

# Business Plan

2021/22







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

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# Introduction and Mission Statement

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's housing stock of 528 dwellings are widely dispersed right across Northern Ireland.

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, education, not for profit sector, regeneration and the public sector. Together they forge the strategy of the Association and provide an oversight on the operations of the company. They are supported by two subcommittees: Technical Committee and Audit, Risk and Governance Committee.

The Corporate Strategy, which is the catalyst for this business plan, was due to be published exactly one year ago. As the Covid-19 pandemic struck the Board of Management postponed their planned away day and enabled Senior Staff and Board members to concentrate on mitigating against the pandemic and associated risks to their tenants, the organisation and staff.

Much has changed for the Association, its staff and tenants over that year and with hindsight the renewal of that strategy at this point provides a much clearer picture for the organisation going forward in what is hoped will be a post pandemic scenario.

In March 2021 the Board of Management and Senior Staff met virtually to agree a strategic view for the association for the next 3 years. In particular they re-examined the threats and opportunities for the association, considered the association vision and purpose and agreed a set of values that would be carried through by the organisation for the next 3 years.

To deliver operationally on these values 5 strategic themes were agreed that would have an overarching influence on the next 3 one year business plans, with targets and KPI's cascading down from Senior Management to Officer level.

Those 5 strategic values are used to guide this business plan for 2021-2022.





## Our Vision

“To see rural Northern Ireland thrive through the provision of high quality, comfortable and affordable homes.”

## Our Purpose

To provide for rent and sale desirable housing in rural communities throughout rural Northern Ireland that meet local needs.

## Our Values

In order to fulfil our purpose we commit to the following values as being essential for our organisation:



### Distinctive

As the only specialist rural association in Northern Ireland we will be at the forefront of new ideas and solutions for the provision of housing in the 6 counties.

### Passionate

Our goals are unique within Northern Ireland and we will work to inspire others to help achieve them.

### Collaborative

Working effectively as a team within our own organisation and with our external stakeholders will provide the desired outcomes.



### Customer Inspired

Our tenants will be at the heart of what we do both at a strategic and operational level.

### Professional

Our staff are highly qualified and experienced and we will meet all relevant governance standards.

# Strategic Objectives

These themes will be set out in each of the business plans for the next three years and cascade down into measurable, progressive 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.

Below are outlined our strategic objectives:

-  **Deliver Excellent Customer Service to our Tenants**
-  **Build and Provide High Quality Homes to meet local needs**
-  **Be an Excellent Employer**
-  **Be a Key Influencer in Rural Housing policy**
-  **Support and Sustain our Rural Communities**





# The Challenges

- The impact of the Covid-19 Pandemic not only presents immediate demands and threats but longer-term goals, plans, and operations need to be assessed in its context to ensure we are considering all the aspects that could affect future delivery of our services to our tenants.
- With all staff working at home from mid-march 2020, the Association is now at the juncture of setting new guidelines for a long-term hybrid working model for staff.
- Welfare reform continues to be a prevalent player in the lives of our tenants and in the management of their tenancies. The next year will provide further challenges for them and us as the economy strives to reboot.
- As part of the Social Housing Development Programme we now have an inhouse team of development staff and have seen our staff numbers increase to 21. Systems need to be re-examined to ensure they are fit for purpose given the move to hybrid working.
- The lack of availability of sites in areas of housing need and the changes in planning procedures make our targets more difficult to achieve.
- Brexit continues to provide challenges to our business, suppliers and funders. Along with the pressures of the Covid-19 pandemic, supply chains, health and safety, employment pressures and business practices will all converge into a business landscape which is not recognisable and which will put significant pressure on cash flows and budgets over the forthcoming years.

## Financial

Rural Housing Association financial projections are central to the delivery of our Corporate Plan and this business plan.

Without a sound, viable financial footing the Association's plans and ambitions would be worthless.

The tables below show the Associations estimates for Income/Expenditure and Balance Sheet for the next three years that will allow this Corporate Strategy's objectives to be met through our annual business plans:



# Forecast Income & Expenditure Account



	Budget 2021/22	Budget 2022/23	Budget 2023/24
<b>INCOME</b>			
Rent Receivable	2,889,207	3,397,584	4,005,750
Rates Receivable	420,557	524,212	582,940
Other Income	8,400	12,000	12,000
Amortisation of grants	514,260	524,546	535,037
Profit on disposal	-	-	-
<b>TOTAL INCOME</b>	<b>3,832,424</b>	<b>4,458,342</b>	<b>5,135,727</b>
<b>TOTAL EXPENDITURE</b>	<b>2,911,489</b>	<b>3,112,422</b>	<b>3,314,170</b>
Property Costs	612,970	676,564	710,287
Insurance	69,036	69,036	79,679
Rates (net of discount)	378,501	471,791	524,646
Administration Costs	980,356	1,000,646	1,050,631
Bad Debt	47,981	56,721	66,523
Development Costs	13,000	13,000	13,000
Depreciation - property	800,645	824,664	869,404
<b>TOTAL EXPENDITURE</b>	<b>2,911,489</b>	<b>3,112,422</b>	<b>3,314,170</b>
<b>Transfer to Disposal Proceeds Fund</b>			
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>920,934</b>	<b>1,345,920</b>	<b>1,821,556</b>
Property	1,108,470	1,541,125	2,085,745
Rates	-	-	-
Administration	(187,536)	(195,205)	(264,189)
	<b>920,934</b>	<b>1,345,920</b>	<b>1,821,556</b>
<b>FIXED ASSETS AND INTEREST</b>			
Administration Costs Capitalised	187,536	195,205	202,715
Profit/(Loss) on sale of Fixed Assets	-	-	-
Interest Receivable	-	6,000	8,400
Interest Payable and other costs	(859,358)	(1,307,336)	(1,469,624)
<b>SURPLUS/(DEFICIT)</b>	<b>249,112</b>	<b>239,789</b>	<b>563,048</b>
Additional Units in the year (social)	50	122	50
<b>TANGIBLE FIXED ASSETS</b>			
Housing Properties at Cost	55,684,858	70,765,746	81,600,776
<b>LESS</b>			
Depreciation	(9,770,890)	(10,571,701)	(11,376,349)
<b>NET BOOK VALUE OF HOUSING PROPERTIES</b>	<b>45,913,968</b>	<b>60,194,045</b>	<b>70,224,427</b>



# Business Priorities for 2021/22

Deliver Excellent Customer Services to our tenants

Priority	Work Stream	Outcome	Measurement of Success	Target
<b>Deliver Excellent Customer Services to our tenants</b>	Adapt systems and processes to enable safe and productive homeworking for staff in the long-term	Provide efficient and effective frontline services to tenants	Health and safety of staff while still providing high customer satisfaction levels	Yr1
	Prepare an office plan for hybrid working safely and productively during the pandemic and beyond including an online tenant portal	Provide efficient and effective frontline services to tenants	Health and safety of staff while still providing high customer satisfaction levels	Qtr1 Yr1
	Assess the IT internal and external infrastructure including an assessment of further cloud adoption for server systems	Provide efficient and effective IT for remote homeworking and frontline services to tenants	Staff downtime	Qtr2 Yr1
	Move all our call systems to Microsoft Teams	Provide a one stop shop communication system for staff and tenants	Staff and Customer satisfaction levels	Qtr1 Yr1
	Annual publication of tenant newsletter	Communicate effectively with tenants	Increase in Customer Satisfaction Levels	Qtr3 Yr1
	Deliver effective communication to our external stakeholders.	Communicate effectively internally and externally using Communication Action Plan	Increase in Customer Satisfaction Levels	Qtr1 Yr1
	Provide a formal route for promotion of tenant board member post Covid	Develop opportunities to allow tenants to participate in strategic decision making process of the association at the highest level	Number of Tenant Board members	Qtr4 Yr1
	Continue to provide assistance and support tenant panels	Continue to support and Develop opportunities to enable Tenant Panels to fully participate in the governance and decision making processes of service delivery Commit to encourage tenant participation and ensure tenant involvement	Number of groups formed and numbers of Quarterly meetings	Qtr4 Yr1
	Provide a full formal consultation to tenants on the 2022/23 rent increase.	Develop opportunities to allow tenants to participate in decision making process of the association at the highest level	Increase in tenant satisfaction levels	
	Continue to implement Section 75 duties and Disability action plans and ensure all staff receive regular equality training	Ensure RHA is compliant with all equality legislation and staff are aware of all requirement under the legislation	Number of training sessions	Qtr4 Yr1
	Continue to Implement the Measured Term Maintenance Contract alongside backup contractor	Ensure continued quality, effectiveness and value for money and high service levels	Tenant Satisfaction Levels	Qtr4 Yr1
	Carry out regular tenant satisfaction / feedback surveys	Ensure continued quality, effectiveness and value for money and high service levels	Tenant satisfaction levels	
	Improve Complaints Handling and learning from complaints	Reduce the number of complaints that reach Stage 2	Number of tenant complaints upheld	Qtr4 Yr1
	Deal effectively with internal and external audits	Ownership and effective responses with clear improvement plans and regular Board and Committee updates	Level of Assurance	Yr 1,2,3



## Build and provide high quality homes to meet local needs

Priority	Work Stream	Outcome	Measurement of Success	Target
<b>Build and provide high quality homes to meet local needs</b>	Continue new build programme.	65 new Units started - mixture of new development (45) and ESP's (20)	Number of homes	Qtr4 Yr1
	Develop opportunities for provision of mixed tenure housing.	Provide alternatives for potential intermediate housing	Number of homes	Yr1 Yr2 Yr3
	Provide attractive, local, new build through use of our Rural Design Guide	Provide framework and guidance for future developments and deliver well designed schemes with like-minded partners	Number of Design Awards	Yr1 Yr2 Yr3
	Be at the forefront of housing provision in rural areas with limited planning opportunities	Investigate and bring forward to SHDP at least 1 scheme per year in areas of limited planning through PPS21	Number of homes	Qtr4 Yr1
	Through local links identify and highlight rural areas where rural needs testing is required	Investigate and bring forward at least one scheme for latent demand testing in conjunction with the NIHE Rural Section	Number of homes	Qtr3 Yr1
	Through ongoing stock condition surveys continue to develop detailed profiling of our properties and their components	Protection of assets	Expenditure at year end	Qtr4 Yr1
	Invest planned and response maintenance including component replacement, external painting and annual servicing	Protection of assets	Expenditure at year end	Qtr4 Yr1
	Market Test for a new £15 million loan portfolio	Ensure future of development programme	Number of homes developed	Qtr4 Yr1

## Be an Excellent Employer

Priority	Work Stream	Outcome	Measurement of Success	Target
<b>Be an Excellent Employer</b>	Develop highly trained staff as laid out in our Human Resources Strategy	Happy, effective staff with low turnover	Staff turnover	Qtr4 Yr1
	Continue to renew the Board of Management through a renewal programme in accordance with the 9-year rule	Ensure compliance and regeneration of Board	Board numbers and turnover	Qtr1 Yr1
	Provide in-house and external training for Board Members led by an annual skills analysis	Ensure compliance and regeneration of Board	Board numbers and turnover	Qtr1 Yr1
	Continue to Implement the Board Member Appraisal policy and carry out an annual appraisal of Board Members to identify governance and performance issues	Ensure effective and informed Board	Board satisfaction levels through appraisal	Qtr1 Yr1
	Prepare and implement a new wellbeing strategy for staff including policies on stress in the workplace and homeworking	Happy, effective staff with low turnover	Staff turnover and sickness levels	Qtr4 Yr1



## Be a Key Influencer in rural housing policy

Priority	Work Stream	Outcome	Measurement of Success	Target
<b>Be a Key Influencer in rural housing policy</b>	Produce yearly operational Business Plan	Identify and measure work targets	Publication	Yr 1, 2, 3 Qtr4
	Encourage Board and Senior staff to make new links with relevant external stakeholders	Increase partnerships with rural community groups to support expansion of community initiatives	New partnerships	Yr1 Qtr4
	Encourage representation on NIFHA board	Increase policy involvement and ensure rural priorities are at the forefront of housing policy	New partnerships	Yr1 Qtr4
	Produce Corporate plan every 3 years	Provide direction and effective strategic leadership in rural policy	Publication	Yr 3 Qtr4
	Continue use of Social Media	Increase policy involvement and ensure rural priorities are at the forefront of housing policy	New partnerships	Yr1 Qtr4

## Support and sustain our rural communities

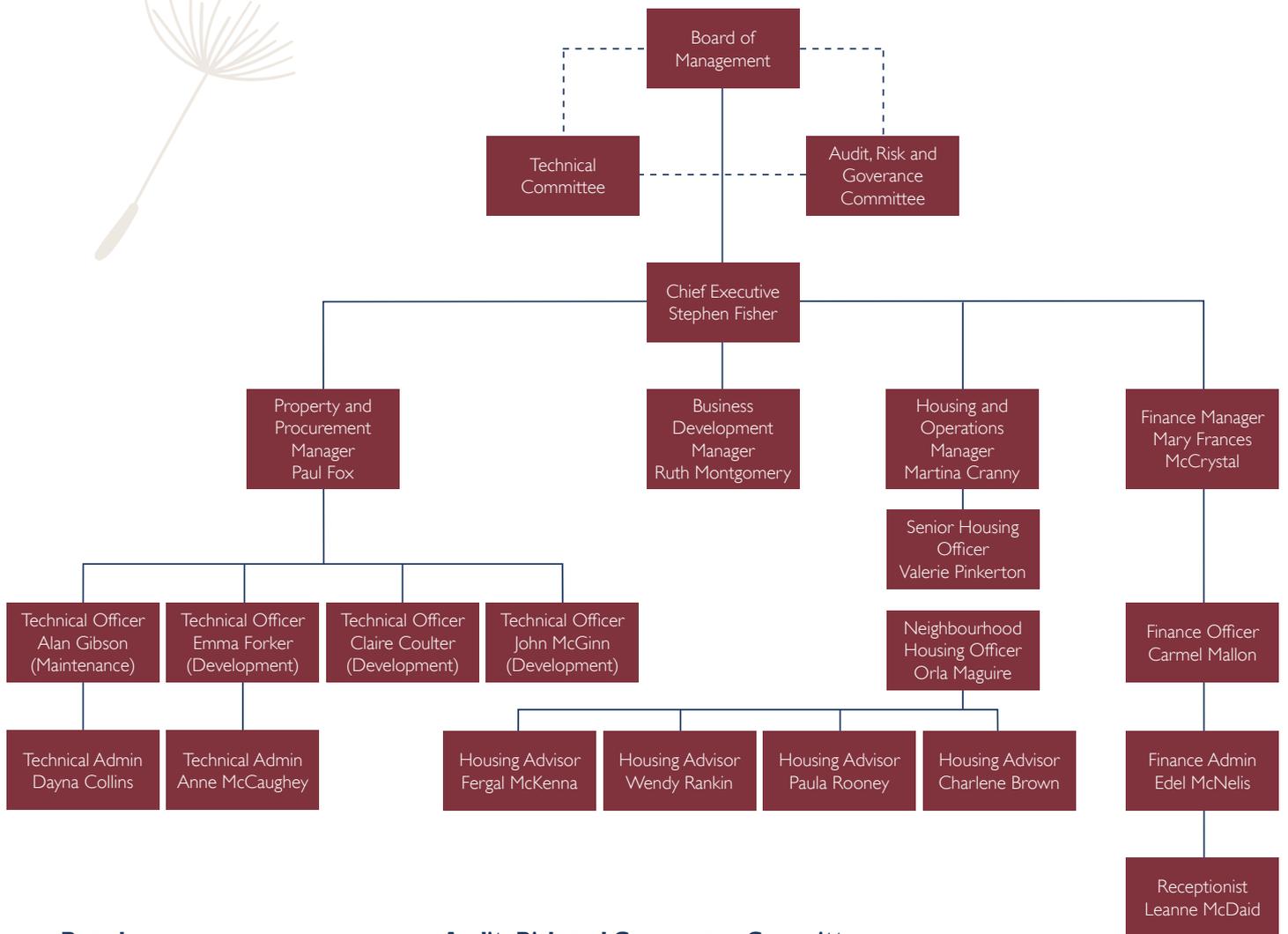
Priority	Work Stream	Outcome	Measurement of Success	Target
<b>Support and sustain our rural communities</b>	Identify additional Housing for All Neighbourhoods in rural locations	Sustain rural communities through community development	Community Satisfaction through project surveys	
	Extend delivery of community projects focussed on addressing social isolation in rural areas	Sustain rural communities through community development	Community Satisfaction through project surveys	
	Explore areas to provide non-housing products to our tenants and local communities. Work in partnership with the NIHE and local groups to conduct latent demand tests in rural locations	Sustain rural communities through community development Identify new areas for social housing and sustain local communities	Community Satisfaction through project surveys	

## SMART Targets

Measurement		Target Date	Target
<b>Surplus for Year</b> The difference between income and expenditure for the year		Mar-22	£249,112
<b>Prompt Payment Days (normal)</b>		Mar-22	30 days or within contract term if shorter
<b>Prompt Payment Days (new build)</b>		Mar-22	14 days
<b>Gearing Ratio</b>		Monthly	<50%
<b>Interest Cover</b>		Monthly	>1.35
<b>Interest Cover</b>		Monthly	<1.1
<b>Current Ratio</b>		Monthly	1.00 or higher
<b>Non-Technical Arrears</b> Arrears owing directly from tenants as a % of rental income expected directly from tenants		Mar-22	5%



Measurement		Target Date	Target
<b>Technical Arrears</b>		Mar-22	5%
<b>Arrears Write Offs</b> Amount of arrears that are not collectable as a % of total rental income		Mar-22	2%
<b>Tenants 13 weeks in arrears</b>		Mar-22	3%
<b>Past Tenant Arrears</b> Arrears owing from ex-tenants as a % of total rental income		Mar-22	2%
<b>Maintenance Costs</b> How much it costs the Association to maintain its properties from day to day		Mar-22	Monthly Budget -5%+5%
<b>Repair Relet Costs</b> How much it costs the Association to bring vacated properties back into lettable condition		Monthly	Monthly Budget -5%+5%
<b>Repair Relet Time</b> How quickly the Association can get repairs done on a vacant property		Monthly	14 Days
<b>Allocation of Relets</b> How quickly the Association can fill a vacant property		Mar-22	35 Days
<b>Voids</b> The cost of vacancies as a % of total rental income		Mar-22	2.0%
<b>Complaints</b> Deal effectively with 90% complaints within time limits		Mar-22	90%
<b>Anti-Social Behaviour</b> Deal effectively with 90% complaints within time limits		Mar-22	90%
<b>TBUC Scheme</b> Identify and initiate within development plan (scheme numbers)		Mar-22	1 new scheme
<b>Grant Aid</b> Identify and claim new grant aid for tenants and local communities (measured in numbers of tenants or residents engaged with fund)		Mar-22	50 additional tenants or local residents are engaged through new grant funding in community activities
<b>Latent Demand</b> How many latent demand tests are carried out with RHA as the lead housing association		Mar-22	5 additional latent demand tests completed in rural areas
<b>Web Site</b> How much traffic directed to RHA website		Monthly	1000 per month
<b>Social Media</b> Active Followers Facebook and Twitter measured in number of people New Followers/Total Followers * 100		Monthly	Extra 100 per month
<b>Social Media</b> Applause Rate – Interaction with social media posts Likes/Followers * 100		Monthly	At least 1100



### Board

Neville Armstrong (Chair)  
 Carol Follis (Vice Chair)  
 Rory O'Brien (Secretary)  
 Alistair McKane (Treasurer)  
 Ciaran McKenna  
 John Moss  
 Tommy Gallagher  
 John Waddell

### Technical Committee

John Moss (Chair)  
 Alistair McKane  
 John Moss  
 John Waddell

### Audit, Risk and Governance Committee

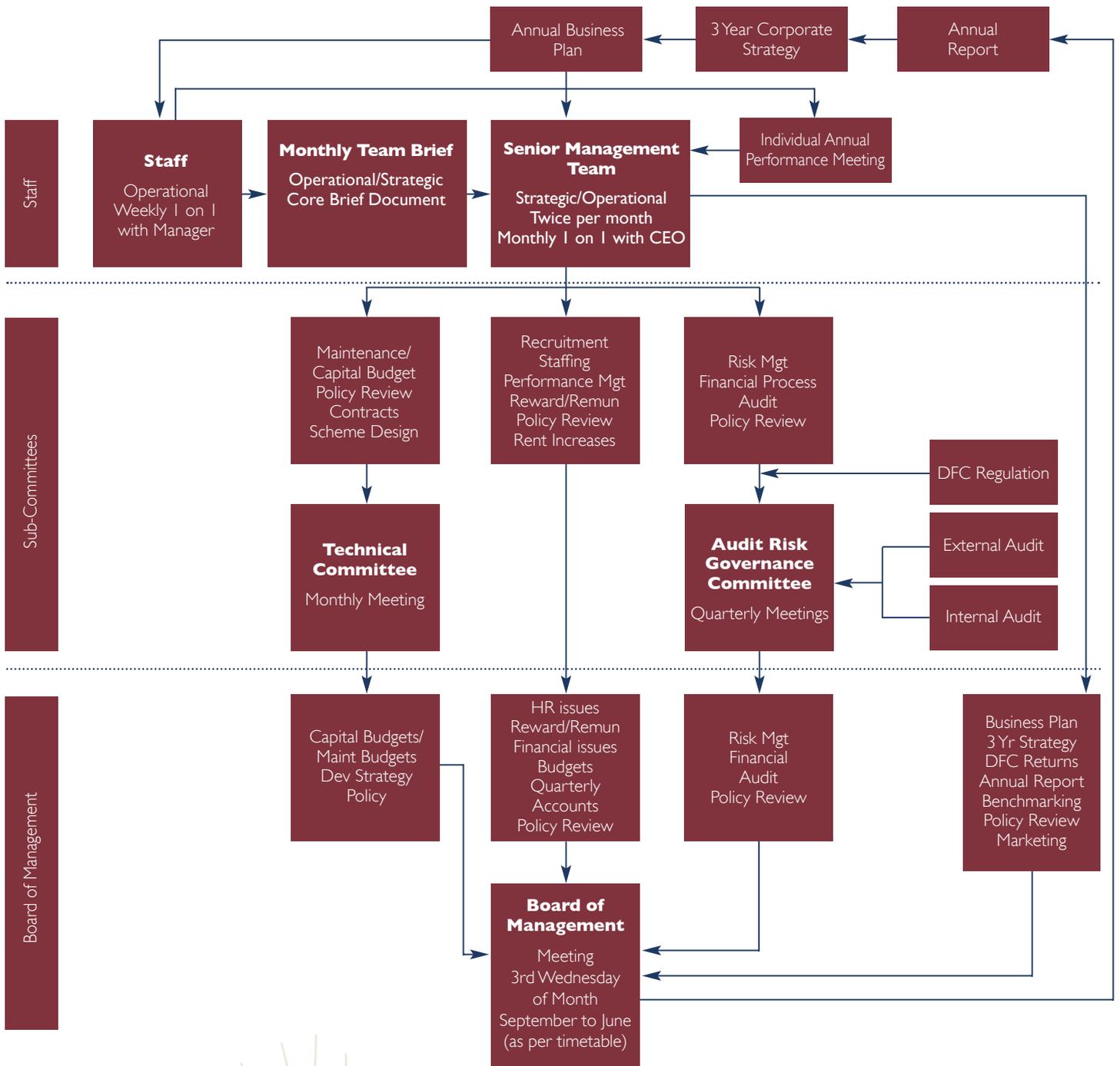
Ciaran McKenna (Chair)  
 Carol Follis  
 Tommy Gallagher

### Senior Management

Stephen Fisher (Chief Executive)  
 Mary Frances McCrystal (Finance Manager)  
 Martina Cranny (Housing and Operations Manager)  
 Paul Fox (Property and Procurement Manager)  
 Ruth Montgomery (Business Development Manager)

## Appendix I - Operational Infrastructure

Rural Housing Association Governance Process and Workflow 2021-2022





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