

MEMBERS REPORT AUGUST 2011

Ayrshirehousing

Annual General Meeting

You are invited to attend the AGM on Wednesday 14th September at 7.00 pm. It will be held in the Fairfield House Hotel, Ayr.

Agenda

- To approve the Minutes of the 2010 AGM
- Results of the Board Elections – Community Category
- To receive the Audited Accounts and the Board's report for the year to 31 March 2011
- To re-appoint Armstrongs, Chartered Accountants, 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.

The Board consists of five tenant members, five community members as well as five representatives appointed by South Ayrshire Council, including Councillors. Each year a number of the tenant and community members retire from the Board who are then eligible for re-election. This year, there are two places in the community section. Four candidates have put themselves forward for these two places. A postal ballot is to be held.

Following the resignation of Nancy Cassidy from the Board there is no need for a ballot in the tenant category as the number of candidates equals the available places.

**At the AGM, the members will be asked to confirm the appointment of the following to the Board:
Tenants: Pearl Boyd and Gordon McDines (re-election); Corraine Wilson (to be appointed).
The results of the community election will be announced at the AGM.**

Lift off at Dalmilling Crescent!

Our latest development of the former Roman Catholic cathedral in Ayr will provide much needed new housing. When complete in November 2011, 25 new houses for rent will be available. We are committed to fostering community links through our contractors. Ashleigh (Scotland) Ltd has teamed up with its suppliers to enhance the play facilities of the local Cherry Tree Nursery School.



The nursery children released balloons over the cathedral site and had a chance to see the progress of the works.

The Future of Housing Association Development

The Board has decided not to participate in this year's competition for Government funding. This decision has been made because it believes the excessive borrowing and internal funding being demanded will undermine the quality and affordability of services to tenants in the long-term. The association is financially strong however and is committed to utilising this strength for new building subject to grants being available at more realistic levels in future years.

A copy of the 2010-11 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 £5M and reserves stand at £16M. Through our continued development programme over £5M 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 31.3.11	Year to 31.3.10	Year to 31.3.09	Year to 31.3.08	Target High / Low	Indicates
KEY FINANCIAL INDICATORS						
Current Assets : Current Liabilities	1.44	0.84	1.63	1.34	High	Ability to pay short term debts
Cash : Current Liabilities	1.52	2.09	2.21	1.51	High	Ability to pay short term debts
Gearing Ratio (loans divided by reserves)	1.73	2.08	1.91	1.79	Low	Financial strength
Income on lettings : Interest Payable	6.67	6.89	3.50	2.84	High	Ability to repay interest
Average Cost of Capital	2.5%	2.7%	4.1%	5.42%	Low	Financial strength
Housing Debt per Unit	£19.8k	£20.4K	£17.9K	£17.2K	Low	Financial strength
Operating Surplus : Interest Payable	3.23	3.23	1.62	1.10	High	Ability to repay interest
Operating Surplus plus Depreciation : Interest Payable	3.88	3.96	1.94	1.38	High	Ability to repay interest
Operating Surplus % Turnover	48%	47%	47%	39%	High	Operating efficiency

CORE BUSINESS INDICATORS

Rent Arrears % Annual Rent Receivable	3.6%	4.4%	4.4%	5.3%	Low	Efficiency of Rent Collection
Void Losses % Rent Receivable to Date	0.7%	0.7%	0.6%	0.8%	Low	Efficiency of Lettings
Bad Debts % Rent Receivable to Date	-0.3%	0.5%	0.8%	0.2%	Low	Efficiency of Rent Collection
Management costs % rental income	19.8%	20.8%	21.4%	21.3%	Low	Cost effectiveness of management
All Maintenance costs % rental income	22.6%	21.4%	21.9%	27.2%	Low	Adequacy/ efficiency of repairs programme.

The total operating costs in 2010/11 amounted to £3.2M and this can be broken down by category

AYRSHIRE HOUSING APPOINTS NEW CONTRACTOR

Following a competitive tendering process we have entered into a new contract for delivering our reactive repairs service. Our main contractor is now JD Thomson & Son Property Care Ltd. We are hoping this new partnership will be beneficial for our tenants and deliver improvements in quality of service and value for money.



REPAIRS AND MAINTENANCE

We carried out approximately 4,400 repairs during the past year with over 93% completed within our target response times. The level of tenant satisfaction with this service was very high with over 90% satisfied with the way their request was dealt with.

We also ensured that our statutory responsibilities to service gas installations were honoured in 100% of our properties which have gas appliances and flues.

Later this year we will be tendering for our gas servicing contract which we hope will provide for continued high levels of quality and tenant satisfaction.

Category of Repair	Percentage completed within target
Emergency	94.14%
Non-emergency	93.14%

Average completion time for non-emergency repairs – 5 working days



PLANNED MAINTENANCE

We have in place a fully funded investment plan which is reviewed each year. This gives us the framework to ensure that our housing stock is adequately maintained and improved for the next 30 years.

During the past year we have carried out external painter works at the following locations; **Girvan, Troon, Whitefaulds Maybole, Moorpark Prestwick, Victory Crescent Dailly, Chalmers Road Ayr.**

We have also carried out a programme of window and door replacements in Forehill, Ayr, window replacements in The Sandgate, Ayr and door replacements in Belmont, Ayr.

This past year we have also started to renew smoke detectors in our properties and this programme will continue to ensure that these are replaced at recommended intervals throughout our stock. In the past year we renewed the detectors at the following locations along with a number of other properties where the units were replaced due to the original units failing. **Fulshaw Place Ayr, Fernbank Court Prestwick, Victory Crescent Dailly.**

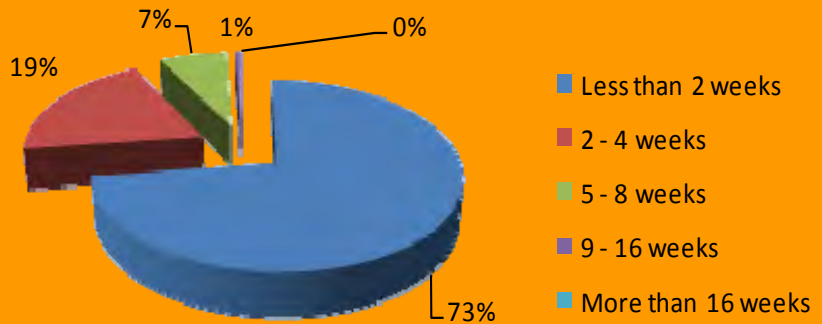
These ongoing investments will help ensure that our tenants are provided with accommodation which is maintained and repaired to a high standard and also helps fulfil our obligations to ensure our housing stock meets the Scottish Housing Quality Standard.

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.

ALLOCATIONS

During 2010-2011 the association allocated 169 properties. Of these, 90 were let on a temporary basis to homeless persons or for women fleeing domestic abuse. In total, 105 homeless households were housed by the association in either permanent or temporary lets during the last year.

Re-letting Performance



Our performance in re-letting properties during the last year continued to be very good with 73% of empty properties being let within 2 weeks and 92% let within 4 weeks. Our average re-let time for 2010 - 2011 was 12 days which was considerably below our target of 20 days.

Supporting Council Housing in South Ayrshire

Ayrshire Housing is pleased to be supporting the development of the first new Council housing in South Ayrshire in thirty years.

Building contractor CCG has nearly completed work on the 42 house scheme at Thornyflat, Ayr. The project complements recent developments by Ayrshire Housing and private housebuilders along the by-pass. It is also designed to connect with the wider Dalmilling neighbourhood and the adjacent public golf course.

RENT COLLECTION AND ARREARS RECOVERY

Helping tenants to maximise their income and meet their obligations to pay the rent remained a priority for us last year. We have worked with tenants and advice agencies and benefits services to help tenants pay their rent and make realistic and affordable arrangements for repaying any arrears that may have accrued. Our performance in recovering arrears was very good and these arrears represented 0.8% of the gross rent due at the end of the year.

COMPETITION WINNERS

Our popular garden and pet competition's has received a large number of entries and the winners will be announced at this year's AGM.

2010 Garden Competition Winners

Best Overall Garden and Best New Garden—Mr & Mrs Duncan, Lochside, Ayr

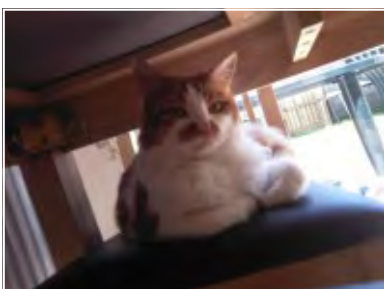
Best Window Box—Miss Macintyre, South Harbour Street, Ayr

Best Container—Ms Hobbs, St Andrew's Court, Girvan

Best Shared Garden—Mrs Davis, Mrs Carmichael, Mr Campbell, Mrs Maley, Mrs Darroch, South Harbour Street, Ayr

2010 Pet Competition Winners

Winning red rosettes were awarded to —Smudge the cat, companion for Heather Ludgate of Vewfield Court, Ayr and three Papillions Michie, Sophie and Toska, companions of Mrs Inglis, Maidens



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