# Business Plan

2026/27

Building Rural Communities

rural housing association

> “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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# Chief Executive's Foreword

Rural Housing Association enters 2026/27 operating in a climate of continued pressure rather than short-term disruption. The challenges facing rural housing providers are now well-established and persistent: demand for genuinely affordable homes continues to outstrip supply; development viability remains constrained by funding uncertainty and planning complexity; and many of our tenants are living with sustained financial, health, and energy-related pressures.

Against this backdrop, our mission remains unchanged. We exist to provide desirable, affordable homes in rural communities and to help sustain those communities for the long term. What must continue to evolve, however, is how we deliver that mission—ensuring our decisions are grounded in realism, evidence, and long-term stewardship.

This Business Plan reflects that mindset. It builds on the three-year corporate strategy agreed by the Board and represents a further step in shifting our focus from recovery towards resilience. While growth remains important, 2026/27 is characterised by disciplined prioritisation: safeguarding the financial strength of the Association, protecting and improving the homes we already own, and ensuring that our services remain reliable, accessible, and fair for tenants across rural Northern Ireland.

We are particularly conscious that rural disadvantage does not always present itself loudly, but it is no less real. Fuel poverty, isolation, ageing populations, and limited access to services continue to shape the lived experience of many of our tenants. This plan therefore places strong emphasis on tenancy sustainment, community stability, and targeted tenant support—recognising that preventative action today is both socially and financially responsible.

The Board has been clear that strong governance, transparency, and value for money must sit at the heart of everything we do. Over recent years we have invested heavily in systems, processes, and assurance frameworks. In 2026/27, the focus shifts to embedding those tools fully—using data and insight not simply to report performance, but to inform decisions and challenge assumptions. This includes being realistic about the long-term viability of parts of our housing stock and honest about what can and cannot be achieved within current funding and regulatory frameworks.

Sustainability continues to be a defining issue for the sector. Our commitment to improving the energy efficiency of our homes and reducing our carbon impact remains firm. However, this plan reflects a mature and credible approach—prioritising homes most in need, aligning ambition with deliverable funding, and ensuring that environmental improvement does not come at the expense of affordability or tenant wellbeing.

None of this can be achieved without the dedication of our staff and the oversight of an engaged and skilled Board of Management. I am grateful for their continued commitment, professionalism, and willingness to confront difficult issues in a constructive and forward-looking manner. Our tenants and partners likewise continue to shape our work, and their voices remain central to our decision-making.

This Business Plan sets out a clear and realistic pathway for 2026/27. It is not a document of grand promises, but one of responsible intent—focused on doing the right things, in the right order, and for the right reasons. Through it, Rural Housing Association will continue to be a strong, accountable, and trusted provider of rural homes and services, rooted firmly in the communities we exist to serve.

Stephen Fisher
Chief Executive

## Our Vision

To grow a strong organisation, providing sustainable, affordable homes and customer-focused services in thriving rural communities.

## Our Purpose

To provide desirable housing in rural communities throughout rural Northern Ireland that meets local needs.

## Our Values

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

# Strategic Objectives

Our three year corporate plan is delivered though its operational themes which are directly linked to our committed values as an organisation. These themes will be set out in each of the business plans for three years and cascade down into measurable, progressive KPI's for each Director, Manager and staff member.

The progress of these 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:

# Grow a Strong (and Accountable) Organisation

Embedding governance, strengthening financial resilience, supporting workforce sustainability, and using data to inform decision-making in an increasingly constrained operating environment.

## Deliver Great Homes

Prioritising asset stewardship, planned maintenance, and realistic development decisions to ensure long-term sustainability of rural housing stock.

## Provide Great Customer-Focused Services

Ensuring services are reliable, accessible, and responsive, with particular attention to vulnerable tenants and dispersed rural communities.

## Support Rural Communities to Thrive

Focusing on tenancy sustainment, social resilience, and targeted partnership working to address rural disadvantage.

## Deliver Sustainable Homes for the Future

Progressing energy efficiency and decarbonisation measures in a way that is affordable, deliverable, and aligned to funding availability.

## Be a Key Influencer in Rural Housing Policy

Using evidence-led advocacy to represent the rural voice credibly and constructively in regional housing and funding discussions.



# The Operating Environment and Challenges (2026/27)

## Economic Landscape

**Inflation and Interest Rates:** With inflation continuing to ease and interest rates expected to reduce gradually, the Association may see some relief in financing and cost pressures. However, the outlook remains uncertain, with the potential for renewed volatility in energy prices, construction costs, and the wider housing market. The Association must therefore remain agile and maintain prudent assumptions within its planning.

**Funding Models:** Ongoing constraints on government funding continue to create year-on-year uncertainty. The Association will maintain robust option appraisal and risk analysis on all new-build schemes, prioritising developments that demonstrate high deliverability, strong value for money, and a low risk profile.

## Political and Regulatory Environment

**Government Policies:** The NI Executive has committed to increasing the supply of affordable housing and has included housing within its Programme for Government. While this signals welcome policy intent, delivery remains dependent on the availability of adequate and sustained funding to match those ambitions.

**Regulatory Changes:** There continues to be a strong regulatory focus on tenant experience, service standards, and the identification and support of vulnerable households. Rural Housing will continue to adapt its policies, assurance, and service delivery to remain compliant and to improve outcomes for tenants.

## Social and Demographic Factors

**Housing Demand:** Demand for genuinely affordable housing continues to outstrip supply, highlighting the ongoing need for additional homes across rural Northern Ireland.

**Tenant Needs:** There is an increasing expectation to improve the quality of existing homes, including targeted decarbonisation and energy-efficiency measures, alongside continued enhancement of core services and support for residents.

## Technological Advancements

**Digital Transformation:** Technology continues to play an increasingly important role in shaping the future of housing. In 2026/27, digital improvement will remain a key focus for us as we seek to strengthen operational efficiency, data quality, compliance assurance, and access to services for tenants.

**Innovation:** We need to continue to adopt innovative solutions to address emerging risks and operational challenges. This includes leveraging technology to enhance service delivery and tenant engagement.

## Environmental Considerations

**Sustainability:** There is a growing emphasis on sustainability and the need to decarbonise existing housing stock. We must continue to invest in green technologies and practices to meet environmental targets and reduce our carbon footprint.

**Climate Resilience:** We must also consider the impacts of climate change on our operations and develop proportionate strategies to enhance the resilience of our housing stock and services.

## Conclusion

The external operating environment for us in 2026/27 is shaped by economic, political, social, technological, and environmental factors. By understanding and responding to these pressures, we can continue to provide essential services, protect our existing homes, and contribute to addressing the housing need in rural communities.

# Financial Projections and Financial Sustainability

The financial projections for 2026/27 have been prepared against a backdrop of continued uncertainty in public funding, ongoing cost pressures, and heightened expectations around governance and value for money. The Association's financial strategy for the year ahead is therefore underpinned by prudence, resilience, and a clear focus on protecting long-term viability while continuing to deliver core services and priority investment. Income assumptions reflect a cautious approach to rental growth, informed by affordability considerations and tenant consultation, alongside realistic expectations for development income given current constraints within the Social Housing Development Programme. Active management of rent collection remains a priority, with projections assuming sustained performance rather than further material improvement. Expenditure forecasts recognise that while inflationary pressures have eased compared to previous years, underlying cost levels remain elevated. In particular, maintenance, contractor costs, insurance, and utilities continue to exert pressure on revenue budgets. The Association's approach for 2026/27 focuses on shifting expenditure wherever possible from reactive to planned activity in order to achieve greater cost predictability and improved asset outcomes over the medium term. The Association's treasury and borrowing strategy remains conservative. Financial projections assume no material weakening in interest cover or covenant compliance, with regular stress-testing applied to assess exposure to interest rate movements, reduced grant availability, or adverse cashflow scenarios. Liquidity is maintained at levels sufficient to absorb short-term shocks without compromising service delivery or investment commitments. Capital investment assumptions prioritise essential planned maintenance, component replacement, and targeted energy-efficiency improvements. New development activity is projected to proceed at a measured pace, focused on schemes with high deliverability and funding certainty. This approach ensures that growth ambitions do not compromise financial resilience or operational capacity.

Overall, the financial projections demonstrate that Rural Housing Association remains financially robust and well-governed, with sufficient capacity to manage foreseeable risks while continuing to support tenants and rural communities. The Board will continue to receive regular financial performance reports throughout the year and will keep assumptions under review to ensure that the Association remains agile and responsive to change.

## 3 Year Budget Summary of Statement of Comprehensive Income

| INCOME | 2026/27 | 2027/28 | 2028/29 |
|---|---|---|---|
| | £ | £ | £ |
| Rent Receivable | 4,435,494 | 4,855,558 | 5,325,923 |
| Less Voids | **-88,116** | **-96,519** | **-105,926** |
| Rates Receivable | 574,000 | 621,362 | 640,003 |
| Other Income | 6,823 | 6,823 | 6,823 |
| Amortisation of grants | 925,432 | 972,741 | 976,923 |
| Profit on disposal | 0 | 0 | 0 |
| Community Grant/Housing for All Income | 236,946 | 230,279 | 219,945 |
| **TOTAL INCOME** | **6,090,579** | **6,590,244** | **7,063,691** |
| | | | |
| Property Costs | 1,072,972 | 1,120,095 | 1,176,100 |
| Property Insurance | 90,912 | 103,232 | 118,310 |
| Rates (net of discount) | 516,600 | 559,226 | 576,003 |
| Administration Costs | 1,575,339 | 1,641,646 | 1,723,902 |
| Community Grant/Housing for All Expenditure | 236,946 | 230,279 | 219,945 |
| Bad Debt | 71,827 | 78,603 | 85,844 |
| Development Expenses | 15,000 | 15,000 | 15,000 |
| Depreciation - property | 1,470,287 | 1,511,427 | 1,587,643 |
| **TOTAL EXPENDITURE** | **5,049,883** | **5,259,507** | **5,502,747** |
| | | | |
| **Transfer to Disposal Proceeds Fund** | | | |
| | | | |
| **TRADING SURPLUS/(DEFICIT)** | **1,040,696** | **1,330,737** | **1,560,945** |
| | | | |
| **TRADING SURPLUS/(DEFICIT)** | | | |
| Property | 1,409,200 | 1,697,878 | 1,917,027 |
| Rates | | | |
| Administration Costs Capitalised | **-368,504** | **-367,141** | **-356,083** |
| | **1,040,696** | **1,330,737** | **1,560,945** |
| | | | |
| **FIXED ASSETS AND INTEREST** | | | |
| Administration Costs Capitalised | 368,504 | 367,141 | 356,083 |
| Profit/(Loss) on sale of Fixed Assets | 0 | 0 | 0 |
| Interest Receivable | 9,600 | 9,600 | 9,600 |
| Interest Payable and Loan Payable and other costs | **-1,062,384** | **-1,266,384** | **-1,398,384** |
| **SURPLUS/(DEFICIT)** | **356,416** | **441,094** | **528,243** |



# Performance Management and Key Performance Indicators (KPIs)

The delivery of this Business Plan is underpinned by a clear and structured performance management framework. Key Performance Indicators (KPIs) are used to translate strategic priorities into measurable outcomes, enabling effective oversight by the Board and timely operational decision-making by the Executive and Senior Management Team.

KPIs are aligned directly to the Association's strategic objectives and values and are designed to be balanced across financial performance, service delivery, asset management, governance, and people. This ensures that success is measured not solely in financial terms, but also through tenant experience, community impact, and long-term sustainability.

The KPI framework for 2026/27 focuses on a limited number of high-impact measures that provide meaningful assurance rather than excessive reporting. These indicators draw on data from the Association's integrated systems and are subject to regular validation to ensure accuracy and consistency.

Performance against KPIs is monitored through a structured reporting cycle, including monthly management reporting, Committee scrutiny, and formal Board reporting. Variances from target are analysed to identify underlying causes and corrective action, with learning fed back into service improvement and risk management processes.

In the context of a constrained operating environment, particular emphasis is placed on KPIs relating to financial resilience, rent collection, cost control, asset condition, health and safety compliance, repairs performance, tenant satisfaction, and complaints handling. Workforce indicators and governance effectiveness metrics also remain central to the Association's assurance framework.

The Board retains oversight of the KPI suite and will review the relevance and calibration of indicators during the year to ensure they remain aligned with emerging risks, regulatory expectations, and organisational priorities. Through this disciplined approach, the Association seeks to demonstrate transparency, accountability, and continuous improvement in the delivery of services to tenants and rural communities.

# KPI Dashboard 2026/27 (Board Level)

## Purpose

This dashboard provides the Board of Management with a concise summary of organisational performance for 2026/27. The KPIs below are derived directly from the Association's SMART targets and are designed to support strategic oversight, assurance, and informed decision-making.

## 1. Financial Sustainability

| KPI | Measure | Board Focus |
|---|---|---|
| Operating Surplus | Surplus achieved against approved budget | Long term financial viability |
| Interest Cover | Maintained within covenant limits | Treasury resilience |
| Gearing & Liquidity | Within Board approved thresholds | Capacity to absorb shocks |
| Rent Collection | Non technical arrears within target | Income protection |

## 2. Asset Quality & Compliance

| KPI | Measure | Board Focus |
|---|---|---|
| Planned v Reactive Maintenance | Increasing proportion of planned spend | Cost predictability |
| Health & Safety Compliance | 100% statutory compliance | Tenant safety |
| Property Condition Insight | Asset surveys completed as planned | Asset stewardship |
| Void Standard & Relet Time | Relets completed within target | Income loss control |

## 3. Repairs & Services Performance

| KPI | Measure | Board Focus |
|---|---|---|
| Repairs – Right First Time | First time fix / appointments kept | Service reliability |
| Average Relet Time | Achieved within approved targets | Operational efficiency |
| Contractor Performance | KPI compliance achieved | Value for money |



## 4. Tenant Experience & Communities

| KPI | Measure | Board Focus |
|---|---|---|
| Tenant Satisfaction | Overall satisfaction score | Customer outcomes |
| Complaints Performance | % resolved within published timescales | Service fairness |
| Tenancy Sustainment | Low tenancy failure rate | Community stability |
| Tenant Engagement | Participation levels | Tenant voice & influence |

## 5. Sustainability & Decarbonisation

| KPI | Measure | Board Focus |
|---|---|---|
| SAP Improvement | Progress against agreed trajectory | Energy affordability |
| Retrofit Delivery | Schemes delivered within funding | Delivery credibility |
| Carbon Reduction | Progress against decarbonisation plan | Long term compliance |

## 6. People & Governance

| KPI | Measure | Board Focus |
|---|---|---|
| Workforce Stability | Staff turnover within tolerance | Organisational capacity |
| Governance Effectiveness | Board appraisal outcomes | Strength of oversight |
| Risk Profile | Red/amber risks effectively controlled | Strategic risk management |

# SMART Targets

| Measurement | | Target Date | Target |
|---|---|---|---|
| **Surplus for Year**<br>The difference between income and expenditure for the year | | Mar-27 | £322,448 |
| **Prompt Payment Days (normal)** | | Mar-27 | 30 days or within contract terms if shorter |
| **Prompt Payment Days (new build)** | | Mar-27 | 14 days |
| **Gearing Ratio** | | Monthly | <50% |
| **Interest Cover** | Danske Bank / AIB | Monthly | >1.35 / <1.1 |
| **Current Ratio** | | Monthly | 1.00 or higher |
| **Non-Technical Arrears**<br>Arrears owing directly from tenants as a % of rental income expected directly from tenants | | Mar-27 | 5% |
| **Technical Arrears** | | Mar-27 | 5% |
| **Arrears Write-Offs**<br>Amount of arrears that are not collectable as a % of total rental income | | Mar-27 | 2% |
| **Tenants 13 weeks in arrears** | | Mar-27 | 3% |
| **Past Tenant Arrears**<br>Arrears owing from ex-tenants as a % of total rental income | | Mar-27 | 2% |
| **Maintenance Costs**<br>How much it costs the Association to maintain its properties from day to day | | Monthly | Monthly Budget - 5%+5% |
| **Repair Relet Costs**<br>How much it costs the Association to bring vacated properties back into lettable condition | | Monthly | Monthly Budget - 5%+5% |
| **Repair Relet Time**<br>How quickly the Association can get repairs done on a vacant property | | Mar-27 | 21 Days |

| Measurement | | Target Date | Target |
|---|---|---|---|
| **Allocation of Relets**<br>How quickly the Association can fill a vacant property | | Mar-27 | 35 Days |
| **Voids**<br>The cost of vacancies as a % of total rental income | | Mar-27 | 2% |
| **Complaints**<br>Deal effectively with 90% complaints within time limits | | Mar-27 | 90% |
| **Anti-Social Behaviour**<br>Deal effectively with 90% complaints within time limits | | Mar-27 | 90% |
| **TBUC Scheme**<br>Identify and initiate within development plan (scheme numbers) | | Mar-27 | 1 new scheme |
| **Tenant Participation**<br>Number of interactions per year | | Mar-27 | 15 interactions in total |
| **Grant Aid**<br>Identify and claim new grant aid for tenants and local communities (measured in numbers of tenants or residents engaged with fund) | | Mar-27 | 50 additional tenants or local residents are engaged through new grant funding in community activities |
| **Latent Demand**<br>How many latent demand tests are carried out with RHA as the lead housing association | | Mar-27 | 3 additional latent demand tests completed in rural areas |
| **Web Site**<br>How much traffic directed to RHA website | | Monthly | 1000 per month |
| **Social Media**<br>Active Followers Facebook and Twitter measured in number of people New Followers/Total Followers * 100 | | Monthly | Extra 100 per month |
| **Social Media**<br>Applause Rate – Interaction with social media posts Likes/Followers * 100 | | Monthly | At least 1100 |
| **Tenant Portal**<br>Number of tenants registered | | Monthly | At least 10 additions |
| **Tenant Portal**<br>Self Service Score | | Monthly | 50% rate of success (logins v action) |
| **Tenant Portal**<br>Satisfaction Rate | | Annually | 90% positive |
| **Tenant Portal**<br>Cost Reduction | | Annually | Savings of 10% using PWC standard costings |

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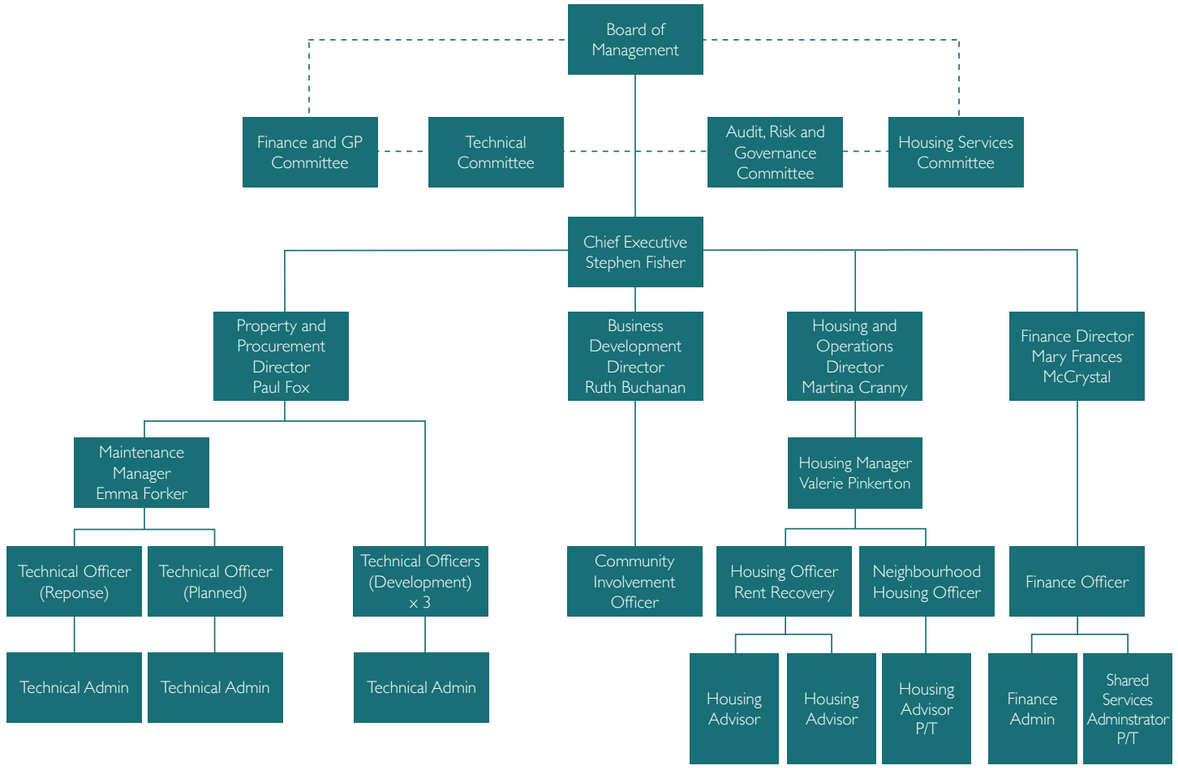
## Appendix 1 - Rural Housing Structure




### Board

Tom Potter (Chair)
John Moss (Vice Chair)
Ciaran McKenna (Secretary)
Michaela McCusker (Treasurer)
Margaret Rafferty
Harry Gaffney
Joy Dalzell
Julie Steele

### Technical Committee

John Moss (Chair)
Ciaran McKenna
Joy Dalzell

### Audit, Risk and Governance Committee

Ciaran McKenna (Chair)
John Moss
Tom Potter
Harry Gaffney
Julie Steele

### Finance & General Purposes Committee

Michaela McCusker (Chair)
Tom Potter
Harry Gaffney
John Moss

### Housing Services Committee

Tom Potter (Chair)
Michaela McCusker
Margaret Rafferty
Julie Steele

### Senior Management

Stephen Fisher (Chief Executive)
Mary Frances McCrystal (Finance Director)
Martina Cranny (Housing and Operations Director)
Paul Fox (Development & Property Assets Director)
Ruth Buchanan (Business Development Director)



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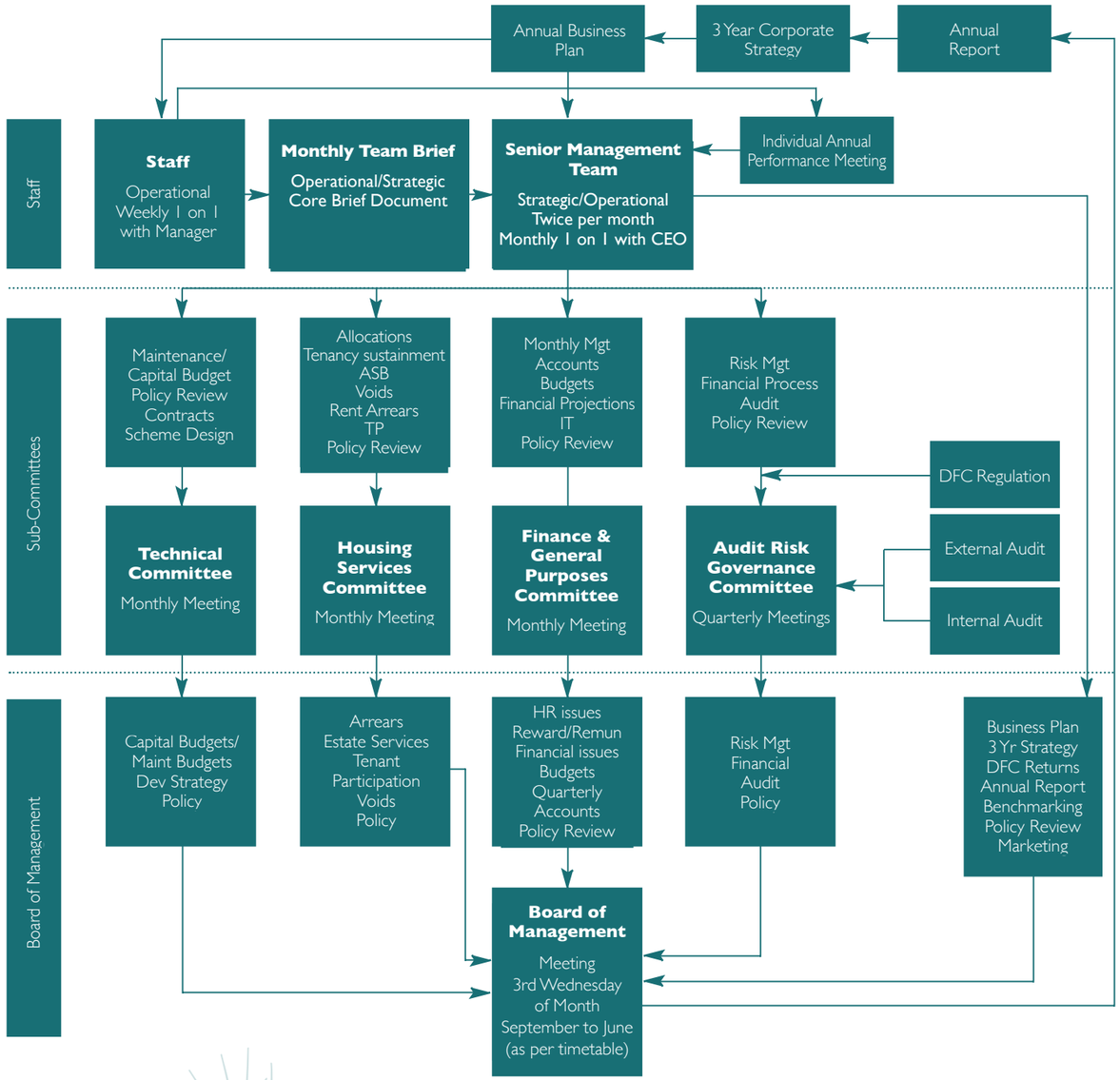
## Appendix 1 - Operational Infrastructure

### Rural Housing Association Governance Process and Workflow 2026/2027



Building Rural Communities

rural housing association

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