

Annual Report 2019



Chair's Report



We have completed another busy and successful year, having started to deliver our ambitious new corporate plan. This report outlines the highlights and challenges of the year and I do hope you find it interesting.

In particular, I am proud to say that our focus on customer service was enhanced during the year as we made changes to the way we deliver our repairs service. This has provided opportunities for us to tailor our services to meet individual needs and deliver a more holistic approach to keeping residents safe and our homes in good condition. We are continuing to investigate and introduce new ways of working that align with this objective and look forward to new systems that will further enhance our repairs service in the coming year.

We are now in the last year of rent reductions and I am pleased to report that our continued focus on value for money means that PCHA remains financially strong and viable. We remain committed to delivering great services that provide value for money and have been proud of how much we have been able to accomplish with limited resources and our passionate but small staff team.

Recently we have set out how we will support both staff and residents through any mental health concerns. The impact of poor mental health is often overlooked but it can have devastating effects on individuals, families and communities. We have set out our commitment to supporting our residents who may be struggling with mental health issues and we will work with our partners to understand how we can support these residents more effectively. We are committed to working holistically and sustaining tenancies wherever possible.

Chair's Report

As we approach our 50th birthday, we are looking forward to celebrating with residents, staff and partners – looking back at the homes we have created, the residents we have supported and the communities we have helped to build. We are immensely proud of our work since 1969 and remain committed to playing our part in the sector's promise to provide good quality and affordable social housing, for the next 50 years.

As a Board we have had to grow and evolve to meet the demands of a changing sector and to ensure we are best place to drive PCHA forward into the next phase of its history. I would like to thank Board members past and present for recognising the need to do this.

And finally, after nine years with PCHA, along with the vice-chair Mark Phillippo, I will be stepping down this year. I have thoroughly enjoyed supporting PCHA over the years and I am confident that we are leaving PCHA in an excellent position to continue to deliver the new corporate plan, continue its growth and be recognised as a committed and successful housing association.

I would like to say a personal thanks to Mark for his support as vice-chair and congratulations to staff and our Chief Executive for delivering the ambitious corporate plan this year.

Tracey Downie
Chair



Chief Exec's Report



“We are extremely proud of how much we have achieved over the past 50 years. We believe we punch above our weight and are committed to continuing to do this for the next 50 years to come!”

2018–19 has been an interesting year in many ways, not least due to the level of political uncertainty and change both within the sector and beyond. In such a challenging environment it is vital that we remain nimble and ready to respond to whatever we are faced with, and I think we have succeeded in staying ahead of the game.

We are in a housing crisis that, in many ways, mirrors the crisis of the 60's that inspired *Cathy Come Home*. A huge number of people in London are simply unable to get on the property ladder or afford private renting, and many more are in overcrowded or unsuitable accommodation. Many of our residents have told us the difference having an affordable home has made to their life, and this has been the subject of our 50th celebrations as we recognise that the work we do is about people and the lives they build, not just the homes we develop. However, during the year also we committed to an ambitious growth plan to deliver 40 homes over the next five years so that we can continue to give people the opportunity to build their lives and families in a safe and affordable home within their local community.

The Green Paper on social housing and the Hackitt Review post Grenfell have raised serious questions about how housing associations work, and both require us to think differently. There is likely to be a raft of legislative and regulatory challenges over the next couple of years around consumer satisfaction, handling complaints, resident engagement and, crucially, health and safety and we need to stay one step ahead.

Making a positive impact



Chief Exec's Report

Consequently, we have already started thinking about how we address some of these issues. For example, during the year we revised our complaints policy to ensure the process is both simple and transparent for residents who are unhappy. We have also been asking our residents about how they wish to engage with us and what matters most to them; our first scrutiny review meetings enabled our residents to drill down into our performance and hold us to account. Of course, following the tragedy of Grenfell, health and safety has been a key focus for us over the year and remains at the top of our agenda.

During the year we brought our repairs back in house and it has been gratifying to see an increase in resident satisfaction as a result. However, we are not complacent and are currently looking at new ways of working to ensure we achieve value for money on our repairs service, as well as speeding up the process and further increasing satisfaction.

We refurbished our office to create a far more warm and welcoming reception for residents and this has been extremely well received. This is not a long-term option so we are currently considering the development of a purpose-built new office over the next year or so. We want to create a space that will have a positive impact and allow us to deliver other resident and community events, ensuring that we can engage with our residents and community in a way that works for them.

Therefore, in order to improve service delivery and organisational performance and tackle the challenges ahead, we intend to review our current structure and find a structure for the future that will support PCHA to remain independent, financially strong and provide a proactive and holistic service to our residents.

It has been an incredibly busy and positive year and I would like to thank the Board and our amazing staff team for their unswerving support in moving PCHA forward.

Karen Cooper
Chief Executive

Making a positive impact



Highlights of the Year

Taking repairs back in-house

Perhaps the biggest change, challenge and achievement for us was taking our repairs service back in-house. For several years our day-to-day repairs had been managed by Keniston Housing Association, with whom we had a long and successful relationship. Following discussions about how we could better serve our residents and look after our properties, we made the decision to bring repairs back into PCHA.



The aims of this change were to:

- Make it easier for residents to report and follow up on repairs
- Have more direct contact and build stronger relationships with our residents
- Help us to monitor the quality of repairs and improve the service
- Have better control over our properties and their condition.

We are very happy to report that the transition has been a success. As of Q4 we were scoring above 90% satisfaction levels on residents' repair satisfaction forms. It's been great to have more day-to-day contact with our residents and have the opportunity to build better relationships with both residents and contractors.

Our first residents' performance review

In June 2018 we held our first residents' performance review. Karen gave an overview of the past year and talked about the Strategic Review and our decision to bring repairs back in-house. Jennifer, our Tenancy Services Manager, gave the group an outline of our performance in terms of arrears, voids, complaints, repairs and ASB. This was followed by the opportunity for residents to ask questions and feed back on our performance.



Highlights of the Year

Maintenance Operative/Handyman service

We successfully introduced a new role into PCHA, that of Maintenance Operative/Handyman. The Handyman carries out small day-to-day repairs of our properties and grounds, ensures our communal areas are clean and tidy, and plays a hugely important role in our health and safety compliance, including carrying out emergency lighting tests and weekly fire alarm tests in all relevant properties. In the pipeline is an expansion of the role to offer a 'handyman service' for residents. This will involve carrying out minor tasks for residents at a small cost – things that would generally fall under residents' responsibilities, such as replacing a toilet seat or putting up shelves. We hope this will help vulnerable residents in particular. Sadly Mark (pictured), who is currently in the role, is moving on so we will be recruiting a new Handyman soon.



Office refurb

We expanded our office from its original ground floor space into the two upper floors of our building. As well as gaining more space to grow our team, we have a great new meeting / training room upstairs, and a fantastic new reception area on the ground floor too. It's brought the office into the 21st century and made it a much more welcoming

space for our residents and other visitors, as well as our staff!



What our Residents Say



“We live at Lennard Rd and you have just had the front garden redesigned and replanted with a whole array of flowers and shrubs.

It looks lovely so we'd just like to say thank you very much, we really appreciate the new garden, it's wonderful.”

Brigitte and Ahmet



“Just got the summer newsletter through the post and having read it, I felt inspired to write back with a 'thank you' to you and your team. I'm so impressed with the initiatives outlined in the magazine. From the more serious fire safety strategy, to the really useful 'hire Mark the handyman' plan, it's all really well thought out and goes way above and beyond. I also really enjoyed talking to Jennifer when she visited to inspect the flat recently and was left feeling confident that I have a good relationship with my landlords. If only more Londoners could have this experience.” **Georgina**

We value feedback – good and bad – as this helps us shape our service going forward.

Home is Where...



“Home is where my
gnomes live!”

Katherine

“Home is where the heart
is”

Denise and Mick



Home is Where...



“Home is where I collect things and my friends come over!”

Felicity

“Home is where my family and friends laugh, eat and party (quietly!)”

Toni



“Home is where I binge on Netflix with my boys”

Mourad



Home is Where...



“Home is where everybody just wanders in, especially my grandchildren!”

Micky

“Home is where I can kick off my shoes and drink wine!”

Lesley



“Home is where Max protects us!”

Terry and Jean

Our Performance



Value for money for our residents and maintaining the financial strength of the organisation are key to the success of PCHA. Our rent collection and void turnaround times contribute to that success and we continued to perform well against the targets set by our Board.

Arrears remained within the 4% target at 3.91%. With a new approach to service delivery planned in 2019/20, we are confident in improving performance further and have set a more challenging target of 3.75% for the coming year.



**29 days void
turnaround**

Void turnaround times (the time it takes us to let an empty home) took a small dip during the middle of the year, which coincided with changes to our repairs and maintenance service and a focus at that time on our responsive service. However, at year end we were achieving an average void turnaround of 29 days, just one day short of our 28 day target.

Our other key landlord services were well managed. We completed 8 **lettings** and our strong relationship with Bromley Borough Council enabled us to manage lettings swiftly and smoothly.



Tenancy Services

We did see a slight rise in the number of **anti-social behaviour (ASB)** reports; however, most of these were very low-level nuisance issues and we were able to resolve these with minimal intervention. We do recognise from discussion with our residents that ASB is high on their list of concerns and we are in the process of developing a more proactive and robust process for managing ASB as we move forward.



Feedback from our residents is very important to us and we are proud of our customer service culture. Our approach, together with our strong performance, ensures that dissatisfaction is nipped in the bud and during the year we received just 2 **complaints**. We are continuing to embed our customer-focused approach, and learning from mistakes when we do get it wrong. We have introduced new customer service standards and we are working hard to further embed a customer service culture.



Our Performance



During the year we invested around £250,000 towards the maintenance of our homes and communal areas. This included the delivery of new kitchens and bathrooms, new boilers, external redecoration, improvements to communal areas and garden projects.



We also invested heavily in the safety of our homes ensuring **100% compliance** to legislation and regulation around gas safety, electrical safety, asbestos management and fire risk.



During the year we introduced a new role within the team, recruiting our own in-house maintenance operative/handyman. We are continuing to work with residents to develop that role to provide focused handyman services and assist our more vulnerable customers.



Property Services

Finally, we implemented a big change to the way we deliver our property services. In September, following consultation with residents, staff and our contractors, we brought our frontline repairs service in house. This new approach has enabled us to work much more closely with residents and provide a more customer-focused and flexible service. It has also given us more control over costs, which will enable us to invest in additional services. The changes went well and whilst we did see a dip in performance around our planned/cyclical projects and void turnaround, repair times for our responsive service improved over the last half of the year. More importantly, resident satisfaction in relation to repairs also improved and we feel we have developed a better relationship with our residents.

We are continuing to develop the service and consideration exciting and innovative changes in the coming year.



Our Strategic Objectives

Our Services

To provide homes and services we can be proud of

- To develop a broader range of homes and services to meet the needs of the people in our community
- To provide excellent customer services and best value for residents
- To proactively seek, and respond to, residents' feedback and complaints
- To deliver an excellent and proactive repairs and maintenance service
- To treat tenants as individuals and work positively with them to sustain their tenancies where necessary

Our Business

To be a modern, strong and forward thinking business

To grow the business and develop new homes and services

- To be financially strong and ensure we have the resources to deliver our vision
- To safeguard, and make the best use of, our assets and resources
- To respond positively to change and adapt effectively to changing markets and needs
- To ensure our business reflects modern ways of thinking and working
- To make sound business decisions, taking appropriate risks to grow the business

Our People

To value and invest in our people and partnerships, creating a culture of collaboration and shared accountability

- To develop the staff and board team to ensure the business is well governed and managed
- To be a good employer that supports, engages and manages staff, with clear expectations on both sides
- To have a clear performance framework that supports excellence and drives performance
- To work collaboratively and develop effective partnerships to help us further our objectives

Making a positive impact



Our Vision and Values

Our Vision - We are a community-based housing association that is passionate about enhancing the lives of our residents by providing excellent homes and services. We are proud of our strong community roots and strive to make a positive impact in all that we do.

Our Values

Acting with Integrity

- We communicate in an open, honest and transparent way
- We do what we say we will and keep our promises
- We are accountable for our decisions and take responsibility for our mistakes

Being Ambitious

- We are ambitious for the future of PCHA, seeking to deliver a broader range of services to more people in our community
- We are prepared to take appropriate risks to drive improvement and growth
- We are creative, forward thinking and open to new ideas
- We embrace change and respond positively to new opportunities

Striving for Excellence

- We provide homes and communities we can all be proud of
- We are people focussed and aim to tailor our approach to the needs of individuals
- We strive to be proactive, solution orientated and go the extra mile
- We work collaboratively and build positive partnerships
- We continually challenge ourselves to improve our performance
- We seek to make sound business decisions and be well governed and managed

Behaving with Respect

We behave in a fair-minded and non-judgemental way

We value the individuality and diversity of our residents and communities

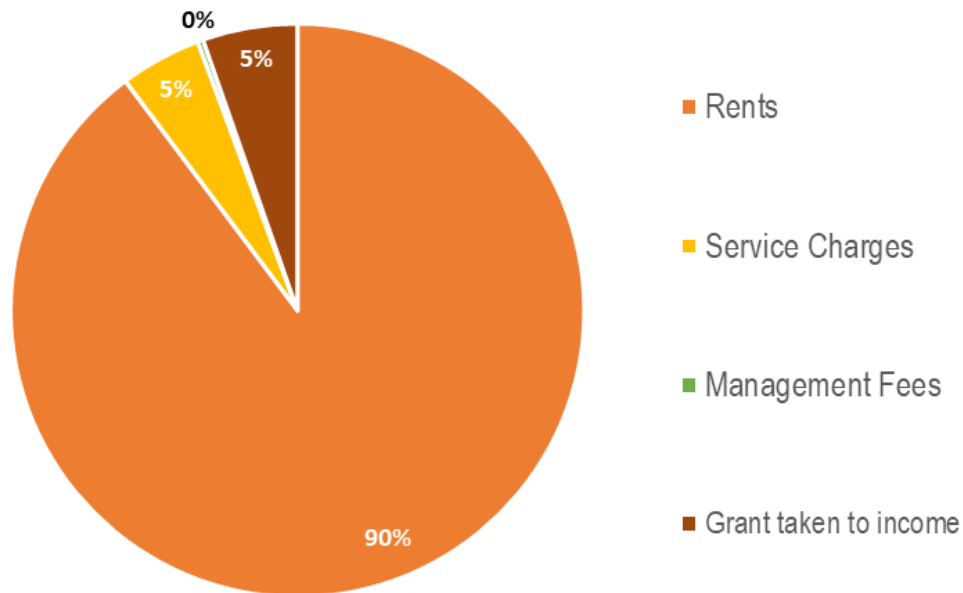
We are inclusive in the way we work

Making a positive impact

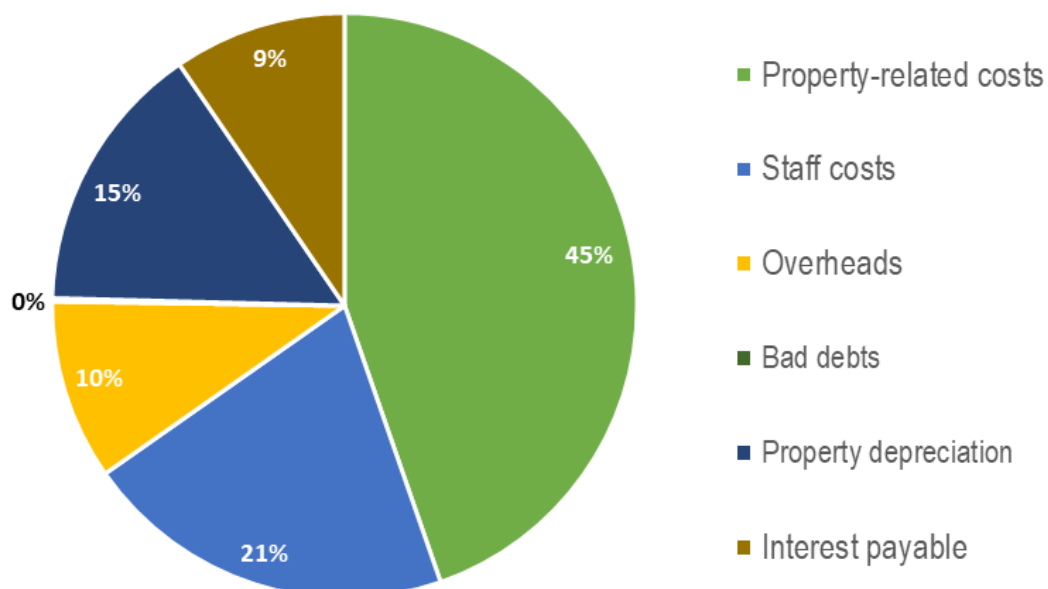


Our Money

Where our money came from



How we spent our money



The detailed Annual Accounts and VFM Strategy can be found on our website:

www.pcha.co.uk

Our Money

FINANCIAL PERFORMANCE—Statement of Comprehensive Income

Year ended 31 March 2019	2019 £	2018 £
Turnover	1,735,936	1,778,967
Less: operating costs	(1,329,719)	(1,273,508)
Operating surplus	406,217	505,459
Interest receivable and similar income	1,105	466
Interest payable and similar charges	(156,496)	(147,869)
Surplus for the year	250,826	358,056
Actuarial adjustments re pension	(148,172)	-
Total comprehensive income for the year	102,654	358,056

FINANCIAL PERFORMANCE—Statement of Financial Position

As at 31 March	2019	2018
Fixed Assets:		
Tangible assets (Housing properties at cost)	14,646,484	14,758,436
Other fixed assets	182,505	137,201
Total Fixed Assets	14,828,989	14,895,637
Current Assets:		
Debtors	40,275	64,732
Cash and bank balance and deposits	608,431	680,947
Total current assets	648,706	745,679
Creditors:		
Amount falling due within one year	(506,197)	(614,986)
Net current assets	142,509	130,693
Total assets less current liabilities	14,971,498	15,026,330
Creditors:		
Amounts falling due after more than one year	(10,564,049)	(11,116,535)
Pension liability	(395,000)	-
Total net assets	4,012,449	3,909,795
Capital and reserves:		
Revenue reserve	4,012,421	3,909,767
Share capital	28	28
Total reserves	4,012,449	3,909,795

Value for Money

It is important that PCHA is able to demonstrate value for money in its delivery of housing and associated services to its tenants and other stakeholders. However, cost cutting is not the primary driver of our Strategy, as we believe quality of service is key and so cheapest is not always best value for money. Nevertheless, we are committed to understanding our costs and ensuring we get the maximum return on our investment. PCHA's vision is to enhance the lives of our residents by providing excellent-quality homes and services. Residents tell us that they value the personal and responsive service we are able to offer as a small community-based association and this separates us from many other social landlords. This is an area we continue to focus on and develop further as we invest in homes and services; this forms a major part of our VFM Strategy. We also remain committed to developing new homes and this is an important factor.

VFM Metrics: The Regulator for Social Housing has set 7 core VFM metrics for the sector. PCHA's results can be summarised as follows:

	PCHA 2018–19	PCHA 2017–18	PCHA 2016–17	Median - all HA's 2017–18
1. Reinvestment	0.91%	7.27%	1.00%	5.62%
2a. New supply delivered (social housing units)	0.00%	2.25%	0.00%	1.24%
2b. New supply delivered (non-social housing units)	0.00%	0.00%	0.00%	0.00%
3. Gearing	23.70%	24.27%	21.91%	48.20%
4. EBITDA MRI interest cover	279%	348%	418%	216%
5. Headline social housing cost per unit	£4,456	£4,258	£4,011	£3,298
5a. Management cost per unit	£1,571	£1,103	£1,143	£941
5b. Service charge cost per unit	£394	£314	£275	£372
5c. Maintenance cost per unit	£1,752	£1,908	£1,528	£925
5d. Major repairs cost per unit	£242	£413	£525	£683
5e. Other social housing costs per unit	£0	£0	£0	£241
6a. Operating margin (social housing lettings)	23.82%	28.93%	34.51%	34.33%
6b. Operating margin (overall)	23.39%	28.39%	34.78%	31.16%
7. Return on capital employed	2.71%	3.36%	4.21%	4.37%

Making a positive impact



Value for Money – Benchmarking

PCHA is a member of the BM320 small housing associations' benchmarking club for London, which enables us to compare our costs and performance with other similar organisations. During 2018–19 our performance overall compared well: we were in the top quartiles in most areas, and are working hard to improve our performance in terms of arrears and allocations. We have seen significant improvements in terms of repairs performance since bringing the service back in house but this has not yet played out in the annual figures. Some of the key results are shown in the table below.

Benchmarking BM320 Report 2018-19					
	PCHA	BM320 Quartile	Regional Quartile	SPBM Quartile	House-mark
Satisfaction - overall services % (STAR)	92	2	1	2	1
Satisfaction - quality of home % (STAR)	90	2	1	3	1
Satisfaction - VFM rent % (STAR)	92	1	1	2	1
Satisfaction - repairs and maintenance % (STAR)	86	1	1	2	1
Satisfaction - listens to views and acts % (STAR)	85	1	1	2	1
void losses %	0.6	1	3	3	2
Ave re-let time - days	29	3	3	3	3
Ave days lost due to sickness absence	1.5	1	1	1	1
Current tenant arrears %	3.8	3	3	3	4
Emergency repairs completed within target %	100	1	1	1	N/A
Urgent repairs completed within target %	78.8	4	4	4	N/A
Routine repairs completed within target %	92.3	4	4	4	N/A
Homes with a valid gas safety cert %	100	1	1	1	1
Operating margin (overall)	23.4	2	2	2	3
No. of New Units (social housing) developed	0	2	3	2	4

Our Staff Team



Board and Staff

As of 31 March 2019 our Board had 11 active members, including our Chief Executive who is a non-shareholding executive member. Together, members have a broad range of relevant skills and expertise. The skills and experience of the Board are reviewed periodically to ensure that PCHA has the right mix to meet both current and future needs.

Our Board:

Tracey Downie	- Chair
Mark Phillippo	- Vice Chair
Dennis Simmonds	- Chair of Finance & Audit Committee
David Hynes	
Mark Ryan	
Adeola Oke	
Trevor Crook	
Nicola Dykes	
Rowann Limond	
Jonathan Bowen	
Karen Cooper	- Company Secretary

Our Staff:

Over the year we had a small but passionate staff team who want to make a real difference to our residents.

Karen Cooper	- Chief Executive
Jennifer Duberry	- Tenancy Services Manager
Danuta Evans	- Customer Services Officer
Natalie Ions	- Maintenance Officer
Mark Knight	- Maintenance & Contracts Manager
Darren Eade	- Head of Finance & Corporate Services
Cassandra Barns	- Finance & Admin Officer
Mark Stenning	- Maintenance Operative



We are creative
and open to
new ideas

OUR VALUES

BEING AMBITIOUS

Acting with Integrity

Striving for Excellence

We create homes and
communities we can
all be proud of

We are people focussed
and aim to tailor our
approach to the needs
of individual residents

Behaving with RESPECT

Making a positive impact



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