



Annual Report

Ore Valley Housing Association
2015 - 2016

www.orevalleyha.org.uk



Highlights

I am delighted to provide this report at the end of my first year as Chair of Ore Valley Housing Association.

We have worked hard throughout the year to improve the services we provide to our tenants and one of the main highlights is the development of a coherent strategy for engaging with and involving tenants in various aspects of the work that we do.

Chair's Report



Susan McDonald
Board Chairperson

We have acknowledged that effective communication is a key to engaging our tenants and the Board approved the appointment of a dedicated communications officer and supported the development of a new look, interactive web-site, as well as the introduction of social media as a means of communicating with tenants and the wider communities we work within.

We tested the effectiveness of our communication approach during the year as we consulted and engaged with all of our tenants on a comprehensive restructure of our rents. The new structure was concluded and 2016/17 will see the first year of implementation.

As well as providing housing and related services we are very keen to support our tenants at times of challenge and the Board were delighted to approve the creation of a post to provide support and wellbeing services to tenants, this is particularly important during the period of change and uncertainty which lies ahead, as a result of the ongoing Welfare Reform programme.

Throughout the year we have continued to invest in our existing housing, as we aim to ensure that the homes and services we provide represent both quality and value for money.

It has been a busy and enjoyable year and I would like to thank my fellow Board Members who give their time voluntarily for their exceptional support and input and also the staff team for their hard work during the course of the year.

Achieved very high performance results; placing us above the Fife and Scottish average.

Developed and implemented a new Tenant Participation Strategy.

Undertook a full review of our rent structure, with this being implemented from 1st April 2016.

Maintained empty properties turnaround times at 20 days, with lower targets set for 2016/2017.

We subsidised our Grass Cutting Scheme which benefits less able tenants.

Commenced work on a development of new housing in Lochgelly, which will provide 15 flats. It is anticipated that these will be ready for letting in November 2016.

We launched our new website and started our own Facebook and Twitter pages.

Took part in a pilot cost and benchmarking scheme with HouseMark and will now join HouseMark from April 2016.

Property Allocations

During the year April 2015 to March 2016, we allocated **43** properties. These were all re-lets with no new builds. The average time to re-let a property was **20 days**, which means that our performance in this area has remained much the same as last year.

If you wish for more information please contact the Housing Management Team on **01592 721 917** or for those interested in applying for housing you can download an application by going to www.fifedirect.org.uk and following the links to FHR Form.

Waiting list:

Lack of Security

Social Medical

Homeless

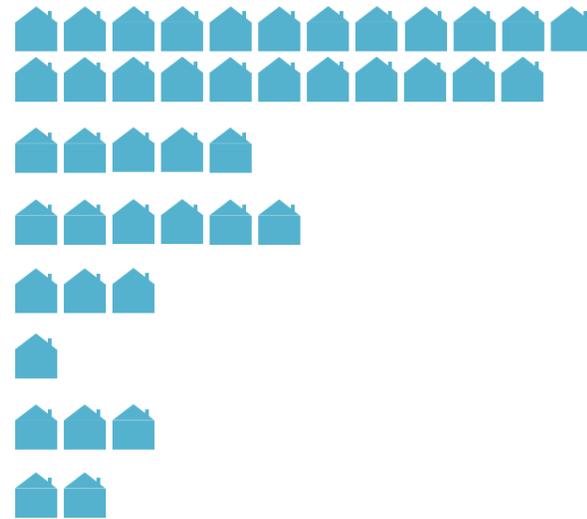
Poor Housing

Urgent Housing

Social Medical Transfer

Poor Housing Transfer

No. of allocations:



Tenant Participation

In 2015/16 we carried out a full review of our tenant participation strategy and a new strategy has been introduced for 2016 to 2018.

The provision of frontline services has also been reviewed with a shift towards empowering staff so that they can 'listen and respond' to the needs of our customers. To further facilitate this, in 2016 we are planning to set up an estate management forum. This will allow tenants to work with our Housing Management Team to set service standards and measure performance against locally agreed targets.

Throughout the year we have continued to develop and improve how we communicate with our tenants by using our website and social media platforms, and with the support and assistance of our Communication Officer we have been able to make significant progress in this area.

Over the next 12 months we will continue to improve our links with the Tenant Participation Advisory Service

Additional resources continue to be directed to improve our digital communication with tenants so that as many people as possible can have a say in how our services are managed.

Over the next 12 months we will continue to improve our links with the Tenant Participation Advisory Service (TPAS) and we are looking forward to working with them closely to deliver our Tenant Conference in October 2016 which will have tenant participation as its main theme.

Reactive Repairs

We have been working in partnership with Fife Housing Group (FHG), since 2013 to deliver our non gas repairs and maintenance service while Kingdom Gas deliver the gas related repairs and gas servicing contract.

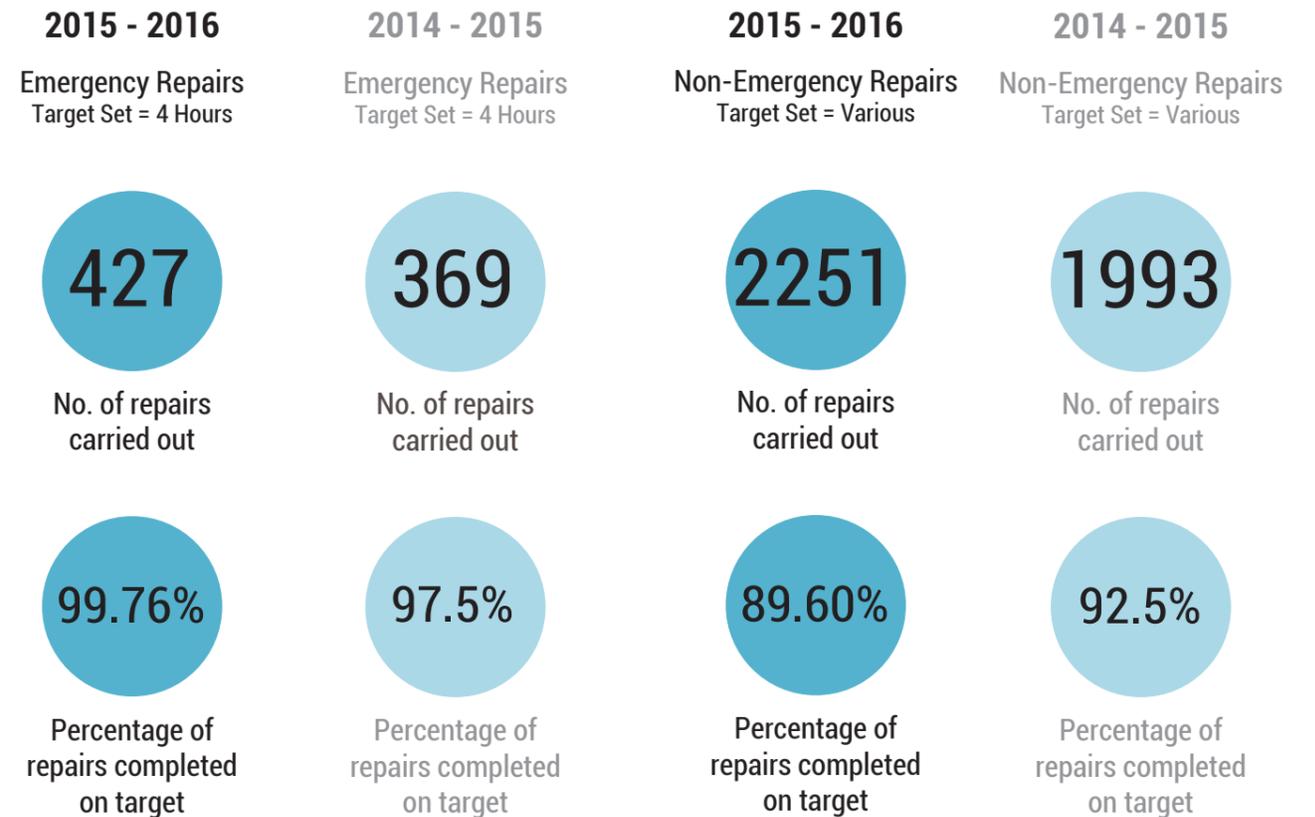
We use the information from completed surveys to gauge tenant satisfaction and we will be looking at ways to encourage tenants to return completed satisfaction surveys to us. Tenant feedback enables us to further identify ways to increase the standard of service we provide.

We constantly monitor our own performance and the performance of our partners and contractors, to ensure we are delivering a high standard of quality and value for money service. We are aware that some of our targets have been narrowly missed and we are working hard to introduce measures to get us back on track.

Tenant feedback enables us to further identify ways to increase the standard of service we provide.

In 2015-16 we had a total of **2251** reactive repairs. **95%** of appointments made were kept, and **95%** of repairs were done right first time. Of the repairs completed, **121** satisfaction survey forms were returned to us, a **0.5% decrease** from the previous year. From the forms returned, we can report that **83.47% were satisfied** with our repairs service compared to **90.49%** the previous year.

We provide satisfaction surveys to all tenants who have requested a repair.



New Build Housing Developments

This year we have commenced building a small development at Cook Square, Lochgelly, it is a development of 15 new flats.

Through one of our subsidiary companies, Ore Valley Enterprises Ltd., we are currently considering further opportunities to deliver mid-market rent housing in areas where they are needed.

As always we will continue to explore opportunities for new development where there is identifiable community need for new housing, either through the housing association or through its subsidiary.

We are active members of the Fife Housing Association Alliance along with Fife, Glen and Kingdom Housing Association's and we will continue to engage in development activity utilising all of the efficiencies which the Alliance can deliver.



Medical Adaptations

Every year we receive funding to adapt the homes of tenants whose medical needs and requirements have changed since moving into their home. These are called medical adaptations. To determine if our tenants meet the requirements for a medical adaptation, their needs have to be assessed by an Occupational Therapist.

22 medical adaptations were completed in 2015/16. The average time tenants had to wait to have the works completed, counting from the date we received the

assessment of need to completion, was 43 days. This compares to 30 medical adaptations completed in 2014/15 which took on average, 63 days to complete.

In 2015/16 we used £31,000 of grant funding from The Scottish Government and £2,700 from the Association's own budget. The works we carried out included modifying doors to provide level access, wet floor showers, a stair lift and handrails and banisters.

Planned Maintenance

Planned maintenance and property improvement remains a high priority for us. Following the continued review and refinement of the housing stock condition survey, we completed and commenced a range of works during the past financial year.

Electrical testing was carried out to 74 of our homes during the year, with the programme of upgrade works rolling into next year. Phase 4 of our kitchen replacement programme benefitted 30

homes. External paintwork was also carried out to 80 properties. Central heating systems were renewed in 33 homes. We also renewed cavity wall insulation in 86 of our properties.

We have been carrying out on-going environmental improvements and maintenance and have continued in our partnering arrangement with F3 Building Surveyors who supported us in the delivery of our planned maintenance programme.

Right To Buy

The Right to Buy applies to a small number of our tenants who are still in their original property when it was transferred to us from Scottish Homes.

This means that these tenants still have what is known as a Preserved Right to Buy. During 2015/2016, there were no applications received from tenants to buy their home.

Due to legislation contained within the

Housing (Scotland) Act 2001, tenants who have moved from their original property were deemed to have automatically given up their Right to Buy. Tenants, who started their tenancy after September 2002, do not have a Right to Buy.

The Scottish Government passed a law that will result in the Right to Buy ending for all tenants of social housing in Scotland on 1 August 2016.

Rent Arrears

In order for us to provide the services we do, we rely purely upon the income that comes from renting out our properties. Therefore, the money we have available for these services is directly related to the amount of rent we collect each year.

Rent arrears are made up of ex-tenant arrears and current tenant arrears. Current tenant rent arrears as at 31st March 2016 were **£69,923** which is **2.72%** of the total amount of rent that we expected to collect. Our target for current tenants is to have no more than 2.5% rent arrears, so although we have made a small improvement on the previous reporting

£69,923

year; overall we have not reached our target.

Almost **12%** of our tenants continue to have arrears of **£350.00** or more. We are continuing to direct additional time and resources, so that staff can work with tenants to try and reduce this number. We will also continue to target support to assist any tenants who may be adversely affected by welfare reforms and the introduction of Universal Credit so that they are better able to budget their money and prioritise their rent payments.

Gas Servicing

We maintain and inspect all gas appliances within our homes, in line with our legal requirements. This covers 100% of all gas heating systems including boilers and gas fires.

Gas services must be carried out at least once every 12 months in order to meet the requirements set. Our contractor, **Kingdom Gas**, have a program in place which informs them the next service is due 10 months after the last one was carried out. Kingdom Gas will contact tenants up to 3 times and in most cases, appointments are made to allow them access to carry out the service.

We have to take additional measures to ensure our tenants are safe, such as disconnecting and capping the gas supply if we were unable to service the appliances

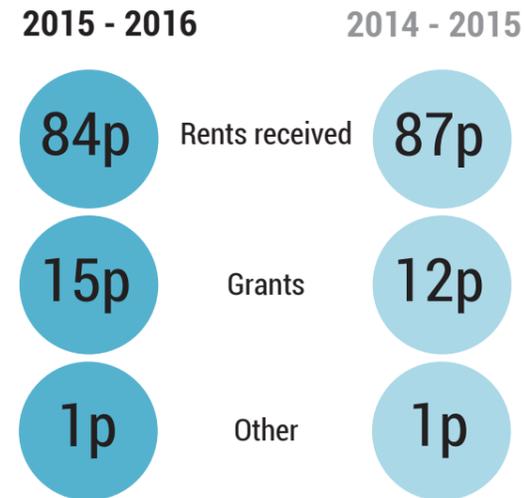
Unfortunately, each year, due to tenants repeatedly failing to provide access, we have to take additional measures to ensure our tenants are safe, such as disconnecting and capping the gas supply if we were unable to service the appliances. All related costs are re-charged to the tenant.

In order to avoid this happening to you, please ensure that you make and keep your gas servicing appointments.

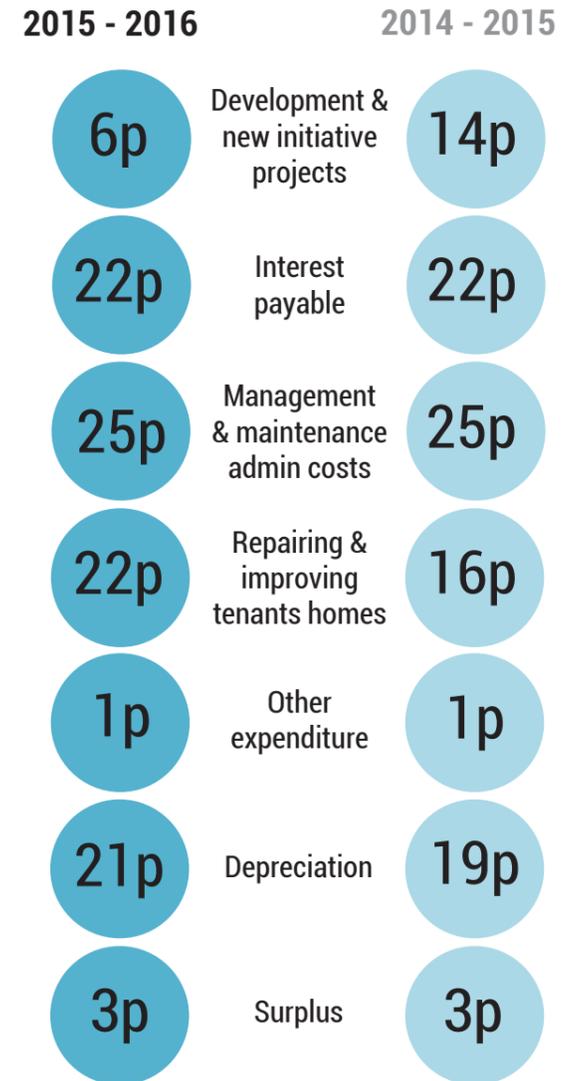
The strict processes we have in place and the co-operation of most of our tenants has ensured that in 2015-2016, **99.96%** of the gas services were completed on time, with **2** being out of time.

Financial Highlights

Breakdown of every £1 received:



Breakdown of every £1 spent:



Income and Expenditure Account:

	2015 - 2016	2014 - 2015
Turnover	£3,228,480	£3,393,239
Operating Costs	-£2,439,021	-£2,589,436
Operating Surplus	£789,459	£803,803
Interest Receivable	£42,370	£38,559
Interest Payable	-£733,363	-£739,502
Surplus For Year	£98,446	£102,860

The Association spent the following on maintenance of our properties:

£84,622
31 new boilers and heating systems

£5,226
4 new bathrooms

£65,534
34 new kitchens

£263,683
day to day reactive maintenance and repairs to properties

£26,317
major repairs to our properties

£59,586
void property repairs

£52,023
ground maintenance

£104,664
electrical testing, gas servicing, external painting etc

£122,400
98 properties were externally clad to improve energy efficiency

Community Initiatives

We continue to work hard to progress the development of several sustainability projects aimed at addressing a number of key community issues.

Cardenden Heat and Power

Our biggest project in terms of scale is the Cardenden Heat and Power (CHAP) project.

During the past year we have continued to explore a number of options for the development of a renewable energy project on the Jamphlars site. There are a number of potential routes the project can take which are being evaluated to ensure maximum benefit to the tenants.

there has been considerable effort put in to progressing the project

During this past year there has been considerable effort put in to progressing the project. We continue to work with the European Energy Efficiency Fund (a funding programme which supports large-scale renewable energy projects)

Due to significant changes in energy subsidy, a decision has been made to shelve proposals for a major district heating scheme.

Fife Community Wind

Fife Community Wind is our wind turbine project to provide two wind turbines, one each in Dundonald and Methil.

What makes this project different is that 50% of the net profit from the sale of electricity generated by each turbine will go back to the local community.

50% of the net profit from the sale of electricity generated ... will go back to the community

connection for both that will allow us to export the power generated. We also worked further on the technical specifics of each site including choosing the turbine type, access arrangements, further environmental impact studies and secured suitable project funders.

We have also been seeking potential buyers of the green electricity the turbines will produce.

In the last 12 months we have concluded the planning process for both sites as well as securing the essential grid

Ore Valley Business Centre

The Business Centre is a facility with 21 various-sized office spaces available to rent at affordable prices. It is located in Lochgelly's Main Street and its modern design has been a further indicator of the ongoing redevelopment of the town centre.

...the centre is playing a critical role in the economic regeneration of the local area

Last year was very busy at the Business Centre and the number of tenant businesses has increased to see all 21 units occupied for the first time and the number of jobs created and range of events held in the building increase even further. We have hosted exhibitions, conferences, training sessions and meetings and the

centre is playing a critical role in the economic regeneration of the local area. It continues to meet its key social objectives of delivering local improvements and the development has also been nominated for several further awards for demonstrating progress on environmental and sustainability issues and making local places better.

The Business Centre is owned by Ore Valley subsidiary company Fife HARCA. We are planning to change the name to Ore Valley Community Initiatives in the subsequent financial year.

Mid Market Rent

Ore Valley Enterprises is now managing 31 new build properties at Rosewell Drive, Lochore. These homes are not part of our core social housing stock. Instead they are leased privately to tenants on a mid-market rent basis.

Ore Valley Enterprises continues to explore options for further expansion in to this area of housing

Ore Valley Enterprises continues to explore options for further expansion in to this area of housing. Through discussions with Fife Council,

both parties are jointly exploring current and future opportunities for mid-market rental approaches to housing provision across the region.

The mid-market rent approach is designed with a range of households in mind, providing homes that offer tenants a good quality affordable alternative to private rented accommodation.

Governance Framework

How are we managed? We have a framework which ensures that we are accountable to our tenants and regulatory bodies.

We have appointed board members Our Board members bring a wide range of knowledge and experience to the Association and are provided with additional training, we currently have 8 Board members, 1 of which is a tenant of Ore Valley. We are looking to recruit tenant representatives to our Board, if you are interested in finding out more, then please get in touch with us.

Experience and training Board members are elected at the Annual General Meeting (AGM), however in between AGM's, we can co-opt people onto the Board, they will then be elected at the next AGM. Any general member is entitled to stand for election onto the Board; there can be a maximum of 15 members and it meets around every 6 weeks.

Committees and other groups In addition to the main Board, we have the Finance, Audit & Risk Management Committee which meets every 3 months and considers:

- Accounting policies and practices and any changes to them.
- The extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed.
- Whether the Association is obtaining good value for money from its external auditor.
- External audit works on behalf of the Association's Board and recommends to main Board, appointment of the external auditor.
- Whether there are sufficient, systematic reviews of risks faced by the Association and its subsidiaries, whilst reviewing internal financial control and risk management systems.
- Quarterly management accounts including analysis of significant budget variances.
- Development of annual budgets.
- Setting the programme for internal audit and considering plans for process improvements recommended by the internal auditors.
- Initiation, monitoring and reviewing the progress of major projects.
- Supporting strategy development and review of the organisations business plans.

Value For Money

To us, Value for Money (VFM) means providing the best service we can for the best price possible. This means we strive to use our resources as efficiently as we can, whilst maintaining affordable rents and high quality of service. **...the 'right' price may not be the cheapest** and services, however we understand ourselves that the 'right' price may not be the cheapest. This is not a new approach, but one that we have been putting into practice more during this year, and will continue to develop in the years to come.

As a small housing association, it is important that we regularly review how we spend our money, to ensure we are paying the right price for our goods and services. This focus on delivering VFM is helping us to develop and keep Ore Valley strong for current and future tenants to come.

VFM is not as straightforward as you might think, as outcomes are not just about getting the most for the money we collect in rents, it is also about what social and economic improvements we make to the environment and communities. **...tenants can 'follow the money'** Our next full Tenant Satisfaction Survey is due to be carried out in the summer of 2016, and we will be asking tenants for their opinions on whether or not they feel their rent is good value for money taking into consideration their property and the service we provide to them.

A huge aspect of VFM for us is about being transparent with our funds so our tenants can 'follow the money' and see exactly where it goes. We will publicise the results of this question and many others in our 2016 Autumn Tenants Newsletter.

Our Staff

Executive Team

Andrew Saunders **CEO**
Joanne Cargill **Executive Support Officer**

Corporate Support Team

Kerry McLeod **Depute CEO / Corporate Support Manager**
Maryjane Elder **Senior Corporate Support Officer**
Lesley Cunningham **Corporate Support Officer**
Isabelle Salter **Communications Officer**
Megan Downie **Customer Services Assistant** (Joined April 2015)



Housing Management Team

Colin McInnes **Housing Manager**
Karen Burt **Housing Officer**
Tommy Braid **Housing Officer**
Kittaya Sung **Housing Officer**
Ryan Doyle **Housing Trainee**
Danielle Porteous **Tenancy Support and Wellbeing Officer**



Business Development Team

Nick Clark **Business Development Manager**
Victoria Murdoch **Business Development Assistant**



Finance Team

Terri Grubb **Finance Assistant**
Kerry Curtis **Finance Assistant**



Our Board

Chair Susan McDonald
Secretary Andrew Gibb
Tom Allan
Rosalind Eals
Mark McLintock
Tom Dougan
Rory Gaffney
Gavin Smith

One of the things we continue to learn about the future is that there are just so many things which are outwith our control and are impossible to foresee. It is therefore my intention to focus on a number of things which at the moment seem to be fairly certain!

Building on the development of our tenant participation strategy in the past year, we will be undertaking a detailed tenant satisfaction survey. The outcomes from the survey

will be published and reported on during the course of the year.

Having completed the rental structure review in the past year, we will commission a full condition survey of all of our housing stock so that we can establish the maintenance priorities and build these into affordable programmes of work for the years to come. This information will feed into a comprehensive asset management strategy that will help to guide us into the future.

Following the completion of extensive thermal insulation programmes in the past couple of years, this year we will carry out an extensive central heating replacement programme. We are also continuing the rolling programme of kitchen replacements, electrical inspections and external painterwork.

As well as maintaining and improving our existing housing stock, our new build housing programme will see the commencement of 15 flatted units in Cook Square, Lochgelly. In addition, through our subsidiary company Ore Valley Enterprises Ltd., we will continue to work in partnership with Fife Council on the provision of mid-market rental homes in Kelty, Lochgelly and Dysart.

The Scottish Government have made the provision of affordable housing a priority, declaring that 50,000 new affordable homes have to be provided during the 5 year term of the parliament. We will continue to consider how we can play a part in securing some of these new homes to meet the ongoing needs within central Fife.

Above all else we remain committed to working hard to provide high levels of customer service to our tenants and others seeking to access our services.

We look forward to a busy year ahead and welcome comments and views on all aspects of the service we provide.

The Future



Andrew Saunders
CEO



Contact Us

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ovha@orevalleyha.org.uk

www.orevalleyha.org.uk

Consultants

Solicitors

Thorntons Law LLP, Dundee

Auditors

Bird Simpson, Dundee
Quinn Internal Audit Services, Livingston

Finance Services

Chiene & Tait, Edinburgh

Bankers

Royal Bank of Scotland
Scottish Building Society

Architects

ECDA, Glasgow

Quantity Surveyors

Keegans, Glasgow
F3 Building Surveyors, Edinburgh

Structural Engineers

Scott Bennett Associates, Dunfermline

IT and Web Support

IT First, Grangemouth
Adonis Media, Dunfermline