

A bright future!

2016-17 Annual Report



DURHAM
AGED MINEWORKERS'
HOMES
ASSOCIATION

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WELCOME

Welcome to the 2016/17 Durham Aged Mineworkers' Homes Association Annual Report.

Last year we wrote that the year had been a challenging one for everyone working in social housing in the UK. Fortunately, despite the issues around Brexit overshadowing the political scene, the almshouse movement did see some positive developments this year to offset some of the concerns of last year. Most specifically, a statement to the House in October from the government gave assurances that funding would be made available for residents of almshouses and of sheltered and supported housing generally would see ringfenced funding passed to local authorities to mitigate the impact of the forthcoming Local Housing Allowance cap in April 2019. As yet, details are still awaited, but we are optimistic on behalf of our residents that our worst fears may not in the end come to pass!

The ongoing uncertainties however have had an impact on the Association at a strategic level. We have had to carefully review our business model over the last couple of years, and this has had two effects. Firstly, a relentless focus on efficiency and value for money has yielded significant and ongoing cost savings, which is good news, and our Value for Money statement later in this report gives more detail on this. Secondly however, we took a small pause in our programme of new developments. This was never intended as a cessation though, and I am pleased to report that a programme of new developments is once again underway and will provide more new homes in future years (see opposite page for details).

Once again, we are very proud to express our thanks to our staff, who have worked tirelessly over many years to keep us at the forefront of the provision of retirement housing in the North East, and also to the many organisations with whom we work. In particular we would like to thank our lead development partner Karbon Homes, who have been of immense assistance in helping us keep moving forward in the area of new build properties, and also the Almshouse Association who labour hard with, and on behalf of, organisations like ours to make sure that the benefits of almshouse charities are understood and appreciated.

Paul Mullis Chief Executive **Gordon Parkin** Chairman



“
Once again, we are very proud to express our thanks to our staff
”

“
All of the homes will be allocated to older people in housing need across County Durham.
”

NEW HOMES

After a busy few years building new and affordable homes across County Durham, we had no new developments in 2016/17. However, we are pleased to announce that we are about to embark on one of the largest housebuilding programmes in our long history. Between 2017 and 2022, we will be investing over £12 million building 118 new affordable homes. Work on 37 two-bedroom bungalows in Ushaw Moor and Philadelphia is scheduled to get underway later in 2017 and be completed in stages in 2018. The investment in these properties amounts to just over £3.5 million.



A further 81 new homes will then be built between 2018 and 2022 after we received grant funding of £1.9 million from the Homes and Communities Agency (HCA) – the Government body that funds new homes in England. This funding has come from the HCA's Shared Ownership and Affordable Homes Programme, which is aimed at kick-starting the building of homes that people can afford in the UK. DAMHA will invest a further £6.6m of its own money to build these homes across County Durham. The locations of the new homes will be determined over the next two to three years.

Paul Mullis, Chief Executive of DAMHA, said: "There is a real shortage of high quality, two-bedroom bungalows for rent in County Durham so the homes we will be building will go some way to meeting the need that exists for properties like this.

"This represents one of the largest housebuilding programmes in our long history and we are excited about getting started.

"All of the homes will be allocated to older people in housing need across County Durham."

The funding DAMHA has received from the HCA forms part of a £7 billion Government programme aimed at meeting the diverse housing needs of the country.

£12 million
new home investment



CUSTOMER SERVICE

During 2016/17 we continued to strive for excellence in customer service. Being responsive to the needs of our customers is one of the key ways we measure this.



We answered **99%** of telephone calls within **15 seconds**

We responded to **95%** of **written correspondence** within 5 working days



100% of complaints were resolved at Phase 1 or 2 – no complaints were dealt with by the ombudsman service

“

A swift and reliable service.

”

“

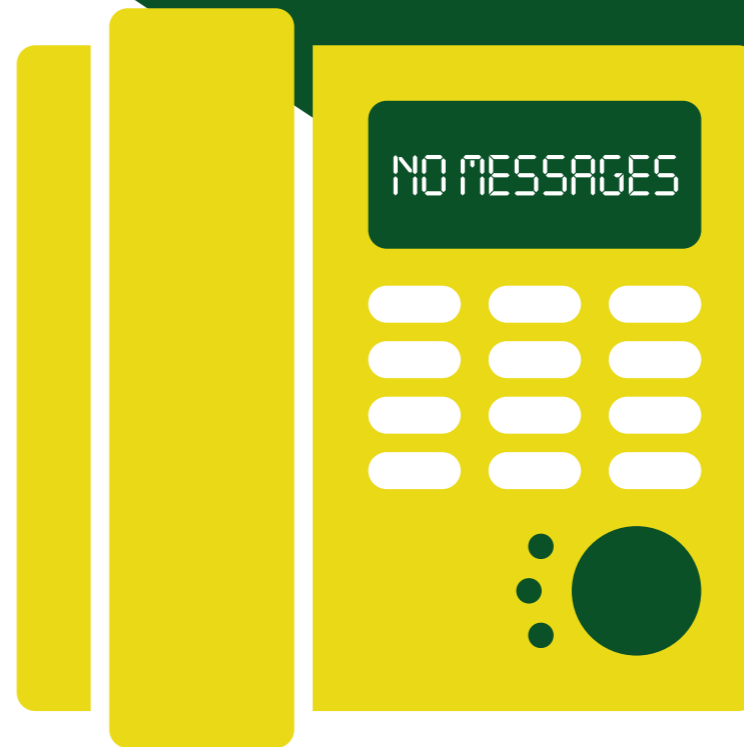
The help & advice I received was excellent.

”

We responded to

97%

of **telephone messages** by the following working day



REPAIRS

One of our most important key performance indicators is ensuring we carry out repairs on our residents' homes quickly and efficiently.

99.8%
of **Emergency Repairs** were completed within target



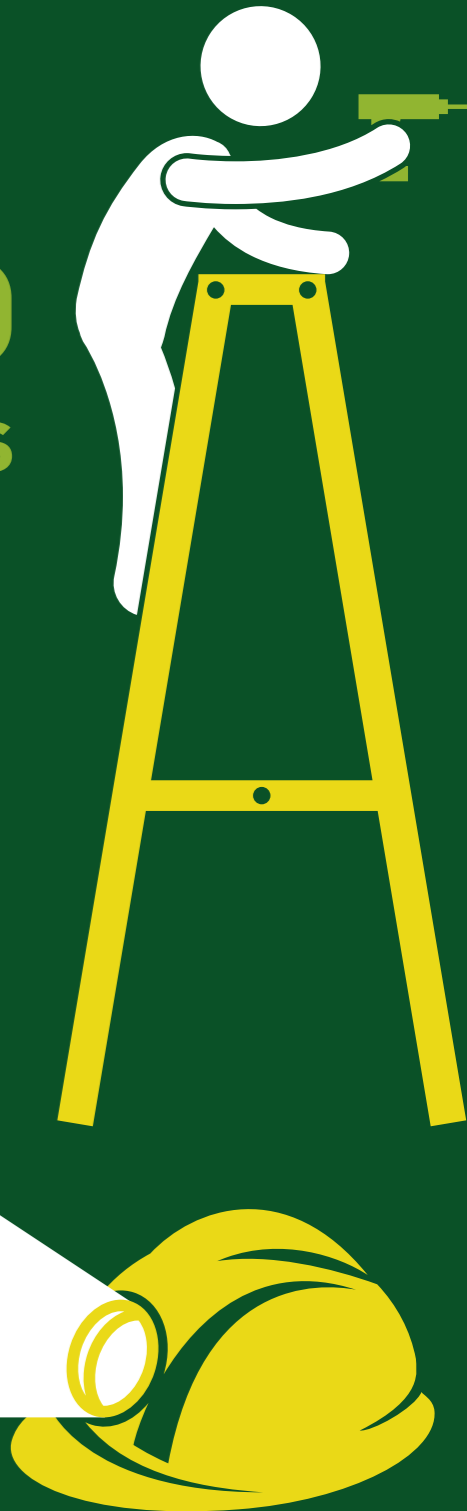
98.5%
of **Urgent Repairs** were completed within target

“
The workmen are lovely, they go that extra mile.
”

“
Couldn't be more pleased with the prompt and efficient service.
”

99.6%
of **Routine Repairs** were completed within target

91.6%
of residents were satisfied with our Repairs Service



ALLOCATIONS & WEEKLY CHARGES

Allocating homes to older people in housing need and ensuing weekly charges are collected on time are two of our key performance indicators.

88%
of applicants
were satisfied
with our re-let
service



We carried out
124 lettings
with an average
time to re-let empty
homes of **25 days**

“
”

The workmen are lovely, they go that extra mile.

“
”

Couldn't be more pleased with the prompt and efficient service.



We collected
99%
of Weekly
Charges due



Our current
arrears were

0.43%



NEIGHBOURHOOD & COMMUNITY

DAMHA provides a range of housing options, including general needs bungalows, sheltered housing and even a residential care home.

Our housing stock

1,643 bungalows



61 sheltered housing flats

“

I love my new flat, plenty of room & very cosy.

”

“

The property was more than my expectations.

”

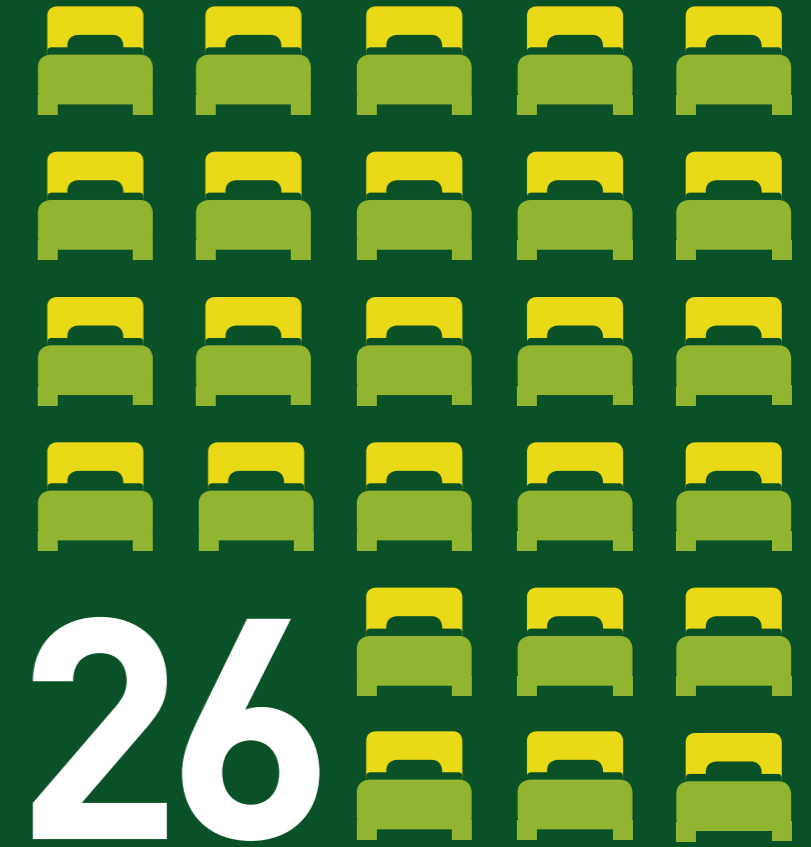
We manage

64

properties on behalf of other Almhouses

19

shared ownership properties



26

care home spaces



VALUE FOR MONEY STATEMENT

It is the Association's intention that a full Value for Money ("VfM") Statement for 2017 will be published from 30th September 2017 on the Association's website at www.damha.org.uk/publications. The following summary report is prepared in advance of the full report from the information currently available.

Readers are directed to the full report on publication which together with the published VfM Strategy gives a complete understanding of VfM within the Association. It is also intended that selected information from the full report will be included in our Annual Report which will be circulated to all residents, and potential residents on the Association's waiting list, and be available for download from the website at the above address.

The Association, as a Registered Charity is committed to being an effective and efficient social business achieving high levels of VfM in all its activities. A new VfM Strategy was approved in May 2017. The strategy recognises that VfM is not a new initiative, and indeed that VfM has been a fundamental ethos of the Association for a long time.

The Statement identified 2 objectives for VfM for the Association:

Objective 1: Develop to our maximum potential

Objective 2: Continue to improve our procurement processes;

Ongoing progress against these objectives will be reported in future annual VfM statements.

The results of the latest STAR survey, conducted in July 2016, are reported above which provide a picture of ongoing continuous improvement since 2013. Given the ongoing high level of achievement in the survey results and in comparison to its peers, the Association is seeking to maintain its position rather than pursue significant ongoing improvements in resident satisfaction. Nevertheless, satisfaction of our residents, and potential residents, continues to be a major priority of the Association and continuous effort is focussed on ensuring that performance in this area does not deteriorate.

In pursuing its charitable objectives, the Association does not fund any significant social activities other than maintaining existing homes, and building new ones. Consequently all expenditure is directed at one or other of these activities. The Association's Annual Financial Plan, which forms the basis of the Association's Corporate Plan, is updated every year. This is the primary way in which capital resources are allocated between these competing priorities.

The Executive Committee have operated the following underlying priorities within the business plan for many years:

- Maintaining financial viability;
- Providing cost-effective services to residents;
- Fund investment in existing stock to maintain a standard appropriate to the aspirations of the residents;
- Providing an on-going development programme to address the undersupply of affordable and appropriately designed homes for older people in the region.

Whilst there is competition between these priorities, and there is often a need to compromise, this does not apply to maintaining financial viability.

The latest update to the Annual Financial Plan which looks at the potential financial performance of the Association over the next 30 years, was approved by the Executive Committee in May 2017 and delivers both an ongoing surplus and a sustainable development programme. This demonstrates a strong position and meets the expectations of external stakeholders and funders.

“

All indicators continue to show a healthy operating position

”

Key areas of performance for the Association over time in relation to VfM are as follows:

	2017	2016	2015	2014
Operating costs as a percentage of turnover	44.6%	50.1%	52.9%	55.3%
Housing management costs per unit	£225.68	£218.40	£236.60	£230.55
Maintenance costs per unit	£552.76	£573.56	£522.08	£569.22
Routine repairs completed on time	99.6%	99.7%	99.9%	98.8%
Repairs satisfaction	91.6%	91.5%	90.2%	89.2%
Average re-let time (days)	25.4	36.5	35.2	29.3
Current resident maintenance charge arrears	£190k	£198k	£154k	£125k
New homes developed	0	30	5	17
Redundant homes sold	3	5	2	5

91.6%
repairs satisfaction



FINANCIAL INFORMATION

The financial information published on these pages is extracted from our Annual Report and Accounts, on which the auditors give an unqualified opinion. Copies are available via our website or from head office.

SUMMARY INCOME & EXPENDITURE ACCOUNT

	2017	2016
	£000	£000
Turnover	8,670	8,609
Operating Costs	-5,577	-5,727
Gain on consolidation of William Russell Bequest	542	0
Operating Surplus	3,635	2,882
Surplus on sale of housing land and properties	-253	67
Interest receivable and similar income	21	13
Interest payable and similar charges	-853	-864
Movement in value of fair assets	67	-14
Surplus for the year	2,617	2,084

SUMMARY BALANCE SHEET

	2017	2016
	£000	£000
FIXED ASSETS:		
Housing Properties	73,784	72,857
Other fixed assets	672	383
Subtotals	74,456	73,240
CURRENT ASSETS:		
Debtors	358	379
Cash & Investments	3,407	2,200
Total current assets	3,765	2,579
Less creditors falling due within one year	-2,501	-2,760
Net Current Assets	1,264	-181
Total assets less current liabilities	75,720	73,059
Creditors falling due after more than one year	-55,302	-55,123
Pension Provision	-1,182	-1,276
Total net assets	19,236	16,660
Accumulated Surplus	14,286	12,119
Designated Reserves	3,651	3,825
Restricted Reserves	1,299	716
Total	19,236	16,660

Routine repairs and maintenance
£1,977,000



Rent losses from bad debts
£4,000



Housing management
£878,000



Water Rates
£288,000



WHERE OUR MONEY COMES FROM

	2017	2016
	£000	£000
Weekly maintenance charge from residents	6,862	6,779
Income from our residential home Langley House	631	610
Service Charges	363	358
Water Rates	310	305
Amortised Grants	434	430
Other Income	70	127
Total	8,670	8,609

WHAT WE SPENT OUR MONEY ON

	2017	2016
	£000	£000
Services and support	197	244
Housing management	878	896
Routine repairs and maintenance	1977	2057
Planned maintenance	5	92
Rent losses from bad debts	4	5
Water rates	288	288
Property depreciation	1713	1663
Other costs	515	482
Total	5,577	5,727





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