

Cernach

the annual report of **cernach housing association limited**



See inside...
for more information

Meeting the requirements of the
Scottish Social Housing Charter

2018-2019

FOREWORD BY THE CHAIRPERSON



I am delighted to introduce this year's Annual Report. We have had a lot of feedback from tenants as to the information you'd like to read about and I hope we've pulled together an interesting and informative report. If you do have any comments about how we could improve the content or format, then please don't hesitate to contact any member of the staff team.

As always, rental income is an important issue for both the Association and our tenants. The past few years have seen increasing numbers of our tenants affected by reductions in welfare benefits, low and zero hours contracts and delays in receiving benefits when moving onto Universal Credit – the "roll out" of Universal Credit in Glasgow in December last year has begun to have an impact. In recognition of this, we listened to the feedback from tenants regarding the annual rent increase and, for the third consecutive year, we limited the annual rent increase to inflation only. We know that this won't take away the financial pressures many tenants are facing, it is hoped that it will at least help.

Investment continued throughout the financial year of 2018/19 with new kitchens and boiler replacement in some of our homes in Lochgoin Avenue and Kingsmore Gardens. Smaller works included renewal of some door entry systems, continuation of the fencing replacements and some electrical testing. We will continue investment in the current year with bathroom replacements (at some of the homes in Kerfield Place and Achamore Road), close painting, refurbishment of some entry paths and replacement of smoke alarms.

The main investment this year is in the 36 new homes at the Linkwood Drive development, which are due to be completed in the autumn. We are also due to start building 48 new homes at the Invercanny Drive development and this will start in August! The properties will have solar panels and we hope this will result in lower heating bills for the residents as well as being more environmentally friendly.

As ever, I would like to thank the Management Committee for their time and commitment throughout the year. We continue to have a strong Committee with a good mix of people – I am grateful to each of them for all the time they've given up on a completely voluntary basis to help ensure that the Association is managed well now and in the future.

I also want to thank all our staff for their hard work throughout the year and would like to welcome Ruth Ghumman and Siobhan Mangan as staff members; I am delighted that we have been able to confirm their posts as permanent. Well done also to Paula Baylis and Laura-Jane Richards who were promoted to Housing Services Manager and Senior Housing Officer – they both beat off very stiff competition from external applicants for these posts following a very robust selection process. Completing the new structure, there were promoted posts for Anne Smith as Corporate Services Officer, Kirsty Boag as Housing Officer and Tony Birmingham as Assistant Housing Officer.

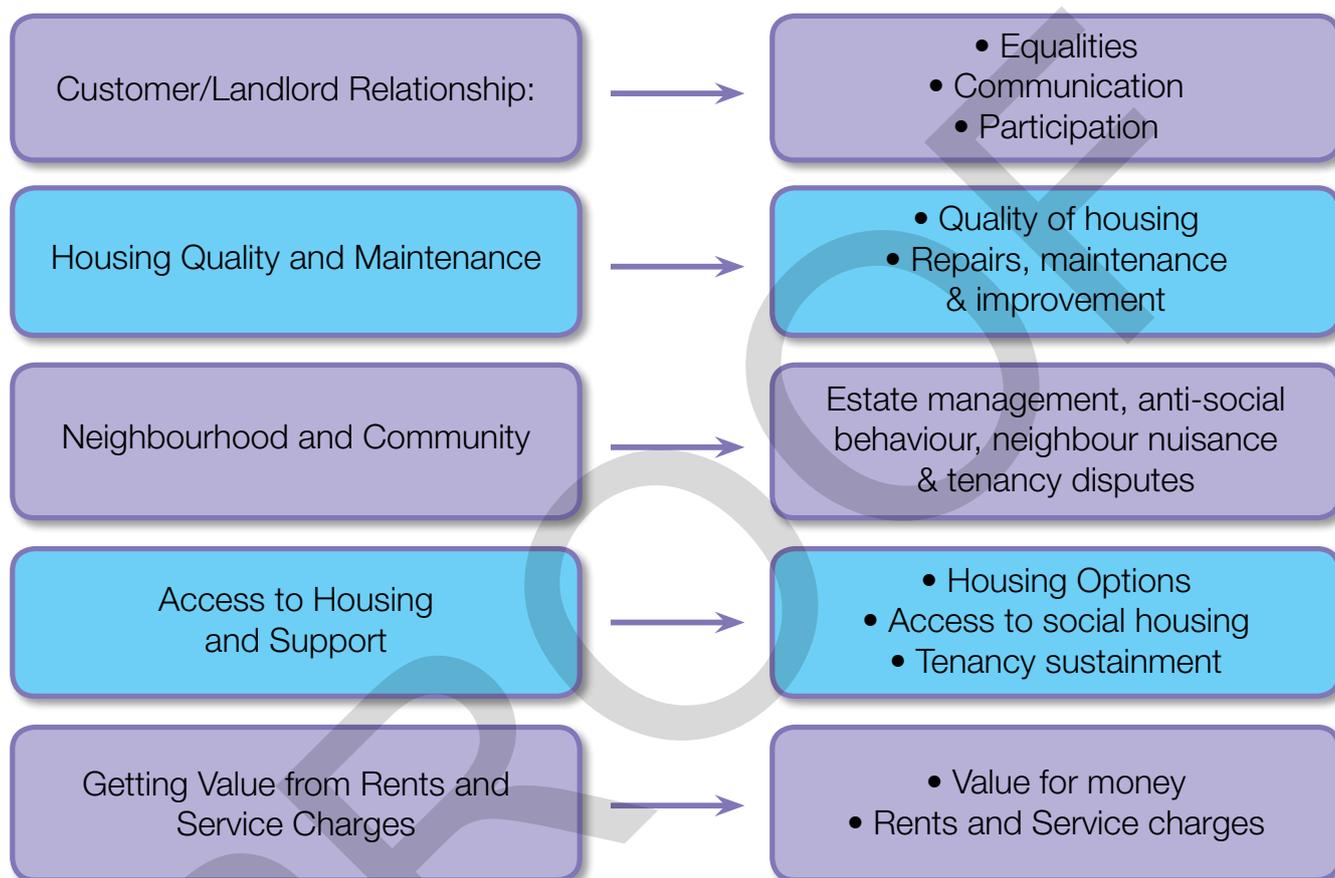
But we only exist because of you, the tenants, factored owners, applicants for housing and share members. So a very big thanks to all of you for supporting us during the year and for your continued support for the period ahead.

John Brannan

Introduction

The Association is now in its sixth 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 a number of 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 2018 to the 31st March 2019.



In 2018, Knowledge Partnership 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. 380 face-to-face tenant interviews and 84 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 2019.

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. They also help organise our community events including the Pensioners Lunch and Family Bus Trip.

A follow up focus group was held with residents following the survey to provide further information. We would like to thank everyone who attended and your feedback is greatly appreciated. We would like to say a big thank you to all of our Residents Panel members for their time and contribution 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.

Thriving Places

Over the past year Thriving Places has gathered momentum in Drumchapel. We have launched the Drumchapel News which is delivered to all 7436 households in the G15 post code area. The Drumchapel News shares information about the different activities currently being delivered through Thriving Places.

One of these activities is community budgeting where 23 local small community projects are supported with funding which came from the North West Health Improvement Team. The whole process was decided by the organisations which came along to participate and has proved to be a positive exercise in managing public funds to support meaningful local projects in Drumchapel.

Another two activities supported by Thriving Places were the FERO and MERO events. FERO stands for Female Heroes and MERO for Male Heroes. Both events took place at Essenside Church and were well attended. The community nominated women and men who contributed to making Drumchapel a better place. The nominees were presented with a certificate of recognition and we managed to publish both events in the Clydebank Post. These events also want to show that there are good people in Drumchapel who care about their community, thus challenging some of the negative stereotypes and stigmas which, on many occasions, are publicised by some of the press.

Thriving Places has also supported the Drumchapel Asian Forum in its activities to promote activities that relate to Scottish culture. The Forum also celebrates cultural activities which relate to some of the Asian communities' ethnic origins, for example the EID Festival which celebrates the end of Ramadan. These activities help create a more tolerant, democratic and respectful community in Drumchapel.

In order to further create a tolerant, democratic and respectful community in Drumchapel, Thriving Places supports Friendship House which brings asylum seekers, refugees and the local indigenous population together to share food and create a welcoming environment. Many people who come to Scotland from other countries due to persecution and other issues find a welcoming and friendly space in Friendship House to share experiences and ideas as well as learn about support available in the community and beyond.

Drumchapel has a considerable amount of vacant and derelict land and some empty buildings. These issues were raised in our report and Thriving Places supported the Drumchapel Community Council in the 1st Community Gathering to discuss these issues. The event was attended by Glasgow City Council Planning Department, the new shopping centre owners, GHA and the local housing associations and many local people. Several questions were put to the panel who will return in the autumn with their responses which we hope to present in a 2nd Community Gathering.

All of these activities have been possible also due to our funding package being approved by the Aspiring Communities Fund, GHA and the Integrated Grant Fund. This package supports a team of four people, who took part in the research concluded in 2018 and are Andy Lynch, Tracy McKenzie, Charles Bailey and Morven Clark. Together with Ted, the Community Connector, the team has a daily presence in the Chest, Heart & Stroke Shop in the Shopping Centre, where we attend to anyone who comes through the door, so don't be a stranger!



Housing Management

Our Gross Arrears of **£78,161** equates to 2.54% of the total rent due for the financial year. The Quality Efficiency Forum had an average of 3.67%.

The table below shows that we have collected 100.23% of the total rent due. Our performance in this area is better than our peers in the QEF who have an average of 99.74%. This is consistent with our previous years figures and marks another strong performance from the team to try and make sure everyone has their incomes maximised to allow every tenant to meet their rent obligations.

Performance Measures		
	Cernach Performance	Average QEF Performance
Rent collected as percentage of total rent due in the reporting year	100.23%	99.74%
Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year	2.54%	3.67%

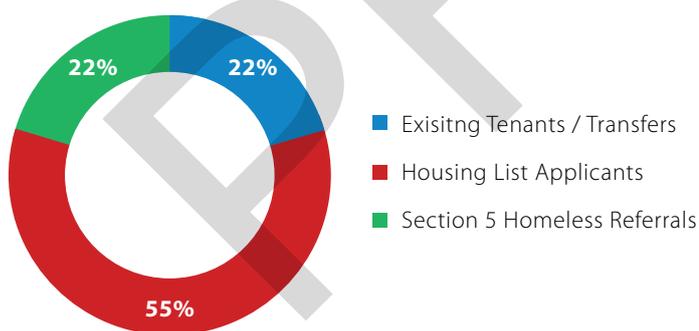
Voids and Allocations

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 2018/19 the Association lost **£8,030** of rent through properties being empty. As a result we lost 0.26% of our total rental income for the year 2018/19 due to void properties. The QEF average is 0.49%.

It took us an average of 15.31 days to re-let empty properties – the QEF average is 17.94 days!

Percentage of lets by source of let



Did you know that 88.24% of our tenants were satisfied with the standard of their home when moving in?

While this is a positive figure, we're constantly working to ensure that all new tenants are happy with their home. We are a little bit below the average of the QEF group which is 92.59%. We are always looking to improve our performance and welcome any comments from our new tenants on what we can do to improve.

Figure 1: percentage of lets by source of let

Our Housing Officers carry out 4 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 as well as a Debt and Money Advice Service on a Thursday. 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 **£123,883.23** for Welfare Benefit advice and **£42,730.28** for Debt and Money Advice for a total of a fantastic **£166,613.51**.

These services are vitally important to our tenants and it is so important that everyone attends their prearranged appointments as these are in high demand.

Energy Efficiency

Are your energy bills getting higher and are you struggling to pay?

Cernach Housing Association has enlisted the help of Citrus Energy to help our tenants switch to cheaper fuel services. They act as a broker and can find you a better energy rate with just a quick phone call.

Some Citrus Energy Switch customers told us...

"I'm amazed how easy this has been. Me and my husband have saved over £320 a year on our bills and it only took 15 minutes on the phone to get sorted. I can't believe this is a free service."

"I'm not much use with bills and changing and thought it wouldn't be worth the hassle but they saved me £118.34 this year which is just a wee bit more I can put away for the kids at Christmas."

For more information you can contact our office, or just call Citrus on **0800 221 8089** to get the ball rolling.

Did you know 90.26% of our tenants stated they were very or fairly satisfied with our overall quality of services? This is a lower than our previous years figure of 100% (hard to beat!) Why not join our residents panel and contribute to the work of the association and make sure our standards match your expectations.

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



97.11% of our tenants felt we were good at keeping them informed about our services and decisions. This is above the QEF average of 95.66%

84.74% of our tenants were satisfied with the opportunities given to them to participate in their landlord's decision making processes. This was slightly below the average QEF performance of 92.44%. We're always looking for people to feed back to us – so if you can't make it along to residents panel meetings – feel free to email us your feedback or just call in and have a chat with one of our team! Should you wish to make an appointment please phone our office where staff will be happy to assist you.

The Customer Landlord Relationship (cntd)

Complaints Performance

We welcome and value complaints as we want to understand and learn why customers are unhappy. 92.7% 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. We welcome complaints as a form of feedback and if you want to make one, just contact the office in the usual way and someone will be happy to help! We also welcome positive feedback if you've received excellent service from a member of staff or a contractor, so please let us know this too.

59.46% of our 1st stage complaints were upheld and 50% of our 2nd stage complaints were upheld.

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 2.84 working days?

The average QEF Performance is 4.54 days.

The Association had a total of 2662 non-emergency repairs reported in 2018/19.

Our average length of time taken to complete emergency repairs in 2017/18 was under an hour (0.79hrs to be exact!)

We are pleased to report that we are below the average QEF Performance of 2.36hrs.

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 97.76% of our tenants were satisfied with the repairs service? This is a great result and we encourage all tenants to give us feedback on our repairs service and quality wherever possible!

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

Did you know we had 2194 reactive repairs completed in 2018/19 (eligible for right first time).

93.57% 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 91.65%.

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

We carried out a total of 456 emergency repairs in 2018/19

How Satisfied are you overall with the repairs service provided by Cernach?

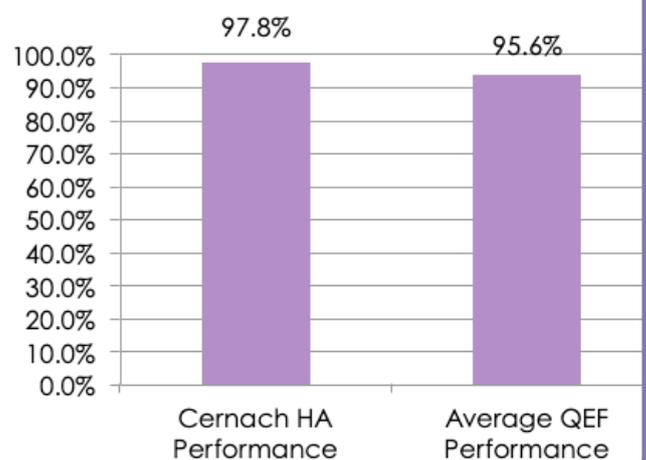


Figure 3: % of tenants satisfied with the repairs service benchmarked against QEF

Housing Quality and Maintenance (cntd)

Did you know that in 2018/19 we received 22 medical adaptations applications? We approved and completed all of these applications.

It took us an average time of 18.68 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 2018/19. 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%**



98.74% of our stock met the Scottish Housing Quality Standard (SHQS). This was above the average QEF result of 93%

Fire and Smoke Alarms – Changes to the Law

ALL homeowners across Scotland will need to make sure they comply with new legislation, introduced by the Scottish Government, for fire and smoke alarms by 2021. We'll be carrying out these installations to all of our properties over the next two years, but factored owners will need to ensure they comply with these new regulations.

The new standards mean you will need:

- **Smoke alarms in rooms frequently used by occupants for general daytime living, such as living room**
- **At least one smoke alarm per floor**
- **A smoke alarm in every circulation space ie hallways and landings**
- **A Heat Alarm in every kitchen**
- **Carbon Monoxide Alarms where there is a fuel burning appliance or a flue**



All alarms will need to be ceiling mounted and interlinked. If your current alarms aren't interlinked you'll need to make sure they are linked. You may not hear the alarm closest to the fire but, by having an interlinked system, you will be alerted immediately.

The new regulations come into force in February 2021, so you will need to make sure you comply by then. You can read the Government's advice at this website www.gov.scot/publications/fire-and-smoke-alarms-in-scottish-homes/

If you do not have access to the internet, pop along or call Cernach and we will be only too happy to print it out for you. Our number is 0141 944 3860.

In the social housing sector the Scottish Social Housing Standards have been updated to reflect the coming changes.

For privately owned properties, rented out or owner occupied, this legislation is now a minimum standard for safe houses, is a requirement by home insurance companies and forms part of any Home Report. Local Authorities/Housing Associations are able to use their statutory powers to require owners to carry out the work in their homes.

Homeowners have two years to meet the new standards, but installing alarms at the earliest opportunity will clearly provide improved fire safety for residents.

Neighbourhood and Community Estate Management, Anti Social Behaviour and Sustainment

We were pleased that 90.79% 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.

One of our biggest problems this year has been increasing numbers of anti-social behaviour incidents. We need our tenants and residents to report issues to the office. This can be done entirely anonymously and your name does not need to be recorded. Help keep crime out of your area!

Our 2018 tenant satisfaction survey highlighted that many tenants continue to have issues with recycling, bulk uplift and public bin provision. Since this survey, we have already made sure that Glasgow City Council provided additional bins to the area, and are working closely with them to look at the best way to dispose of bulk uplift for our tenants. Watch this space for more improvements!

Did you know that in 2018/19 we received 68 complaints of neighbour nuisance and anti-social behaviour (ASB)?

88.24% of our ASB cases were resolved within the timescale

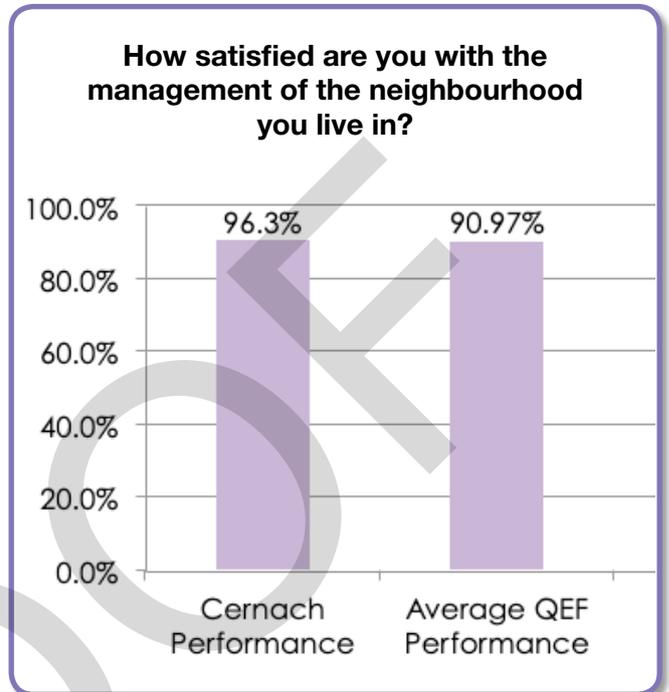


Figure 5: % of tenants satisfied with the management of neighbourhood



Dog Wardens (Dog Fouling)
0300 343 7027

Environmental Team at Glasgow City Council, (Fly-tipping & Improper disposal of waste)
0300 343 7027

Noise Team (Noisy parties, Loud televisions & speaker systems or Barking Dogs)
0141 287 6688 or 0800 027 3901

Police (Very noisy parties, Intimidating behaviour, Drug taking or dealing, Serious arguments or Any issues of a criminal nature)
101 or 999 in an emergency

Cernach
0141 944 3860

Access to Housing and Support

Did you know that 51 properties became available for let in 2018/2019?

Unfortunately, demand for our properties exceeds supply. We currently have 647 applicants on our waiting list. Whilst we would love to offer every applicant a home, it just isn't possible. In 2018/19 we had 51 properties that became available for let which is 6.4% of our housing stock.

Our average time to let a property was 15.31 days over the course of 2018/19.



We had 5 offers refused during the year 2018/19

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

67% of our new tenancies to homeless applicants were sustained for more than a year.

100% 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 90.26% of tenants felt their rent represented good value for money?

This is above the QEF average performance of 84% and we hope to continue to keep our prices affordable for tenants.

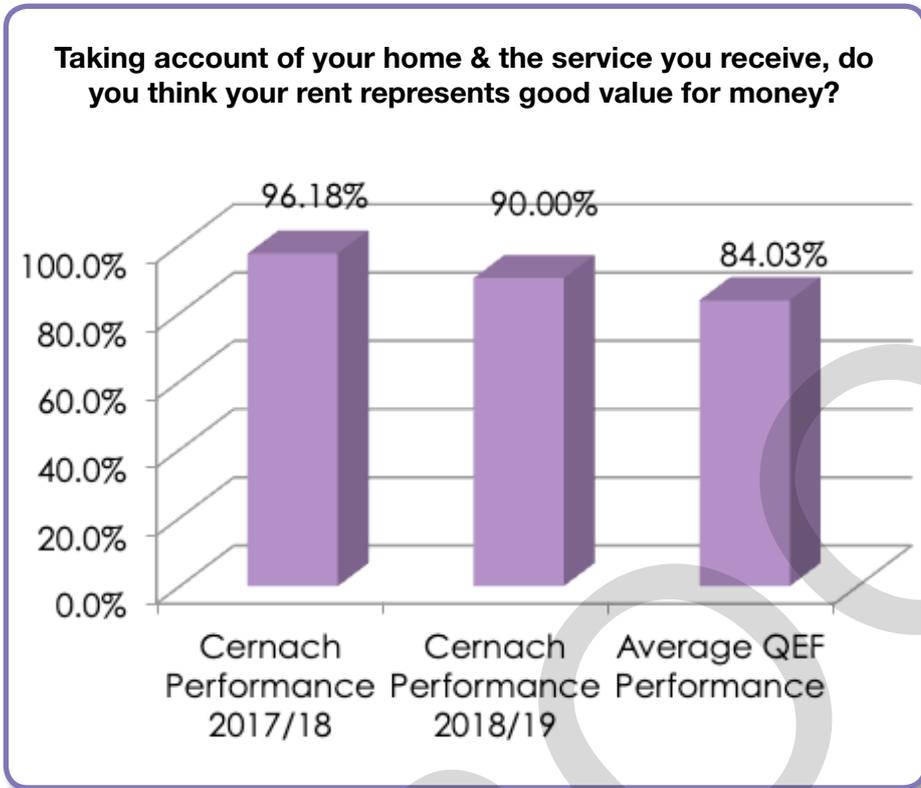


Figure 6: Percentage of tenants that think the rent represents good value for money

78.57% 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 62.5%.



Financial Highlights For Annual Report 2018/19

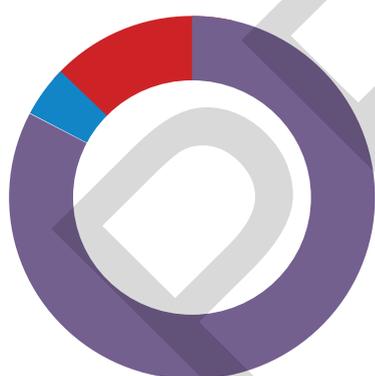
Draft Income & Expenditure Account For Year Ended 31st March 2019

PROFIT & LOSS ACCOUNT FOR THE YEAR TO 31ST MARCH	2019	2018	A non-accountant's guide to the accounts
	£	£	
Turnover	3,792,052	3,736,449	Income from rents, factoring etc.
Operating Costs	-2,690,447	-2,558,125	Costs of management & maintenance of houses, etc.
Operating Surplus	1,101,605	1,180,324	
Surplus on sale of housing stock	-1,888,90	-0	Surplus made on houses sold under Right To Buy. Right to Buy has now ended
Release of negative goodwill	55,575	55,575	An amount of Negative Goodwill released to reserves.
Interest Receivable	26,260	15,706	Interest earned on money invested.
Interest Payable	-61,647	-57,508	Interest paid on loans
Other Finance Charges	- 8,000	- 1,144	Changes In amount owed to Pension Company
Net Surplus For Year	1,094,904	1,192,953	Amount left after deducting all expenses.
Reserves Brought Forward	9,384,390	8,191,437	Accumulated reserves from previous years.
TOTAL REVENUE RESERVES	10,379,294	9,384,390	Accumulated reserves per Statement of Financial Position

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH	2019	2018	
	£	£	
Non-Current Assets			
Housing Properties - Depreciated Cost	26,535,565	22,628,204	Net cost of houses owned.
Other Non-Current Assets	587,248	622,442	Cost of new office, computers, office equipment, furniture etc.
	27,22,813	23,250,646	
Negative Goodwill	-2,278,858	-2,334,160	Represents value of homes bought from GHA over price paid
Current Assets			
Receivables	261,857	136,273	Money owed to the Association.
Cash	4,623,962	4,510,231	Money in bank.
Creditors due within one year	-1,125,348	-750,743	Money owed by the Association to be paid within one year.
Net Current Assets	3,760,471	3,895,761	
Total Assets Less Current Liabilities	28,604,699	24,812,247	
Creditors Due After One Year	-2,935,427	-3,515,089	Amount of outstanding loans to be paid after one year.
Deferred Income	-14,935,850	-11,912,632	Grant income received not yet released to reserves.
Net Assets	10,379,422	9,384,390	Net value of the assets of Cernach Housing Association.
Capital And Reserves			
Share Capital	128	136	Number of current £1 shareholders.
Designated Reserves	10,733,294	9,384,390	Money built up from surpluses made over the years..
Pensions Reserves	-354,000	0	
Total Capital And Reserves	9,384,526	8,191,557	Net funds of Cernach Housing Association.

Income and Expenditure Summary 2018/19

Income	£	%
Rents	3,118,923	80.51%
Service Charges	26,694	0.69%
Grants released from Deferred Income	456,400	11.78%
Revenue Grants	27,910	0.72%
Factoring	10,838	0.28%
Wider Action	27,500	0.71%
Services to other RSL's	63,964	1.65%
Community Connections	59,823	1.54%
Release of Negative Goodwill	55,575	1.43%
Interest Received	26,260	0.68%
	3,873,887	100.00%

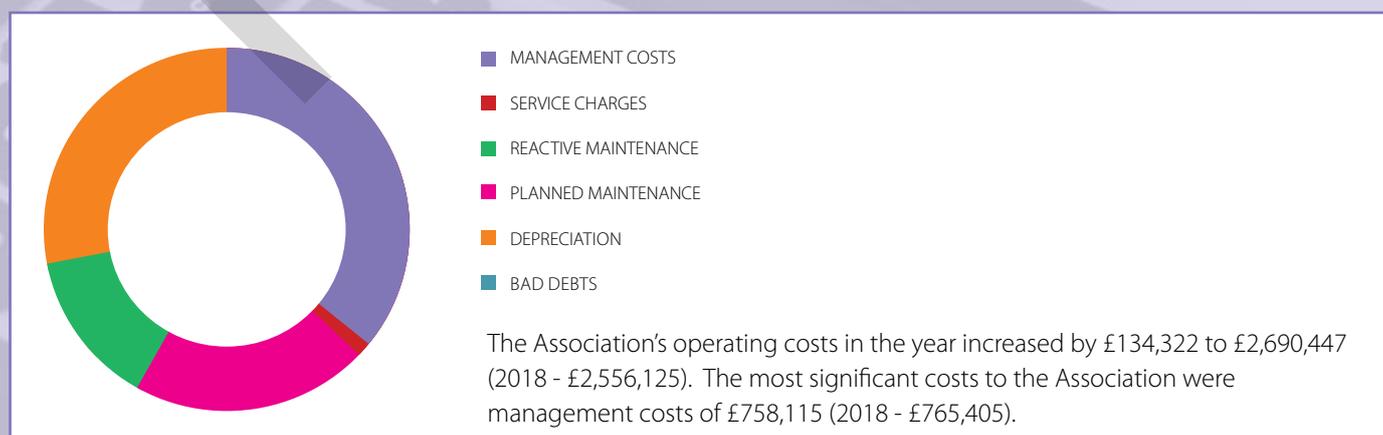


- RENTS & SERVICE CHARGES
- OTHER REVENUE GRANTS
- GRANTS

The Association's income is generated from rent and service charges totalled £3,145,617 (2018 - £3,059,093). Additionally, £456,400 (2018 - £460,240) of grants which have been released from deferred income during the year.

Income and Expenditure Summary 2018/19

Expenditure	£	%
Management Costs	910,581	31.63%
Service Charges	26,694	0.93%
Reactive Maintenance	393,103	13.65%
Planned Maintenance	420,376	14.60%
Bad Debts	4,429	0.15%
Property Depreciation	758,115	26.33%
Factoring	10,838	0.38%
Wider Action	27,500	0.96%
Welfare Rights Services	15,024	0.52%
Services to other RSL's	63,964	2.22%
Community Connections	59,823	2.08%
Loss on Sale of Fixed Assets	18,889	0.66%
Interest Payable	61,647	2.14%
Other Finance Charges	8,000	0.28%
Actuarial Losses on Pension Plan	100,000	3.47%
Surplus	£994,904	



Our Team At 31st March 2019

Name	Continuous Service Since:	Office Bearer Title
MANAGEMENT COMMITTEE		
John Brannan	2016	Chairperson
Andrew Biddell	2016	Vice-Chairperson
Michael Mellon	2016	Secretary
Susan McDonald MBE	1990	
Karen McGinley	2014	
Rosemary McGill	2011	
Frank John	2016	
Shereen Frank	2016	
Muriel Wylie	2016	
Jean McFarlane	2016	
Diane MacMillan	2016	
Tracy Bowie	2011	
Andrew Keegan	2018	
CERNACH HOUSING ASSOCIATION STAFF		
Name	Title	Appointed
Caroline Shepherd	Director	2015
Paula Baylis	Housing Services Manager	2016
Colin Armstrong	Development Manager	2016
Laura-Jane Richards	Senior Housing Officer	2015
Karen Dyson	Finance Officer	1994
Anne Smith	Corporate Services Officer	2016
Emma McShane	Housing & Corporate Services Officer	2017
Kirsty Boag	Housing Officer	2016
Jim O'Connor	Housing Officer	2013
Bruce Strathearn	Maintenance Officer	2014
Carylann McLellan	Maintenance Assistant Officer	2007
Tony Birmingham	Assistant Housing Officer	2018
Ruth Ghumman	Housing Assistant	2018
Siobhan Mangan	Corporate Services Assistant	2018
Ted Scanlon	Community Connector	2016
AGENCY SERVICES RECEIVED FROM:		
Fettes McDonald	FMD Financial Services Ltd.	1991





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			

The panel meets four times a year at 4pm on a Wednesday afternoon at the office.

If you think you would find it interesting to join our Residents Scrutiny Panel please contact Anne at our office on **0141 944 3860** or email **annes@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

79 Airgold Drive, Drumchapel, G15 7AJ
Property Factor Registered No. PF000149

Tel: 0141 944 3860 **Fax:** 0141 944 8925

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

Cernach Housing Association
Opening Hours

Monday, Tuesday, Thursday & Friday
9.00 am – 5.00 pm

Wednesday
10.00 am – 5.00 pm

