



**Lanarkshire Housing Association Ltd**  
Annual Report 2010 - 2011



Our Mission: To develop and sustain high quality affordable homes and inclusive services based on need which improve the social, economic and environmental welfare of local communities in partnership with tenants and supportive agencies.

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## Chairperson's Review of 2010/11

**Catriona Blyth**

The past year has been an interesting one for the whole housing movement in Scotland. In the face of radical public sector spending cuts, the Scottish Government published a discussion paper on the future funding of new social housing provision, with the clear emphasis on housing providers to deliver more housing for less public subsidy. This will present challenges for all Registered Social Landlords and new ideas and innovation will be required if we are to meet the challenges head on.

From our own point of view, the past year has proved to be a very busy and productive period across the whole business.

From a development point of view, we finally saw the overall completion of the Liberty Road project which saw 28 units for rent added to our stock and the transfer of a very sheltered housing complex to Trust Housing Association.

In addition, the Dalziel Street development in Motherwell is nearing completion, replacing a derelict fire damaged building with a contemporary tenement in a central Motherwell location. A development at Hamilton Road in Bellshill is well under way as well and its completion is expected later in the year. Both projects will assist in the economic regeneration of these local communities and we extend our thanks to our funding partners and in particular, the Scottish Government and Royal Bank of Scotland. In total these two developments will provide an additional 48 homes available for affordable rents in the community easing some of the demand for this type of housing.

Against the backdrop of a difficult economic situation, the business itself has performed exceptionally well. Targets in both rent arrears and re-let times were achieved and investment in maintaining and improving the housing stock exceeded £800,000, a record figure for the Association.

The continuing success of the Association is a credit not only to the staff, but the tireless work of the Management Committee. I would like to thank them for their considerable efforts in serving not only the Association but making a valuable contribution to the wider community.



# Housing Management

## Working in Partnership

During the year we delivered a range of quality services, with our positive relationships with partner agencies key to many of our successes. We worked in partnership with North Lanarkshire Council, Motherwell and Wishaw Citizens Advice Bureau and other local Registered Social Landlords to deliver the innovative AFTAR project, providing

advice to tenants and other residents on money, debt, and fuel problems. This service, which was supported with Scottish Government Wider Role funding, has helped local people make significant financial savings during an extended period of economic weakness.



Our achievements included initiatives that increased our rental stock through acquisition, such as participation in the Mortgage to Rent scheme, the Scottish Government's project to help home owners who are in financial difficulty to stay in their homes. We also introduced buy-backs for our shared ownership properties.

## Customer Participation

We offered a range of participation options for our customers, so that their views and priorities continue to be reflected in how we develop and improve our services. At Hooper Place, Bellshill and in Bellshill Town Centre we engaged with our Registered Tenant Organisations, and supported them to build their capacity as independent organisations that are a focus for consultation and help people to get involved.

## Providing Value for Money

Management of rent arrears ensured that they were kept within our 2.25% benchmark level. This efficient rent collection was achieved through both a range of preventative measures and intensive debt management and advice.

Our relet times improved, with our performance in allocations significantly better than our benchmark target. This was helped by our participation in North Lanarkshire's Common Housing Register, which maintains the waiting lists for all social rented housing in the area. This has improved advice and information on housing options, and increased demand for our housing while making it more accessible.

During 2010/2011 our tenants benefited from a previous rent review which had restricted the annual increase to 2%, in recognition of both the wider economic situation and individual financial stresses.



# Asset Management

## Repairs Service

We continued to provide our tenants with a first-class responsive repairs service, with challenging response times and a high level of performance measured against them. Across all categories of repairs between 97 – 99% were completed on target.

## Planned Maintenance and Improvements

Our commitment to effective management of our asset base is confirmed with a sustainable long term programme of planned maintenance. During the last year we completed a wide range of maintenance and improvement projects at a cost of more than £580,000. This included both planned replacements and upgrading work to meet the Scottish Housing Quality Standard.

## Maintenance and Improvement Work Completed during the year

Development	Work Complete	Properties
Greenmoss Place, Mossend	Kitchen Replacement	18
Forgewood Estate, Motherwell	Heating Replacement	124
Jewel Estate, Bellshill	Heating Replacement	91
North Orchard St, Motherwell	Window and Door Replacement	16
Hope Street, Mossend	Lighting Upgrade	13
Menteith Court, Motherwell	Road Resurfacing	12
Clydesdale Rd, Mossend	Close Door Replacement	3
Holytown Rd, Mossend	Close Door Replacement	3
Holytown Rd, Mossend	Environmental Improvements	13
Various Areas	Painterwork	227
All Gas properties	Gas Servicing	493
Various Areas	Energy Performance Surveys	51

Consultation on maintenance has provided tenants with opportunities to influence the specification of proposed works. This has also enabled discussion of tenants' concerns, both before work starts, when it can inform our approach to projects, and as part of the post-completion review of each project, which also includes a customer satisfaction survey.

# Development

## Our Development Programme

In the last year we continued to deliver a substantial development programme in spite of a particularly challenging economic environment. This was reflected in our development performance, exceeding the expenditure of Housing Association Grant in our Grant Planning Target from the Scottish Government. We were at the same time able to maintain a focus on the quality of what we build.

June 2010 saw completion of our largest ever single building contract, at Liberty Road, Bellshill, providing 28 new houses and cottage flats for rent together with a 20 unit very sheltered housing building for Trust Housing Association. Leading this innovative project was a significant achievement for us, and in September we joined Trust Housing Association when the development was opened by Alex Neil MSP, the Minister for Housing and Communities. The quality of this development has also been acknowledged by our tenants, with the customer satisfaction survey showing our best ever results.

Our development programme progressed with a further 48 houses and flats on site throughout the year. At the key Dalziel Street site in Motherwell our new building provides 26 flats for rent, with a high level of amenity for such a town centre site, including a roof garden and underground car parking. Completion in spring 2011 should be an important catalyst for the future regeneration of the surrounding area.

At Hamilton Road, Bellshill we expect completion of 22 houses and flats for rent by autumn 2011, addressing local need in another important town centre location.

We look forward to building on our extensive track record of achievement in the development of new housing, in the face of economic and political uncertainty, and despite the prospect of significant reductions in public subsidies. We worked during the year to bring forward a future programme, and in the first instance we expect this to lead to further development in Mossend, with a new project for 16 flats at Main Street and Calder Road which will supplement the major regeneration and new build housing project we completed there in 2009.

## Regenerating Neighbourhoods

Our new build housing programme was complemented with continuing regeneration work. During the year we completed environmental improvements around our tenement flats at Holytown Road, Mossend, supported with Scottish Government Wider Role funding. The work was carried out in partnership with the Wise Group, providing employment and training opportunities for people from throughout Lanarkshire.



## Meeting the Scottish Housing Quality Standard

In common with every other Registered Social Landlord in Scotland, in late 2010 we submitted our mid-point update to the Scottish Housing Regulator. This reported on our progress towards meeting the Scottish Housing Quality Standard, the Scottish Government's principal measure of housing quality, by 2015. By March 2011 we had already exceeded the targets in our planned programme of improvements to meet the Standard.

Work completed during the year included replacing common entrance doors to a number of tenements in Mossend, and also improvements to internal services and facilities in the same area. Having previously brought forward gas infrastructure work in the Forgewood Estate, Motherwell and Jewel Estate, Bellshill, we were able to progress with provision of new, more efficient heating systems throughout these areas. By spring 2011 we had placed orders for further gas infrastructure work at John Bowman Gardens, Bellshill and Colville Court, Carfin, which will allow us to progress with future heating replacement work.

## Finance Review

The main objective of the financial planning process is to maximize the resources available to invest in both the housing stock and also the quality of service being provided to tenants. This planning process for 2010/11 identified the resources required to meet the immediate business priorities, the principal financial highlights of the year are detailed below:-

A maintenance programme amounting to £795,000, the majority of which was on planned improvements and major repairs to the housing stock. Planned maintenance included the installation of central heating systems in both the Forgewood and Jewel estates.

In addition to the maintenance programme, the Association commenced its investment programme to achieve the Scottish Housing Quality Standard (SHQS) for its housing stock. This investment totalled £54,000 in 2010/11 with work associated primarily to a window replacement programme at Clydesdale Road, Mossend.

Private funding for the Dalziel Street and Hamilton Road projects was secured from the Royal Bank of Scotland, with a commitment to provide a development facility amounting to £2.18m. Funding at this level and of this nature demonstrates RBS has confidence in the business and will support it as and when opportunities present themselves.

A general rent increase of 2.0% was applied in April 2010 which equated to an average weekly rent increase of £2.34 per house.

The financial performance for 2010/11 has built upon the success of the previous year with a surplus in excess of £400,000 being generated, considerably higher than our budget expectations.

All areas of the business have performed well during the year. Income for the year has again exceeded £2.8m, despite interest being earned on cash balances being very low, with interest rates being at their lowest levels throughout the financial year. The effectiveness of the costs control system was also demonstrated with all major expenditure areas being kept within targets, principally salary costs, maintenance and loan repayments.

The table opposite shows the Association's own key internal measures of performance over the past three financial years. The monitoring and reporting of these measures in the core functions is now seen as a business priority.

### Overall Business Performance Measures (Trends Analysis)

KPI	Definition	2008/09	2009/10	2010/11
<b>Rental Income (£)</b>	Total amount of rental and service charge income received	£2.601	£2.782	<b>£2.958</b>
<b>Voids – Bad Debts (%)</b>	% of lost rent and service charge income to annual voids and bad debt	1.5%	1.7%	<b>1.6%</b>
<b>Rent Arrears (%)</b>	Total arrears of rent and service charge as a percentage of rent income	3.8%	3.1%	<b>3.0%</b>
<b>Annual Loan Costs</b>	Cost of servicing loans as a % of annual rental and service charge income	19.3%	14.1%	<b>13.1%</b>
<b>Annual Staff Costs</b>	Total cost of staff as a % of annual rental and service charge income	30.6%	28.4%	<b>27.7%</b>
<b>Maintenance Costs</b>	Cost of contractors payments for reactive repairs per unit per annum	£226	£251	<b>£251</b>
<b>Committee Meetings - % quorate</b>	% of Governing Body meetings that were quorate during year	100%	100%	<b>100%</b>
<b>Staff attendance levels</b>	Average % attendance level of all staff each year	97.2%	98.8%	<b>96.3%</b>
<b>Formal Complaints lodged</b>	The number of formal complaints received as a % of the number of units in management	0.5%	0.7%	<b>0.1%</b>
<b>Formal Complaints upheld</b>	The % of formal complaints upheld during the year	0%	0%	<b>0%</b>
<b>Designated Reserves per House</b>	The reserve available for major repairs/ renewals divided by the number of houses in management	£5,405	£5,611	<b>£5,967</b>

### Development Programme (last 3 years)

Developments	2008/09	2009/10	2010/11
<b>HAG Spend</b>	£1.823m	£3.407m	<b>£2.347m</b>
<b>Private Finance</b>	£0.900m	£1.789m	<b>£0m</b>
<b>Other Grant spend</b>	£0.028m	£0.342m	<b>£0.051m</b>
<b>Total Spend</b>	£2.751m	£5.538m	<b>£2.398m</b>
<b>GPT</b>	£1.422m	£2.970m	<b>£2.349m</b>
<b>% of GPT achieved</b>	128%	114%	<b>100%</b>

## Management Committee

### Office Bearers

**Catriona Blyth**  
Chairperson

**Charles Millar**  
Vice Chairperson

**Tom Cartwright, M.B.E**  
Secretary

**Fiona Tonner**  
Treasurer

### Committee Members

**John Glenny**

**Gordon Heng**

**William Jeffrey**

**John McNally**

**Shirley Killeen**

**Jessie Mitchell**

**Alex Paton**

### Co-options

Development & Technical Sub Committee

**Councillor Kevin McKeown**  
(NLC Representative)

## Management Team

**James Stevenson**  
Chief Executive

**Teresa Ward**  
Housing Services Director

**Simon McManus**  
Corporate Services Director

**Ann Marie Collins**  
Business Manager

**Alice McLean**  
Maintenance Manager

**Gavin Young**  
Technical Services Manager

**Tracey Winters**  
Development Manager

**Irene Savage**  
Housing Manager



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