

LOCHALSH AND SKYE HOUSING ASSOCIATION ANNUAL REPORT 25/26

CHAIRPERSON'S FOREWORD –



Welcome to the 2025-2026 Annual Report.
The assurance I give as Chair is that Board and staff have been united and fully committed to improving the quality and consistency of the full range of services we provide to existing and new tenants. Our overarching goal remains to improve the homes and lives of the people we serve.

Key achievements range from improving emergency repairs response times to increasing tenant satisfaction with repairs completed.

Comprehensive support was offered across 58 new tenancies, including welfare and energy advice, and more new tenancies were sustained over the year compared with 2024-2025.

Rent arrears decreased and medical adaptations and aids were completed within an average of three months. A firm focus was maintained on re-letting properties as quickly as possible, not only to meet people's housing needs, but to minimise void rental loss.

Our new-build programme continued to deliver high-quality accommodation to local communities. Six new homes were handed over to tenants on the Isle of Raasay, where Cottages Park has been shortlisted for the 2026 Chartered Institute of Housing Development of the Year Awards.

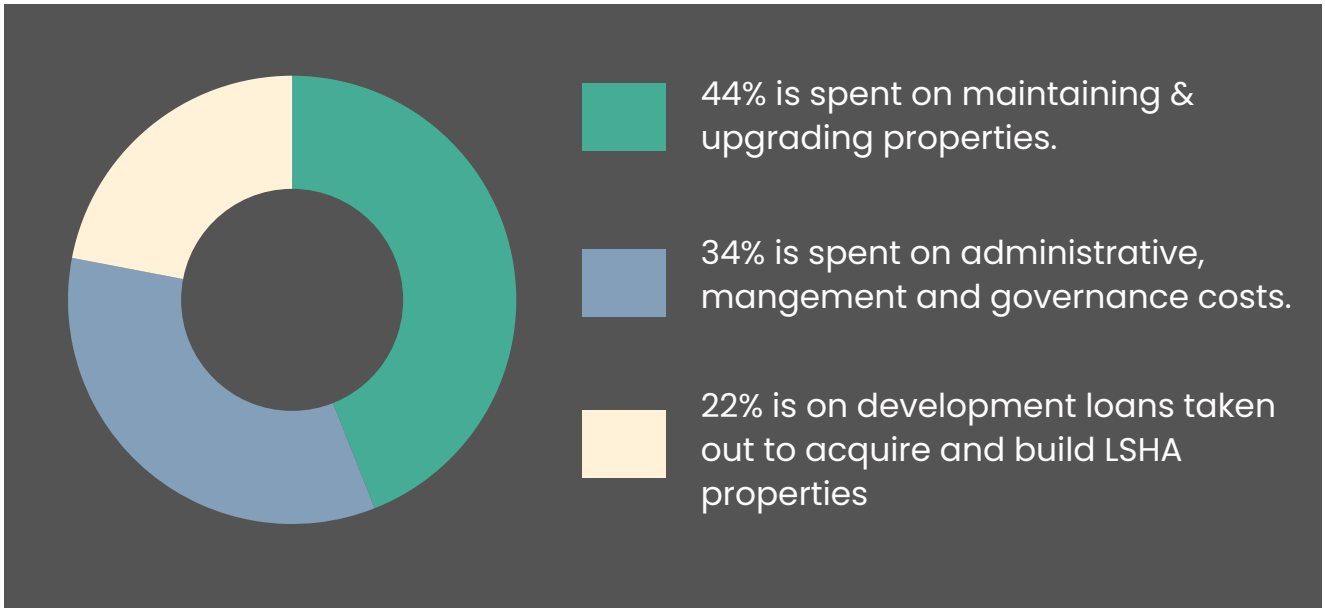
The Board will continue to support staff to improve performance in service areas, including response times for non-emergency repairs, handling complaints, completing stock condition surveys and ensuring safety inspections are completed before they are due.

Another priority will be to introduce more efficient ways of working through initiatives, such as our Digital Strategy, that free up staff to spend even more time in communities supporting tenants. Ongoing performance will be monitored closely throughout 2026-2027.

Our aim and objectives are unchanged: to excel in everything we do, working productively and effectively with partner organisations, ranging from Scottish Government and The Highland Council to local community and charity groups.

HOW YOUR RENT IS SPENT

The highest proportion of your rent is spent on maintaining and upgrading our properties. This has included new heating systems, insulation upgrades, reactive repairs and proactive maintenance to prevent deterioration or damage. We have also upgraded 2 kitchens, 8 windows, 24 doors, 3 bathrooms, 15 air source heat pumps. Approximately one third is spent on administrative, management and governance costs. A small amount goes towards building new homes to meet the high demand for housing, which is mainly interest on loans that we must pay back.



DEVELOPMENT

RAASAY – COTTAGES PARK

Cottages Park was completed in January on Raasay, delivering six new affordable homes for local residents. Marking seven years of investment in the island in partnership with the Community Development Trust, the development includes biodiversity features such as bird boxes and insect hotels. We'd like to thank James MacQueen Builders and everyone involved in bringing this project to life.

GLENELG - DARACH COURT

Four homes that we completed in April 2025 were also shortlisted for the 2025 Charted Institute of Housing Development of the Year Award.

ONGOING DEVELOPMENT PLANS

Plans are progressing for a new housing development at **Kiltaraglen in Portree**, following the purchase of the land in late 2025. The first phase aims to deliver around 100 new homes over the next five years, with the wider site having the potential to accommodate up to 248 homes across affordable rent, mid-market rent and shared equity. Planning permission in principle has been granted for the first phase, with construction hoped to begin in 2027/28.

Other ongoing projects include 16 houses in **Dunvegan**, and feasibility studies for a further 8 in **Glenelg,** 7 in **Kilmuir** and 2 in **Elgol.**

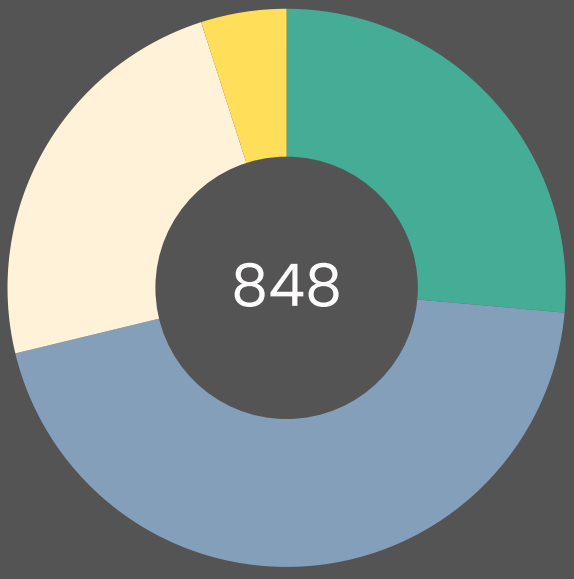


OUR HOMES

Lochalsh and Skye remains a very popular area for housing. During 2025/26, 58 homes were allocated. Of these, 30 were made to homeless applicants, whose average waiting time was six months. Allocations also reflected a range of housing needs, including accessible housing, overcrowding and poor housing conditions. Overall, applicants spent an average of just under one year and ten months on the Highland Housing Register. Of the new tenancies started 96.3% were sustained for more than a year.

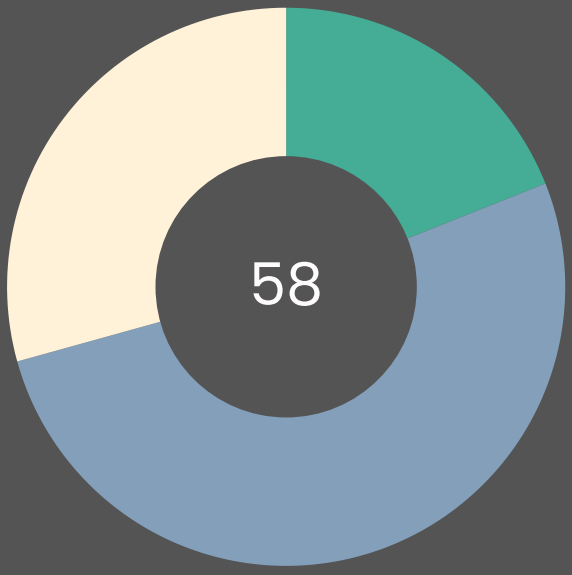
OUR HOMES FOR SOCIAL RENT

At the 31st of March 2026 we had 848 homes for social rent.



1 bedroom houses	224
2 bedroom houses	380
3 bedroom houses	202
4+ bedroom houses	42
TOTAL	848

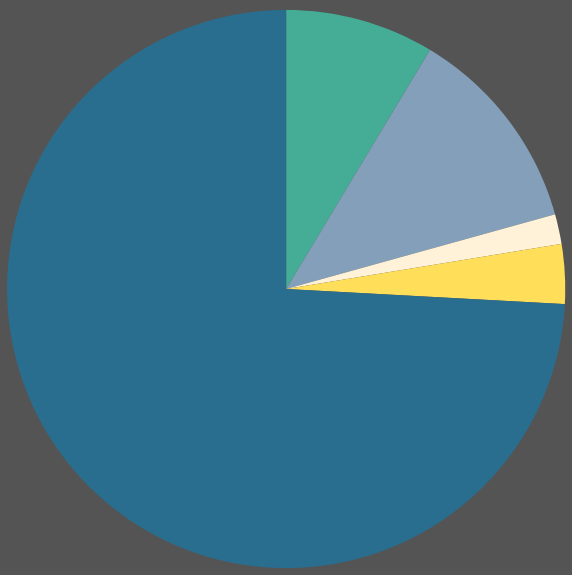
HOW OUR HOMES WERE ALLOCATED



Transfer Application	11
Homelessness	30
New Applicants	17
TOTAL	58*

*excluding mutual exchange

TIME LIVED IN THE SKYE & LOCHALSH AREA



New	5 People
Under 1 year	0 People
1-2 years	7 People
2-3 years	1 Person
3-4 years	0 people
4-5 years	2 People
5+ years	43 People

PEER GROUP REPORT

We publish information on how our performance compares to landlords of a similar size and operating in rural locations. We also show how our key performance indicators compare to the Scottish average. This full report is available on our website under 'Documents'.



RENT & TENANCY SUPPORT

We work hard to help people maintain their tenancies by ensuring rents only increase by what is necessary to keep LSHA's services to a high standard. We provide support and advice where we can – money advice as well as energy advice. Find out more about how we have supported tenants with essentials like food and fuel in our SUPPORTING TENANTS AND COMMUNITIES section (pg 8).

This year we collected:

99.14% of rent due

71.02% of tenants who feel that the rent for their property represents good value for money

At 31 March 2026, our gross rent arrears were 4.56% which is well below the Scottish average of 5.9% (2025/26 Scottish Housing Regulator (SHR) figures).

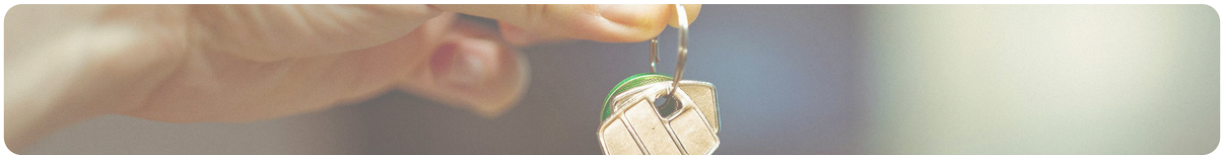


4.56% of annual rent

5.9% Scottish average 2025/26

RENT INCREASE

Following a consultation with tenants in October 2025, LSHA applied a 3.8% increase in April 2026 which was below the Scottish Average of 5.34%. Like all businesses, we have been impacted with high inflation and rising costs, with difficult decisions required to balance rent affordability for tenants with funding the required investment in maintaining and improving homes.



HOUSING QUALITY AND MAINTENANCE



This year we carried out

1,553 repairs

and asked tenants how satisfied they were with our service.

Of the 139 who responded,

97.12%

told us that they were satisfied with our repairs service.

Our average timescale for completion of emergency repairs in 2025/26 was

4 hours 26 minutes

and 11.92 days for non-emergency repairs. 97.08% of these repairs were completed right first time.

DAMP AND MOULD

The Annual Return on the Charter now includes an indicator relating to damp and mould cases, reflecting the increased focus on ensuring tenants live in safe, healthy homes. Scottish Government guidance relating to Awaab's Law was introduced in early October 2026, providing further direction on how RSLs should respond to reports of damp and mould and manage associated risks.
In 2025/26 LSHA recorded 17 cases of damp and mould with the average time taken to resolve them being 18.18 working days.

17 cases	18 working days

ACCESSIBLITY

This year we carried out

21 adaptations

in an average of 94 days so that our tenants could live in homes suited to their individual needs.

£123,225.66

Funded by the Scottish Government through Highland Council.

HANDYPERSONS SERVICES

The Handypersons completed 2,474 tasks during 2025/26. We thank our funders for their continued financial support during these challenging times. This allows the Handyperson Service to continue to assist some of the most vulnerable within our community to remain safe in their own homes.



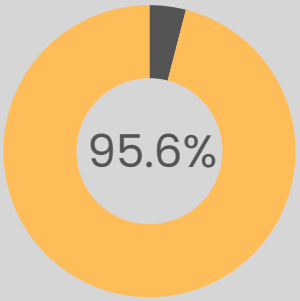
STOCK CONDITION SURVEYS

During 2025/26 we progressed stock condition surveys to our homes. We completed 32% of our homes in the last five years using a combination of qualified internal Property Services Officers, as well as commissioning external surveyors.

In 2026–2027, we have appointed a professional surveying company to complete 120 surveys by the end of December 2026. This will be supported by an ongoing programme of internal surveys, with progress reported to the Board every three months.

Surveys are done to check the quality and condition of all the elements within homes so that we can accurately identify and plan for component replacements (including kitchens, bathrooms, windows and doors) and enables us to prioritise long-term improvements, as mentioned in 'You Said, We Did'. Surveys also allow us to identify any priority investments needed to reduce tenants' heating bills and meet national targets for Net Zero.

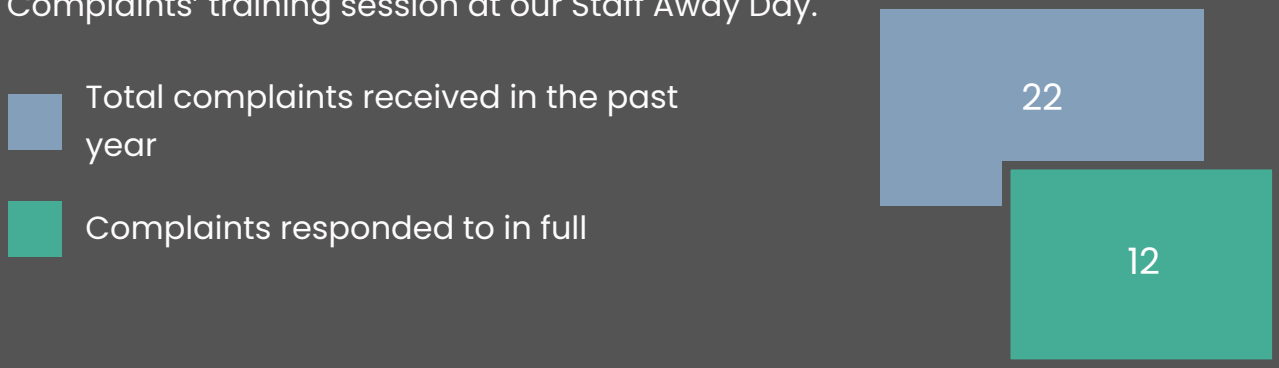
PERCENTAGE OF HOMES MEETING SHQS



SCOTTISH AVERAGE 92.8%

LEARNING FROM COMPLAINTS

We aim to learn from any complaints and compliments that we receive. We are constantly reviewing our complaints processes and policy to maintain our high level of service. Staff took part in a 'Handling Complaints' training session at our Staff Away Day.



SUPPORTING TENANTS AND COMMUNITIES



WELFARE RIGHTS AND ENERGY ADVICE

If you are worried about falling behind with your rent, we are here to help. We can support you to make arrangements to pay off any arrears in instalments, and our Tenant Adviser provides free, confidential, expert advice, helping you claim all the benefits which you are entitled to, and any grants which may be available. The team works with other agencies including the Skye Food Bank and CAB to provide the best support.

In 2025-2026 over 142 people were supported with energy advice and 164 received welfare advice, which was a 46% increase from the previous year.

We have continued our regular outreach programme in Broadford and Kyle of Lochalsh, providing opportunities for tenants and local residents to access support and advice. We have also attended a range of events across the area, including the Skye Agricultural Show, employability events and local Outreach Hubs, helping us connect with more people and raise awareness of the support available.

The Energy Advice team has had another busy year and has been successful in securing external grant funding to help deliver affordable warmth. They continue to provide specific advice to residents, gathering data on consumption and performance of our homes to find solutions to benefit tenants.

TENANT PARTICIPATION

We launched our new Tenant Participation Strategy in October 2026 - setting out how we will continue to listen to tenants and involve them in shaping the services we provide.

A big thank you to all the tenants who have shared their views and helped shape the strategy. Your feedback has been invaluable in helping us understand what matters most and how we can create more opportunities for tenants to have their voices heard.

We recognise that everyone has different preferences for getting involved, so the strategy focuses on offering a range of ways for tenants to share their views, from attending meetings and completing surveys to engaging with us directly or through digital channels.

We look forward to building on this work, strengthening tenant involvement and ensuring your views continue to make a real difference to the decisions we make.



INCOME AND EXPENDITURE

TOTAL RESERVES AT 31 MARCH

These reserves mean that LSHA is in a financially stable position, and better able to cope with unexpected losses, debt repayment or meet new service demands.



The tables below summarise the Association's income and expenditure and financial statement for the year ended March 2025 and 1st March 2026. Our full Financial Statements are on our website.

STATEMENT OF COMPREHENSIVE INCOME	2025/2026 £000s	2024/25 £000s
Turnover	7,276	6,909
Operating Costs	(5,647)	(5,551)
Net interest	(1,254)	(1,293)
Property gains / (losses)	–	122
Surplus	**375**	**187**

STATEMENT OF FINANCIAL POSITION	2025/2026 £000s	2024/25 £000s
Housing Properties	92,883	86,927
Other properties & fixed assets	973	994
Debtors	446	1,196
Cash	4,004	2,441
Current liabilities	(2,042)	(2,194)
Long term liabilities	(28,357)	(27,351)
Deferred Grants	(61,644)	(56,064)
Pensions liability & provision	(377)	(471)
Total Reserves	**5,886**	**5,478**



GET INVOLVED

WANT TO PLAY YOUR PART?

Support your Housing Association by becoming a member.

If you are 16 or over and live in Lochalsh and Skye. you can join for a one-off payment of £1.

We encourage you to join us as a member to have your say and to help shape the future of the organisation and housing in your community.

MEMBERSHIP BENEFITS INCLUDE:

- Attend and vote at General Meetings
- Elect the members of the Board of Management
- Stand for the Board of Management and nominate members for election
- Special membership publications sent to your door

Contact us for an application form and help shape the future of your neighbourhood.

CONTACT US

Morrison House, Portree, IV51 9EW

CALL US AT:

01478 612035

EMAIL US AT:

info@lsha.co.uk

Lochalsh & Skye Housing Association

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