WILTSHIRE RURAL
WRHA
HOUSING ASSOCIATION

2015-2016

# Annual Review

## www.wrha.co.uk

**Providing high quality affordable rented homes for local people in the rural communities of Wiltshire, Swindon and surrounding areas.**

**Financial Conduct Authority register number 24672R**
**Homes & Communities Agency registration number L3559**

# Chair's Report

In my report last year I talked about the many challenges facing the Association. These ranged from new Government policies on housing and on-going welfare reform to the prospect of a major expansion in our activities with the transfer to us of 96 properties in the village of Kilmersdon in Somerset. Much has happened since then, and now we have the potential impact of the decision to leave the European Union, a change of Prime Minister and a re-vamped Government to deal with!

The Kilmersdon transfer was eventually approved by the Homes and Communities Agency and we formally took ownership on 1st October 2015. There is more about Kilmersdon elsewhere in this report so I will merely say "welcome" to all our tenants that live there and "thank you" to all the staff of the Association that made the transfer a very smooth process.

The Government imposed cut of 1% in housing association rents has come to pass, and has significantly reduced our income and therefore the scope of our spending on development and maintenance. However, the potentially negative impacts of several of the Government's other reform initiatives has been reduced following extensive campaigns by the sector and amendments to legislation introduced by members of the House of Lords. As a result, the extension of the Right to Buy to housing association tenants is now a voluntary scheme. The difficulty of replacing sold homes in rural areas where there are tight planning restrictions was recognized and, where this is a problem, the association can decide not to sell. In which case there is an obligation to assist the tenant to find a property to buy from another association. However, this means that the tenant would have to move to another area. It is still not absolutely clear how all this will work and a pilot scheme is being operated by five associations to try to iron out any problems.

Similarly, the Government has revised its initiatives on "Pay to Stay" – under which tenants with higher household incomes would be required to pay market rents – and on "Starter Homes" – with rural exception sites, where many of our developments occur, now exempted. Whilst these changes are welcome, much time and effort has been spent in persuading the Government to change its policies and there has been considerable uncertainty during the process. This is reflected in the downturn in the completion of homes by the sector in the last twelve months – just at a time where increased provision is desperately needed.

It is clear that increased uncertainty and risk is something we have to get used to. The potential impacts of the decision to leave the European Union have still to be properly evaluated. Any increase in the cost of borrowing and the cost of materials sourced from within the EU could all impact on our balance sheet.

Against this background it is pleasing to be able to report that we have continued to expand the number of homes under our management. A total of 18 new homes have been provided – the details are elsewhere in this report. A development for a further 2 homes is underway at North Newnton, and one for 5 homes will begin shortly in Winterslow. The Association can be rightly proud not only of the number of homes that it continues to provide but also of their quality.

It was particularly pleasing that our development of 10 homes at Minety, which were completed in 2015, was shortlisted for the West of England LABC Building Excellence Awards which recognize outstanding craftsmanship, technical innovation, sustainability and high performance.

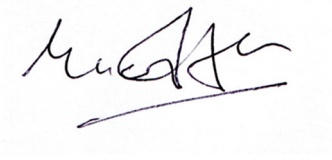
The Board recognizes that in order for the Association to continue to thrive we have to ensure that everything we do is organized as efficiently as possible. We are therefore pressing ahead with a major review of our repairs and maintenance service (with the aim of cutting costs whilst improving delivery). A new staffing structure came into effect on 1st February 2016, with revised roles and responsibilities. A further review has been completed to make sure that our governance rules and policies are up to date and fully reflective of the National Housing Federation's model rules and Code of Governance. All of this will help to ensure that we are able to cope with the tougher operating environment likely in the next few years.

As ever, I am very grateful to the staff of the Association for all their efforts in coping so well during this period of on-going change. I would also like to commend my fellow Board members for their commitment and diligence in taking the strategic decisions that determine the future of the Association.

There have been some changes at Board level in the last 12 months. We said farewell to Tim O'Brien who retired after 9 years on the Board, most of them as Hon Treasurer. Tim brought a very wide-ranging financial expertise to the Board and he will be missed. Nick Brock, one of our "tenant" Board members, and Trevor Howse, who joined us from the Kilmersdon board during the transition, have both also now left the Board. I should like to thank all of them for the contribution that they have made. In their place we have welcomed John Brace, who has considerable experience of the financial affairs of housing associations, and Ashley Thornton, a tenant from Semington.

One consequence of the Kilmersdon transfer I refer to above has been that our activities are no longer restricted to the historic county of Wiltshire. During the transfer negotiations we recognized that, for the future, the name of the Association might no longer be appropriate. Consultants were engaged to advise on a "re-branding", with a name and logo which continued to recognize our history and our purpose of providing attractive, well maintained, affordable homes in the rural villages in the areas we serve. As a result, I am able to announce that as from 1 October 2016 the association will be known as White Horse Housing. More detail on this is elsewhere in this report.

I hope that all those who have supported Wiltshire Rural over the years will continue to do so and help us to meet the many challenges White Horse Housing will face in delivering affordable homes for those who need them in Wiltshire and the wider surrounding area.



**Mike Ash, CBE**

# Chief Executive's Report

The Annual Review provides an opportunity for me to look back over the past year and reflect on what we have achieved and the challenges we have faced. And what a busy year it has been! We have achieved so much during the year, making great strides in growing the business and securing our long term future. Most importantly, we have maintained our strong financial base and clear strategy for continuing the development of new homes for people in need across our rural communities.

Many of the year's achievements are reported elsewhere in this review. However, the main highlights for me include:

- ☑ Completing 18 wonderful new homes and helping our new tenants settle into an affordable, secure home for the future.
- ☑ Welcoming 96 new tenants to the Association following the Transfer of Engagements with the former Kilmersdon Rural Housing Association.
- ☑ Increasing our annual turnover by over 25% and creating additional 'headroom' within our Business Plan to continue a healthy development programme.
- ☑ Implementing a new staffing structure to further improve our services to tenants
- ☑ Comprehensively reviewing and updating out Model Rules and Governance Framework to ensure we comply with the latest regulations and maintain robust scrutiny of our activities.
- ☑ Undertaking a 'rebranding project' and approving a new name and bright modern look for the Association.
- ☑ Reviewing our existing repairs and maintenance service to fully understand what we do well, and what needs improving, before undertaking a re-procurement exercise to create a new comprehensive service that drives up quality and reduces overall costs.
- ☑ Completing a 360-degree review of our current properties using a robust assessment tool to fully understand how our assets perform and where to target future investment.
- ☑ Maintaining net rent arrears within target despite the inclusion of the 96 Kilmersdon properties and further changes to welfare benefits

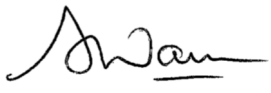
**Redlynch 'hand-over' day**

Of course, the Association faces further challenges within a tough operating environment over the coming year. These include:

- ♦ A further 3 years of -1% per annum rent reductions,
- ♦ The 'roll-out' of Universal Credit and further changes to welfare benefits,
- ♦ The new Voluntary Right to Buy policy for housing association tenants,
- ♦ The ending of Government grants for rented homes,
- ♦ Changes to Section 106 rules meaning no further affordable homes have to be provided on schemes of less than 10 homes,
- ♦ Future economic uncertainty following the EU referendum result.

Despite these challenges, given our past performance, the improvement in our financial resilience and the diligence of our staff, I am confident the Association will continue to grow, improve and flourish into the future.

Finally, I would like to thank my Board for their continued support throughout the year and of course, the Association's staff, who, despite the many changes they have been asked to implement have maintained a responsive, flexible and personal service to all our customers.



**Steve Warran**

# Mission, Objectives and Values

## Mission

**"To be a leading provider of high quality affordable homes in the rural areas of Wiltshire, Swindon and surrounding areas. To provide excellent management and maintenance services to our customers and to help maintain vibrant and thriving communities."**

## Values

In achieving our objectives we will act with integrity, openness, accountability, honesty, impartiality and respect in everything we do.

**How we do this:**

- by keeping our commitments and promises to our customers, stakeholders and staff and following through on our actions;
- by being consistent in all our activities, demonstrating an open minded and impartial approach;
- by promoting equality of opportunity, respecting each other and celebrating diversity so that everyone can give their best in every aspect of our business;
- by putting customers first: listening to them, understanding their needs, treating complaints as an opportunity to learn and recognising the impact our work has on both our customers and stakeholders;
- by valuing our staff and encouraging them to take individual responsibility for problems and find solutions to them;
- by continually striving to improve the service we provide.

## Our Objectives

**The Association will continue to:**

- Work closely with all our local authority partners in order to ensure the provision of much needed rural accommodation.
- Ensure that our properties are managed and maintained to high standards and seek to support our tenants.
- Contribute to the work of the National Housing Federation and the Rural Housing Alliance.
- Take an active role in the political environment, through lobbying and responding to consultations as and when appropriate.
- Modernise our systems and procedures to ensure we are effective, efficient and provide value for money.
- Remain viable, continue to grow and continue to provide a first class service to its tenants.

**Development**

- We are committed to building high quality, sustainable homes, and will actively work with local communities and Parish Councils to provide affordable housing for local people.

**Housing Management**

- We actively encourage tenant participation in our services.
- We will regularly visit our neighbourhoods and actively work with residents to ensure they remain an excellent place to live.
- The Association will actively support tenants through its successful 'Tenancy Plus' initiative.
- We will facilitate a "working together" approach with our customers in finding solutions to problems that arise so they can enjoy living in our neighbourhoods in an atmosphere of mutual consideration and respect.

**Asset Management**

- The Association actively manages its stock to ensure that the best return on investment is achieved.
- We will provide an excellent repairs service to our tenants which in turn ensures that our assets maintain their value.

Urchfont — Manor Farm

# Growing the Business

## New Developments completed

## Coundley Court, Redlynch

On the 21 August 2015 the Association completed one of its own development schemes in Redlynch, near Salisbury. The development consists of 6 homes let on an affordable rent providing 2 x 1 bed houses and 4 x 2 bed houses.

The modern, bright and spacious homes were designed by Architects, White Design and built by RG Spillers.

All the properties achieve the Code for Sustainable Homes Level 3 and feature spacious modern kitchens and bathrooms, gas central heating, and a mechanical heat recovery ventilation system.

All have external balconies on the first floor for tenants to enjoy the evening sun.

The total scheme costs were £1,278,701 and it was funded by a loan of £1,172,051 and grant from the Homes and Communities Agency of £106,650.

The properties were allocated to people on the ***Homes4Wiltshire*** housing register who demonstrated a high level of housing need and a local connection with the village or surrounding areas.

# Growing the Business

## New Developments completed

## Nettleton Road, Burton

On the 13 November 2015 the Association took ownership of two spacious 3 bedroom homes in the village of Burton, near Chippenham.

The properties form part of a small development built by Cotswold Homes and the Association's houses were provided through the Section 106 planning gain agreement.

Both of the 'cottage style' houses meet the Code of Sustainable Homes Level 3 and are heated by Air Source Heat Pumps to help reduce tenants' fuel bills.

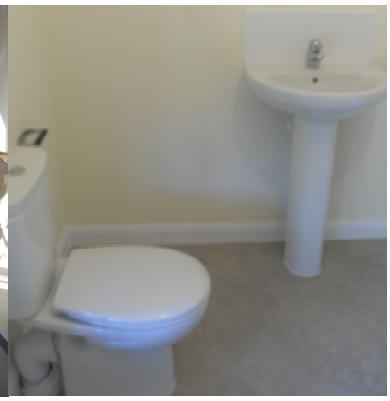
They also benefit from thermostatic showers, modern kitchens and bathrooms and double glazing.

The adequate gardens include a shed, washing line, rain water collection and composter. Each property has allocated parking.

The properties were allocated to people on the Homes4Wiltshire Housing register who demonstrated a high level of housing need.

# Growing the Business

## New Developments completed



## Manor Farmyard, Urchfont

On the 25 September 2015 the Association took ownership of 3 x 2 bedroom homes in the village of Urchfont.

The homes, provided through a Section 106 planning gain agreement, form part of a larger site developed by local builders, Redcliffe Homes.

The three 'cottage style' houses all meet the Code for Sustainable Homes Level 3 and are heated by Air Source Heat Pumps to help reduce tenants' fuel bills. They also benefit from thermostatic showers, modern kitchens and bathrooms and double glazing.

Generous gardens are provided along with a shed, washing line, rain water collection and composter. Parking is also available.

All three properties were allocated to people on the Homes4Wiltshire Housing Register who demonstrated a high level of housing need.

On the 4 December 2015 the Association also took ownership of 2 x 2 bedroom apartments to be offered on a shared ownership basis. Both properties were advertised and sold to applicants with a strong local connection to the Urchfort area.

# Growing the Business

## New Developments completed

## Watts Lane, Hullavington

On the 8 January 2016 the Association took ownership of 4 new homes for rent and 1 new home for shared ownership in the beautiful village of Hullavington, near Chippenham. The stone built properties consist of 2 x 2 bed houses; 1 x 3 bed house and 2 x 1 bed flats. They form part of a small development built by Coln Residential and the Association's houses were provided through the Section 106 planning gain agreement.

All of the 'cottage style' houses meet the Code of Sustainable Homes Level 3 and are heated by Air Source Heat Pumps to help reduce tenants' fuel bills.

The two flats also benefit from solar panels to generate electricity and reduce bills. The properties also benefit from thermostatic showers, modern kitchens and bathrooms, double glazing and parking spaces. The gardens include a shed, washing lines and rain water collection.

The rented properties were allocated to people on the Homes4Wiltshire Housing register who demonstrated a high level of housing need. The shared ownership house was also sold to a local applicant.

# Growing the Business

## Future Developments

### New Homes for the Future

The Association continues to look for new development opportunities across its area of operation and maintains close links with each of its Local Authority partners. In particular, we are always keen to assess s106 'planning gain' opportunities where we are able to buy a number of properties directly from the developer to rent or sell on a shared ownership basis. Such opportunities represent good value for money for the Association because the developers provide quality homes that meet our specifications at a price that ensures its long term viability to the Association.

### Two new s106 developments confirmed for this year are:

**New development 2 x 1 bed and 3 x 2 apartments at Winterslow, near Salisbury**

2 x 2 bed houses at **North Newnton** near Pewsey.

These properties are currently under-construction by the developer, Acorn Builders.

They are expected to be completed by November 2016.

2 x 1 bed and 3 x 2 bed apartments at **Winterslow**, near Salisbury.

Due to start on site by September 2016, and completed by September 2017, these 5 apartments have an innovative design and layout to maximise space and privacy for each of the residents. One apartment will be offered on a shared ownership basis.

# Growing the Business

## KRHA Transfer of Engagements

Church Street, Kilmersdon

## Wiltshire Rural welcomes Kilmersdon tenants.

On the 1 October 2015 the Association completed a formal Transfer of Engagements with Kilmersdon Rural Housing Association resulting in their total housing stock of 96 properties being transferred into our ownership.

Kilmersdon Rural Housing Association (KRHA) was established in 1969. Many of its houses were former estate worker cottages owned by the Ammerdown Estate. However, they had also developed a number of new housing schemes locally. KRHA decided to seek a partner organisation and transfer its homes, following a strategic review that concluded it was in the long term interest of KRHA and its tenants to find an organisation that offered greater financial stability and the management experience to improve services.

Since the transfer was concluded the Association has been working hard to ensure the two businesses are fully integrated and that tenants experience an improvement in management and repairs services.

**Work so far has included:**

- ☑ Home visits to 72 out of the 96 tenants to welcome them to the Association, introduce staff members and understand any issues they may have;
- ☑ Profiling exercise completed to ensure we understand who our new tenants are and what specific needs they may have;
- ☑ Regular tenancy visits and inspections;
- ☑ Tenant meetings held to explain future plans and hear tenant views;
- ☑ Increased repairs and maintenance budget to meet future demand;
- ☑ Expansion of the electrical testing programme to ensure all properties comply with current regulations;
- ☑ New doors, windows and humidistat extractor fans installed at Eckweek Gardens, Peasedown St John, to combat high levels of condensation;
- ☑ New front and rear doors installed at the Stables, Kilmersdon;
- ☑ Complete modernisation of 5 empty properties to improve standards and create sustainable rented homes for the future.

The Association is now undertaking a full asset review using the stock condition information it holds to build a sustainable programme of repairs, improvement and modernisation into the future. However, there are a number of properties where the future repair and maintenance costs no longer make them viable for affordable rented housing. It is therefore planned to sell these properties and use the capital receipt to invest in new development opportunities and the modernisation of the remaining properties in the village.

Since the transfer the Association has received lots of positive feedback from the Kilmersdon tenants and overall satisfaction levels have improved markedly.

Our aim is to improve the level of services to tenants further and work with them to plan and prioritise future maintenance work.

# Growing the Business

## A new name and brand for the future

Wiltshire Rural Housing Association is changing its name to reflect our expanded area of operation whilst creating a fresh new 'brand identity' to echo our aims and objectives.

The Association was established 32 years ago. Throughout that time it has kept its name and brand identify the same. However, following the Transfer of Engagements with Kilmersdon Rural Housing Association (KRHA) our area of operation has expanded outside of our traditional Wiltshire boundary. We now also have properties in the Mendip and Bath and North East Somerset areas too.

The Association promised the former KRHA tenants that, following the transfer, it would look to change its name to ensure they felt fully integrated with the organisation. As a result, the Board has spent time considering a range of new names and branding designs.

We are delighted to announce that, from the 1 October 2016 the Association's new name will be:

**White Horse Housing**.

The new name very much reflects our traditional base here in Wiltshire without confining us to one particular county. Indeed, there are 24 'white horses' across Britain with the majority found here in the South West. Wiltshire has the most, with 8 still visible.

Work is continuing on the final brand design, but the new logo is displayed here to give you a flavour of the new look.

WHITE HORSE
HOUSING

We hope you like the new name and branding. We believe it is an exciting new look that will help equip the Association to grow our brand into the future.

# Growing the Business

## New Staffing Structure

### Who's Who at Wiltshire Rural

A new staffing structure was implemented earlier in the year to reflect the increase in the number of properties we own and manage. The new structure is shown in the chart below.

The new structure is designed to bring more focus to our customer facing services whilst ensuring we have sufficient staff resources to continue providing the high level of service our tenants have enjoyed in the past.

The most important change is the creation of the new Operations Team. This team is responsible for all the daily housing management functions and will be the first point of contact for tenants.

The Maintenance Manager continues to have overall responsibility for all day to day repairs and the successful completion of the capital programme each year. Joining the team in September 2016 is our new Maintenance Apprentice, Ashley Berry. Ashley will work alongside the Maintenance Manager and undertake a structured programme of training, both internally and externally, to achieve a recognised qualification.

Finally the team is supported by the Office Manager and the Finance Officer. These two posts ensure the Association's finances are regularly monitored, and our viability maintained, whilst ensuring invoices are paid on time.

Chief Executive
Steve Warran

Operations Manager
Belinda Eastland

Maintenance Manager
Matt Young

Finance Officer
Tania Prince

Office Manager
Dawn Bowker

Housing Manager
Sue Bone

Housing Assistant
Tracy Crook

Customer Services Advisor
Gill Hart

Caretaker - Coles Gardens
Cherry Gilham

# Resident Services

## Neighbourhood Inspections

Burderop Close, Wroughton

During the last year, 30 formal neighbourhood inspections were carried out on our schemes across Wiltshire and Swindon - from Minety in the North and Whiteparish in the South, to the villages around Swindon. The Operations team has taken time and care to visit each scheme and to proactively look for where problems may be occurring, or where improvements could be made.

Problems have been resolved like fly tipping, dog & cat fouling, overgrown gardens, inconsiderate parking and poor signage. Improvements have included combating issues with rubbish by providing skips on a 'one off' basis to help residents with a big clean-up of their local area. Where boundary fencing has started to deteriorate, this has been caught in time and repaired, unsightly broken meter box covers have been replaced, bollards installed to stop inconsiderate parking and extra paving laid to the side of parking bays so that it is now much cleaner and easier for residents to get in and out of their cars where there were once muddy puddles.

Whilst on site, members of the team have been available for 1-2-1 visits with tenants, where requested. A variety of queries have been answered relating to both tenancy and repair issues.

Every tenant on the scheme is written to prior to the inspection so that they know staff will be on site and available to see them if required.

In addition to the above inspections, we have made sure there has been a presence in Kilmersdon and the surrounding villages every week since July 2015. There was a real desire by staff to ensure that Kilmersdon residents felt part of the Association and that the same high level of service would apply to schemes in that area as it does to our schemes in Wiltshire. As a result we have had a community clean-up day in Peasedown St John for example, where residents joined with staff to clear rubbish and have a general tidy up around the scheme. Improvements have also been made to the refuse collection facilities on the scheme and tenants have volunteered to ensure the area is kept clean in the future.

# Resident Services

## Neighbourhood Voices

### Neighbourhood Voices

One of our aims is to have schemes and estates that are safe and attractive, contributing to the well-being of local communities. We also have a commitment to give residents the opportunity to influence the services we provide.

As part of this commitment we have introduced a new role for tenants who wish to take on more responsibility with the way their scheme is managed. Tenants who become one of our 'neighbourhood voices' will be responsible for "keeping an eye" on their scheme, how it looks and how it is maintained. Where necessary they will report to us if the grass gets too long, or the trees need pruning, if rubbish needs clearing, if a drain needs unblocking or if there is any other issue that leads to the scheme looking untidy or unsafe.

As a result of this initiative the Association has "eyes on the neighbourhood" and a "voice" to tell us what needs to be done even if we are unable to visit as often as we would like.

We are delighted to have appointed our first two "neighbourhood voices" based in one of our Somerset villages and we look forward to working with them on this new initiative.

# Resident Services

## Welfare Reform/Tenancy Plus

### Welfare Reform

The continued roll out of Universal Credit, and a raft of other welfare reforms due to be implemented in the coming months, continues to present a high level of risk to the Association. Whilst the percentage of our tenants who rely on welfare benefits remains low compared to many other providers in the housing sector, the overall reduction in benefits available will pose a further risk to the Association's income.

Of course, many changes to welfare benefits have been implemented over recent years with little or no impact to the Associations finances. This is due to the implementation of a robust action plan that identifies those tenants who maybe affected by the changes, providing them with targeted information and undertaking home visits to help explain the changes, calculate the possible effect on their finances and assess if they are entitled to further help or benefits elsewhere.

However, Universal Credit is different. Not only is it likely to reduce the overall level of benefits some families receive but the actual payments are made direct to the tenant, including the element intended to pay their rent. This will pose a serious challenge to some families and present them with difficult choices. The Association has therefore continued to target those tenants likely to be effected and stressed the importance of paying their rent, despite other pressures. Those most at risk are larger families with 3 or more children who face a cap on the amount of benefits they are entitled to receive, and single people aged under 35 who will only receive the local 'single-room rent allowance' from April 2018.

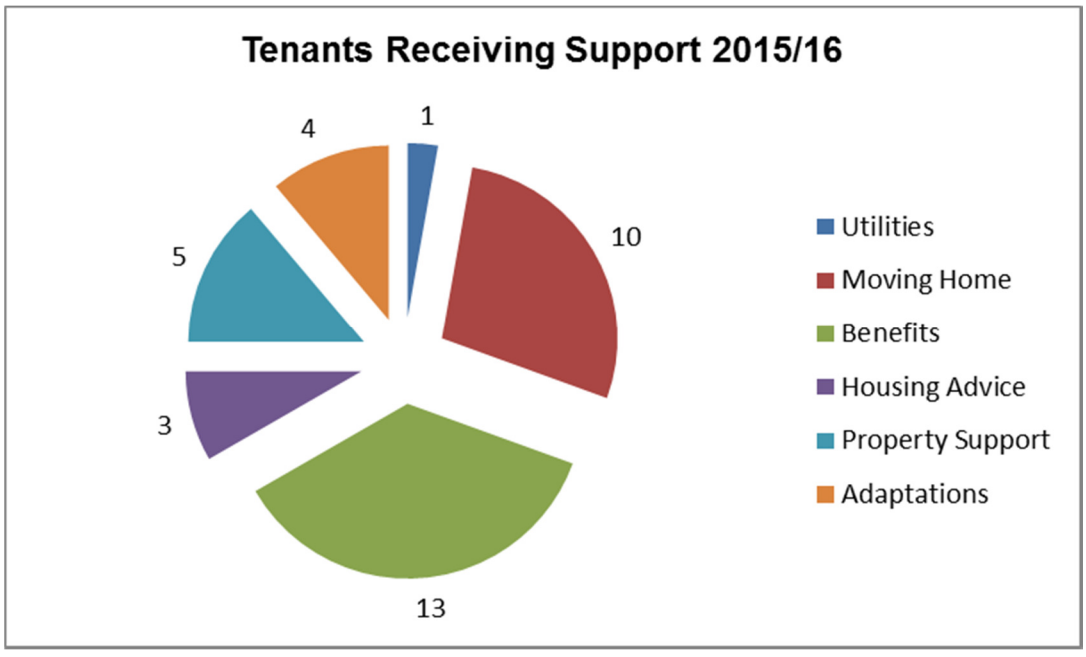
The Association will continue to provide information and support to any tenant who is worried about future changes to their benefits. And we will continue to work closely with a wide range of local partners to provide a comprehensive and joined up response.

### Tenancy Plus

The Association has continued to promote its **'Tenancy Plus'** service throughout the year. Designed to go the 'extra mile' when tenants are most in need, staff provide intensive 1-2-1 support, advice and guidance to help resolve a wide range of issues, including responding to changes in the level of benefits received.

Last year **29** tenants benefited from the service and were assisted with **36** different issues that they needed help in resolving.

**The chart below shows the types of queries the Operations Team assisted with.**



# Resident Services

## Resident Feedback Groups

### Resident Feedback Groups

During the year we held 5 resident feedback groups in various locations across our area of operation. Tenants in the surrounding areas were invited to attend. In total, 41 tenants attended to give their views on the Association's service levels and priorities. As well as taking part in the meeting, tenants also had an opportunity to get to know each other and enjoy a small buffet.

We also held an event in the wildlife area at Codford during the National Housing Federation's Rural Housing Week. Wiltshire Wildlife Trust attended and gave children the opportunity to take part in nature activities focusing on homes for bugs, birds and snails - whilst getting the message across about the importance of homes in rural areas for people too!

The Feedback Groups were held in village pubs or community centres in Devizes, Codford, Wroughton and Royal Wootton Bassett. In Kilmersdon the meeting was held in the village hall and many residents attended to hear our plans for the future and to tell us what they think of the service we have delivered to them so far.

This year the topics discussed at the meetings centred on repairs and maintenance budgets and the planned major works programme for the coming few years.

Satisfaction with current contractors was also discussed and the priority schedule for various types of repairs. We also asked tenants what they thought was good about our service, bad about the service and what improvements they would like to see going forward.

We are delighted that the general consensus was that the service we provide is good, the staff are willing to listen and are friendly, easy to contact, approachable and give a good personal service.

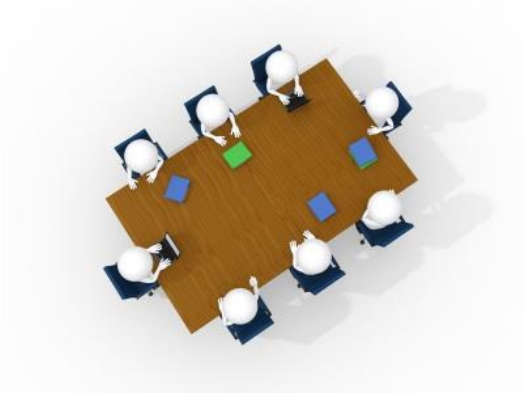
Some tenants commented that the repairs were dealt with quickly and the operatives are polite and helpful. Thankfully, most comments were positive but a few wanted to see better feedback regarding repairs. Suggested improvements were that we consult more regarding colour choices when installing kitchens and bathrooms. One little boy who attended gave feedback saying that a swimming pool and a treehouse would be an improvement for him! Some residents would like to see home swap opportunities advertised on our website and also information on what properties are becoming available.

Other topics discussed were the new Tenant Involvement Policy and the opportunities to sit on a 'Tenants' Voice' scrutiny panel or become a local 'Neighbourhood Voice'.

Updates were also given regarding Welfare Reform, including "Top Tips" for tenants when making Universal Credit applications. Universal Credit is on the role out across the country and tenants need to be prepared for how it will affect them.

# Resident Services

## Resident Scrutiny Panel



An aim of the Association is to offer all tenants a wide range of opportunities to be involved in the management of their housing, including the ability to influence strategic priorities, the development of housing policies, the delivery of services and the scrutiny of performance. Therefore, this year we introduced a new 'Residents' Scrutiny Panel' within the Association.

The Residents' Scrutiny Panel includes many tenants from across the Association's area of operation. They act on behalf of all tenants and scrutinise the Association's services, policies and strategies whilst monitoring complaints, current performance and service standards to identify where improvements may need to be made. The first meeting of the panel took place in April.

The Panel was asked to give their views and opinions on the performance of our contractors and what they want from their repairs service in general. This crucial information was fed into the repairs and maintenance options appraisal (detailed elsewhere in this document).

Tenants prioritised what they wanted from a repairs service as follows:

- to be able to make appointments at the point of reporting the repair,
- for contractors to turn up as promised and keep them informed,
- operatives to carry out thorough and quality work,
- improved repairs diagnosis,
- timely appointments and speed of completion,
- easy access to the service, and
- an economical service.

The Panel also said that, in respect of contractor selection, they want the Association to choose those that are able to demonstrate respect for tenants and their homes, have good trade skills, a strong customer focus, are efficient, are well-resourced and have a local presence.

These views play an important part in the process going forward. The next step is for the scrutiny panel to meet to assist the Association in developing the service specification and standards that we expect our contractors to deliver.

Members of the scrutiny panel will also be involved in the tender evaluation and assessment process and as such will have real influence upon which contractors are appointed to provide repairs and maintenance services in the future.

# Resident Services

## Repairs and Maintenance

### Repairs and Maintenance

The repairs and maintenance service is regarded by many tenants as the most important. How we deal with repair requests, how quickly the work is done and the quality of the workmanship are all important factors. As a result, the Association continually works with its contractors to review the service it provides using feedback from our satisfaction surveys, feedback groups and complaints.

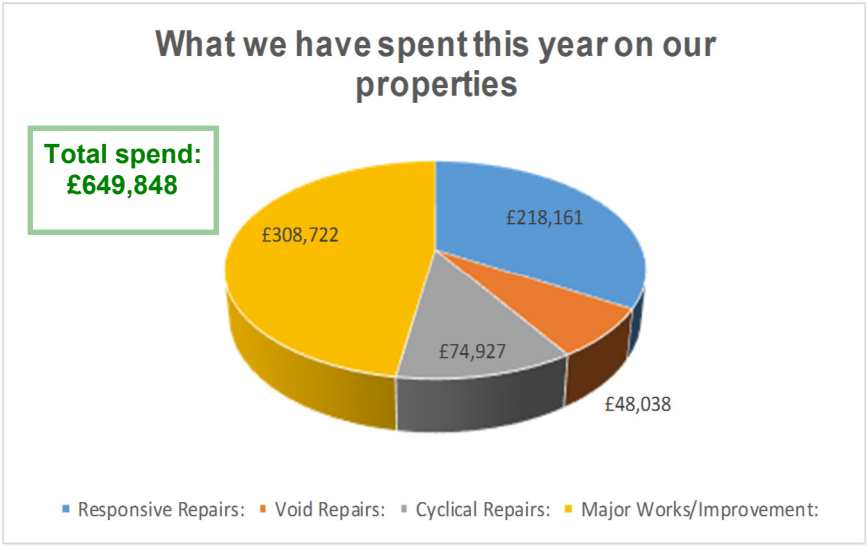
Since the introduction of the new response times in 2015, together with improved management of our contracts, the Association has seen an increase in overall satisfaction with the repairs service – rising from 85% in 2015 to 92% now. This is an excellent result, particularly given the increase in repairs orders since the acquisition of the Kilmersdon homes. However, we will continually seek to improve this figure in future years.

Whilst performance and satisfaction results are comparable to other organisations the cost of the service is significantly higher. There are many reasons for this, including the geographical spread of our properties. To address this, the Association has re-viewed the whole repairs service and investigated our future options. As a result, we will now be re-packaging our contracts and re-tendering them. We believe this will result in a more comprehensive service to tenants and lower costs to the Association. The Tenants Scrutiny Panel will be fully involved in developing the service specification and in selecting the successful contractor. It is expected that the new service will start in April 2017.

### Investing in our homes

The Association has recently invested in a comprehensive 'strategic assessment tool' designed to measure the economic viability and long term sustainability of each of our properties. The tool takes into account a range of key measures for each property including historic and future repairs costs, location, demand, turnover, tenancy issues and financial performance. The outcome of the assessment ranks each of the properties as either as A) Core stock - high performing, B) Marginal stock – in need of further inves-tigation, and C) High Risk stock – options appraisal required to determine future use/ investment.

The assessment tool will play a key role as the Association develops its future mainte-nance programme for its housing stock and will help determine where our resources are targeted. It will also help inform us where future tenure changes or disposal options may be appropriate.




**These figures represent a significant increase on previous years and reflect the addition of the 96 Kilmersdon properties to our housing stock during the year.**

## During the year the following major works/improvements were completed:

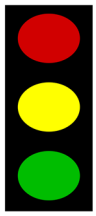
**Bathroom replacements** – 17 bathrooms were completed during the year. 96% of these tenants said they were "very or fairly satisfied" with the work undertaken

**Window and Door replacements** – 42 properties had their windows and doors replaced during the year. 98% of these tenants said they were "very or fairly satisfied" with the work undertaken.

**Painting programme** – 30 properties were included in the painting programme during the year - 92% of these tenants said they were "very or fairly satisfied" with the work undertaken.

Finally we installed new kitchens in 2 empty properties to ensure they met our lettings standard.

# Performance



Target missed

Near to Target

On target

## Performance Indicators - 3 year comparisons

| | Indicator | 2013/14 | 2014/15 | 2015/16 | Target | On target? |
|---|---|---|---|---|---|---|
| Lettings | **Total number of properties** | 238 | 254 | **368** | | |
| | **Total number of lettings** | 16 | 32 | **24** | | |
| | of which - new lets: | 0 | 16 | **18** | | |
| | of which - re-lets: | 16 | 16 | **6** | | |
| | Number of mutual exchanges | 1 | 2 | **2** | | |
| | Average re-let times (in days) | 7.3 | 10.6 | **8.5** | 15 days | |
| | Percentage of rent lost through vacant homes | 0.20% | 0.29% | **0.60%** | 0.50% | |
| Rents | Average weekly rent | £101.38 | £106.53 | **£107.65** | | |
| | Average weekly rent - 1 bed | £80.86 | £87.02 | **£89.84** | | |
| | Average weekly rent - 2 bed | £98.87 | £104.48 | **£108.25** | | |
| | Average weekly rent - 3 bed | £111.67 | £114.93 | **£111.41** | | |
| | Average weekly rent - 4 bed | N/A | £137.82 | **£138.83** | | |
| | Percentage of rent collected | 101.11% | 98.79% | **99.10%** | >98% | |
| | Rent arrears (including Housing Benefit) | 1.75% | 1.62% | **2.42%** | <2% | |
| | Rent arrears (excluding Housing Benefit) | 0.70% | 0.57% | **1.56%** | <1.6% | |
| Repairs | Number of repairs completed | 806 | 660 | **877** | | |
| | % of emergency repairs completed on time | 100% | 100% | **100%** | 100% | |
| | % of urgent repairs completed on time | 100% | 100% | **91.32%** | 99% | |
| | % of routine repairs completed on time | 96.60% | 97.18% | **100%** | 97% | |
| | Appointments kept as a % of appointments made | 95.50% | 96% | **94%** | >90% | |
| | Average end-to-end time for all repairs (days) | 5.14 | 6.2 | **8.2** | <10 days | |
| Costs | Average weekly cost of management | £26.52 | £22.05 | **£19.12** | <£18.00 | |
| | Average weekly cost of reactive repairs | £16.04 | £15.93 | **£18.62** | <£11.68 | |
| | Average weekly costs of cyclical maintenance | £9.09 | £6.16 | **£5.26** | <£6.62 | |
| | Average weekly costs of major works | £17.78 | £17.54 | **£19.27** | <19.00 | |
| | Weekly operating costs per unit | £88.88 | £76.07 | **£71.71** | | |
| | Operating costs as a % of turnover | 84% | 73% | **60.80%** | | |

# Performance

## Budgets 2015/2016

| Income and Expenditure Account | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|
| Net Property Income Received | 1,718,700 | 1,329.793 | 1,302,580 | 1,239,994 |
| Operating Costs | 1,332,347 | 994,699 | 1,104,652 | 905,122 |
| Interest Received & Other Income | 269,234 | 198,459 | 48,865 | 45,470 |
| Interest Paid on Loans | 284,620 | 235,068 | 180,433 | 178,027 |
| **Surplus on Ordinary Activities for year** | **370,967** | **298,484** | **66,360** | **202,315** |
| Transfer of Kilmersdon Rural H.A. | 3,908,970 | 0 | 0 | 0 |
| Bad debt provision | 13,000 | 6,000 | 13,000 | 1,000 |
| **Retained Surplus for year** | **4,266,937** | **292,484** | **53,360** | **201,315** |
| Opening Accumulated Surplus | 2,253,736 | 2,125,147 | 2,071,787 | 1,870,472 |
| **Closing Accumulated Surpluses** | **6,520,672** | **2,417,632** | **2,125,147** | **2,071,787** |

## Balance Sheet

| | | | | |
|---|---|---|---|---|
| **Assets** | | | | |
| Housing Properties (cost less depreciation) | 22,104,576 | 18,110,922 | 15,861,359 | 15,258,677 |
| Other Assets (cost less depreciation) | 3,765 | 5,001 | 13,164 | 21,870 |
| Net Current Assets | 409,911 | 731,359 | 107,496 | 326,628 |
| | **22,518,252** | **18,847,282** | **15,982,020** | **15,607,175** |
| **Financed By:** | | | | |
| Share Capital | 47 | 45 | 45 | 42 |
| Restricted Reserves | 0 | 0 | 0 | 0 |
| Designated Reserves | 27,000 | 27,000 | 27,000 | 27,000 |
| General Revenue Reserves | 6,493,625 | 2,417,736 | 2,125,147 | 2,071,787 |
| Association's Capital & Reserves | **6,520,672** | **2,444,781** | **2,152,192** | **2,098,829** |
| Social Housing Grant | 9,152,052 | 9,014,924 | 8,904,061 | 8,904,061 |
| Long Term Loans | 6,845,527 | 7,387,577 | 4,925,767 | 4,604,285 |
| | **22,518,252** | **18,847,282** | **15,982,020** | **15,607,175** |
| **Movement in Assets in the year** | **3,670,970** | **2,865,263** | **374,845** | **162,708** |

**Note: Due to the implementation of the new Financial Reporting Standard 102 adjustments have been made to the Closing Accumulated Surplus 2014/15 which mean that it does not equal the Opening Accumulated Surplus 2015/16 as has been the case in previous financial years.**

The above figures are taken from the full financial statements of Wiltshire Rural Housing Association for the year ended 31 March 2016 which have been approved by the Board and will be submitted to the Homes and Communities Agency.

The auditors Beever & Struthers, whose opinion was unqualified, have confirmed that this summary is consistent with the full financial statements, which are **available on request**.

# Treasurer's Report

**John Brace, Treasurer**

The year to March 2016 was a very significant one for Wiltshire Rural Housing Association. On the 1 October 2015 we completed the transfer of undertakings from Kilmersdon Rural Housing Association comprising 96 homes located alongside the Somerset/Wiltshire border. On a simple level this 'acquisition' significantly increased the number of homes that Wiltshire Rural owns and manages while strengthening the combined entity. However, more importantly it benefits the residents of both organisations by creating additional capacity for future development and creating efficiencies by spreading the management costs over a greater number of properties.

Meadow Close, Minety

The 96 additional homes acquired via the merger takes Wiltshire Rural HA's stockholding up to 368 homes. Whilst merging the accounts of the two organisations was slightly complicated, particularly as Kilmersdon Rural HA had a different year end, the results for the year were very satisfactory. The accounts show a one-off gain of £3.9 million arising from the 'acquisition' which represents the difference between the 'fair value' of Kilmersdon Rural HA's assets and liabilities and this in turn has helped to strengthen Wiltshire Rural's balance sheet and hence its future development capacity. The properties are now included in the accounts at over £22 million and are supported by long term loans of £7.9 million and this has eased the pressure on gearing which threatened to constrain development activity over the next few years.

The total turnover for the period amounted to almost £1.9 million, up from almost £1.5 million last year, whilst operating costs grew more slowly giving an increase in the operating surplus to £566,000, up 37% on 2014/15. There is now scope for more cost reductions in the coming year as the two operations are fully merged. After interest costs of £285,000 and a gain of £99,000 on the disposal of two properties, the retained surplus for the year, before the £3.9 million accounting gain arising from the merger, was £380,000. This sum, along with additional borrowings is being invested in the development of new homes to rent.

Watts Lane, Hullavington

The Association is still reducing its rents in line with the Government's prescribed formula which will see rents drop by 1% per annum over the next three years, on top of this year's 1% cut, giving a total reduction of around 14% on the previously projected growth in rents level. However the efficiencies generated by both the merger and other cost saving activities mean that the Association is now well placed to deal with these lower rent levels. Wiltshire Rural HA has a sound financial plan which shows that future development is sustainable and the Board is optimistic that this further growth will continue to strengthen the Association while helping to meet the shortage of affordable housing in rural communities.

# Governance

## Providing robust strategic management

### Operation

During the year the Board has undertaken a comprehensive review of its Model Rules and Governance Framework. The outcome of the review will ensure our rules and governance arrangements are up-to-date and comply with the latest regulations. The new Model Rules will be submitted to the AGM for approval together with recommendations for updating our Shareholding policies.

The adoption of the new Model Rules will ensure the Association also complies with the National Housing Federations 2015 Code of Governance (with one exception).

Whilst the rules do not impose maximum terms of office on its Board Members they do state that two-thirds of members appointed for the coming year must have served for 9 years or less, and that any Board member continuing on the Board after serving nine or more years will be subject to annual re-election.

To discharge its responsibilities for the direction of the organisation, the Board as a whole needs to have a diverse range of skills, competencies, experience and knowledge.

The Board will continue to review its membership in relation to composition, experience and skills and a formal assessment of the effectiveness of the Board and individual members will also be undertaken.

The Board is always willing to receive expressions of interest from any individuals who may be interested in joining the Board, whether or not there is an immediate vacancy.

Further details are on the Association's website and the Chair is always willing to discuss potential applications.

### Board Member's Obligations

All Board Members share equal responsibility for its decisions. Each should act only in the interests of the organisation and not on behalf of any constituency or interest group. Board Members must put the interests of the organisation before their own personal interests. Each Board Member has entered into a formal 'Agreement for Services' and a new Person Specification and Role Profile has been agreed outlining all their obligations.

### Board Members' Interests

The Association maintains a register of Board Members interests which is available for inspection upon request.

### Audit and Risk

The new Audit and Risk Committee will report to the Board on internal controls and risks and alert them to any emerging issues. In addition, the Committee oversees the annual internal audit, external audit and management as required, in its review of internal controls.

The Committee also provides advice on the effectiveness of the Association's system for managing risk and risk appetite.

### Remuneration

The new Remuneration and Governance Committee will oversee arrangements for carrying out the annual review of pay for staff and the Chair. They will also oversee and monitor the implementation of the new Governance Framework and ensure the Association maintains compliance with current regulations. The Chief Executives Remuneration Committee undertakes the annual review of pay for the Chief Executive.

### The Board's Role

The Board's role is to promote the success of the organisation by providing strategic leadership, values and standards, and oversee management and financial affairs.

- The Board currently comprises of 10 members and meets 6 times a year.
- The Audit and Risk Committee comprises of 4 members and meets not less than 4 times a year.
- The Remuneration and Governance Committee comprises of 4 members and meets not less than twice a year.

### Shareholding Policy

The Association recognises the important role shareholders play in the governance of the organisation. However, to ensure membership remains manageable the Board has agreed a limit of between 25-30 shareholding members at any one time. The Association is governed by a Board which is drawn from, and elected by, the shareholding members. The Board is also able to co-opt members where necessary.

**Application for membership is open to:**

- Any resident of the Association
- Any individual over the age of 18
- Corporate and un-incorporated bodies

**When considering applications for membership the Board will have regard to:**

- The Rules of the Association
- Potential conflicts of interest
- Whether applicants are paid staff or board members of other housing providers

And will consider each application on its merits.

**Membership fee is £1.**

To become a member, an application should be made in writing to the Association's registered office, and should be accompanied by the £1 required to purchase a share.

Applications will be considered by the Board at the next available meeting. If the application is approved the applicant will be issued with a share. If the application is not approved the applicant will be advised accordingly and their money returned.

**A copy of the Shareholding Membership Policy is available on request.**

# Board Members

## Who's who on the Board of Wiltshire Rural

Mike

**Mike Ash, CBE, Chair**
Joined the Board in 2010. Became Vice Chair 2011. & Chair 2014. Member of the Finance & Audit Committee. Member Royal Town Planning Institute. Vice President of the Town & Country Planning Association. Resident of Bishopstone nr. Salisbury.

George

**George McDonic, MBE**
A founding member of the Association in 1984. Vice Chair 2001-2005. Member of the Finance & Audit Committee. Chartered Town Planner & Barrister-at-law. Resident of Great Hinton.

John

**John Brace, Treasurer**
Joined the Board in 2015. Member of the Finance & Audit Committee. Chartered Accountant. Member of the NHF's Regional Committee in the South West. Resident of Great Cheverall.

Ashley

**Ashley Thornton**
Joined the Board in 2016 as a Tenant Board Member. Employed in Customer Account Management for a local Housing Association. Resident of Semington.

Trevor

**Trevor Cherrett**
Joined the Board in 2007. Member of the Personnel Committee. Part-time lecturer in Rural Policy & member of TCPA Policy Council & Wessex Rural Network. Resident of Bratton.

Steve

**Steve Warran, CIHCM**
Chief Executive of WRHA. Joined the Board following confirmation of his permanent appointment in February 2015. Corporate member of the CIH. Resident of Holt.

Elaine

**Elaine Hargate**
Joined the Board in 2013. Fellow of the Chartered Institute of Housing. Housing Association Commercial Manager. Resident of Melksham.

Chris

**Chris Wilson**
Joined the Board in 2009. Member of the Finance & Audit Committee. Chartered Accountant. Resident of Ramsbury.

Helen

**Helen Hodgkinson, Vice Chair**
Joined the Board in 2013. Became Vice Chair 2014. Fellow of the Chartered Institute of Personnel and Development. Member of the Personnel Committee. Head of Organisational Development. Resident of Calne.

Richard

**Richard Kitson, OBE,**
Joined the Board in 1991. Became Chair in 2009. Member of the Finance & Audit Committee. Housing Professional & Chartered Secretary. Resident of Monkton Deverill.

**Three Board Members retired from the Board this year.**

**Tim O'Brien, OBE**
Hon. Treasurer

**Nick Brock,**
Tenant Board Member

**Trevor Howse,**
Tenant Board Member

# Wiltshire Rural Housing Association

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'Wiltshire Rural Housing Association is a Registered Society under the 'Co-operative and Community Benefit Societies Act 2014' and an exempt charity under the Charities Act 2011.

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