



CORPORATE STRATEGY 2017-2020



“

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Neville Armstrong  
Chairman

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If you, or someone you know would like this Corporate Strategy in large print, in Braille or translated into another language please contact Stephen Fisher on 028 8224 6118 or email [info@ruralhousing.co.uk](mailto:info@ruralhousing.co.uk)

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Introduction

Rural Housing Association's Board of Management pictured with Stephen Fisher, Chief Executive

Rural Housing Association was established in 1992 to provide "A supply of readily available and affordable accommodation for rural people in rural areas with a view to helping maintain and regenerate rural communities".

The Association works throughout Northern Ireland and has a particular interest in working in what are considered to be disadvantaged rural areas. The Association does not see its role as merely providing rural housing but rather helping to build strong and sustainable rural communities. It is a core belief of the Association that the housing requirements of small rural communities are best identified, understood and solved through close co-operation with local community development groups. To this end the Association works closely with local communities and the Northern Ireland Housing Executive in assessing needs and delivering appropriate housing solutions in what is, predominantly, a niche rural market.

The Association provides general needs housing and has 450 dwellings dispersed across Northern Ireland with the average size of development at just seven dwellings.

Rural Housing Association is governed by a voluntary Board of Management whose members come from a range of professional, commercial and social backgrounds such as finance, architecture, law, education, not for profit sector, regeneration and the public sector. The Board of Management's overall purpose is to lead the Association within a framework of sound governance and control.

The Board of Management help forge the strategy of the Association and provide oversight of the operations of the company and the performance of the Association against its business plan, the performance of its peers and its plans for continuous improvement. We are also proud to have one of our tenants on the Board of Management playing a full active role on behalf of all the tenants as part of our tenant participation strategy.

The Board is supported by two committees: the Technical Committee and the Audit, Risk and Governance Committee. The last few years have revealed that challenges can come in many forms and as an Association we have to be able to adapt quickly. Here are some of the challenges we face over the coming three years:

- Welfare reform is now becoming a prevalent player in the lives of our tenants and in the management of their tenancies. The impacts of welfare reform are wide ranging and affect many of our tenants in receipt of benefits due to long term sickness, disability, those in lower paid work as well as those who are unemployed. The next three years will present huge challenges for them and for us.
- The Association is mindful of the increasing financial pressure on our tenants and the potentially adverse impacts of welfare reform, so we feel it is important for us to balance our funding requirements with our need to ensure our rent charges are considered affordable and best value for money.

- Changes in our status as a public body and ongoing changes in public policy challenge our borrowing potential, capacity to develop and revenue streams.
- As part of the Social Housing Development Programme we now have an in-house team of development staff and have seen our staff numbers increase to 16.
- The lack of availability of sites in areas of housing need, the changes in planning procedures present further challenges and make our targets more difficult to achieve. We will continue to ensure our internal systems are fit for purpose.
- At present the lack of a functioning government in Northern Ireland and the oncoming BREXIT heighten uncertainty politically and economically, making it difficult to predict the political arena for the next 3 years.

This strategy explains how Rural Housing Association will continue to implement its mission through the challenges presented over the next three years. It provides an insight into where we hope to be in three years time and provides a guide for our annual business plans in each of those three years. We look forward to working with our partners and stakeholders both in the financial and public sectors to meet the objectives and priorities set out in this strategy and will continue to provide assurance on the progress we make through our annual reports.

## Vision and Purpose

### Our Vision

“To be a specialist provider and manager of high quality affordable housing in rural areas throughout Northern Ireland”

### Our Purpose

To provide new homes for rental throughout rural Northern Ireland which:

- Help reduce levels of housing stress
- Meet the highest possible standards of design, insulation and construction
- Respect local communities, their cultures and their environments
- Are well- managed and maintained.
- Improve people’s living standards and self-esteem
- re affordable to the least well off in society

This we believe makes Rural Housing Association’s homes unique as rural housing provision is at the very heart of our business

We believe that our small scale sympathetically designed projects, our construction techniques and the quality materials we use show us to be different.

Our plan for the next three years is to safeguard the future of Rural Housing Association by remaining at the forefront of rural social and affordable housing provision.

Our rural remit is quite specific and unique and that presents its own range of wide and varied challenges.

### Our Values

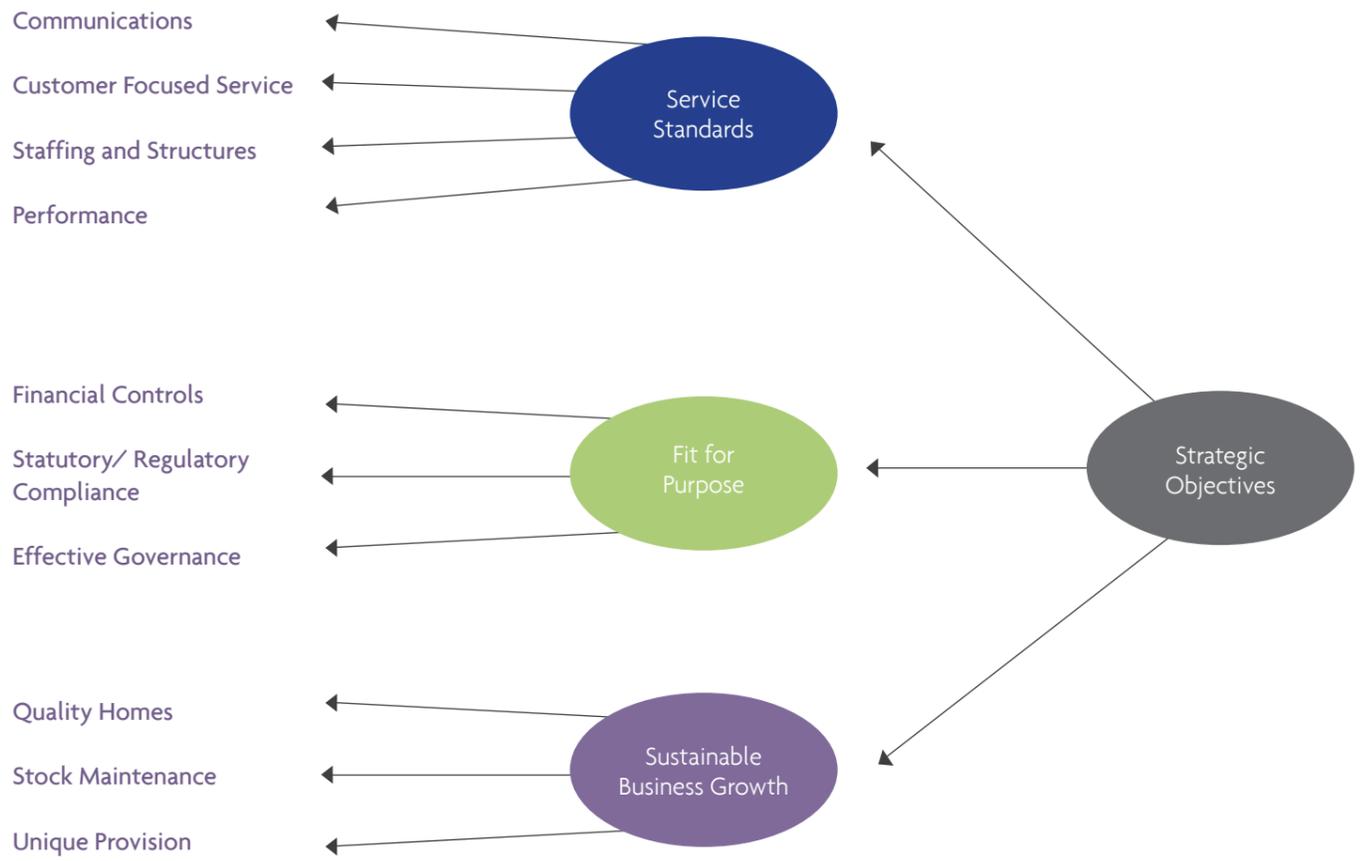
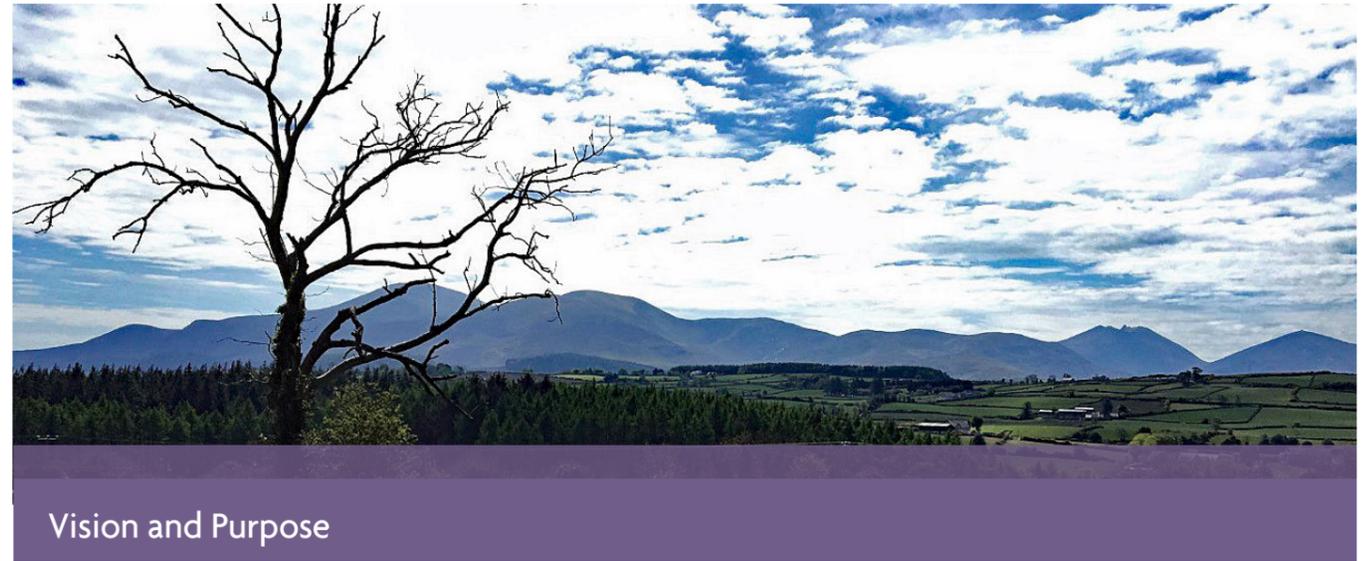
In working to deliver our plan the Association will continue to:

- Put tenants at the heart of our business
- Be innovative in responding to the challenges presented thus ensuring that the solutions we provide are tailored to suit local circumstances as defined in the Association’s Rural Design Guide

- Focus on developing partnerships with other key stakeholders including the Department for Communities Housing Division, the Northern Ireland Housing Executive, the Northern Ireland Federation of Housing Associations and other like-minded rural organisations
- Be a good employer, thus ensuring our staff enjoy working for us and develop in a positive working environment
- Meet all relevant governance standards
- Deliver value for money in all aspects of our business

### Our Mission

To provide a supply of readily available and affordable accommodation for rural people in rural areas with a view to helping maintain and regenerate rural communities.





## Three Year Financial Forecasts

Rural Housing Association financial projections are central to the delivery of our Corporate Plan. Without a sound, viable financial footing the Association's plans and ambitions would be worthless. The graphs below show the Associations estimates for Income/Expenditure and Balance Sheet for the next three years.

### Income and Expenditure Account

	Budget 2017/18	Budget 2018/19	Budget 2019/20
<b>INCOME</b>			
Rent Receivable	2,396,641	2,654,125	3,084,882
Rates Receivable	317,845	376,181	414,768
Other Income	24,000	24,000	24,000
Amortisation of Grants	400,600	420,630	441,661
Profit on Disposal			
<b>Total Income</b>	<b>3,139,086</b>	<b>3,474,936</b>	<b>3,965,311</b>

## Three Year Financial Forecasts

	Budget 2017/18	Budget 2018/19	Budget 2019/20
Property Costs	511,536	545,239	550,691
Insurance	43,203	47,001	50,619
Rates (Net of Discount)	286,060	357,372	394,029
Administration Costs	703,188	722,239	753,437
Bad Debt	39,381	51,477	68,354
Development Costs	55,000	55,000	55,000
Depreciation - Property	611,585	642,164	674,272
<b>Total Expenditure</b>	<b>2,249,953</b>	<b>2,420,492</b>	<b>2,546,402</b>

### TRANSFER TO DISPOSAL PROCEEDS FUND

	889,133	1,054,444	1,418,909
<b>TRADING SURPLUS / DEFICIT</b>	<b>889,133</b>	<b>1,054,444</b>	<b>1,418,909</b>
Property	1,021,741	1,194,532	1,566,106
Rates	-	-	-
Administration	(132,608)	(140,088)	(147,197)
	<b>889,133</b>	<b>1,054,444</b>	<b>1,418,909</b>

### FIXED ASSETS AND INTREST

Administration Costs Copitalised	132,608	140,088	147,197
Profit / Loss on sale of Fixed Assets	-	-	-
Interest Receivable	12,000	12,000	12,000
Interest Payable and other costs	(670,478)	(743,127)	(888,674)
<b>Surplus / Deficit</b>	<b>363,263</b>	<b>463,405</b>	<b>689,432</b>

Additional Units in the year (social)	35	70	41
Affordable Housing	3		

### TANGIBLE FIXED ASSETS

Housing Properties at Cost	47,613,244	53,330,840	57,929,970
<b>Less</b>			
Depreciation	(7,479,670)	(8,121,833)	(8,796,105)
<b>Net Book Value of Housing Properties</b>	<b>40,133,574</b>	<b>45,209,007</b>	<b>49,133,865</b>

## Three Year Financial Forecasts

	Budget 2017/18	Budget 2018/19	Budget 2019/20
<b>Other Fixed Assets</b>	971,536	960,859	948,745
<b>Total Fixed Assets</b>	<b>41,105,110</b>	<b>46,169,866</b>	<b>50,082,610</b>
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	302,877	251,400	183,047
Bank and Cash Balances	2,238,420	2,094,415	2,107,237
	<b>2,541,297</b>	<b>2,345,815</b>	<b>2,290,284</b>
<b>CURRENT LIABILITIES</b>			
Creditors (falling due within 1 year)			
Bank Loans	(512,521)	(549,063)	(572,071)
Bank Overdrafts	-	-	-
Trade Creditors	(225,156)	(290,723)	(331,034)
HAG in Advance	-	-	-
Other Current Liabilities	(307,683)	(307,683)	(307,684)
	<b>(1,045,360)</b>	<b>(1,147,469)</b>	<b>(1,210,789)</b>
<b>Net Current Assets / Liabilities</b>	<b>1,495,937</b>	<b>1,198,346</b>	<b>1,079,495</b>
<b>Total Assets Less Current Liabilities</b>	<b>42,601,047</b>	<b>47,368,212</b>	<b>51,162,105</b>
Creditors (falling due within 1 year)			
Bank Loans	12,949,588	15,074,507	16,146,566
Other Long Term Creditors	101,260	101,260	101,260
Deferred Income - Capital Grants	25,753,673	27,932,514	29,964,917
	<b>38,804,521</b>	<b>43,108,281</b>	<b>46,212,743</b>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Pension Liability	189,000	189,000	189,000
<b>CAPITAL AND RESERVES</b>			
Share Capital	8	8	8
Capital Reserves	25	25	25
Revenue Reserves	3,607,493	4,070,898	4,760,329
<b>Toal Financing and Reserves</b>	<b>42,601,047</b>	<b>47,368,212</b>	<b>51,162,105</b>

## Improve Service Standards and Performance

Our three year corporate plan is delivered through its operational themes. These themes are set out in each of the business plans for the next three years and cascade down into measurable KPI's for each manager and staff member. The progress of these themes against targets are measured and monitored through weekly internal meetings, Senior Management Team meetings and monthly Board of management meetings, thus providing effective governance and full accountability.

The Association publishes an annual report which provides information on all our financial and business performance for the previous year, alongside a value for money statement which ensures we are using our money effectively and efficiently.

### We Have...

- Process mapped and improved our customer service and business management processes.
- Delivered effective communication to our external stakeholders through our Communication strategy and our annual action plan.
- Improve our knowledge and communication with customers through customer profiling.
- Facilitated and supported the introduction of a Tenant Board Member.
- Promoted the benefits of membership of the RHA website.
- Have regularly reviewed and updated the structure and content of the new RHA website.
- Continued to implement Section 75 duties and Disability action plans.
- Ensured all staff receive regular equality training.
- Re-tendered our Measured Term Contracts to ensure continued quality, value for money and high service levels.
- Provided assistance to set up small local tenant groups.
- Enabled all staff to partake in accredited training in tenant participation.
- Have set and monitored business targets through monthly KPI's.
- Implemented a value for money strategy
- Worked closely with like minded Housing Associations in procuring value for money projects.

### We Will...

- Continue to review and improve our processes. In particular we will introduce a new CRM system to streamline interactions with our stakeholders and internal communication.
- Publish an annual value for money statement to highlight our continuous improvement to our stakeholders.
- Employ an additional member of staff to fulfil the role of a dedicated welfare reform adviser to provide ongoing advice and support to tenants affected by the changes in welfare reform.
- Promote Tenant Participation and progress implementation of our tenant action plan including the establishment of further Tenant Champions throughout our schemes to aid further engagement and empowerment of our tenants.
- Introduce direct debit payments, mobile debit and credit card payments for tenants as alternative, safe and accessible methods of payment.
- Re-vamp our website to ensure it remains at the forefront of web design, accessibility and usability for our clients.
- Continue to show and promote a commitment to the statutory duties under Section 75 to ensure fairness for all our stakeholders.
- Ensure all new staff receive equality training within six months of appointment.
- Continue to monitor closely the service

- provided by our maintenance contractor monthly through 10 key performance indicators to ensure a high quality service to our tenants.
- Put our tenants at the heart of Rural Housing Association and its decision making processes
- Ensure the core ideology of the Association is centred around our tenants by implementing our tenant participation action plan.
- Provide a public report annually on the performance of the Association against targets.
- Provide a value for money statement at the end of every year, highlighting how our monies are spent effectively and efficiently.
- Continue to identify opportunities with HA5 group for joint procurement to help shape services and drive best value where it is appropriate to do so.



## Sustainable Business Growth

### We Have...

- Developed opportunities for provision of mixed tenure housing.
- Through local links identified and highlighted rural areas where latent demand testing is required.
- Developed a portfolio of sites throughout Northern Ireland in areas of housing need
- Promoted payment of rents online through our new website.
- Built up our relationship with external funders and lenders to ensure full compliance to our development goals and sourced £4.5 million in private finance.
- Ensured the Association continues to be viable through effective management of the Association's assets.
- Through ongoing stock condition surveys continued to develop detailed profiling of our properties and their components.
- Invested just under £600,000 in planned maintenance projects over the last 3 years.

### We Will...

- Establish a subsidiary company for the provision of affordable housing in mixed tenure schemes.
- Establish close links with our colleagues in the NIHE to further enhance rural latent demand testing and rural housing needs surveys.
- Continue to Achieve Growth: Provide new build housing at an average of 35 units per year and augment this with at least 15 properties bought from the open market.
- Encourage tenants to transfer from standing orders payments to direct debit payments and promote other payment methods including mobile card readers.
- Agree and put in place external funding of £8.5 million to cover development and working capital requirements over the next 5 years.
- Provide ongoing input into our value for money statement to ensure that our customers receive effective services and value for money whilst ensuring that all financial decisions are in the best interests of the short/medium/long term future of the Association.
- Test the market to provide insurance services to the Association for a 3 year period. Test the market to provide a marketing, promotional and publications service to the Association for a 3 year period.
- Test the market for a new programme of rolling Stock condition Surveys of our properties.
- Spend over £1m on planned and cyclical maintenance, improving and maintaining our tenants' homes and external environment.



## Fit for Purpose

### We Have...

- Developed highly trained staff as laid out in our Human Resources Strategy.
- Produced and implemented an IT Strategy for the next five years.
- Reviewed and refreshed the Association's key documentation and policies relating to governance.
- Reviewed the Associations Risk Strategy and Corporate Risk Register.
- Provided in-house and external training for Board Members led by an annual skills analysis
- Developed highly trained staff as laid out in our Human Resources Strategy.
- Welcomed new Board members to the Association from various aspects of business and a new tenant board member.

### We Will...

- Continue to provide our staff with internal and external training in all aspects of housing, finance, maintenance and welfare reform and identify opportunities for joint learning and collaborative work with other organisations as appropriate.
- Develop and implement new security protocols to our IT and physical systems to ensure protection of all data in line with data protection legislation .
- Attract and retain good staff: We will invest in the skills and potential of our staff and will provide accredited governance training for all senior staff within one year of their appointment.
- Continue to review the Corporate risk strategy, risk register and fraud register to assess risk and identify potential mitigation measures.
- Address any skills gaps and provide accredited training for board members in various aspects of the business including finance, governance, risk management and housing.
- Continue to review and renew the board and its members to ensure good governance at all times.
- Through personal training plans provide our Senior Management Team with accredited training in leadership, governance and financial systems to enable high quality professional qualified staff.
- Continue to recruit and encourage Board members to become involved in the governance of the Association.



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