

MEMBERS REPORT AUGUST 2006

Annual General Meeting

You are invited to attend the AGM on 27th September at 7.00 pm. This will be held in the Ramada Jarvis Hotel, Dalblair Road Ayr, Presidential Suite (First Floor).

Agenda

- To approve the Minutes of the 2005 AGM
- Results of the Board Elections
- To receive the Audited Accounts and the Board's report for the period 1 April 2005 to 31 March 2006
- To re-appoint Armstrongs as auditors

You may appoint someone else (a proxy) to represent you at the AGM. If you would like to do this please contact the office for a form or go to www.ayrshirehousing.org.uk.

Elections to the Board

The Board consists of five people elected from the community members and five from the tenants as well as five individuals appointed by South Ayrshire Council. Each year a proportion of the first two categories retire. This year three candidates have put themselves forward for two community vacancies and three candidates for three tenant places.

A ballot is therefore required only in the community category this year. All community members will shortly receive a postal ballot. The Board has agreed that this will be held using the single transferable voting system.



Baird Road, Monkton, 8 houses

Highlights

Since the last AGM, we have added 81 new houses to our stock. These have all been designed to meet a wide range of needs. Integrated within all these schemes are houses designed to allow people to enjoy the independence of their own home for the first time. We are pleased to have worked closely with South Ayrshire Council and care agencies to achieve this.

Again, our work has received national recognition at the Scottish Design Awards and the Saltire Society's Housing Awards.



Hamilton Street,
Girvan 13 Flats



Douneburn, Girvan
13 houses and 9 flats



St Bride's Way, Coylton, 14 houses

Contact Details: Ayrshire Housing,
119 Main Street, Ayr, KA8 8BX
Tel: 01292 880120 Fax: 01292 880121
Email: info@ayrshirehousing.org.uk
www.ayrshirehousing.org.uk

Allocations

During 2005 – 06 the association re-let 121 properties. These included 49 temporary lets using accommodation we provide for homeless persons and for women who are victims of domestic abuse.

In addition to providing temporary accommodation the association also assisted South Ayrshire Council's response to homelessness by accommodating a significant number of households in permanent housing. These households were referred to the association by SAC through the Section 5 referral process. South Ayrshire Council and Ayrshire Housing jointly signed a protocol agreement to enable the maximum number of homeless households to benefit from this provision.

In all, 69 homeless households were accommodated in either permanent or temporary housing by the association during 2005 – 06.

The association's performance in re-letting houses during the last year was very good with 74% of vacant properties being let within 2 weeks. This figure increases to 90% let within 4 weeks. Our average time taken to re-let properties was 18 days.

The association's new build properties were all let without any void period last year.



Opening at George Place, Greenan



Opening at High Park Road, Coylton

Repairs

We have carried out approx 3000 repairs over the past year. The vast majority were carried out on time and to our tenants' satisfaction. Working with our contractors, we seek regular feedback from our tenants to ensure that the quality of the service is maintained and indeed enhanced.

We ensured that our statutory responsibilities to service gas installations were honoured in full over the year.

Through competitive selection processes governed by European Union rules, we have now entered into long-term partnerships to deliver our landscape maintenance, gas servicing and reactive repairs work. These should ensure both value for money and quality over the next three years. The largest contract covering repairs was won by South Ayrshire Council, thus generating local economic benefits in terms of jobs and training opportunities.

Planned Maintenance

We have a fully funded investment plan in place to maintain and improve the quality of our houses over the next thirty years. This, backed by up to date surveys, will underpin our annual maintenance programmes. Over the past year, we have carried out the following work;

- Window replacement in Troon and Symington.
- Gas Central Heating installation in Rowan Road Girvan.
- External Painterwork in Troon, Girvan, Maybole, Dailly and Ballantrae.

Ayrshire initiatives

Our subsidiary continues to develop as a provider of housing support, training and community development services. 10 people are employed to deliver support to vulnerable households. In addition, new projects have been developed to provide literacy advice and develop a tenant welcome pack. The construction training scheme has been extended into its second year with a further 9 places. The company is also acting as a project manager for the delivery of the community and personal development initiatives to support Lochside's regeneration. It is also working with other housing associations and social businesses to develop new business ideas.

A copy of the 2005-6 Annual Accounts is available at www.ayrshirehousing.org.uk. Alternatively, a paper copy can be obtained by phoning Sharon Ritchie on 01292 880120. Ayrshire Housing's financial position is a strong one. The annual turnover is almost £3.1M and reserves stand at £7.6M. Through our continued development programme almost £7M has been added to the asset base.

We regularly monitor our performance and can report the following financial performance indicators:

AYRSHIRE HOUSING

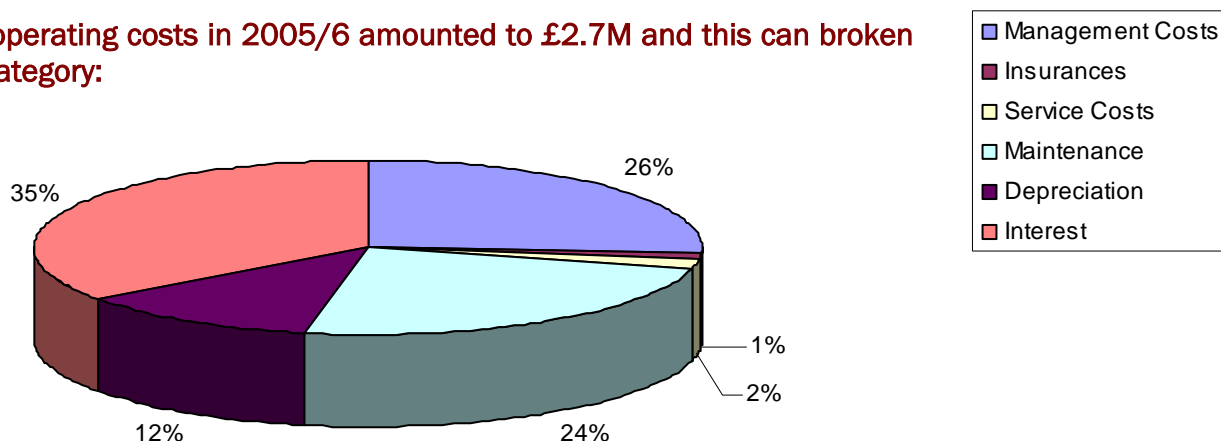
FINANCIAL PERFORMANCE INDICATORS

	Year to 31.3.06	Year to 31.3.05	Year to 31.3.04	Target High /Low	Indicates
KEY FINANCIAL INDICATORS					
Current Assets : Current Liabilities	1.38	1.11	1.21	High	Ability to pay short term debts
Cash : Current Liabilities	0.99	0.81	0.86	High	Ability to pay short term debts
Gearing Ratio (loans divided by reserves)	2.38	2.32	2.62	Low	Financial strength
Income on lettings : Interest Payable	3.49	3.53	3.27	High	Ability to repay interest
Average Cost of Capital	5.45%	5.32%	5.22%	Low	Financial strength
Housing Debt per Unit	£16.6K	£15.4K	£15K	Low	Financial strength
Operating Surplus : Interest Payable	1.26	1.66	1.36	High	Ability to repay interest
Operating Surplus plus Depreciation : Interest Payable	1.64	2.08	1.87	High	Ability to repay interest
Operating Surplus % Turnover	37%	46%	39%	High	Operating efficiency

CORE BUSINESS INDICATORS

Rent Arrears % Annual Rent Receivable	6.5%	9.8%	6.0%	Low	Efficiency of Rent Collection
Void Losses % Rent Receivable to Date	1.0%	1.3%	1.4%	Low	Efficiency of Lettings
Bad Debts % Rent Receivable to Date	3.0%	1.0%	0.0%	Low	Efficiency of Rent Collection
Management costs % rental income	22.3%	22.2%	23.1%	Low	Cost effectiveness of management
All Maintenance costs % rental income	23.9%	15.8%	16.0%	Low	Adequacy / efficiency of repairs programme.

The total operating costs in 2005/6 amounted to £2.7M and this can be broken down by category:



Ongoing work

We plan to spend over £6millions on new sites and building in the current financial year. The projects range from 12 house village schemes, for example in Kirkmichael and Straiton, to major schemes in Ayr. A highlight is our selection as the Council's development partner to replace 130 sub-standard houses in Lochside, Ayr with modern houses for both rent and sale. We will work with the local community through Ayrshire Initiatives on an exciting range of projects designed to enhance the quality of life and range of local services.

Mortgage to Rent

Working with Communities Scotland, we have supported this scheme which allows struggling home owners to sell to the association. They then continue to live in their existing home as a tenant. So far we have helped 6 families across Ayrshire.

Tenant Satisfaction Survey

At the end of last year, we received the results of an independent survey of our tenants' views. The survey confirmed very high levels of satisfaction and that most tenants thought that our rents represented good value for money. This was a terrific boost for Ayrshire Housing. We have however used the survey in a positive way to focus on areas where we can do things better. For example, we have addressed confusion over the timing of repairs and introduced a feedback arrangement to ensure that tenants are genuinely satisfied. We have also used the survey to build on how we consult collectively with tenants both at an estate level and association wide, for example through a tenants' panel.

Complaints

We received 14 complaints under our complaints policy over the year, 2 of which were subject of an appeal to the Board. No complaints proceeded beyond this stage.

Rent Increase

For the third year running, our annual rent increase at 2.7per cent is the lowest of any landlord in Ayrshire. We will also strive to keep rent increases as low as possible in the future.

Pet Competition

After its launch last year, this competition is now an established feature of the association's calendar. The 2005 winner Sooty and her companion Paul were delighted to receive the winning Blue Rozette.



A winning Sooty with Paul.

Garden Competition

This competition goes from strength to strength with classes for best garden, best container display, best close and best new garden. The 2005 supreme winner was John Stewart of Orchard Avenue, Ayr.



John receiving his engraved spade from the Board

The results of this year's competitions will be announced at the AGM.

We can supply this document in a print size to suit. It is also available in Braille, audio and other formats, and in other languages. Our website also has several accessibility features which you may find useful.