

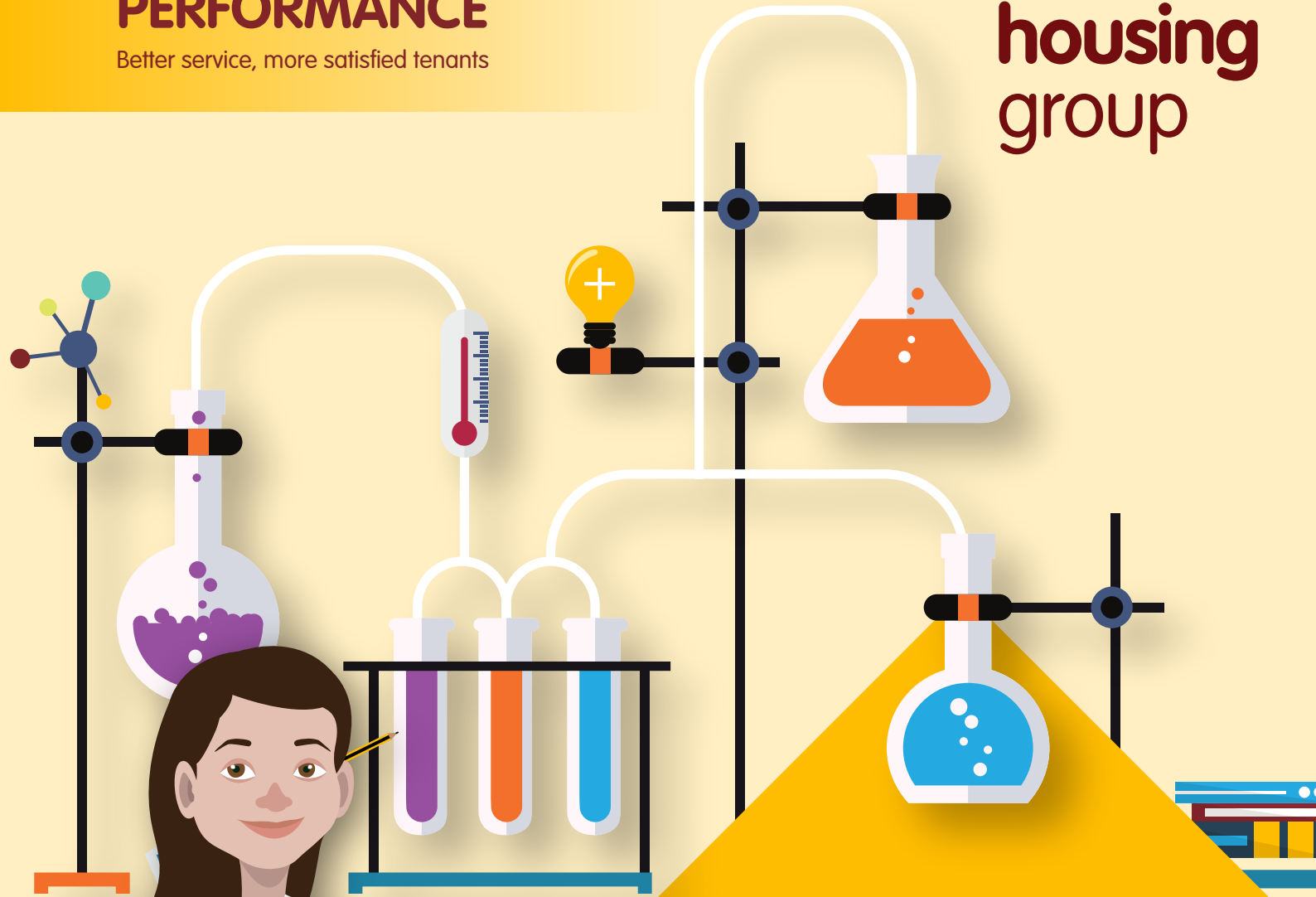
IMPROVED PERFORMANCE



Better service, more satisfied tenants

at home with...

fife 
housing
group



ANNUAL REPORT

2017/18

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Chief Executive,
Nicki Donaldson



A message from our Chief Executive

Getting the formula right...

During the past year we have continued to focus on improving performance across all areas of the business, and particularly on achieving efficiencies to facilitate the delivery of our Value for Money Strategy.

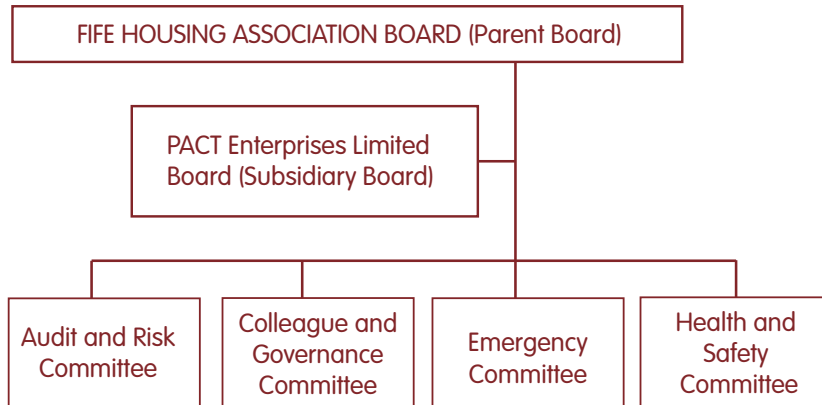
The office and departmental rationalisation, which were integral to this, have also helped to develop a more concentrated approach to joint working throughout the organisation as we strive to improve the customer journey both internally and externally. This in itself has already led to a number of tangible improvements, including a revamp of processes to ensure planned maintenance contracts, such as kitchen and bathroom upgrades, are well managed and delivered, both on time and within budget.

Our ongoing commitment to work with tenants and communities to understand and address key issues is now supported by an organisational culture which focuses on what is right for our tenants and colleagues, and ultimately the business as a whole. The impact of this is evidenced in the improved statistics you will find detailed throughout this report and which I firmly believe indicate that we are well on the way to getting the formula right.

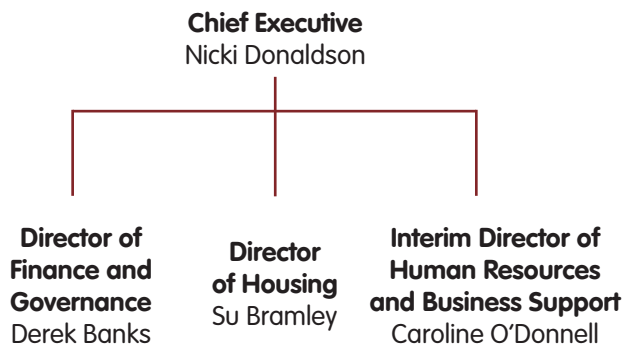
Fife Housing Association Board of Management as at 31 August 2018

Board Member	Appointed
Maureen Garvie OBE - Chair	September 2014
Helen Boath - Vice Chair	September 2015
Derek Adam	September 2015
Colin McNeill	September 2011
Stephen Clark	September 2013
Fiona Barr	September 2015
Katherine Dewar	September 2015
Sandra Stock	September 2015
Martin Fleming	November 2017
Laurie Boles (co-opted)	August 2018

Governance structure



Business Leadership Team structure



Announcements

Congratulations

Congratulations to Helen Boath who was elected as Vice Chair of our Board of Management, following the departure of Patricia Dickson at last year's AGM.

Congratulations also to Su Bramley on her appointment to the PACT Board of Directors as an Executive Director in November 2017.

Farewell

Farewell to Anila Ahmed who resigned from her position on the Board of Management this year, as a result of increased family commitments.

Director of Property and Commercial Business, Kevin Lynch, has also moved on with his responsibilities now distributed amongst the remaining members of the Business Leadership Team.

Welcome

A warm welcome to Martin Fleming and Laurie Boles who have joined us as new Board Members and to Derek Banks who took up the position of Director of Finance and Governance in August 2018.

PACT Enterprises Board of Directors as at 31 August 2018

Name	Appointment	Role
Katherine Dewar	September 2014	Chair and non-executive Director
Kenneth Young	March 2016	Non-executive Director
Nicki Donaldson	May 2014	Executive Director
Su Bramley	November 2017	Executive Director



Achieving efficiencies

Office rationalisation

We finalised the termination of the lease at our Lochgelly premises, with all colleagues now based at our Pitreavie office. This consolidation has helped to improve both our operations and internal communication, as well as reducing our costs and consequently enabling us to deliver a better value for money service to our tenants and other customers.

New systems

The full implementation of our new Human Resources and Payroll software has streamlined our process in this area, resulting in significant time and cost savings.

With a focus on continuous improvement, we have also concluded our Information and Communication Technology (ICT) review and selected a new combined customer service, housing management and maintenance system for implementation. Once installed and embedded, we expect this to facilitate a more effective and efficient process, resulting in tangible improvements to our customer service.

Colleague pension review

We agreed to undertake a review of colleagues' pension benefits and identified a consultant to assist in this, with a view to delivering future cost savings and improving financial viability.

Value for money

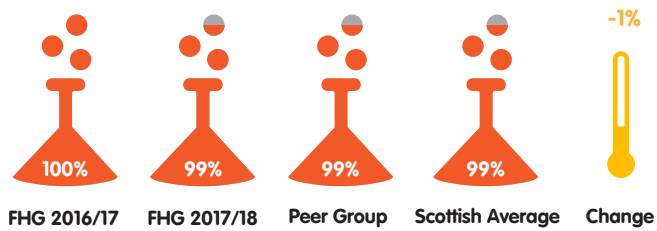
Our commitment to deliver on our Value for Money Strategy in all that we do, has led to savings in the region of £90,000 through a combination of reducing or re-procuring facilities contracts and streamlining processes. This approach is predicted to save a further £50,000 as we establish a new framework of approved contractors.

Rent loss

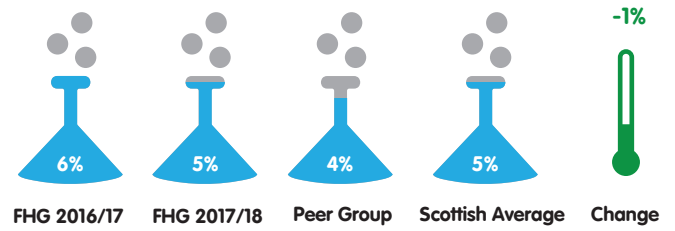
A dedicated in-house team has been introduced in an effort to reduce the rental income lost as a result of properties becoming empty and remaining 'void' for significant periods of time.

Rent and Rent Arrears

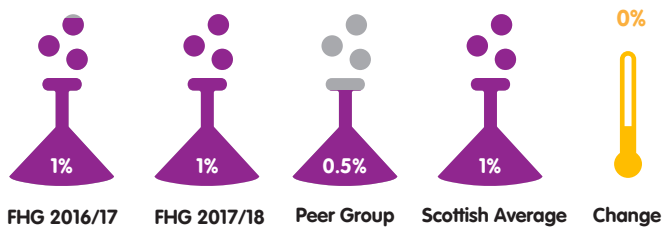
Rent collected as a percentage of total rent due in reporting period



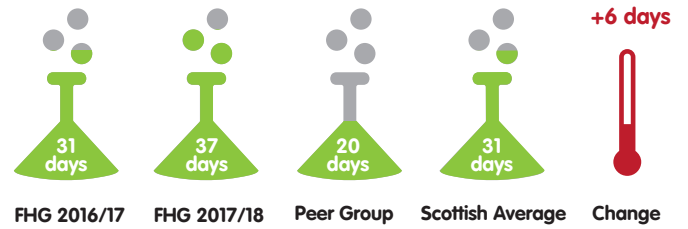
Gross rent arrears (all tenants) as at 31 March 2017 as a percentage of rent due for the reporting period



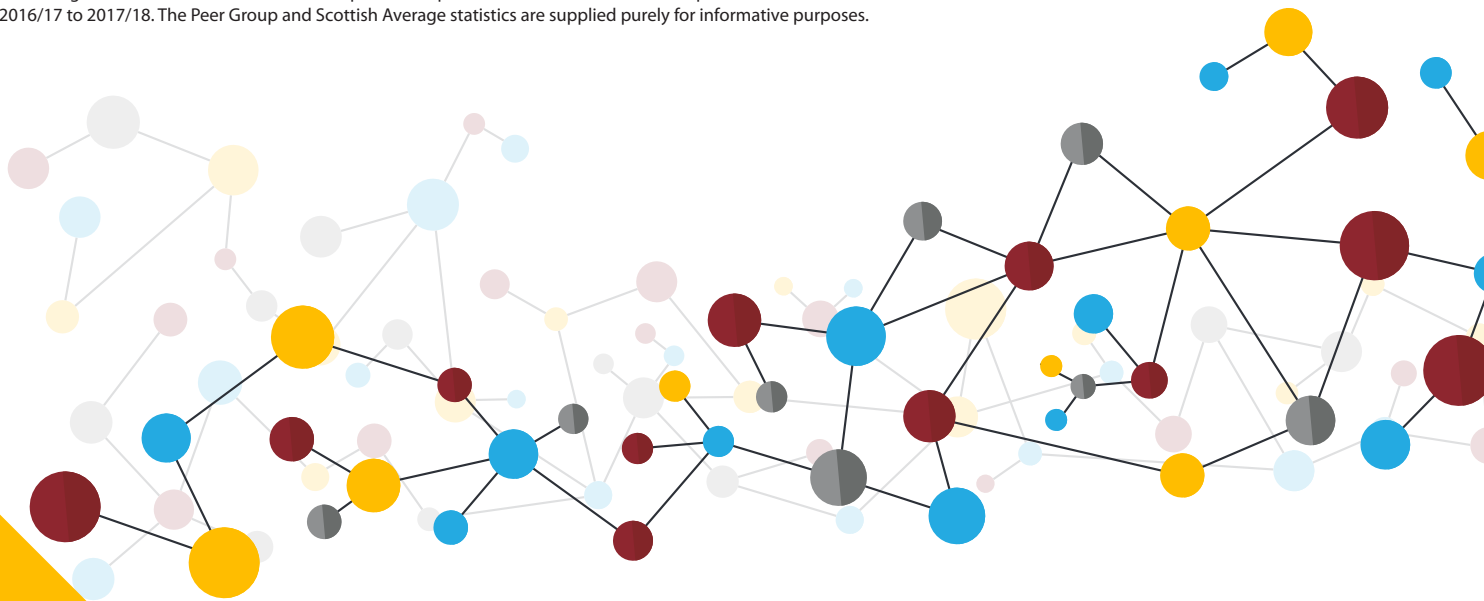
Rent due lost through properties being empty during last year



Average length of time to re-let properties in the last year

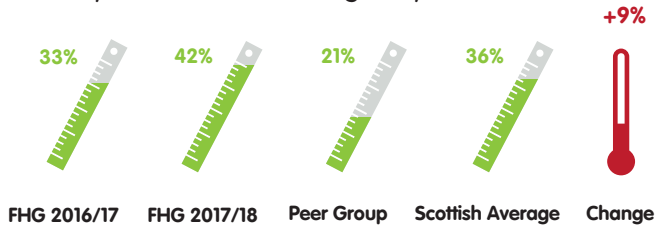


The change indicators above refer to the comparative improvement or decline in our own performance from 2016/17 to 2017/18. The Peer Group and Scottish Average statistics are supplied purely for informative purposes.

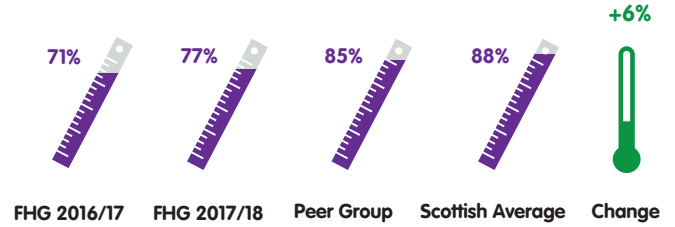


Allocations and Tenancy Matters

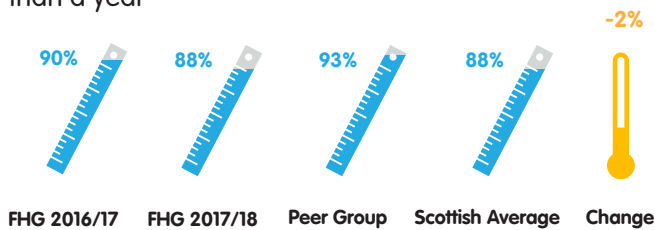
Tenancy offers refused during the year



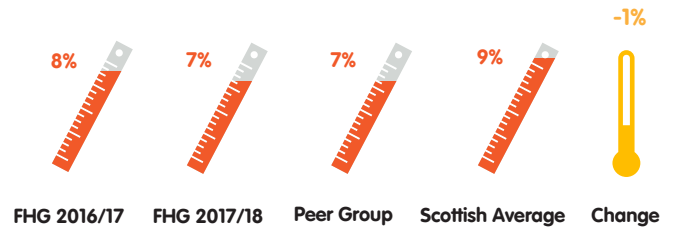
Anti-social behaviour cases reported in the last year resolved within locally agreed target (28 days)



New tenancies from housing list sustained for more than a year



Lettable houses that became vacant in the year



The change indicators above refer to the comparative improvement or decline in our own performance from 2016/17 to 2017/18. The Peer Group and Scottish Average statistics are supplied purely for informative purposes.



'...we have already made a number of changes to enhance the customer experience.'



Perfecting our processes

Service delivery

The introduction of new Key Performance Indicators (KPIs) means that we are now rigorous and systematic in our approach to managing performance, planning and managing our work to achieve continuous improvement in our service delivery, the impact of which is evidenced by the results of our most recent Customer Satisfaction Survey (see page 9 for further details).

Customer experience

We completed the first phase of a project looking at our customers' experience during their interactions with us, mapping out the journey from their first contact with us through to the conclusion of the process and highlighting any areas where improvements could be made to the service we provide. As a result of this we have already made a number of changes to enhance the customer experience, such as issuing layout plans for new kitchens to tenants in advance of their installation beginning and creating 'calling cards' to advise factored owners of anticipated external works. We were also able to identify a number of additional improvements which could be implemented following the introduction of our new ICT system.

Tenancy offers

During 2017/ 2018, we continued with the roll-out of our new tenancy offer process. Where previously we would use 'expressions of interest' when offering a property to an applicant on the waiting list we now make 'firm offers' from the outset. This means that applicants can no longer refuse as many properties as they wish to without any consequences and better reflects both the work required to allocate properties and the number of offers required before a property is let. Although this new procedure has made the process more transparent and our allocation information more accurate, it has also led to a further perceived increase in the number of offers being refused and is the reason behind our performance in this area appearing to decline.

Governance review

Our governance arrangements relate to how we are managed, directed and held accountable for achieving our strategic and operational objectives. As a Registered Social Landlord (RSL), the Scottish Housing Regulator has a significant influence on these and we are in the process of reviewing our compliance with their regulatory standards with a view to further strengthening the arrangements already in place.

Data protection

We evaluated and augmented our data protection policies and procedures, in advance of the new General Data Protection Regulations (GDPR) coming into effect.

Universal Credit

With the full rollout of Universal Credit having arrived in Fife on 6 December 2017, we augmented last year's investment in additional resources with further training and an awareness campaign to ensure that tenants were fully prepared for this change and that colleagues were in a position to effectively support them through the process.

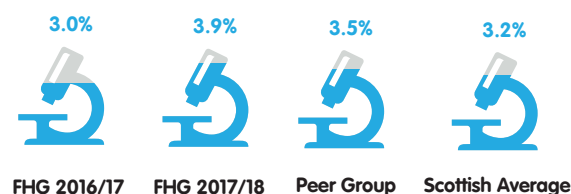
As Universal Credit is fully facilitated online, we were also delighted to develop a partnership with the Scottish Schools Education Research Centre (SSERC) to offer our tenants free additional IT training and support.

'...we have made further significant improvements over the last two years in areas such as our communication, the engagement opportunities we provide and the management of our neighbourhoods.'

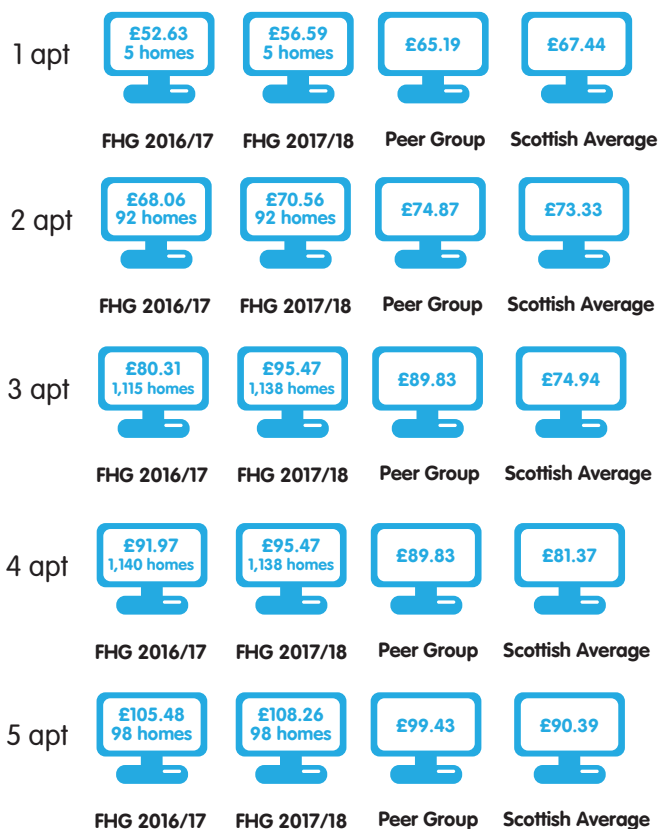
Listening to our customers

Average rent increase

Average rent increase applied in reporting year



Average weekly rent and number of homes



Rent consultation

Each year we consult extensively with tenants regarding our annual rent review, offering Housing Information Sessions at our offices, as well as providing information via newsletter articles and delivering a survey to every home, by both post and email if supplied. Following this year's consultation we lowered our proposed rent increase from 1 April 2018 to November 2017 RPI only.

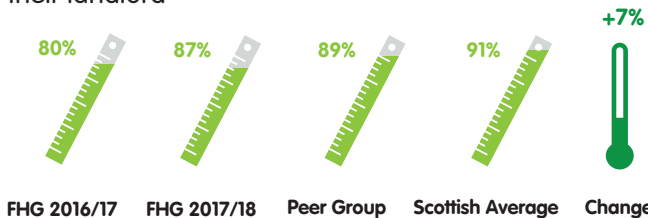
Satisfaction survey results

We also received the results of our satisfaction survey which showed that we have made further significant improvements over the last two years in areas such as our communication, the engagement opportunities we provide and the management of our neighbourhoods.

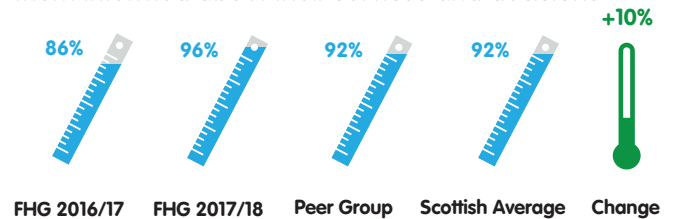
Whilst we were disappointed with the dip in some other satisfaction levels, particularly around the standard of our homes and the repairs and maintenance service we provide, we continue to work hard to improve in these areas and hope that our tenants will soon begin to see the positive impact of the changes we are making.

Tenant satisfaction questions

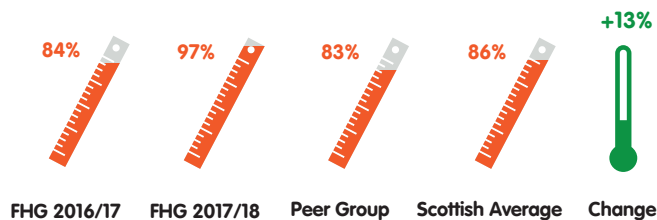
Tenants satisfied with the overall service provided by their landlord



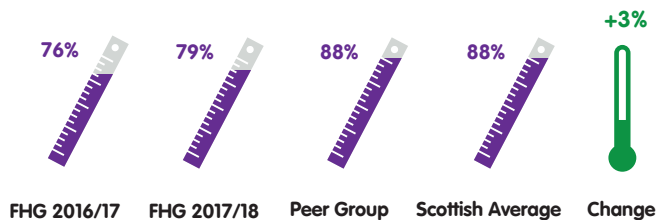
Tenants who feel their landlord is good at keeping them informed about their services and decisions



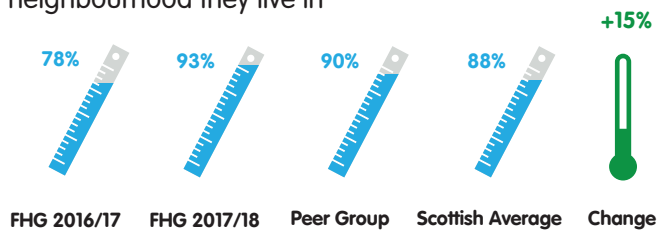
Tenants satisfied with the opportunities given to them to participate in their landlord's decision-making process



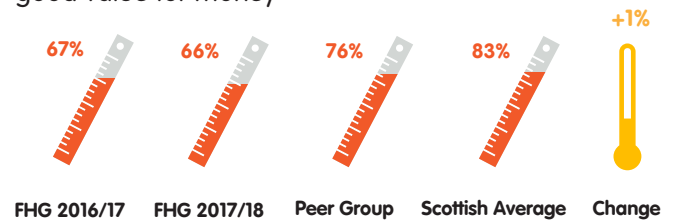
Tenants satisfied with the quality of their home



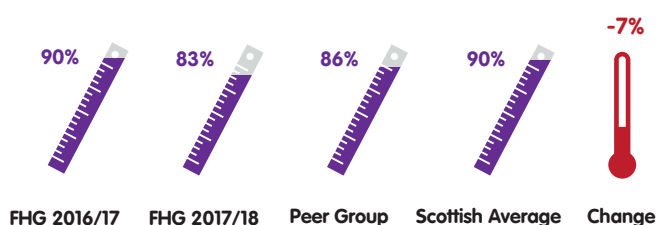
Tenants satisfied with the management of the neighbourhood they live in



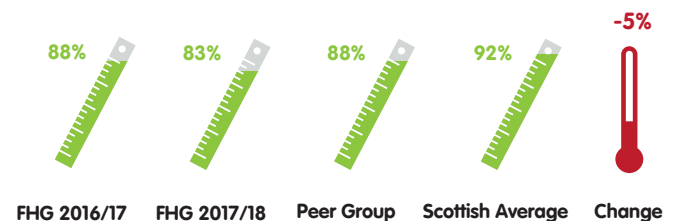
Tenants who feel the rent of their property represents good value for money



Tenants satisfied with the standard of their home when moving in (tenants who moved in the last year)



Tenants who had repairs or maintenance carried out in the last 12 months, who are satisfied with the service



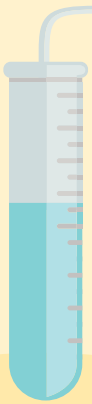
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Engagement Activities
Delivered in 2017/18

Gardening Competition

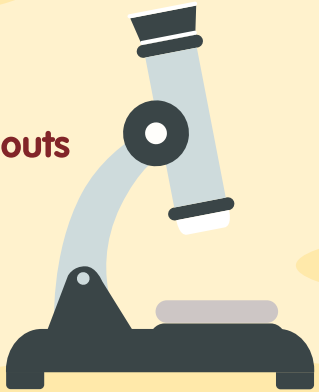
24 entrants

9 category winners



31

Estate Walkabouts



3

Rent consultation
sessions / surveys



1

New residents' associations



Housing Officer budgets

8 x £2,000 = £16,000

Spent on:

- Bollards in Roomlin Gardens, Kirkcaldy
- Noticeboards throughout flatted stock
- Several foodbank donations
- Gala donations
- New bin stores and waste management processes at Lochgelly and Hill of Beath
- Ad hoc gardening for tenants in need of additional support
- Skips for community clear-outs

6

Mystery shops

4

Community Cafés

**350 attendees
(approx)**

Remembering Rosyth

Afternoon Tea event for Senior Citizens

60+ attendees

**Resident VOICES
(scrutiny group)**

11 meetings

1 conference attended

Resident VOICES

In 2017 our scrutiny group, Resident VOICES, carried out a comprehensive review of the way we handle complaints. Whilst the members acknowledged that there had already been a lot of good work undertaken in this area, through this review, they were able to identify some areas for further improvement.

These included:

- Improving the information on our website about how to make a complaint
- Introducing further training on complaints handling for our colleagues
- Introducing improved channels of communication, should any of our customers feel the need to make a complaint

The Resident VOICES chair presented the findings of this scrutiny review to our Board and all of the recommendations made were approved for implementation.

Each of the recommendations made have either already been introduced or plans are in place for this to happen, highlighting the impact and the value of the excellent work being carried out by Resident VOICES, on behalf of our tenants and other customers.

'Each of the recommendations made have either already been introduced or plans are in place for this to happen.'

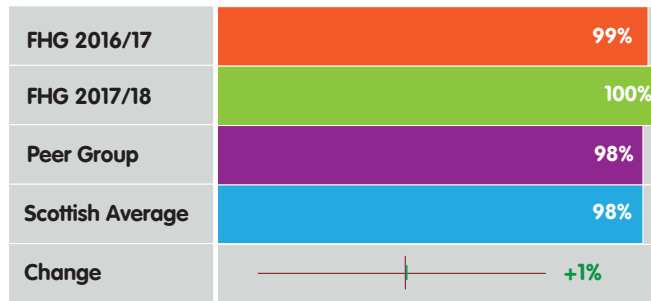


Complaints

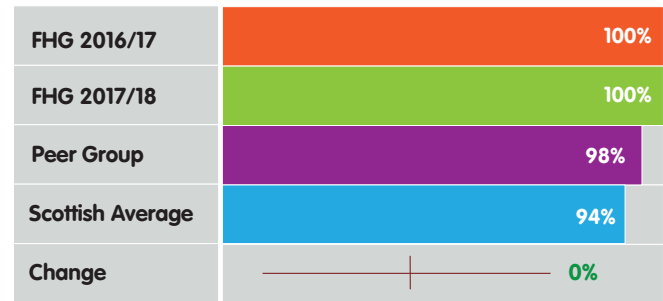
Complaint handling is an area where we continue to see significant improvements, with an increased focus across the organisation, to ensure that all Stage 1 and Stage 2 complaints are resolved within the required five-day and 20-day timescales, respectively. This emphasis on improved performance is evident throughout the organisation, with monthly performance reports produced for scrutiny by our Business Leadership Team and quarterly meetings held to identify and implement learning from complaints where the service provided to our customers has fallen below the standards we would expect.

Complaints responded to in full that were resolved by the landlord

Stage 1

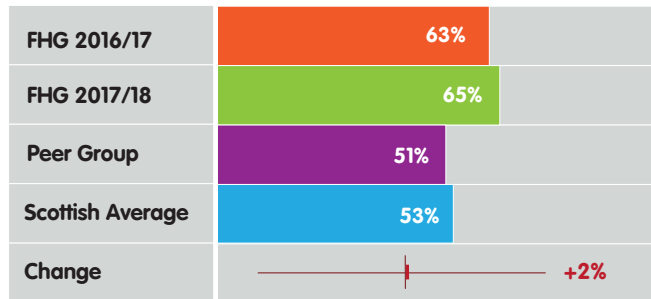


Stage 2

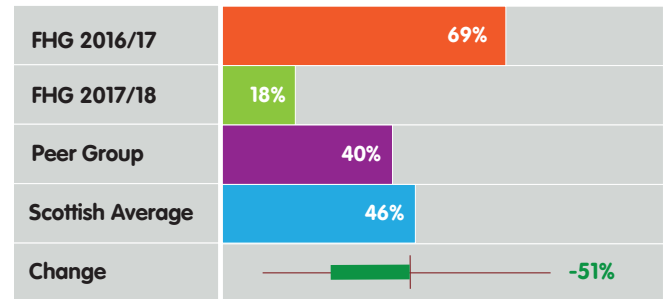


Complaints upheld

Stage 1

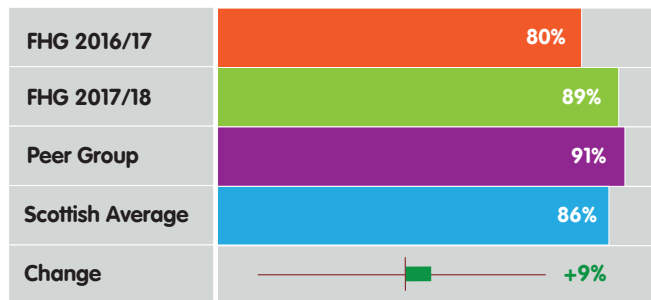


Stage 2

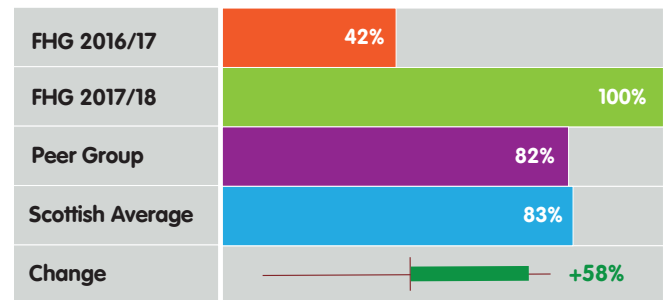


Complaints responded to within target timescales

Stage 1 (5 days)



Stage 2 (20 days)



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'Complaint handling is an area where we continue to see significant improvements.'

Stock Condition Survey

We commissioned a full survey of our housing stock to take place over the next three years. A third of our properties were surveyed during 2017/18, giving us essential information regarding the energy efficiency of our properties as well as confirming the remaining lifespan of major components such as kitchens, bathrooms, roofing and electrical installations.

The results from these surveys will inform our future planned maintenance programmes, allowing us to target our resources in the most effective manner. This information will also be used to report the condition of our housing stock to the Scottish Housing Regulator as part of our Annual Return on the Charter.

Improving our properties

Every block of flats with a Fife Housing Group property within it has now also had a Legionella Safety Test, Fire Safety Risk Assessment and Asbestos Test.

Electrical remedial works to **47** properties

Fitting **36** new roofs

Maintenance painter work to **486** properties

Conducting around **250** electrical tests

Renewing **27** kitchens & **15** bathrooms

Installing **100** new central heating systems

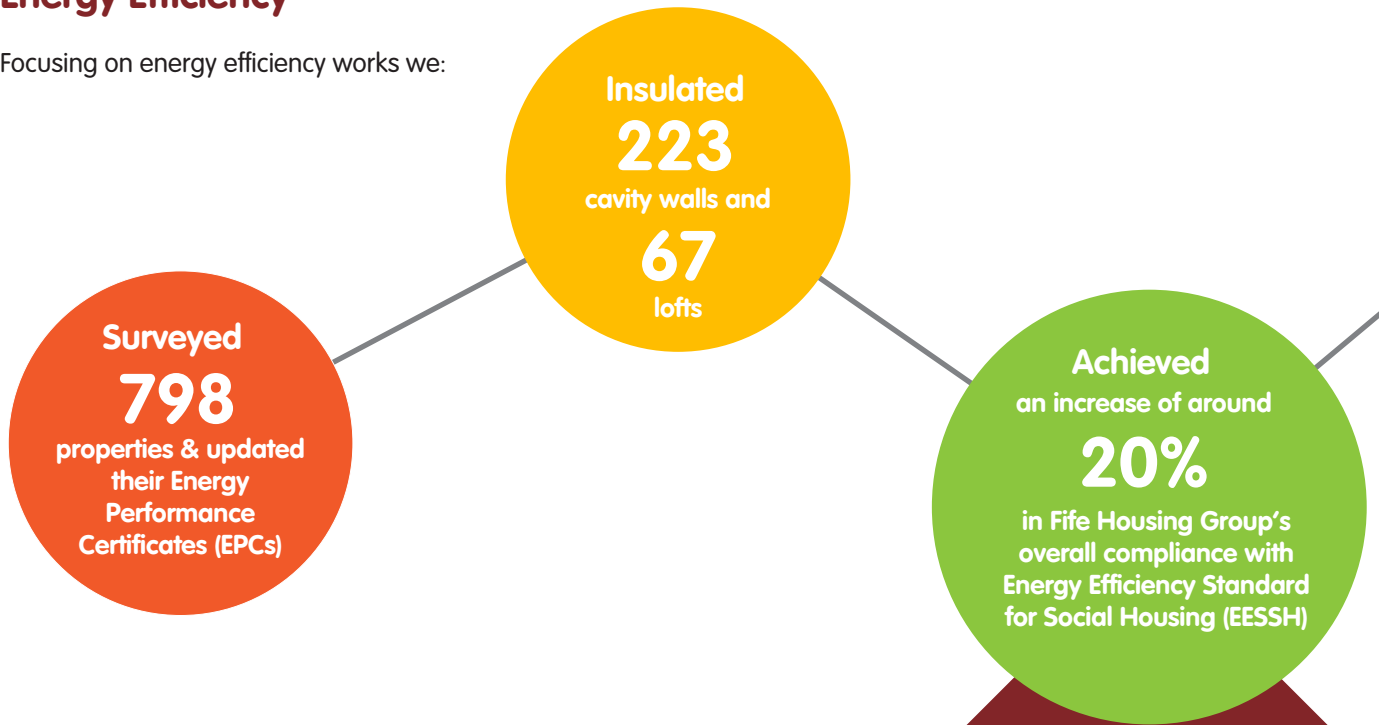
Planned maintenance

Last year we invested over £1.7million in planned upgrades to our housing stock:



Energy Efficiency

Focusing on energy efficiency works we:

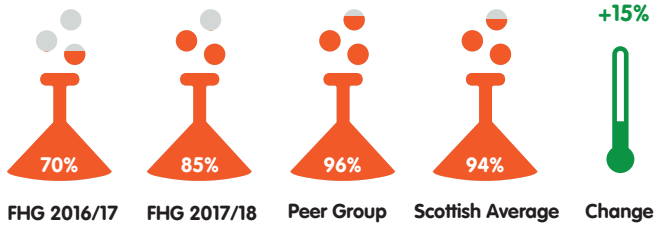


These works, coupled with the heating programme, should mean these homes are not only more energy efficient but also much warmer for our tenants.

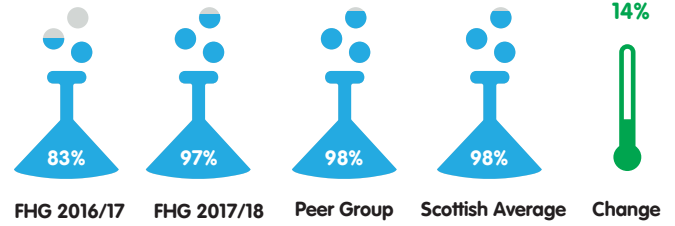
'The results from these surveys will inform our future planned maintenance programmes, allowing us to target our resources in the most effective manner.'

Repairs and Maintenance

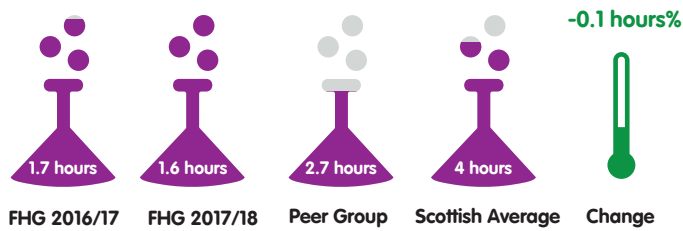
Homes meeting the Scottish Housing Quality Standard



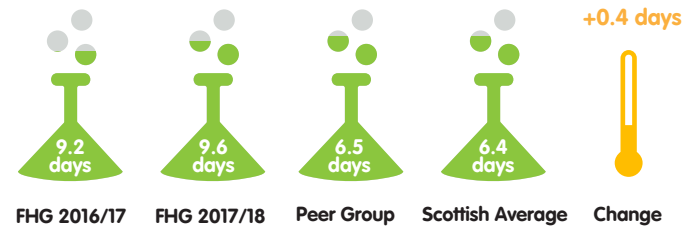
Homes at or above the required Home Energy Rating levels specified in the SHQS



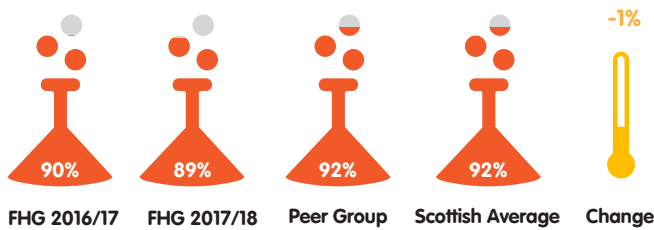
Average length of time taken to complete emergency repairs



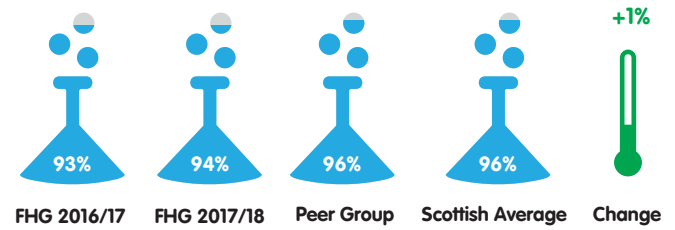
Average length of time taken to complete non-emergency repairs



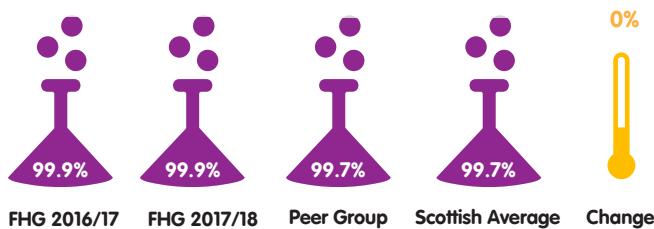
Repairs carried out in the last year completed 'right first time'



Repairs appointments kept



Properties that require a gas safety record which had a gas safety check and record completed by the anniversary date



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Awards

This year we were delighted to achieve both the Investors in People (IIP) Silver award and, at our first attempt, 69th place on the Sunday Times 100 Best Not-For-Profit Organisations To Work For in the UK, which equates to 33rd place on the Scottish list.

The commitment, both to and from our colleagues, that these awards demonstrate is significant as an engaged workforce who understand and connect to our organisational aims, ultimately benefits tenants and other customers.

Learning

A number of colleagues participated in visits to high performing housing associations in both Scotland and England, benefiting from the opportunity to share knowledge and best practice with organisations recognised as being amongst the best in the industry.

Open discussions took place during these visits, where we were able to explore several new ideas and ways of working to improve the ways we engage with our tenants and other customers. In particular, we learned how they mounted effective recruitment campaigns to attract members of the local community to become involved with them and, by adopting a similar approach, it is anticipated we will also be able to attract more residents to work with us and help to improve our services.

Investing in our people

Building for the future

New developments

Construction at our new 19 property development in Crombie continued and, once complete, will deliver much needed affordable two and three bedroom family homes in this popular village.

Future developments

Throughout the year, we continued to explore opportunities for future developments and, as part of this, undertook a review of the options available at our Glen Albyn site in Kirkcaldy. Further discussions regarding this site are to be held with the architect and planners with a view to taking this forward into 2019/20.

Financial information

Our income for the year arose from the following sources:

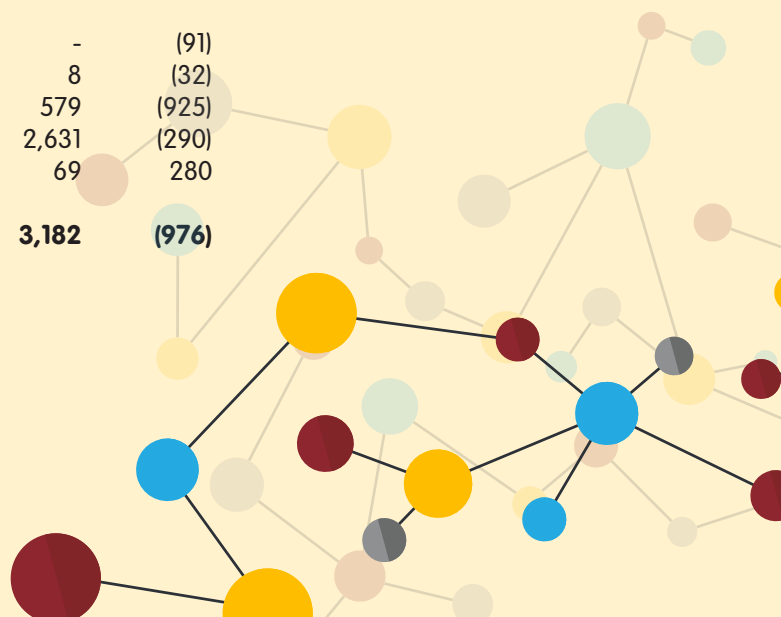
	2017/18 £'000	2016/17 £'000
Net rental income	11,082	10,838
House sales	184	655
Other income	811	952
Grants from Scottish Government and other agencies	88	238
Interest received in the year	3	3
Total income	12,168	12,685

Our costs during the year were:

	£'000	£'000
Repairs	2,072	1,736
Planned maintenance	857	925
Management costs	3,784	4,063
Service costs	80	79
Interest payable	2,661	2,505
Cost of sales for houses sold	174	618
Other costs	129	414
Depreciation of housing properties	2,311	2,179
Bad debts	205	84
Total costs	12,273	12,603

Other financial adjustments :

	£'000	£'000
Change in value of pension assets	-	(91)
Tax	8	(32)
Actuarial Gain / (Loss) in respect of pension scheme	579	(925)
Fair value gain / (loss) on financial liabilities	2,631	(290)
Revaluation of investment properties	69	280
(Deficit) / Surplus for the year	3,182	(976)



A summary of the Group's Statement of Financial Position as at 31 March 2018 is as follows:

	2017/18 £'000	2016/17 £'000
Fixed assets	84,594	83,866
Current assets	4,230	4,373
Current liabilities	(2,662)	(2,884)
Net current assets	1,568	1,489
Total assets less current liabilities	86,162	85,355
Creditors : amounts falling due after more than 1 year	(80,769)	(82,901)
Provisions for liabilities	(3,465)	(3,709)
Total Net Liabilities	1,927	(1,255)
Revenue reserve	(8,662)	(12,074)
Revaluation reserve	10,589	10,819
Capital and reserves	1,927	(1,255)

The Group turnover has decreased in the year by £46k, down to £11.98m. Operating expenditure has also decreased by £43k to £9.44m, however, the current year expenditure includes an increased investment of £336k in repairs to housing stock and the development of 19 additional units at Crombie.

Also included in the Group results for the year is the movement in our complex financial arrangements of £2.63m and the annual actuarial gain in respect of the pension scheme at £0.58m.

Taking all of the above into account a surplus for the year arose of £3.18m, improving the Statement of Financial Position from a net liabilities position of £1.255m to a net asset position of £1.927m, mainly as a result in the movement in the pension and derivative numbers during the year.

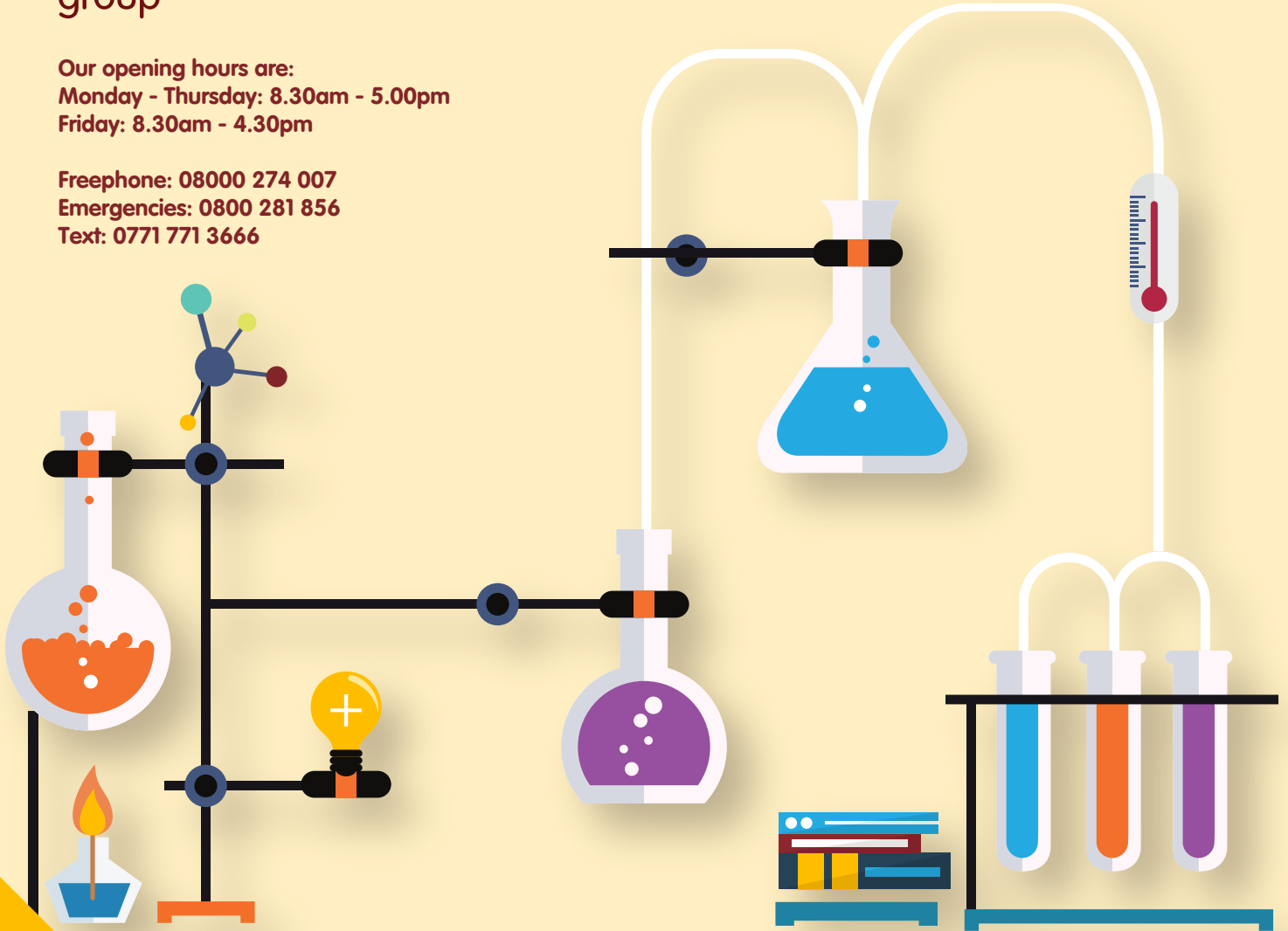
Cash has increased from £3.3m to £3.5m at the end of the financial year and all lender loan covenants have been met.

at home with...

fife 
housing
group

Our opening hours are:
Monday - Thursday: 8.30am - 5.00pm
Friday: 8.30am - 4.30pm

Freephone: 08000 274 007
Emergencies: 0800 281 856
Text: 0771 771 3666



**Fife Housing Group, 7 Pitreavie Court,
Pitreavie Business Park,
Dunfermline, KY11 8UU**
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Website: fifehg.org.uk

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Scottish Charity Number: SC025647
Scottish Housing Regulator Registration Number: 295
Registered Society under the Co-operative and Community Benefit
Societies Act 2014 Registration Number 2476 R(S)
Property Factor Registration Number PF000142