



SOUTH DEVON RURAL

HOUSING ASSOCIATION LIMITED



Annual Report 2012/13

Chairman's Annual Report 2013

I am pleased to report that the Association has had a very successful year in 2012/13.

In June 2012 Forder Lane House care home refurbishment was completed adding a further 11 rooms. What is doubly pleasing is that it was fully occupied by November 2012 ahead of schedule and we have a waiting list. I would like to thank all the contractors and staff involved and especially the residents that stayed with us throughout the refurbishment.

We continue to follow our primary objective of creating more affordable housing in South Devon. During the year we completed the conversion of three flats to rent to local people at affordable rents at Western House in Totnes, which is opposite the station entrance.

In July last year South Hams District Council asked if South Devon Rural could aid a local family to stay within their rural community. They were renting a house from a private landlord who was selling the property. In August 2012 the South Devon Rural purchased the property, with the support of South Hams District Council, which has enabled that family to stay in their home.

We also completed the construction of 6 flats at Braemar, in Buckfast, and converted Merryfield barn to 4 further properties which are occupied by tenants with learning disabilities, supported by Camphill Devon Community. The development was partly funded by grants from the Homes and Communities Agency and Teignbridge District Council and was completed on time and on budget. The contractor Coydes was shortlisted at the local LABC (Local Authority Building Control) awards for the work carried out on these properties and received a special award for the work carried out at Merryfield Barns. There was an official opening in July.

In early 2013 work started on site on four houses in Thurlestone. These houses are being built to Code 5 and Passivhaus standards and will have very low energy and water use. They will soon be available for local people to occupy at affordable rents in a beautiful part of the South Hams.

Our plans to convert Avondale House, South Brent, into 6 large family homes are making progress and we hope to be on site before the end of this calendar year. Our community-led development of 8 low cost homes for sale and 4 affordable homes for rent in Moreleigh has now been submitted for planning to South Hams District Council.

In January 2012 a bid was placed with Devon County Council to provide a work hub in Devon. The aim is to provide affordable work space to new businesses or people who are working from home and find it difficult to find a work place which is affordable but doesn't have a long lease to commit to. South Devon Rural was awarded a grant to cover part of the cost and the balance came from its own fund. The work hub opened in South Devon House in August 2012 and has been very successful with the four small offices being let virtually straight away. Demand was so high for these that another office was created, and was let as soon as it was ready. Demand for the desk space has been steadily increasing over the year.

Due to our increase in size, the staffing structure was reviewed, which sadly meant the loss of our Housing officer role, which meant Michelle Northmore and Charlotte Arnold left the organisation. However two full time posts were created, with Francis Bourke as Operations Manager, supported by a Housing Assistant post which is currently vacant.

I would also like to give a special mention to Liz Shinner who recently retired as Care Manager from Forder Lane House. She had worked there for nearly 30 years building up Forder Lane House's high reputation for caring. We wish her all the best in her retirement.

Elsewhere in this report you will find details of our service standards, how well we are performing, and how we are progressing with the HCA's regulatory standards. We continue to spend substantial amounts repairing, maintaining and improving our housing stock. While we are doing well with all these, we are not complacent and strive to improve further.

I would like to thank Steve Prime, our CEO, and Claire Barnett, our financial director, for all their hard work – it has been a very busy year. I am grateful to the Board for their support and to look forward to more successes in 2014.



Introduction from the Chief Executive

Welcome to this year's annual report. In this report, we have 3 aims:

- to set out how we provide services to you, and meet the standards set by the HCA
- to report how well we are performing
- to identify the ways in which you can comment on our procedures and our performance, and influence how SDR is run

We will also give feedback on comments, suggestions and complaints from tenants and service users.

I hope you find our Annual Report interesting, and that it encourages you to get more involved with the way SDR is run. If you would like to contact me personally to discuss anything in our report, please feel free to email me on:

steve@southdevonrural.com
I can also be contacted by telephone on 01803 863550.

A reminder of existing communication routes and ways to get involved we have already set up:

consult@southdevonrural.com

a dedicated consultation e-mail address

consult@ - a matrix of tenants and stakeholders who receive policies and procedures on which to comment upon as part of our consultation and tenant involvement strategy. (Where they have said they wish to do so) **feedback@southdevonrural.com** a dedicated e-mail address which goes out on all association e-mails inviting feedback from anyone with whom we communicate

STAR Surveys – these are annual surveys which the association carries out to gauge satisfaction with the services it provides. The results of which are reported to the board, used in management meetings and published in SDR newsletters. The STAR Survey took place in 2013.

Repairs satisfaction surveys – Repairs satisfaction surveys – for every repair the association carries out the tenant will receive a satisfaction slip to return in a pre-paid envelope giving their view on the repair service provided by both the association and contractor.

What you want surveys – an annual survey of tenants giving their views on what is important to them

for forthcoming years. The results of which influence the Association's investment plans.

Grounds Maintenance Annual Satisfaction Surveys to measure the level of tenant satisfaction with the grass cutting and grounds maintenance service provided by our contractors.

Regular site inspections – Our Housing Staff makes regular inspections of our housing schemes to ensure they are maintained to our expectations and standards – residents are invited to accompany the Housing Staff on these inspections should they wish to do so. You may also contact us by telephone on 01803 863550 and ask to speak to me or any member of staff on this matter.

Tenants on the Board

The Association has, for many years, had two places available on the Board of Management, reserved for tenants of the association. Tenant Members are voted onto the Board by tenants and are subject to the normal selection criteria for Board Members. The next tenant elections take place in 2015.

With best wishes
Steve Prime, FCMI FCIH Chief Executive

South Devon Rural Housing Association and Teignbridge District Council are celebrating the opening of Braemar Apartments which provides much needed accommodation for people with learning disabilities. Tracyann Tweedie (Vice Chair) Councillor – Philp Vogel (Teignbridge Council) Rod Hewett (Chairman)



The regulatory framework requires SDR to include in our Annual Report how we are meeting the Homes and Communities Agency (HCA) regulatory standards, which relate to:

Our Service Standards



(Above) LABC presentation awards for Merryfield Barns



- Tenant involvement & empowerment - service standards & choice
- Home - repairs and quality of accommodation
- Tenancy - rents and allocations
- Neighbourhood & community – neighbourhood management and anti-social behaviour
- Value for money

The HCA has published detailed definitions of the standards it expects against all five headings – if you would like to read these, visit the HCA website, or contact any of the contact names at the end of this report for a copy.

SDR believes that it meets the standards identified by the HCA. However, we recognise that there is always room for improvement, and we are committed to continuing to improve our performance each year. We support the HCAs view that performance can be improved by increasing the involvement of our tenants in running the association, and this report sets out how we aim to achieve this.

In setting our service standards to meet both our tenants priorities and the regulatory expectations, SDR will:

- Set rents which are affordable, and only increase rents annually in line with regulatory rules
- Allocate all homes according to our published Lettings Policy, with particular priority given to local people
- Provide assured tenancies for all tenants, except where we manage property for other landlords who require us to use Assured Shorthold Tenancies or where we operate specific affordable housing

- schemes such as SHIRE
- Minimise the number of our properties that are empty at all times
- Operate a defined lettings standard
- Maintain a 24 hour responsive repairs service, with target times for action which reflect the urgency of the repair need
- Undertake a stock improvement programme on our own properties each year, to ensure they continue meet the government's Decent Homes Standard
- Inspect all our housing sites monthly, (quarterly for individual outlying properties) to ensure that communal areas and gardens are maintained properly, and identify any problems that need to be addressed
- Respond actively to protect our tenants against anti-social behaviour, and take strong action against perpetrators
- Address any complaints as quickly as practicable in accordance with our published Complaints Policy
- Work with other social housing organisations on local initiatives, where this can benefit our tenants
- Produce an annual improvements plan based on any gaps which have been identified by the organisation or its tenants
- Keep under review our Local Offer to Tenants, taking into account tenant comments.

(Bottom left) Eco Houses at Thurlestone close to completion

(Right) Merryfield Barns, Buckfast under development



How Well Are We Performing

In this section, we aim to give you information about how well we are performing.

The chart below includes a

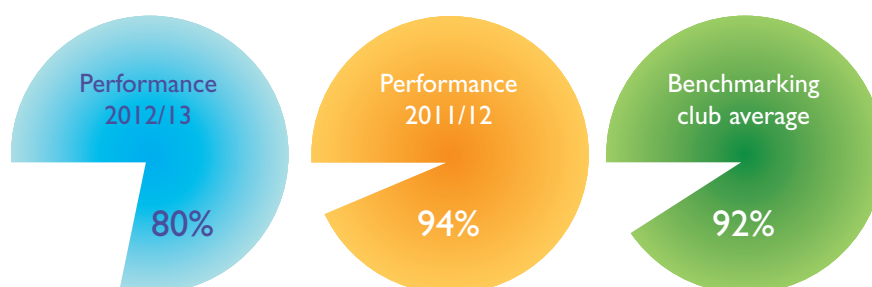
number of 'performance indicators' showing SDR's current performance (over the last year). To put these figures in context, we have also included SDR's

performance the previous year (2011/12) as well as average performance for a group of housing associations similar to SDR (our 'benchmarking club').

PERFORMANCE INDICATOR	Performance 2012/13	Performance 2011/12	Benchmarking club average
Emergency repairs completed on time	100%	100%	100%
Urgent repairs completed on time	98%	98%	97%
Routine repairs completed on time	89%	91%	97%
Rent lost through empty properties	0.59%	0.73%	0.3%
Average Time to re- let an empty property (days)	11	18	20
Current tenant rent arrears	1.51%	0.68%	2.56%
Rent arrears after housing benefit due is taken out	1.32%	0.63%	1.77%
Average weekly rent	£82.74	£76.43	£94.17
Overall satisfaction with your landlord *	80%	94%	92%
Views taken into account by their landlord *	57%	87%	79%

Star Survey 2013 *

You told us that repairs & maintenance is the most important service we provide to you. We continue to monitor all aspects of satisfaction (or dissatisfaction) with the service we and our contractors provide. We investigate all reports of dissatisfaction through our quality assurance system.



Overall satisfaction with your landlord



Our Rented Stock as at 31.03.13

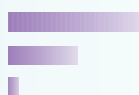
Property Type

No.

General Needs Flats

1 bed
2 bed
3 bed

14
7
1



General Needs Bungalows

1 bed
2 bed

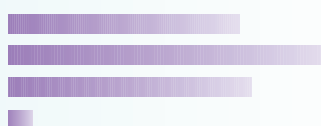
37
23



General Needs Houses

1 bed
2 bed
3 bed
4 bed

23
32
24
2



Residential Care Home

Bespaces
Rooms under development

14
11



Sheltered Housing Units (one bedroom)

22



Owned but not managed properties

10



Affordable Housing Units (at 80% market rents)

16 x 2 and 3 bed house let on shorthold tenancies

16



Supported Housing (Learning Disability)

12



Managed but not owned properties

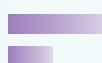
33



Leased family housing

Properties under development

11
4



Total

295

Pipeline future development or acquisitions

10




(left) Residents at Forder Lane House Care Home, Dartington - Totnes



Totnes Work Hub - a fantastic first year

Here are a few highlights from the successful first year of the Totnes Work Hub since first opening our doors last August.

Sarah Wollaston MP launches the Work Hub

Last autumn saw over 50 guests join Sarah Wollaston and Devon County Council Cabinet Member Councillor William Mumford to launch the Totnes Work Hub. Sarah cut the cake to celebrate our recent opening with Jenni Gardner a new Work Hub customer who set up the new ecological consultancy Tor Ecology in 2012.



(Top) Sarah Wollaston MP launches the Work Hub
(right) The Work Hub was a proud runner-up in the 2013 Herald Express Business Excellence awards.



Great feedback from our customers

Here are comments from happy customers:

Rick Lawrence from design agency Samskara who rents an office at the Work Hub said:

"The Work Hub offers the chance to meet different kinds of business and to be with other people. It's a nice, contemporary space with meeting rooms for hire where you can bring in new clients. We offer a package for new business start-up and of if we can make new contacts then it might generate some new work possibilities."

Our meeting rooms have become very popular with local trainers, coaches, public sector agencies and local charities. Here is a very positive comment from Devon-wide agency Be Involved Devon:

"Couldn't possibly have been any better. Excellent facilities, reliable friendly, helpful service and even proper coffee! I intend to use this venue for all our future meetings."

100 new businesses trained at the Work Hub

100 small business owners were trained at the Work Hub in all aspects of running a business. From putting together your first business plan to marketing to social media, the businesses gave great feedback for the business training programme which was funded by Devon County Council.

On the way to business excellence

The Work Hub was a proud runner-up in the 2013 Herald Express Business Excellence awards. We were shortlisted in the Business Enabler category. Pictured are Celia and Claire at the glitzy black tie awards ceremony at the Riviera Centre in Torquay on 15th March. A great way to put the Work Hub on the map!

Celia Minoughan, Work Hub Manager

Plans for Improvement

Update of action plan for 2012

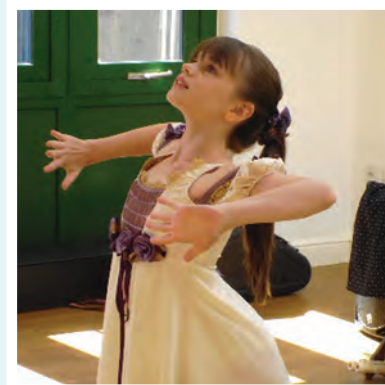
Action	Update
Produce an asset management plan for the next 10 years	A change in accounting procedures delayed the compiling of the asset management plan. However, all the data has been compiled and the plan will be completed in time for setting the 2013/14 budget
Review our 'local offer' to tenants	The local offer is to remain as previously published
Continue to collect data from tenants to help tailor services for vulnerable and older people	This is to be expanded to all tenants to help us give advice and support tenants through the various changes to welfare benefits
We will contact all tenants who have expressed an interest in the running of the Association	Current evidence suggests we have the right balance in place, however, we remain open minded about how we can be more inclusive
To review the consultation and involvement policy of the association	This work is ongoing and we hope to publish our revised policy early next year

Action Plan for 2014

Action
<ul style="list-style-type: none"> ● Publish asset management plan ● Update of advice on the effects of welfare benefits generally to our tenants and specifically to those we believe may be affected most by these changes ● Publish revised tenant involvement policy and strategy and strengthen in co-regulation ● Take into account tenant messages from existing surveys, complaints and other communications and publish an action plan based on 2013 star survey ● Publish a revised VFM Policy and Strategy ● Contact all tenants who said they wished to be now involved in the management of their homes

*Garden party forder Lane
House August 2013*

How we are progressing on Homes and Communities Agency Regulatory Standards



Tenant Improvement and Empowerment

Dealt with in our action plan

Repairs and Quality of accommodation

We participate in a South West Benchmarking Group to measure our results against a number of other small housing associations. SDR always fairs well in these benchmarking surveys and is in the top percentile according to the data we collect from our tenants. We have healthy repairs and planned and cyclical budgets which are adequate for the size of the organisation.

Rents and Allocations

Again through the benchmarking group and comparing SDR rents with other Social Landlords, SDR rents are generally much lower. We participate in the Devon Home Choice Lettings System and prioritise housing for local people. We also participate in a housing initiative with South Hams Council which provides affordable rents on periodic tenancies. All new affordable tenancies for housing projects funded by the HCA SDR will issue 5 year periodic tenancies in accordance with the requirements of the affordable housing programme.

Neighbourhood Management and anti-social behaviour

We have a robust policy on neighbourhood inspections which tenants can be a part of. We also have an anti-social behaviour policy which ensures speedy action or advice when needed. Incidents of ASB are recorded and reported upon.

Value for Money

Our current VFM processes are under review but being a small association allows us to use small traders who typically do not charge VAT on most small and medium jobs. We also participate in a benchmarking group which compares the price we all pay for certain repairs. We survey our tenants for their views on the quality of the repairs they receive. We inspect a high number of repairs for quality and VFM. During June 2013 the board and staff carried out a VFM assessment and an action plan was produced to address issues arising.

Income and Expenditure

South Devon Rural Housing Association Limited

Income and Expenditure Account for the year ended 31 March 2013

	2013	2012
	£	£
TURNOVER	1,525,186	1,224,929
Other income	2,000	814
Operating costs	(1,258,623)	(1,020,727)
OPERATING SURPLUS	268,563	205,016
Interest receivable and other income	6,254	1,275
	274,817	206,291
Interest payable and similar charges	(260,494)	(241,746)
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION	14,323	(35,455)
Loss on disposal of assets	(1,164)	-
Tax on surplus on ordinary activities	-	-
SURPLUS/(DEFICIT) FOR THE YEAR	13,159	(35,455)

The above surplus is based on historic costs.

There was no other recognised surplus or deficit other than that reported above.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous year.



Balance Sheet

South Devon Rural Housing Association Limited

Balance sheet for the year ended 31 March 2013

	2013		2012	
	£	£	£	£
FIXED ASSETS				
Housing properties at cost		15,064,820		12,939,872
Social Housing Grant		(5,534,587)		(5,407,087)
Other Grants		(349,108)		(262,333)
Depreciation		(1,770,236)		(1,541,106)
Net Book Value of Housing Properties		7,410,889		5,729,346
Other fixed assets		756,846		689,635
Total fixed assets		8,167,735		6,418,981
CURRENT ASSETS				
Debtors	120,338		78,934	
Cash at bank and in hand	1,039,042		784,103	
	1,159,380		863,037	
CREDITORS: Amounts falling due within one year	(241,045)		(160,440)	
NET CURRENT ASSETS		918,335		702,597
TOTAL ASSETS LESS CURRENT LIABILITIES		9,086,070		7,121,578
CREDITORS: Amounts falling due after more than one year	9,000,000		7,000,000	
Loan arrangement fees	(48,667)		-	
LONG TERM LIABILITIES		8,951,333		7,000,000
CAPITAL AND RESERVES				
Designated Reserves				
Share capital	23		24	
Capital reserve	43		42	
Restricted reserves:				
Minibus fund	95		114	
Revenue Reserve	134,576		121,398	
TOTAL FUNDS/NET ASSETS		134,737		121,578
		9,086,070		7,121,578



SOUTH DEVON RURAL

HOUSING ASSOCIATION LIMITED



South Devon Rural Housing Association Limited
Registered England and Wales
South Devon House
Babbage Road, Totnes TQ9 5JA

T. 01803 863550 F. 01803 863685

E-mail: Info@southdevonrural.com
Website: www.southdevonrural.com

We are open from 9.00 am to 5pm
Monday – Friday

South Devon Rural Housing Association is an exempt charity registered with the Registrar of Friendly Societies No R14949 and the Homes and Communities Agency LH 0920.

