



# ANNUAL REPORT 2015



# REPORT FROM THE CHAIR...



During 2015, we saw some of the greatest changes in social housing in our time and at Petersfield Housing Association (PHA) we have been proactive in closely examining our business to ensure that we can meet

those challenges and continue to build on our success to date.

We were able to maximise financial capacity with additional loan facilities finalised in early in 2015 to support our development aspirations.

We continue to enjoy an excellent working relationship with East Hampshire District Council (EHDC) and would like to thank them for their ongoing support. In partnership with EHDC we started a new development of 14 units in Alton which will be completed in May 2016.

We were delighted that the Petersfield Society awarded the conversion of 3 of our garages to a bungalow at Rushes Farm, a 'Special Commendation' for design. This was followed by the Alton Society awarding us a 'Commendation' for our development of Silcox Court in Alton stating: 'This small flats development is for local people. The building, while simple in form, manages to

stimulate interest by the interplay of surface textures with the patten of openings. It strikes a balance between contemporary and traditional styles while remaining true to itself, and has helped meet a desperate need for affordable accommodation.'

In 2015 we saw a significant surplus despite the costs of new development and our investment in our existing homes. Just as importantly as building new homes, we are continually investing in our existing homes. This year as part of our planned investment programme we spent £390,000 on improvement to our existing properties. This represented a major works programme to include significant improvements to external and internal communal areas. Our enhanced specifications determined for the internal renovation of existing blocks of flats saw significant improvements to the living environment for residents.

Other important areas of success include arrears management, with arrears at 1.31% at the end of the year, very high resident satisfaction levels and our empty properties being re-let within 12 days.

We continue to look at how we can work more efficiently and we have reviewed our housing management system resulting in

work process efficiencies across repairs, rent collection and financial management. As a result we have improved our services to residents.

During 2015 we also:

- Took on the management of a sheltered housing scheme on behalf of a local village housing association.
- Received an excellent internal audit report on the maintenance service. The results of the audit work undertaken were positive and we are therefore able to offer 'substantial assurance' that sufficient procedures and controls are in place within the maintenance system.
- Undertook a comprehensive review of the debt collection service together with a resident working party.
- Saved £12,000 on a boiler replacement programme.
- Introduced Tenancy Health Checks to facilitate an annual home visit to discuss any queries or concerns the tenant may have and report any repairs.
- Introduced a Bursary Award Scheme in early 2015. The scheme provides grants of up to £350 to help young people between the ages of 18 - 35 to help with education, training and employment plans.
- Introduced a Work Experience Scheme. The scheme provides the opportunity for young people

leaving school, young parents returning to work and people who have been out of work for some time the opportunity to gain some practical work place experience to help them when looking for employment.

- Undertook a full STAR Survey which showed high levels of satisfaction across our services.
- Purchased new software to allow tenants direct access to their rent accounts via our website. It also shows the repairs history for their property.

Through the current challenging times, like all businesses, our success ultimately comes down to the skill, dedication and commitment of our staff team. I would like to take this opportunity to thank our staff, our Board and committee members, all our residents and our many friends and stakeholders. It is their support, encouragement, enthusiasm and input that ensures Petersfield Housing Association remains successful and is well positioned to achieve its strategic objectives going forward.

**David Chapman**  
Chair of the Board



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## OUR VISION:

“PHA STRIVES TO PROVIDE GOOD  
QUALITY AFFORDABLE HOMES  
AND EXCELLENT SERVICES”

# OUR STRATEGIC OBJECTIVES:

1. To maintain flexibility and embrace opportunities as they arise
2. To understand and respond to residents' changing needs and aspirations
3. To ensure our assets meet the needs of both current and future residents
4. To develop good quality homes which address local need
5. To work proactively in partnerships to deliver more homes and better services to our residents
6. To maintain robust financial management to enable future growth

# IMPROVING SERVICES FOR TENANTS:

## RESIDENTS' WORKING PARTY:

During 2015 there was a comprehensive review of arrears management together with a working party of our residents. The working party determined that overall PHA's approach to debt management is fair and robust.

## RESIDENT SCRUTINY PANEL:

This is a panel made up of PHA residents. Scrutiny is a form of resident involvement which scrutinises the services that PHA provides, from the perspective of residents.

The Scrutiny Panel plays a large part in ensuring the success of PHA by holding us to account for the performance of the services we provide.

During 2015 we have strengthened our accountability and partnership with residents by further developing the role of the scrutiny panel and this will be further developed in 2016.

## REFURBISHMENT OF COMMUNAL AREAS:

During the year the communal areas of 4 of our blocks of flats have had a complete refurbishment to enhance the residents' environment.



Significant work was also undertaken to improve external communal areas and pathways.

## TENANCY HEALTH CHECKS -

A new programme of 'Tenancy Health Checks' was introduced in 2015. The purpose of the health checks is to ensure that the housing officer visits every property in our stock on a yearly basis. This is in order to monitor the condition of our stock, identify any problem properties and work with residents to improve the condition of those properties. It also enables the housing officer to discuss any tenancy issues with residents. These visits have been very successful so far, with several issues identified and rectified as a result of the visit..

## MYTENANCY

'MyTenancy' was introduced on the PHA website in July 2015. MyTenancy is an on-line service available to PHA tenants. This allows tenants access to their rent account via a secure log-on process, with each tenant requiring a user name, a password and optional personal identification code for added security. Repairs can also be reported and tenants also have access to the history of repairs for their home.

## BURSARY AWARDS SCHEME

A Bursary Awards scheme was introduced in 2015. The bursary awards scheme provides grants of up to £350 to help young people between the ages of 18 - 35 with education, training and employment plans.

Some examples of what can be funded by a bursary include:-

- Tools or equipment for a job or qualification such as carpentry or hairdressing
- Travel costs for work experience
- Course or training fees
- Clothes for an interview
- Childcare costs to help single parents to complete short term education courses
- Transport to and from a new job until the first pay day
- IT equipment
- Course material such as stationary & books

This list is not exhaustive.

## WORK PLACE EXPERIENCE SCHEME

A Work Place Experience Scheme was introduced in 2015. The work place experience scheme provides the opportunity for young people leaving school, young parents returning to work and people who have been out of work for some time the opportunity to gain some practical work place experience to help them when looking for employment.



# DEVELOPMENT:

PHA is currently managing a joint development project in partnership with EHDC which will provide an additional 14 homes for local people. The homes will be available in the spring of 2016.

The Petersfield Society awarded the **Cart Lodge, Rushes Farm** conversion project a 'Special Commendation' for the design of the bungalow. This development converted 3 garages that were no longer viable into a much needed bungalow for the ambulant disabled.

The Alton Society awarded **Silcox Court, Mill Lane** development a commendation stating 'This small flats development is for local people. The building, while simple in form, manages to stimulate interest by the integrity of surface textures with the pattern of openings. It strikes a balance between contemporary and traditional styles while remaining true to itself, and has helped to meet a desperate need for affordable housing.'

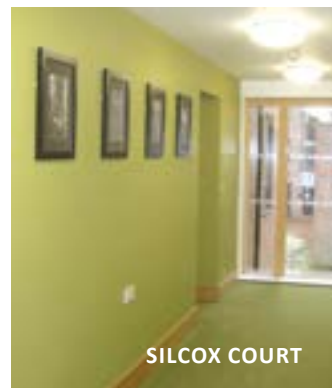
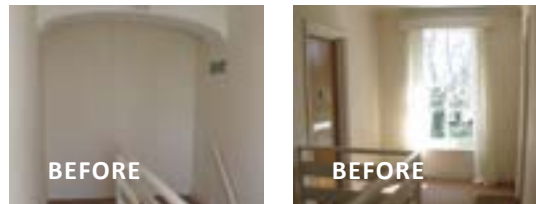
During 2015 we have further enhanced our development standards to improve the quality & longevity of PHA properties going forward.

In January we took on the management of a sheltered scheme in Rogate on behalf of Rogate & Terwick Housing Association. **East Lodge** is a sheltered scheme in the heart of Rogate village which offers 16 self-contained

flats; the majority of which are suitable for couples. The scheme is designed for older people who are capable of independent living.

**PHA HAS ALSO INTRODUCED A PROGRAMME OF UPDATING THE COMMUNAL AREAS OF OUR EXISTING BLOCKS OF FLATS.**

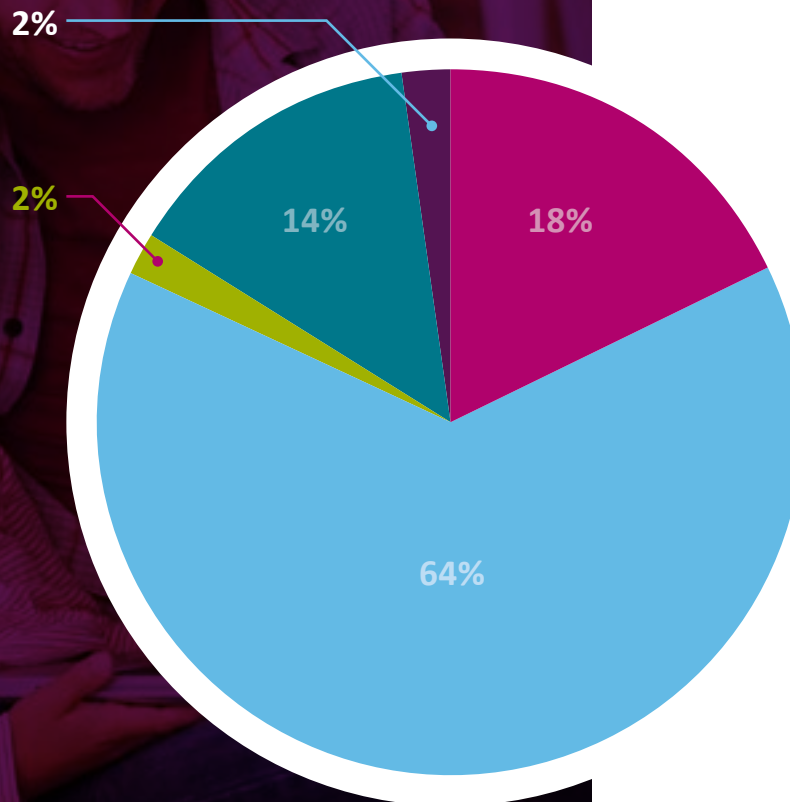
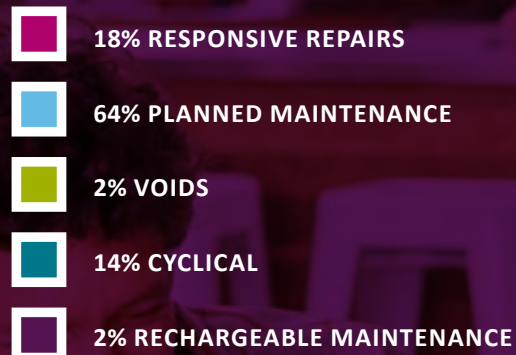
One such block was at Rushes Farm:



# OUR PERFORMANCE:

## ASSET AND LIABILITY REGISTER:

The regulatory requirement for an asset and liability register was introduced in April 2015 under the Governance & Financial Viability Standard. Work therefore commenced to compile an asset and liability register for PHA. The majority of the information was already available and the work therefore focused on how best to collate, present and validate the information that constitutes the PHA asset and liability register.



## ARREARS OF RENT:

The target for arrears of rent (net of housing benefit) in 2015 was 1.69% to a maximum of 2%. At the end of 2015 current tenant arrears were 1.31%.

## EMPTY HOMES:

It is essential to minimise the time a home is empty and waiting occupation. The target time for a property being empty in 2015 was 2 weeks. In 2015 we let properties in 12 calendar days or 1.7 weeks.

**DURING 2015 WE SPENT £383,922 ON REPAIRS AND MAINTENANCE OF OUR PROPERTIES.**

## BENCHMARKING PERFORMANCE:

Overall satisfaction levels remain high and PHAs performance against peers remains good.

| KEY PERFORMANCE INDICATORS                             | PHA 2015 | BENCHMARKING CLUB | NATIONALLY |
|--|----------|-------------------|------------|
| Rent arrears as % of rent debit                        | 1.31%    | 2.96%             | 3.49%      |
| % of all reactive repairs completed within target time | 99.46%   | 98.72%            | N/A        |
| Average re-let times (calendar days)                   | 12 DAYS  | 22.5 DAYS         | 23.6 DAYS  |
| % of rent lost through dwellings being vacant          | 0.41%    | 0.60%             | 0.97%      |
| Operating costs as % of turnover                       | 58%      | 73.58%            | N/A        |

**DURING 2015 WE SPENT £383,922 ON REPAIRS AND MAINTENANCE OF OUR PROPERTIES.**



# STAR SURVEY

STAR SURVEY (Survey of Tenants and Residents) is a tenant satisfaction survey which asks our residents 6 core satisfaction questions. The survey enables Petersfield HA to measure satisfaction with our services and to benchmark our services against those of other housing associations in order to identify service improvements.

## THE STAR SURVEY WAS COMPLETED IN JANUARY 2015.

A report was presented to the Resident Services Committee and the Board on the results of the STAR survey. As a result of the survey there is greater emphasis on improving communications with our tenants across all services.



AS A RESULT OF THE SURVEY THERE IS GREATER EMPHASIS ON IMPROVING COMMUNICATIONS WITH OUR TENANTS ACROSS ALL SERVICES.

| STAR SURVEY RESULTS  | PHA 2015 | BENCHMARKING CLUB | NATIONALLY |
|--|----------|-------------------|------------|
| Taking everything into account, how satisfied or dissatisfied are you with the service provided by Petersfield Housing Association | 87%      | 89%               | 86%        |
| How satisfied or dissatisfied are you with the overall quality of your home?   | 89%      | 86.5%             | 84%        |
| How satisfied or dissatisfied are you with your neighbourhood as a place to live?  | 92%      | 88%               | 84%        |
| How satisfied or dissatisfied are you that your rent provides value for money?   | 84%      | 82.3%             | 80%        |
| Generally, how satisfied or dissatisfied are you with the way Petersfield Housing Association deals with repairs and maintenance?  | 82%      | 86%               | 79%        |
| How satisfied are you that Petersfield Housing Association listens to your views and acts upon them?                               | 86%      | 72%               | 68%        |
| How satisfied or dissatisfied are you that your service charges provide value for money?   | 72%      | 67%               | 66%        |

# GOVERNANCE:

Good governance is essential to the association's success. Behind the scenes the work of the Board in determining strategic objectives, managing risk and working closely to support the staff is crucial, especially in these challenging times.

A full governance review was started in early 2015 to review all the terms of reference for each committee and the Board. The governance review was also the focus of the Board annual planning meeting during the year. This work was in response to the publication of the latest National Housing Federation's Code of Governance and their new Governance Checklist that was introduced in early 2015.

The Board undertook a review of its own effectiveness as a result was able to approve the adoption of the good governance checklist.

There then followed a Board members appraisal to enable the Board to consider what skill are required for future recruitment purposes and what, if any, Board training may be required.

## THE REVIEW UNDERTAKEN INCLUDED:

- A review of the current committee structure
- A review of the terms of reference for the board and each committee
- A review of the role of the chair
- A complete skills audit review for Board members

This work will strengthen the association going forward and ensure that we are well placed to deal with current and new challenges.

# FINANCIAL MANAGEMENT:

PHA remains financially strong & continues to develop. 2015 saw a significant surplus despite the costs of new development and the impact of component accounting on our statutory accounts.

In January 2015 we entered into a new funding agreement at favourable rates with Lloyds Bank for development funding. We saved £20k on the commitment fee as we were able to utilise an existing loan facility. This facility has also released more funds utilising the capital growth in the existing equity.

## YEAR ON YEAR EFFICIENCY SAVINGS INCLUDE:

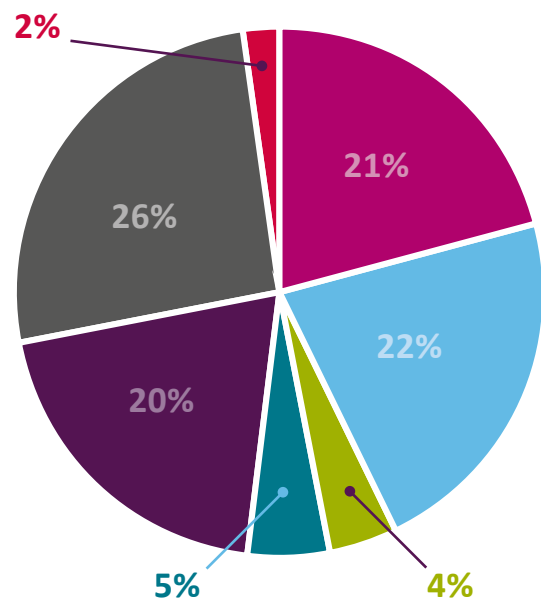
- a) A review of the housing management system resulting in work process efficiencies across repairs, rent collection and financial management.
- b) Improved services to residents as a result of the review of the system
- c) Court hearings are now being applied for 'on line' with a resultant reduction in court costs. This means savings for both the organisation and tenants.

In the first quarter of 2015 the association invited quotations for a boiler replacement programme. As a result there have been savings of approximately £12k on the boiler replacement programme for the second consecutive year.

## 2015 SAW A SIGNIFICANT SURPLUS DESPITE THE COSTS OF NEW DEVELOPMENT



# SUMMARY OF ACCOUNTS:



## DURING 2015 FROM EACH POUND WE RECEIVED FROM YOU WE SPENT:

- 21% Housing management
- 22% Property maintenance
- 4% Service charges
- 5% Development services
- 20% Interest on loans & similar charges
- 26% Other (including depreciation & property sale costs)
- 2% Pension deficit provision

## WHERE OUR MONEY COMES FROM

|                                       |                   |
|---------------------------------------|-------------------|
| Rents                                 | <b>£1,510,722</b> |
| Service charges                       | <b>£51,602</b>    |
| Interest receivable & similar charges | <b>£6,763</b>     |
| Amortisation of capital grants        | <b>£83,172</b>    |
| Other income                          | <b>£25,375</b>    |
| <b>TOTAL INCOME</b>                   | <b>£1,677,634</b> |

## WHERE OUR MONEY GOES

|   |                   |
|---|-------------------|
| Property maintenance                                | <b>£261,316</b>   |
| Housing management                                  | <b>£246,777</b>   |
| Depreciation of properties & fixed assets           | <b>£267,055</b>   |
| Interest payable & similar charges                  | <b>£232,008</b>   |
| Development services                                | <b>£54,964</b>    |
| Service charges                                     | <b>£43,152</b>    |
| Loss on disposal of components & other fixed assets | <b>£23,498</b>    |
| Pension deficit provision                           | <b>£20,324</b>    |
| Other   | <b>£18,724</b>    |
| <b>TOTAL EXPENDITURE</b>                            | <b>£1,167,818</b> |

## SURPLUS FOR THE YEAR

**£509,816**

## BALANCE SHEET (YEAR ENDED 31 DECEMBER 2015)

|   | 2015                | 2014                |
|---|---------------------|---------------------|
| Tangible Fixed Assets                         | <b>18,722,273</b>   | <b>16,990,923</b>   |
| Cash & investments                            | <b>1,422,978</b>    | <b>957,264</b>      |
| Debtors & stocks                              | <b>75,796</b>       | <b>328,498</b>      |
| Creditors: amounts due within 1 year          | <b>(837,651)</b>    | <b>(632,886)</b>    |
| Net current assets                            | <b>661,123</b>      | <b>652,876</b>      |
| Total assets less current liabilities         | <b>19,383,396</b>   | <b>17,643,799</b>   |
| Creditors: amounts due after more than 1 year | <b>(13,839,286)</b> | <b>(12,629,829)</b> |
| Provisions for liabilities                    | <b>(36,452)</b>     | <b>(16,128)</b>     |
| <b>NET ASSETS</b>                             | <b>5,507,658</b>    | <b>4,997,842</b>    |
| Called up share capital                       | <b>91</b>           | <b>91</b>           |
| Income & expenditure reserve                  | <b>5,507,567</b>    | <b>4,997,751</b>    |
| <b>TOTAL EQUITY</b>                           | <b>5,507,658</b>    | <b>4,997,842</b>    |

## INCOME & EXPENDITURE

|                                      | 2015             | 2014             |
|--------------------------------------|------------------|------------------|
| Turnover                             | <b>1,670,871</b> | <b>1,448,031</b> |
| Administrative Expenses              | <b>(935,810)</b> | <b>(855,085)</b> |
| Operating surplus                    | <b>735,061</b>   | <b>592,946</b>   |
| Interest receivable & similar income | <b>6,763</b>     | <b>6,239</b>     |
| Interest payable & similar charges   | <b>(232,008)</b> | <b>(129,613)</b> |
| <b>SURPLUS FOR THE YEAR</b>          | <b>509,816</b>   | <b>469,572</b>   |

# THE BOARD OF MANAGEMENT:

## DAVID CHAPMAN MCIQB

David is Chair of the Board and is currently Head of Stock Investment for Sovereign Housing Association. David has in excess of 30 years' experience of the social housing maintenance sector. He has a successful track record of delivering a high quality, cost effective repair and maintenance service to residents.

## DAVID WALSH BSC HONS, MCIQB

David has wide experience in the field of social housing. David is a highly experienced senior manager who has extensive Director level experience in both Housing Association and Local Government sectors.

## JULIE FREEMANTLE

Julie is a Chartered Accountant with over 15 years' experience in a wide range of public and private sector industries. She serves on the Group Audit Committee of Radian Group. Julie is currently the Chief Executive of Winchester Working Men's' Housing Society and is also a Trustee and the Treasurer of a national charity. She also runs her own small, local business.

## JULIAN CHUN

Julian is a highly experienced asset management director having worked for a number of medium and large housing

organisations. He is currently Director of Operations at Sentinel Housing Association and offers extensive knowledge of organisational change and driving performance excellence.

## HILARY CHANNING

Hilary is a Partner in her own HR consultancy specialising in executive recruitment, remuneration, organisation development and leadership coaching. She has delivered services to the social housing and charity sectors since 1997 and prior to this, she worked within the private sector at Black Horse Agencies and British Airways. Hilary also runs an ecommerce business and provides coaching/mentoring services to people wishing to change careers.

## PATRICK JENKINS

Patrick is a Partner and Head of the Litigation Department at MacDonald Oates solicitors in Petersfield. Patrick handles all aspects of Civil and Commercial Litigation. He has particular expertise in dealing with Property Litigation matters, including Boundary and Land disputes, as well as Commercial and Residential Landlord and Tenant disputes. Patrick is a member of the Property Litigation Association and the Professional Negligence Lawyers Association. He is also a member of the Hampshire Incorporated Law Society ('HILS').

# PHA STAFF:



**DENISE RAJCHEL MCIQB**  
Chief Executive



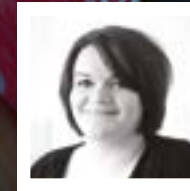
**NIAMH WAKEFIELD**  
Finance Director



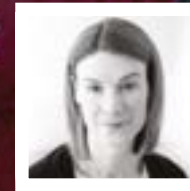
**SARAH CLAWSON**  
Housing Manager



**ROLAND MARK**  
Property Manager



**ZOE COSENS**  
Housing Officer



**CLAIRE CORNEY**  
Accounts Officer



**EMMA BLUMLEIN**  
Administrative Assistant



**SARAH HYE**  
Scheme Manager

## KEVIN SMITH

Kevin is a Partner and Head of the firm's Commercial and Commercial Property Departments at MacDonald Oates solicitors in Petersfield. Kevin is a Company Commercial, Commercial Law and Commercial Property specialist. This includes advising clients in connection with Employment issues that arise as part of Commercial transactions. As well as practicing in Construction and Engineering Law, Kevin is also a highly experienced Residential Property lawyer. Kevin is a Fellow of the Chartered Institute of Arbitrators and a Member

of the Royal Institution of Chartered Surveyors. He is also a Member of Hampshire Incorporated Law Society.

## GRAHAM NORRIS

Our Resident Board Member, Graham, worked for 29 years as an Operations Manager for a multinational advertising company, working his way up to UK Technical Manager responsible for procurement, product development and Health and Safety. He is now a full time carer.



petersfield housing association limited



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