



**CORNWALL
RURAL
HOUSING
ASSOCIATION**



Percy's Meadow, Blisland



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West Beckon Close, Shop, Morwenstow



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**Cornwall Rural Housing Association Limited is a charitable Industrial and Provident Society
(Registered No. 24935R)**

Chairman's Report

Introduction

I am very pleased to report that 2008/2009 saw Cornwall Rural Housing Association (CRHA) continue to develop good quality affordable housing for rent. We added 24 new homes to our housing stock which means that we now manage 250 homes throughout Cornwall and on the Isles of Scilly.

We aim to provide a good quality housing management service to our existing tenants. The Tenants Survey we carried out during the year indicated that 91% of our tenants were either very satisfied or satisfied with the services we provide.

We continued our work with Cornwall Community Land Trust (CCLT) which included the completion of 6 homes for sale at affordable price to qualifying local people at Blisland. CCLT has also provided advice and assistance to local communities throughout the county to develop innovative solutions to meet local housing needs, most notably at St Minver where the St Minver Community Land Trust completed the development of 12 self build homes.

There were significant changes in our operating environment during the year with the replacement of the Housing Corporation with both the Homes & Communities Agency and the Tenant Services Authority; and also the change to a unitary council for Cornwall. We will continue to work hard to ensure that we form productive working relationships with all of the new bodies.

New Developments

During 2008/2009 we completed 24 homes, all to EcoHomes Very Good standard, in three separate developments at Blisland, Marhamchurch and Morwenstow.



The **Blisland** development comprised 7 homes for rent whilst a further 6 houses were built on behalf of Cornwall Community Land Trust. Grant funding for the rented homes came from the Housing Corporation and North Cornwall District Council. North Cornwall District Council also provided some assistance with the development finance for the houses for sale, as well as donating the land. The 6 houses for sale are to be sold to qualifying local people at prices which are within the affordable price limits, as set by North Cornwall District Council. All of the homes have heating and hot water supplied by ground source heat pumps, supplemented by multi-fuel stoves.

At **Marhamchurch**, 4 houses were built on land donated by North Cornwall District Council with grant funding from the Council and the Housing Corporation. The houses all have gas-fired central heating and multi-fuel stoves.



The development at **Morwenstow** was an extension of our existing housing scheme and provided 7 homes with grant funding from the Housing Corporation and North Cornwall District Council. All of the homes have heating and hot water supplied by ground source heat pumps, supplemented by multi-fuel stoves.

Developments in preparation.

Last year we reported Housing Corporation funding allocated for an additional 21 homes at **Delabole**; design work has progressed and a planning application submitted with a view to a start in the autumn. On the **Isles of Scilly** we have planning consent for 6 houses spread across the off islands of St Agnes, St Martins and Bryher but very high building costs had proved a barrier to securing Housing Corporation funding. Ironically, recession has provided salvation in that tender prices have sharpened considerably whilst increased government allocation to the HCA is providing a “now or never” opportunity to gap fund this development for 2009/10. At **Landrake** we have land with planning permission for 4 homes, subject to gaining HCA funding, and a similar prospect on **St Mary’s** for two homes. Schemes are also in preparation for 8 homes at **Poundstock** and 4 at **Kilkhampton**.

CRHA and CCLT have developed a valuable joint project relationship with potential bids for mixed rent and cost price sale developments at **St Ewe, St Minver, The Lizard, and Menheniot**. However, there are different funding routes for CRHA’s rented and CCLT’s sale units (still evolving) so bringing these two streams together simultaneously is exceptionally challenging. The total development pipeline represents a huge work load for, essentially, our Director; it is helpful that CRHA and CCLT have agreed in principle that the CLT Manager, will undertake certain development tasks for CRHA on a rechargeable basis if he has spare capacity to do so.

Elsewhere, after careful review, CRHA reluctantly declined 2 opportunities to purchase houses from private developers fulfilling Section 106 Affordable Homes obligations because the designs fell short of our clearly communicated standards. We hope this will send a clear message to developers that design requirements, in particular space criteria, must be met.

Cornwall Community Land Trust Project

We were grateful to The Tudor Trust for providing additional grant funding to allow our Cornwall Community Land Trust Project to continue for what was effectively a third year. This funding allowed time for Cornwall Community Land Trust to arrange its own finance and to start earning income from the many projects which are at various stages of development. One major step forward was the agreement by Cornwall County Council to provide Cornwall Community Land Trust with a £1million revolving development fund.

Our work in establishing CCLT means that during 2008/2009 support has been provided to a number of local groups with three making significant progress. **St Minver CLT** completed 12 self build bungalows and are already at the advanced stages of agreeing a second phase of a further 12 homes. **St Just-in-Roseland CLT** and **St Ewe Affordable Homes** continued to make progress on their respective projects, all with huge amounts of effort from their voluntary trustees with support from the respective local authorities and Alan Fox, our Community Land Trust Project Manager.

The success of the Project has generated a great deal of interest, both locally and nationally. We receive regular requests for information and advice from a range of individuals and organisations. During the year the development at St Minver was visited by Grant Shapps MP (Shadow Housing Minister) and Mark Prisk MP (Shadow Minister for Cornwall). The development at Blisland was visited by Nick Clegg MP and Dan Rogerson MP. The schemes at Blisland and St Minver were both referred to in Parliament during the closing debate on what became the Housing and Regeneration Act 2008 (Hansard 21st July 2008, columns 600-601 and 604-605). Matthew Taylor MP also visited the CRHA offices to discuss the CLT Project when researching "Living Working Countryside: The Taylor Review of Rural Economy and Affordable Housing".

CRHA Finances

Our operating budget remains in good heart thanks to tight management by the Director and the Finance Officer. The Board reviews progress at each meeting and receives good backup from its internal and external auditors. Reduced interest charges have strengthened the revenue position, supporting our extensive pipeline of development activity. In a deteriorating capital borrowing market, we were very pleased to secure a loan facility of £2.9million on competitive terms from Triodos Bank.

The Board and Governance

Our new co-opted member – Brian Peters – was elected at last years AGM and Pam Gamon decided to retire after 6 years of enthusiastic contribution for which we are most grateful. Val Newman agreed to be co-opted on the Board and brings much local community understanding to our work.

The Board meets formally at least 6 times each year with the formal meeting supplemented by tours of existing and potential locations. An "awayday" gave the Board the opportunity to review fundamentals, particularly important in such changing and demanding times. The Board affirmed its view that there was a continuing role for CRHA as an independent organisation and that we needed to work hard to ensure that our reliable track record of delivering individually designed, high performance small developments which fit successfully into rural communities across Cornwall and the Isles of Scilly was recognised by the Homes & Communities Agency and Cornwall Council.

The “awayday” also gave the Board the opportunity to consider the results of the Tenant Satisfaction Survey completed during the year, the headline being 91% of respondents expressed satisfaction with the service provided.

Challenges

The end of the Housing Corporation and the establishment of the Homes & Communities Agency and the Tenant Services Authority is a significant change to our operating environment, as is the establishment of a unitary local authority for Cornwall. We have had positive early experience of the new organisations and we intend to build on those to establish productive working relationships.

The ongoing financial crisis has caused a shortage of affordable loan finance for the housing sector generally, but we secured the Triodos loan facility on competitive terms and we have received indications that further funding will be available. We continued to access grant funding directly from the Housing Corporation and we have since received further allocation of grant from the new Homes & Communities Agency.

We are concerned not to overlook the importance of managing our existing housing stock. The Board has decided to give priority to increasing the staff resource available to managing our repair and renewal programme to best effect. Fuel poverty is a serious issue throughout Cornwall and the lack of access to mains gas in much of the County combined with the spike in oil prices has emphasised the need to identify solutions which provide decent levels of thermal comfort at an affordable price.

Conclusion

Good progress this year has been due once again to our excellent staff and Peter Moore’s acute but amiable leadership. All of the management and development achievements reported here are due to the full-time equivalent of 5.2 posts contributing enthusiastic commitment well beyond the call. The route to achieving a development of new homes on the ground is as complex for 6 as it is for 60 and calls for endless patience, ingenuity and calculated risk taking.

We are very grateful to the financial support given by the Homes & Communities Agency and Cornwall Council’s predecessor bodies; we are dependent on their confidence that we will continue to deliver thoughtful solutions to the housing problems of individual communities.

The challenges for the next year are even greater than the last - but so are the opportunities. I am most grateful to our entirely voluntary Board for their continued robust, good natured and perceptive enthusiasm for tackling both.

Peter Mansfield
Chairman
29 June 2009

Members of the Board of Management

Chairman:

Peter Mansfield LL.B (Hons) MRICS

Vice-Chairman:

Hugh Murton FRICS

Treasurer:

Graham Facks-Martin

J M Williams FRICS DL

Roger Jones FCCA

Anthony L Venning DMS

Stephen Watson Dip TP MRTPI (retd)

Katherine Uren

Stuart Cooper

Val Newman

Brian Peters (*retired September 2009*)

President:

Michael Galsworthy CVO CBE

Staff

Director:

Peter Moore B.Sc., Member - Chartered Institute of Housing

Finance Officer:

Marie Baker Associate - Chartered Institute of Management Accountants

Housing Officer:

Jennie Harrison BTEC HNC - Housing Studies

Clerical Officers:

Jenny Hoskin

Pat Dilworth

Community Land Trust Project Manager:

Alan Fox B.A. (Hons.), Member - Royal Institution of Chartered Surveyors

Member - Chartered Institute of Housing

Financial Information 2008/2009

Income and Expenditure		
for the year ended 31 March 2009	2009	2008
	£	£
Income:	1,070,969	981,144
Less repairs and operating costs:	(610,776)	(607,941)
Gives an operating surplus of:	460,193	373,203
Plus interest we received:	5,220	9,212
Less interest and similar charges payable:	(391,411)	(356,268)
Gives a surplus (deficit) on ordinary activities of:	74,002	26,147
Plus transfers from reserves for maintenance:	0	0
Plus reserves brought forward from previous year:	322,862	296,715
Results in general reserves at the end of the year of:	396,864	322,862
Balance Sheet	<u>2009</u>	<u>2008</u>
as at 31 March 2009		
	£	£
<u>What we own</u>		
Cost of our investment in houses	19,433,653	17,658,086
Less Social Housing Grant	(11,858,852)	(10,870,485)
Investment in computers and other equipment	4,504	8,884
Cash we have and money we are owed less bills not paid	(75,355)	(211,950)
Total assets less current liabilities	7,503,950	6,584,535
<u>How we fund it</u>		
By borrowing long term for housing	6,701,459	4,856,049
Called up share capital	43	40
Reserves for specific purposes	405,584	405,584
General reserves	396,864	322,862
Total funding	7,503,950	6,584,535
<p><i>The above information represents an extract from the audited Financial Statements for the year ended 31 March 2009.</i></p> <p><i>Copies of the full Financial Statements for the year ended 31 March 2009 are available on written request to the Secretary at the Registered Office of the Association.</i></p>		

Statistics for the year ended 31 March 2009

Staff	2009	2008
Full-time	4	4
Part-time	2	2

Housing stock	2009	2008
1 bedroom	2	2
2 bedrooms	122	111
3 bedrooms	123	117
4 bedrooms	3	2
Total	250	232

Rents	2009		2008	
Average weekly rents on assured tenancies	Number	Average rent	<i>Number</i>	<i>Average rent</i>
One bedroom	2	£63.91	2	£59.30
Two bedrooms	122	£74.79	111	£70.48
Three bedrooms	123	£84.24	117	£79.58
Four bedrooms	3	£91.17	2	£82.40
Average increase in assured rents	6.11%		4.38%	

Rent Collection	2009	<i>2008</i>
Gross rent receivable	£989,080	<i>£862,279</i>
Actual rent received	£982,032	<i>£870,812</i>
Proportion of rent receivable actually collected	99.29%	<i>100.99%</i>

Rent Arrears	2009	<i>2008</i>
Total arrears on current tenancies	£32,289.50	<i>£25,555.33</i>
Total arrears on terminated tenancies	£1,741.61	<i>£1,306.92</i>
Total gross arrears	£34,031.11	<i>£26,862.25</i>
Total current arrears as a percentage of rent debit	3.26%	<i>2.73%</i>
Total gross arrears as a percentage of rent debit	3.43%	<i>2.87%</i>
Note:		
1. The current arrears figure includes an estimated £13,211.36 due from Housing Benefit (2008 figure - £3,682.03)		

Repairs			
	No. of orders	Target	Repairs completed within target
Emergencies	24	1 day	100%
Urgent	269	7 days	70%
Routine repairs	215	28 days	78%

Lettings in 2008/2009

During 2008/2009 we rehoused	10	households in properties vacated by tenants moving elsewhere
and	10	households in newly built properties
Of these households,	15	were nominations from local authorities
	3	were direct applicants
and	2	were tenants transferring to another property
The longest time any of our properties was empty before being relet was	4	weeks (including time spent carrying out repairs before being relet)
The average time our properties were empty before being relet was	15	days.

CRHA in Caradon

Size of homes	No.	Average rent
Two bedrooms	19	£75.57
Three bedrooms	28	£84.77
Four bedrooms	1	£93.46
Total	48	£81.31
Number of lettings during 2008/2009	3	

CRHA in Carrick

Size of homes	No.	Average rent
Two bedrooms	13	£72.93
Three bedrooms	13	£80.13
Total	26	£76.53
Number of lettings during 2008/2009	0	

CRHA on the Isles of Scilly

Size of homes	No.	Average rent
Two bedrooms	9	£80.86
Three bedrooms	9	£89.31
Total	18	£85.08
Number of lettings during 2008/2009	0	

CRHA in Kerrier

Size of homes	No.	Average rent
Two bedrooms	18	£73.59
Three bedrooms	11	£85.29
Total	29	£78.03
Number of lettings during 2008/2009	2	

CRHA in North Cornwall

Size of homes	No.	Average rent
Two bedrooms	42	£74.14
Three bedrooms	35	£83.29
Four bedrooms	1	£96.11
Total	78	£78.53
Number of lettings during 2008/2009	13	

CRHA in Penwith

Size of homes	No.	Average rent
Two bedrooms	6	£75.04
Three bedrooms	14	£84.24
Total	20	£81.48
Number of lettings during 2008/2009	0	

CRHA in Restormel

Size of homes	No.	Average rent
One bedroom	2	£63.91
Two bedrooms	15	£74.97
Three bedrooms	13	£84.54
Four bedrooms	1	£83.93
Total	31	£78.56
Number of lettings during 2008/2009	2	