



A review of Sandbourne's business for the year to September 2021 – an annual update

Introduction

Following the formal AGM in September, which we limited to shareholders only due to the ongoing high level of Covid-19 infections in the country, we thought that it would be good to share with you some information on the activity and management of Sandbourne over the last year.

The Financial Statements cover the year to 31 March 2021 and a summary of the income and expenditure for that period is included in this review. The Financial Statements were approved at the AGM and are now available on our website or by contacting the office. All other information in this review goes up to September 2021.

Inevitably we have had to limit the information that we can include in this review, so that the document is manageable and, we hope, interesting and informative. If there is anything that you think is missing, or you would like information on other aspects of Sandbourne's work, then please let us know and we will look to include other reports in future quarterly newsletters.

We value your interest in and input to the work that we carry out and want to be as open as possible about our plans and strategies and how they will impact you. We look forward to hearing from you.

*Fiona Ferenczy
Chief Executive*

The Coronavirus Pandemic

Inevitably, managing our activities, priorities and performance over the last year has been complicated by the coronavirus pandemic. In response we adopted a new over-riding objective to keep everyone safe whilst still providing the best service that we could.

The last 12 months (*since September 2020*) began relatively positively with our office opening hours returning to normal and the establishing of several 'safe' hubs to provide an opportunity for team members to meet with residents by appointment. Sadly, this did not last long with rising infection rates initially prompting the government advice to work from home arriving the following month, and then a further lockdown announced in January 2021.

Largely, as a result of what we learned in the first lockdown, throughout this we were able to:

- Ensure that our telephone service continued to operate during normal office hours.
- Carry out essential health and safety checks in communal areas, and gas servicing in residents' homes.
- Work with our contractors to maintain an emergency repairs service.
- With some limitations, re-let vacant homes.
- Ensure that communal areas and grounds were maintained as normal.

In February 2021, the government published their 'Road Map out of Lockdown' which we used to develop the 'Sandbourne Road Map', re-instating services and normal ways of working gradually until all restrictions were lifted in July this year.

We fully appreciate just how difficult the last 19 months have been for everyone connected to Sandbourne and once again offer our thanks to all concerned for their patience and understanding throughout what has been an unprecedented time.

Progress against the Aims and Objectives of Sandbourne's Business Plan

Sandbourne's Board have identified five main objectives for the next five years in its current Business Plan. This is a brief summary of those objectives and any progress made to achieve them.

- **Internal growth in the number of properties for rent** – the aim is to increase the number of properties for social rent by 12 in the five-year period. Three new properties were added in 2019, the refurbishment of the 12 flats at Ace Court is continuing and we have now started work building six new properties in Poole, which should be completed in the summer of 2022.
- **External growth in Sandbourne's links with other small local housing associations** – this has been put on hold due to the restrictions and challenges of the pandemic.
- **Asset management** – looking to make the best use of all the assets owned and managed by Sandbourne. This has included buying back two flats in blocks where Sandbourne owns the freehold and letting those properties out at market rent for a limited period to help recoup the cost of purchase. And identifying that the communal lounge in the St Kilda block at the Stourwood Avenue site was under-used, so converting it into two flats to house two more people in housing need.
- **Services to residents** – the main aim here was to improve and increase the options for engaging with you, our customers. The work carried out in this area is covered elsewhere in this review of the year.

- **Promotion of social benefit** – looking at ways to promote the overall wellbeing of residents through their occupation of Sandbourne’s homes. This is a difficult concept to grasp but it has been shown that the provision of stable, good quality housing is a major promoter of wellbeing and security. Almost all of Sandbourne’s homes offer affordable rents and security of tenure and we also look to support residents to transfer to other Sandbourne homes as their housing need changes over time.

Review of Sandbourne’s Board activity over the last year

Sandbourne’s Board has met seven times since its 2020 AGM. Five of those meetings were in person, held at the Cumberland Hotel in Bournemouth. The remaining two meetings were held virtually due to the lockdown restrictions. The average attendance of Board members at those meetings was 81.5%. The Board discussed a wide range of topics in their meetings but the main areas covered included:

- Covid-19 restrictions and how Sandbourne could manage its business while still complying with them.
- Fire safety in all of Sandbourne’s communal blocks. Other health and safety matters also featured prominently.
- The new development in Poole, both the arrangements and decisions that needed to be taken to facilitate the development and the ongoing management of the building work now that it has started.
- Resident engagement and how we can both improve the existing options and offer new ones.
- Options to extend and improve the Careline offered to our 60+ residents.
- The adoption of a new Code of Governance to help the Board manage their affairs.
- Consideration of the government’s new White Paper – “Charter for Social Housing Residents” – and how Sandbourne will respond and adapt to the proposed requirements of this Charter.

The Board currently has ten members, meaning that we have two potential vacancies. This is because two members stepped down from the Board at the recent AGM – Paul Frith (having served his full nine-year term allowed) and Theresa Saunders (having completed a three-year term as a Resident Board member). Liz Lees also stepped down as Chair of the Board, having completed a three-year term, although she remains a Board member. The new Chair is Maria Byrne.

Included with this review of the year is a letter outlining the desired skills of any new Board members. If you have any of those skills and are interested in being part of the decision-making process for Sandbourne, then please consider applying.

Review of Resident Engagement

During the year, we commissioned an independent consultant to undertake a comprehensive review of our approach to resident engagement and involvement. The purpose of this was to compare what we do at the moment with, and for, residents to the National Housing Federation's 'Together with Tenants Charter'. This is a nationally recognised framework designed to help strengthen the relationship between housing associations and their residents.

This is a major piece of work, with the results and recommendations being used to create an Action Plan that is likely to take several years to complete. However, we have made a good start with a number of the initial milestones already achieved. In particular:

- The staff appraisal process has been modified so that each member of the team, regardless of their role or position, is expected to evidence the part they play in delivering the objectives of the Business Plan, effective resident involvement and engagement being a key part of this.
- We have begun consulting residents on a new range of service standards that we expect to be complete early in the new year. Going forward, we will publish the results of this consultation, measure our future performance against the new standards, and publish the results to residents and other stakeholders.
- Following the easing of the remaining pandemic restrictions in July, we undertook planned visits to many of our general needs 18+ sites to provide an opportunity for residents to speak to us on a face-to-face basis again. We would like to thank those who took the time to speak to us. We expect to be able to spend more time on-site generally in the coming year and make these planned visits an annual event for the future.

During the coming year we expect to build on what has been achieved so far, giving more residents a say in shaping the service that we provide and being open and accountable about how we are performing.

Summary of Financial Statements for the year ended 31 March 2021

Income for the year was £2,665,258, made up as follows:

	2021	2020
Turnover (income)	£	£
Rent	2,149,757	2,131,075
Service charges	447,100	475,274
Support income	32,303	35,170
Grant income allocated to this year	58,823	54,301
Less: Rent lost on empty properties	<u>(22,725)</u>	<u>(27,566)</u>
	<u>2,665,258</u>	<u>2,668,254</u>

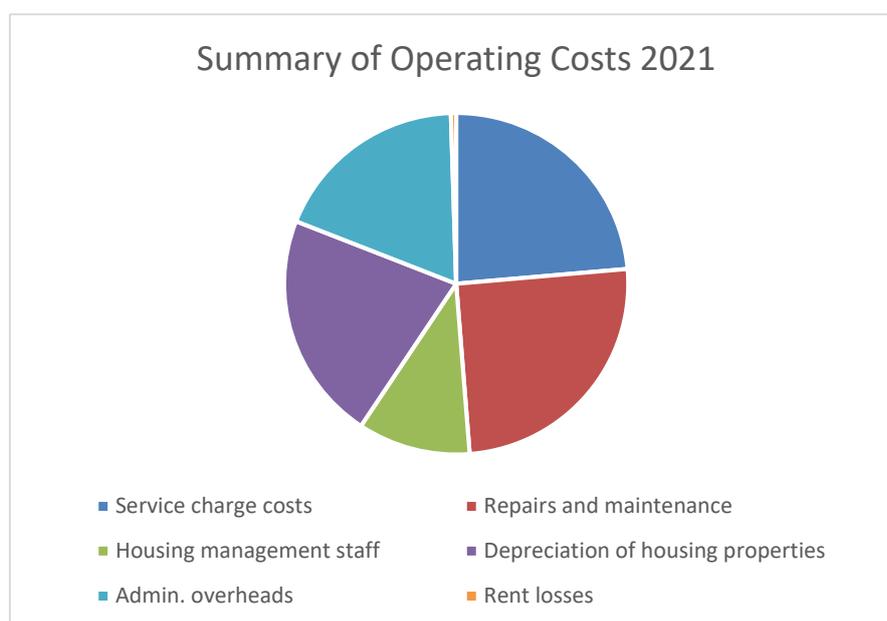
Rents were increased by 1.7% (the CPI for September 2020 plus 1%), as allowed by government guidance. Service charges are calculated based on actual expenditure in the previous year.

Costs directly related to the day-to-day provision of social housing (Operating Costs) were £2,046,624. The detail of these costs is:

	2021	2020
	£	£
Operating Costs		
Service charge costs	483,267	522,807
Repairs and maintenance	514,446	382,856
Housing management (staffing costs)	216,709	224,756
Depreciation of housing properties	442,584	439,094
Admin overheads	379,510	375,681
Rent and recharge arrears written off	10,108	3,896
	<u>2,046,624</u>	<u>1,949,090</u>

Significant fire safety work was carried out in the year, predominantly on the 60+ developments. This amounted to £134,025 which is included in the Repairs and Maintenance expenditure.

The breakdown of expenditure can be more visually represented by a pie chart.



The detailed Financial Statements for the year ended 31 March 2021 are shown on our website or can be obtained from the office and were approved at our Annual General Meeting in September 2021.

Key Performance Indicators

We currently have a range of indicators that we measure quarterly, and report to the Board how we are performing. The table below provides a summary of these with a commentary relating to the latest quarter where necessary:

Key Performance Indicator	Target	Sept 21	Jun 21	Mar 21	Dec 20	Commentary
Re-let period in calendar days	21 days	85	48	51	137	See below
Rent lost from void properties	<1.0%	1.65%	1.49%	0.93%	0.42%	
Rent arrears (target < 1.5% of annual income)	£39,874	£39,714	£54,637	£43,806	£38,360	Performance influenced by the payment of housing benefit
Emergency repairs completed in 24 hours	100%	96%	96%	96%	100%	See below
Average completion time for repairs	14 days	7.51	4.61	5.94	6.71	
Gas boilers serviced within 12 months	100%	100%	100%	100%	100%	
Communal fire alarms and emergency lights serviced	100%	100%	100%	100%	100%	
Communal lifts serviced	100%	100%	100%	100%	100%	

Both the number of days taken to let a property and void loss were significantly affected by the pandemic and our decision to suspend lettings at Craigleith, the extra care scheme in Bournemouth. These vacant homes were all let in the quarter to the end of September 2021.

55 emergency repair requests were received in the last quarter, and 53 of these completed within 24 hours. Of the two not completed within time, we attended both within the expected timescale and made safe but parts were required to complete the repairs which were provided within five and 29 days respectively.

In addition, a Fire Action Plan has been developed with new Fire Risk Assessments undertaken for the Bournemouth 60+ resulting in extensive works in communal areas and the fire doors in those locations. To-date, £212,353 has been committed to improving fire safety. This investment will continue over the next year as we begin to focus on individual flat doors and other blocks.