

Gernach

the registered agent of Gernach Housing Association Limited

See inside...

for more information



Meeting the requirements of the
Scottish Social Housing Charter

2016-2017

FOREWORD BY THE CHAIRPERSON



I am delighted to introduce our 27th Annual Report incorporating our fourth report on the key results from the Scottish Social Housing Charter. Members of the residents' panel and staff put in a considerable amount of time in 2015 to identify what information might be of most interest to you, as well as what format and layout would be most attractive and easy to read. This seems to have paid off as the feedback we received in both 2015 and 2016 was very positive. We have therefore followed the same format again this year – as always, we would welcome your views on the report.... whether or not they are positive!

Rental income is an important issue for both the Association and our tenants. The past few years have seen welfare benefits squeezed, and a growing number of people who are in work are relying on welfare benefits to top up income from low wages and zero hours contracts. In recognition of this, we listened to the feedback from tenants regarding the annual rent increase and again limited our annual rent increase to inflation only. Whilst this will not remove the financial pressures many tenants are facing, it is hoped that it will at least help.

Investment continued throughout the financial year of 2016/17 with kitchen replacements in 40 homes at Cairnwell Grove and 18 new bathrooms at Kells Place. We have had excellent feedback from tenants who were very pleased with their new kitchens or bathrooms. Our replacement programme continues on track in the current year.

We are also in discussion with Glasgow Housing Association about a possible joint development on the vacant site at Linkwood Drive and Airgold Drive. This would provide 98 new homes for GHA and 36 for Cernach and we're hoping that there will be a start on site before Christmas. We expect to be able to give everyone further information soon.

We also entered into a Co-operation Agreement with Drumchapel Housing Co-operative this year. Initially, this was to share Director services and has recently developed to include the shared services of a Technical Manager. This has resulted in a small cost saving but, more importantly, has allowed more effective use of tenants' rent. Our running costs were already exceptionally low compared to other landlords and service sharing lets this continue.

Many of you will know that the Association was awarded Investors in People Gold in 2014. Investors in People is a standard of leadership and staff management which evaluates how organisations function as a team. I am delighted to report that, following our reassessment in April this year, we have now been awarded Platinum – this is a fantastic achievement for all those involved at Cernach and puts us amongst the 0.5% of UK organisations with the Platinum accreditation.

I would like to thank the Management Committee for their time and commitment throughout the year. It is especially encouraging to see new members join; in the past twelve months, we have welcomed John Brannan, Diane MacMillan, Jean McFarlane, Michael Mellon and Muriel Wylie. During the same period, Andrew McCourtney and Jianna Stewart decided to retire from the Committee. I am grateful to both of them for all the time they gave up over the years and for their fantastic contribution to the Committee.

I also want to thank all our staff for their hard work throughout the year and would like to welcome Colin Armstrong, Paula Baylis, Emma McShane, Ted Scanlon and Anne Smith who have all joined us in the last year; we said goodbye to Pamela Earl who left to take up a promoted post and Lynsey Harvey who returned to Northern Ireland.

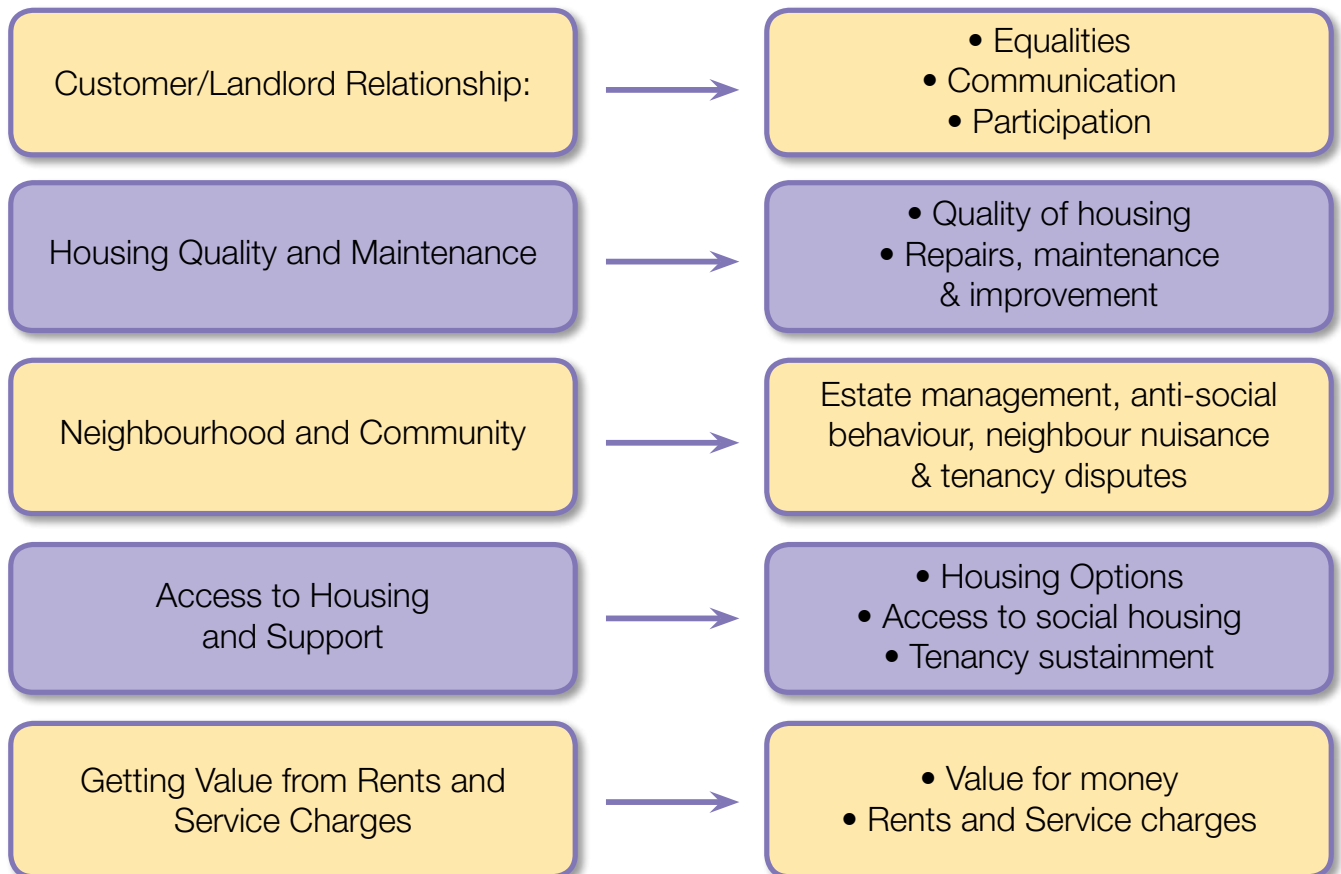
Last but not means least, a very big thanks to you our members and tenants for supporting us during the year and for your continued support for the period ahead.

Susan McDonald MBE

Introduction

The Association is now in its fourth year of reporting on the Annual Return on the Charter (ARC for short). Each year every landlord must complete an ARC and submit this to the Scottish Housing Regulator. We then take steps to ensure that the key results in the ARC are reported to tenants.

This report will detail the Association's performance across different standards and outcomes and will be compared to the Quality & Efficiency Forum (QEF) benchmarking group. The group comprises 26 registered social landlords, mainly from Glasgow and the west of Scotland. The report is divided into 5 different sections and includes the performance indicators that we must report on. It covers the period 1st April 2016 to the 31st March 2017.



In August 2015, MI Housing Services Ltd carried out face-to-face surveys of Cernach Housing Association tenants and owners. The survey was designed to enable the Association to seek the views of its tenants and owners on the overall satisfaction with services provided, and to be able to report what you think about us to the Scottish Housing Regulator. 388 face-to-face tenant interviews and 65 owner interviews were carried out and the overall results were extremely positive. Throughout the year, our Housing Officers also carry out our own face-to-face interviews in order to get an up to date assessment of your opinions of our services. The survey results also formed a large part of our ARC, which we submitted to the Regulator in May 2017.

Tenant Participation

Our Residents Scrutiny Panel is still very much involved in the review process of our policies and procedures. The panel are given opportunities to make comments and discuss policies prior to them being approved by our Management Committee.

We would like to say a big thank you to all of our Residents Panel members for their time and contribution towards the review process of our policies throughout the year.

We are always looking for new members to join our group, and if you are interested please get in touch with the office to find out more information.

25 Year Anniversary

In 2016 Cernach Housing Association celebrated 25 years of operation. We held a number of events to commemorate this such as our special Silver Anniversary Gala Day, Afternoon Tea for our original tenants and the burying of a Time Capsule. We were delighted to share these events with so many residents and look forward to another 25 years!



Consultation Register

If joining the Residents Panel isn't for you then perhaps you would be interested in joining our consultation register? We are always looking for views on future service policies. It's easy to join and all you need to do is read over any of the policies you're interested in (we will post them out to you) and give us your feedback. You can do that in writing, email or over the phone, whatever suits you, and you get to do it from your own living room as you don't need to attend any meetings!

Planned Maintenance

The Association wants to ensure all Cernach homes are well-maintained, safe and energy efficient for our residents. We therefore carry out major improvements annually to our stock. Our investment plan takes account of the stock condition survey information provided by our independent quantity surveyors. The most recent stock condition survey was carried out by David Adamson Group in September/October 2015.

What took place in 2016/17:

Kitchen Renewals Contract 2016-2017

This year we undertook the renewal of 39 Kitchens in Cairnwell Grove (Fettercairn Avenue, Katewell Place and Katewell Avenue). The work was carried out during October and November 2016 by CCG.

Painting 2016-2017

External painting was carried out to 40 properties in Cairnwell Grove (Fettercairn Avenue, Katewell Place and Katewell Avenue) plus 4 properties in Kingsmore Court. The work was carried out by Bell Group. In addition, we also had 7 internal closes painted in Harrow Place, Ledmore Drive, Kinfauns Drive and Halbeath Avenue. The close painting was carried out by J.S. McColl.

Bathroom Renewals.

Bathroom renewals were carried out this year by MCN Ltd to 18 homes in Kells Place.



We value your feedback and are very grateful to those tenants who took the time to get in touch. We were pleased to have so many lovely comments from our residents after the kitchen upgrades.

Here are just a few we received:

"Happy with new kitchen, it's fresh and lovely. Men who carried out the work were very good and done their job well" - Mrs Bentley

"Workmen were great and easy to get on with and I felt really comfortable with them being in the property. Kitchen was done to a high standard" – Mrs Doran

Housing Management

Our Gross Arrears of **£88,307** equates to 3.00% of the total rent due for the financial year. The Quality Efficiency Forum had an average of 3.84%.

The table below shows that we have collected 100.48% of the total rent due. Our performance in this area is much better than our peers in the QEF.

Performance Measures		
	Cernach Performance	Average QEF Performance
Rent collected as percentage of total rent due in the reporting year	100.48%	99.54%
Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year	3.00%	3.84%

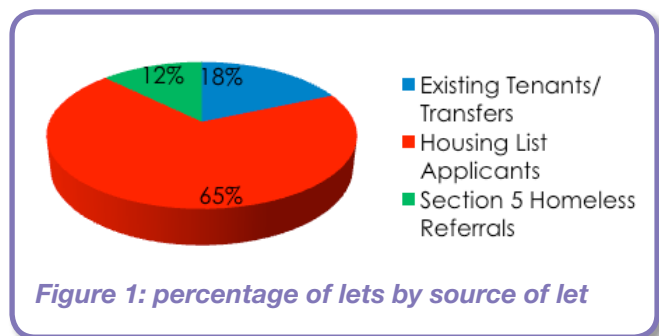
Voids and Allocations

Void loss is when a property is empty and we do not receive rental income. To maximise our income we aim to minimise void loss.

In 2016/17 the Association lost £3,239 of rent through properties being empty.

As a result we lost 0.11% of our total rental income for the year 2016/17 due to void properties.

It took us an average of 8.16 days to re-let empty properties – the QEF average is 20.87 days!!



Did you know that 78.4% of our tenants were satisfied with the standard of their home when moving in? Sadly this is below the average QEF performance of 87.1%. We are always looking to improve our performance and welcome any comments from our new tenants on what we can do to improve.

Our Housing Officers carry out 6 week home visits to all new tenants to ensure they are happy with our service and to answer any questions they may have about the Association or their tenancy.

The Customer Landlord Relationship

Welfare Benefit Advice

Cernach HA provides a Welfare Benefit Advice Service on a Wednesday of each week to our tenants. The service helps customers receive the benefits they are entitled to, carrying out benefit checks, supporting tenants with submitting claims, challenging decisions and pursuing appeals. The Welfare Benefit Advisors help to ensure our customers can afford to pay their rent and other bills, and so sustain their tenancies.

Over the last financial year, this service has brought financial gains to our tenants of **£126,686**.

Here's how the Welfare Benefit Advice benefitted one of our tenants...

“Client has been referred to the service for assistance challenging a Personal Independence Payment decision. His conversion from Disability Living Allowance has been unsuccessful. Previously he was in receipt of the middle rate care component and low rate mobility component. The client suffers from epilepsy, which is uncontrolled. He has dislocated knee caps and so has difficulty with mobility. He's in constant pain and has had some serious falls in the past.

We assisted the client in submitting a mandatory reconsideration but the decision remained unchanged. The clients challenge progressed to appeal and we represented him at a first tier hearing. The original DWP decision was overturned and the client was awarded the standard rate of daily living but no mobility. It took 10 months for this case to move through the social security system and up to the tribunal court. As a result of the original decision the client lost £138.75 per week instantly. (DLA care=£55.10, mobility=£21.80 and severe disability premium=£61.85). Following our assistance the client has regained £116.95 per week. The client was awarded a full backdate.”

This shows that the advice and work carried out by the Welfare Benefit Advice staff is needed and represents another value for money service provided by Cernach.

Did you know 98.7% of our tenants stated they were very or fairly satisfied with our overall quality of services? This is a great improvement on last year's figure of 91.9%.

You can compare how we measured against last year's results and the average QEF in the graph to the right.

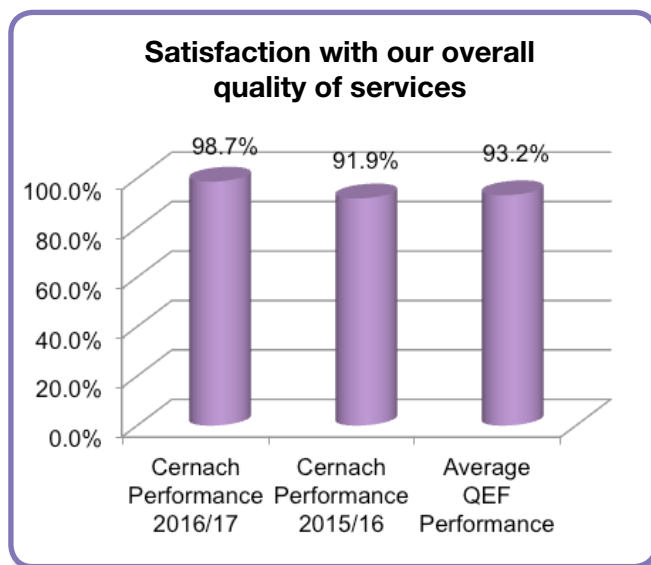


Figure 2: % of tenants satisfied with the overall quality of services

97.7% of our tenants felt we were good at keeping them informed about our services and decisions. This is above the QEF average of 95.8%

94.7% of our tenants were satisfied with the opportunities given to them to participate in their landlord's decision making processes.

This was above the average QEF performance of 92.0%.

Complaints Performance

We welcome and value complaints as we want to understand and learn why customers are unhappy. 100% of our 1st and 2nd stage complaints were responded to in full in the last year within the Scottish Public Services Ombudsman (SPSO) Model Complaint Handling Procedure (CHP) timescales. The QEF average was also 100%. This is an excellent improvement of last year's performance and we hope to continue to deliver timely responses to complaints.

57% of our 1st stage complaints were upheld and 100% of our 2nd stage complaints were upheld.

You can make complaints online through our website, over the telephone, in the office and in writing to the Association. For a copy of our Complaints Summary Policy please contact our office.

Housing Quality and Maintenance

Did you know we completed non-emergency repairs in an average of 2.44 working days? *The average QEF Performance is 4.17 days. We are proud to report that we are in the top quartile of the QEF group.*

The Association had a total of 2,128 non-emergency repairs reported in 2016/17.

Our average length of time taken to complete emergency repairs in 2016/17 was under an hour (0.73hrs to be exact!) *We are pleased to report that we are below the average QEF Performance of 2.52hrs.*

The Association has exceeded its target of 2 hours and is very pleased with the great response time of our contractors to complete emergency repairs.

Did you know 100% of our tenants were satisfied with the repairs service? This is not only a perfect result but we are the only association in the QEF group to achieve this!

The chart below highlights how we performed against the average QEF performance.

Did you know we had 2,051 reactive repairs completed in 2016/17 (eligible for right first time).

96.4% of our reactive repairs carried out in the last year were completed right first time. *This can be compared to the average QEF Performance of 94.2%.*

Did you know that in 2016/17 we received 10 medical adaptations applications? We approved and completed all of these applications.

It took us an average time of 37.2 days to complete approved applications for medical adaptations.

A 'medical adaptation' is a collective term for a broad range of products (including assistive technology) and changes to the fabric of a building that enables people of all ages to carry out ordinary, daily activities that have been affected by: impairment; ill health; traumatic injury; or ageing.

We carried out 100% of gas safety inspections in 2016/17. These were all completed within 12 months of the previous inspections. *We are pleased to report our performance was above the average QEF performance of 99.9%.*

We exceeded our target of 3 working days for non-emergency repairs

We carried out a total of 358 emergency repairs in 2016/17

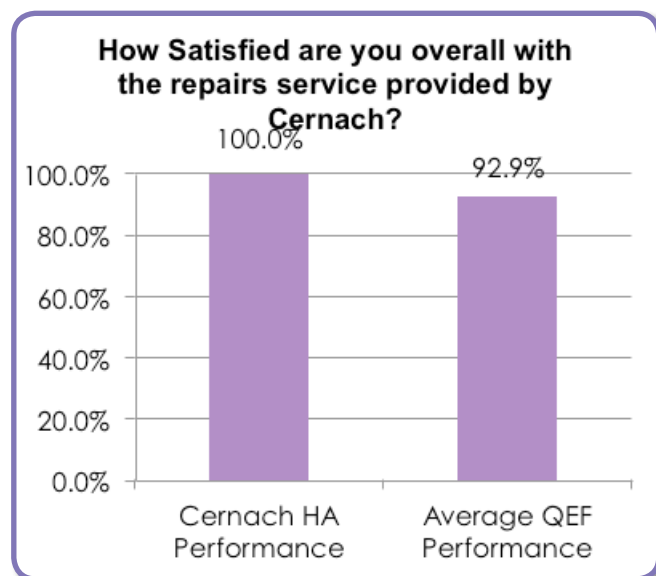


Figure 3: % of tenants satisfied with the repairs service benchmarked against QEF

99.75% of our stock met the Scottish Housing Quality Standard (SHQS). This was above the average QEF result of 92.2%

100% of our properties were at or above the appropriate NHER (National Home Energy Rating) or SAP (standard assessment procedure) ratings specified in element 35 of the SHQS, as at 31 March each year. This can be compared to the average QEF performance of 75%

Neighbourhood and Community Estate Management, Anti Social Behaviour and Sustainment

We were pleased that 96.2% of our tenants were satisfied with the management of the neighbourhood they live in. You can see in the chart how we compare with the average QEF performance.

Again this year the main area of dissatisfaction related to the bulk uplift service, bin collections and litter which services are all provided by Glasgow City Council.

Our 2015 tenant satisfaction survey highlighted that 30% of tenants surveyed either did not know who was responsible for the bulk uplift service or believed the Association was responsible. The Association continues to work with Glasgow City Council (GCC) and raise awareness to our own tenants of the council services. The new GCC Environmental Task Force has recently been set up to tackle dog fouling, littering and fly tipping. We hope this new initiative will improve the area.

Did you know that in 2016/17 we received 31 complaints of neighbour nuisance and anti-social behaviour (ASB)?

100% of our ASB cases were resolved within the timescale.

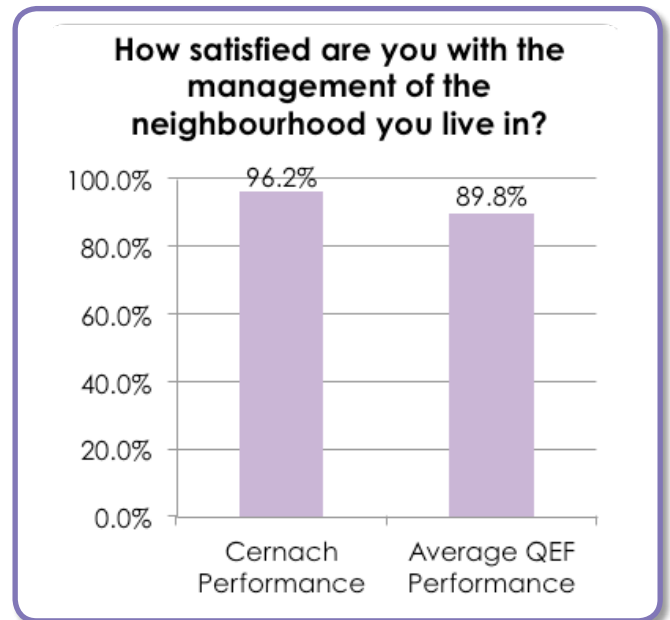


Figure 5: % of tenants satisfied with the management of neighbourhood



Access to Housing and Support

Did you know that 38 properties became available for let in 2016/2017?

Unfortunately, demand for our properties exceeds supply. We currently have 321 applicants on our waiting list. In 2016/2017 we had 38 properties that became available for let which is 4.8% of our housing stock.

It took us 8 days to re-let a property in 2016/17 which was just above our target of 7 days.

78.4% of Cernach tenants were satisfied with the quality of their home when they moved in.

We had no offers refused during the year 2016/17

100% of our new tenancies to existing tenants (transfers) were sustained for more than a year.

75% of our new tenancies to homeless applicants were sustained for more than a year.

94.6% of our new tenancies to housing list applicants were sustained for more than a year.

Good Value from rents and service charges

Did you know 96.2% of tenants thought their rent represented good value for money?

This is above the QEF average performance of 83.4% and an improvement on our figure from last year of 85.1%. You can see below how we compare to the average QEF performance.

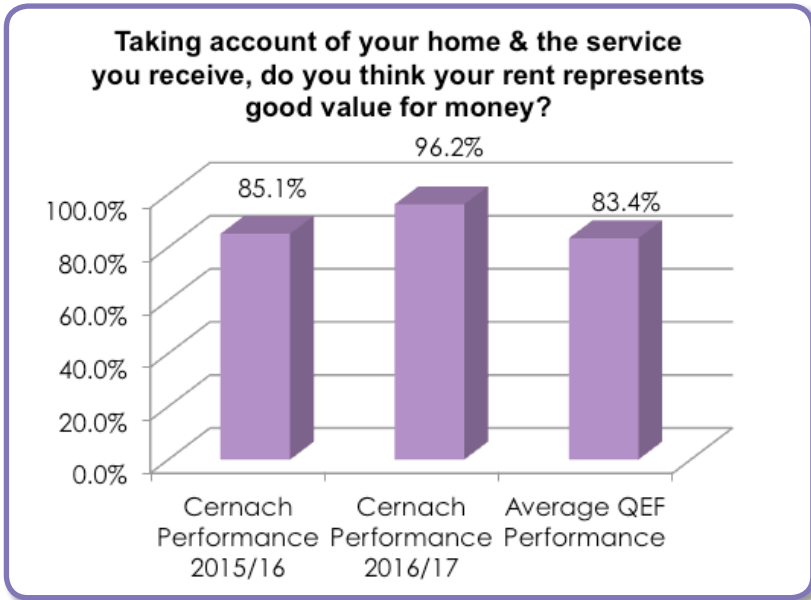


Figure 6: Percentage of tenants that think the rent represents good value for money

83.1% of our factored owners stated they were very or fairly satisfied with the factoring service provided by Cernach. We are pleased to say this is well above the QEF average of 71.6%, but there is always some room for improvement nonetheless.



Financial Highlights For Annual Report 2016/17

Income & Expenditure Account For Year Ended 31st March 2016

PROFIT & LOSS ACCOUNT FOR THE YEAR TO 31ST MARCH	2017	2016	A non-accountant's guide to the accounts
	£	£	
Turnover	3644,600	3,550,655	Income from rents, factoring etc.
Operating Costs	-2,450,359	-2,477,309	Costs of management & maintenance of houses,
Operating Surplus	1,194,241	1,073,346	
Surplus on sale of housing stock	-18,468	3,378	Surplus made on houses sold under Right To Buy.
Release of negative goodwill	61,158	67,122	An amount of Negative Goodwill released to reserves.
Interest Receivable	19,661	20,259	Interest earned on money invested.
Interest Payable	-62,505	-88,620	Interest paid on loans
Other Finance Charges	-25,452	-28,803	Changes In amount owed to Pension Company
Net Surplus For Year	1,165,635	1,046,682	Amount left after deducting all expenses.
Reserves Brought Forward	7,022,802	5,976,120	Accumulated reserves from previous years.
TOTAL REVENUE RESERVES	8,191,437	7,022,802	Accumulated reserves per Statement of Financial Position

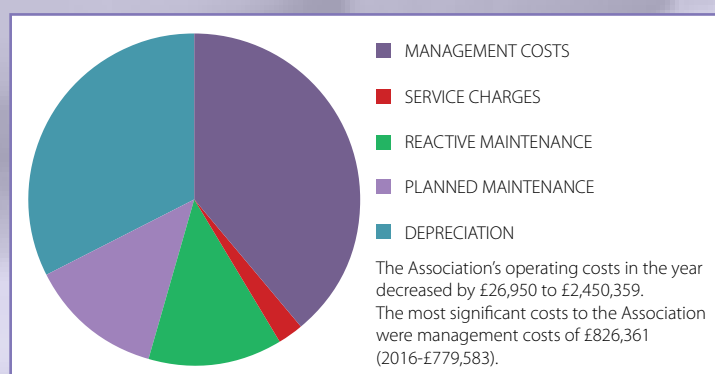
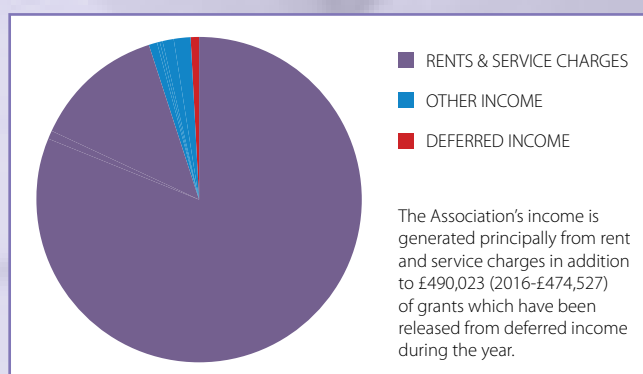
STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH	2017	2016	
	£	£	
Non-Current Assets			
Housing Properties - Depreciated Cost	23,174,741	23,737,719	Net cost of houses owned.
Other Non-Current Assets	655,021	689,167	Cost of new office, computers, office equipment, furniture etc.
	23,829,735	24,426,886	
Negative Goodwill	-2,389,735	-2,450,893	Represents value of SST assets over price paid
Current Assets			
Receivables	171,781	138,931	Money owed to the Association.
Cash	3,584,800	2,812,957	Money in bank.
Creditors due within one year	-778,569	-798,900	Money owed by the Association to be paid within one year.
Net Current Assets	2,978,012	2,152,988	
Total Assets Less Current Liabilities	24,418,012	24,128,981	
Creditors Due After One Year	-3,936,297	-4,325,872	Amount of outstanding loans to be paid after one year.
Deferred Income	-2,290,158	-12,780,180	Grant income received not yet released to reserves.
Net Assets	8,191,557	7,022,929	Net value of the assets of Cernach Housing Association.
Capital And Reserves			
Share Capital	117	127	Number of current £1 shareholders.
Designated Reserves	8,191,440	7,022,802	Money built up from surpluses made over the years..
Total Capital And Reserves	8,191,557	7,022,929	Net funds of Cernach Housing Association.

Income and Expenditure Summary 2016/17

Income	£	%
Rents	2,973,706	80.22%
Service Charges	29,056	0.78%
Grants released from Deferred Income	490,023	13.22%
Revenue Grants	23,460	0.63%
Factoring	10,673	0.63%
Other Income	1,635	0.04%
Wider Action	33,000	0.89%
Services to other RSL's	38,047	1.03%
Community Connections	45,000	1.21%
Release of Negative Goodwill	61,158	1.65%
Surplus on Sale of Fixed Assets	-18,468	-0.5%
Interest Received	19,661	0.53%
	3,706,951	100.00%

Expenditure	£	%
Management Costs	826,361	32.56%
Service Charges	29,056	1.14%
Reactive Maintenance	319,024	12.57%
Planned Maintenance	352,911	13.9%
Bad Debts	1,401	0.06%
Property Depreciation	772,632	30.44%
Factoring	10,637	0.42%
Wider Action	33,000	1.30%
Welfare Rights Services	7,488	0.29%
Services to other RSL's	38,047	1.50%
Community Connections	45,000	1.77%
Development Activities	14,765	0.58%
Interest Payable	62,505	2.46%
Other Finance Charges	25,452	1.00%
	2,538,315	100.00%

Surplus	£1,168,636	
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Our Team At 31st March 2017

Name	Continuous Service Since:	Office Bearer Title
MANAGEMENT COMMITTEE		
Susan McDonald, MBE	1990	Chairperson
Rosemary McGill	2011	Vice-Chairperson
Tracy Bowie	2011	Secretary
Karen McGinley	2014	
Ann Hardie	2015	
Janette Meechan	2015	
Andrew McCourtney	2015	
Andy Biddell	2016	
Frank John	2016	
Shereen Frank	2016	
Muriel Wylie	2016	
Jean McFarlane	2016	
Diane MacMillan	2016	
Michael Mellon	2016	
John Brannan	2016	
CERNACH HOUSING ASSOCIATION STAFF		
Name	Title	Appointed
Caroline Shepherd	Director <i>(3 days per week)</i>	2015
Gavin Burt	Depute Director	2010
Colin Armstrong	Development Manager <i>(2 days per week)</i>	2016
Karen Dyson	Finance Officer	1994
Elaine Bannerman	Housing Officer	1992
Paula Baylis	Housing Officer	2016
Jim O'Connor	Housing Officer	2013
Laura-Jane Richards	Housing Officer	2015
Emma McShane	Housing & Corporate Services Officer	2017
Bruce Strathearn	Maintenance Officer	2014
Carylanne McLellan	Maintenance Assistant Officer	2007
Kirsty Boag	Housing Services Assistant	2016
Anne Smith	Corporate Services Assistant	2016
Ted Scanlon	Community Connector <i>(fully funded by GCC)</i>	2016
AGENCY SERVICES RECEIVED FROM:		
Fettes McDonald	FMD Financial Services Ltd.	

Thank you for reading our Charter Annual Report

We hope that you have found it helpful in understanding our performance. We pride ourselves in our commitment to our community, making the environment in which we live and work a great place to be. However for this to be achieved we need your feedback! If you feel an area of our performance is poor, please get in touch with us and tell us why you are dissatisfied.

On the other hand, if you wish to give any staff in particular or the organisation in general a compliment or make any suggestions then contact our office or visit our website.

Customer Feedback Form

Name			
Address			
Telephone		Email	
We really value your comments and welcome your participation and so would ask that you take some time to note in the box below your feedback on the content and layout of our Annual Report on the Charter. Alternatively you can email your comments to admin@cernachha.co.uk			
Comments			

If you think you would find it interesting to join our Residents Scrutiny Panel please contact Emma at our office on **0141 944 3860** or email **Emma@cernachha.co.uk**.

Thank you



Cernach Annual Report can be downloaded from our website, www.cernachha.co.uk and if requested, Cernach Annual Report can be made available in different languages, in Braille and or on CD. Additionally, we are able to offer a sign or language interpreter free of charge.

**Cernach Housing Association Ltd
FREEPOST RRBL-YAEZ-AJZZ**

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Email: info@cernachha.co.uk **www.cernachha.co.uk**

**Cernach Housing Association
Opening Hours**

Monday, Wednesday, Thursday & Friday

9.00 am – 5.00 pm

Tuesday

10.00 am – 5.00 pm

