Lanarkshire Housing Association Ltd
Annual Assurance Statement 2026

The Management Committee of Lanarkshire Housing Association Ltd confirms its view that we comply with the requirements of Chapter 3 of the Regulatory Framework as published by the Scottish Housing Regulator (SHR). This includes that we:

- achieve all the standards and outcomes in the Scottish Social Housing Charter for tenants, people who are homeless, and others who use our services
- comply with our legal obligations relating to housing and homelessness, equality and human rights, and tenant and resident safety
- are working towards compliance with the Standards of Governance and Financial Management for RSLs

A thorough review of the evidence has allowed us to conclude that there are no areas of material non-compliance with the Regulatory Framework. In addition, we have taken account of good practice guidance where appropriate and have obtained external support to provide us with additional assurance that our approach is effective and robust.

The Management Committee has reviewed the evidence available to support this Annual Assurance Statement and is satisfied that LHA continues to comply with all relevant regulatory requirements relating to tenant and resident safety, the Scottish Social Housing Charter, and statutory obligations.

However, following completion of its annual assurance review, the Management Committee has concluded that it is currently unable to provide full assurance of compliance with Regulatory Standards 3 and 4 of the Standards of Governance and Financial Management.

Whilst the Committee has not identified any immediate concerns regarding LHA's financial viability or delivery of services, it has determined that further assurance is required in relation to aspects of the Association's financial controls and sufficient financial oversight before it can confirm full compliance with these Standards.

Consequently, the Committee cannot currently evidence full compliance with:

> **Standard 3**: The RSL manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay.
>
> **Standard 4**: The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.

In response to an External Audit recommendation, the position in respect of the 2025/26 year-end financial records was acknowledged by the Management Committee with reassurances sought and given that all required records will, in future, be completed prior to the External Auditors starting their audit.

A second recommendation, relating to the need for a formal review of the 'fair value' of the LHA investment properties was also acknowledged, and a new valuation is currently being planned which will be completed before the 31 March 2027 External Audit.

The Management Committee has fully considered LHA's financial controls and financial oversight as a result of the 2025/26 External Audit process, and whilst accepting there was a specific set of circumstances this year, the Committee has emphasised that this should not be the case in future. The Management Committee has implemented an action plan to address the assurance concerns.

This action plan includes a report on a root cause analysis and details of long-term process improvements required to help prevent issues recurring. It will be accompanied by an operational action plan with clear actions, timescales and ownership and the Management Committee will monitor this plan, receiving updates to all Committee meetings through to completion.

In addition, the scope of the planned Financial Controls Internal Audit in December 2026 will be extended to provide additional independent assurance, and an external interim assurance review will be undertaken by LHA's External auditors, in February 2027. The outcome of these reviews will be used to assess progress and identify any further actions required to achieve full compliance.

Committee is satisfied that we meet all our duties in relation to tenant and resident safety. We have gained the necessary evidence-based assurance of our compliance in respect of duties relating to gas, electrical, fire, water and lift safety and our obligations relating to asbestos, damp, and mould. We have sought specialist advice to monitor our compliance in these areas to support this.

We confirm that we hold comprehensive, accurate and up-to-date information on the construction, components, and condition of our homes. An external stock condition survey was completed in November 2025, covering 42.35% of our homes, with a further 30% survey planned for 2028.

We use this data to ensure the safety and wellbeing of tenants, informing strategic asset management decisions and financial planning. We maintain accurate asset information for the components in our homes. This data, including component age profiles and property attribute information, informs long-term investment planning and the capital investment programme.

The Management Committee recognises that we are required to notify the Scottish Housing Regulator of any changes in our compliance in the year and the Executive Team is keen to work with the Regulator, via the Engagement Plan or Notifiable Events following submission of this Statement.

The Management Committee approved this Assurance Statement at its meeting held on 27 October 2026 and delegated its signing to the Chairperson. This Statement will be made available to all stakeholders and will be posted to the Association's website on the date of submission.

Signed By: [redacted]

Date: 29/10/2026

Liam Donnachie
Chairperson