



Strategic Plan 2023 - 2025



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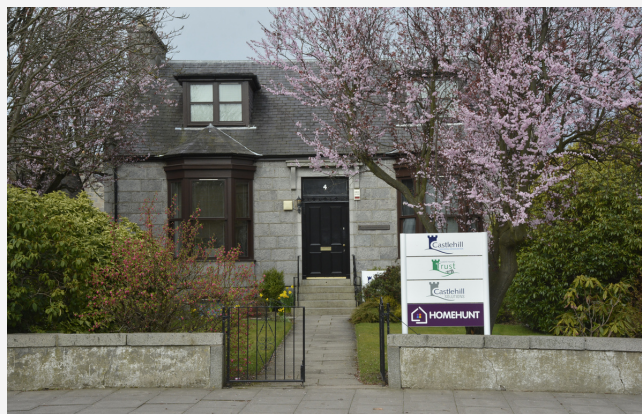
1.0 Corporate Governance and Vision

The purpose of this document is to consider the Association's strategic direction for the next three years. Our approach to strategic planning is to use a three-year cycle, but with updates in the interim, as required, to reflect changes in our operating environment.

This Strategic Plan recognises the challenges faced by the Association in the context of the wider economic situation in 2023 and beyond. High inflation and rising interest rates together with spiralling energy supply costs, contractor costs and a squeeze on public spending all impact on Castlehill as a business, as well as the pressures these factors bring on the household incomes for people we provide services to. We also recognise, however, that such challenging times also emphasise the importance that high-quality affordable housing and supportive services have in ensuring the most vulnerable in society have a safe and secure place to live.

Castlehill has a simple group structure with Castlehill Housing Association, a Registered Social Landlord (RSL), as the parent organisation with responsibility for setting the strategic goals and direction for the organisation. Our subsidiaries are: Castlehill Housing Trust (CHT), a charitable company that provides specialist accommodation options for people with a range of disabilities including those with high-level support needs and Castlehill Solutions Ltd (CSL), a non-charitable company that manages our Mid-Market Rent properties. Neither subsidiary is designated as an RSL i.e., a Social Landlord registered with the Scottish Housing Regulator. Further details of the activities of our subsidiaries are given later in this plan document.

Castlehill is proud of the achievements of the organisation since it was established in 1970. We look forward to the future by building on our successes and ensuring we move with the times without losing the values that have served us well. We are an organisation that is of a scale to be a robust business, but not so big as to be remote from the people that we house and provide services for.



1.1 Vision and objectives

“To be recognised as a leading provider of high-quality affordable homes in North-East Scotland and as an organisation that cares about people”

Castlehill Housing Association has clear Core Objectives, detailed below, and this Strategic Plan underpins our approach to achieving these objectives over this period. This document also highlights a number of specific objectives we will strive to achieve in implementing our strategy and these aim to give over-arching goals that link into the various delivery plans taken forward through the Business Strategy Delivery Plan.

We recognise that external factors such as Government policy and legislation, funding and the wider economic climate all impact on our ability to deliver our objectives. We also recognise that the requirements of regulatory bodies such as the Scottish Housing Regulator, OSCR and the Care Inspectorate as well as the Strategic Planning role of Local Authorities help to determine the working environment of the Association. Within that context, this document aims to express the direction the Association wishes to take and to define the activities we wish to be involved in.

1.1 Association Objectives

- To provide high quality affordable housing, and an efficient, responsive and personal housing management and property service.
- To provide appropriate support services to sustain independence and quality of life.
- To contribute towards sustaining rural communities through providing housing, associated employment and using local contractors, where appropriate.

This plan aims to provide over-arching direction but the ongoing implementation of our strategic approach relies on various other policies and plans:

- Financial Forecasts and Projections
- Business Strategy Delivery Plan
- Self-Assurance Evidence Documents
- Risk Register
- Internal Audit
- Operational Policies and Procedures.

The 2023-2025 plan rolls on from previous documents and reflects outcomes and ideas arising from strategic planning events attended by the Association's Management Committee and senior staff, as well as input from CaRTO, our registered tenant group.

1.2 Management Committee and Governance

Plan Objective 1 – We will ensure that we maintain the range of skills, knowledge and perspectives on our Management Committee to promote continued good governance of the Association.

The Association has had a strong Management Committee over the years, with members committed to the Association's objectives, and in particular the provision of quality housing and support work for more vulnerable members of the community. The Committee has also had a good range of expertise, which is essential as the work of associations becomes ever more complex and challenging.

The Association reviewed our Committee Procedures and Standing Orders in December 2021. During 2021, we reviewed our sub-committee structure to ensure it remains fit for purpose and reflects the operational requirements of the Association. Following this review, our sub committees are now:

- Finance Audit and Risk.
- Corporate Services

All matters out-with the remit of the sub-committees is considered by the full Management Committee, including Housing and Property and Development. Castlehill adheres to the model Codes of Conduct for Staff and for Governing Body members that the SFHA has published. The Association has a programme of review and evaluation for Committee members to ensure that their contribution to the work of Castlehill is fully recognised and supported and to help inform training needs that will keep members up to date with all current governance issues and requirements.



1.2 Management Committee and Governance...continued

The Committee review process also serves to give feedback to members on the effectiveness of their contributions and to provide a “skills audit” that identifies any potential weaknesses across the Committee as a whole that need to be addressed and to inform succession planning. Castlehill recognises that recruitment of voluntary Committee members is a challenging issue and acknowledges the importance of a knowledgeable and motivated Committee with the full range of skills to oversee and direct our work.

The Management Committee has a central role in the self-assurance process and in ensuring our compliance with the Regulatory Standards published by the Scottish Housing Regulator in February 2019. We will ensure that our Committee has the skills, knowledge and training to effectively lead and direct the Association and to play an appropriate role in the production of the Annual Assurance Statement.

Tenant/customer involvement at the Committee level remains a priority and we have had some success with Committee recruitment in this area. It is intended that work being done to encourage involvement via our Registered Tenants Organisation will continue to assist with this aim.

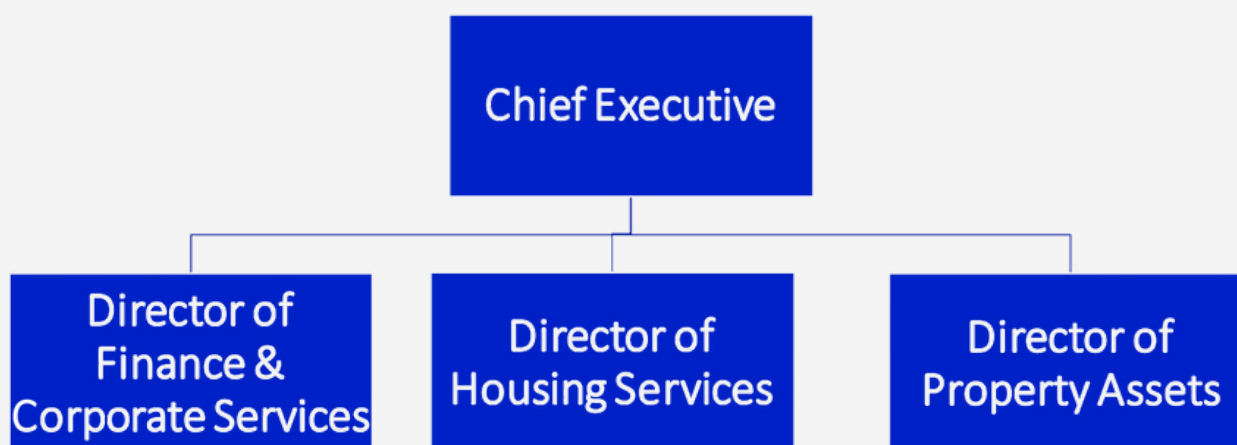
Historically, Association membership levels have remained fairly low and this is an area we will continue to try to address on an ongoing basis, particularly through encouraging tenants, sharing owners and other stakeholders to consider becoming members of the Association. This approach has met with some success to date with a number of tenant members now joining the Association.

1.3 Organisational Structure

In 2022, the Association reorganised our departmental structure to bring all property and development functions together as a single department. This aims to provide a seamless service for tenants and to ensure that the structure reflects our operational needs and priorities, particularly recognising the importance of property asset management as our existing housing ages and ensuring our stock continues to meet all requirements as we move towards net zero targets.

Our Senior Management Team consists of the Chief Executive, Director of Finance & Corporate Services, Director of Housing Services and Director of Property Assets. Each of the departmental Directors has responsibility for the full range of functions within their department.

Our staffing structure is designed to align with the committee structure to give clear lines of reporting ensuring appropriate scrutiny and good governance of the Association.



1.4 Risk Mitigation Approach

Plan Objective 2 – We will continue to ensure that our risk management controls are always relevant and fit for purpose.

The Association recognises that risk management is central to good governance. Castlehill's approach to risk management aims to ensure a co-ordinated and proportionate response to risk across the organisation and we have a regularly reviewed risk register established confirming the controls in place to mitigate each identified risk. The Association has generally taken a conservative approach to risk, giving a high priority to maintaining a sound financial position that protects the interests of our tenants and other customers. The Senior Management Team takes operational responsibility for risk management with responsibility for overseeing the risk management framework delegated to the Finance Audit and Risk Sub-Committee by the Management Committee.

The risk register is based on "Red, Amber, Green" scales with ratings based on likelihood and impact of any identified risk. Reviews are on a six-monthly basis.

Our approach to risk management is underpinned by the role of Internal Audit in giving assurance that our policies and practices are robust and compliant and identifying areas for improvement. This role is currently undertaken by Wylie Bisset, and this will be subject to a further tender exercise in 2023.

1.5 Business Continuity and Critical Incident Management

Responding to the impact of the Covid pandemic from early 2020 onwards demonstrated the value of business continuity planning and of the Critical Incident Management Team in co-ordinating the response and communications, both externally and within the Association.

Lessons learned from the pandemic, and from other incidents such as the severe storms of the 2021/22 winter, informed a revised Business Continuity and Emergency Response Plan produced in 2022. This comprehensive document sets out our strategy for addressing any incident that significantly impacts on our operations or service delivery across the full range of functions. During the 2023-25 period we will monitor how we respond to any incidents and continue to take a "lessons-learned" approach to inform future strategy.

2.0 Core Values, Culture and Corporate Issues

Castlehill Housing Association is a registered charitable organisation. The Association has a long, successful, track record in the provision of housing and associated support services.

Our current housing stock includes general needs properties, amenity, sheltered and very sheltered housing. We operate across three Local Authority areas: Aberdeen City, Aberdeenshire and Moray.

Through our subsidiary, Castlehill Housing Trust (CHT), we provide specially designed housing for people with particular needs. The bulk of our stock is for affordable rent, but we also have a number of shared ownership properties. As of 2022, we currently own and manage over 2000 properties and over 9,000 households are registered on our Choice Based Lettings register, These Homes, seeking housing.

Since 2011, we have had a non-registered (i.e. not a Social Landlord registered with the Scottish Housing Regulator), non-charitable subsidiary, "Castlehill Solutions" (CSL), to enable us to carry out activities that are complementary to the core objectives of Castlehill but could not be done by the parent charitable Company. CSL leases properties from Castlehill HA to provide Mid-Market Rent tenancies. There are 28 such properties in 2023.

In addition to our core activities as a registered social landlord, Castlehill also manages Aberdeen Care & Repair, undertaking a range of services for older and disabled people throughout the city.

2.1 Our Values



Castlehill values are based around the headings in the chart above. These values help us to ensure that our people are the right “fit” for Castlehill – that their ways of working and behaviour are aligned with the culture of the organisation. This assists us to work together to deliver our objectives and ensure our customers receive consistently high-quality services.

The Association believes that quality services can best be delivered by ensuring that, as far as possible, front-line staff build up direct relationships with tenants or other service users.

Housing and Property Services staff each provide a service to a distinct group of properties. In this way, they get to know their tenants, and deal with the full range of issues that may arise during a tenancy. Housing Support staff from the Key Project work with individuals who need additional support, and to be effective it is essential that trust is built up between the support worker and tenant.

In our Older Peoples Housing, the on-site presence of our scheme-based staff is central to building relationships and keeping people safe and secure in their own homes.

Care and Repair staff provide a service which is based on home visits, primarily to older and disabled residents across a range of tenures. They aim to provide a holistic service which can address ‘quality of life’ issues, as well as assisting with repairs and improvements to their home.

2.2 Independence

Over more than five decades, the Association has developed a distinctive identity and culture. We have developed services based on areas of expertise and experience, for example, our work with older people initially in sheltered housing led naturally to the development of Care and Repair services for older and disabled owner-occupiers. We have continued to promote an ethos of care and support in the work we do, taking business development opportunities based on our perceived strengths and areas of expertise. Examples of this include our Key Project, which has now been successfully providing a wide range of housing support for more than 20 years and bringing Castlehill Housing Trust within Castlehill. A crucial factor in the transfer of the Trust was our shared ethos and values.

Our Management Committee wishes to see Castlehill continue to build on past success and have a long future as a strong independent organisation.

- We are well respected by local partners and recognised for our commitment to housing support.
- Our tenants and other service users regularly report positive levels of satisfaction with our services.
- We have a strong financial management framework, and we have always been prudent when evaluating risks and managing our finances.
- We have favoured an approach of steady, measured growth and developed a stable organisation with committed and motivated staff.
- We have a clear governance structure, and a strong, supportive Management Committee who are committed to our objectives.
- We have established a group structure with parent and subsidiary companies allowing us to undertake a range of activities contributing to our overall aims and objectives.
- We are financially viable, but also aware that we must continually take steps to control our unit management and maintenance costs, target available resources correctly and demonstrate efficiency across all areas of the business.

We recognise the priority of delivering front-line services and will continue to promote efficiencies in staffing and other costs across the Association by utilising appropriate technology and ICT systems.

2.2 Independence continued

For all the listed reasons, we consider our work can best be delivered by an independent Castlehill, provided that we continue to focus on managing our costs as well as delivering a quality service. We see no conflict between retaining an independent organisation whilst working with partners to deliver on our objectives, as appropriate.

The sector in North East Scotland consists of a limited number of regional and national RSLs rather than many smaller community-based Associations and we view the retention of independent organisations as a healthy situation enabling both customer choice and benchmarking to continually improve services.

2.3 Partnership working

Partnership working has always been important to the Association and enabled us to bring together the complementary skills of organisations. We have many examples where we have provided accommodation, and our partner voluntary organisation provides the support and care. We work closely with local authority partners in areas such as strategy development and support service provision.

North East Scotland has a successful track record of partnership working between local RSLs and Local Authorities on a variety of projects such as the Devanha procurement programme that delivered over 1300 new homes, NETRALT (joint tenant and landlord group) and These Homes (formerly Homehunt), our Choice Based Lettings system. Castlehill will continue to pursue opportunities to work with partners to deliver on our objectives.

Castlehill is an active member of the Scottish Federation of Housing Associations and RIHAF (Rural Housing Forum) and this provides an opportunity to work with partners in the wider sector and influence policy and good practice.



2.4 Opportunities

Through the period of this Strategic Plan, the Association will continue to consider opportunities for providing new developments or services which are in accordance with our Core Values and Culture. We recognise the need to embrace change in order to meet the aspirations of those who we house and who use our services and the need to be adaptable to changes in our operating environment.

2.5 Human Resources - Our staff

We are proud of our highly committed and skilled staff and the work that they do.

We are a significant local employer with around 100 staff in a variety of full and part-time roles at locations throughout the North-East.

Over the period of the last strategic plan, particularly in the Covid pandemic, we faced huge challenges in the external environment, which impacted staff. We responded positively to these challenges by developing our approach to remote working and digitalisation, which has transformed our ways of working.

In the coming three years we expect that remote working and digitisation will continue to be key aspects of our people strategy. We will continue to support staff to achieve work life balance through our approach to remote and flexible working, ensuring our facilities, systems and performance management support these activities. We will use our existing appraisal process and training needs analysis to identify ways we can support staff to develop digital skills in addition to the specific skill requirements of their role. We will continue to offer a wide range of training and development opportunities to our staff as part of an attractive conditions of service offer that assists with recruitment in a competitive market.

We recognise that the combined pressures of the pandemic and cost of living crisis have created an unprecedented situation around mental health. We are committed to supporting staff and will do this by embedding our Employee Assistance Programme and using reporting data from this and a range of other feedback mechanisms to inform the development of our Stress and Wellbeing Policy, which is due for review during the life of this plan, into a more holistic, proactive approach to Wellbeing,

2.6 Pensions

Castlehill is a member of the Social Housing Pension Scheme (SHPS) administered by The Pensions Trust (TPT).

In 2019, we closed the previously offered Defined Benefit (final salary) scheme to instead offer the TPT Defined Contribution (DC) scheme to all employees who wish to join the scheme and benefit from Castlehill employer contributions.

The TPT DC is Castlehill's auto enrolment scheme.

The Association will continue to take the necessary steps to provide for past deficit contributions in respect of the Defined Benefit scheme.

2.7 Office Facilities

Plan objective 3 – We will review our office requirements to deliver the best value for Castlehill and ensure the needs of our staff and Committee members continue to be met.

The Association owns office accommodation at 4 Carden Place and nearby 7/11 Waverley Place, Aberdeen. Carden Place comprises a mix of open plan and individual offices, small meeting room, staff room and kitchen, and public reception area with interview room. Public areas have ramp access and disabled toilet facilities. Housing Services, Property Services, Castlehill Trust, These Homes and the Chief Executive are based at Carden Place.

Waverley Place consists of 3 offices, one self-contained and two linked on the upper floor. Aberdeen Care and Repair occupy the ground floor unit at 11 Waverley Place. Our Finance and Corporate Services staff occupy the first-floor linked offices. Waverley Place has two meeting rooms and staff room/kitchen facilities. The Care and Repair office has level access for the public.

In addition, our ground floor accommodation at 7 Waverley Place houses our main meeting room and training base, with multi-media facilities to host in-person and hybrid meetings, presentations seminars or workshops. The facility was refurbished in 2019 and provides level access, disabled access toilet and a small kitchen.

2.7 Office Facilities continued

During the 2023-5 period we will carry out a review of our office needs moving forward, taking account of the rollout of more agile working patterns and whether our existing accommodation can continue to meet our needs in the most efficient way. Both our office premises are older converted buildings and are potentially restrictive in providing a modernised office environment that will meet the needs of current and future staff and allow us to deliver services in the most efficient and cost-effective way.

2.8 Health & Safety

Plan objective 4 – We will continue to meet all our obligations on relevant Health & Safety requirements.

Compliance with all relevant Health & Safety legislation is an integral part of the organisational culture at Castlehill, both in terms of the working environment for our staff but also for those living in our properties.

As Associate members of Employers in Voluntary Housing (EVH), Castlehill utilises their Health & Safety Control Manuals as the template for our approach in our role as employer and landlord and has an active Health & Safety Management Group to oversee implementation and monitoring.

The EVH Health & Safety guidance has been developed with the specific needs of our sector in mind and gives Castlehill the tools to implement a comprehensive policy and management system to achieve legal compliance.

Castlehill has a significant number of staff who undertake lone working and operates monitoring systems through Peoplesafe Lone Worker Protection and RCC (Community Alarm Centre) to protect staff.

2.9 Corporate Compliance

Plan objective 5 – we will ensure corporate compliance in line with our responsibilities across the range of regulated matters and legislation.

The Association operates in a highly regulated environment and we wish to promote a culture of compliance to ensure we meet all our regulatory and statutory obligations. Castlehill has a designated internal compliance resource and we will ensure that the Association meets its compliance responsibilities in relation to:

- Scottish Housing Regulator (SHR)
- Care Inspectorate
- Office of the Scottish Charities Regulator (OSCR)
- Scottish Social Services Council (SSSC)
- Financial Conduct Authority (FCA)
- Companies House
- Financial Institutions
- Government Agencies e.g. HMRC or Scottish Government
- General Data Protection Regulation (GDPR)
- Freedom of Information law (FOI)
- Information Commissioner's Office (ICO)

2.10 Performance Management

Castlehill is committed to achieving excellent performance and value for money across all its services. Our Performance Management Framework (PMF) has been developed to support this by:

- Ensuring a demonstrable link exists between the Association's long term aims and objectives and the everyday operational actions delivered by departments, teams and individuals;
- Clearly demonstrating how effective performance recording, reporting and review supports the continued improvement of our services;
- Showing that the Association has a comprehensive approach to performance management.

Delivering the objectives of our strategy is done through business delivery plans and through the Annual Review process with consideration of individual performance. The PMF has been developed primarily for use by staff within the Association; however, it also details our approach to performance management and can provide an overview of our current performance for the relevant regulatory bodies, as well as other stakeholders such as tenants.

The headline KPIs from each department are collated to produce a Corporate Scorecard which is used to monitor Castlehill's overall performance and progress against strategic aims and objectives; as well as playing a key role in the sharing of performance information with management, staff, and the public.

2.11 Customer Complaints

The Association uses the Model Complaints Handling Procedure published by the Scottish Public Services Ombudsman (SPSO). Castlehill recognises that complaints give us valuable information that we can use to improve customer service. The complaints procedure allows us to formally address customer dissatisfaction and may help prevent similar problems arising in the future. Customer complaints give a useful first-hand account of the service user's views and experience and can highlight problems we may otherwise miss.

Our strategy aims to get things right first time or, where things have gone wrong, resolve complaints at the earliest possible stage. Castlehill recognises the importance of handling customer complaints well and has a designated resource in our Compliance Advisor to address the escalation of formal complaints. In accordance with the SPSO model, all complaints are recorded and monitored, and we ensure that customers are aware of their right to complain and how to access the procedure.

2.12 Customer Participation and Communication

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2.13 Equalities & Diversity

Plan Objective 6 – We will improve how we record and monitor our performance in relation to equalities issues and ensure we use collected data to take account of equalities issues in our decision making and service delivery.

The Association is committed to the promotion of equalities and to combating discrimination, direct or indirect in all areas of our work. Our Equalities and Diversity Policy was reviewed in 2019 and will be further updated in 2023. The Association is committed to complying with current anti-discrimination legislation, regulations and good practice.

We aim to ensure that in all our policies and decision making there is no unfair discrimination on the grounds of gender, marriage or civil partnership status, age, ethnic origin, religious belief, sexual orientation, disability or any other relevant ground.

We aim to make our services as accessible as possible and will endeavour to provide information in appropriate forms for those requiring it.

Our approach to Equalities aims to ensure we can achieve the outcome stated in the Scottish Social Housing Charter:

Social landlords perform all aspects of their housing services so that:

- they support the right to adequate housing
- Every tenant and other customer has their individual needs recognised, is treated fairly and with respect, and receives fair access to housing and other services.

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3. Key Strategic Issues

3.1 Financial & Audit Issues

Plan objective 7 – we will ensure the financial viability of the Association by appropriate forecasting and financial business planning.

We have in place an effective internal audit process that meets the guidelines set out in the SFHA's Internal Audit Guidance updated in June 2021. The internal audit remit is agreed in discussion between our Finance, Audit & Risk Committee, Senior Management Team and Internal Auditor. The plan is agreed in principle for a 3-year term and reviewed each year depending on business need to ensure we maximise the benefit of the process. The plan covers a wide range of functions performed by the Association, concentrating on higher risk areas and provides stakeholders with reassurance that procedures and controls are operating as they should within the Association. In addition, the Committee ensure that the recommendations raised from the work of the internal auditors are implemented in a timely manner to improve standards.

We undertook a tender exercise in 2020 for the external audit. Under the direction of a new Audit Partner, Anderson Anderson & Brown LLP were successfully reappointed at the AGM in September 2020 for a three year period with an option to extend for a further 3 years by mutual agreement. In recent years the management letter issued at the end of the external audit has not contained any control weaknesses and demonstrates Castlehill's strong control environment. This is supported by regular dialogue and opportunity for challenge between the Committee and the external auditors. The effective operation of the internal audit function and reassurance gained from the external audit process provides significant evidence as part of the Annual Assurance Statement.

5 and 30 year forecasts are produced using a sophisticated model developed by Arneil Johnston, a leading consultant in the Scottish RSL industry. The long term forecast allows us to model alternative scenarios to monitor our financial viability under various assumptions and ensure we can comply with our lending covenants with sufficient headroom. These forecasts are approved by the Finance, Audit & Risk Committee and are submitted annually to the Scottish Housing Regulator.

3.1 Financial & Audit Issues

The leading assumption for the model is the current inflation rate, measured as CPIH, and the rate above inflation set for the annual rent increase. In recent years the above inflation variable on rents has fluctuated between zero and 1.5%. We must ensure that sufficient income is received to cover our operating costs, ensure we can meet our compliance obligations, commit to our planned maintenance programme and are able to service our debt.

We are facing uncertain times with the recent rent freeze imposed by the Scottish Government and the potential for not having control over our future rent setting. There will be significant challenges in the short term whilst inflation and interest rates remain high and we renegotiate our energy contracts in the early part of 2023. We continue to review our overheads and create efficiencies in service delivery where we can, to assist in cash management.

In our financial modelling and decisions, we will ensure that the Association remains viable and robust to meet all our obligations whilst continuing to provide housing that is affordable to live in taking account of both rents and household running costs.



3.2 IT Systems & Digital Services

Plan Objective 8 – We will update our IT systems and infrastructure to ensure they remain fit for purpose and take advantage of technology to maximise the efficiency of operation and improve services for tenants.

Castlehill recognises the importance of IT and digital technology to the successful operation of our business and the need to ensure that operating systems remain fit for purpose, meeting the needs of the organisation and our customers.

The Associations IT systems are currently based around Windows Servers and our integrated housing management system is currently Aareon QL, covering finance, rents, repairs, planned maintenance and tenancy management.

We use SharePoint, as a shared document repository allowing access for all staff, including those outside the main offices, and Management Committee members to access Committee papers and documents such as the Code of Conduct, for example. We have continued to develop our SharePoint site as the key resource for staff giving access to current news, to the HR portal and to key documents, such as Health & Safety Manuals for example, across the full range of functions. We utilise electronic document storage, providing significant savings as paper documents do not need to be stored, we use less paper and printing facilities, and documents are available to all staff regardless of location. We operate I-Mail as a way of reducing postal and printing costs wherever possible.

Our IT support services and infrastructure maintenance are provided by Zenzero (formerly Dynamic Edge), who were appointed following an extensive procurement exercise.

During this plan period we will undertake a full review of our main integrated IT management system with a view to procuring a platform that can deliver an integrated solution that can drive operational efficiencies across all areas of the business and develop a customer portal that allows tenants and other service users to interact with the Association more effectively.

Use of mobile technology by staff is key to progressing our IT strategy and delivery is now based on laptops and other mobile devices that facilitate both office and remote working.

3.2 IT Systems & Digital Services

To assist in good governance and Committee recruitment, we have invested in technology that allows Committee meetings to be conducted in hybrid mode either “in person” or remotely. This technology is also used to facilitate a range of other meetings to encourage a more efficient use of time and resources. We recognise the importance of cyber security and have introduced MFA (Multi-factor Authentication) across the full range of IT access. We have a comprehensive and ongoing training programme around cyber security and regularly carry out testing of compliance to ensure staff have the tools to spot malicious or suspect emails and other communications.



3.3 Asset Management

Plan Objective 9 – We will implement the key aspects of our Asset Management Strategy to ensure we make best use of the property assets we have.

Castlehill has in place a formal Asset Management Strategy (revised in 2019). This Asset Management Strategy will be further revised in 2023 with a focus on the outcomes of our Stock Conditions Survey of 2022, plans for meeting future energy efficiency targets within EESSH (Energy Efficiency Standard for Social Housing) and EESSH2 when published, as well as moves to Net Zero carbon emissions as outlined in the Scottish Governments “Housing to 2040” policy document.

The Association has always given a high priority to maintaining a high-quality housing stock and ensuring it meets changing standards and expectations of our tenants. Maintaining and ensuring best use of our housing stock and other built assets is increasingly important as these assets get older, with a significant proportion of our stock built before 1990 and now, therefore, more than 30 years old.

Property Maintenance is also an increasingly challenging issue due to rising costs in materials and contractors and high capital costs of some new technical solutions relative to the benefits to tenants in delivering savings, particularly given exponential rises in domestic energy costs.

The purpose of our Asset Management Strategy is to set out the framework for our approach to managing our property assets in order that we achieve our aims and objectives both in the short and long term. It concentrates on the things that matter most to Castlehill and that allow us to make the best possible use of the assets we have.

3. Key Strategic Issues

Key aspects are:

- Property information – detailing our stock profile.
- Stock Conditions – we undertook a Stock Conditions Survey in 2022 and maintaining the information generated by this will be key to our approach to Asset Management during the period of this Strategic Plan and beyond.
- Fabric first approach – targeting measures to reduce heat loss and energy consumption.
- Retrofit – challenges of bringing existing stock to Net Zero standards.
- Legislative compliance – outlining specific statutory and safety obligations that ensure we minimise risks to tenants and the Association and maintain our buildings as safe and attractive places to live or work e.g. Fire Safety, Asbestos, Legionella, Gas and Electrical safety.
- Housing Standards and Energy Performance – SHQS Compliance, The Energy Efficiency Standard for Social Housing (EESH and EESH2), technology and advice relating to energy use and performance, carbon emissions reductions.
- Asset Investment – Condition surveys and stock information, reactive repairs, planned and cyclical maintenance programmes, lifecycle costs and spend, adaptations, “estate” services.
- Renewable technology – initially targeted at “off gas” areas to access innovative solutions and funding streams to deliver efficient affordable solutions for our tenants.
- Future Technologies – to address the carbon reduction agenda and moves away from fossil fuels such as gas in the near future.
- Options for participation in community energy schemes and district heating.
- Additional services such as Electric Vehicle charging
- Demand and Delivery – empty property and voids management, letting standards, housing demand, factoring service delivery.
- Challenges for Future Property Use – identifying challenging stock and specific issues and solutions.
- Options for reprovisioning, modernising, or replacement of existing stock with new builds.
- Opportunities for joint and sector-wide procurement to drive down costs and achieve economies of scale in retrofit programmes.
- Maximising all external funding available to support retrofit and upgrading works

3.4 Void Properties

Plan Objective 10 – we will address the problem of void properties and develop innovative approaches to re-letting available homes.

As of 2022, the Association recognises that there are significant challenges regarding the re-letting of empty or “void” properties. This is a wider sector issue that partly stems from the suspension of letting during the Covid 19 pandemic, which in itself also saw an increased turnover of tenancies.

In addition to increased turnover, Castlehill also has significant issues with low demand for traditional sheltered housing properties in more remote rural areas and particular issues with lettings that are subject to approval of support and care packages by external agencies.

As well as rent loss through voids, the increased numbers also impact on maintenance budgets for void repairs exacerbated by increasing costs of materials and contractors.

During the plan period we will review our approach to voids to include: void repairs and lettable standards, tenant incentives, transition from traditional sheltered housing to new Older People Housing model, revising arrangements with care and support providers, re-provision of existing housing for alternative client groups, possible disposals of low demand difficult to let stock tying in with our Asset Management Strategy.



3.5 New Housing Development

From 2016 onwards, the Scottish Government has committed to funding the building of significant numbers of affordable homes across Scotland including this in its “Housing to 2040” strategy. Increases in grant benchmarks together with more availability of loan funding, on workable terms, from banks and other lenders has meant that we have been able to take forward a significant programme of new build between 2016-22.

The Association recognises that we do not have unlimited capacity to fund new development and, therefore, must target our resources where they can have the most impact in delivering our aims and objectives. At our 2022 Strategic Planning Day, the Committee emphasised that they wished Castlehill to continue to develop new build property but recognised that this must be subject to clear viability assessment and contribute positively to the overall financial position of the Association.

Castlehill has a track record of building within smaller rural settlements where a relatively small development can have a significant impact on the community. It is clear that small rural schemes have a higher development cost and in considering our overall development strategy the lower internal rates of return and longer payback periods for these developments can be balanced against larger urban Section 75 schemes where a lower cost per unit can be achieved to construct a sustainable overall programme.



New Build Completions and Sites 2019 -2022

| Location | Type | Units | Completed |
|---------------------------|--|--------------------------------|------------------------|
| Maidencraig, Aberdeen | General Needs Houses | 36 | May 2019 |
| Westgate, Inverurie | General Needs Houses | 66 (all phases) | January 2020 |
| Portstown, Inverurie | General needs flats and houses | 36 (all phases) | October 2020 |
| Golden Knowes, Banff | General Needs Houses 5 Properties leased to CHT | 29 | January 2021 |
| Deers Den, Kintore | General Needs Flats | 24 | February 2022 |
| South Road, Inch | General needs Terraced Houses | 10 | October 2022 |
| Eigie Farm, Balmedie | TBC | 150 Units (225 for whole site) | Possible start 2024/25 |
| Westgate,South, Inverurie | TBC | 10 | Possible start 2024/25 |

New Build Completions and Sites 2019 -2022

We work with Local Authority partners in Aberdeen City and Aberdeenshire in delivering on their strategic objectives, Local Housing Strategy and implementing their Strategic Housing Investment Plans (SHIP). Much of our recent development activity has been based around Section 75 delivery of the affordable housing elements of larger sites of housing for sale by local contractors, although our recent scheme at Deer's Den, Kintore was developed on a site in our ownership by a more traditional procurement process of competitive tendering.

At a local level, Aberdeen City and Aberdeenshire Council have produced a joint Housing Needs and Demand Assessment that demonstrates a clear shortfall in the supply of affordable housing and a growth in the level of net housing need in both housing market areas.

Whilst recent economic difficulties have seen a fall in both house prices and rents in the private sector, these are in the context of a very high starting point and have not been of the scale to bring large numbers of new households within the reach of the market. Interest rate rises in 2022, as well as restrictions on the availability of mortgage products have further restricted household options.

3. Key Strategic Issues

Castlehill is committed to playing our part in meeting needs and the following will be key to taking this strategy forward:

- Continue to work with local authority partners in their strategic role in setting investment plans through the SHIP. Increasingly local authorities are keen to ensure that all development opportunities are realised and are taking a more strategic and proactive approach to their delivery. To this end Castlehill needs to be clear of its capacity to take on new development opportunities.
- Castlehill has a large land-bank site at Balmedie that Aberdeenshire Council considers a priority for development and funding and is suitable for mixed tenure schemes and it is anticipated that this will be taken forward in partnership with other local RSLs, the Council and private developers.
- Work up plans with individual developers on “Section 75” sites in conjunction with local councils in their strategic and enabling role.
- Along with other local RSLs, we recognise that working together on future development opportunities is key to finding a model that can deliver. There is a clear willingness amongst local RSLs to take this issue forward and collaborate on projects for mutual benefit.
- Needs and Demand Assessments have also identified issues around an ageing population with Aberdeenshire predicting the highest proportion of population over retirement age in Scotland. Given our specialisation in housing older people, the Association would be ideally placed to consider specific provision for this client group.
- While we will aim to maximise the provision of housing for affordable social rent we will consider mixed developments incorporating an element of MMR and also schemes without an element of social rent where suitable needs, demand and sites are identified that make this the viable option.
- To monitor the requirements of housing for people with particular needs and the ability of Castlehill to develop these on behalf of our subsidiary, Castlehill Housing Trust.

3.6 Capacity to Develop

Plan Objective 11 - Our strategic aim is to facilitate an ongoing new build programme with ambition to deliver an average of up to 50 to 70 units a year, working in partnership with Local Authorities, our RSL colleagues and housing developers to deliver this in a financially sustainable way.

The constitution documents for Castlehill cap the borrowing capacity for the organisation at £40m. As at the end of 2022, we have £28.8m of outstanding loans, comprising 52 individual loans, spread across a number of lenders. In terms of outright borrowing capacity there would appear to be capacity to increase our borrowing in the short term.

During the period of the last strategic plan we secured new borrowings with Charities Aid Foundation Bank of £3.8m which has funded our most recent developments in Banff, Kintore and Insch.

The position on access to funding remains encouraging, with many Banks keen to support the Social Housing Sector. We are also starting to see the emergence of borrowing specifically aimed at supporting Housing Associations to begin to address decarbonisation and green initiatives. We intend to explore these options to assist us in addressing issues raised in our Asset Management Strategy. However, maximum lending terms on offer from most private finance providers is 10 years. This means that we will be renegotiating terms of these newer loans to refinance the bullet repayments due on maturity at the end of the 10-year period. We have 4 such loans to renegotiate over the term of this Plan which are likely to be on higher interest rates than we currently pay.

There are covenants associated with all our loans that are reported on to the respective banks and these covenants differ for each of our 5 principal lenders. When opportunities have arisen in recent years to renegotiate any of the covenants these have been brought into line with those already in existence with other banks. We have been fortunate to be able to operate well within the covenant limits set by each of our lenders. However, with our operating and planned maintenance costs increasing throughout 2022, significant increases in our energy costs when contracts end in early 2023, no let-up in inflation rate increases and potential rent caps being imposed for 2023 and beyond, the pressure on our interest cover covenant is already being felt.

3.6 Capacity to Develop - continued

In terms of our capacity for development in the short term, the interest cover covenant is likely to be the greatest restriction. Approximately 40% of our borrowing is on fixed rates, which leaves 60% of loans susceptible to increases in Base or Sonia interest rates. For any new development that requires us to seek additional loan finance to supplement Government HAG funding, this will add to our interest burden. In addition, the new borrowing is likely to add to the interest cost in advance of the incremental rent increase during the period of the build process. Any new build projects will be subject to greater scrutiny on a stand-alone basis to ensure we can meet the debt service requirements associated with any new borrowings. In addition, we will ensure that they are financially viable in terms of overlaying any new developments into the full long-term projections model.

Castlehill has sufficient unencumbered stock to act as security for any new lending and as above has an £11m capacity under the restriction in our constitutional documents. However, we acknowledge that we are operating in particularly challenging economic times and any new development will require detailed scrutiny to ensure it does not increase the pressure on the interest cover covenant and cashflow.

3.7 ESG - Environmental - Social - Governance

Plan Objective 12 – We will develop our approach to ESG including a corporate environmental impact strategy.

During the plan period, Castlehill will consider how we approach our environmental impact across all aspects of our business. We recognise the benefit that a positive approach to ESG can have on our stakeholders and communities. In the context of attracting funding and investment ESG is increasingly important in influencing financial support. This ties in clearly with the Scottish Government Housing to 2040 strategy and the focus of the Scottish Housing Regulator on sustainability, as well as addressing the contribution we can make to the climate change and net zero agenda.

We will consider how Castlehill can meet the recently published Sustainability Reporting Standard for Social Housing, taking account of factors such as affordability, building safety and quality, supply chains, governance and wellbeing of staff and service users.

3.8 Procurement of Goods and Services

To ensure compliance with the Procurement Reform (Scotland) Act, 2014 and Public Contracts (Scotland), 2015, the Association has a comprehensive procurement policy that was full revised and updated in 2022.

As well as ensuring compliance, this policy allows for joint opportunities for procurement locally that can deliver economies of scale and resultant savings to partner RSLs. For example, we have in place a Framework Agreement, jointly procured with Grampian HA and Langstone HA, for provision of construction consultancy services including architects, quantity surveyors, structural engineers and building surveyors as well as a jointly procured contract for electrical safety inspections.

Castlehill has developed its Procurement Strategy with the overall goal of attaining value for money and being able to demonstrate good governance and accountability in relation to spending of our funds. In 2022, our Internal Auditors undertook a review of our approach and procurement activity and awarded the highest rating of “strong” in this area.

Significant procurement activities in the plan period include tendering for internal audit services and IT management systems.

3.9 Rural Housing

Plan Objective 13 – We will continue to work to provide appropriate housing options and services to rural communities.

The Association has a long successful track record of providing housing in rural communities. We recognise vital role affordable housing plays in community sustainment with knock-on effects to local schools, employment, businesses and amenities.

Further provision of new affordable housing in rural areas is affected by the higher costs of building and availability of sites in suitable locations. This is exacerbated by the issue of scale where larger developments are simply not possible or indeed needed. We recognise the impact a small scale development can make on a community and will continue to seek innovative solutions that could deliver in rural areas. Castlehill is an active member of the Rural Housing Service and the SFHA Rural and Islands Housing Association Forum (RIHAF). We will continue to work with partners to develop ideas and seek alternative funding streams that could make further rural developments viable.

Regardless of the wider issues relating to rising energy costs, we are acutely aware of the particular issues around “fuel poverty” in rural areas without access to mains gas and will continue to pursue innovative solutions, accessing available funding to install renewable technologies. We have installed these new heating technologies at our rural sheltered housing in Fettercairn, Finzean, New Deer, Braemar and Echt. We have installed solar PV panels in many of our rural schemes to help reduce tenants’ energy costs. Additionally, we will consider participation in community energy schemes, where this may benefit our tenants and enhance our housing stock.

3.10 Adaptations

Over the years, many Castlehill tenants have benefited from “Stage 3” adaptations in their home, carried out following an Occupational Therapy assessment of their needs. Although adaptations have been funded by the Scottish Government, Castlehill has generally secured a limited budget below our projected spend that doesn’t enable us to meet all submitted requests. We recognise the difficulty of continuing to secure adequate budgets in a period of tight public spending but see funding adaptations as a “spend to save” approach avoiding costly options such as hospital admissions and bed blocking and the need for people to move to other suitable accommodation that is already in short supply.

This links into the Health and Social Care Integration issues detailed below and we will continue to lobby, and work in partnership with others, including SFHA, for a sustainable solution to maintain our ability to meet the needs of tenants requiring adaptations to their home.



3.11 Castlehill Housing Support Services and Housing for Older People

Plan Objective 14 – We will continue to provide appropriate housing support services and to deliver support under sustainable models based on the needs and aspirations of tenants.

Since the formation of Castlehill, one of our key objectives has been to provide appropriate care and support for vulnerable members of the community, particularly those housed in our properties. In parallel with our role as a housing developer and landlord, direct provision of housing support services has been a core business of the Association, dating back to the 1970s. The Association remains committed to directly providing tenancy support services but adjusting how we deliver services recognising changing needs as well as budget constraints.

Castlehill housing support services are delivered in 3 elements:

The Key Project – our staff team provides a total of 56 hours of housing support per week in Aberdeen City and Aberdeenshire. Castlehill recognises the vital role in helping the most vulnerable tenants sustain their tenancies and following the withdrawal of funding by the local authorities, mainstreamed the service within Housing Management to ensure stability. A varied range of support tasks is undertaken, with the needs of the individual paramount, and with the overall aim of sustaining a successful tenancy. As cost of living pressures have an increasing impact on tenant households the value of services such as the Key Project has never been more clear.

Sheltered Housing and transition to Housing for Older People Model – historically, Castlehill managed a traditional model of Sheltered Housing for older people with directly employed housing support staff in the role of Scheme Manager. Our 4 Very Sheltered developments are staffed by other support providers, providing a mix of housing support and care. Following on from the discontinuation of local authority funding, initially in Moray followed by Aberdeenshire, Castlehill has developed a more sustainable support model to enable a transition from Sheltered Housing to a Housing for Older People model based around an enhanced Housing Management service with a “Scheme Co-ordinator” on-site at individual schemes. This will be integrated with a digital service delivery of emergency cover as this technology develops and with access to broadband that allows older tenants in the future to individually access the services that they need and want. The service aims to ensure that tenants are safe and secure in a suitable home environment with support that is individual to them.

3. Key Strategic Issues

Within Aberdeen City, in January 2023 we took back the staffing of our sheltered housing “in-house” following an approach from the Health & Social Care Partnership (H&SCP) on conclusion of the contract with the existing support provider. The H&SCP has only committed to short term funding for the current sheltered staffing model, and it is intended that our properties in the City will also transition to the enhanced Housing Management based model in due course.

The development of a new model of support delivery in our Older Peoples Housing is closely aligned with our Asset Management Strategy and assessing the suitability of existing property to determine what modernising and upgrading will be needed to future proof the schemes or potentially re-provision stock that cannot deliver what future older people are looking for. An essential element in this is the upgrading of personal alarm and call systems to align with the introduction of digital phone lines replacing existing analogue lines. Analogue lines are due to be phased out by the end of 2025 and during the lifetime of this plan we will complete a programme of equipment upgrades to ensure digital compatibility.

3.12 Health and Social Care Partnerships

Plan Objective 15 – We will play our part in taking forward the Health and Social Care agenda and promote the services we provide in the interests of our tenants and others who receive services from us.

The Association continues to strongly believe that supporting people in their own homes to live independently is key to ensuring that more costly alternatives, that impact negatively on quality of life, can be avoided.

We will continue to pursue opportunities to work with Health & Social Care Partnerships to benefit both Castlehill tenants and those who use our Care & Repair services. There is overwhelming evidence that the types of services Castlehill provides make a major contribution towards avoiding the need for expensive long-term hospital or residential care.

3.13 Cost of living and Welfare Pressures and Impact on Rent Arrears

Plan Objective 16 – We will monitor the measures in place to protect our income in light of the cost of living impacts and ensure we have adequate and well targeted resources in place to keep rent arrears under control.

The “personal” approach embedded into the Association’s service delivery plays an important role in ensuring Housing Services staff can identify tenants who may be vulnerable and make sure they get any help and support they need to avoid rent arrears.

Castlehill continues to have a successful record in rent collection and has managed, historically, to maintain low levels of rent arrears. However, impacts of the Covid pandemic, the cost-of-living crisis and inflationary pressures on household budgets and incomes is impacting our arrears figures and this will need careful management and targeted support.

With our Trusted Partner status and access through the DWP (Department of Work & Pensions) portal, we can monitor and update cases and liaise with the tenants where required. Our staff have the knowledge and experience to deal with most welfare benefit related cases and where the scope outweighs our knowledge or remit, we have referral processes in place to escalate these cases. Our Key Project, while not a money advice service, has expertise in getting access to appropriate help for tenants and assisting vulnerable households across a wide range of issues to intervene before problems escalate.

Staff acknowledge the frustration and stress for tenants in navigating the benefits system and the difficulties caused by late payment of benefits, denied claims and lengthy and punitive appeals processes. Assisting tenants in completing online forms, providing advice and being there to support tenants through the benefits maze is a key function of our housing management and housing support services.

In line with our IT strategy of promoting mobile working, we are ensuring that staff have the technology and hardware to access the DWP portal and apply for benefits online from within the tenant’s home. This ensures that the tenant has support and can access essential information required to support their claim.

3. Key Strategic Issues

We have successfully used “The Chain” (our tenant newsletter) and other publications including online to promote contact with the Association if tenants require assistance with paying their rent and benefits issues.

Senior staff within the Housing Services department constantly monitor arrears levels and individual cases of concern. Early intervention, good quality advice and support are essential for the Association to ensure that tenancy sustainment levels are maintained, arrears are low and that our tenants get the benefits they are entitled to without having a negative impact on their mental health and wellbeing.

Senior staff will allocate resources for arrears management and housing support and report levels of arrears and the impact of benefit reform/Universal Credit to the Management Committee. Recommended changes to Policy and resourcing of our arrears management function will be directed to the committee and considered annually for budgeting purposes.



3.14 Rents and Affordability

Plan objective 17 – We will ensure we have a robust evidence base on affordability of our rents to inform policy and input to our financial business planning.

Ensuring rents remain affordable whilst also maintaining financial stability and viability is crucial to the Association and in protecting the interests of our tenants.

In 2021, we commissioned Arneill Johnston to carry out a full review of our rent structure in consultation with our tenants. Following the review, we have implemented a revised rent structure with a consistent, transparent, and simple set of charging principles which makes it easy to explain and easier for tenants to understand. It also incorporates a fair and efficient approach to service charges which provides value for money to tenants.

Part of this review was an affordability assessment, which evidenced that CHA rents are generally affordable as the average rents for CHA compare favourably to Local Housing Allowance rates, Private Rented Sector rents and households earning minimum incomes through living wage or minimum wage can comfortably afford the CHA average rent when devoting up to 30% of their income to rent.

It is intended that this affordability analysis will be repeated on a three-year cycle with the results being used to inform policy on future rent reviews.

3.15 Contribution towards addressing Homelessness

3. Key Strategic Issues

Plan Objective 18 – We will continue to play an active role in addressing homelessness through direct provision of housing, tenancy sustainment work and assisting our local authority partners in their strategic role.

The Association will work in partnership with our local authorities to address homelessness. As a major social housing provider within the North East, the Association will assist the local authorities in their statutory duties in relation to Homelessness including:

- Delivery of Rapid Rehousing Transition Plans.
- Delivery of Housing First models of Housing Support and tenancy sustainment
- Through the Local Housing Strategy (LHS) and Social Housing Investment Plan (SHIP), development of new build housing stock to expand the supply of available housing with a focus on one-bedroom properties which reflects demand from homeless households.
- Work in partnership to consider lettings arrangements for homeless households both for re-lets and new builds taking account of CBL Protocol arrangements.
- Participate in local authority forums which consider the impact and outcomes for homeless households with a view to assisting the LA's to achieve their homelessness objectives.
- Maximise the impact for previously homeless households of our Key Project service to sustain tenancies. In addition to support from housing staff, this is particularly delivered through the Key Project which continues to assist vulnerable people who may otherwise be at risk of repeat homelessness through loss of their tenancy. Referral to other agencies can be made where the demand cannot be met internally.
- Ensure our internal policy and practice in tenancy management support aims to prevent homelessness and that means exist to allow the early identification and intervention for tenancies which may be at risk. This includes the housing support provided by our Key Project. The Association's policies on Debt Recovery and Anti-Social Behaviour are designed to support the aim of sustaining tenancies and supporting tenants and ensure that eviction action that leads to homelessness is very much viewed as a last resort.

Utilise referral arrangements for partner organisations supporting vulnerable people to assist with areas such as housing and debt advice, furnishings, health and wellbeing and fuel poverty.

3.15 Contribution towards addressing Homelessness continued

- Ensure the Association's Allocations Policy has the flexibility to be able to deal with changes that would be beneficial to homeless households (e.g.: allowing 2 bedroom properties to be allocated to single/couple applicant), and to allow best use of our assets (e.g.: allowing existing one-bedroom households or tenants who are overcrowded to transfer to larger properties in order to free up one-bedroom properties for homeless households).

Rapid Rehousing Transition Plans: The Association's part in Rapid Housing is to ensure that we can move homeless households into secure tenancies in as short a period as possible, reducing the homelessness journey time and that we assist in providing the right size of accommodation in the right areas.

We acknowledge that the demand is mainly for one-bedroom properties and that we are limited in our supply of general needs one-bedroom properties. We aim to provide at least 50% of appropriate accommodation to homeless households, and work with local authorities.

We will continue to use our These Homes CBL allocations system but will ensure that communication with the LA homeless departments is more robust and that we provide better reporting to them on:

- Numbers of homeless households bidding for properties.
- Numbers of homeless households offered tenancies.
- Tenancy sustainment rates for homeless households (in line with ARC reporting).
- Termination reasons for previously homeless households.
- Average time between offer and tenancy start.
- Turnover.

Housing First: Housing First is a model that aims to provide good quality accommodation and Housing Support as the first response for people with multiple and complex support needs.

3.16 These Homes North East Scotland (NES)

In allocating tenancies with Castlehill, the Association uses a Choice Based Lettings (CBL) approach. To deliver CBL, we make use of the These Homes system in partnership with Sanctuary HA and Hillcrest HA. These Homes (NES) is part of a much larger CBL model that provides access to housing with a range of RSLs across Scotland.

In 2021 we moved from Homehunt to These Homes, going live with the new system on 1st April 2021. Part of this work included a reregistration process, ensuring that all applicant's information was up to date.

The system provides a number of benefits – improved user experience for both staff and applicants, improving customer service and enhanced reporting functions allowing better management information to drive service improvement and inform strategy.

Strategy for future use and development of our approach is as follows:

- Improve and develop advertising format;
- Quarterly applicant feedback report to drive changes in procedure and improve customer services.
- Promotion of targeted initiatives to ensure disadvantaged groups can easily use the system e.g. action on language or translation issues.
- Work in partnership with other RSLs and Local Authorities in further development of These Homes to offer opportunities for allocation of all local social housing.



3.17 Tenant Participation and Scrutiny

Plan Objective 19 – We will further build on the work to date in encouraging active and meaningful participation by tenants in a way that suits their needs. Participation remains a core value and we will ensure that we can meet the Participation outcome detailed in the Scottish Social Housing Charter.

Key areas are:

- The Association has a formal strategy in place meeting the statutory requirements first introduced in the Housing (Scotland) Act, 2001. This includes promotion and recognition of formal Registered Tenants Organisations where appropriate, as well as a range of measures to encourage participation.
- Tenant Participation Strategy – we have a comprehensive Strategy in place for 2022-2025.
- Our original “Tenants Panel” evolved into a formal Registered Tenants Organisation “CaRTO” (Castlehill Registered Tenants Organisation).



CaRTO have given the following statement to be included in the Strategic Plan, reflecting their view on their role at Castlehill:

"We play a vital part in our landlords decision-making process and we know our voice is taken seriously. We propose our own initiatives and decide on the topics we discuss and services we look at, fully supported and encouraged by Castlehill.

3. Key Strategic Issues

We have gone from strength to strength with some very successful achievements" CaRTO December 2022

- We are proud of the work and achievements our tenant volunteers involved to date have undertaken, including revising our "letting standard" for voids, work on digital inclusion for tenants, taking part in policy reviews – including the rent policy review, and designing the content and format of our ARC report to tenants.
- We have won a number of awards for tenant involvement, including National Good Practice Awards from TPAS Scotland.
- Our tenant groups on participation initiatives of all kinds are supported by a designated Tenant Participation Officer.
- We positively promote Association Membership to all those with an interest in our work, including our tenants. We recognise the importance of a tenant perspective at Management Committee level and actively promote such involvement.
- Statutory rights to consultation – we ensure all statutory rights, provided under the Scottish Secure Tenancy agreement, are adhered to e.g. on rent review consultation.
- Customer Surveys – we use a range of methods to obtain feedback including a full tenant's survey at least every 3 years and ongoing questionnaires on aspects such as major repair works, adaptations and Care & Repair works. Periodic surveys on services such as These HomesNES will also be undertaken in conjunction with partner organisations.
- We will ensure that people receiving our housing support services are informed and consulted on appropriate aspects of the service in line with published National Care Standards.
- We promote the interactive elements of the Association's Website to ensure that customers can put forward ideas or make views known.
- We publish regular Newsletters with an emphasis on encouraging resident involvement in the successful operation of their housing development.
- We will continue to work with all other social landlords and tenant groups in Aberdeen, Aberdeenshire and Moray through NETRALT (North East Tenants Residents and Landlords Together) and aim to further increase tenant involvement in this group.

Castlehill will ensure that all comment and information gathered through customer participation provides an important input to future planning and strategy with the aim of continuing to deliver a high-quality service based on the needs of those who wish to access our services.

3.18 Care and Repair (C&R) Services

Plan Objective 20 – Care & Repair services are a core activity for Castlehill and we will work to ensure sources of funding are in place to secure future operation in a financially stable and sustainable way.

Castlehill has managed Care and Repair services in Aberdeen City for over 30 years and remains committed to the core values that these services represent, allowing vulnerable people to remain safe and secure in their own homes.

The service in Aberdeen offers advice and assistance with repairs, improvements and adaptations but also has a direct labour force who carry out small repairs for clients. This service also runs income maximisation, Affordable warmth, Minor Adaptations, dementia support and early intervention services.

The ongoing support for the service from a variety of sources and its role in delivering a variety of services to support older and disabled people to continue to live at home including the Council's scheme of assistance emphasise the importance of its continuity however the increasing complexity in funding the various elements make this a particularly challenging time.

Care & Repair also receives funding From Fairer Scotland (Aberdeen) for a Support Officer post as well as funding from other external sources. In 2022 this included funding from Communities mental health and well-being fund (ACVO) and Smart Energy GB for a project to promote Smart Meters. During the plan period, we will evaluate the availability of funding from all sources and restructure the service to ensure we can maximise services for clients whilst covering all our costs. We currently generate around £130K from our income generation services, namely Minor and Major Adaption Services and the subsidised small repairs service.

Our strategy for sustaining, and further developing, Care & Repair services is to work closely with our local authority partners and others to maximise funding and ensure we can deliver on their strategic priorities. Castlehill's Management Committee will continue to closely monitor the cost basis of running the project to ensure it is self-sustaining. Care & Repair has a proven track record of securing funding from a wide variety of sources and of operating a flexible approach to service provision. In addition to securing the core Care and Repair functions and services, we will continue to explore and take advantage of opportunities to provide new or additional services that meet the needs of our clients.

3.19 Factoring

Plan Objective 21- During the lifetime of this Plan, we will maintain compliance with the Code in relation to our management of Shared Ownership properties, where applicable, and any other owner-occupied dwellings where the Association is appointed as Factor.

The Property Factors (Scotland) Act, 2011 introduced a Property Factor Code of Conduct applicable from 1st October 2012. The Association has a role as factor for shared ownership properties where we own a share and for former shared ownership properties that have been sold outright.



3.20 Castlehill Housing Trust

Plan Objective 22–We will ensure that CHT continues to deliver a high-quality service for its tenants and partners and that CHT properties remain fit for purpose reflecting changing needs and aspirations..

The Trust was established in 1996 in response to the increasing demand for adapted accommodation for disabled people and has provided housing solutions in over 30 locations throughout the North East for over 150 people with physical disabilities, sensory disabilities, autistic spectrum disorder and challenging behaviour.

The Trust became solely part of Castlehill in 2011. CHT is not a direct provider of support but works with a variety of support agencies commissioned by the local authority to provide the service.

Operationally, CHT is overseen by its own Board within the group structure but overall strategic direction for the trust lies with Castlehill HA as the parent organisation. Castlehill HA has up to 6 places on the CHT Board which has a maximum of 11 members overall.

CHT is considering routes to expand its portfolio of properties and will work with Castlehill HA and our local authority partners to take this forward. The Trust will work closely with support providers and local authority commissioners to ensure that properties continue to meet the changing needs of individuals. A revised Business Plan for CHT will be developed in 2023.

3.21 Castlehill Solutions Ltd

Plan Objective 23 – Castlehill will retain strategic control over CSL, its subsidiary, and monitor its role in relation to delivering the Associations' aims.

Castlehill Solutions Ltd (CSL), our non-charitable subsidiary, plays an important enabling role in delivering our overall strategic objectives. References to the role of CSL are made at various relevant sections of this document.

With the establishment of CSL in 2011, the following core objectives for the company were agreed:

- To carry out activities that are complementary to and supportive of the core objectives of the parent company, Castlehill Housing Association Ltd.
- To provide high quality housing over a range of tenure options, including renting and housing for sale.
- To carry out trading activities that aim to support the charitable activities of Castlehill.

The Association recognised that continuing to grow the business based on our traditional structure would be increasingly difficult given funding restrictions and the need to find innovative approaches in the future. The strategic rationale behind establishing CSL was to give the organisation a structure that allows a more flexible approach to enable us to take up opportunities that may arise to continue to deliver on our core activities and objectives.

CSL provides 28 Mid Market Rent (MMR) properties at Port Elphinstone, Inverurie, and Cattofield, Countesswells and Muggiemoss, Aberdeen.

Demand for MMR in and around Aberdeen has suffered significantly in recent years as rents in the private rented sector have fallen due to the economic impact of the oil industry downturn and other economic challenges. From a strategic perspective, Castlehill HA has no current plans to develop further MMR units to be leased to CSL.

Further consideration will be given to this in relation to the large site in our ownership at Balmedie, Aberdeenshire, should market conditions be favourable and where MMR can make a suitable contribution to meeting housing needs through a range of tenure options for residents. CSL reviewed its business plan in 2022 with a focus on maintaining a profitable trading position that can generate ongoing surpluses to be transferred to CHA for use in our charitable purposes and to benefit CHA tenants.