



# INVESTING IN COMMUNITY

**Annual Report 2014/15**




# CUSTOMERS



# BUSINESS

# INVESTING IN COMMUNITIES, CUSTOMERS AND OUR BUSINESS

Shropshire Housing Group has come a long way in the last 12 months and continues to go from strength to strength as a business. We also have a lot to be proud of in terms of growing our business, becoming more efficient in how we are managed and being seen as more financially sound by our regulator. In particular we sought the input of key stakeholders and tenants, and have a strong sense of what they feel that we do well and need to improve on. As a result we have rewritten our Corporate Plan, and published our ambitions and targets through to 2020. We have restructured our Board and Executive team, and have secured a refinancing deal that provides greater scope for growth. This has meant that we have improved our financial viability from V2 to V1.

A blue-tinted photograph of a man and a young girl sitting on a lawn in front of a house. The man is on the left, wearing a dark t-shirt, and the girl is on the right, wearing a striped shirt. They are both looking towards the camera. The background shows a house with a tiled roof and some trees.

Being well run means that we have the capacity to match our ambitions and to better support our customers and communities. We have continued to invest in, and support our tenants through the difficulties facing them from welfare reform, such as the under occupation deduction, and most recently the introduction of universal credit for single households. We have also reshaped our expenditure on repairs, investing an additional £.5m on things that matter most to our tenants such as kitchens, bathrooms and more cost effective “green” heating systems. We have surveyed our tenants, and 86% say that they feel we represent good value for money as a landlord, an improvement on 2012.

We have successfully completed nearly 100 new homes in the last year, working with local groups throughout Shropshire and Herefordshire on community led housing developments. Through the Marches Community Land Trust Services launched last summer, we have been empowering local people to have a greater say in the whole design, build and management process. We have used this leading edge approach to great effect in the remote village of Neenton supporting the community in fulfilling their ambitions to reopen their pub as a centrepiece to the community. Our development team has also been highly successful in launching Floreat Homes which has seen the regeneration of a brownfield site in Shrewsbury and the sale of homes on the open market to supplement our investment back into the business. We have successfully launched two Community Panels which will become increasingly involved in managing our £80,000 Community Development Fund. The Panels will also be guiding investment through an increasing number of Neighbourhood Plans which have been drawn up locally to tackle a whole range of priority issues identified by the communities themselves.

We would like to take this opportunity to thank all our staff in the continued professional and efficient work that they do, working towards our ambitions and within our organisational values. We are encouraged that all staff are striving to move our organisation forward, and grow it for the communities, tenants and customers we serve.



**Jake Berriman,**  
Chief Executive



**Tim Ralphs,**  
Chair, Shropshire Housing board



# HELP AND SUPPORT DROP INS

Two drop-in centres have been launched across the county to provide help and support to the local communities on a range of topics.

Foyer Tuesdays and Drayton Wednesdays offer the local community advice on debt and money matters, rent or tenancy issues, guidance on welfare reforms and help with finding a job, provided by staff from a range of agencies. Foyer Tuesdays is located at Ludlow Foyer on a Tuesday from 9.15am - 12.30pm and Drayton Wednesdays is located at Charter Court Community Centre, Market Drayton every Wednesday from 9.30am - 1pm. From July 2014 to April 2015 Drayton Wednesdays has had 720 visits to the sessions.



# NEW WAYS TO BUILD FOR THE BENEFIT OF THE COMMUNITY

The village of Neenton in Shropshire had no community facilities since the closing of the only village pub in 2006.

The local community worked to re-open The Pheasant Inn by forming a community interest group and, with the help of Shropshire Housing Group, acquired the pub. In exchange Shropshire Housing Group were able to build seven new homes on land adjacent to the pub. Two of the homes are available to buy on a shared ownership basis, and the other five homes are available on the open market, with profits from the sales going into the refurbishment

of The Pheasant Inn, and the building of the new Oak Room at the rear of the pub for community events. The room has already been used for village meetings, craft groups and quiz nights among many others. The pub is now up and running, offering a welcoming atmosphere and home cooked food, and the new homes are due to be completed shortly. Shropshire Housing Group also supports other communities in Wentnor and Lydbury North with their community shops.



Completed homes at Neenton, increasing the housing stock in the village by 15%



Executive Director, Paul Sutton with John Pickup from Neenton Community Society

# FOYER COMMUNITY COMPUTER HUB

Shropshire Housing Group aims to help with digital inclusion throughout the county, and is setting up 'computer hubs' with free access to the internet, and help and support for those who may find this difficult.

The first of the hubs is located at Ludlow Foyer, on Tuesdays and Thursdays. With the help of volunteers, the local community can either use the modern computer suite or bring their own equipment to access guidance. This includes online job searches and application forms. The number of people already accessing the service is increasing each week. A weekly community computer hub has now also been launched at SHG's offices in Wem.

**FOYER** **hub**



Digital Inclusion Officer, Dan Sargent with a local resident using the Foyer Hub

## PERFORMANCE

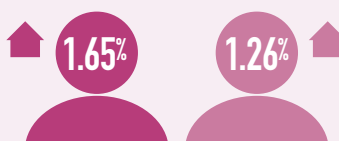
figures as at 31.03.15

SSHA MMHA

-  better performance than last year
-  worse performance than last year
-  same performance as last year



Current Tenant Owing %  
as a percentage of rent income due



Former Tenant Owing %  
as a percentage of rent income due



Current Tenant Arrears



Former Tenant Arrears

# COMMUNITY DEVELOPMENT FUND

In the past two years, Shropshire Housing Group's Community Development Fund has considered numerous applications from community groups across the county. Tenant representatives and housing managers meet regularly to consider applications of up to £5,000. Awards have included:

## The Zone Youth Hub

Resident's of Fairfield's are working hard fundraising to turn their dream of The Zone Youth Hub into a reality. The Zone Team successfully applied for a £5000 Community Development Fund grant. They are now preparing a Reaching Communities Lottery Bid.



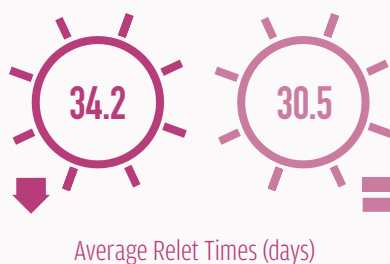
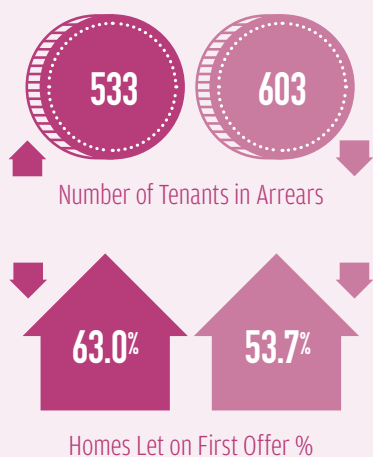
The Zone team continue to raise funds for The Zone Hub

## Burford Preschool

Forty seven pupils at Burford preschool are enjoying new tables, chairs and a sand/water tray thanks to a successful bid for £2335. Jean Peters from Burford preschool said, 'The new furniture has certainly brightened up our interiors and it suits the needs of the children perfectly.'



Preschool pupils enjoying their new furniture



# NEW DEVELOPMENTS

Shropshire Housing Group is continuing to build new homes throughout Shropshire and north Herefordshire. The completion of its four year development plan has seen 200 new homes built. Homes completed in the last year were:

- Onibury. 6 homes to rent for local people
- Neenton. 2 homes for shared ownership and 5 homes for outright sale
- Orleton, Herefordshire. 10 homes to rent and 4 homes for shared ownership
- Lyonshall, Herefordshire. 4 homes for rent and 4 for shared ownership
- Willow Meadow and Lawley Close, Church Stretton. 30 homes for rent and 8 for shared ownership
- Wingate Way, Park Hall, Oswestry. 14 homes for rent and 4 for shared ownership



Onibury



Hodnet



Church Stretton



Orleton



These homes were built under the community led housing approach that involves members of the local community at every stage of the building process, including how the buildings look. There are many options to this approach with local residents deciding on the design and the stewardship of the buildings after completion. For this reason, Shropshire Housing Group has established Marches Community Land Trust Services to help guide communities through this process.

### The other schemes completed this year were:

- Station Road, Hodnet, comprising 12 homes to rent and 2 for shared ownership
- Besford House, Shrewsbury, comprising 10 homes for open market sale and 1 for shared ownership



Lyonshall

### New homes that will start on site this year are:

- Station Road, Baschurch. 14 homes for rent and 6 homes for shared ownership
- Oak Avenue, Wem. 10 homes to rent and 2 homes for shared ownership
- Barnard Street, Wem. 8 homes to rent
- Oakfield Farm, Craven Arms. 19 homes to rent and 6 homes for shared ownership
- Orchard Meadow, Minsterley. 19 homes to rent and 5 homes for shared ownership. This site includes 2 homes for outright sale



Shrewsbury



Park Hall, Oswestry

# ENERGY SAVING FOR TENANTS

Shropshire Housing Group has an ongoing programme that replaces the heating systems of properties with no mains gas supply to renewable energy systems. These systems include air source heat pumps and ground source heating.




Three Crosses sheltered housing scheme on Clee Hill opted for a ground source heat pump system after visiting a similar scheme in Clun. The process of replacing the old heating system was helped along with regular tenant meetings with representatives of Shropshire Housing Group and Ice Energy, the contractors for this site. Resident Tom Cox said: 'We are so pleased as we now have a constant heat throughout our bungalow with no cold spots and no need to change the heat setting.' Other residents commented on how their energy bills had dropped and that the workmen had been brilliant, with nothing being too much trouble.



The completion of the ground source heat pump installation was celebrated with a tree planting ceremony

## PERFORMANCE

SSHA MMHA

-  better performance than last year
-  worse performance than last year
-  same performance as last year



99.9%

% Emergency repairs completed in target



100%



99.8%

% Properties with a current gas safety certificate



99.7%

# TRIP








The Tenants and Residents Improvement Panel (TRIP) scrutinises the work of Shropshire Housing Group. The panel is an important part of our commitment to actively work with residents to ensure the services provided are what residents want and need.

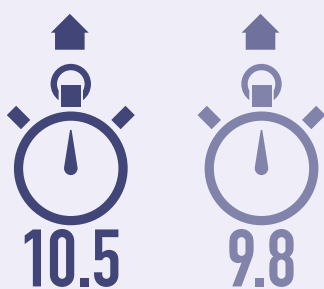
The TRIP Panel is made up of eight members and is open to all tenants, shared owners and leaseholders of Shropshire Housing Group.

The first area that the panel looked into was how we ensure our repairs are completed 'right first time'. Panel members talked to tenants, staff and other organisations to find ways the service could be improved. All recommendations were approved. Suggestions included changing the telephone system to allow those who do not choose an option to be put through to a customer service advisor, and widening the variety of methods used to gather feedback from tenants on completed repair jobs, not just telephone calls. TRIP's review of this have helped to identify savings of over £24,000 for the Group.

# PLANNED IMPROVEMENTS

Shropshire Housing Group has continued to improve properties throughout 2014/15, with the following being completed:

	Bathrooms	135
	Kitchens	200
	Boilers/central heating	196
	Roofing	64
	External doors	174



Average time to complete repair



% Appointments kept



# NEW LEASE OF LIFE FOR LANDMARK BUILDING

Edinburgh House in Wem is the new base for Meres and Mosses Housing Association, part of Shropshire Housing Group.

The building was purchased by the Group from Shropshire Council in 2013, and has been refurbished to provide a welcoming atmosphere for visitors and much improved working environment for staff. There is a shared reception area for Shropshire Housing Group and Shropshire Council enquiries, including new touch screen computers for visitors to access services themselves, or with the help of reception staff.

Speaking at the official opening, Jake Berriman, Chief Executive of Shropshire Housing Group, said: 'The improvements to Edinburgh House means it is now a much more welcoming and flexible facility for both visitors and staff alike. The facilities enable the local community to access a number of different services from one place, and encourages visitors to the area.'



The official opening of Edinburgh House was performed by Tim Ralphs, Chair, Shropshire Housing board, Mayor of Wem, Mandy Meakin and Jake Berriman, Chief Executive

# RURAL HOUSING WEEK CONFERENCE

Shropshire Housing Group hosted a conference to highlight the need for affordable rural housing throughout Shropshire. More than 60 attendees from parish and town councils learned about a new approach to building affordable housing, with a new approach pioneered throughout the county by Shropshire Housing Group.

Community-led development begins by identifying what each town or parish needs in terms of new, affordable, homes and then works with all partners to ensure the properties delivered fit that need, and are suitable for the area they stand in. Often councils can help the process by making land available and helping to form a Community Led Board which includes residents and representatives of all the stakeholders, overseeing the project and all of the key decisions surrounding it. Decisions include

scheme layout, visual suitability and verifying the local connection of potential residents. Shropshire Housing Group Chief Executive, Jake Berriman, said: "The conference was a great opportunity to explain in straightforward terms how community-led housing can work really well, to share first-hand, warts and all experience of real projects and to ensure that community representatives know what support and advice is available to them and how to access it.



# EVENTS TO SHAPE THE FUTURE

Two events were held in the north and south of the county to show stakeholders important developments that have taken place throughout the Group in ways of working, and to offer an insight into the future.

The two conferences included sessions where invited guests were able to learn about affordable development options, sustainable community initiatives and future visioning for the organisation. Around 120 people attended both conferences, and helped to inform the Group's review of its Corporate Plan.



# CODE OF GOVERNANCE

Shropshire Housing Group follows the National Housing Federation's Code, Excellence in Governance.

This sets out good practice in issues such as board conduct and effectiveness, recruitment and remuneration, probity and openness. Each year, the Group reviews compliance with the code. The social housing regulator, the Homes and Communities Agency, takes this self-assessment into account when assessing whether the Group meets its national standard on governance and financial viability. Shropshire Housing Group complies with the main points of the code, and has been awarded a G1 rating.

There are expectations set out in the Code that the length of time board members serve should be limited to 9 years. At the end of 2014/15, 2 board members had served for just over 9 years (both being appointed to SSHA in 2005 and joining the parent board in 2010 and 2012 respectively). One of these members, a co-optee to the Shropshire Housing Board, has since retired from the Board; the other, as Chair, is steering the Group through the change in our governance arrangements.

# MANAGING RISK

The Shropshire Housing Group board has the important responsibility of ensuring that the Group has clear and strong arrangements to manage the risks we face.

The Group's risks are similar to those faced by many housing associations and include financial, operational, reputational and health and safety risks. The risks are reviewed regularly by senior managers, are reported to, and considered by the boards. Risks are also reviewed regularly by the Audit and Risk Committee. A separate group, which includes senior staff and

specialist advisors, oversees in more detail the arrangements for health and safety. The Group's controls, that manage and limit risks, are set out in our annual internal controls assurance statement, which is reviewed and approved by the Shropshire Housing board.



# BOARD AND COMMITTEE MEMBERSHIP

Membership of the Total Response board, Shropshire Housing Treasury Ltd board, and the Group's two committees, Audit and Risk (A&R) and Remuneration and Human Resources (R&HR) is drawn from the 10 board members who are on the coterminous boards.

Board members receive an annual allowance paid in recognition of their time, commitment and responsibilities as board members. Further details of this can be found in the Financial Statements for each part of the Group, found on the Shropshire Housing Group website.

As well as the boards, Shropshire Housing Group has now set up two Community Panels, one for the South of the county and one for the North. The panels make decisions on the Community Development Fund and influence our neighbourhood plans.



# NEW GOVERNANCE ARRANGEMENTS

Shropshire Housing Group consists of Shropshire Housing Ltd, two housing associations, South Shropshire Housing Association and Meres and Mosses Housing Association that were originally set up to take ownership and management of local authority housing, and Total Response Ltd, a property maintenance company.

The Group also includes Shropshire Housing Treasury Ltd, a subsidiary specifically set up for the purpose of managing the distribution of funds within the Group under our new finance arrangements.

In 2014/15 Shropshire Housing Group completed a governance review and changes were made to the board structure. These changes have

strengthened and simplified the Group's governance arrangements, enabling the Group to maintain its ability to grow, develop and retain local identity and accountability. Shropshire Housing Group now has 'coterminous' boards. This means that, whilst the separate parts of the Group still exist, the same board members make decisions for, and on behalf of the whole Group.

Name		SH Board	MMHA Board	SSHA Board	A&R Cttee	R & HR Cttee	TRL Board	SHTL Board
	Tim Ralphs Chair	✓ Chair	✓	✓		✓		✓
	James Williamson	✓	✓	✓	✓ Chair			✓
	Chris Mellings	✓	✓	✓	✓			
	Paul Turner	✓	✓	✓		✓ Chair		
	Stephen Donkersley	✓	✓	✓			✓	✓
	Graham Biggs	✓	✓	✓	✓		✓ ***	
	Gill Jones	✓	✓	✓		✓		
	Sonia Youd	✓	✓	✓	✓		✓	
	Liz Walford	✓	✓	✓		✓		
	Jake Berriman	✓	✓	✓			✓	✓
	John Stringer	✓ *					✓ **	

\*\*\*TRL Board member from April 2015

\*\*TRL Board Chair until June 2015

\*Co-optee until 16th April 2015, Chair until June 2015

## NATIONAL & LOCAL STANDARDS

Shropshire Housing Group, like all other registered providers, has to comply with minimum regulatory standards. These fall under the following headings:

- **Tenant Involvement & Empowerment**
- **Home**
- **Tenancy**
- **Neighbourhoods**
- **Value for Money**
- **Governance & Financial Viability**
- **Rent**

When the standards were first introduced in 2010, the Group set out how we complied with these minimum standards and consulted with tenants about their priorities for service improvement and local service standards.

Since then the Group has worked with tenants, and partner organisations, to meet these agreed standards. The Shropshire Housing board also reviews the actions taken, and are as that we are continuing to work on, to meet or exceed these standards.

Tenants have regular updates through the tenants newsletters on these standards, with highlighted news articles, and an annual update through the tenants annual report.



# CONSORTIUM SAVINGS



2014/15 brings to the end the fourth year of Shropshire Housing Group procuring goods and services through the Central Housing Investment Consortium (CHIC).

The Group have benchmarked these purchases from our 2011/12 baseline. While inflation has risen and fallen on certain goods and services, the overall trend within maintenance was an upward one, with 2014/15 prices being on average 7.78% higher than in 2011/12.

Given this backdrop, Shropshire Housing Group are extremely pleased to be able to report continued savings of £66,259 for this year based on procurement activity, and this now reaches a grand total of £320,539 of real savings.

# VALUE FOR MONEY

Shropshire Housing Group continues to monitor its value for money savings. This doesn't just mean saving money, but includes staff time, and savings passed on to tenants and other customers. Examples include:

- Development of the online assets enquiry form has resulted in cost saving for tenants postage, as they will no longer need to apply in writing. There are also cost saving for Shropshire Housing Group, through quicker and more efficient processes, as well as cost savings on postage. It also eliminates the need to contact tenants or arrange site visits to request further information.
- Commercial laundry equipment at Millmead sheltered housing scheme in Craven Arms was costing tenants £2755 per annum. After negotiation with a local provider to supply and maintain machines, savings of £1.79 per week for tenants, and £2.79 in future years were made, which will reduce their service charge.
- Staff have car shared to meetings, made appointments close to each other and based themselves at other offices to save a total of £4708 in fuel claims this year.

Shropshire Housing Group's Value for Money Self Assessment will be available on our website at the end of September.



# ANNUAL ACCOUNTS

	2015 (£'000)	2014 (£'000)
<b>Our income for the year</b>	<b>24,238</b>	<b>22,923</b>
less the cost of running the group	(16,173)	(17,428)
<b>Equals the operating surplus for the year</b>	<b>8,065</b>	<b>5,495</b>
surplus on sale of property	344	1,073
<b>Surplus/(deficit) on ordinary activities</b>	<b>8,409</b>	<b>6,568</b>
add interest on cash balances	30	172
deduct interest payable on loans	(4,477)	(3,504)
<b>Equals surplus for the year</b>	<b>3,962</b>	<b>3,236</b>
taxation on surplus	(9)	(58)
<b>Equals surplus after tax for the year</b>	<b>3,953</b>	<b>3,178</b>
actuarial (loss) / gain for pensions	(885)	(499)
prior year adjustment		-
<b>Surplus for the year</b>	<b>3,068</b>	<b>3,677</b>



# BALANCE SHEET

	2015 (£'000)		2014 (£'000)	
<b>Assets held on a long term basis</b>				
housing properties at original cost		179,678		167,322
less grants received from building houses		(25,876)		(24,119)
less social housing and other grants received		(40,048)		(35,580)
		113,754		104,623
investments/joint ventures		-		(22)
<b>Current Assets</b>				
assets held for resale	3,332		1,234	
stock of materials for repairs	236		234	
money owed to us including rent	1,703		2,069	
long term debtor improvements	12,245		13,614	
cash invested for at least 1 week	2		16,018	
instant access cash	4,706		5,245	
<b>Sub Total</b>	<b>22,224</b>		<b>38,414</b>	
money owed by us	(4,612)		(4,631)	
net current assets		17,612		33,783
<b>Total Assets Less Current Liabilities</b>		<b>131,366</b>		<b>138,384</b>
<b>Creditors</b>				
bank loans and improvements		105,777		116,627
provision for pension liability		2,128		1,364
<b>Capital and Reserves</b>				
reserves		23,461		20,393
<b>Total Bank Loans and Reserves</b>		<b>131,366</b>		<b>138,384</b>

More information on Shropshire Housing Group's financial position can be found in the Financial Statements, found on our website at [www.shropshirehousinggroup.co.uk/publications](http://www.shropshirehousinggroup.co.uk/publications)

# EQUAL OPPORTUNITIES STATEMENT

We recognise the damage that disadvantage and discrimination can cause. We are committed to equal opportunities and will take positive steps to ensure that you will not be treated less favourably than anyone else in your dealings with us because of age, disability, gender reassignment, marriage & civil partnership, religion or belief, race, sex, sexual orientation or pregnancy & maternity.

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## CONTACT

**Email:** [SHGenquiries@shropshirehousing.org.uk](mailto:SHGenquiries@shropshirehousing.org.uk)

**Tel:** 0300 303 1190

Registered office: The Gateway, The Auction Yard,  
Craven Arms, Shropshire SY7 9BW

Edinburgh House, New Street,  
Wem SY4 DB

**[www.shropshirehousing.org.uk](http://www.shropshirehousing.org.uk)**

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Shropshire Housing  
Group consists of the  
following organisations

