

MEMBERS REPORT AUGUST 2007

Annual General Meeting

You are invited to attend the AGM on Wednesday 26th September at 7.00 pm. This will be held in the Ramada Jarvis Hotel, Dalblair Road, Ayr, Windows on the Ocean Suite.

Agenda

- To approve the Minutes of the 2006 AGM
- Results of the Board Elections
- To receive the Audited Accounts and the Board's report for the 31 March 2007
- 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 tenant members, five community volunteers as well as five Councillors and local government officials appointed by South Ayrshire Council. Each year a number of the tenant and community members retire from the Board who are the eligible for re-election. This year nine candidates have put themselves forward for four community places and two candidates for two tenant vacancies.

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.



Corton Howe, Ayr - 20 Houses

Highlights

The 2006-2007 financial year was our busiest to date in terms of new development activity. We spent close to £10 million on site purchases and new construction. Land sufficient to build over 140 houses was acquired and we added almost 100 houses during the year to our stock. Highlights included funding approval for the Lochside regeneration project which will create 100 new houses. We continued our successful partnership with South Ayrshire Council to provide housing suitable for people wishing to live independently which is fully integrated within our new developments. Examples over the year have been the opening of the new developments in Corton Howe and St Leonard's Road, both in Ayr.



Opening at St Leonards Road, Ayr



Opening at
Corton Howe,
Doonholm

Once again the quality of our work has received national recognition. Our Seabank development was commended in the Saltire Housing Design Awards for the quality of the housing and its enhancement of Girvan's townscape

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Allocations

During 2006–07 the association re-let 235 properties. These included 70 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 South Ayrshire Council 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, 90 homeless households were accommodated in either permanent or temporary housing by the association during 2006–07.

The association's performance in re-letting houses during the last year was very good with 55% of vacant properties being let within 2 weeks. This figure increases to 94% let within 4 weeks. Our average time taken to re-let properties was 13 days.

94% of the associations new build properties were let without any void period last year.



Donneburn Crescent,
Girvan - 13 Houses
and 9 Flats



North Shore lane,
Troon - 4 Houses and
20 flats



George Place,
Greenan, Ayr -
24 Houses

Repairs

We have carried out approximately 4,300 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 96% of our houses over the year.

The Partnerships we entered into covering landscape maintenance, gas servicing and reactive repairs are now well established. We hope that these are delivering the benefits for our tenants that we envisaged when establishing these arrangements. These contracts are all closely monitored by the association to ensure that they provide our tenants with the value for money and quality that is expected.

Planned Maintenance

The association has in place a fully funded investment plan which is reviewed annually. This plan provides the financial structure for the maintenance and improvement of our housing stock for the next thirty years.

Over the past year we have carried out the following work;

- Gas Central Heating installation in Belmont and Forehill
- External Painterwork in Ayr, Girvan, Crosshill, Dailly and Dundonald

Ayrshire initiatives

Our subsidiary too has had a very successful year. Agreement has been obtained from South Ayrshire Council to extend the tenancy support project to Ayrshire Housing as well as Council tenants. The literacy project, Home Learn Link, has helped almost 50 people. A further 50 households have been supported as they set up their first homes through the Tenant Welcome Initiative.

The construction training scheme has proved a great success both with the trainees themselves and in its growing reputation with contractors. A milestone has been its extension across Ayrshire in partnership with the builder Ashleigh and another housing association.

Ayrshire Initiatives manages the community engagement project as part of the multi-agency regeneration of Lochside. This is proving a real success with the local community with its innovative mix of projects which include a film made by young people, a recording project and planning events. With a local base and a dedicated community development worker, these are all aimed at giving the community a real say in the future of their neighbourhood.

A copy of the 2006-7 Annual Accounts is available at www.ayrshirehousing.org.uk. Alternatively, a paper copy can be obtained by phoning Zoe McGrady on 01292 880120. Ayrshire Housing's financial position is a strong one. The annual turnover is almost £3.4M and reserves stand at £10.9M. Through our continued development programme almost £9.5M has been added to the asset base.

AYRSHIRE HOUSING

FINANCIAL PERFORMANCE INDICATORS

	Year to 31.3.07	Year to 31.3.06	Year to 31.3.05	Year to 31.3.04	Target High / Low	Indicates
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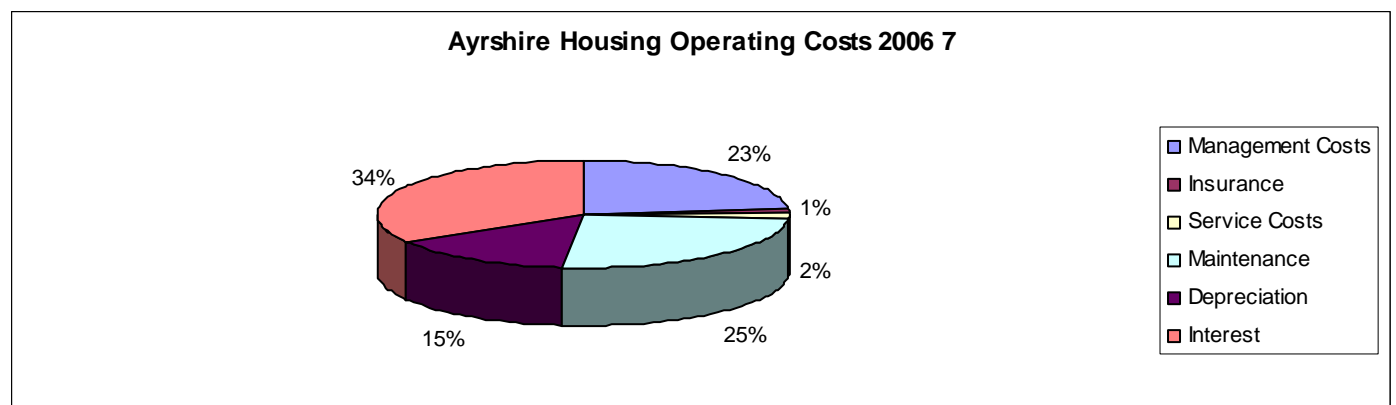
KEY FINANCIAL INDICATORS

Current Assets : Current Liabilities	3.86	1.38	1.11	1.21	High	Ability to pay short term debts
Cash : Current Liabilities	3.33	0.99	0.81	0.86	High	Ability to pay short term debts
Gearing Ratio (loans divided by reserves)	2.66	2.38	2.32	2.62	Low	Financial strength
Income on lettings : Interest Payable	3.34	3.49	3.53	3.27	High	Ability to repay interest
Average Cost of Capital	5.47%	5.32%	5.32%	5.22%	Low	Financial strength
Housing Debt per Unit	£16.1k	£16.6K	£15.4K	£15K	Low	Financial strength
Operating Surplus : Interest Payable	1.18	1.26	1.66	1.36	High	Ability to repay interest
Operating Surplus plus Depreciation : Interest Payable	1.54	1.64	2.08	1.87	High	Ability to repay interest
Operating Surplus % Turnover	36%	37%	46%	39%	High	Operating efficiency

CORE BUSINESS INDICATORS

Rent Arrears % Annual Rent Receivable	5.6%	6.5%	9.8%	6.0%	Low	Efficiency of Rent Collection
Void Losses % Rent Receivable to Date	0.9%	1.0%	1.3%	1.4%	Low	Efficiency of Lettings
Bad Debts % Rent Receivable to Date	0.6%	3.0%	1.0%	0.0%	Low	Efficiency of Rent Collection
Management costs % rental income	20.7%	22.3%	22.2%	23.1%	Low	Cost effectiveness of management
All Maintenance costs % rental income	28.8%	23.9%	15.8%	16.0%	Low	Adequacy / efficiency of repairs programme.

The total operating costs in 2006/7 amounted to £3.0M and this can be broken down by category:



Ongoing work

Over the current financial year, we aim to spend a further £10 million on new developments. This will see the start of construction at Lochside and Viewfield Road in Ayr. Smaller projects will also get underway at Girvan, Prestwick and Maidens. In addition, we will also acquire land in Dalrymple, Maybole and Troon for further developments.

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 11 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 18 complaints under our complaints policy over the year, 3 of which were the 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 4.9% is the lowest of any Registered Social landlord in Ayrshire. We will also strive to keep rent increases as low as possible in the future.

Garden Competition

This competition goes from strength to strength with classes for best garden, best container display, best close and best new garden.

The 2006 supreme winner was Mrs Atkins of Victory Crescent, Dailly.



Mrs Atkins receiving her engraved spade from the Provost Winifred Sloan.

Pet Competition

The competition is now an established feature in Ayrshire Housing's Diary.

Last year's Joint winners were Labradors Mac, Moya and Shadow who all live in the same House in Ballantrae.



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