

CHISEL Ltd
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Annual General Meeting & Tenants Evening

Join the Board and staff of CHISEL for our AGM

drinks

buffet food

and a discussion of the massive changes coming in social housing

**Thursday 24 Sept
6:30-8:30 pm**

**Terrace Room
The Library at
Deptford Lounge
9 Giffin St, SE8 4RW**

AGM is on Thurs 24 Sept!

Chair's Report

I would like to start by offering thanks from both Jill and myself for the support and assistance from all CHISEL staff as we took on the daunting task of following Wendy Newell in leading CHISEL as Chair.



It is quite a privilege to be able to introduce this annual report and I am pleased that I am able to report that CHISEL remains a strong and stable small Housing Association as we enter another challenging period in our history.

The first of those challenges is that the new Government is requiring registered Housing Associations to reduce their rent by 1% from next year. Although we may agree with the sentiment behind this approach, it means that our financial plans (including interest payments on the loan agreements we have with our banks) will be harder to achieve, as our operating costs are only increasing.

Similarly there is the impact of 'pay to stay' where tenants in London earning over £40k p.a. (and out of London, over £30k pa) may have to pay higher rents, and the extension of the Right to Buy to housing association tenants. CHISEL is a charitable housing association whose principal function is to provide affordable housing and it is difficult to see how the discounted sale of our homes can contribute to our charitable aims.

The years to come will be a challenge but the Board of CHISEL looks forward to working with you to keep CHISEL a strong and stable business providing good quality homes.

David Eatwell, Chair

David became Chair in May 2015, taking over from Jill Gettrup.

Managing Directors Report



Overall it has been a good year for CHISEL - although it has also been a year of change.

As David our Chair has outlined, we have had two changes of Chair since the AGM last September. Jill Gettrup took over as Chair at the AGM last year, but as a result of relocating out of London, she handed the reins to David Eatwell in May. I would (on behalf of everybody at CHISEL) like to thank Jill for everything she has contributed during her 5 year tenure on the Board. Jill's work on helping us focus on our vision and values as an organisation has been invaluable. We wish Jill and her family well in their new home.

Other significant changes over the last year have been:

- ◆ Replacing our responsive maintenance contractor
- ◆ Setting up the Operational Scrutiny Committee (OSC) and working with residents to improve our services.
- ◆ Exploring opportunities to provide new homes in both Brighton & Lewisham in partnership with others.

Our repairs and maintenance service is extremely important to us, it is the reason why most tenants contact us, and the source of most of our feedback - and complaints. We recognised that the service was not as good as it could be and changed contractors last September. Since this change, we have received very positive feedback about the new contractors. However, we recognise that there is still more work to do in this area and by working with tenants on Operational Scrutiny Committee we will look to make further improvements over the next year.

Operational Scrutiny Committee has made a big difference already within CHISEL and I would like to thank those tenants who have participated in the OSC over the past year. It has been great to have tenants more involved in our work, shaping our services and guiding the direction of our policies.

As David has outlined, we are facing a very challenging time in the next few years, a great many changes are coming within the housing sector, which will be outlined in the new Housing Bill later this year. We are a small association compared to many others within the sector, but despite our size, we believe that small associations like ourselves have a pivotal role in meeting housing need, both now and in the future.

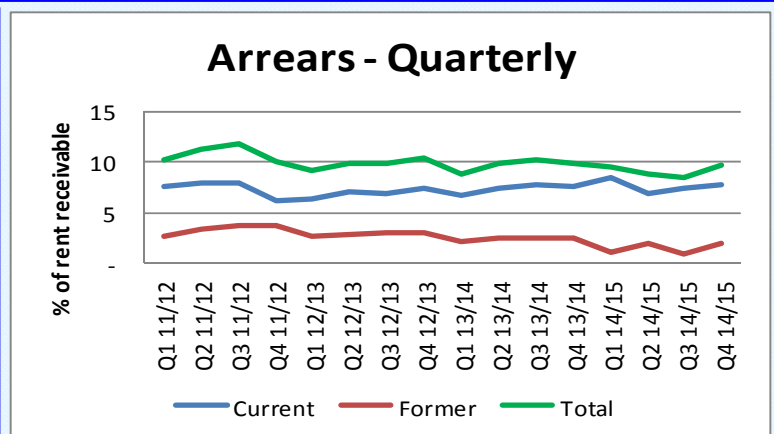
Planned maintenance: we replaced 10 kitchens, 13 boilers, 3 bathrooms, and painted the outside of 36 homes.

Lettings: 13 new lettings. The average relet time was 38 days; a little high, due to the difficulty of letting rooms in shared housing. We lost £7,646 through voids, 0.9% of the annual rent due.

Complaints: CHISEL has changed the way we record complaints, so more of the feedback given by tenants is now noted as a complaint.

In 2014-15 we received 18 complaints; 14 were about CHISEL's customer service, and 4 were about behaviour of CHISEL tenants.

5 complaints were upheld, 11 were not upheld, and 2 were unresolved within our procedure.



Finance Report

2014/15 has been a financially strong year for CHISEL. For the financial year ended 31 March 2015 the organisation generated an operating surplus of £412,000. From this, we have to repay our housing loans which amounted to £117,000, giving us an overall surplus on activities for the year of £296,000. This compares very favourably to a budgeted surplus of £182,000. Both the Board and the management team carefully monitor the expenditure against the budgets that are set at the start of the year and no spending decisions are taken without giving them due consideration. This will become even more important next year as the Welfare Reform Bill and the rent restrictions imposed by Central Government start to bite.

Our accumulated surpluses now total £1.85m. This gives us a great level of security with regard to anticipated interest rate rises or unexpected maintenance costs that may arise in future years, and it also enables us to give due consideration to other business opportunities that may arise.

The balance sheet shows CHISEL's assets and liabilities at the end of the financial year. The value of our properties is shown as £4.3 m (£19.3m less the £15m we have received in grants). CHISEL also owns approximately £31,000 of other fixed assets such as computer equipment and furniture. Net current assets of £472,000 represents the amount of money we have in the bank and other money owed to us (mainly unpaid rents), less the money that we owe our suppliers in unpaid bills and loan repayments for the year. This has grown from £312,000 last year and is a key measure of the organisation's financial strength.

The total of our assets less our liabilities is £4.84m. The bottom half of the balance sheet shows that this is made up of loans that we are due to repay in the future of £2.99m, and reserves that we have built up over the years of £1.85m.

CHISEL Ltd		
Summary Financial Statements	2014/15	2013/14
	£'000	£'000
Income and Expenditure Account		
Turnover	<u>1,362</u>	<u>1,300</u>
Operating costs	<u>(950)</u>	<u>(939)</u>
Operating surplus	412	361
Interest receivable	1	4
Interest payable	<u>(117)</u>	<u>(120)</u>
Surplus on ordinary activities for the year	296	245
Transfer from major repairs reserves	56	
Revenue surplus at start of year	<u>1,493</u>	<u>1,248</u>
Revenue surplus at year end	<u>1,845</u>	<u>1,493</u>
	£'000	£'000
Balance Sheet		
Cost of housing	19,312	19,374
Less grants	<u>(14,977)</u>	<u>(14,977)</u>
	4,335	4,397
Other fixed assets	31	48
Net current assets	471	312
Total assets	<u>4,837</u>	<u>4,725</u>
Housing loans	2,992	3,176
Designated reserves	0	56
Revenue surplus	<u>1,845</u>	<u>1,493</u>
	<u>4,837</u>	<u>4,725</u>

Operational Scrutiny Committee report



CHISEL has a new committee, where tenants come together to examine how to make the association work better, and to improve services to all our tenants.

The big topic for this year is maintenance, possibly the subject closest to residents' hearts. The OSC is looking at all aspects of the repairs and improvements CHISEL makes: how we handle the repair problems residents report, how we plan replacement kitchens and bathrooms and painting the exteriors, the management of contractors, right through to checking resident satisfaction with a repair.

Operational Scrutiny Committee meets several times a year, but a lot of the work is done in working parties which concentrate on an area in detail.

There are seven tenants involved in the process, so far. Tenant Jo Van Der Meer explains why she has joined in:

“I'd like to ensure that Chisel and its tenants get the best value for money – so any money spent is well spent! And to weed out rogue maintenance delivery which Chisel isn't always best able to evaluate – the tenants have a better idea of what goes on when maintaining their homes and it's important for tenants to be involved with this.

“If tenants care about their homes, they will want to be involved... and it's also a great way to get free drinks and sandwiches from Chisel, when else are you likely to get this from them on a regular basis? Seriously though, it's great to know that decisions made at the meeting carry through to getting a better/ the best maintenance service, after all, it's about the most important thing in terms of anyone's housing.”

Peter Webb, also a CHISEL tenant, adds:

“I joined the OSC to learn more about the processes involved in delivering a good service to residents. I believe we can improve some areas that residents are interested in and would encourage other residents to get involved and improve the service provided.”

As you can see, other tenants would be welcomed to join this crucial work. Contact Mark Allan, Coops and Tenants Officer if you would like to become involved.

WHO'S WHO IN CHISEL

Managing Director:	Pauline Goodfellow (3 days pw: various)	director@CHISEL.org.uk
Housing Manager	Clare Canning (4 days pw: Monday to Thursday)	housing@CHISEL.org.uk
Rents Officer	Flos Marriott (2 days pw: Tuesday & Thursday)	rents@CHISEL.org.uk
Maintenance Officer	Christopher Hatcher (4 days pw: Mon to Thurs)	maintenance@CHISEL.org.uk
Co-ops & Tenants Officer	Mark Allan (2 days pw: Monday & Thursday)	involvement@CHISEL.org.uk
Finance Manager	Nigel Spice (interim) (2 days pw: Monday & Thursday)	financemanager@CHISEL.org.uk
Finance Officer	Shuk-Ling Hou (2 days pw: Wednesday & Thursday)	financeofficer@CHISEL.org.uk