

Grove Housing Association Ltd.

ANNUAL REVIEW 2013/14



Grove's Office, 171 York Road

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 present this Annual Review for the year 2013-2014. Our stock now sits at 218 properties and is made up of a variety of apartments, houses and bungalows ranging from Victorian terraces to modern energy efficient lifetime homes.

The proposed merger between Filor, Flax and Grove housing associations did not proceed as planned. Filor and Flax went ahead, but after much consideration and discussion by the Board, Grove concluded that it was not the best way forward for us. Instead we decided to continue as we are. However this will not preclude us in the future from identifying other associations with whom we can share services for the more efficient running of Grove and providing for further improvements in our services to tenants.

I would like to welcome Greer Ferguson who was elected as a full member of the Board in May 2013 and we are hoping that he is the first of a number of new Board Members with special skills that we hope to recruit in the near future.

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. In particular I would like to thank our external Clerk of Works, Ivor Fletcher, for his continued expertise in all things regarding maintenance.

David Browne

GENERAL MANAGER'S REPORT



Denis Bleakley

INTRODUCTION

This Report is about the year ended 31st March 2014 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. They are for use by people with general housing needs. 1 house was sold during the year and 1 bought to replace it. All dwellings are in and around the York Road - Shore Road area of Belfast.

INSPECTION BY REGULATORS

The Department for Social Development carried out an inspection early in 2013 and their report was published in July 2013. Reports are available on www.dsdni.gov.uk - click on Housing, Registered Housing Associations, and Governance & Inspection to view it, or ask Grove for a copy.

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. 17 homes were re-let over the year after they became vacant, and 1 newly bought home was allocated.

An analysis of the 18 applicants who accepted accommodation is as follows:

Renting from NIHE	4
Renting another Grove home	0
Renting from another H Assoc.	0
Renting privately	3
Owning or buying	2
Living with family/friends	7
Hostel	2

1-69 points	1
70-119 points	9
120 points & above	4
Transfers	4

Under 6 months on waiting list	2
6 months – 1 year on list	6
1-2 years on list	3
Over 2 years on list	7



15-19 Shore Road

HOMES EMPTY BETWEEN TENANCIES

The average time taken to repair, allocate and re-let the 17 homes that came available during the year was 4.4 weeks. At the end of March, Grove had 2 houses empty between tenancies.



Fife Street

RENTS

Rent levels

Grove applied a 2.36% rent increase from the start of April 2013. In setting rents, the Association looks at the increase recommended by government, its own short and long term financial requirements and the need to keep rents at affordable levels for tenants.

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:

<i>Bedrooms</i>	<i>Older homes</i>	<i>Homes built after 1975</i>
1	£44.15	£53.22
2	£58.56	£75.63
3	£67.99	£81.94
4	£66.64	N/A
Average	£61.52	£78.86

68% of our rental income is received through Housing Benefit payments.

Rent arrears

Rent & rates due for the year: £933,927
Amount actually collected: £925,705

Arrears of current tenants: £28,727
Arrears of past tenants: £5,949
Arrears as % of rent & rates due: 3.7%
Arrears written off during year: £387

MAINTENANCE

Response repairs

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

Emergency (24 hours to complete)

- 37 out of 43 on time (86%)

Urgent (4 working day response time)

- 451 out of 510 on time (88%)

Routine (4 week response time)

- 89 out of 96 on time (93%)

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, to larger work such as installing level access showers and stair lifts.

Larger schemes

During the year the Association carried out an external painting scheme, mainly for the newer houses. A further scheme was carried out with help from “Cosy Homes” funding to finish upgrading loft insulation in the 2 storey houses from 150mm to 300mm. A scheme also commenced to renew defective “vinyl wrap” kitchen unit doors which are very commonly used but have proved in Grove houses not to last.

Spending on maintenance

Over the year we spent the following on maintenance.

- Response repairs £83,047
- Change of tenancy £35,339
- Planned & cyclical £127,450
- Disability adaptations £4,638



Glasgow Street

LOUGHVIEW TERRACE/SHORE ROAD OFFICIAL OPENING BY THE MINISTER

Social Development Minister Nelson McCausland officially opened this scheme of 5 houses and 4 apartments on 7th February 2014.



The Minister with Susan Baker (tenant) and Grove Chairman, Alderman David Browne

He said: "These new homes are a welcome sight on what was previously a longstanding derelict site that blighted this main arterial route. Grove Housing Association is to be congratulated for having the foresight to purchase this vacant land and return it to beneficial use. I would like to congratulate everyone involved in the construction of these new family homes. It is initiatives such as these which help build and sustain communities and I wish all tenants well in their new homes."



After the official opening, the Minister visited several flats and houses, meeting tenants including James Baker.

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 13 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. One Board Member was particularly heavily involved in the merger negotiations and he therefore had much higher travel expenses than usual.



163 York Road - derelict for many years until rehabilitated in 2012

INCOME AND EXPENDITURE ACCOUNT - YEAR ENDED 31 DECEMBER 2013

*

	2013	2012
	£	£
TURNOVER (<i>Rental income & development admin.</i>)	816,941	771,337
Operating costs (<i>Management, maintenance, depreciation</i>)	<u>(609,174)</u>	<u>(527,348)</u>
OPERATING SURPLUS	207,767	243,989
Interest receivable (<i>Bank interest</i>)	4,997	6,940
Interest payable (<i>On loans that helped build homes</i>)	(121,706)	(109,011)
Net return	<u>(1,000)</u>	<u>(2,000)</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES		
(Note: Grove not due to pay tax)	97,375	139,918
RETAINED SURPLUS FOR THE YEAR	97,375	139,918

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

Notes on Income and Expenditure Account

Turnover increased by 5.9% with £45,604 increased income. Operating costs also rose by 15.5% with the most significant reason being the substantially higher spend on maintenance. This left the Association's surplus for the year at £97,375 which is a decrease of 30% on 2012. The much higher surplus in 2012 was partly due to repayments for a loan which helped fund 11 houses where payments did not start until December 2012. Interest on investments was lower in 2013 compared to 2012.

The total spending on Maintenance this year represents an overall increase of almost 52% on 2012. The table below illustrates that further emphasis has been placed on planned and cyclical maintenance.

	2013	2012
Maintenance Admin Costs	38,114	25,007
Response Repairs	83,047	66,789
Planned/Cyclical Repairs	127,450	57,453
Change of Tenancy Repairs	35,339	35,690
Clerk of Works Costs	8,258	6,782
Total	292,208	191,721

BALANCE SHEET - AT 31 DECEMBER 2013

	2013	2012
	£	£
FIXED ASSETS		
Housing land and buildings:		
Cost (<i>Total cost of buying, renovating & building houses</i>)	15,808,042	15,605,152
Less: Housing Association Grant (<i>Grant from government</i>)	(11,705,402)	(11,565,530)
Depreciation (<i>Some of value taken off as houses get older</i>)	<u>(888,669)</u>	<u>(810,533)</u>
	3,213,971	3,229,089
Other Fixed Assets (<i>Mainly office building</i>)	<u>488,412</u>	<u>497,283</u>
	<u>3,702,383</u>	<u>3,726,372</u>
CURRENT ASSETS		
Debtors (<i>Rent owed to Grove & provision for doubtful debts</i>)	84,720	80,555
Cash and Bank Balances (<i>Varies due to development schemes</i>)	<u>519,392</u>	<u>480,824</u>
	604,112	561,379
CURRENT LIABILITIES		
Creditors: amounts falling due within one year (<i>Loan repayments & other payments owed at year end</i>)	<u>(281,342)</u>	<u>(209,491)</u>
NET CURRENT ASSETS	322,770	351,888
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>4,025,153</u>	<u>4,078,260</u>
CREDITORS: AMOUNTS FALLING DUE		
AFTER MORE THAN ONE YEAR (<i>Loan repayments</i>)	2,711,892	2,863,375
PENSION LIABILITY (<i>Current under funding estimate of pension scheme</i>)	109,000	165,000
FINANCED BY:		
SHARE CAPITAL (<i>60 shareholders each with a £1 share</i>)	55	60
CAPITAL RESERVES (<i>Cost of shares that goes back to the Association when shareholders die</i>)	65	59
REVENUE RESERVES (<i>General reserves</i>)	<u>1,204,141</u>	<u>1,049,766</u>
	<u>1,204,261</u>	<u>1,049,885</u>
	<u>£4,025,153</u>	<u>£4,078,260</u>

These financial statements were approved by the Board of Management and authorised for issue on 13th May 2014.

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	15	11	-
Philip Oliver	Vice-Chairman	Former Business Manager. Local Resident	13	13	£99
Mark Shields	Treasurer	Finance & Business	3	12	-
Jacqueline Browne	Board Member	Local Resident	15	5	-
Colm McGarry	Board Member	MSc. Senior positions in NIHE & Local Government (retired)	4	12	£586
Dilys Harkins	Board Member	Career in Business, Media & Housing (retired)	3	10	-
Erskine Holmes	Board Member	OBE, BA, MA, Dip.Ed. Director of NIFHA (retired)	13	9	£168
Greer Ferguson	Board Member	Bank Manger (retired)	1	11	£130
Denis Bleakley	Secretary	LLB, MCIH	(Not Member)	11	£10

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.