used as an opportunity to meet customers; assess any support we can provide and continue to build a trusted relationship with BHA.

Our Neighbourhood Operative provides a responsive and effective service to support our NMs in

communities as well as supporting with improvement works to empty homes and garages.

## Independent Living

Customers in our independent living courts in Duns and Eyemouth have benefited from a new partnership with Allanbank Arts which has brought local school pupils together with older people in a new intergeneration arts project. We plan to extend this to customers at Gowanlea in Coldstream in 2024.

Alongside this, customers continue to benefit from the Alertacall product across all three courts with 83 properties in receipt of the proactive housing support service at the end of March 2024, with almost 10,000 individual customer touch points with the 'OKEachDay' button and outgoing customer service call outs.



My New Home  
Boston Court, Duns  
Watercolour  
John Cairns

# CUSTOMER EXPERIENCE (CX)

Since being set up in 2022, BHA's customer experience (CX) team has taken more than **30,000 calls**. The CX team was set up to be BHA's first point of contact, supporting customers to get their enquiry resolved as efficiently as possible. The team have answered **95.5% of calls in the last 12 months**, with **90% of those answered within 30 seconds**.

The majority of BHA's repairs and inspections are raised by the team, who complete initial diagnosis for works and inspections for our repairs team. 70% of the contact handled by the CX team comes in by telephone, with a further 19% of contact coming via email. The remaining 11% comes from multiple sources including via BHA's website, post and third party referrals on behalf of customers.

In the past 12 months, the CX team has been instrumental in BHA's approach to capturing satisfaction and feedback, leading on the collection of repairs and overall satisfaction information via text and email surveys and outbound calls via our digital surveying platform, CX Feedback.



# SOCIAL INNOVATION

Social innovation is about identifying and designing new solutions and approaches that improve the wellbeing of individuals and communities. At BHA, we work with customers and other key partners to develop interventions and solutions that support the needs of the communities we serve.

During 2023/24, we delivered a range of services and programmes that were specifically created to improve the wellbeing of individuals and the communities in which they live.

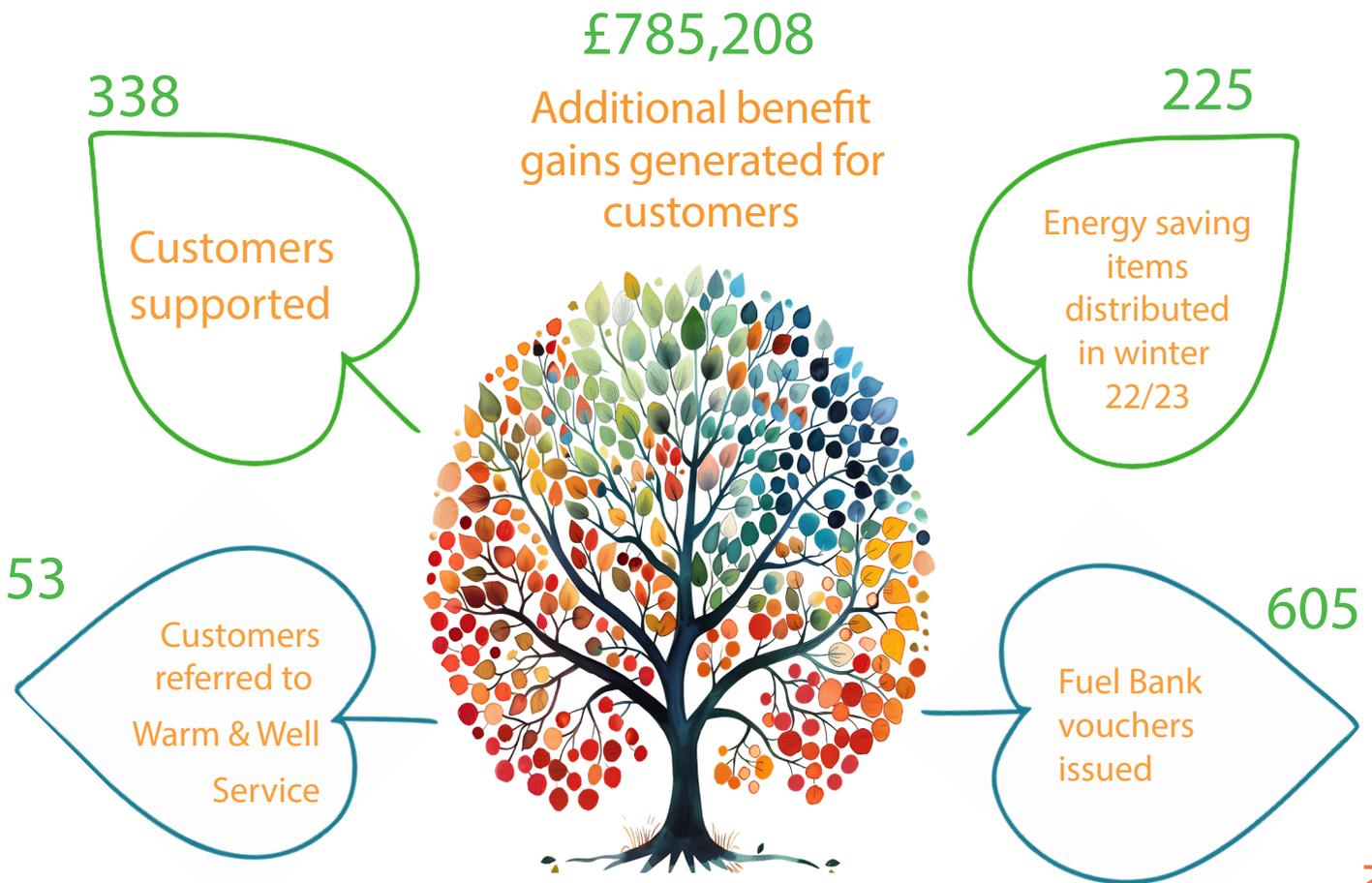
## Tenancy Sustainability

Our Tenancy Sustainability Managers have been pivotal in supporting

**338 people** over the past year. Their assistance has included helping people access welfare benefits, managing fuel costs, help with setting up new homes and coordinating interventions to ensure people are able to remain in their homes.

Additionally, they have supported people in crisis, provided access to food and clothing assistance and offered intensive support, sometimes alongside our BeWell service.

In what has been a very busy year, the team has generated a remarkable **£785,208** in annual benefit gains for our customers, including complex disability claims and appeals and other benefits claims to maximise household incomes. We continue to work closely with Neighbourhood Managers and other BHA colleagues to help customers maintain a positive experience of their BHA home.



### BHA BeWell

BeWell is a direct support service for BHA customers who have additional mental health and wellbeing support needs that impact on their ability to positively manage their home. This includes early intervention to prevent tenancy breakdown.

This service is operated by Penumbra, a leading mental health charity which supports adults and young people around Scotland, including the Scottish Borders. The project has been funded this year by the Community Mental Health and Wellbeing fund and has expanded its capacity to support more people.

59 people have accessed the BeWell service during the year with 36 referrals received, including support for those under the age of 25.

BeWell continues to provide valuable support to BHA customers who are at most risk of a premature end of tenancy. Mental health, addiction and disability are the dominant underlying issues at the point of referral.

The project has now engaged over 90 BHA customers since it began in November 2021.

Further funding is being sought to continue this invaluable service and we continue to enjoy the steadfast support from the Scottish Procurement Alliance (SPA) and Lintel Trust who have been involved with BeWell since it started.

We were delighted that BeWell was nominated for another national award this year and there is considerable interest from other housing providers in adopting and adapting the BeWell model to their local area.

### Social Housing Fuel Support Fund

Despite the reduction in energy costs from their peak in 2022, households are still facing significantly higher energy expenses compared to two years ago. This persistent financial strain, along with ongoing cost of living pressures, has severely affected some BHA customers, particularly those with low incomes living in homes that are difficult to heat.

Since March 2021, Borders Housing Network (BHN) - comprising BHA, SBHA, Eildon and Waverley Housing Association - has secured Scottish Government fuel support funds to mitigate rising domestic energy costs.

From April 2023 to March 2024, BHA allocated 605 fuel vouchers, assisting 887 adults and 476 children.

BHA distributed 29% of the total BHN allocation of 2,122 vouchers.

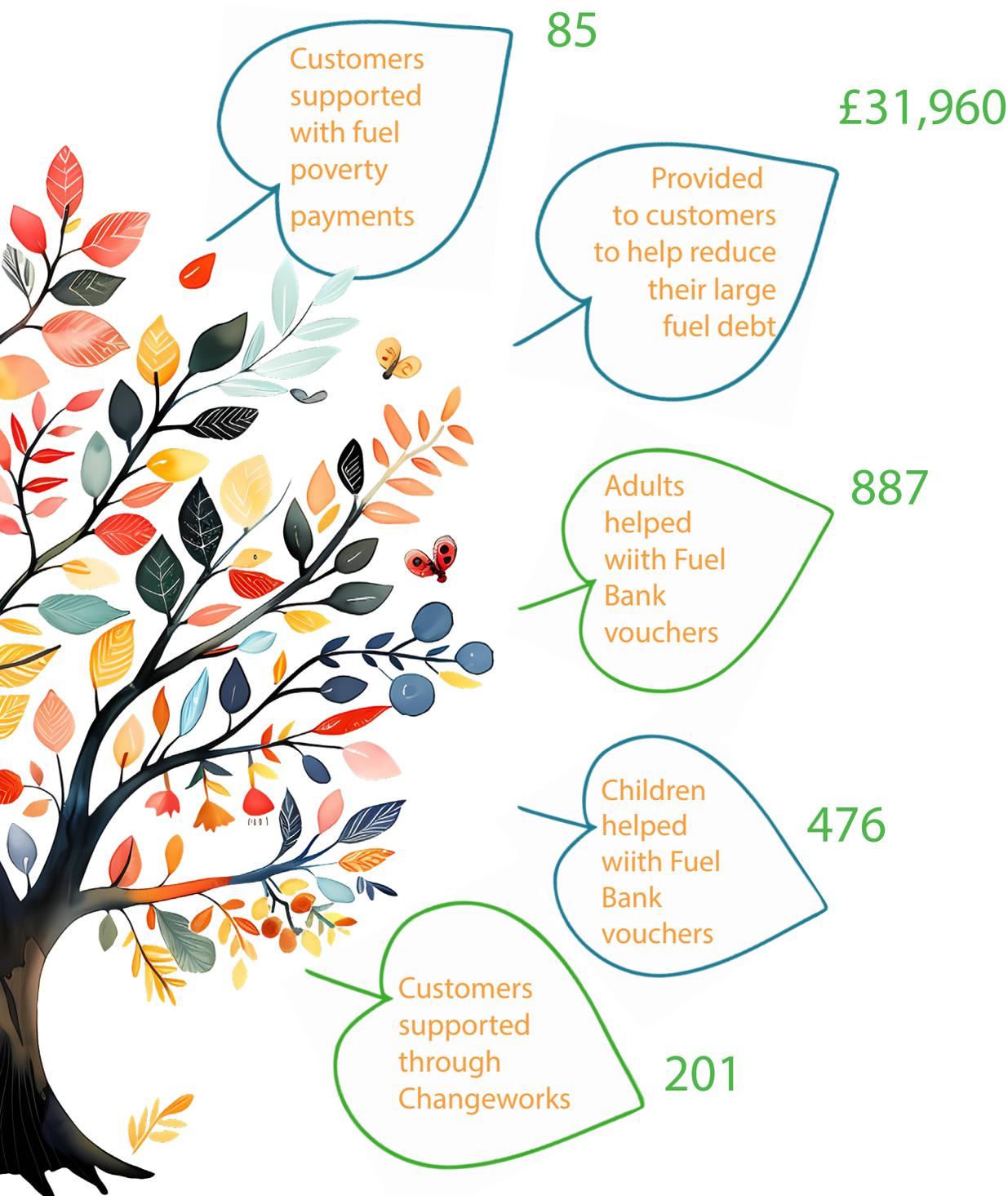
Additionally, BHA supported 85 customers in reducing their fuel debt by a total of £31,960, averaging £374 per household. Although this fund has ended, BHA has retained modest funds to continue paying down debt and should have a supply of fuel bank vouchers for the rest of this calendar year.

Via BHN, bulk purchases and distribution of various household energy-saving items were undertaken last winter to help lower domestic energy costs for our customers. Both BHA and Eildon Housing Association collaborated with ChangeWorks to offer advice and support to over 219 customers with Air Source Heat Pumps (ASHP).

Each household contacted received information on the functionality and controls of ASHPs, along with guidance on running the system in the most cost-effective manner and selecting the best tariff and meter setup. ChangeWorks also reached out to an additional **201 BHA customers** to provide energy advice and advocacy, including assistance in accessing Warm Home Discount schemes and delivering presentations at Independent Living Courts, to maximise heating efficiency in their homes.

Lastly, BHA has been able to access a Warm and Well Advisor post secured for one year by Scottish Borders Housing Association (SBHA). Funded from Scottish Borders Council (SBC) cost of living funds, this service provides direct energy advice and advocacy to resolve issues with meters, billing and tariffs. Demand for this service has been high with 53 customers referred since May 2023. We continue to work with BHN to proactively secure funding to continue Warm and Well support in the longer term.

Reducing fuel poverty continues to be at the forefront of tenancy sustainment efforts in the coming year.



## BeFriend

Currently, BeFriend has 26 volunteers supported by four part-time staff. They are involved in various roles, including telephone befriending, one-to-one befriending, volunteer drivers to assist people in attending community events, and group befriending. Their efforts collectively support 96 BeFRIENDees.

Group befriending provides an opportunity for befriendees to stay as active members of their communities. It focuses on engaging and connecting people to their local communities while at the same time helping community events become sustainable by having enough people attending.

Through these community events befriendees not only get a chance to try new things that are at their doorstep but also re-establish lost connections and make new friends.

In the last 12 months, BeFriend has undertaken **76 community based** befriending activities. This involved attending 34 community lunches, 11 community tea dances, and 31 other types of events such as seated yoga, trips to local markets, museums and garden centres.

Befriendees

96



26

Volunteers

The team had also organised a Christmas bash which was attended by **63** befriendees, volunteers and supporters of the project.

If you are thinking of volunteering some of your spare time, you can express your interest by emailing [befriend@berwickshirehousing.org.uk](mailto:befriend@berwickshirehousing.org.uk)

## Partnerships

BHA is deeply committed to supporting our local communities. We work closely with a range of local organisations and community groups who provide resources, support, and activities across Berwickshire. Such information is shared and promoted regularly through our social media channels. We have provided modest financial support and sponsorship for community events, such as 'Silver Sunday' and local foodbanks and larders .

BHA is an active member of the Borders Housing Network (BHN), a partnership between Scottish Borders, Berwickshire, Eildon and Waverley housing associations. Joint initiatives include work securing the Scottish Government's fuel support funds, collaboration on domestic abuse and joint communication campaigns on the value of social housing, fuel efficiency and availability of fuel bank vouchers.

BHA is also pleased to support Borders Community Action, the new Third Sector Interface agency that aims to coordinate and strengthen the voice of the third sector in the Scottish Borders.

## Social Value

BHA continues to adopt ways to measure the 'social value' of funded initiatives through the Housing Associations' Charitable Trust (HACT) social value toolkit. This tool enables comparisons to be made between various initiatives alongside a measurement of the value generated by an activity. Whilst this does not reflect all the outcomes from each project, this methodology will capture the added value of social housing across Scotland. BHA uses the social value tool to measure areas such as fuel poverty support where our work can contribute to and be compared to national social value measures. We will continue to evolve our use of the toolkit as it is being widely adopted across the Scottish Social Housing sector.

## Thank You

BHA BeFriend was delighted to receive a further award of £175,000 to help fund BeFriend for a further three years. We are very grateful to the National Lottery for their continued support as well as other organisations, such as the Scottish Federation of Housing Associations, who have enabled BHA and BHN to access additional funding for fuel support. BHA has secured over £840k of external funding in the last four years.

# FINANCE

The 2023/24 financial year presented significant challenges for the BHA due to rising inflation and interest rates. Despite a general reduction in inflation over the year, costs within construction and building materials remained high. The Bank of England's interest rate increased to 5.25% in August 2023, and remained at that level for the rest of the financial year, adding further to the financial pressures. This environment made it difficult for BHA to achieve all our financial plans set at the start of the year. However, we managed to invest £2.4 million in home upgrades and £3.0 million in responsive repairs and planned maintenance to our homes.



Operating Expenditure went into the management, servicing, and general upkeep of our social housing stock

Our total turnover for 2023/24 saw a slight decrease of 1% compared to the previous year. Rental and service charges from our properties constituted 89% of our total turnover. Other income sources included gift aid from BHA's subsidiary BHA Enterprise, revenue grants for adaptations, government grants for renewable initiatives, community support grants for services like Befriending, fuel poverty relief, employability, income from commercial lets, and support services for our subsidiaries.

A large proportion, 96%, of our operating expenditure is put back into the management, servicing, and general upkeep of our social housing stock.

We spent £5.4m on the investment in, maintenance of, and responsive repairs to, our properties, £2.4m being capital in nature and is recorded in the housing properties asset value on the Statement of Financial Position (SFP).

A large amount of the spend, over £1.5m, related to energy efficiency upgrades we were required to make to meet the Energy Efficiency Standard in Social Housing. These included window replacements and heating replacements and upgrades.

Our reactive maintenance expenditure was higher than anticipated due to various factors including; backlog repairs, contractual inflationary increases, increased customer demand, and the recognised need for strengthened cost controls.

We completed 21 new homes at our Springfield development in Duns during the year, finalising the investment in this development. All this work, along with our investment in existing stock, increases the value of our housing properties in the SFP, as demonstrated in the table on the next page.

We receive a housing association grant from the Scottish Government, which funds a proportion of each



## £5.4m

Spent on the investment in, maintenance of, and repairs to, our homes

new house we build. We recognise this income on the SFP in deferred income (explaining the increase year on year) and release it to the statement of comprehensive income over the life of the house. This means we need to fund the remainder of the cost of each new house through other means, this is normally through borrowing.

We continue to repay our original mortgage with Nationwide Building Society, which was taken out when the housing stock was transferred from the Berwickshire District Council to BHA. We also have our loan facility in place with RBS, an Allia bond and a newer facility with Nationwide which is being drawn upon to fund our on-going development and investment activities.

## Statement of Financial Position (Summary)

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | £000          | £000          |
| Housing properties                           | 92,956        | 91,893        |
| Other fixed assets                           | 2,167         | 209           |
| Investments                                  | -             | -             |
|  | <b>93,123</b> | <b>92,102</b> |
| Current assets                               | 2,202         | 1,979         |
| Creditors: amounts due in one year           | 2,850         | 2,602         |
| Net current liabilities                      | (649)         | (623)         |
| Creditors: amounts due in more than one year | 28,587        | 29,258        |
| Deferred income                              | 21,251        | 20,389        |
| Pension deficit                              | 334           | 334           |
| <b>Net assets</b>                            | <b>42,302</b> | <b>41,498</b> |
| <b>Capital and reserves</b>                  |               |               |
| Revenue reserves                             | 19,115        | 18,428        |
| Revaluation reserves                         | 23,070        | 23,070        |
| Designated reserves                          | 77            | -             |
|  | <b>42,302</b> | <b>41,498</b> |

## Statement of Comprehensive Income (Summary)

|   | 2024          | 2023          |
|---|---------------|---------------|
|   | £000          | £000          |
| <b>Total Turnover</b>                                   | <b>11,377</b> | <b>11,491</b> |
| Turnover from social lettings                           | 10,339        | 9,909         |
| Turnover from other activities                          | 1,038         | 1,582         |
| <b>Total Operating Expenditure</b>                      | <b>9,484</b>  | <b>9,831</b>  |
| Management & maintenance administration costs           | 3,228         | 3,202         |
| Depreciation of housing properties                      | 2,640         | 2,442         |
| Service costs   | 259           | 251           |
| Planned and cyclical maintenance                        | 1,332         | 1,158         |
| Reactive maintenance                                    | 1,611         | 1,990         |
| Bad debts - rent and service charge arrears written off | 48            | 52            |
| Impairment of housing                                   | 0             | 126           |
| Wider community activities                              | 255           | 332           |
| Other activities  | 121           | 278           |
| <b>Operating Surplus</b>                                | <b>1,894</b>  | <b>1,660</b>  |
| Net interest payable and other non-operating costs      | 1,167         | 935           |
| <b>Net Surplus for the year</b>                         | <b>726</b>    | <b>725</b>    |

## How We Spend Your Pound

£ 1

|                                | FY23/24 | FY22/23 |
|--------------------------------|---------|---------|
| Upgrades to Homes              | 24p     | 25p     |
| Salaries                       | 19p     | 19p     |
| Reactive Maintenance           | 16p     | 19p     |
| Planned & Cyclical Maintenance | 13p     | 11p     |
| Overhead Costs                 | 11p     | 11p     |
| Loan Interest                  | 11p     | 8p      |
| Community activities           | 2p      | 3p      |
| Service Costs                  | 2p      | 2p      |
| Housing Management             | 1p      | 1p      |
| Other Costs                    | 1p      | 1p      |

### Upgrade to Homes

The cost of replacing and renewing larger elements of our homes, such as new kitchens and bathrooms.

### Reactive Maintenance

Emergency, urgent and routine repairs that cannot be predicted or cannot wait until the next cycle of planned maintenance.

### Planned and Cyclical Maintenance

Costs to maintain our homes which can be planned or contracted for, and happen on an agreed cycle (e.g. annually). These costs include such things as gas servicing, lift servicing, electrical safety testing, and other such cyclical inspections and service contracts.

# VALUE FOR MONEY

Value for money is about maximising value from the income we receive and investing it responsibly by balancing quality and costs. We approach value for money by striving to maximise the use of each pound spent to deliver our Vision and Strategic Aims.

All those with budgetary responsibility assess value for money when setting annual budgets and when approving any expenditure within the Association. In addition, the whole BHA team ensure they consider value for money in all that they do, through economy, efficiency, and effectiveness. We compare how much we spend and what we spend it on with other similar housing associations, and this information, alongside analysis of our own performance results and customer satisfaction levels can help us change and adapt how we do things to ensure value for money is achieved.

There are always areas for improvement in this area and as an organisation we will continue to focus on embedding value for money in everything we do. This will be through a combination of:



## PROCUREMENT

Our procurement policy clearly sets out the levels at which some form of procurement exercise should be undertaken to ensure the best price/quality ratio is achieved. It also ensures adherence to Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014.

We utilise the Public Contracts Scotland website to undertake Quick Quotes and full procurement exercises. BHA colleagues will also award goods and/or services through existing frameworks.

We are constantly seeking to improve how we procure goods and/or services to ensure best value for BHA and the communities within which we work. We also continue to develop our partnership working to create joint procurement opportunities where possible, which can sometimes deliver increased value for money.

# DEVELOPMENT

In the past year, we continued to progress our new build development endeavours, through the completion of the Springfield Phase 3 development in Duns. This partnership with Springfield Properties has delivered **21 high-quality homes**, consolidating our commitment to providing affordable, warm, safe and secure homes for Berwickshire.

Building upon the success of previous phases, which comprised 29 affordable homes in Phase 1 and an additional 28 properties in Phase 2, the handover of these 21 homes in December 2023 marks the completion of our existing 'onsite' development programme.



While we are very pleased with the quality of the homes and the demand they have received, Phase 3 was not without its challenges. We have gathered essential insights from this project regarding the installation of new fire protection measures and renewable heat solutions. Throughout these phases, Springfield Properties has prioritised collaboration with locally based Borders contractors, reaffirming our dedication to supporting the local economy.

As demand for housing in Berwickshire continues to surge across all the communities we serve, we remain conscious of the ongoing need to expand our housing stock. We are actively pursuing opportunities to acquire and identify potential land for future developments, aligning with our mission to address the growing demand for affordable housing in the region.

Looking ahead, we are exploring future plans with our Board to sustainably increase the supply of affordable housing in Berwickshire. Through strategic planning and partnerships, we are committed to ensuring that our communities have access to safe, affordable, and high-quality housing options, reflecting our responsibility in meeting the evolving needs of our customers.

# NEW FACES

We welcomed four new members to the BHA Board last year - John Urwin, Anneka Gill, Claire McMillan and Jordan Manning. They bring extensive experience in social housing, public and private sectors. We look forward to their contribution in the coming months and years.



John Urwin  
Assistant Head of Housing  
South Tyneside Homes



Anneka Gill  
Strategy & Development  
Director  
K&T Heating Servicing



Claire McMillan  
Housing Manager  
East Lothian Housing  
Association



Jordan Manning  
Impact Lead  
South of Scotland Enterprise

# CUSTOMER VOICE GROUP & SCRUTINY PANEL

Over the past year, our Neighbourhood Managers (NMs) have been pro-actively conducting Customer Connect Visits with the goal of meeting every customer within an 18-month period. These visits, aimed to build better relationships, help us understand our customers' needs more deeply. Through these visits, we were able to share potential opportunities for customers to get involved in shaping and influencing decision making within BHA.

We are pleased to share that this significant engagement has led to more customers indicating a desire to join our customer-led Scrutiny Panel as well as our Customer Voice Group.

Below are key highlights and focus areas for both groups from the year:

## Establishment of the Customer Voice Group

Formed in 2023/24, it began its operations with a series of monthly meetings. Initial sessions introduced members to BHA's operations, focusing on the group's core purpose.

## Annual Report

The group actively contributed to approving last year's published Annual Report. Notably, providing valuable feedback on its design and content and informing their outlined review plan for the year ahead.

## Influencing Rent Setting and Communication Strategies

The group played a crucial role in shaping BHA's approach to rent setting and the customer consultation for the 2024/25 rent proposal. Their insights influenced our communication strategies, ensuring effective engagement with customers on key issues.

## Engagement with Programmes and Investments

Sessions were dedicated to familiarising the group with BHA's planned programmes and investments, focusing on

communication methods and customer interactions.

### Understanding Regulatory Framework and Benchmarking

The group received insights into the regulatory framework and benchmarking against peers, empowering them to contribute to BHA's compliance and performance improvement initiatives.

### Thematic Focus on Repairs and Maintenance

A detailed session on repairs and maintenance covered the understanding of service contracts, statutory requirements, and performance metrics. Further sessions were planned to shape the tender for revised service models.

### Introduction of Scrutiny and Assurance Group

The concept of evolving the Customer Voice Group into a comprehensive Scrutiny and Assurance Group was introduced. This transition, led by existing members with support from the Tenant Information Services (TIS), aims to deepen engagement and enhance BHA's operational effectiveness.

### Development of Scrutiny Programme

Collaborating with TIS, the Scrutiny Panel outlined a comprehensive programme for engagement and thematic review for 2024/25. This structured approach ensures thorough examination and reporting of findings to the Operations Committee, made up of Board members and BHA senior colleagues.

### Integration of Recommendations into Business Performance Framework

Recommendations from the Scrutiny Panel's findings will be incorporated into BHA's Business Performance Framework for monitoring and review, ensuring accountability and continuous improvement.

The engagement and contributions of the Customer Voice Group and Scrutiny Panel underline BHA's commitment to customer-centred services and laying a strong foundation for future improvement. Their involvement has led to enhanced transparency, more effective communication strategies, and a stronger focus on customer needs and regulatory compliance.

# YEAR <sup>IN</sup> PICTURES

2023/24



BHA Befriendee  
Rose  
enjoying a  
visit to the  
Jim Clark  
Museum



THE YEAR IN PICTURES



BHA Befriendee  
Nina at the  
Coldstream Civic  
week tea dance

Phase 3  
Springfield  
Development  
completed



Scottish Housing  
Minister, Paul McLennan meeting Borders  
Housing Network (BHN) representatives in  
August last year.

Boston Court's  
John Cairns with  
his painting



To Realise the Power of  
Home



**bha**  
Berwickshire Housing

55 Newtown Street  
Duns  
Berwickshire  
TD11 3AU

External Auditors: Chiene & Tait, 61 Dublin Street, Edinburgh, EH3 6NL

Internal Auditors: TIAA, 61 Dublin Street, Edinburgh, EH3 6NL