



**Drumchapel  
Housing**  
Co-operative Limited

# How are we doing?



A report to tenants on the  
Scottish Social Housing Charter 2017-2018



## Annual summary by Chair 2017/18

**In last year's annual report, we reported some changes in both the Board and staff team and highlighted some of the main priorities for us in 2017/18. People said that this was useful, so I'd like to use this opportunity to give all of our tenants and their families an update on what's been happening in the past year.**

I'd first like to report that we "lost" three of our Board members when they moved out with the area and could no longer be members of the Co-operative – Alison Kilgour and John Roche were Chair and Treasurer during a challenging time for the Co-operative and William Wilson had served on the Board for a number of years. Their commitment and expertise are massively missed by all of us. I was honoured to be elected Chairperson of the Co-operative following Alison's departure and would like to thank all of my Board colleagues for supporting me.

Within the staff team, we are delighted that Chantelle Devlin completed her traineeship. Congratulations, Chantelle. We were pleased to welcome two new Board members – Tanith Diggory and Jean Barclay, and give our very best wishes and thanks to those who left.

Perhaps the two main priorities for us in the past year was to (i) take steps to limit rent increases as much as possible and (ii) resume the planned maintenance programme – items such as new windows and bathrooms. The Board completely understands the impact of welfare benefit changes and low/zero hours contracts on tenants' incomes

and we have worked closely with staff to reduce rent increases to inflation only over the past two years. We have also completed the first phase of window and bathroom replacements and the second phase of the contract will be completed in 2018/19.



We receive over £2 million each year from tenants' rents and need to make sure that we use this responsibly – we continually try to cut waste without cutting services. We have had another positive year financially and generated a higher surplus than we had planned; this goes straight into our reserves so that we can manage and maintain the properties now and in the future. The turnaround in the Co-operative's financial position was recognised by the Scottish Housing Regulator who moved us to "low engagement" in April 2018. This means that the Regulator is satisfied with the progress made and is a "vote of confidence" in the Board and staff alike.

I hope you enjoy reading this report and would be delighted if you were able to feed back any comments to our Depute Director, Pauline Burke or any of the housing or maintenance staff.

Lastly, I would like to thank our staff and Board colleagues for all their hard work over the past twelve months. Here's to another successful year!

*Joan McFarlane*

Joan McFarlane (Chair) Drumchapel Housing Co-operative Ltd

## Introduction

This report card outlines our performance in 5 key areas based upon 14 outcomes taken from the Scottish Housing Regulators; Scottish Social Housing Charter. Each year all Social landlords must submit their performance results as part of its Annual Report on the Charter (ARC). The following are the main areas of measurement:

1. Customer/ Landlord Relationship
2. Housing Quality & Maintenance
3. Neighbourhood and Community
4. Access to Housing & Support

5. Getting good value from Rents & Service charges

The comparator used in this report is the Scottish Average performance for housing associations as published by the Scottish Housing Regulator.



# Customer and Landlord Relationship

We undertake a comprehensive satisfaction survey with you every 3 years. This survey is carried out by independent consultants and the last one completed for us was undertaken in September/October 2016. The following figures are based on the independent survey carried out in 2016:

**Table 1 Customer and Landlord Relationship**

	DHC 2017-18	Scottish Average 2017-18	DHC previous results 2016-17
Satisfaction with overall level of service	94.04%	91.90%	94.04%
Is the Co-operative good at keeping tenants informed?	98.17%	93.65%	98.17%
Are you satisfied with the opportunities to participate in your landlord's decision making process?	97.71%	88.32%	97.71%

Our results are higher than the Scottish average and we will continue to try to improve on these figures.

**During 2017-18, Drumchapel Housing Co-operative Ltd have taken steps to improve its service and relationship with our tenants.**

-  In December we held a Children's Christmas Party at our office with face painting and creative workshops. Santa Claus also heard about it and dropped in with gifts for all the children.
-  In partnership with other local housing associations we provided a pensioners Christmas lunch. This was well attended, and we got some excellent feedback on the event.
-  Almost 200 tenants and their families attended our Summer Fun Day, participating in the games and activities.
-  Our Annual General Meeting (AGM) was carried out in August with awards provided for best gardens and other competitions. This was very successful, and we got some really good feedback in relation to our performance and service delivery.



## ADDITIONAL FACTS:

-  We publish 10 newsletters every year
-  We were members of a web site consortium called Scottish Housing Connections which combines the resources of 20 Registered Social Landlords
-  During 2017/18 as part of DRUMCOG we participated in a joint training programme for members to keep them abreast of changes within the housing sector
-  Tenants Panels were hosted throughout the year to ensure that our policies and Business Plan were addressed accordingly.





## Housing Quality & Maintenance

We appreciate that the quality and standard of your home is of vital importance and invest considerable time and money to provide an effective repair and maintenance service.

At 31 March 2018, 99.6% of our properties met the Scottish Housing Quality Standard (SHQS) compared to a Scottish average of 94.01% and 98.1% of homes achieved the Energy Efficiency Standard for Social Housing (ESSH).

The team monitor their performance by a number of Key Performance Indicators (KPIs), and outlined below are some of the main areas of performance for 2017/18.

### REACTIVE REPAIRS

We completed 1,619 reactive repairs during the course of the year, resulting in the following performance:

Average time to  
complete Emergency  
Repairs (HOURS)



2017/18:  
**2.10**

Scottish Average  
2017/2018: **2.43**

DHC 2016/17: 2.36

Comparison:

Average time to  
complete non-Emergency  
Repairs (DAYS)



2017/18:  
**2.03**

Scottish Average  
2017/2018: **4.59**

DHC 2016/17: 2.14

Comparison:

Repairs completed  
Right First Time (%)



2017/18:  
**99.33%**

Scottish Average  
2017/2018: **93.61%**

DHC 2016/17: 97.02%

Comparison:

Satisfaction  
with Repairs

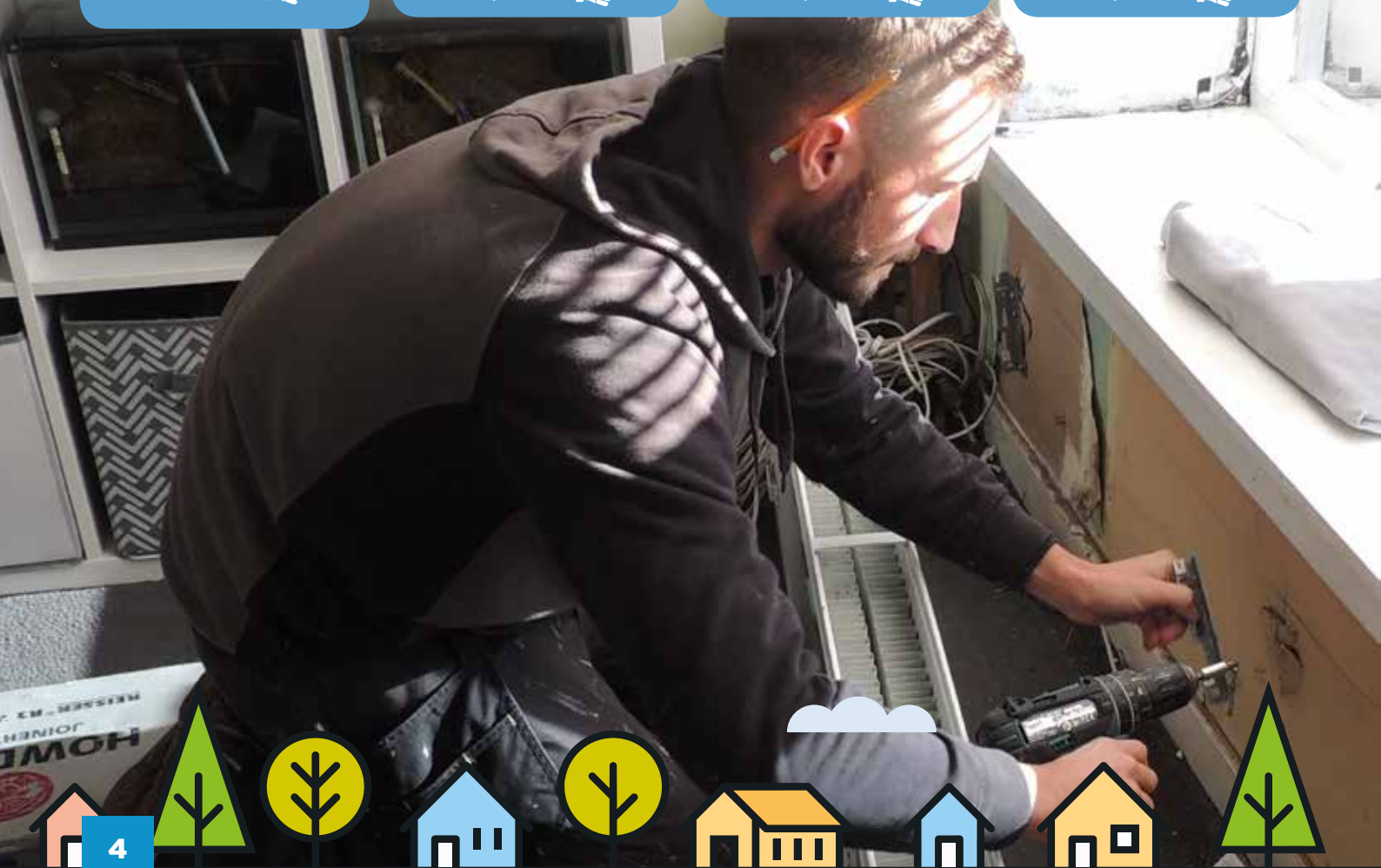


2017/18:  
**95.09%**

Scottish Average  
2017/2018: **92.59%**

DHC 2016/17: 94.67%

Comparison:





# Housing Quality & Maintenance

## CYCLICAL REPAIRS

We spent over £171,000 on cyclical repairs to safeguard tenants and ensure that our properties are maintained to a high standard.

Works undertaken include:

Work	Number of Properties	Expenditure
External painterwork	123 properties	£64,000
Gas service and maintenance	476 properties	£59,000
Gutter cleaning	46 Closes	£16,600
Roof anchor checks	To all properties	£4,200
Removal of cold water storage tanks	27 closes	£17,500
Communal lighting	46 closes	£10,500

100% of gas safety checks were carried out within the anniversary of their previous check.

To reduce the risk of legionella, we commenced a programme to remove cold water storage tanks from closes. Work was completed within 27 out of 38 closes and the programme will continue over the course of 2018/19.

## PLANNED MAINTENANCE

We invested £561,000 over 2017/18 to improve homes.

Work	Number of Properties	Expenditure
Kitchen replacements	2	£6,700
Heating replacements	3	£7,000
Bathroom replacements	77	£288,700
Window replacements	83	£258,600

The first phase of window and bathroom replacement was carried out within the Southdeen area and we received excellent feedback on the quality and standard of completed work.



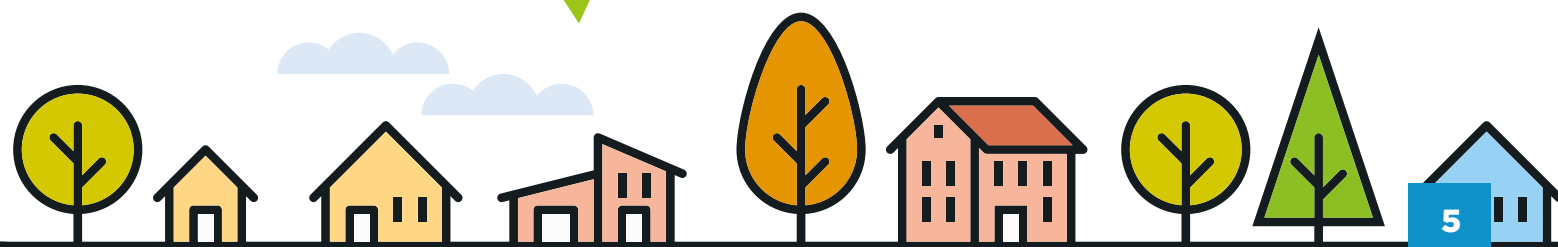
The second phase of the planned maintenance programme is due to commence in November 2018 and will result in window and bathroom replacements to a further 58 tenemental properties within the Southdeen Road and Linkwood Drive areas.



*"I'm very happy with the work. It's made a massive difference."*

*"It's fantastic, I love it and the house is far warmer."*

*"I was thinking about moving, but I'm delighted with the house now and I'm staying where I am"*





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## Housing Quality & Maintenance

### ESTATE MANAGEMENT

We spent just over £68,000 to ensure that environments and common areas are clean and well maintained.

Expenditure on contracts includes:

Contracts	Expenditure
Landscape maintenance	£42,700
Close cleaning	£25,500

We also provide an Estate Caretaker/Handy Man service to carry out estate improvements and ensure common areas are maintained to a high standard.

Before:



After:



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## Neighbourhood And Community

As part of our 2016 survey, we asked you the following question:

**“Overall, how satisfied or dissatisfied are you with Drumchapel Housing Co-operative’s management of the neighbourhood you live in?”**

The feedback was positive with **93.58%** of you satisfied with our management of the neighbourhood — the Scottish average for 2017/2018 is 89.3%.

We received 31 anti-social behaviour complaints in 2017/2018. Of the 31 complaints received 28 were resolved/closed within target timescales, as a percentage this is 90.32%.



Our results are slightly higher than the Scottish average of 87.88%, for complaints resolved within timescale for 2017/2018.







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## Access to Housing & Support

Over the past few years we have worked with Glasgow City Council and other social landlords to create a Common Housing Register (Glasgow Housing Register, GHR). This register was to enable applicants to complete one online housing application form and select the areas where they would like to live.

Unfortunately the register was offline for a period over 2017/2018 resulting in applicants having to complete housing applications for individual housing organisations.

In 2017-2018 we completed 10 medical adaptations within tenant's homes and successfully claimed £24,634 in grant funding for this work.



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## Getting Good Value from Rents & Service Charges

Everyone wants to know that they are obtaining value for money in all areas of their lives and housing is no different.

Housing Management is the section of the organisation that deals with some of the customer facing aspects of the Co-operative's main functions. Both tenants and prospective tenants deal with the Housing Management section on a daily basis for elements such as allocations, rent collection, welfare benefits advice, anti-social behaviour and general estate management.



Rent collection is one of the most important functions of our activity as it is the rent that pays for all the services provided. In 2017-2018 we collected 100.39% of the rent due in the year in comparison to the Scottish average of 99.57%.



Over the last 3 years we have reduced our rental loss figures for void properties significantly from 2.3% to 0.15% in comparison to the Scottish average of 0.59%.



This is matched by the amount of days to relet properties which decreased from 10.64 days last year to 6.24 days in comparison to 20.25 days overall in Scotland. The improvement in void performance is another one of our big achievements over the last few years.





# Getting Good Value from Rents & Service Charges

## RENTS

Collecting rent and keeping arrears as low as possible is absolutely necessary as rental income pays for all of the Co-operative's activities.

This year, we have collected 100.39% of the rent due compared to 100.75% the previous year. Rent collected has slightly decreased from the rent collected last year this is down to housing benefit payment still to be received (technical arrears). Gross rent arrears have decreased, and this is the result of the housing management team engaging with tenants at an early stage and ensuring that tenants are given advice and information on maximising income.

We recognise that many of our tenants are facing financial difficulty due to reductions in welfare benefits and incomes being squeezed due to low wages and zero hours contracts. We provide a confidential welfare benefits service in the office (and can also refer tenants on to other agencies) to assist tenants facing financial and/or debt problems.

Our results show that we are performing well against the Scottish average, we will continue to provide a sympathetic approach to rent collection whilst still expecting rent to be paid on time. The roll out of Universal Credit full service from December 2018 will create new challenges regarding rent collection and arrears.

Rent collected as a percentage of rent due



2017/18:  
**100.39%**

Scottish Average  
2017/2018: **99.57%**

DHC 2016/17: **100.75%**  
Comparison:

Gross rent arrears as a percentage of income



2017/18:  
**2.04%**

Scottish Average  
2017/2018: **3.96%**

DHC 2016/17: **3.43%**  
Comparison:



The result of the last tenant satisfaction survey carried out in 2016 was 69.27% of you thought that the rent you paid for your property was good value for money in comparison to the Scottish average at the time of 84.20%.

Since then we have taken some steps to limit rent increases. We have applied an inflation-only rent increase over the last two years, and plan to do likewise in future.

We conducted a mini survey at our Annual General Meeting and 90% of tenants, who attended, thought that the rent paid for their property was good value for money which is an improvement. However we recognise that we still have work to do.

We are due to carry out another tenant satisfaction survey early 2019 and hope the results will improve further.

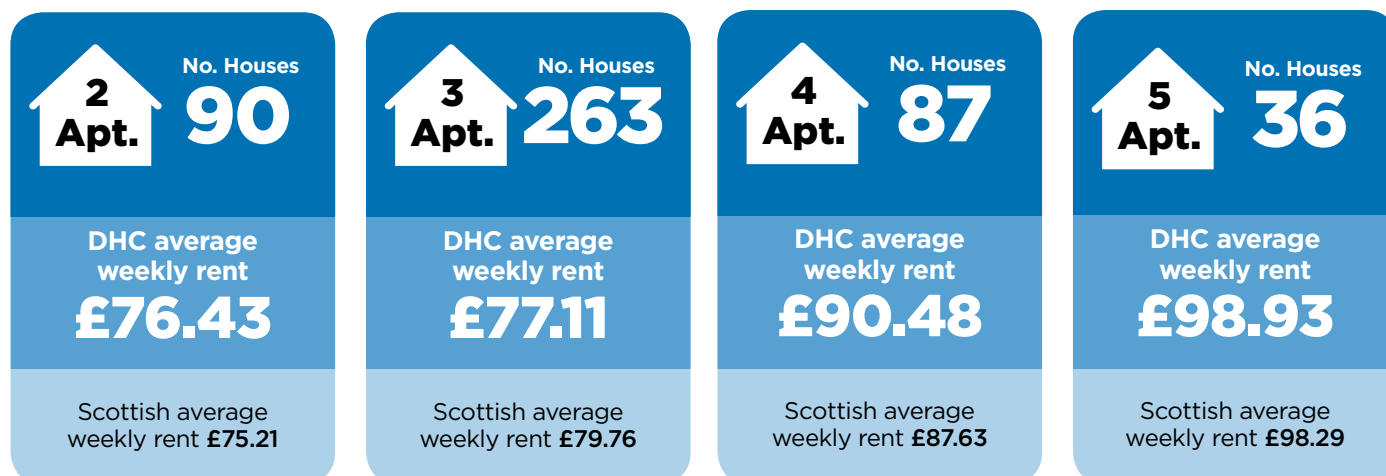
We have continued to reduce staff costs and have been able to put this back into providing services for tenants.

At 31st March 2018, we owned 479 self-contained homes plus one multiple occupancy care unit. The total rent due for the year net of void loss was **£2,028,189.36** and the annual rent increase for 2017-2018 was set at 1%. This was the lowest rental increase for a number of years and less than the Scottish Average of 2.24%.



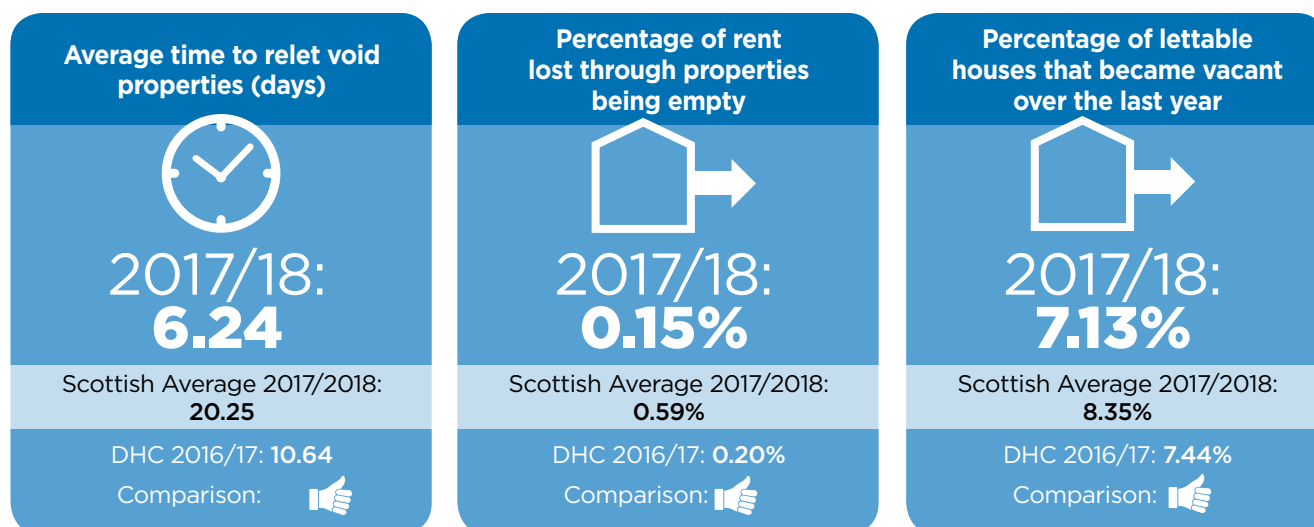
# Getting Good Value from Rents & Service Charges

The average weekly rent compares as follows:



## VOIDS

Over the last few years there has been a significant reduction in the time we take to re-let empty properties and, as shown below, this has continued to improve in 2017/2018.



The challenge now will be to maintain or to improve this position further.

Whilst we compare less favourably in the number of properties that became vacant over the last year, the reduction in void days and rent loss highlights the great work being carried out by the team.

## ALLOCATIONS

We let **42** houses during the course of the year through our Choice Based Letting allocations system. This allows applicants to apply for any house that they are interested in, providing they meet the eligibility criteria for that property. We use various methods to advertise the properties available to let, these are: Website, Facebook and within the office.

The 42 allocations came from the following sources:

Source	No.	%
Internal transfer	5	12%
Housing list	35	83%
Section 5 referrals (homeless)	1	2.5%
Other (referral from other local authority)	1	2.5%



# Income & Expenditure Accounts

For Year Ended 31st March 2018.

Financially, over the last year, the Co-operative has seen an increase in its short term financial position by way of an overall surplus. The amount generated has reduced from £1,126,087 in 2017 to £587,959 in 2018. The main reason the overall surplus is significantly less than the previous year is

largely due to the actuarial gain on the pension scheme which was £5,132 (2017 - £685,515).

The Co-operative continues to sustain relatively low void losses on rental income, with void loss reducing further from £3,757 in 2017 to only £2,908 in 2018, despite the challenges faced by the organisation due to stock

type and tenants' aspirations.

There has been an increase in the operating surplus which improved by £104,366 when compared to 2017, mainly due to a reduction in expenditure of £83,774. This can be largely attributed to changes in three areas namely:

- **Management Costs** - Decrease of £195,295. Reflecting first full year of new staff structure.
- **Reactive Repairs** - Increase of £49,952. More void repairs costs incurred during the year.
- **Planned & Cyclical Maintenance** - Increase of £51,499. Enhanced planned & cyclical maintenance programmes.



The information below shows the Co-operative's net assets, income and expenditure for the last two financial years:

Total Comprehensive Income for the year	2018 £	2017 £
Total Income	2,512,988	2,492,396
Total Expenditure	(1,858,190)	(1,941,964)
Financial transactions	(66,839)	575,655
<b>Overall Surplus/(Deficit) for the period</b>	<b>587,959</b>	<b>1,126,087</b>

Total Net Assets	2018 £	2017 £
Housing properties	14,661,397	14,713,743
Other assets	333,861	323,770
Current assets	2,017,569	2,066,120
Current liabilities (exc loans, pension)	(355,746)	(249,992)
Housing loans (all loans)	(2,949,420)	(3,166,285)
Deferred Income - social housing grant	(9,448,122)	(9,885,778)
Share of pension past service deficit	(540,000)	(670,000)
<b>Total net assets</b>	<b>3,719,539</b>	<b>3,131,578</b>

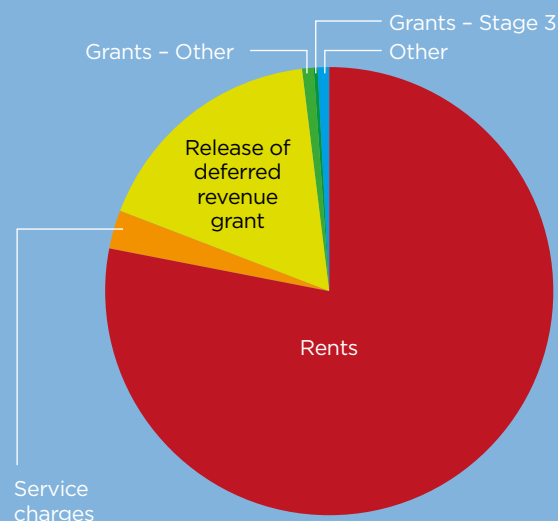


# Income & Expenditure Accounts

For Year Ended 31st March 2018.

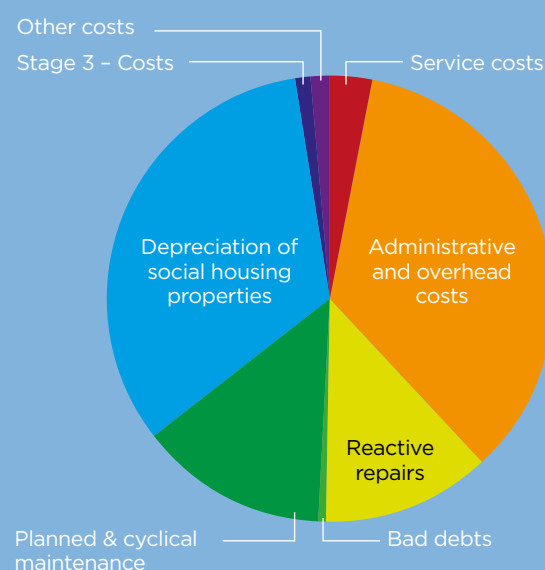
## SOURCES OF INCOME

	2018 £	2018 %	2017 £	2017 %
Rents	1,970,947	78.4	1,950,585	78.3
Service charges	60,150	2.4	59,600	2.3
Release of deferred revenue grant	437,656	17.4	468,838	18.8
Grants - Stage 3	24,634	1.0	14,937	0.6
Grants - Other	2,077	0.1	1,864	0.1
Other	20,432	0.8	329	0.0
Less:				
Voids	(2,908)	(0.1)	(3,757)	(0.2)
<b>Total operating income</b>	<b>2,512,988</b>	<b>100.0</b>	<b>2,492,396</b>	<b>100.0</b>

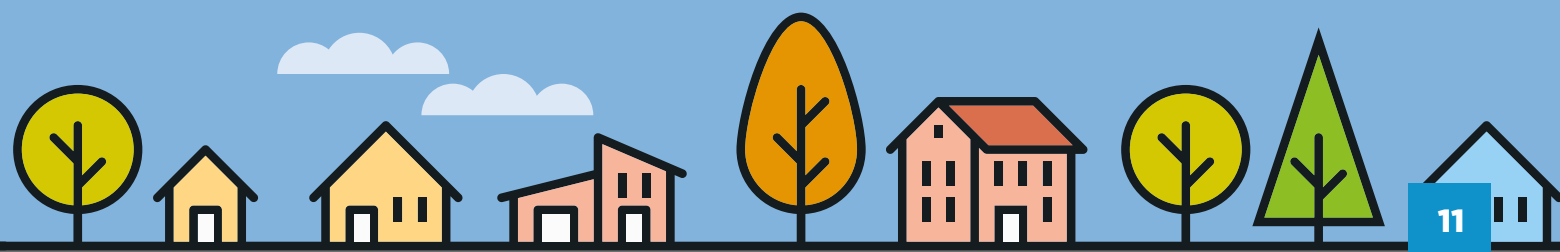


## EXPENDITURE COSTS

	2018 £	2018 %	2017 £	2017 %
Service costs	58,409	3.1	49,682	2.6
Administrative and overhead costs	652,868	35.2	848,163	43.7
Reactive repairs	227,172	12.2	177,220	9.1
Bad debts	6,468	0.4	(609)	-0.1
Planned & cyclical maintenance	254,511	13.7	203,012	10.5
Depreciation of social housing properties	613,364	33.0	648,659	33.4
Stage 3 - Costs	22,815	1.2	15,756	0.8
Other costs	22,583	1.2	81	0.0
Wider role costs	-	-	-	-
<b>Total operating costs</b>	<b>1,858,190</b>	<b>100.0</b>	<b>1,941,964</b>	<b>100.0</b>



Financial transactions	2018 £	2017 £
Interest receivable	7,315	2,960
Loan Interest and other financing costs	(79,286)	(110,810)
Actuarial gain on pension scheme	5,132	685,515
Corporate tax payable	-	(2,010)
<b>Total financial transactions</b>	<b>66,839</b>	<b>575,655</b>







**Drumchapel  
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# Management Board and Staff

as at 31st March 2018

## MANAGEMENT BOARD

<b>Joan McFarlane</b>	(Chair)
<b>Helen Eakin</b>	(Vice Chair)
<b>Alana Durnin</b>	(Secretary)
<b>Cllr Elspeth Kerr</b>	(Board Member)
<b>Margaret Bowie</b>	(Board Member)
<b>Paul McBride</b>	(Board Member)
<b>Tanith Diggory</b>	(Board Member)
<b>Jean Barclay</b>	(Board Member)
<b>Fiona Russell</b>	(Co-opted Board Member)



## STAFF

<b>Caroline Shepherd</b>	Director
<b>Pauline Burke</b>	Depute Director
<b>Jackie McGoran</b>	Finance Officer
<b>Duncan McKnight</b>	Technical Manager
<b>Colin Henderson</b>	Maintenance Officer
<b>Lorraine Logan</b>	Asset Management Officer
<b>Stephen Watt</b>	Customer Services Advisor
<b>Caroline Meiklejohn</b>	Housing Officer
<b>Marisa McCarthy</b>	Housing Officer
<b>Kevin Clements</b>	Estate Caretaker
<b>Chantelle Devlin</b>	Housing Trainee
<b>Liam Kernan</b>	Environmental Handyperson Trainee



**Drumchapel  
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4 Kinclaven Avenue • Drumchapel • Glasgow G15 7SP

Tel: **0141 944 4902**

Email: **enquiries@drumchapelhc.org.uk**

Web: **www.drumchapelhc.org.uk**



HAPPY TO TRANSLATE

