

CORNWALL RURAL HOUSING ASSOCIATION



ANNUAL REPORT TO TENANTS 2012

INTRODUCTION

Welcome to CRHA's Annual Report for 2012.

In this report you will find:

- information about our performance during 2011/2012
- comparisons with the performance of other similar organisations
- an Executive Summary of the Tenants Satisfaction Survey carried out during 2012.

I would like to thank all of the tenants who took the time to complete the satisfaction survey earlier this year. Everyone who completed the survey was entered into a prize draw to win £50.00 – congratulations to the three lucky winners! An Executive Summary of the survey results is included in this report, but we are also sending a copy of the full survey report to every household.

I hope you find the Annual Report interesting. If you would like to contact me personally to discuss anything in the Report, please feel free to write, email me on peter@crha.org.uk or telephone me on 01208 264530.

With best wishes

Peter Moore
Chief Executive

CHAIRMAN'S REPORT

For the year ended 31st March 2012

Introduction

Once again Cornwall Rural Housing Association (CRHA) has had a very successful year as one of the leading providers of affordable rural housing in the country.

New Developments

Following our busiest ever year for housing completions during 2010/2011, the year ending March 2012 saw no housing completions by CRHA.

A bid was submitted for funding from the new Affordable Homes Programme 2011-2015 but unfortunately the reduced amounts of subsidy available following the cuts in public expenditure meant that the bid was not successful.

However, we are continuing to work closely with Cornwall Council and the Council of the Isles of Scilly to explore future opportunities for the development of much-needed affordable rural housing.

Community Land Trusts

CRHA has continued to work closely with a number of community land trusts throughout Cornwall, in particular St Minver Community Land Trust and Cornwall Community Land Trust.

During the year we successfully completed the transfer of the partially completed plots to St Minver CLT who then arranged for the homes to be completed by their selected group of self-builders.

CRHA has continued to provide administrative and other support services to Cornwall CLT and both organisations are also continuing to explore the potential of further joint working.

Finance

CRHA has had another successful year financially and we can report a surplus for the year of £105,192. The Association has a strong balance sheet showing reserves of over £1 million.

Governance

CRHA is fortunate to have an excellent Board of Management with a wide range of skills. The members of the Board have worked as a team, both together and also with the Director and the staff. It has been a privilege to lead them.

Staff

CRHA has experienced rapid growth and manages housing stock over a large geographical area. This has been achieved with a very small staff team, who have once again provided an excellent service both to our tenants and the Board of Management, and I would wish to congratulate them.

The Future

This is a period of great change in the affordable housing sector. Reductions in capital subsidies, reforms to welfare benefits and changes in the regulatory environment would each on their own present challenges. The fact that they are all happening at the same time, against a backdrop of increasing economic uncertainty, means those challenges are magnified.

I believe that CRHA has the financial stability and management expertise to see it through these challenging times. It is our intention to retain all of our existing rented property under existing terms and conditions regarding rents and security of tenure. We will aim to maintain and improve them to a high standard and to continue to provide a high standard of housing management.

We will very carefully examine changes in legislation and in the operating environment to see if opportunities for future growth present themselves.

Conclusion

We have had a very successful year and we remain ready to take up new opportunities as they arise so that we can continue to meet the needs of the communities we serve.

Graham Facks-Martin
Chairman

OUR SERVICE STANDARDS

The regulatory framework requires CRHA to report how we are meeting the regulatory standards, which relate to:

- **Tenant Involvement & Empowerment** - service standards & choice
- **Home** - repairs and quality of accommodation
- **Tenancy** - rents and allocations
- **Neighbourhood & Community** – neighbourhood management and anti-social behaviour
- **Value for Money**

We believe that CRHA continues to meet the regulatory standards. More specifically CRHA:

- Sets rents that are affordable, and only increases rents annually in line with regulatory rules
- Allocates all homes according to our published Lettings Policy
- Lets its homes using Assured Tenancies, except in specified circumstances
- Minimises the number of its properties that are empty
- Maintains a 24 hour responsive repairs service, with target times for action which reflect the urgency of the repair need
- Undertakes a stock improvement programme on our own properties each year, to ensure they continue to meet the government's Decent Homes Standard
- Inspects all of our developments at least four times a year, to ensure that communal areas and gardens are maintained properly, and identify any problems that need to be addressed
- Responds actively to protect our tenants against anti-social behaviour, and takes strong action against perpetrators
- Addresses any complaints as quickly as practicable in accordance with our published Complaints Policy

- Is open to working with other social housing organisations on local initiatives, where this can benefit our tenants

We recognise that there is always room for improvement, and we welcome the involvement of our residents in help us to improve our performance.

Over the last two years we have asked that any tenants interested in participating in reviews of policies should get in touch with us. We have had a limited response to that request but the offer to all tenants to get more involved remains open.

As part of our satisfaction survey we also asked tenants to let us know if they were interested in getting more involved in the work of the Association. We will be making contact with those tenants during 2013 to discuss how they can get involved.

HOW WE ARE PERFORMING

In this section, we aim to give you information about how we are performing.

The tables in this report include a number of 'performance indicators' showing CRHA's performance over the last year. To put these figures in context, we have also included CRHA's performance for the previous year (2010/11).

Where possible we have also included additional tables showing how our performance compares with other social housing providers. We have tried to compare our performance with smaller organisations working across the South West, with smaller organisations working across England and also with the larger housing providers.

SWBM stands for the South West Benchmarking group. This is a group of smaller housing providers operating in the South West, including CRHA, who work together to try and help improve each other's performance.

SPBM includes data from all of the members of SWBM plus data from smaller housing providers operating across England.

HouseMark is a national performance benchmarking service showing data for the larger housing providers operating across England. Where data is not available we have either not included a reference to HouseMark or included a reference to the TSA where the data has been taken from the Global Accounts compiled by the Tenants Services Authority (now the Homes & Communities Agency).

Staff:

Staff	2012	<i>2011</i>
Full-time	4	<i>4</i>
Part-time	2	<i>2</i>

Director: Peter Moore (re-designated Chief Executive November 2012)
Finance Officer: Marie Baker
Housing Officer: Jennie Harrison
Building Surveyor: Sarah Maddaford
Clerical Officer (p/t): Pat Dilworth
Clerical Officer (p/t): Jenny Hoskin

Housing in Cornwall & Isles of Scilly

Housing stock	2012	<i>2011</i>
1 bedroom	6	<i>6</i>
2 bedrooms	131	<i>131</i>
3 bedrooms	150	<i>150</i>
4 bedrooms	7	<i>7</i>
Total	294	<i>294</i>

CRHA on the Isles of Scilly

Size of homes	No.	Average weekly rent March 2012	<i>Average weekly rent March 2011</i>
Two bedroom bungalow	3	£96.77	£91.26
Two bedroom house	7	£96.87	£91.17
Three bedroom house	15	£106.45	£102.27
Total	25	£102.61	£97.85

Number of lettings during 2011/12 - 3

CRHA in Cornwall

Size of homes	No.	Average weekly rent March 2012	<i>Average weekly rent March 2011</i>
One bedroom bungalow	2	£66.89	£60.78
One bedroom house (with study)	4	£72.17	£72.17
Two bedroom house	63	£83.49	£79.53
Two bedroom bungalow	40	£85.19	£80.63
Two bedroom flat	18	£80.93	£75.10
Three bedroom house	134	£94.39	£89.94
Three bedroom bungalow	1	£91.27	£91.27
Four bedroom house	7	£102.16	£98.27
Total	269	£89.20	£84.88

Number of lettings during 2011/2012 - 15

Rents

Average weekly rents on assured tenancies				
		2012		2011
	Number	Average weekly rent	Number	Average weekly rent
One bedroom	6	£69.41	6	£68.37
Two bedrooms	131	£84.68	131	£80.19
Three bedrooms	150	£95.58	150	£91.18
Four bedrooms	7	£102.16	7	£98.27

	2011/12	2010/11
Average increase in assured rents	3.95%	1.57%

Rents - Comparison

	CRHA	SWBM	SPBM
Average weekly rent – all assured tenancies	£90.34	£89.71	£92.05
One bedroom	£69.41	£76.26	£69.59
Two bedrooms	£84.68	£87.22	£91.18
Three bedrooms	£95.58	£94.26	£92.58
Four bedrooms	£102.16	£95.76	£98.67
Average increase in assured rents	3.95%	4.76%	5.10%

Rent Collection – Performance

	2011/2012	<i>2010/2011</i>
Gross rent receivable	£1,389,442	<i>£1,176,286</i>
Actual rent received	£1,413,949	<i>£1,175,260</i>
Proportion of rent receivable actually collected	101.76%	<i>99.91%</i>

Rent Collection – Comparison

Rent Collection	CRHA	<i>SWBM</i>	<i>SPBM</i>	<i>HouseMark</i>
Proportion of rent receivable actually collected	101.75%	<i>100.24%</i>	<i>99.90%</i>	<i>99.59%</i>

Rent Arrears - Performance

	2011/2012	2010/2011
Total arrears on current tenancies	£49,886.72	£50,506.67
Total arrears on terminated tenancies	£1,291.84	£3,008.71
Total gross arrears	£51,177.72	£53,515.38
Total current arrears as a percentage of rent debit	3.53%	4.29%
<i>Note:</i> 1. The current arrears figure includes an estimated £24,765.85 due from Housing Benefit (2011 figure - £23,304.59)		

Rent Arrears – Comparison

	CRHA	SWBM	SPBM	HouseMark
Total current arrears as a percentage of rent debit	3.53%	2.77%	3.01%	3.56%
Rent arrears net of Housing Benefit	1.80%	1.85%	1.79%	
Rent collected as a percentage of rent due	101.75%	100.24%	99.90%	99.59%
Former tenant arrears as a percentage of the annual rent debit	0.09%	0.53%	0.26%	1.17%
Rent written off as a percentage of the annual rent roll	0.48%	0.32%	0.25%	0.38%
Percentage of all tenants who have been evicted for rent arrears	0.00%	0.18%	0.00%	0.29%

Repairs - Performance

		2011/2012		2010/2011	
	Target	No. of orders	Repairs completed within target	No. of orders	Repairs completed within target
Emergencies	1 day	3	100%	<i>8</i>	<i>100%</i>
Urgent	7 days	357	76.00%	<i>399</i>	<i>76%</i>
Routine repairs	28 days	262	74.00%	<i>227</i>	<i>86%</i>

Repairs - Comparison

	CRHA	<i>SWBM</i>	<i>SPBM</i>	<i>HouseMark</i>
Percentage of emergency repairs completed within target time	100.00%	<i>99.27%</i>	<i>100.00%</i>	<i>99.22%</i>
Percentage of urgent repairs completed within target time	76.00%	<i>93.75%</i>	<i>97.00%</i>	<i>97.91%</i>
Percentage of routine repairs completed within target time	74.00%	<i>93.35%</i>	<i>97.00%</i>	<i>97.56%</i>
Average weekly cost per dwelling of routine maintenance	£9.23	<i>£13.08</i>	<i>£11.63</i>	
Average weekly cost per dwelling of planned maintenance	£11.63	<i>£5.19</i>	<i>£5.32</i>	
Average weekly cost per dwelling of major repairs	£2.28	<i>£10.87</i>	<i>£9.41</i>	

Lettings - Performance

Lettings in 2011/2012			<i>2010/2011 figures</i>
During 2011/2012 we rehoused	18	households in properties vacated by tenants moving elsewhere	<i>11</i>
and	0	households in newly built properties	<i>44</i>
Of these households,	2	were nominations from local authorities	<i>2</i>
	1	was a direct applicant	<i>7</i>
and	10	were housed via Cornwall Homechoice	<i>46</i>
The longest time any of our properties were empty before being relet was	10	weeks (including time spent carrying out repairs before being relet)	<i>5</i>
The average time our properties were empty before being relet was	22	days.	<i>21</i>
During the year	4	tenants swapped homes by way of mutual exchange	<i>3</i>

Lettings – Comparison

	CRHA	<i>SWBM</i>	<i>SPBM</i>	<i>HouseMark</i>
Average re-let time (calendar days)	22.00	<i>16.10</i>	<i>19.00</i>	<i>22.34</i>
Percentage of rent lost through dwellings being vacant	0.34	<i>0.43</i>	<i>0.30</i>	<i>0.62</i>

Tenant Satisfaction

CRHA commissioned Skills & Projects to carry out a satisfaction survey between February and March 2012.

The findings of the survey were discussed by CRHA's Board at a strategy day in July 2012.

An Executive Summary is provided below. A copy of the full report is available on request.

Cornwall Rural HA Satisfaction Survey 2012: Executive Summary

1. Survey response

- 60% of CRHA's 294 tenants responded to the survey.
- The findings have a statistical accuracy of a +/- 4.72% margin of error at the 95% confidence level.

2. The Big Picture

- 92% of respondents expressed a positive (rather than negative or neutral) view about services.
- Over half of all respondents said they are 'very satisfied' with services overall.
- Most respondents (82%) said they are satisfied that their rent provides value for money.
- 67% of those paying service charges said that service charges provide value for money.
- 88% of respondents said that CRHA provides the services they expect.
- 84% of respondents said that CRHA provides an effective and efficient service.
- 76% of respondents believe CRHA will act on the findings from the survey.

3. Home and Neighbourhood

- 90% of respondents expressed a positive view about the quality of their home.
- 94% said that they were satisfied with their neighbourhood as a place to live.
- 31% of those who identified a problem in their neighbourhood said that parking was a problem.
- Half of all respondents did not identify any problems within the neighbourhood in which they live.

4. Customer service

- 84% of respondents expressed a positive view about their last customer service experience.
- Satisfaction with different elements of the experience ranged from a high of 96% (ease of contact) to a low of 75% (being kept informed of progress).

5. Repairs and maintenance service

- 83% of respondents expressed a positive view about the repairs and maintenance service.
- 88% of respondents expressed a positive view about their last experience of having a repair carried out to their home.
- Satisfaction with different elements of the experience ranged from a high of 95% (ease of reporting) to a low of 71% (overall quality of work).

6. Other services

- 92% of respondents expressed an overall positive view about a range of other services provided by CRHA.
- Satisfaction with specific services ranged from a high of 84% (enquiries generally) to a low of 64% (complaints).
- More than a half of respondents were unable to provide a rating for moving / swapping home, neighbour disputes, anti-social behaviour, communal / shared areas.
- 48% of respondents were unable to provide a rating for complaints.

7. Heating and fuel

- 62% of respondents expressed a positive view when asked if their heating system keeps their home warm. 73% of those expressing a negative view have an electric heating system.
- 44% expressed a positive view when asked if their heating system provides value for money. 62% of those expressing a negative view have an electric heating system.
- 42% expressed a positive view when asked if their can afford their heating system. 52% of those expressing a negative view have an electric heating system.

8. Communications and involvement

- 91% expressed a positive view when asked if CRHA keeps residents informed about things that might affect them as tenants.
- 83% expressed a positive view when asked if CRHA gives residents the opportunity to make their views known.

- 70% of respondents expressed a positive view when asked if CRHA listens to residents' views and acts upon them.
- 73% expressed a positive view when asked if CRHA does enough to support local tenants' associations and other representative groups.
- 83% of respondents said they have broadband access at home.
- 44% identified email as a preferred method of communication.
- 19 respondents (11%) said they are interested in finding out more about getting involved in how CRHA is run.

Tenant Satisfaction – Comparison

	CRHA	<i>SWBM</i>	<i>SPBM</i>	<i>HouseMark</i>
Percentage of tenants satisfied with the landlord's services overall	92.00%	91.01%	91.00%	85.00%
Percentage of tenants satisfied with repairs and maintenance	83.00%	86.46%	89.00%	80.00%
Percentage of tenants satisfied that their landlord listens to their views and acts upon them	70.00%	76.96%	80.25%	67.00%
Percentage of tenants satisfied with the overall quality of their home	90.00%	87.30%	90.00%	83.00%
Percentage of tenants satisfied with the value for money of their rent	82.00%	83.72%	87.90%	80.00%
Percentage of tenants satisfied with the value for money of their service charges	67.00%	66.79%	80.00%	68.00%

Financial Performance

Financial Information 2011/2012

Income and Expenditure for the year ended 31 March 2012	2012	2011 (re-stated)
	£	£
Income:	1,425,014	1,190,186
Less repairs and operating costs:	(846,971)	(718,463)
Gives an operating surplus of:	578,043	471,723
Plus interest we received:	2,059	2,848
Less interest and similar charges payable:	(474,910)	(371,377)
Gives a surplus (deficit) on ordinary activities of:	105,192	103,194
Plus transfers from reserves for maintenance:	405,584	0
Plus reserves brought forward from previous year:	520,505	417,311
Results in general reserves at the end of the year of:	1,031,281	520,505
Balance Sheet	2012	2011
as at 31 March 2011		
	£	£
<u>What we own</u>		
Cost of our investment in houses	25,656,251	25,809,227
Less Social Housing Grant	(16,686,941)	(16,686,941)
Investment in computers and other equipment	10,687	14,208
Cash we have and money we are owed less bills not paid	190,727	184,678
Total assets less current liabilities	9,170,724	9,321,172
<u>How we fund it</u>		
By borrowing long term for housing	8,139,399	8,395,040
Called up share capital	44	43
Reserves for specific purposes	0	405,584
General reserves	1,031,281	520,505
Total funding	9,170,724	9,321,172
<p><i>The above information represents an extract from the audited Financial Statements for the year ended 31 March 2012. The information for the year ending 31 March 2011 has been restated to reflect the introduction of Component Accounting.</i></p> <p><i>Copies of the full Financial Statements for the year ended 31 March 2012 are available on written request to the Secretary at the Registered Office of the Association.</i></p>		

Financial Performance – Comparison

	CRHA	<i>SWBM</i>	<i>SPBM</i>	<i>TSA</i>
Weekly Operating Cost per unit	£47.76	<i>£61.70</i>	<i>£75.15</i>	<i>£58.10</i>
Operating Cost as % of Turnover	52.55%	<i>71.00%</i>	<i>76.39%</i>	<i>74.15%</i>
Average weekly cost per dwelling on management	£10.22	<i>£17.96</i>	<i>£17.82</i>	<i>£15.37</i>
Gearing ratio (loans divided by reserves plus grants)	47.37	<i>50.38</i>	<i>35.28</i>	
Interest cover (operating surplus plus interest receivable divided by interest payable)	1.22	<i>2.28</i>	<i>1.98</i>	
Liquidity (current assets divided by current liabilities)	1.28	<i>3.18</i>	<i>2.52</i>	

Board of Management

Cornwall Rural Housing Association is run by a voluntary Board of Management. The Board is elected by the shareholding members of the Association at the Annual General Meeting.

Chairman: Graham Facks-Martin MBE
Vice-Chairman: Hugh Murton FRICS
Treasurer: Stuart Cooper
 Peter Mansfield LL.B (Hons) MRICS
 J M Williams FRICS DL
 Roger Jones FCCA
 Anthony L Venning DMS
 Stephen Watson Dip TP MRTPI (retd)
 Katherine Uren
 Val Newman
 Donald Hannah

(membership as at 31st March 2012)

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