



INVESTORS
IN PEOPLE



Shire*Housing*
Fourteenth Annual Report

A year of progress and learning
2010 – 2011

“To provide high quality housing and associated services to customers in an efficient and friendly way”

Chairperson's Report



Terry Johnstone, Chairperson

The past year has been another busy and eventful one for all at the Association, with the organisation continuing to make progress on a range of fronts. The year has also had its low points as in January this year, David Neil Gardiner, a past Chairman and stalwart supporter of the Association over many years, sadly passed away. He is much missed by all at Shire Housing.

As we move forward, the organisation strives to keep abreast of the many developing policy

issues both internally and at national level. We have actively engaged in a range of Scottish Government and other consultations including on housing investment, Care & Repair, allocations and the eagerly awaited Tenant's Charter. In its role as employer, the Board has been working with staff to consolidate our approach and make some difficult decisions on issues such as pensions, health and safety and performance management amongst others. We have also agreed a modest and prudent approach to the rationalisation of our rent structure in consultation with tenants.

I would like, once again, to thank my colleagues on the Board both old and new, who voluntarily give their time and effort to ensure that Shire Housing continues to progress successfully. Finally I would like to thank our Director, Madeleine Sullivan and her staff team who continue to work hard to offer our customers a range of services that are of the highest quality.

Terry Johnstone

Chairperson

David Gardiner A Tribute



David Gardiner

We are really sad to record that our past Chairperson, David Neil Gardiner, passed away in January 2011.

David was a founding member of the steering group which resulted in the formation of Shire Housing Association in 1997. His enthusiasm and commitment to his role as an ordinary Board member, audit Sub-Committee member and

as Chairperson of the Association (2002-07) is to be applauded as an example to everyone who takes on voluntary work.

His generosity in sharing his skills and knowledge greatly benefited the organisation, our tenants and the wider community. He will be remembered with respect for his practical and cheerful approach; guiding the Board on a broad spectrum of subject matters; supporting the management team and for the very real and practical encouragement he gave to all staff in their day to day work.

Those who knew him joined family and friends at the service in celebration of his life held in Lugar Parish Church on the 27th January 2011.

He will be remembered with fondness, as a friend and working colleague.

Director's Report



Madeleine Sullivan, Director

Welcome to our annual report 2010/11. Last year I reported that having made some difficult decisions we had achieved an absolute focus on business sustainability. This year I want to be equally clear, we are making progress and are listening carefully to tenants, members

and stakeholders. We are continually learning and refining our practices to ensure we deliver quality services which demonstrate value for money.

One major promise for this year was to explore tenant perceptions of "value". We ran a series of events to gather views and to ensure that we are well prepared to implement the Scottish Social Housing Charter, which will be presented to the Scottish Parliament for approval in autumn 2011. Our focus on business sustainability has driven us to think carefully about our day to day work and how we can do it either better, or, do more of it through efficiencies. We have been able to adopt more flexible working arrangements for staff – meeting their needs and our business needs. We have also instituted a formal resource review to specifically consider our needs in terms of finance, information technology and human resources. We believe we have also been able to achieve added value by hosting a series of training placements and by linking our work with that of local schools and voluntary organisations. Last year one of our high-lights was winning the

tender for the East Ayrshire Care & Repair Service. Having done that, we are very keen to keep it! So we have done a good bit of work to develop the service so that we can demonstrate continuous improvement for the future. In particular over the autumn months we worked hard with our local contractors to review and improve current working practice and to try and assess the "triple bottom line" that the service generates. – That is the economic, social and environmental benefits. Here we were able to develop a really informative picture of "unseen" benefits – training places, apprenticeships, local expenditure, recycling arrangements etc. – We also achieved a measure of sponsorship to directly enhance the service for its users – elderly owner occupiers and people with a disability. We delivered planned maintenance commitments and have introduced a programme of property surveys to ensure that the housing stock is of good quality, will meet the Scottish Housing Quality Standard and also meet the needs and aspirations of our tenants and applicants.

Can I conclude by offering warmest thanks to our Board – always challenging yet supportive, our staff – always willing to do a bit extra and our tenants and members who through feedback and comment help shape our onward direction.

Madeleine Sullivan

Director

Consultation on Value 2010

During last summer we undertook a comprehensive consultation exercise that asked our customers to give their views on the services offered by Shire Housing and in particular the value that they offer.

All of the standard methods of consultation were offered, for example, public meetings, office surgeries and requests for

individual responses. In addition we also teamed up with the Mill Group and invited people to come and have their opinion filmed in the Comments Campervan. This innovative idea allowed us to film in a big brother style diary room and produce a dvd that can be viewed by visiting our website at www.shirehousing.co.uk.

Overall the views that were expressed on value were very positive however, we are not standing still and this year we will move on to explore our customers preferences on participation and consultation.



Housing Management and Customer Services



David Johnson
Head of Housing Management

Rent Collection and Arrears Recovery

We recognise that many of our customers continue to face difficult times with their finances. Throughout the year the Housing Management Team has continued to work with our tenants and partners to maximise benefit entitlements and to make rents as easy to pay as possible.

As a result our rent arrears have remained very stable with current tenants owing £41,518 at 31st March this year. This represented 1.19% of the total annual rental charge for the year.

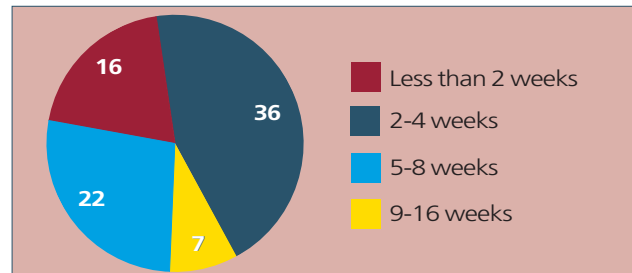
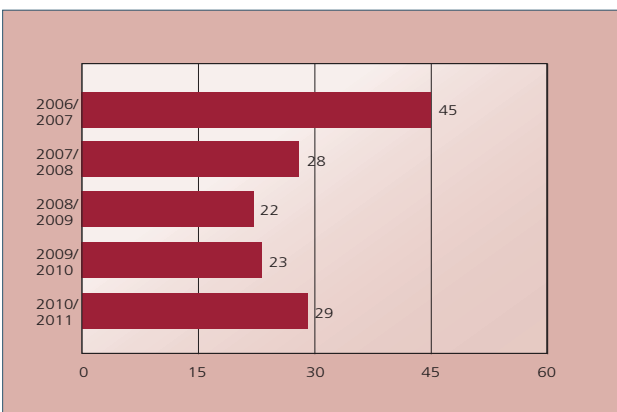
Over the year April 2010 to March 2011 we collected a total of £3,485,628 in rental payments and allowances.

Allocations Services

The number of properties relet to new tenants during 2010/11 stood at 81 which was exactly the same number as the previous year. Of these 81 properties, 59 were allocated directly by the Association with the remaining 22 being let to nominees provided by East Ayrshire Council. The number of applicants on our housing list decreased slightly during the year to 769 at 31st March 2011.

Rental loss due to properties being empty amounted to £22,393 at 0.64% of the total annual rental change.

Average relet times (in days) over the last 5 years 2006 to 2011



Properties re-let in 2010/2011

At 31st March 2011 the Association stock total stood at 1004 properties with just two house sales being completed during the year.

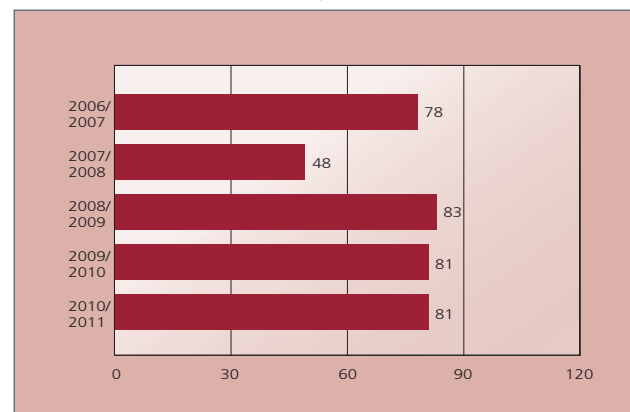
The Newmilns Show Home

In March we worked in partnership with Impact Arts and the Fab Pad Project to open a furnished show flat at Westgate House, Newmilns. One of the aims of the project was to show the difference that can be made to a home using inspiration, creativity and recycling. The show flat proved popular and attracted a number of visitors from the local community.

Size	Number of Units	Average Rent per Week
1 Bedroom	33	£60.21
2 Bedroom	308	£60.05
3 Bedroom	658	£69.95
4 Bedroom	5	£71.03

Stock Table

Properties re-let over 5 years from 2006 to 2011



Property Maintenance



Lynn Miller
Head of Operations

Our tenants have come to expect a high standard of service, both in terms of the quality of repair work we undertake and the time we take to respond to them. We continually work with our contractor's to ensure our customer values are delivered and we achieve value for money.

We know that all of the repairs and maintenance services are of critical importance to our tenants. We are very pleased with the satisfaction levels achieved during 2010/11 and will continue to work towards at the very least, maintaining those levels.

We have successfully completed the 3rd year of our partnership contract with MITIE Property Services Ltd. The contract aims to achieve improvement in repair service delivery, value for money and improved financial management for the association. Highlights this year include:

- Both parties continue to demonstrate efficiency savings in administration.
- Financial performance is in line with expected margins.
- Our ongoing assessment shows our approach continues to deliver value for money in comparison to the repair service costs of other associations operating under different contract arrangements.

The contract approach is different and we believe the model works well for us. We continue to review, develop and compare the approach to ensure it remains fit for purpose.

MITIE Property Services (UK) Ltd
Repair Service Contractor
since 2006



This summer we will be competitively re-tendering for our Gas Service & Maintenance and Repair Service contracts. Both opportunities are published on the Public Contracts Scotland website. Potential contractors are asked to compete on a quality and price basis to allow us to continue to provide high quality repair services and value for money.

Saltire completed 974 gas services during 2010/11. We are delighted to report 100% were completed within the 12 month statutory timescale. Customer satisfaction with the service reached 97%, an improvement of 2% from last year.

Our contractor's performance is subject to independent audit to give assurance that gas servicing meets quality standards.

Saltire Facilities Management Ltd
Gas service & maintenance
contractor since 2007



Some positive comments from customers

"Service was excellent, would be hard to improve it."

a satisfied New Cumnock tenant

Repairs Completed This Year

We dealt with 3,474 repairs during 2010/11. This represents a 7% increase from the previous year, which can be attributed to the exceptional winter weather.

Ensuring repairs are completed on time is a key service measure. During 2010-2011, we achieved 97.3% of all repairs complete within time. This is in line with our target of 97%.

Performance 2010-11

Category of repair	Response	Target	Performance
Emergency	2 hours	100%	98%
Urgent	3 working days	90%	92%
Routine	5 working days	90%	93%

Repair Service Satisfaction Levels

Customer Satisfaction with the repair service during 2010/2011 improved. 96.3% of our customers are satisfied or very satisfied with the overall service. The level of satisfaction with the repair service has consistently improved over the last 3 years:

	2010/11	2009/10	2008/9
Overall satisfaction	96.4%	95.8%	92.0%
Workmanship	96.9%	95.4%	96.0%
Satisfaction Survey Return Rate	14.3%	20.5%	15.0%

Three year satisfaction comparison

We continue to offer a free-phone service and web access for customers wishing to report repairs. We are also planning to use the opportunity of our Annual General Meeting to consult more with customers on the frequency of satisfaction surveys.

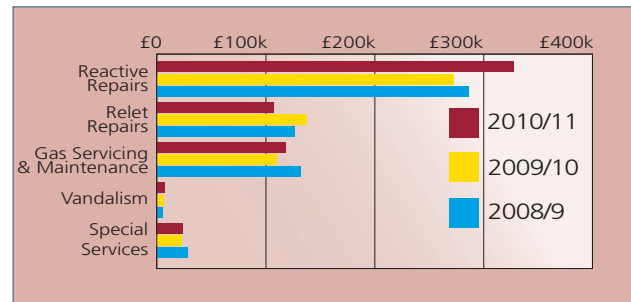
Complaints

Generally we get very few complaints. However, in line with best practice, we welcome complaints as a valuable source of information and feedback on the services we provide. We use them to help review and develop our service. During 2010-11 we received 10 repair related complaints representing 0.35% of all completed repairs during the year.

	Outcomes
Shire Repair Service: 3 complaints	2 apologies, 1 advice
Mitie: 5 complaints	3 apologies, 2 advice
Saltire: 2 complaints	1 apologies, 1 advice

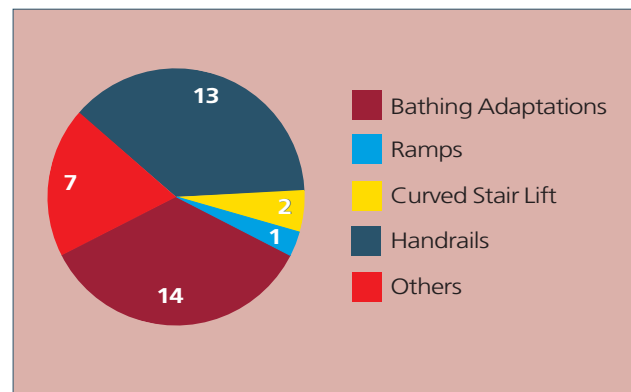
Complaints: 2010/11

What we spent



Independent Living Adaptations 2010/11

The association completed a programme of work to enable some tenants to continue to live independently in their homes. This work is subject to grant funding from the Scottish Government; we received £46,060.59 and completed 37 adaptations:



Adaptations 2010/11

A high level of customer satisfaction was achieved with 99% of customers either satisfied or very satisfied with the overall service. We are pleased to note that this represents an improvement of 5% from last year.

The Scottish Government is reviewing the funding framework for adaptations. Consultation is expected later this year and we will participate fully in the process. It is expected that the level of funding will reduce and associations may be expected to contribute to the cost of future adaptations. Our policy approach will therefore be reviewed in light of any changes to the funding framework.

"I would like to thank Shire for getting the work done so quickly. I reported at 9.10am and in less than 2 hours a tradesman was at my home. He did a 1st class job and left no mess. I am pleased to be one of your tenants."

a satisfied Craighens tenant

Contracts



*Christie Bain
Head of Development & Contracts*

Shire Housing Association is committed to providing our tenant's with quality accommodation that is well maintained and energy efficient. In order to monitor our progress in achieving these goals; the association invested in a Stock Information Database (SID). This allows us to track the condition of our entire housing stock, produce thirty year lifecycle costs and plan our forward maintenance programme for the coming years. We have also introduced a

programme of physical stock surveys to ensure the data is refined and validated on an ongoing basis.

Works successfully completed during 2010/11 are as follows:

Installation of Double Glazed UPVC Windows and Doors

Netherthird, Patna and Mauchline
TOTAL – 65 installations

Installation of Replacement Kitchens

Patna and Cumnock
TOTAL – 34 installations

Installation of Replacement Bathrooms

Auchinleck, Catrine, Cumnock and Rankinston
TOTAL – 58 installations

The above works were well executed by our contractor, CCG and the level of customer satisfaction achieved, was 90% of customers being satisfied or very satisfied with the improvements. We will work to improve on this.



East Ayrshire Care and Repair



*Charles Murphy
Care and Repair Officer*

This has been another very successful year for East Ayrshire Care and Repair. Preventative works, a new service has been very well received. The 2010/11 case load exceeded target.

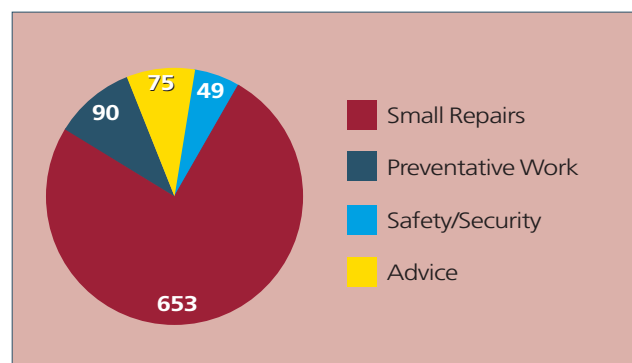
The small repairs service has once again proved to be in high demand and feedback continues to be supportive.

Care & Repair introduced an annual review with the approved contractors during 2010. One result was sponsorship which this

year supported vehicle and scaffolding signs and ID cards – look out for the Care & Repair brand.

The Care and Repair team has made a giant step towards becoming paperless by changing the way in which information is retained on computer and doing our bit to protect the environment.

Results in 2010/11



Additional Monies Sourced During 2010/2011

East Ayrshire Community Safety	£3,000
Strathclyde Fire Service	Sensory Impaired kits

Care & Repair Testimonials

Confident knowing a qualified person is carrying out the repair.

A wonderful service giving OAPs peace of mind.

First class service every time, both from the staff and the contractor.

Contractors explanation and manner made me feel at ease.

Top photographs: damp eradication and a chimney made safe in Galston. Bottom photographs: step repairs in Muirkirk



Financial Report



Barbara Spittal
Head of Finance

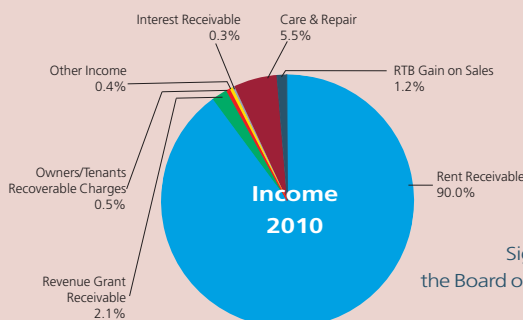
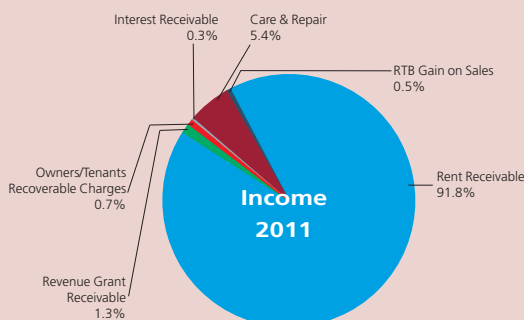
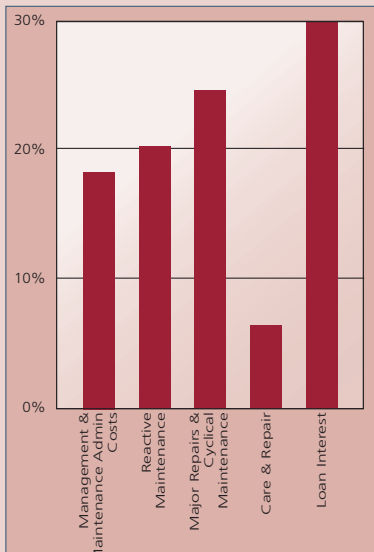
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

	2011 £	2010 £
TURNOVER	3,740,219	3,670,285
Operating Costs	(2,503,018)	(2,418,345)
Operating Surplus	1,237,201	1,251,940
Gain on Sale of Properties	17,693	45,837
Interest Receivable	11,750	7,732
Interest Payable	(954,156)	(953,562)
(Deficit)/Surplus for the year	(924,713)	(899,993)
Taxation	—	—
(Deficit)/Surplus on Ordinary activities after Taxation	312,488	351,947
Revenue Reserve brought forward	(1,865,206)	(2,217,153)
Revenue (Deficit)/Reserve carried forward	(1,552,718)	(1,865,206)

SHIRE HOUSING ASSOCIATION LIMITED – BALANCE SHEET AS AT 31ST MARCH 2011

	2011 £	2010 £
Tangible Fixed Assets		
Housing Properties	12,152,677	12,423,080
Other	158,596	162,096
	<u>12,311,273</u>	<u>12,585,176</u>
Fixed Asset Investments		
Shared Equity Cost	438,880	438,880
Shared Equity Grant	(438,880)	(438,880)
	—	—
Current Assets		
Debtors	208,329	237,432
Cash in Bank and on hand	1,708,024	1,134,529
	<u>1,916,353</u>	<u>1,371,961</u>
Creditors – Amounts falling due within one year	(684,242)	(505,368)
NET CURRENT ASSETS	<u>1,232,111</u>	<u>866,593</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	13,543,384	13,451,769
Current liability		
Creditors – amounts falling due after more than 1 year	(15,095,745)	(15,316,606)
NET (liabilities)/assets	<u>(1,552,361)</u>	<u>(1,864,837)</u>
Capital and reserves		
Share capital	357	369
Revenue (deficit)/reserve	(1,552,718)	(1,865,206)
	<u>(1,552,361)</u>	<u>(1,864,837)</u>

Expenditure



Signed on behalf of
the Board on 30th June 2011

Staff List

Directorate

Madeleine Sullivan **Director**
Elaine Nimmo **Office/IT Administrator**

Development & Contracts

Christie Bain **Head of Development & Contracts**
Robert Howat **Clerk of Works**
Jayde Palmer **Clerical Officer**

Operations / Maintenance

Lynn Miller **Head of Operations**
Carol Tennant **Repairs Administrator**

Housing Management

David Johnson **Head of Housing Management**
Christine McGaffney **Housing Officer**
Ann Black **Housing Officer**
Brian Swandells **Housing Officer (Environmental)**
Grace Scott **Lettings / Housing Officer**

Finance

Barbara Spittal **Head of Finance**
Christine Wilson **Finance Officer**

East Ayrshire Care and Repair

Charles Murphy **Care & Repair Officer**
Peggy-Anne Miller **Assistant Care & Repair Officer**
Elizabeth Robertson **Cleaner**



Board Members

1st April 2010 to 31st March 2011

Terry Johnstone **Chairperson**
Isabella Crawford **Vice Chair**
John Graham **Convenor Audit Sub Committee**
David Gardiner (*Deceased January 2011*)

Kathy McSkimming
Grace Nichol
John Kane
Jan Gillies
Linda McGregor
Robert Laurie
Stephen Cloete
Edith Young
Ian McWhirter
Mary Dunsmore



Vice Chair, Chair and Director

Executive Officer

Madeleine Sullivan **Director and Secretary**

Registered Office

Netherthird House, Netherthird, Cumnock
Ayrshire KA18 3DB

Auditors

Alexander Sloan & Co,
38 Cadogan Street, Glasgow G2 7HF

Bankers

Bank of Scotland
43/45 Townhead Street, Cumnock KA18 1LF

Solicitors

HBJ Gateley Wareing (Scotland) LLP
Exchange Tower, 19 Canning Street
Edinburgh EH3 8EH

Lenders

Co-operative Bank
Britannia House
Leek
Staffordshire
Dunfermline Building Society
Caledonia House
Carnegie Avenue
Dunfermline KY11 8PJ

Special thanks to JMK Groundcare, our landscape contractor, who contributed to the production of this report.



The Staff





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This report is available in PDF format on our website
Shire Housing Association Ltd is a Registered Charity number SC038664