

Grove Housing Association Ltd.

ANNUAL REVIEW 2012/13



Loughview Terrace development on completion, February 2013

PROVIDING QUALITY AFFORDABLE HOMES IN THE GROVE AREA AND IMPROVING THE STANDARD OF LIFE IN THE COMMUNITY

CHAIRMAN'S FOREWORD



As Chairman of Grove Housing Association I am delighted to bring you this Annual Review for the year 2012 – 2013.

Our stock now sits at just over 200 properties after finally finishing the Loughview Terrace/Skegoneill Avenue development, with the new tenants receiving their keys at the end of February. We have also completed the Retrofit house in St Vincent Street in June 2012 and things thankfully are running as they should with the energy saving reports looking well.

Grove Housing Association are also in talks with 3 other housing associations about merging together to make one main North Belfast Housing Association, but we are in the early stages and there are a lot of issues to be discussed. This, however, is very encouraging and can only be seen as a positive and progressive step for the future.

Grove Housing Association continues to strive to deliver a good housing service to the community and we believe with time we can only get better.

I would also like to take this opportunity to thank all our Board Members for their continued support, time and effort given over the past year. Thanks also go to the staff for their hard work and to all our many partner organisations.

David Browne

GENERAL MANAGER'S REPORT



Denis Bleakley

INTRODUCTION

This Report relates to the year ending 31st March 2013 and includes information the Department for Social Development requires us to publish. Please read it and contact us if you have any queries.

HOUSING STOCK

At 31st March, Grove owned and managed 218 homes made up of:

- 1 bedroom – 8 homes
- 2 bedroom – 89 homes
- 3 bedroom – 115 homes
- 4 bedroom – 6 homes

Of these 202 were houses and 16 were flats and they are for general needs use. All are in and around the York Road - Shore Road area of Belfast.

INSPECTION BY REGULATORS

The Department for Social Development carried out an inspection in February and March 2013 and we await their Report. Reports are however published on www.dsdni.gov.uk - click on Housing, Registered Housing Associations, and Governance & Inspection to view the Report when available.

Staff and Board Members have been continuing to work to improve standards, assisted by our regular external and internal audits.

ALLOCATION OF HOMES

Like other housing associations and the Housing Executive, Grove is required to allocate homes according to the rules in the Housing Selection Scheme to people on the Common Waiting List. 25 homes were re-let over the year after they became vacant, which is a lot more than usual. Also 9 new homes were allocated.

An analysis of the 34 applicants who accepted accommodation is as follows:

Renting from NIHE	12
Renting another Grove home	9
Renting from another H Assoc.	1
Renting privately	4
Owning or buying	2
Living with family/friends	6

1-69 points	0
70-119 points	2
120 points & above	10
Transfers	22

Under 6 months on waiting list	14
6 months – 1 year on list	3
1-2 years on list	11
Over 2 years on list	6



Ivan Street

HOMES EMPTY BETWEEN TENANCIES

The average time taken to repair, allocate and re-let the 25 homes that came available during the year was 5.0 weeks. At the end of March Grove, had 3 houses empty between tenancies, 1 having more extensive repairs and 1 with a tenancy dispute.



St Vincent Street – built in 1983 and an early example of new houses using traditional Belfast brick patterns

RENTS

Rent levels

Grove followed the Housing Executive rent increase of 6.6%, which was applied from 1st April 2012.

Tenancies which started before 1992 are “controlled” and have to be at the same rent as the Housing Executive would charge. Grove only has 17 of these now. The rest are “de-controlled” rents which means we can charge more, mostly to cover the private loans that financed part of the building costs. Our average “de-controlled” rents for homes built before and after 1975 are:

Bedrooms	Older homes	Homes built after 1975
1	£42.57	£50.28
2	£57.37	£74.95
3	£66.21	£80.19
4	£65.08	-
Average	£59.87	£77.57

69.5% of our rental income is received through Housing Benefit payments.

Rent arrears

Rent & rates due for the year: £869,448
Amount actually collected: £853,273

Arrears of current tenants: £25,024
Arrears of past tenants: £3,577
Arrears as % of rent & rates due: 3.3%
Arrears written off during year: £806

MAINTENANCE

Response repairs

Our statistics for response repairs for the year are as follows:

Emergency (24 hours to complete)

- 70 out of 74 on time (95%)

Urgent (4 working day response time)

- 508 out of 579 on time (88%)

Routine (4 week response time)

- 118 out of 122 on time (97%)

Adaptations

The Association continued to carry out adaptations for tenants or their families with disabilities. This ranged from smaller works such as fitting grab rails or extra handrails on stairs, to larger work such as installing level access showers.

Spending on maintenance

Over the year we spent the following on maintenance.

- Response repairs £66,789
- Change of tenancy £35,690
- Planned & cyclical £57,453
- Disability adaptations £5,370

LOUGHVIEW TERRACE SCHEME

Difficulties with the site delayed completion of our housing scheme at the corner of Shore Road and Skegoneill Avenue. Handover was on 28th February 2013 and 5 three bedroom houses and 4 two bedroom flats have been provided.



Dilys Harkins, Board Member, & new tenant Gemma Wasson

The dwellings have achieved Level 4 of the Code for Sustainable Homes, so as well as being environmentally friendly they should have low utility costs. They are built to our usual Lifetime Homes standards, which make them easier to use and adapt for disabilities, and they achieved Secured by Design certification.

RETROFIT HOUSE

Peter Keig from Eco-Energy NI approached Grove to see if we could provide a Victorian terrace house for the “Retrofit for the Future” competition. This was a UK competition for funding from the Technology Strategy Board to reduce carbon dioxide emissions by 80% when compared to their 1990 level. Grove offered 9 St Vincent Street and Peter’s entry was successful – the only property chosen in N Ireland.



The photograph shows a normal house and the aim was to have a home where smart technology runs itself and does not need much action from the tenants.

Work included roof, wall and floor insulation, triple glazed windows, superb air tightness, mechanical ventilation with heat recovery, solar PV panels and low energy lighting. At the same time renovation work was carried out, some of it planned and some found to be necessary when the house was stripped out. This was paid for by Grove.

The monitoring after completion shows that the savings are better than the 80% requirement. The house won the 2012 UK “Domestic Retrofit Project of the Year” award and also some other awards.



Official opening, July 2012

Whilst the extreme measures taken on this house cannot be replicated in full in other houses, the lessons learned will help us know what is best for future improvements elsewhere.

BOARD OF MANAGEMENT

Grove’s Board is responsible for making policy decisions about how the Association is run and what activities it should be involved in. Examples are:

- Challenging staff actions and proposals to ensure they are appropriate.
- Ensuring finances are sound and proper controls are in place.
- Considering risks and how to manage them.
- Following the policies laid down by our Regulators.
- Determining rent levels.
- Considering serious rent arrears.
- Approving new schemes for building and buying homes.
- Approving major maintenance.
- Staff pay and recruitment.

The Board takes its responsibilities seriously and met 10 times over the year. Details of names and attendance are on the back page of this report. Details are also included of travel expenses paid as some Members do not live locally.

INCOME AND EXPENDITURE ACCOUNT - YEAR ENDED 31 DECEMBER 2011

	2012	(Re-stated)*
	£	2011
	£	£
TURNOVER (<i>Rental income & development admin.</i>)	759,837	718,051
Operating costs (<i>Management, maintenance, depreciation</i>)	<u>(515,848)</u>	<u>(474,561)</u>
OPERATING SURPLUS	243,987	243,490
Interest receivable (<i>Bank interest</i>)	6,940	3,876
Interest payable (<i>On loans that helped build homes</i>)	(109,011)	(106,182)
Net return	<u>(2,000)</u>	<u>(4,000)</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES		
(Note: Grove not due to pay tax)	139,918	137,184
RETAINED SURPLUS FOR THE YEAR	139,918	137,184

The Association has no recognised gains and losses other than the above.
All the Association's activities are classified as continuing.

* New depreciation rules apply to the 2012 accounts and adjustments had to be made to the 2011 accounts so the comparison between the two years figures was meaningful.

Notes on Income and Expenditure Account

Turnover increased by 6% with £41,786 increased income. Operating costs also rose by 9% despite savings being made where possible. This left the Association's surplus for the year at £139,918 which is an increase of 2% on 2011. The amount of this surplus is partly due to repayments for a loan which helped fund 11 houses not starting until December 2012.

The total spending on Maintenance this year represents an overall increase of almost 12% on 2011. The table below illustrates that further emphasis has been placed on planned and cyclical maintenance and also there were more changes of tenancy than usual.

	2012	2011
Maintenance Admin Costs	25,007	22,239
Response Repairs	66,789	90,988
Planned/Cyclical Repairs	57,453	28,610
Change of Tenancy Repairs	35,690	21,823
Clerk of Works Costs	6,782	6,838
Total	191,721	170,498

BALANCE SHEET - AT 31 DECEMBER 2012

	2012 £	(Re-stated) * 2011 £
FIXED ASSETS		
Housing land and buildings:		
Cost (<i>Total cost of buying, renovating & building houses</i>)	15,605,152	14,801,126
Less: Housing Association Grant (<i>Grant from government</i>)	(11,565,530)	(11,223,313)
Depreciation (<i>Some of value taken off as houses get older</i>)	<u>(810,533)</u>	<u>(727,628)</u>
	3,229,089	2,850,185
Other Fixed Assets (<i>Mainly office building</i>)	<u>497,283</u>	<u>509,646</u>
	<u>3,726,372</u>	<u>3,359,831</u>
CURRENT ASSETS		
Debtors (<i>Rent owed to Grove & provision for doubtful debts</i>)	80,555	110,792
Cash and Bank Balances (<i>Varies due to development schemes</i>)	<u>480,824</u>	<u>592,574</u>
	561,379	703,366
CURRENT LIABILITIES		
Creditors: amounts falling due within one year (<i>Loan repayments & other payments owed at year end</i>)	(209,491)	(490,732)
NET CURRENT ASSETS	351,888	212,634
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>4,078,260</u>	<u>3,572,465</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (<i>Loan repayments</i>)		
	2,863,375	2,502,498
PENSION LIABILITY (<i>Current under funding estimate of pension scheme</i>)	165,000	114,000
FINANCED BY:		
SHARE CAPITAL (<i>60 shareholders each with a £1 share</i>)	60	60
CAPITAL RESERVES (<i>Cost of shares that goes back to the Association when shareholders die</i>)	59	59
REVENUE RESERVES (<i>General reserves</i>)	<u>1,049,766</u>	<u>955,848</u>
	1,049,885	955,967
	<u>£4,078,260</u>	<u>£3,572,465</u>

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These financial statements were approved by the Board of Management and authorised for issue on 14th May 2013.

A full set of audited financial statements are available on request.

BOARD OF MANAGEMENT AT 31 MARCH 2013

Name	Position	Qualifications & service	Years on Board	Meeting Attendance	Expenses (Travel)
David Browne	Chairman	City Councillor Local Resident	14	9	-
Philip Oliver	Vice-Chairman	Former Business Manager. Local Resident	12	9	-
Mark Shields	Treasurer	Finance & Business	2	10	£214
Jacqueline Browne	Board Member	Local Resident	14	7	-
Colm McGarry	Board Member	MSc. Senior positions in NIHE & Local Government (retired)	3	6	£185
Dilys Harkins	Board Member	Career in Business, Media & Housing (retired)	2	7	£204
Erskine Holmes	Board Member	OBE, BA, MA, Dip.Ed. Director of NIFHA (retired)	13	7	£54
Greer Ferguson	Board Member (Co-opted Nov. 12)	Bank Manger (retired)	0	3	-
Denis Bleakley	Secretary	LLB, MCIH	(Not Member)	10	£20

STAFF

General Manager
Housing Officer
Finance Officer
Housing Assistant

Denis Bleakley
Gloria McClean
Heather Carmichael
Sarah McCall



Registered office

171 York Road, Belfast BT15 3HB

Tel: 028 9077 3330

Fax: 028 9077 6661

Email: info@groveha.org.uk

Website: www.groveha.org.uk

Industrial & Provident Society IP000173

Department for Social Development
Registration No. R14

Auditors: Crawford Sedgwick

Solicitors: Donaghy Carey

Bankers: Ulster Bank

If you would like this Annual Review in a different format such as larger print, please contact Grove's office.