



PENGE CHURCHES HOUSING ASSOCIATION:
ANNUAL REPORT 2014



In 2013/14 Penge Churches Housing Association has had another successful year, pursuing our aim of providing good quality, affordable rented housing in the local area. As a small housing provider we believe that we are able to identify, understand and respond to the needs of people in our local community. We are pleased to be able to provide a personalised and responsive service to the tenants of the 264 homes we own and manage.

Many of our tenants face challenges brought about by changes in welfare benefits provision, the difficulties of finding well paid employment and by ill health. We work in partnership with a number of advisers and other organisations to provide support, particularly to those with mental health issues and learning disabilities. We have been able to transfer a number of tenants affected by the 'bedroom tax' to smaller homes and we offer a free, independent debt advice service to tenants who are in financial difficulties.

The quality of our tenants' homes is a priority for the Association and during

the year we have invested over £500,000 in repairs and improvements to our properties; this included the conversion of a large flat to create two well-appointed new flats in Belvedere Road, Anerley. The improvement programme also included new kitchens and bathrooms and electrical upgrades.

Despite the challenging external environment Penge Churches performed well during the year, meeting the majority of its financial and performance targets and showing a pleasing reduction in rent arrears. This puts us in a strong position to make best use of our assets, and having reviewed our Development Strategy in 2014, we plan to develop new homes in the next few years.

In early 2014 we were sad to say goodbye to our Chief Executive of nine years, Gill Rose. Gill has retired after making an enormous contribution to the Association and its tenants, leading the staff team and supporting the Board with dedication and professionalism.

As Gill departed we were pleased to welcome Louise Barnden as our new Chief Executive. Louise brings a wealth of experience from her work with a range of housing organisations and has already settled in well to her new role, getting to know tenants, and working positively with the staff team and the Board.

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Finally I would like to thank my colleagues on the Board for their insight and support during the year.

Edward Lee-Smith, Chairman



Quality homes: 23 Hamlet Road, Anerley, which provides 8 flats, has recently been repaired and decorated.

It has been both a pleasure and a challenge for me to take over the reins from Gill Rose as Chief Executive at Penge Churches HA. The achievements described in this report mostly relate to the hard work of Gill and the staff team. Six months in to my new role, I am pleased to report that the change of leadership has not proved too disruptive, and the staff have continued to deliver a great service to our tenants.

Value for money has been high on our agenda this past year - see page x for more on our approach and achievements in making best use of the rents received from tenants to provide efficient and effective services. We are keen to make best use of our resources not just financially but also in terms of environmental impact and social outcomes for tenants.

Partnership working is key to the support and services we can offer our tenants. Our maintenance service is provided by Keniston Housing Association and we entered into a new contract in late 2013 with Clairglow Heating Limited for gas servicing. We work closely with Keyring and Community Options, the police and

“We are keen to make best use of our resources not just financially but also in terms of environmental impact and social outcomes for tenants.”

**Louise Barnden,
Chief Executive**



Victim Support, Bromley Women's Aid, Bromley Council anti- social behaviour liaison group, mental health teams and social services. Thanks are due to all our colleagues in these organisations.

Welfare benefits changes continue to put pressure on our tenants' finances. As well as debt management advice, we have offered tenants access to current accounts without fees for an initial 12 months with Lewisham Plus Credit Union. Importantly, our housing team are persistent but supportive in following up rent arrears, with the result that for another year our rent arrears stayed below 3%.

I'd like to thank the staff team who have not been put off their stride in this year of change and challenges - they show great skills and a commitment both to our tenants and to the success of the organisation. It is also a pleasure to work alongside a very able, forward thinking, and supportive Board and I am sure that together we will continue to develop Penge Churches HA as a strong, locally focussed organisation, offering great services to our tenants.



Penge Churches Housing Association was set up 1969 by a group of people from local churches who recognised the need for good quality rented housing. Their determination and commitment sowed the seeds for the Association which has grown over the years, but which has not lost its local focus on the community of Penge, Anerley and Beckenham.

We own and manage 264 homes for families and single people, including those with mental health support needs and learning disabilities.

Our aims and objectives are to:

- Deliver efficient and effective housing services and be financially viable
- Explore opportunities for growth to meet the needs of the local community
- Work in partnership with others in the interests of the local community

We have adopted a set of values which underpin the ways in which we work. In all our dealings we will be:

- Sensitive to people's needs
- Inclusive and fair
- Open and accountable
- Honest trustworthy

We are an Industrial and Provident Society, registered with the Homes and Communities Agency and a member of the National Housing Federation.



Investing in homes and services

As a social business, we are very mindful of the value for money of our services. How do we know whether we are providing good value for money? Tenant satisfaction feedback includes views on the value for money of our services, which the Board and staff can use to make improvements. We also focus on number of aspects of running the business which contribute to value for money:

Investing in assets

When developing new homes and maintaining properties, we aim to minimise energy costs for tenants and to reduce environmental impact. In 2013/14 we converted a large flat which had been suffering from damp into two flats, creating an additional rented home, and improving the quality and energy efficiency of these new homes in Belvedere Road, Anerley.

Good value services

Our aim is to meet tenant expectations by providing quality services whilst managing budgets carefully. All our properties are close to our office in Penge which means our housing management service can be both efficient and accessible to our tenants.

When service contracts are reviewed or new services commissioned, we seek to make savings wherever possible. We aim to use local contractors and suppliers, keeping economic benefit in the local community, so long as standards of work and costs represent good value for money.

Last year we saved over £9,400 on heat & lighting, office insurance, legal & professional fees and computer charges. Increasingly we communicate with our tenants by email, but printing and postage costs are rising; for example most of the information on welfare reform was sent out by post as requested by the majority of our tenants.

Social value

As a small community based housing association, we are committed to offering tenants more than just a home and basic landlord services. Over the past year this has included:

- access to support from Community Options or Keyring, who enable people with mental health issues or learning disabilities to live independently in the community - this also saves the much higher costs of institutional care
- financial support, for example through free, independent debt advice and support to access credit union banking services
- small grants from our Friends Fund for household goods, essential furniture, white goods, and removal costs
- support to tenants seeking employment, for example use of internet facilities at our offices for job seeking

Copies of our VFM Strategy and VFM self-assessment are available on the website or from our registered office.



Laurie Everitt lives in a Penge Churches flat and works as a volunteer with KeyRing, an organisation which supports tenants with learning disabilities to live independently. KeyRing members all have unique skills and talents and by combining these skills in a supportive community environment all are achieving independent and fulfilling lives. Laurie visits each member at least weekly and provides support with a variety of independent living skills. This could include budgeting, reading the post, cooking or computer skills and emotional support.

The Board is responsible for the effective governance of the Association, while day to day management is delegated to the staff team through the Chief Executive.

We have eleven non-executive directors, including one tenant board member, and the Chief Executive is an executive director. The members bring a wide range of skills and expertise to the board, ensuring strong governance and good decision-making. Board members are not paid for their services. The Association aims to comply with the National Housing Federation's Code of Governance. This year we have put in place a succession plan to ensure that over the next two

to three years we can recruit new members to replace a number of long-serving and dedicated members who will be retiring.

The Association continues to encourage and foster resident involvement in its decision making processes and structures. This is achieved by working with our Tenants' Talk forum and Tenants' Panel, along with our regular feedback surveys.

The key responsibilities of the Board are to lead, control and monitor the performance of the Association. It is also responsible and accountable for governance and makes sure that all regulatory and legal requirements are met.



Operational Performance

The association has had a successful year financially with a surplus for the year of £186,525 (compared with £180,393 in 2012/13), representing an increase of 3.4%. The position at the end of the year is shown pages 9 and 10.

	Target	2013/14	2012/13
Current rent arrears as % of rent debit	4%	26.62%	2.82%
Average time to re-let homes	<28 days	30.5 days	25 days
Resident satisfaction	>84.5%	***	91.7%
Properties with a valid gas certificate	100%	100%	100%
Repairs carried out within target time:			
Emergency	100%	97%	100%
Urgent	95%	97%	97.5%
Routine	90%	95%	92%

(*** we carry out the satisfaction survey every three years)

Benchmarking

We compare our operational and financial performance with other similar organisations working in London through the BM320 benchmarking group. This table shows our performance for 2013/14 compared with our benchmarking group. National data for small housing associations is also shown.

	Us 2013/14	BM320 2013/14	National Average
Operating cost as a % of turnover	79.58%	82.79%	71.05%
Management costs per home per week	£19.12	£24.94	£18.07
Average spend on day to day repairs per home per week	£27.12	£12.48	£11.95
Average rents per week	£100.00	£118.71	£97.22
Current rent arrears	2.62%	3.7%	3.10%
Average time to re-let properties	30.5 days	27.5 days	23 days

Balance Sheet

As at 31 March	2014	2013
Fixed assets		
Tangible assets (Housing properties at cost)	14,394,792	14,367,269
Less social housing grant	9,278,065	9,278,065
	5,116,727	5,089,204
Sub-market properties	1,054,886	1,054,886
Other assets	140,021	144,385
	6,311,634	6,288,475
Current assets		
Debtors	33,348	37,723
Cash and bank balances and deposits	442,449	431,935
	475,797	469,658
Creditors: (Amount falling due within one year)	362,802	410,678
Net current assets	112,995	58,980
Total assets less current liabilities	6,424,629	6,347,455
Creditors: (Amounts falling due after more than one year)	4,082,954	4,191,672
Capital and reserves		
Revenue reserve	2,341,648	2,155,121
Designated reserves		633
Share capital	27	29
	6,424,629	6,347,455

Income and Expenditure Account

Year ended 31 March	2014	2013
Turnover	1,521,884	1,484,361
Less operating costs	(1,163,916)	(1,116,328)
Operating surplus	357,968	368,033
Profit on disposal of fixed assets		
Interest receivable and similar income	4,477	5,277
Interest payable and similar charges	(176,553)	(193,921)
Surplus on ordinary activities		
Before taxation	185,892	179,389
Taxation on surplus on ordinary activities	-	-
Surplus for the year	185,892	179,389
Revenue reserve carried forward	2,341,648	2,155,121

During the year four street properties were acquired for sub-market rent. There were no discounted operations.



BOARD, STAFF & ADVISERS

Board

Edward Lee-Smith, Chairman
Julian King, Vice Chairman
Rev. Anthony Atherton
Jason Charles
Tracey Downie
Cllr Peter Fooke
Michael Mason
Mark Phillippo
Rev. John Taylor
Andrew Tredinnick
Gill Wiscombe, appointed 27/09/12
Louise Barnden

Our Staff

Louise Barnden, Chief Executive
Patsy Alexander, Finance Manager
Kate Yankah, Finance & Admin Assistant
Jennifer Duberry, Housing Manager
Danuta Evans, Housing Assistant

Company Secretary

Louise Barnden

Registered Office

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Our Funders

The Homes & Communities
Agency
Nationwide Building Society
Unity Trust Bank

Auditors

Beever & Struthers

Solicitors

Cook & Partners

Bank

CAF Bank